PROPOSED AGENDA
JOINT GOVERNANCE COMMITTEE MEETING
October 20, 2026 at 8:30 a.m.
Videoconference

Members: **Chair Bethaida Gonzalez, John R. Koelmel, Dennis Trainor, Cecily Morris, Lewis Warren, Jr.**

1. **Adoption of the October 20, 2026 Proposed Meeting Agenda**

2. **MOTION TO CONDUCT AN EXECUTIVE SESSION**

3. **MOTION TO RESUME MEETING IN OPEN SESSION**

4. **DISCUSSION AGENDA:**

   a. Diversity, Equity, Inclusion and Accessibility Update – (Nancy Harvey/Will Choi/Pooja Nayyar/Kaela Mainsah)

   b. Appointment of New York Power Authority and Canal Corporation Treasurer – Resolution (Adam Barsky)

5. **CONSENT AGENDA:**

   a. New York Power Authority and Canal Corporation Ethics and Compliance Program Report (Justin Pruyne)

   b. Procurement and Related Reports for New York Power Authority and Canal Corporation (January – June 2026) – Resolution (John Canale)

   c. Approval of Guidelines for Procurement Contracts – Resolution (John Canale)

   d. Approval of Guidelines for Disposal of Personal Property and Expenditure Authorization Procedures for New York Power Authority and Canal Corporation – Resolution (John Canale)

   e. Annual Review and Approval of Guidelines and Procedures for the Disposal and Acquisition of Real Property and Expenditure Authorization Procedures of the New York Power Authority and Canal Corporation – Resolution (Allison Shea)

f. Approval of the Minutes of the Joint Meeting of the New York Power Authority and Canal Corporation Governance Committee held on March 20, 2026

g. Approval of the Minutes of the Special Joint Meeting of the New York Power Authority and Canal Corporation Governance Committee held on June 23, 2026

6. Next Meeting

NEW YORK STATE | NY Power Authority | Canal Corporation

October 20, 2026

Motion to Conduct an Executive Session

I move that the Committee conduct an executive session to discuss matters leading to the possible appointment, employment, or promotion of a particular person or corporation (pursuant to section 105 of the Public Officers Law).

NEW YORK STATE | NY Power Authority | Canal Corporation

October 20, 2026

Motion to Resume Meeting in Open Session

Chair, I move to resume the meeting in Open Session.

NEW YORK STATE

NY Power Authority
Canal Corporation

Governance Committee Meeting

October 20, 2026

NEW YORK STATE

NY Power Authority
Canal Corporation

Diversity, Equity, Inclusion & Accessibility Update

October 20, 2026

Nancy Harvey, Chief Diversity, Equity & Inclusion Officer

Jung (William) Choi, Sr Director Supplier Diversity

Pooja Nayyar, Sr Dir Organizational & Talent Development

Kaela Mainsah, VP Environmental Justice

Opening

Today's Agenda

- Economy
- Employer
- Environment



Today's Agenda

- Overview
- Updates on 3E's of Impact
- Q&A



Fostering Community and Supporting Business Objectives













ERG Impact

In Leaders Words



"ERGs help people use their voice and be heard. They also provide great opportunities to grow and develop leadership skills."

Marwan Madi, Director, Culture of Innovation Programs PIPA ERG Co-Chair



"ERGs serve as the tactical implementation of our strategy. They transform strategy from words on a paper to tangible outcomes and activities."

Liam Biore, Innovation Manager, Veterans ERG COO



"It's easier to work with people when you know more about their story. It makes it feel more like a community and a collaborative environment."

Julene Beckford, Attorney, former Multicultural ERG Co-Chair



"I really get a lot out of interacting with my other ERG leaders – just understanding their perspective on things and what they're looking out for in the workplace."

Cullen Brown, Senior Account Executive, Eco ERG Co-Chair

The Office of Civil Rights and Inclusion expanded six years ago



Increased regional participation and engagement in OCRI programming facilitated by regional DEIA Program Managers



Key role in aligning with existing work and WORKDAY/ Luminate through IDEALS committee



Since 2021, increased questions tied to DEIA on the engagement survey for better, broader measurement



Formalized governance and leadership participation in ERGs and IDEALS Committee



Community relations support for MWBEs identified through Supplier Diversity and People and Values pillar work

OCRI Enables Growth

Professional development across the employee lifecycle

Increasing awareness of accessibility resources

Launched IDEALS Leadership Circles
on increasing the hiring of our interns and apprentices

Supporting MWBEs
Providing professional development and building relationships for services and programs

Economy

2026 Supplier Diversity Expo

ACCESS | CAPACITY: SUPPLIER PIPELINE | SHARED ECONOMIC IMPACT

THEME:
Energizing New York's Economy

Key Speakers:
CFO Barsky,
Director Walsh

Highlighting opportunities in **Clean Energy, Transmission, Customers, Canals.**

1,100
Registered Attendees

70
Exhibitors

2025	
900 Registered Attendees	60 Exhibitors

Over
200
Business Meet-Ups

Doubled
from 2025

X2

Participated in
26+
outreach events in the first half of the year



Attendee Stories

ACCESS

CAPACITY: SUPPLIER PIPELINE

SHARED ECONOMIC IMPACT

PowerUp 2030

NYPA's 1st sector-based business development program.

10-wk program covering renewable energy, risk, safety, O&M, combined with individualized business advising.

Year in Review:

- Partnership with CUNY / LaGuardia Community College.
- 90 Business Graduated as of June 2026.



Graduate Story



Supplier Diversity Programs Graduates

ACCESS | CAPACITY: SUPPLIER PIPELINE | SHARED ECONOMIC IMPACT

Where They Are Based in NY

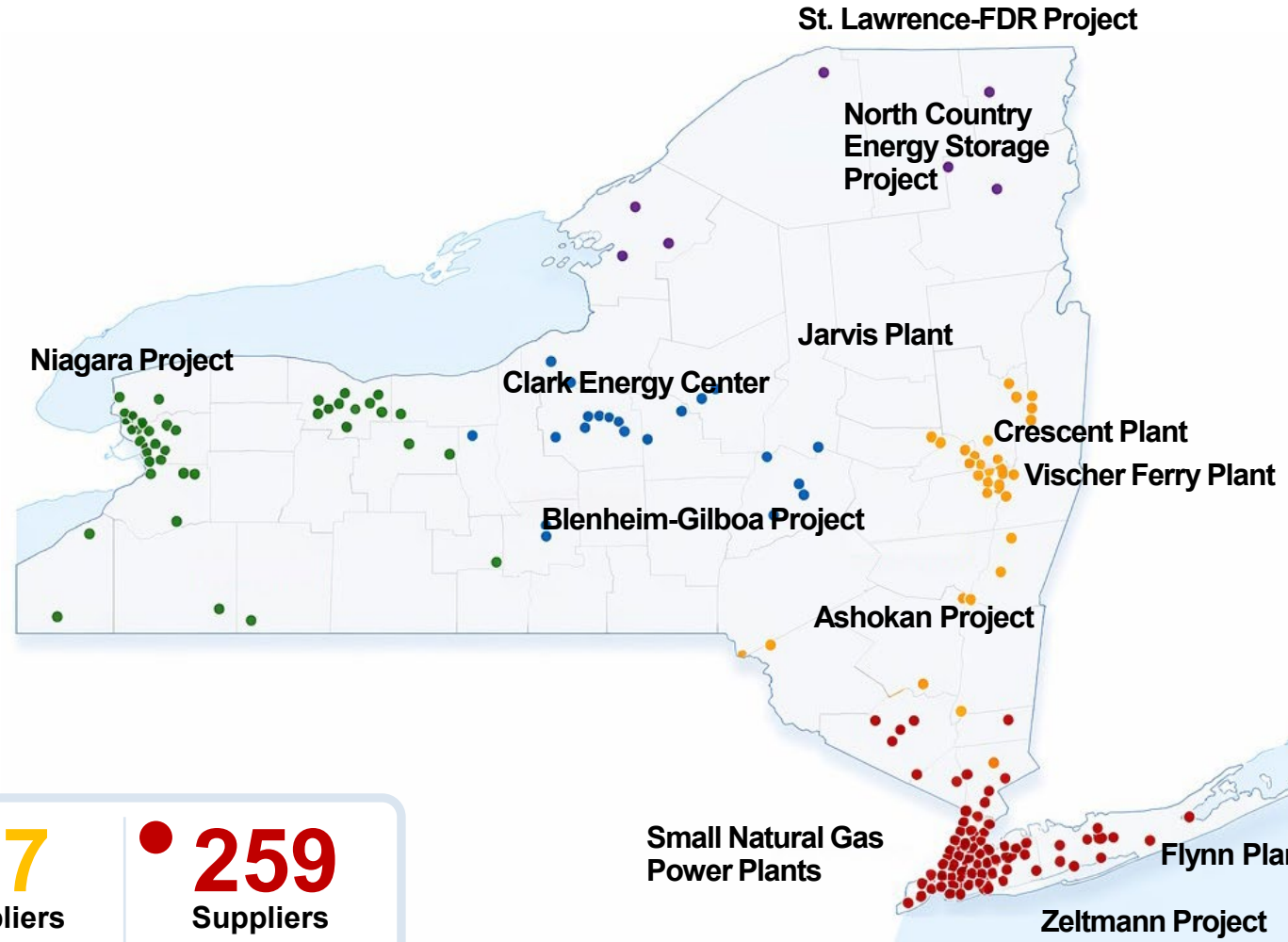
Overview

NYPA's supplier diversity programs impact across New York State.

362
New York Businesses

233
NY ZIP codes

5
NYPA Regions



8 Suppliers
Including North Country and surrounding areas

19 Suppliers
Including Syracuse and surrounding areas

49 Suppliers
Including Buffalo and surrounding areas

27 Suppliers
Including Capital Region and surrounding areas

259 Suppliers
Including NYC, Long Island and the Lower Hudson Valley

Utilization Spend: 2025 vs. 2026

ACCESS | CAPACITY: SUPPLIER PIPELINE | SHARED ECONOMIC IMPACT

MWBE

Minority and Women-Owned Business Enterprise

Q1 – Q4

2025 All of Year



2026 Year-to-Date + Pipeline



YTD Spend | Pipeline

$140M (YTD) **$39M** (Q4 Pipeline)

AIMING FOR $179M FOR THE YEAR

SDVOB

Service-Disabled Veteran-Owned Business

Q1 – Q4

2025 All of Year



2026 Year-to-Date + Pipeline



YTD Spend | Pipeline

$13.3M (YTD) **$3.6M** (Q4 Pipeline)

AIMING FOR $17M FOR THE YEAR

2025 **2026**

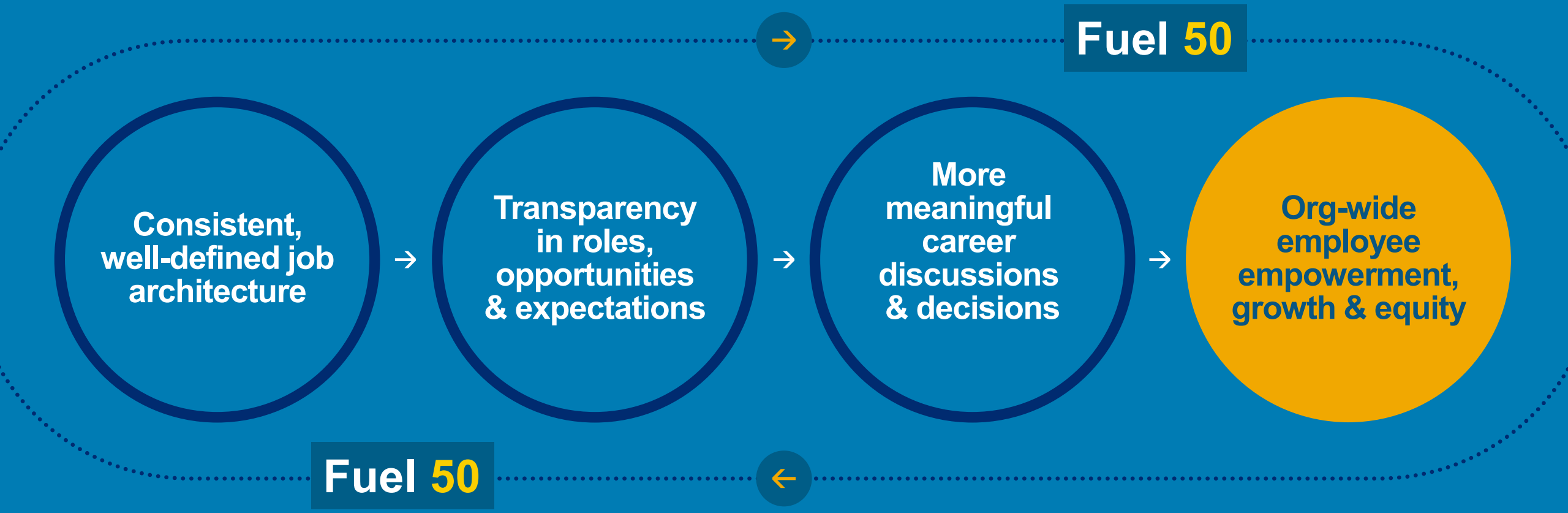
Employer

Employee development

Enhancing transparency, empowerment and inclusion

Employee Development

Empowering employees with a clear vision and path for their career development



Driving Career Exploration and Internal Mobility

Discover new opportunities, build your skills, and take the next step In your career journey at NYPA.



Explore Specific Career Roles

Communication Specialist
Share NYPA's story and impact.

Public Affairs Specialist
Help shape NYPA's community relationships and public policy.

Project Coordinator
Support major projects that power New York's future.

Marketing Manager
Lead strategy, creative campaigns and brand programs.

Director, Communications
Drive NYPA's story and engage stakeholders across the state.

Our many programs across NYPA have been steadily translating into a talent pipeline



Feeder programs and the diverse BUs they are landing in

FEEDER PROGRAM	NYPA BU
Summer Internships	NYPA Development/Renewables
Workforce Development Program	AGILe
WFD / EJ - Nontraditional Employment for Women (NEW)	Operations – Project Delivery
	Operations – EHS
	Construction
	Operations Technology
	Electrical Engineering

Environment

On-The-Job Training

Position Title
Construction Operations Coordinator

NYPA HR Classification
S2 Construction Operations OM02S2;
Full-time, Temporary Worker

2026 HIRES



Annasia Ali
1 NYPA (CPD)

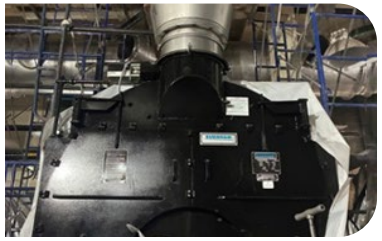


Lillian Counts
1 Macan Deve



My Professional Background





Annasia Ali

Construction Operations Coordinator
New York Power Authority

Training & Certifications:
Nontraditional Employment for Women (N.E.W) B.S. in Law, The College of St. Rose

N.E.W provides women with hands-on construction and clean-energy training, industry certifications, career readiness, and pathways into nontraditional careers.

Career Preparation

Hands-on training, safety preparation, and exposure to construction and clean-energy careers.

Pathway To NYPA

Connect my training and transferable skills to a career supporting energy-efficiency construction projects.

I bring strong project coordination, organization, and problem-solving skills that help keep projects moving efficiently.

My Responsibilities

01

Project Financials

Process invoices, contingency work orders, and change orders.

02

Reporting & Schedules

Submit biweekly and monthly reports and update project schedules in eBuilder.

03

Project Coordination

Support project teams through field coordination, documentation, and follow-ups.



My Professional Background





Lillian Counts

Construction Administrator
Macan Deve Engineers

Training & Certifications: Willdan Clean Energy Academy | GPRO Operations & Maintenance

Prior experience: Green City Force and Energy Training Services.

I bring a background in green infrastructure, energy efficiency and building assessment across residential and commercial properties.

Energy Audits

Support energy-efficiency audits for residential and commercial buildings.

Building Envelope Assessment

Assess building-envelope conditions that influence overall energy performance.

My Responsibilities

01

Schedules & Follow-ups

Track milestones, open items, and next steps.

02

RFIs & Document Control

Maintain current information and support timely decisions.

03

Field Progress & Solutions

Photograph work progress and help resolve issues early.

Nontraditional Employment For Women (N.E.W.)



Leah Rambo

Thank You

Open for any questions

NEW YORK STATE | NY Power Authority | Canal Corporation

Memorandum

Date: **October 20, 2026**

To: **GOVERNANCE COMMITTEE**

From: **PRESIDENT & CHIEF EXECUTIVE OFFICER**

Subject: **New York Power Authority and New York State Canal Corporation - Appointment of Treasurer**

SUMMARY

The members of the Governance Committee are requested to recommend to the New York Power Authority Board of Trustees and the New York State Canal Corporation Board of Directors, the appointment of Donna McMonagle as Treasurer, with an annual salary of $264,000, at their next meeting.

BACKGROUND

The appointment of officers is governed by Article IV of the Authority Bylaws, which provides that the officers shall be appointed by formal resolution adopted by the Trustees upon the recommendation of the Governance Committee at any annual, regular or special meeting of the Trustees. The Authority Governance Committee Charter further provides that the Committee shall review and make recommendations to the Board of Trustees concerning the election and compensation of all officers, consistent with the By-laws, the needs of the Authority, good organizational management practices and such other criteria the Committee deems appropriate.

The Canal Bylaws, Article IV, provides that officers shall be appointed by formal resolution adopted by the Board at any regular or special meeting.

RECOMMENDATION

Pursuant to the Authority and Canal Corporation Bylaws and the Authority Governance Committee Charter, I hereby request that the Governance Committee recommends to the New York Power Authority Board of Trustees and the New York State Canal Corporation Board of Directors, the appointment of Donna McMonagle as Treasurer, with an annual salary of $264,000, at their next meeting.

For the reasons stated, I recommend the approval of the above-requested action by adoption of the resolution below.

Justin E. Driscoll
President and Chief Executive Officer

R E S O L U T I O N

RESOLVED, that pursuant to Article IV, of the Authority and Canal By-Laws, the Governance Committee hereby recommends the appointment of Donna McMonagle as Treasurer, at an annual salary of $264,000 to hold office until her successor is chosen and qualified or her earlier removal, resignation or death and be it further

RESOLVED, that the Governance Committee recommends that the Chair, the President and Chief Executive Officer, and all other officers of the Authority be, and each of them hereby is, authorized on behalf of the Authority and Canal Corporation to do any and all things, take any and all actions and execute and deliver any and all agreements, certificates and other documents to effectuate the foregoing resolution, subject to the approval of the form thereof by the Executive Vice President and General Counsel.

NEW YORK STATE | NY Power Authority | Canal Corporation

Memorandum

Date: October 20, 2026

To: THE GOVERNANCE COMMITTEE

From: Justin D. Pruyne, VP Chief Ethics and Compliance Officer

Subject: New York Power Authority & Canal Corporation Ethics and Compliance Program

ETHICS and COMPLIANCE

SUMMARY

The Power Authority's Ethics and Compliance Office ("ECO") advises New York Power Authority ("NYPA") and Canal Corporation ("Canals") trustees, directors, officers and employees on legal, regulatory and policy-imposed standards affecting their employees, affiliates and operations. It coordinates the investigation of certain allegations such as fraud, waste, abuse and retaliation, and participates in multiple committees and working groups having oversight for enterprise compliance, resilience, risk management, internal controls, investigations and business practices.

The ECO also has general oversight for enterprise-wide compliance with the State's ethics laws and NYPA and Canals' Ethics Code of Conduct, including situations in which employees' personal, non-work related and/or professional outside activities necessitate review, to mitigate against conflicts of interest or commitment. Further, ECO provides financial disclosure support, post-employment guidance and assesses the potential for 'unwarranted privileges' prohibited by the Public Officers Law (POL).

Additionally, the ECO provides guidance in support of emerging strategic initiatives across NYPA and Canals. Reaffirming and embedding the guiding principles of the POL and the Ethics Code of Conduct from the outset of a project or initiative sets a foundational expectation of accountability and transparency. NYPA's commitment to these principles also ensures that the enterprise, its leaders, workforce and other key stakeholders stay informed, engaged and vigilant to ethics and compliance related concerns.

DISCUSSION

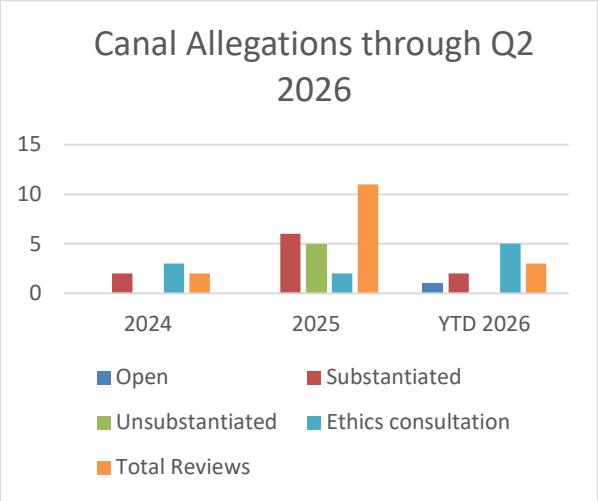
This report highlights significant developments in the ethics and compliance program for the current reporting period of March 20, 2026, through October 20, 2026.

The ECO handled 606 ethics-related matters during the reporting period, representing an eight percent (8%) increase over the same reporting period in 2025. These matters fell within three workstreams: *Ethics Investigations* of fraud/waste/abuse and/or retaliation unrelated to protected class status; *Advisory*

Services including interpretation of State ethics mandates and issuance of recommendations to relevant stakeholders; and *Approvals and Guidance* of individual- and enterprise-initiated requests for formal opinions.

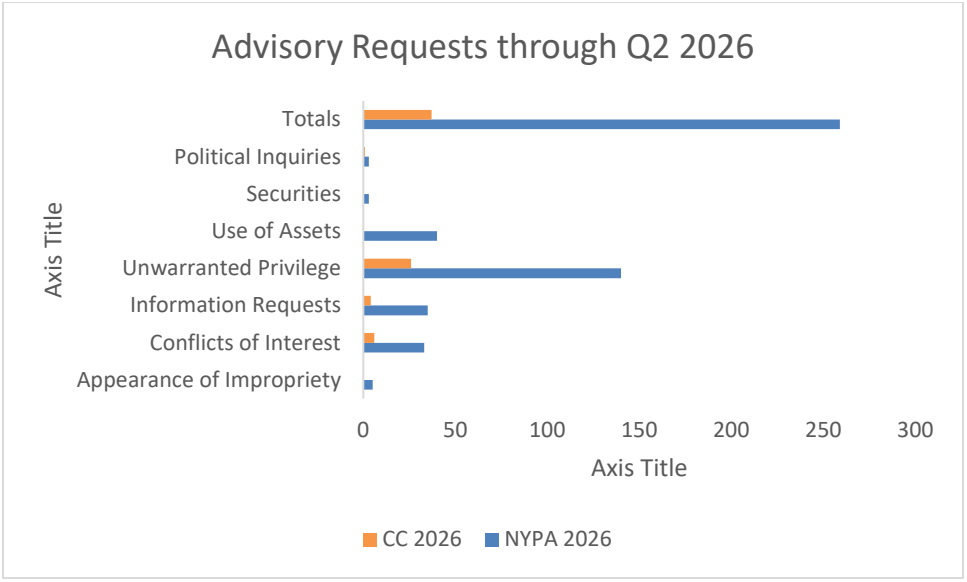
Ethics Investigations





Notable investigations included an alleged breach of an employee's confidentiality by a Human Resources liaison; a claim that an employee was retaliated against by their first- and second-level managers for declining voluntary work; and reviews of employees' compliance with in-office expectations. When policy deviations were substantiated, the ECO coordinated with its partners in Legal Affairs, Employee Relations/Labor Relations to ensure appropriate administrative action was taken.

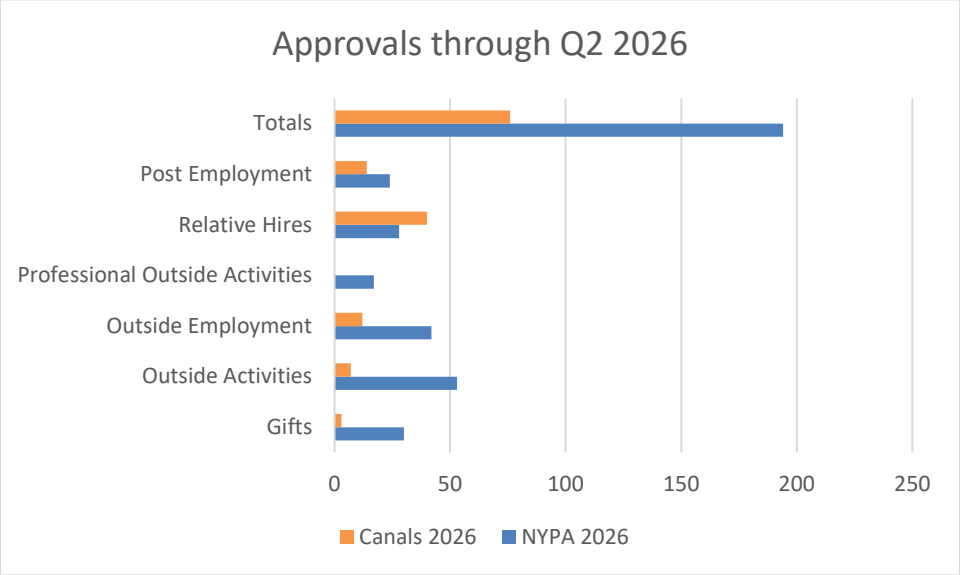
Advisory Services



The ECO responded to 120 advisory requests, including a review of 18 letters of support for grants and projects, 20 NYPA logo use requests, 33 external conference/trade organization presentations and 14 requests for references from NYPA and Canals vendors.

Approximately 28 Requests for Proposal (RFPs) were reviewed for self-identified conflicts of interest (COIs) by participants on bid review committees. These COIs were submitted by both employees and third-party consultants responsible for evaluating responsive bids and making recommendations for approval. Identified conflicts include past work engagements with bidders and/or familial relationships or friendships with employees of firms submitting bids.

Approvals and Guidance



The ECO reviewed 60 uncompensated personal outside activities and 17 professional outside activities. Approvals include roles on various industry boards, research organizations, high school and college curriculum development boards, school boards, parent teacher associations, and local planning/zoning boards.

The ECO also reviewed 54 compensated outside employment requests, including sole proprietorships, creations of LLCs, teaching engagements, rideshare/food delivery services and retail/hospitality.

The ECO evaluated 22 post-employment inquiries, relative-hire reviews and seasonal employee returns to service during the reporting period. Thirty-six gifts received by employees were reported to the ECO, including reduced or waived attendance fees for conferences attended by employees.

Statutory and Other Compliance Obligations, Including Training

The ECO continues to coordinate with other internal and external stakeholders to ensure that obligations imposed by statutes, regulations, compliance guidelines and policies are adhered to.

Continued Collaboration with Commission on Ethics and Lobbying in Government

COELIG is responsible for interpreting and ensuring compliance with the POL and associated regulations, also administering the State's annual Financial Disclosure Statement (FDS) program and mandatory ethics training for all State employees. The ECO continues to maintain collaborative working relationships with COELIG staff, including those in the Investigations, Law Department, Financial Disclosure and Training units.

Financial Disclosures

2025 FDS were due to COELIG by May 15, 2026. The ECO continues to liaise with COELIG on this process, including outreach to new hires who are subject to the FDS requirement, employees whose position or salary may have changed their filing status and delinquent filers.

Mandatory Comprehensive Ethics Training Course

The Ethics Commission Reform Act of 2022 enhanced the ethics training requirements for all state employees, executives and Board members.

As part of a recurring two-year training cycle, the ECO's 2026 administration of COELIG's Comprehensive Ethics Training Course (CETC) has been predominantly offered via an interactive online computer-based presentation. The ECO continues to offer live training every four to six weeks to ensure completion by newly hired employees who must participate in live training within 90 days of their employment. Employees who prefer live training can participate in a NYPA-sponsored class or attend one of the approximately 20 COELIG held classes each month.

The ECO has provided training to 75% of NYPA employees and 98% of Canals' employees and will complete all remaining training by year's end. Training options for Trustees and other external board members have been scheduled by the Corporate Secretary's Office.

FERC Training

All required annual Federal Energy Regulatory Commission (FERC) Standards of Conduct training has been completed, including by all Trustees and the approximate 1000 employees within its scope of requirement.

Public Authorities Law Compliance

The ECO continued to collaborate with the Controller's Office and other stakeholders to ensure the accurate and timely preparation and submission of reports required by the NYS Public Authorities Law (PAL). This effort includes coordination of mandatory NYPA and Canals' website postings and entries into the Public Authorities Reporting Information System (PARIS) maintained by the NYS Comptroller's Office. NYPA and Canals are on track to meet all required filings and postings. These reports comprise a comprehensive view into NYPA and Canals' finances, governance, organizational structure, operations and strategy. These and other mandatory reporting and training requirements are captured in NYPA and Canals' electronic Compliance Repository.

Committee Governance, Participation & Support.

As part of its ongoing committee governance initiatives, the ECO has to date engaged between 35 and 40 committees to align their respective charters and other governance with standards established in 2025. The standards also establish expectations for Subcommittees, Taskforces and Working Groups, which may be formed to provide targeted support on a topic or initiative requiring additional attention, or to support or complement committee activities. During this reporting period, the ECO identified approximately 20 non-committee groups and is coordinating with relevant stakeholders to promote their alignment with the established framework. The ECO continues to maintain the Committee Central content and resources on its landing page and plans to publish a full list of committees on the page once all governance is approved by respective EMC sponsors.

In addition to developing committee governance, the ECO continues to participate in various enterprise and departmental committees and program development working groups. Being engaged during the formulation, strategy, development and implementation of projects and initiatives allows the ECO to offer advice and guidance to ensure that ethical awareness, transparency and compliance with standards are foundational objectives as NYPA/Canals evolve in pursuit of VISION2030 Renewed goals and underlying Foundational Pillars.

The ECO convened two enterprise Compliance Work Group meetings in February and May 2026. Each meeting included a presentation by a NYPA or Canals department on key initiatives affecting the enterprises with a focus on compliance-related considerations. Recent presentation topics included NYPA's Workforce Development, NYPA and Canals AI initiatives and governance, Renewable Projects development, and risk- and compliance-based internal controls framework and methodology.

TECHNICAL COMPLIANCE

RELIABILITY STANDARDS COMPLIANCE (RSC)

BACKGROUND

Background information related to the origin of the North American Electric Reliability Corporation (NERC) mandatory standards for reliability and NYPA's obligations to demonstrate compliance with the standards has been presented in previous reports to the Governance Committee.

DISCUSSION

NERC Reliability Standards Compliance Enforcement Actions

During the reporting period, NYPA qualified for seventeen (17) Compliance Exception treatments for NERC CIP related self-logs that posed a minimal risk to the reliability of the Bulk Electric System (BES). No monetary fines or penalties were recommended by Northeast Power Coordinating Council (NPCC). There were three (3) new potential noncompliance concerns (PNC) of the NERC Reliability Standards reported to the NPCC.

These potential noncompliance concerns were determined to be of minimal impact to the BES. As such, RSC reported these matters to NPCC under the self-logging process.

Investigations of Potential Noncompliance

During the reporting period, RSC reviewed eight (8) investigations of potential noncompliance of the NERC Reliability Standards. Two (2) investigations resulted in a determination of potential noncompliance and will be submitted to NPCC. One (1) investigation identified no potential noncompliance with any NERC Reliability Standards. The remaining five (5) investigations are under review and pending final determination.

This internal process is viewed by the regulator as evidence that NYPA has a strong internal compliance program and can self-identify and correct instances of non-compliance. RSC collaborates with applicable departments in developing mitigation plans to address noncompliance and prevent recurrence. RSC also works with NPCC enforcement throughout the process to address and respond to any regulatory requests for information.

Risk-Based Evidence Management Program

RSC implements a Risk-Based Evidence Management Program for identifying areas of risk and appropriate frequency for evaluation of controls and compliance evidence updates for the NERC Reliability Standards applicable to NYPA. This process ensures that NYPA's compliance program aligns with NERC's risk-based Compliance Monitoring and Enforcement Program and the NPCC guided self-certification process. In 2026, RSC is scheduled to review and update the evidence for twelve (12) NERC Reliability Standards. During the reporting period, RSC reviewed nine (9) NERC Reliability Standards. Based on the evidence provided, no potential noncompliance was identified.

RSC Spot Checks

During the reporting period, RSC completed four (4) Spot Checks of NERC Reliability Standards. A Spot Check is a comprehensive assessment of a selected NERC Reliability Standard across the entire organization. In such assessments, Reliability Standards and Compliance Assessment Team (RSCAT) conducts a thorough assessment of the compliance evidence and adherence to governance documents applicable to the selected NERC Reliability Standard and/or NPCC Directory.

Based on the evidence provided for the identified Spot Checks, no potential noncompliance was identified. These assessments identified specific process improvements and recommendations for enhancement of the NYPA Internal Control Program. The identified improvements are assigned and tracked in RSC's electronic Governance, Risk and Compliance (eGRC) Tracking Tool.

NERC Alerts

NERC disseminates information that it deems critical to ensuring the reliability of the bulk power system via "alerts" designed to provide concise, actionable information to the electric industry. During the reporting period, there was one (1) NERC alert sent to electric utility companies. NYPA responded to the requested data submittal in July 2026.

The purpose of this Level 3 NERC Alert is to ensure Essential Actions are taken by registered entities to address the risks posed by existing and new computational loads interacting with the bulk power system (BPS), inclusive of computational load interconnecting with collocated generation.

Recommendation Tracking Tool

RSC's internal awareness tools are utilized to advise NYPA staff on prior enforcement issues and mitigation activities. Any lessons learned, root cause analyses, and/or recommendations are given to the compliance evidence managers aimed at improving the effectiveness of the compliance program. Recommendations can be internal improvements or external mitigation activities associated with audit recommendations or a potential noncompliance self-log/self-report.

During the reporting period, recommendations from the conclusion of risk-based evidence review process, Spot Checks and mitigating activities for recent PNCs have been incorporated in RSC's Compliance Tracking process and issued to Subject Matter Experts (SMEs) within the eGRC Tool.

New York Renewable Energy Development Holdings Corporation (NYRED) | Renewables

RSC has been working with NYRED to develop and finalize a compliance program and future operational model for its upcoming renewable generation project portfolio. In this regard, project and compliance guidelines have been developed and shared related to renewable generator installations. RSC is engaged with NYRED on an ongoing basis, in reviewing their project pipeline and assisting with finalization of O&M capabilities for the Somers Solar project.

NERC identified a new registration Category 2 GO/GOP for owners and operators of non-BES IBRs not registered today that are greater than or equal to 20 MVA nameplate rating and interconnected at a voltage greater than or equal to 60 kV. NERC approved NYPA's GO/GOP registrations to include future IBR generation. The new registration took effect in May 2026. RSC worked with Engineering, ECC and STL site stakeholders to address upcoming NERC Category 2 compliance requirements for the Willis Battery project in NYPA's Northern NY region.

NERC Critical Infrastructure Protection (CIP) | Operations and Planning (O&P) Standards

In July 2026, a Notice of Functional Registration change was received confirming the update of NYPAs functional registration status as a Transmission Operator (TOP) in the NERC Compliance Registry (NCR). The TOP registration was granted to NYPA following an extensive cross organizational effort led by RSC. RSC collaborated with the Energy Control Center (ECC) group to develop governance, controls, a training program and a new Energy Management System to ensure a successful registration.

RSC submitted its NERC Inherent Risk Assessment (IRA) regarding NYPA's new responsibilities as a registered Transmission Operator (TOP). The results of the IRA will be used by NPCC to evaluate entity risk to the BES, as well as schedule and scope future monitoring activities like audits or spot checks.

In March 2026, FERC issued Order No. 919, which approved eleven (11) proposed CIP Reliability Standards, four (4) new definitions, and eighteen (18) proposed revised definitions to the NERC Glossary of Terms Used in Reliability Standards. FERC asserted that the new and revised definitions and new CIP Reliability Standards will support entities' adoption of virtualization, which will improve the reliability of the BES against cyber security threats. NERC's revisions will become effective on April 1, 2028. RSC is collaborating with Cyber Security, Operations Technology and Engineering to ensure NYPA is compliant with the new adoption of virtualization and CIP Reliability Standards.

Regional Operator Training Improvements – RSC is collaborating with Regional Projects and Technical Learning to develop a consistent management of NERC compliance training records across

regions and personnel types to ensure audit readiness by having a single source of truth for regulatory training.

Maximo Enhancements - RSC and Asset Management have developed an approved list of NERC compliance-related Maximo enhancements which are scheduled to be implemented after Q12027.

RSC is evaluating the initiation of a new “Compliance Center of Excellence” and NERC Information Command Center to extract relevant data from NYPA asset management systems, compliance databases and sources to develop near real-time dashboards and improve visibility of field activities that impact NYPA’s compliance posture.

NERC Compliance Consideration for New Projects – a compliance scoping tool, used to identify applicable NERC Standards based on the user input of project details. The checklist has been updated and is intended to be incorporated into all identified project plan schedules. In addition, RSC staff have developed a compliance milestone schedule template that is being incorporated into new projects related to NERC compliance.

Quality Assurance

QA is performing most of the required factory inspections and vendor surveys in the US, Canada, Europe, South America, and Asia. We continue to use a 3rd party inspector for select projects on an as-needed basis. Also, we continue to support procurements for the NGN, NIA and STL crane projects, Interconnects and Renewable projects, and other major purchases for all NYPA generating and transmission facilities.

Code Compliance

Annual Safety Inspections – In progress 2026 results for NYPA have reached 90.6% and Canals reached 87.3%. NYPA has reached the 4th quarter target of 90% and Canals has reached the 3rd quarter target of 81%. Scheduling of inspections/reinspection for the current year continues.

The Annual OSHA Crane Inspection program for 2026 is progressing with all NYPA sites completed or scheduled at this time, with the exception of STL which will be scheduled for the coming months.

-- END REPORT --

NEW YORK STATE | NY Power Authority | Canal Corporation

Memorandum

Date: **October 20, 2026**

To: **GOVERNANCE COMMITTEE**

From: **PRESIDENT & CHIEF EXECUTIVE OFFICER**

Subject: **Procurement and Related Reports for New York Power Authority and Canal Corporation (January – June 2026)**

SUMMARY

This memorandum is to advise the Governance Committee of certain 2026 Strategic Supply Management Department procurement and related reports for NYPA and, where appropriate and applicable the Canal Corporation, including: procurement contract activity; disposal of personal property; Supplier Diversity Program activities; plant inventory statistics; fossil fuels activities conducted by the Fuel Planning and Operations Group; and corporate finance activities conducted by the Treasury Group.

BACKGROUND

Pursuant to Subsection C.5 of the Authority's Governance Committee Charter relating to Reports, the Vice President – Strategic Supply Management is required to report to the Committee at all regularly scheduled meetings and the Committee has the authority to require Procurement and other staff to prepare additional reports and to produce documents for Committee review.

The reported activities are governed by various State laws and regulations and are set forth in the attached Reports.

DISCUSSION

As more fully described in the individual reports attached hereto as Exhibits A - I, the Procurement Contract Summaries (Exhibits A and H) show activity for procurements of $5,000 or greater that were active during the period January through June 2026, as identified by the Authority's SAP Enterprise Resource Planning ("ERP") system. The Disposal of Personal Property Report lists all personal property disposal transactions over $5,000 conducted during the period January through June 2026. The Supplier Diversity Program Activity Report summarizes dollars awarded to New York State-certified Minority and Women-owned Business Enterprises ("MWBEs") as well as to Service-Disabled Veteran-Owned Businesses ("SDVOBs") based on reportable expenditures. Please note that the MWBE and SDVOB compliance and reportable expenditure values were generated for internal tracking purposes based on NYPA's calendar year reporting and may not be in alignment with approved NYS fiscal year measures.

The Plant Inventory Statistics lists current stock value and compares it to that of the previous year, with a brief explanation for any significant increase or decrease, where applicable. The Fossil Fuels and Corporate Finance Reports list the fuel- and finance-related transactions conducted by the Fuel Planning and Operations and Treasury work groups, respectively. The Transfer of Interest in Personal Property to Canal Corporation report identifies personal property transferred from the Authority to Canal Corporation deemed prudent by the Contracting Officer to facilitate the Canal Corporation's obligations to operate, maintain, construct, reconstruct, improve and develop the canal system.

FISCAL INFORMATION

There will be no financial impact on the Authority or the Canal Corporation.

RECOMMENDATION

The Governance Committee is requested to review and approve the Procurement, Fossil Fuels and Corporate Finance Reports (attached hereto as NYPA Exhibits A - G, and Canal Corporation Exhibits H - I).

For the reasons stated, I recommend the approval of the above-requested action by adoption of the resolution below.

Justin E. Driscoll

President and Chief Executive Officer

R E S O L U T I O N

RESOLVED, That pursuant to Section 2879 of the Public Authorities Law and the Procurement and Related Reports for New York Power Authority and Canal Corporation, as amended, be, and hereby are, approved; and be it further

Procurement and Related Reports
NYPA Procurement Contracts Summary
Disposal of Personal Property (fleet only)
Supplier Diversity (SD) Program
Inventory Statistics
Fossil Fuels
Corporate Finance
Transfer in Personal Property to Canal Corporation
Canal Corporation Procurement Contracts Summary
NYPA and Canal Corporation Disposal of Personal Property

RESOLVED, that the Governance Committee recommends that the Chair, the President and Chief Executive Officer, and all other officers of the Authority be, and each of them hereby is, authorized on behalf of the Authority and Canal Corporation to do any and all things, take any and all actions and execute and deliver any and all agreements, certificates and other documents to effectuate the foregoing resolution, subject to the approval of the form thereof by the Executive Vice President and General Counsel.

Exhibit A
October 20, 2026

NYPA PROCUREMENT CONTRACTS SUMMARY
January - June 2026

In accordance with the NYPA Guidelines for Procurement Contracts, "procurement contracts" are contracts for the acquisition of goods and/or services in the actual or estimated amount of $5,000 or more. Such goods and/or services are those necessary to support the Authority's White Plains office, facilities (including Canal Corporation), operations and maintenance and capital projects, including but not limited to, goods and commodities, major electrical equipment, construction, maintenance work and other services.

The following is a summary of all procurement contracts, including multi-year contracts, awarded through June 30, 2026, which were active during 2026 and are $5,000 or greater in value. There were 2,239 such contracts with a value of more than $5.37 billion, not including fossil fuel or corporate finance expenditures covered in Exhibits E and F of this report, respectively. Total procurement expenditures in 2026 exceeded $482 million.

The following is a breakdown of the total number of active contracts, excluding fossil fuel and corporate finance contracts, by contract type:

- 5% Construction services;
- 50% Equipment and Commodities;
- 5% Architectural and Engineering services;
- 20% Personal Service contracts such as professional consulting services, legal services; and
- 20% Non-Personal Service contracts such as maintenance, technicians, and contingent workforce

Based on the total value of the contracts included in this summary ($5.37 billion), approximately 99% ($5.31 billion) were competitively bid and 1% ($66 million) were sole/single-source awards. Sole/single-source awards included, but were not limited to, the purchase of highly specialized spare parts and services from original equipment manufacturers, procurement of services on an emergency basis and proprietary sources.

POWER AUTHORITY OF THE STATE OF NEW YORK
JANUARY - JUNE 2026 REPORT OF DISPOSAL OF PERSONAL PROPERTY (FLEET ONLY)
REQUIRED BY N.Y. PUBLIC AUTHORITIES LAW, SECTION 2897

Exhibit B
October 20, 2026

Purchaser	Property	Date	FMV Determination	Fair Market Value	Received	Reason below Fair Market Value
AUTO WORLD WHOLESALE INC CAMILLUS, NY 13031	2008 MANITOU MRT2150	4/15/2026	Competitive Bid	46,500.00	46,500.00	
MICK HURWITZ ALBANY, NY 12205	1985 GROVE CRANE TMS875	4/15/2026	Competitive Bid	28,000.00	28,000.00	
MICK HURWITZ ALBANY, NY 12205	2007 TALBERT LOWBOY	4/15/2026	Competitive Bid	27,000.00	27,000.00	
RICHARDSON & SONS GENEVA, NY 14456	TAYLOR DUNN	4/15/2026	Competitive Bid	500.00	500.00	
DAVID MILLS CLYDE, NY 14433	2010 CARGO TRAILER	4/15/2026	Competitive Bid	9,000.00	9,000.00	
RICHARDSON & SONS GENEVA, NY 14456	2009 TORO WORKMAN	4/15/2026	Competitive Bid	1,900.00	1,900.00	
KOLAR, GRAHAM LEBANON, CT 06249	2010 TORO WORKMAN	4/15/2026	Competitive Bid	2,200.00	2,200.00	
FUSS, KYLE ELIZAVILLE, NY 12523	2011 TORO WORKMAN	4/15/2026	Competitive Bid	650.00	650.00	
MARTIN, MICHAEL NEW HARTFORD, NY 13413	2010 LOAD LIFTER	4/15/2026	Competitive Bid	16,500.00	16,500.00	
UPSTATE AUTO SALES INC HOOSICK FALLS, NY 12090	2011 ALLEGHENY	4/15/2026	Competitive Bid	4,500.00	4,500.00	
FLORY LINE CONSTRUCTION LLC LENNON, MI 48449	2011 WESTERNSTAR	4/15/2026	Competitive Bid	39,500.00	39,500.00	
RICHARDSON & SONS GENEVA, NY 14456	2011 WESTERNSTAR	4/15/2026	Competitive Bid	40,000.00	40,000.00	
RICHARDSON & SONS GENEVA, NY 14456	2014 KUBOTA B3200HSD	4/15/2026	Competitive Bid	15,000.00	15,000.00	
MARTIN, MICHAEL NEW HARTFORD, NY 13413	GLOBE GTBN352-44-22GG	4/15/2026	Competitive Bid	24,500.00	24,500.00	
RICHARDSON & SONS GENEVA, NY 14456	CATERPILLAR 259D4F	4/15/2026	Competitive Bid	26,500.00	26,500.00	
LOTTER, MARK FREDONIA, NY 14063	79" 6-WAY DOZER BLADE	4/15/2026	Competitive Bid	4,250.00	4,250.00	
LOTTER, MARK FREDONIA, NY 14063	72" PICK-UP BROOM	4/15/2026	Competitive Bid	3,250.00	3,250.00	
WM BIERS. INC ALBANY, NY 12202	2017 TOYOTA RAV4	4/15/2026	Competitive Bid	11,000.00	11,000.00	
ZHITOMIR, VYACHESLAV BROOKLYN, NY 11235	2017 CHEVY VOLT	4/15/2026	Competitive Bid	6,250.00	6,250.00	

Exhibit C

October 20, 2026

SUPPLIER DIVERSITY (SD) PROGRAM

January – June 2026

Between January 1, 2026, and June 30, 2026, NYPA and the Canals reported $79,380,817 in expenditures with New York State-certified Minority- and Women-owned Business Enterprises (MWBE) and $9,587,620 in expenditures with NYS-certified Service-Disabled Veteran-Owned Businesses (SDVOB) to the State of New York. These figures encompass both prime and subcontractor payments made to MWBEs and SDVOBs across NYPA and Canals' contract portfolio.

The Supplier Diversity program continues to educate NYPA and Canals stakeholders on the importance of engaging diverse and local businesses within our communities to contribute to the vitality and vibrancy of our neighborhoods. These activities include assessing procurements for participation (subcontracting) goals to reflect the availability of certified firms, advocating for MWBEs and SDVOBs, especially those who have participated in our business development programs, and advising internal stakeholders to use applicable procurement strategies to engage additional diverse and local businesses as prime and subcontractors.

These actions continue to advance our VISION2030 Renewed goals by maintaining its objectives of a comprehensive strategy with three primary goals:

- Empowering businesses to become *contract-ready* by offering supportive business development services that align with NYPA and the Canals' contracting needs.
- Advocating for the *inclusion of MWBEs and SDVOBs* in our supply chain as suppliers and subcontractors on our projects.
- *Increasing awareness* of contract opportunities by educating the marketplace about NYPA and Canals' major projects and procurement processes.

Contract-Ready

NYPA and Canals is actively involved in four business development programs that support diverse, veteran-owned, and small businesses in enhancing their capacity to work with the Authority and Corporation by creating a diverse supply chain rooted in our communities. Throughout these programs, New York State-based suppliers build valuable connections, gain insights into best-in-class business management tools, acquire information about capital financing readiness, and receive expert-led education on business growth strategies.

During this period, we graduated two Mentor-Protégé Program (MPP) pairs working in the engineering and construction management sectors. MPP encourages prime contractors to provide developmental assistance to MWBEs and SDVOBs in specific industry sectors, to equip them to develop a competitive advantage. Six pairs are continuing their ongoing relationship and continue to be supported by the Supplier Diversity team, and we are currently looking for additional pairs to onboard to support this successful program.

Last year, we launched PowerUp2030, NYPA's first sector-based small business development program, offering a unique immersion for established business leaders to pivot and expand into the exciting frontier of clean energy and renewable energy projects. We understand that building the supply chain now is critical to our future success, ensuring that businesses are ready and

prepared as the State pushes forward on new sources of energy to benefit New York. This program is through collaboration with the City University of New York, LaGuardia Community College, and with support from our internal business units, such as Workforce Development, Customer Project Delivery, Sustainability, Renewables, Nuclear, and Risks teams. To date, we have graduated 90 businesses from the program, with two graduates being awarded a $3.1M construction contract and $520k workforce development grant from NYPA.

Additionally, during this period, we had 28 participants in the fourth cohort of Small & Local Business Capacity Building program, which provides business management insights and tools to grow their businesses. Once complete, this cohort will have completed an intensive eight-month educational program, which includes valuable one-on-one mentorship, expert-led group sessions, and knowledge content webinars.

Now in its second year, the Accessibility Education Program (AEP) continues collaboration across the organization with Canals and Supplier Diversity teams to advance inclusion and accessibility across the Canals corridor. This year's cohort of 12 participants engaged in approximately 1400 contact hours to develop and implement their individualized path to inclusion, including a Strategic Action Plan tailored to their organization and community.

Inclusion of MWBEs and SDVOBs

Aligned with relevant laws and regulations, the Supplier Diversity team continues to advocate for the inclusion of NYS-certified minority-, women-, and service-disabled veteran-owned businesses (MWBEs and SDVOBs) throughout our projects as prime contractors and subcontractors. As noted above, we are pleased to report $79M in expenditures with MWBE, representing 36% growth compared to the same period in 2025, and $9,5M in expenditures with SDVOB, representing 23% increase compared to the same period in 2025.

The team has continued its Contract Compliance webinar series held each quarter to advise all suppliers with active contracts about their contractual obligations regarding Supplier Diversity Participation Goals as stipulated in their agreements with the Authority and Corporation. During this period, the Supplier Diversity team held two compliance webinars and trained 87 attendees. This proactive engagement, combined with changes to state laws and regulations for low-risk, low-dollar (discretionary) procurements made to MWBEs and SDVOBs, positions NYPA and Canals to advocate for additional procurements through this competitive process, ultimately increasing participation and utilization.

Furthermore, Supplier Diversity's active involvement in debriefings for MWBEs and SDVOBs, and encouragement for them to seek one when appropriate, not only helps them improve their responses to future procurements but also enables us to refer them to available technical assistance resources. This holistic approach ensures that our actions positively impact our communities by promoting inclusivity, advocacy, and educational and technical assistance.

Increasing Awareness

The Supplier Diversity team remains committed to educating its supplier base on how to do business with NYPA and Canals. Through webinars, in-person meetings, and collaborations with other government procurement teams, we aim to empower diverse and local businesses within our communities. We also encourage suppliers to consider eligibility and apply for NYS

certifications, fostering economic growth and providing opportunities for underrepresented entrepreneurs. Each year, we regularly update our digital presence (nypa.gov/supplierdiversity) and print materials (Doing Business with NYPA and the Canals) to provide resources that help suppliers better align their offerings and engage with NYPA and the Canals in a meaningful way.

As part of our efforts, we host quarterly supplier focused webinars on common NYPA and Canal contractual requirements and operational areas that are of interest to our suppliers. In 2026, we hosted webinars with our business units that presented: *Understanding NYPA and Canals Insurance Requirements*, with 94 attendees, and *How NYPA and Canals Ensures Strong Safety Performance for Suppliers,* with 41 attendees. These webinars, coupled with our compliance webinars in a planned cadence, help our suppliers to engage with our Supplier Diversity team holistically, that will help build our overall supplier engagement efforts.

In May 2026, we hosted our annual Supplier Diversity Expo, welcoming over 1,100 registered attendees to learn about NYPA and Canals projects, connect with decision-makers, and meet 70 key contractors and business development resource organizations. At the event, we were able to support over 220 Business Meet-Ups, where small businesses had an opportunity to meet and present their offerings and capabilities to our procurement decision-makers. Throughout the first half of 2026, we participated in 26 additional outreach events across major New York State cities, including Albany, Buffalo, New York City, Rochester, and Syracuse. These outreach efforts provide information on procurement opportunities and promote business with NYPA and Canals. Additionally, these efforts assist Supplier Diversity in generating interest in its contract opportunities as primes and subcontractors engage with NYPA and Canals representatives to further grow opportunities within our supply chain.

We look forward to continuing our efforts to meet NYPA’s VISION2030 Renewed goals and support statewide initiatives to positively impact the communities we serve.

INVENTORY STATISTICS
JANUARY - JUNE 2026

Exhibit D
October 20, 2026

M&S Inventory Balances

		6/30/2026		6/30/2025		6/30/2024
1100	NIA	24,474,030	(A)	21,693,644		21,287,823
1200	STL	19,142,227	(B)	17,911,446		17,312,358
3100	POL/SCPP	14,498,289		13,879,997	(D)	13,006,450
3200	Flynn	11,416,985		11,396,914		10,629,055
1300	B/G	14,106,910		14,036,889		13,571,385
3300	500MW	18,722,919		18,245,903		18,237,595
2100	CEC	9,690,876	(C)	8,676,393	(E)	7,811,168
7100	Canal	1,690,635		1,597,049		1,479,119
	Total	**$ 113,742,871**		**$ 107,438,235**		**$ 103,334,953**

(A) 2026 includes $2,378K for NIA net purchases of:

RM Generator Misc Cooler	$803K
RM Rotor Pole Keys	$536K
U Bolts, Print #S14A Rev3	$517K
Bolts, RM Generator Coupling	$146K
Dowels, RM Generator Coupling	$135K
QRU1 Pri Element Switches	$131K
Hex Nuts, LPGP Shaft Coupling	$110K

(B) 2026 includes $625K for STL net purchases of:

Thrust Bearing Oil Coolers	$499K
230KV CT/PT Transformers	$126K

(C) 2026 includes $1,016K for CEC net purchases of:

B&S Electric Insulators	$678K
345KV Potential Transformers	$251K
115KV Disconnect Switches	$ 47K
6" Aluminum Buss Bar	$ 40K

(D) 2025 includes $696K for SCPP net purchases of:

4160 Station Service Transformer	$365K
HPC Stage 1 Blades Kits	$331K

(E) 2025 includes $433K CEC net purchases of:

Bushing Transformer 800KV/765KV High Voltage Side	$433 K

POWER AUTHORITY OF THE STATE OF NEW YORK
JANUARY - JUNE 2026 REPORT OF PROCUREMENT CONTRACTS
REQUIRED BY N.Y. PUBLIC AUTHORITIES LAW, SECTION 2879

CONTRACT NUMBER	PROVIDER NAME	CONTRACT DESCRIPTION	TYPE	MOA	RNA	OPA	SDIV	BIDS	CONTRACT AMOUNT	EXPENDED TO DATE	EXPENDED IN 2026	DATE OF CONTRACT	O \ C	END DATE
FD-1990-34	Northville Industries Corp. NIC Melville, NY 11747	Oil Storage Agreement	E	2		N	N		7,473,300	7,473,300	478,062	10/01/93	C	03/31/26
FD-2002-11	PSEG EnergyResourcesTrade Newark, NJ 07102	NAESB Agreement for Natural Gas	E	B		F	N	32	11,017,721	11,017,721	0	11/01/02	O	*
FD-2003-09	J. Aron and Company New York, NY 10004	NAESB Agreement for Natural Gas	E	B		N	N	32	83,241,402	83,241,402	0	04/22/03	O	*
FD-2003-10	BP Energy Company Houston, TX 77079	NAESB Agreement for Natural Gas	E	B		F	N	32	223,027,701	223,027,701	1,199,052	10/01/04	O	*
FD-2003-12	Exelon Generation Company, LLC Baltimore, MD 21231	NAESB Agreement for Natural Gas	E	B		F	N	32	69,252,906	69,252,906	0	06/09/03	O	*
FD-2003-13	Merrill Lynch Commodities, Inc. Houston, TX 77046	NAESB Agreement for Natural Gas	E	B		F	N	32	2,538,965	2,538,965	0	11/01/03	O	*
FD-2003-14	Colonial Energy Inc. Fairfax, VA 22033	NAESB Agreement for Natural Gas	E	B		F	N	32	520,431,161	520,431,161	0	07/01/03	O	*
FD-2003-15	Virginia Power Energy Mktg Richmond, VA 23260	NAESB Agreement for Natural Gas	E	B		F	N	32	629,265,426	629,265,426	0	07/11/03	O	*
FD-2004-08	Shell Energy North America (US), L.P. Houston, TX 77002	NAESB Agreement for Natural Gas	E	B		F	N	32	104,427,563	104,427,563	0	04/01/04	O	*
FD-2005-12	NJR Energy Services Co Wall, NJ 07719	NAESB Agreement for Natural Gas	E	B		F	N	32	486,329,144	486,329,144	0	09/01/05	O	*
FD-2008-05	Sequent Energy Mgmt LP Houston, TX 77002	NAESB Agreement for Natural Gas	E	B		F	N	32	44,094,869	44,094,869	0	03/01/08	O	*
FD-2008-06	Macquarie Energy LLC Houston, TX 77002	NAESB Agreement for Natural Gas	E	B		F	N	32	47,096,447	47,096,447	0	07/01/08	O	*
FD-2008-10	United Energy Trading, LLC Lakewood, CO 80228	NAESB Agreement for Natural Gas	E	B		F	N	32	160,929,137	160,929,137	251,188	11/19/08	O	*
FD-2009-07	Conoco Phillips Company Houston, TX 77079	NAESB Agreement for Natural Gas	E	B		F	N	32	54,628,127	54,628,127	0	05/01/09	O	*
FD-2009-08	NextEra Energy Power Marketing, LLC Juno Beach, FL 33408	NAESB Agreement for Natural Gas	E	B		F	N	32	15,896,315	15,896,315	0	12/01/09	O	*
FD-2010-02	ENSTOR Energy Services, LLC Houston, TX 77070	NAESB Agreement for Natural Gas	E	B		F	N	32	37,442,338	37,442,338	0	08/09/10	O	*
FD-2011-06	EDF Trading North America, LLC Houston, TX 77041	NAESB Agreement for Natural Gas	E	B		F	N	32	217,599,740	217,599,740	0	06/01/11	O	*
FD-2011-10	Tenaska Gas Storage, LLC Omaha, NE 68154	NAESB Agreement for Natural Gas	E	B		F	N	32	1,251,315	1,251,315	0	12/01/11	O	*
FD-2011-11	Statoil Natural Gas, LLC Stamford, CT 06902	NAESB Agreement for Natural Gas	E	B		F	N	32	18,684,302	18,684,302	0	04/18/12	O	*
FD-2012-02	Repsol Energy North America Corporation The Woodlands, TX 77381	NAESB Agreement for Natural Gas	E	B		F	N	32	55,580,133	55,580,133	0	11/13/12	O	*
FD-2013-06	Chesapeake Energy Marketing, LLC Oklahoma City, OK 73154	NAESB Agreement for Natural Gas	E	B		F	N	32	71,803,903	71,803,903	0	05/28/13	O	*
FD-2014-08	Spark Energy Gas, LLC Houston, TX 77079	NAESB Agreement for Natural Gas	E	B		F	N	32	459,582,652	459,582,652	8,777,657	02/01/14	O	*
FD-2014-12	EQT Energy, LLC Pittsburgh, PA 15222	NAESB Agreement for Natural Gas	E	B		F	N	32	43,989,856	43,989,856	0	05/01/14	O	*
FD-2014-16	Pacific Summit Energy LLC Irvine, CA 92614	NAESB Agreement for Natural Gas	E	B		F	N	32	171,637,717	171,637,717	8,118,347	08/11/14	O	*
FD-2015-03	Cabot Oil & Gas Corporation Houston, TX 77024	NAESB Agreement for Natural Gas	E	B		F	N	32	2,439,304	2,439,304	0	03/02/15	O	*
FD-2015-05	DTE Energy Trading, Inc. Ann Arbor, MI 48104	NAESB Agreement for Natural Gas	E	B		F	N	32	188,474,307	188,474,307	5,387,020	08/14/15	O	*
FD-2015-07	Definite Energy Group New York, NY 10022	NAESB Agreement for Natural Gas	E	B		N	N	32	385,895	385,895	0	10/01/15	O	*
FD-2015-10	Direct Energy Business Marketing, LLC Iselin, NJ 08830	NAESB Agreement for Natural Gas	E	B		F	N	32	43,483,928	43,483,928	11,214,073	12/14/15	O	*
FD-2016-02	Astoria Energy II LLC Astoria, NY 11105	AEII Demand Charges	E	2		N	N		253,316	253,316	19,489	05/01/16	O	*
FD-2018-09	Twin Eagle Resource Management LLC Houston, TX 77040	NAESB Agreement for Natural Gas	E	B		F	N	32	6,103,067	6,103,067	0	07/10/18	O	*
FD-2018-13	Engie Energy Marketing NA, Inc Houston, TX 77058	NAESB Agreement for Natural Gas	E	B		F	N	32	9,146,636	9,146,636	0	04/12/18	O	*

POWER AUTHORITY OF THE STATE OF NEW YORK
JANUARY - JUNE 2026 REPORT OF PROCUREMENT CONTRACTS
REQUIRED BY N.Y. PUBLIC AUTHORITIES LAW, SECTION 2879

CONTRACT NUMBER	PROVIDER NAME	CONTRACT DESCRIPTION	TYPE	MOA	RNA	OPA	SDIV	BIDS	CONTRACT AMOUNT	EXPENDED TO DATE	EXPENDED IN 2026	DATE OF CONTRACT	O\C	END DATE
FD-2018-19	Consolidated Edison Energy Valhalla, NY 10595	NAESB Agreement for Natural Gas	E	B		N	N	32	195,568	195,568	0	02/19/19	O	*
FD-2018-20	Freepoint Commodities LLC Stamford, CT 06902	NAESB Agreement for Natural Gas	E	B		F	N	32	17,333,059	17,333,059	201,691	06/28/18	O	*
FD-2018-21	Penn Oak Services, LLC Washington, DC 20012	NAESB Agreement for Natural Gas	E	B		F	N	32	13,207,204	13,207,204	0	07/19/18	O	*
FD-2019-02	Castleton Commodities Mercant Trading LP 2200 Stamford, CT 06902	NAESB Agreement for Natural Gas	E	B		F	N	32	225,284,188	225,284,188	19,946,850	02/08/19	O	*
FD-2019-03	Spotlight energy LLC Houston, TX 77024	NAESB Agreement for Natural Gas	E	B		F	N	32	45,777,024	45,777,024	882,366	04/18/19	O	*
FD-2019-06	Transco Houston, TX 77216	Firm Gas Transportation Agreement	E	2		F	N		6,238,614	6,238,614	956,060	06/01/19	O	*
FD-2019-07	Con Edison New York, NY 10003	LDC Agreement	E	2		N	N		20,809,978	20,809,978	1,929,700	07/01/19	O	*
FD-2020-01	Vitol Houston, TX 77098	NAESB Agreement for Natural Gas	E	B		F	N	32	72,521,942	72,521,942	167,073	01/14/20	O	*
FD-2020-02	Gunvor Houston, TX 77002	NAESB Agreement for Natural Gas	E	B		F	N	32	1,442,633	1,442,633	0	03/02/20	O	*
FD-2020-08	AmSpec LLC Avenel, NJ 07001	Oil Inspection Agreement	S	B		N	N	10	855,461	855,461	3,804	10/01/20	O	12/31/26
FD-2020-09	Six One Commodities Stamford, CT 06902	NAESB Agreement for Natural Gas	E	B		F	N	32	16,635,167	16,635,167	0	10/22/20	O	*
FD-2020-10	Diversified Roswell, GA 30075	NAESB Agreement for Natural Gas	E	B		F	Y	32	3,125	3,125	0	10/23/20	O	*
FD-2020-11	Aggressive Energy Brooklyn, NY 11231	NAESB Agreement for Natural Gas	E	B		N	N	32	4,485	4,485	0	01/04/21	O	*
FD-2022-10	Citadel Energy Marketing LLC Chicago, IL 60603	NAESB Agreement for Natural Gas	E	B		F	N	32	34,713,775	34,713,775	2,484,152	07/07/22	O	*
FD-2022-11	DXT Commodities North America Inc Stamford, CT 06902	NAESB Agreement for Natural Gas	E	B		F	N	32	1,281,578	1,281,578	0	07/13/22	O	*
FD-2022-12	Uniper Global Commodities North America LLC Chicago, IL 60602	NAESB Agreement for Natural Gas	E	B		F	N	32	3,243,389	3,243,389	0	07/21/22	O	*
FD-2022-14	Atlantic Product Services, Inc. Carteret, NJ 07008	Oil Inspection Agreement	S	B		F	N	10	89,858	89,858	31,333	01/01/23	O	12/31/26
PC202403b	George E Warren Corp Vero Beach, FL 32963	Oil Inspection Agreement	S	B		F	N	10	7,830	7,830	7,830	06/04/24	O	*
FD-2022-15	Emera Energy Services, Inc. Halifax, NS B3J1A1 CANADA	NAESB Agreement for Natural Gas	E	B		F	N	32	124,581,721	124,581,721	22,435,773	09/20/22	O	*
FD-2022-20	Hartree Partners, LP New York, NY 10036	NAESB Agreement for Natural Gas	E	B		N	N	32	14,833,585	14,833,585	2,033,463	10/28/22	O	*
FD-2022-21	Koch Energy Services, LLC Wichita, KS 67220	NAESB Agreement for Natural Gas	E	B		F	N	32	9,481,198	9,481,198	1,210,768	12/01/22	O	*
FD-2024-07	UGI Energy Services Wyomissing, PA 19610	NAESB Agreement for Natural Gas	E	B		F	N	32	940,779	940,779	126,786	02/06/24	O	*
FD-2024-08	Calpine Energy Services Houston , TX 77002	NAESB Agreement for Natural Gas	E	B		F	N	32	7,881,602	7,881,602	4,095,202	02/06/24	O	*
FD-2024-04	National Grid - LI Hicksville, NY 11801	LDC Agreement (Brentwood & Flynn)	E	2		N	N		6,725,172	6,725,172	2,200,313	08/01/24	O	*
FD-2024-05	National Grid - NY Brooklyn, NY 11201	LDC Agreement(G/K/P)	E	2		N	N		4,135,667	4,135,667	1,152,029	08/01/24	O	*
FD-2024-06	TC Energy Marketing Inc Houston , TX 77002	NAESB Agreement for Natural Gas	E	B		F	N	32	1,502,868	1,502,868	0	06/24/24	O	*
FD-2025-11	CarbonBetter, LLC Austin, TX 78702	NAESB Agreement for Natural Gas	E	B		F	N	32	262,374	262,374	185,524	09/23/25	O	*
FD-2025-06	South Jersey Resource Group LLC Folsom, NJ 08037	NAESB Agreement for Natural Gas	E	B		F	N	32	3,056,340	3,056,340	1,103,628	04/29/25	O	*
FD-2025-12	Axpo U.S. LLC New York, NY 10017	NAESB Agreement for Natural Gas	E	B		F	N	32	122,670	122,670	93,509	11/24/25	O	*
FD-2025-07	Grove Energy Management Lexington, KY 40507	NAESB Agreement for Natural Gas	E	B		F	N	32	68,018	68,018	53,258	07/30/25	O	*
FD-2025-10	Mercuria Energy Houston, TX 77046	NAESB Agreement for Natural Gas	E	B		F	N	32	1,182,160	1,182,160	1,173,335	10/01/25	O	*
FD-2026-02	George E Warren LLC Vero Beach, FL 32963	Oil Purchase	E	B		F	N	5	50,356	50,356	50,356	01/27/26	C	02/02/26

POWER AUTHORITY OF THE STATE OF NEW YORK
JANUARY - JUNE 2026 REPORT OF PROCUREMENT CONTRACTS
REQUIRED BY N.Y. PUBLIC AUTHORITIES LAW, SECTION 2879

CONTRACT NUMBER	PROVIDER NAME	CONTRACT DESCRIPTION	TYPE	MOA	RNA	OPA	SDIV	BIDS	CONTRACT AMOUNT	EXPENDED TO DATE	EXPENDED IN 2026	DATE OF CONTRACT	O\C	END DATE
FD202602b	George E Warren LLC Vero Beach, FL 32963	Oil Purchase	E	B		F	N	5	85,236	85,236	85,236	01/27/26	C	02/01/26
FD202604B	George E Warren LLC Vero Beach, FL 32963	Oil Purchase	E	B		F	N	5	104,497	104,497	104,497	02/04/26	C	02/13/26
FD-2026-01	Northville Industries Corp. NIC Melville, NY 11747	Oil Purchase	E	B		F	N	5	113,995	113,995	113,995	01/22/26	C	01/24/26
FD202601C	Northville Industries Corp. NIC Melville, NY 11747	Oil Purchase	E	B		F	N	5	153,013	153,013	153,013	01/27/26	C	01/28/26
FD202603A	Northville Industries Corp. NIC Melville, NY 11747	Oil Purchase	E	B		F	N	5	150,741	150,741	150,741	02/02/26	C	02/04/26
FD202603B	Northville Industries Corp. NIC Melville, NY 11747	Oil Purchase	E	B		F	N	5	240,705	240,705	240,705	01/29/26	C	02/05/26
FD202604A	Northville Industries Corp. NIC Melville, NY 11747	Oil Purchase	E	B		F	N	5	125,192	125,192	125,192	02/04/26	C	02/08/26
FD202605A	Northville Industries Corp. NIC Melville, NY 11747	Oil Purchase	E	B		F	N	5	31,638	31,638	31,638	02/04/26	C	02/09/26
FD202606B	Northville Industries Corp. NIC Melville, NY 11747	Oil Purchase	E	B		F	N	5	93,080	93,080	93,080	02/06/26	C	02/14/26
FD-2026-06	Apex Oil Company, Inc. St Louis, MI 63105	Oil Purchase	E	B		F	N	5	90,226	90,226	90,226	02/04/26	C	02/09/26
FD-2026-07	Trafigura trading LLC Houston, TX 77002	NAESB Agreement for Natural Gas	E	B		F	N	32	2,583,845	2,583,845	2,583,845	03/19/26	O	*
FD-2026-09	RWE Trading Americas Inc. New York, NY 10020	NAESB Agreement for Natural Gas	E	B		F	N	32	49,225	49,225	49,225	03/19/26	O	*
FD-2026-10	Squarepoint Energy Trading LLC New York, NY 10019	NAESB Agreement for Natural Gas	E	B		F	N	32	563,100	563,100	563,100	03/19/26	O	*
	FUELS TOTALS								4,426,362,470	4,426,362,470	102,354,184			

NOTE:

* Contract continues until terminated by NYPA or Counterparty upon specified notice.

CONTRACT REFERENCE	PROVIDER NAME	CONTRACT DESCRIPTION	TYPE	MOA	RNA	OPA	SDIV	BIDS	CONTRACT AMOUNT	EXPENDED TO DATE	EXPENDED 2026	DATE OF CONTRACT	O \ C	END DATE
PFM	PFM FINANCIAL ADVISORS LLC PHILADELPHIA, PA 19103 USA	Capital Markets Financial Advisor	P	CB	9	N	N	1	300,050	300,050	0	8/19/2019	O	
Piper	Piper Sandler Minneapolis, MN 55402 USA	Capital Markets Financial Advisor	P	CB	9	N	N	2	2,172,913	2,172,913	188,871	1/1/2022	O	
Hilltop-NYPA	Hilltop (Prager & Co) San Francisco, CA 94111 USA	Capital Markets Financial Advisor	P	CB	9	N	N	2	201,329	201,329	0	1/1/2022	O	
Hilltop-SFP	Hilltop (Prager & Co) San Francisco, CA 94111 USA	Capital Markets Financial Advisor_SFP	P	CB	9	N	N	2	5,000	5,000	0	1/1/2022	O	
CreditAgr	Credit Agricole New York, NY 10019 USA	Advisors	P	CB	9	N	N	1	10,000	10,000	0	6/12/2020	O	
Digital	Digital Assurance * Certification (DAC)Formerly an Ernst & Young LLP affiliate company Orlando, FL 32801 USA	Post Issuance Compliance provider	P	CB	9	N	N	1	10,497	10,497	2,997	4/17/2023	O	
BofA-CP1	Bank of America New York, NY 10036 USA	Re-marketing Agent CP-1	S	CB	9	N	N	1	278,288	278,288	0	2/11/2022	O	
BONY-BONDS-SFP	Bank of New York * (formely JPMorgan) New York, NY 10286 USA	Trustee/Paying Agent Services on Bonds _ SPF 2023	S	CB	9	N	N	1	7,000	7,000	0	4/1/2022	O	
BONY-BONDS-NYPA	Bank of New York * (formely JPMorgan) New York, NY 10286 USA	Trustee/Paying Agent Services on Bonds	S	NC	9	N	N	1	780,801	780,801	13,000	2/24/1998	O	
BONY-CP	Bank of New York * (formerly JPMorgan) New York, NY 10286 USA	Trustee- Commercial Paper	S	NC	9	N	N	1	358,184	358,184	19,301	10/2/2006	O	
Barclays-CP1	Barclays Capital (assigned from Lehman Bros.) ** New York, NY 10019 USA	Re-marketing Agent CP-1	S	CB	9	N	N	1	2,195,541	2,195,541	0	7/14/1994	O	
Barclays-CP3	Barclays Capital * (assigned from Lehman Bros.) New York, NY 10019 USA	Re-marketing Agent CP-3	S	CB	9	N	N	1	41,988	41,988	0	6/26/2008	O	
Citi-CP2	Citigroup New York, NY 10013 USA	Re-marketing Agent CP-2	S	CB	9	N	N	1	1,351,308	1,351,308	0	12/4/1997	C	3/9/2024
GS-CP2&3	Goldman, Sachs & Co. * New York, NY 10004 USA	Re-marketing Agent CP-2 and 3	S	CB	9	N	N	1	1,332,549	1,332,549	0	12/4/1997	O	
GS-EMCP	Goldman, Sachs & Co. * New York, NY 10004 USA	Re-marketing EMCP	S	CB	9	N	N	1	958,839	958,839	0	3/4/2003	O	
JPM-CP2	JPMorgan Chase * New York, NY 10017 USA	Re-marketing Agent CP-2	S	CB	9	N	N	1	738,592	738,592	62,271	6/28/2001	O	
JPM-CP3	JPMorgan Chase * New York, NY 10017 USA	Re-marketing Agent CP-3	S	CB	9	N	N	1	783,163	783,163	3,958	12/4/1997	O	
JPM-POCR	JPMorgan Chase ** New York, NY 10017 USA	Escrow Agent POCR/CASP & LMEI Funds	S	CB	9	N	N	1	631,741	631,741	3,000	5/30/1996	O	
JPM-$700RCA	JPMorgan Chase * New York, NY 10017 USA	Revolving Line of Credit 2019	S	CB	9	N	N	1	29,221,643	29,221,643	1,637,889	1/19/2019	O	6/23/2028
JPM-$250RCA	JPMorgan Chase * New York, NY 10017 USA	Revolving Line of Credit 2020	S	CB	9	N	N	2	7,699,628	7,699,628	593,653	4/22/2020	O	6/23/2028
MS-CP1	Morgan Stanley New York, NY 10020 USA	Re-marketing Agent CP-1	S	CB	8	N	N	7	517,518	517,518	0	3/31/2009	O	
RBC-CP1	RBC Capital Markets ** New York, NY 10036 USA	Re-marketing Agent CP-1	S	CB	9	N	N	7	980,955	980,955	0	7/14/1994	O	
Sustain	Sustainalytics U.S. Inc. New York, NY 10007 USA	Surveillance of our Green Bond framework & financing	S	CB	9	N	N	1	77,754	77,754	0	7/2/2024	O	
TD-CP4	TD Securities * New York, NY 10017 USA	Re-marketing Agent CP-4	S	CB	9	N	N	1	0	0	0	5/13/2025	O	
JPM-BANK	JPMorgan Chase *** San Antonio TX 78265 USA	JPMorgan Bank Fees	S	CB	9	N	N	1	200,967	200,967	200,967	1/1/2026	O	
CUSIP-CP	Cusip Global Services *** Norwalk, CT 06850 USA	Cusip Issuance Fees for CP	S	CB	9	N	N	1	8,730	8,730	8,730	1/1/2026	O	
26		FINANCE TOTALS							50,864,976	50,864,976	2,734,638			

* Contract continues until terminated by NYPA or Counterparty upon specified notice

** Expense History only available from 1997

*** Expense History only available from 2026

POWER AUTHORITY OF THE STATE OF NEW YORK
JANUARY - JUNE 2026 TRANSFER OF INTEREST OF PERSONAL PROPERTY
TO CANAL CORPORATION
REQUIRED BY N.Y. PUBLIC AUTHORITIES LAW, SECTION 2897

Exhibit G
October 20, 2026

Property	Identified VIN if vehicle	Transfer Date	Transfer Value recorded by the Authority

*** NO TRANSFERS**

TRANSFER COUNT AND VALUE	0	0

POWER AUTHORITY OF THE STATE OF NEW YORK
JANUARY - JUNE 2026 TRANSFER OF INTEREST OF PERSONAL PROPERTY
TO CANAL CORPORATION
REQUIRED BY N.Y. PUBLIC AUTHORITIES LAW, SECTION 2897

CANAL CORPORATION PROCUREMENT CONTRACTS SUMMARY
January - June 2026

In accordance with the Canal Corporation Guidelines for Procurement Contracts, “procurement contracts” are contracts for the acquisition of goods and/or services in the actual or estimated amount of $5,000 or more. Such goods and/or services are those necessary to support the Canal Corporation's operations and maintenance and capital projects, including but not limited to, goods and commodities, construction, maintenance work and other services.

The following is a summary of all procurement contracts, including multi-year contracts, awarded through June 30, 2026, which were active during 2026 and are $5,000 or greater in value. There were 507 such contracts with a value of more than $247 million. Total procurement expenditures for Canal Corporation in 2026 exceeded $46 million.

The following is a breakdown of the total number of active contracts, excluding fossil fuel and corporate finance contracts, by contract type:

- 6% Construction services;
- 56% Equipment and Commodities;
- 4% Architectural and Engineering services;
- 9% Personal Service contracts such as professional consulting services, legal services; and
- 25% Non-Personal Service contracts such as maintenance, technicians, and contingent workforce

Based on the total value of the contracts included in this summary ($247 million), approximately 97% ($238 million) were competitively bid and 3% ($8 million) were sole/single-source awards. Sole/single-source awards included, but were not limited to, the purchase of highly specialized spare parts and services from original equipment manufacturers, procurement of services on an emergency basis and proprietary sources.

NYPA AND CANAL CORPORATION
JANUARY - JUNE 2026 REPORT OF NYPA AND CANAL CORPORATION DISPOSAL OF PERSONAL PROPERTY
REQUIRED BY N.Y. PUBLIC AUTHORITIES LAW, SECTION 2897

Exhibit I
October 20,2026

Purchaser	Property	Date	FMV Determination	Fair Market Value	Received	Reason below Fair Market Value
Hudson River-Black River Regulating District	2023 International Dump Truck	5/19/2026	SME Fleet Management	$ 14,750.00	$ -	Transfer - Donation through Canals Fleet - Approved by Trustees
SUNY Onondaga Community College	2018 Mitsubishi Outlander, Plug-in Hybrid EV	5/19/2026	SME Fleet Management	$ 10,000.00	$ -	Transfer - Donation through Env. Justice - Approved by Trustees
Bronx Green Jobs Center at Fordham University	2018 Mitsubishi Outlander, Plug-in Hybrid EV	5/19/2026	SME Fleet Management	$ 15,000.00	$ -	Transfer - Donation through Env. Justice - Approved by Trustees
Onondaga-Cortland-Madison BOCES	2020 Mitsubishi Outlander, Plug-in Hybrid EV	5/19/2026	SME Fleet Management	$ 15,000.00	$ -	Transfer - Donation through Env. Justice - Approved by Trustees
Nick Lindsley - L&S Excavating, Inc.	1958 Self Propelled Scow Salem	5/27/2026	Public Auction	$ 6,200.00	$ 6,200.00	

DISPOSAL TOTALS	$60,950.00	$ 6,200.00

DISPOSAL TOTALS	60,950	6,200

NYPA AND CANAL CORPORATION
JANUARY - JUNE 2026 REPORT OF NYPA AND CANAL CORPORATION DISPOSAL OF PERSONAL PROPERTY
REQUIRED BY N.Y. PUBLIC AUTHORITIES LAW, SECTION 2897

Exhibit I
October 20,2026

NEW YORK STATE | NY Power Authority | Canal Corporation

Memorandum

Date: **October 20, 2026**

To: **GOVERNANCE COMMITTEE**

From: **PRESIDENT & CHIEF EXECUTIVE OFFICER**

Subject: **Approval of Guidelines for Procurement Contracts**

SUMMARY

This memorandum is to request that the Governance Committee review and recommend for approval by the New York Power Authority Board of Trustees and the Canal Corporation Board of Directors at their next meeting the changes to the New York Power Authority's ("Authority") and Canal Corporation ("Canal") Guidelines for Procurement Contracts ("Guidelines") (Exhibit "A-1" and "A-2").

BACKGROUND

Section 2879 of the Public Authorities Law ("PAL") governs the administration and award of procurement contracts equal to or greater than $5,000. Section 2879 of the PAL requires public authorities to adopt comprehensive guidelines detailing their operative policy and instructions concerning the use, awarding, monitoring, and reporting of procurement contracts. The Authority's Guidelines were adopted by the Trustees at their meeting of October 31, 1989, and were implemented as of January 1, 1990. The Guidelines have been amended as deemed advisable and necessary, and reviewed and approved annually by the Board since that date, most recently on October 14, 2025.

Section 2879 of the PAL also requires authorities to review and approve such guidelines annually and to file a report regarding procurement contracts with the Director of the Division of the Budget, the Department of Audit and Control, the Department of Economic Development, the Senate Finance Committee, the Assembly Ways and Means Committee and the Authorities Budget Office. The Annual Report must include a copy of the Authority's current Guidelines, details concerning any changes to the Guidelines during the year, and particular information concerning procurement contracts. For each procurement contract included in the report, the following information must be identified:

> *[A] listing of all procurement contracts entered into [by the Authority], all contracts entered into with New York State business enterprises and the subject matter and value thereof, all contracts entered into with certified minority or women-owned business enterprises and the subject matter and value thereof, all referrals made and all penalties imposed pursuant to section three hundred sixteen of the executive law, all contracts*

entered into with foreign business enterprises, and the subject matter and value thereof, the selection process used to select such contractors, all procurement contracts which were exempt from the publication requirements of article four-C of the economic development law, the basis for any such exemption and the status of existing procurement contracts.

Lastly, § 2879 of the PAL requires an annual review by the Trustees of open service contracts exceeding one year, which are also included in the Annual Report.

DISCUSSION

These Guidelines are amended in accordance with certain provisions of State Finance Law §§ 139-j and 139-k, and New York Public Officers Law § 73(8).

The Guidelines generally describe the Authority's process for soliciting proposals and awarding contracts. Topics detailed in the Guidelines include solicitation requirements, evaluation criteria, contract award process, contract provisions, change orders, Minority and Women-owned Business Enterprise ("MWBE") requirements, employment of former officers and reporting requirements.

For NYPA and the Canal Corporation, please note the following changes to the Guidelines for Procurement Contracts:

1. The correction of certain inconsistencies, grammatical and otherwise.
2. The update of certain footnoted statute designations.

FISCAL INFORMATION

There will be no financial impact on the Authority or the Canal Corporation.

RECOMMENDATION

The Governance Committee is requested to review the respective Authority's and Canals Guidelines for Procurement Contracts Exhibits "A-1" through "A-2" and, if appropriate, to recommend adoption by the Authority Trustees and the Canal Corporation Board of Directors at the meeting to be held on December 8, 2026.

For the reasons stated, I recommend the approval of the above-requested action by adoption of the resolution below.

Justin E. Driscoll

President and Chief Executive Officer

R E S O L U T I O N

RESOLVED, That pursuant to Section 2879 of the Public Authorities Law and the Authority's and Canal's Procurement Guidelines, the Governance Committee approves and recommends for adoption by the New York Power Authority Trustees and the Canal Corporation Board of Directors, the Guidelines for the use, awarding, monitoring and reporting of Procurement Contracts, as amended, be, and hereby are, approved; and be it further

RESOLVED, that the Governance Committee recommends that the Chair, the President and Chief Executive Officer, and all other officers of the Authority be, and each of them hereby is, authorized on behalf of the Authority and Canal Corporation to do any and all things, take any and all actions and execute and deliver any and all agreements, certificates and other documents to effectuate the foregoing resolution, subject to the approval of the form thereof by the Executive Vice President and General Counsel.

EXHIBIT A-1
October 20, 2026

Effective: January 1, 2027

Company Policy Title:

Policy Number:

CP 3-1

NEW YORK STATE OF OPPORTUNITY. | NY Power Authority

NYPA GUIDELINES FOR PROCUREMENT CONTRACTS

Revision Date (For IBC Use Only)	Revision #	Description/Modification	Revision Section (s)	Author
10/20/2026	10	Corrections/clarifications necessitated by updates to NYS statutes.	Sections 2 and 3	Liz Carl, Sr. Dir. Procurement Gov & Analytics COE
10/14/2025	9	Updated definitions; Clarifications to MWBE, SDVOB limits due to change in statute; deletion of Section 5K	2F, 2K, 2T, 3D, 3J, 3M, 4B, 5K	Liz Carl, Sr. Dir. Procurement Gov & Analytics COE
10/16/2024	8	Updated definitions; Clarifications to MWBE, SDVOB, SBE language throughout document; New title heading for Section 4; Removal of Section 5 "Recommendation for Award".	2, 3, 4, 6, 7, 9	Liz Carl, Sr. Dir. Procurement Gov & Analytics COE
10/17/2023	7	Title change for SSM Department Head; Clarifications to Sections 7 and 8, Change Orders	7, 8	Liz Carl, Sr. Dir. Procurement Gov & Analytics COE
3/22/2023	6	Annual updates proposed for clarity, ease of use and include minor changes to reflect current regulatory and statutory changes.	Sections misc.	Liz Carl, Sr. Dir. Procurement Gov & Analytics COE

Formatted: Indent: Left: 0", Space After: 1.45 pt, Tab stops: 3.75", Centered + 6.22", Centered

Formatted: Right

Deleted: 2026

Formatted: Centered

Formatted Table

3/29/2022	5	Annual updates proposed for clarity, ease of use and include minor changes to reflect current regulatory and statutory changes.	Sections misc.	Liz Carl, Sr. Dir. Procurement Gov & Analytics COE
3/30/2021	4	Annual updates include definitions for Purchase Order Release, Value Contract and Design-Build; award of contracts updates on purchase order releases; carve out for Design-Build contract provisions on solicitation for future phases of work	Sections 2C, 2L, 2T, 6F, 7(3)	Liz Carl, Sr. Dir. Procurement Gov & Analytics COE
12/09/2020	3	Annual updates include definition of NonProcurement; solicitation requirements for services and third party; award of contracts updates on personal services and	Sections 2,3,6,7	Liz Carl, Sr. Dir. Procurement Gov & Analytics COE

Printed copies are not controlled.
For the latest revision of this document, refer to the Policy and Procedure PowerNet Site.
Records will be retained in accordance with NYPA's approved records retention schedules and/or in compliance with all applicable legal requirements pertaining to NYPA.

		construction value contracts; contract provisions on Appendix P		
4/6/2020	2	Annual updates include definition of Software; statutory updates for procurement announcements and the dollar cap for MWBE discretionary spend	Sections 2, 3, 6	Diane Gil, Sr. Director, Procurement Governance & Analytics Center of Excellence
3/26/2019	1	Per PAL §2879, the Guidelines were adopted by resolution and are reviewed annually and approved (by the Trustees). Updates proposed for clarity, ease of use and include minor changes to reflect current regulatory and statutory changes.	Sections 1,2,3,4,6,7, 10 and 13	Diane Gil, Sr. Director, Procurement Governance & Analytics Center of Excellence
3/27/2018	0	Converting approved 2018 NYPA Guidelines for Procurement Contracts ("Guidelines") to e-Scribe format. Per PAL §2879, the Guidelines were adopted by resolution and are reviewed annually and approved (by the Trustees).	N/A	Diane Gil, Sr. Director, Procurement Governance & Analytics Center of Excellence

NYPA GUIDELINES FOR PROCUREMENT CONTRACTS

1. PURPOSE

These Guidelines are adopted pursuant to the provisions of the Act (as defined below) and Section 2879 of the Public Authorities Law, as amended. The provisions of Article 4-C of the Economic Development Law, §§ 2879 and 2879-a of the Public Authorities Law, Article 15-A of the Executive Law, Article 3 of the Veterans' Services Law, and §§ 139-j and 139-k of the State Finance Law were considered in developing these Guidelines. Departments and facilities may adopt further procedures to implement these Guidelines. These Guidelines are designed to ensure the responsible and prudent use of the resources of the Authority; to guard against favoritism, extravagance, fraud and corruption; and, to facilitate the efficient and timely acquisition of goods and services for the Authority. To help ensure that the purposes of these Guidelines are met and that there is compliance with applicable law and procedures governing procurements by the Authority, each operating division within the Authority shall engage Strategic Supply Management in all purchases of goods and services by the Authority.

Deleted: s

Deleted: Article 3

2. DEFINITIONS

A. "Act" shall mean the Power Authority Act.

B. "Capital Projects" generally refer to the acquisition or construction of new assets, the replacement and/or betterment of existing assets, equipment, or property (including those of NYPA's customers, where authorized). Betterment refers to an extension of the useful life or improvement in the efficiency and/or capacity of the asset, equipment, or property.

C. "Construction Contracts" are Procurement Contracts that employ craft labor and other services utilizing laborers and/or mechanics not otherwise considered Non-Personal Services for the construction, reconstruction, alteration, maintenance, moving or demolition of any building, structure or improvement, or relating to the excavation of or other development or improvement to the land.

D. "Contact" is any oral, written, or electronic communication with the Authority under circumstances where a reasonable person would infer that the communication was intended to influence the Authority's conduct or decision regarding the procurement.

E. "Design-Build" is a method of project delivery where there is one entity, one contract, one unified flow of work from initial concept through completion. Design-Build is also referred to as Engineer, Procure, Construct (EPC) in some instances.

F. "Discretionary Purchase" is a procurement made below statutorily established monetary threshold amounts for the purchase of commodities and/or services from NYS Small Business Enterprises or NYS-certified Minority- and Women-owned Business Enterprises (MWBE) firms, and/or NYS-certified Service-Disabled Veteran Owned Business Enterprise (SDVOB) firms, and at the discretion of the Authority.

G. "Disadvantaged Business Enterprise" (DBE) is a for-profit small business concern: (1) that is at least 51 percent owned by one or more individuals who are both socially and economically disadvantaged or, in the case of a corporation, in which 51 percent of the stock is owned by one or more such individuals; and (2) whose management and daily business operations are controlled by one or more of the socially and economically disadvantaged individuals who own it, as that term is defined in 49 C.F.R Part 26.

H. "Goods" include equipment, material and supplies of any kind. Procurement Contracts that include both equipment and services may be classified as Goods, where a majority of the total projected contract value will be for the purchase of equipment, material or supplies.

I. "Minority- and Women-owned Business Enterprise" (MWBE) is defined as a small business certified under Article 15-A of the Executive Law that is independently owned, operated and authorized to do business in New York State; and is owned and controlled by at least fifty-one percent women or minority group members who are citizens of the United State or permanent resident aliens; and whose personal net worth does not exceed fifteen million dollars or such other amount as set forth in the regulations. Such ownership must be real, substantial and continuing; and the minorities or women must have and exercise the authority to control independently the day-to-day business operations and decisions of the enterprise.[1]

J. "Non-Personal Services Contracts" are Procurement Contracts for all other services that do not involve professional skill, knowledge or expertise and/or performance may be substituted by another individual or entity. By way of example, Non-Personal Services include, but are not limited to, managed services that support information technology functions (inclusive of subscription services), maintenance, minor structural repairs, printing services, marine patrol and skilled or unskilled temporary personnel, including clerical office staff, technicians, or engineers working under Authority's supervision.

K. "Non-Procurement Contracts" include: (i) contracts for goods and services under $5,000; (ii) contracts for energy with or without environmental attributes included, capacity, renewable energy certificates, ancillary services, transmission, distribution or related services in support of providing service to Authority customers; (iii) contracts for differences; (iv) contracts for the issuance of commercial paper or bonded indebtedness including, but not limited to: bond purchase agreements, standby bond purchase agreements, letters of credit, firm remarketing agreements, forward purchase agreements, revolving credit agreements and other similar liquidity facility agreements, broker-dealer agreements, remarketing agent agreements, auction agent agreements, interest rate swaps and other similar hedging agreements, provided, however, that this shall not include: (a) contracts with the state for providing for the payment of debt service subject to an appropriation; (b) professional or banking services agreements such as bond counsel, financial advisor and trustee agreements; and (c) custodial service agreements; (v) certain insurance and healthcare products that do not readily lend themselves to a competitive solicitation; (vi) direct and indirect placement of

Deleted: State

[1] Executive Law § 310(7) and (15); 5 NYCRR § 140.1(bb).

advertisements; (vii) the purchase of periodicals, referential data subscriptions, reference materials or professional research tools; (viii) fees or tuition associated with continuing education courses, training courses, conferences, seminars and symposiums, or the engagement of guest speakers; (ix) funding agreements, co-funding agreements, or grants and (x) or memberships in various industry groups, professional societies or similar cooperative associations, or any cooperative projects and procurement activities conducted or sponsored by such organizations in which the Authority participates.

L. "Operation and Maintenance" (O&M) generally refers to the work or services necessary to keep the plants, transmission lines, and other equipment and facilities to include NYPA customers, where authorized, (collectively referred to generally as an "asset") in optimal operating condition and/or to restore an asset to its productive capacity. This includes the cost of inspecting, testing, analyzing and reporting on the condition of the asset required to determine repairs or replacement, as well as costs associated with the normal operation and administration of NYPA's production/transmission facilities and energy programs.

M. "Personal Services Contracts" are Procurement Contracts to provide either (i) a service by a named individual that involves a particular skill, cultivated judgment and the exercise of discretion, such that performance by a substituted individual would be unacceptable; or (ii) a professional service requiring professional skill, knowledge or expertise of a consulting, professional or technical nature in occupations that may require an advanced degree or specific licensure, certification or specialized training, for a fee, commission or other compensation, by a person or persons who are not providing such services as officers or employees of a state agency or public corporation. By way of example, such professional services include but are not limited to the areas of accounting, architectural, engineering, surveying, financial advisory, investment banking, legal, public relations, marketing, planning, management, consulting, surveying, training (when specifically developed by a consultant for the Authority), IT or cyber consulting, IT development and construction management.

N. "Procurement Contracts" are contracts for the acquisition of goods and/or services in the actual or estimated amount of $5,000 or more. Such goods and/or services are those necessary to support the Authority's offices, facilities, operations and maintenance (O&M) and capital projects (as defined in Section 2 of the Guidelines), including but not limited to goods such as office supplies, major electrical equipment, construction and maintenance work and services.

O. "Purchase Order Release" is a single order issued for goods or services in accordance with the terms and conditions of a Value Contract.

P. "Relative" is any person living in the same household as the Authority employee or any person who is a direct descendant of the Authority employee's grandparents or the spouse of such descendant, as referred to in Subsection 8.E of these Guidelines. The term Relative may include, but is not limited to, the relationship of spouse, child, parent, sister, brother, grandparent, grandchild, aunt, uncle, cousin, niece, nephew, stepchild,

stepparent, stepsister, stepbrother, mother-in-law, father-in-law, sister-in-law, brother-in-law, daughter-in-law or son-in-law.

Q. "SDVOB Set-Aside" are procurements identified at the discretion of the Authority to exclusively set-aside for the participation of NYS-certified SDVOBs, and are subject to the applicable laws, rules, and procedures governing procurements.

R. "Selection Process," as further outlined in Section 4 below, includes as evaluating factors the Authority's consideration of a bidder's skill, judgment, and business integrity.

S. "Service-Disabled Veteran-Owned Business Enterprise" (SDVOB) is a business enterprise, including a sole proprietorship, partnership, limited liability company or corporation, certified under Article 3 of the Veterans' Services Law that is: (i) at least fifty-one percent owned by one or more service disabled veterans; (ii) an enterprise in which such service-disabled veteran ownership is real, substantial and continuing; (iii) an enterprise in which such service-disabled veteran ownership has and exercises the authority to control independently the day-to-day business decisions of the enterprise; (iv) an enterprise authorized to do business in the State and is independently owned and operated; (v) an enterprise that is a small business which has a significant business presence in the State, not dominant in its field and employs less than 300; (vi) and is certified by the Office of General Services.[2]

T. "Single-Source" is a procurement in which, although two or more offerors can supply the required goods or services, the Authority, upon written findings setting forth the material and substantial reasons therefor, may award a contract or amendment to a contract to one offeror over the other.

U. "Small Business" (or Small Business Enterprise, SBE), as defined pursuant to Executive Law § 310 and as used in these Guidelines, unless otherwise indicated, is a business that has a significant business presence (as defined at 5 NYCRR 140.1) in New York State, is independently owned and operated, not dominant in its field and employs not more than 300 people.[3]

V. "Software" includes on-premises applications as well as Software-as-a-Service (SaaS) which is defined as a software distribution model in which a third-party provider hosts the application. Software shall be considered "Equipment" where such term is used throughout these Guidelines. Furthermore, the implementation services related to the initial installation of any software may also be considered Equipment under that contract provided such installation does not exceed one year.

W. "Sole Source" is a procurement in which only one offeror is capable of supplying the required goods or services.

[2] Veterans' Services Law § 40(1); 9 NYCRR § 252.1(e).
[3] Executive Law § 310(20).

Deleted: ;
Deleted: dominate
Deleted:
Deleted: on-premise
Deleted: "
Deleted: "
Deleted: can
Deleted: e
Deleted: s

X. "SSM Department Head" is the Senior Vice President of Strategic Supply Management.

Y. "Value Contract" is the master service agreement for goods and services with specific target value and term.

3. SOLICITATION REQUIREMENTS

A. Preparation of the solicitation of proposals for Procurement Contracts is the joint responsibility of the Strategic Supply Management ("SSM") Department and the initiating department. Except as otherwise authorized by these Guidelines, a Request for Proposals or Request for Quotations will be made available to a minimum of three providers and/or firms (if available) commensurate with the magnitude and nature of the goods and/or services, and the schedule for performance.

B. Prospective bidders on Procurement Contracts may be prequalified by invitation advertised in the same manner as a Request for Proposals but referred to as a Request for Qualifications. In such cases, proposals are requested only from those provider(s) and/or firm(s) whose prequalification submittals demonstrate sufficient ability and competence (including, but not limited to, the bidder's skill, judgment and business integrity) to supply the particular goods and/or perform the particular services required.

C. The Authority may withdraw any pending solicitation at any time, for cause or no cause. Any person or entity submitting any responsive document to the Authority does so at its own cost or expense and will not be reimbursed by the Authority for the preparation of any responsive document, unless otherwise agreed to in writing and signed by an authorized Authority representative.

D. In order to promote the use of MWBEs, SDVOBs and SBEs, the Authority will solicit offers from such firms known to have experience in the type of goods and/or services to be provided, regardless of the type of contract. For the purpose of these Guidelines, the definitions of NYS-certified MWBE or SDVOB firms and SBEs are set forth in Sections 2.

In furtherance of this commitment to encourage greater MWBE, SDVOB, and SBE participation, the Authority, at its own discretion, may utilize its discretionary purchasing authority to target specific [or limit the responses to certain] procurements for goods and services (not including construction or construction-related services) under the established monetary threshold from MWBEs, SDVOBs, and/or SBEs. For the purpose of determining whether a purchase is within the discretionary monetary thresholds, the aggregate amount of all purchases of the same commodities and/or services to be made from the same supplier within the 12-month period commencing on the date of purchase shall be considered. A change to or a renewal of a discretionary purchase shall not be permitted if the change or renewal would bring the reasonably expected aggregate amount of all purchases of the same commodities and/or services from the same provider within the 12-month period commencing on the date of the first purchase to an amount greater than the statutorily established monetary threshold amounts as provided for in Public Authorities Law § 2879(3)(b)(i).

Deleted: – The

Deleted: currently serves as the SSM Department Head

Deleted: Minority- and Women-owned Business Enterprises ¶ ("…

Deleted: "), Service-Disabled Veteran-Owned Businesses ("…

Deleted: ")

Deleted: Small Business Enterprises ("

Deleted: ")

E. It is the policy of New York State to promote the participation of New York State Business Enterprises and New York State residents in Procurement Contracts. The Authority will endeavor to promote such participation and to comply with the applicable statutory provisions. In furtherance of Public Authorities Law § 2879, the following definitions and actions apply:

1. "New York State Business Enterprise" is a business enterprise, including a sole proprietorship, partnership or corporation that offers for sale or lease or other form of exchange, goods sought by the Authority that are substantially manufactured, produced or assembled in New York State or services, excluding construction services, sought by the Authority that are substantially performed within New York State as further described in Public Authorities Law § 2879. For purposes of construction services, a New York State Business Enterprise shall mean a business enterprise, including a sole proprietorship, partnership, or corporation, which has its principal place of business in New York state.

2. "New York State resident" is a person who maintains a fixed, permanent, and principal home in New York State to which such person, whenever temporarily located, always intends to return as further described in Public Authorities Law § 2879.

3. "Foreign Business Enterprise" is a business enterprise, including a sole proprietorship, partnership or corporation, which offers for sale, lease or other form of exchange, goods sought by the Authority that are substantially produced outside New York State, or services other than construction services, sought by the Authority that are substantially performed outside New York State as further described in Public Authorities Law § 2879. For purposes of construction services, Foreign Business Enterprise is a business enterprise, including a sole proprietorship, partnership or corporation, which has its principal place of business outside New York State.

4. "Discriminatory Jurisdiction" is any country, nation, province, state or political subdivision thereof which employs a preference or price distorting mechanism to the detriment of, or otherwise discriminates against, a New York State Business Enterprise in the procurement of goods and/or services by the same or a nongovernmental entity influenced by the same.

5. Pursuant to Public Authorities Law § 2879, the Authority shall not enter into a contract with a Foreign Business Enterprise which has its principal place of business in a Discriminatory Jurisdiction contained on the list prepared by the Commissioner of the New York State Department of Economic Development ("DED"). The provisions of this section may be waived by the Authority's Chief Executive Officer if the Chief Executive Officer determines in writing that it is in the best interests of the Authority to do so, as further set forth in the above-referenced law.

6. Pursuant to Public Authorities Law § 2879, the Authority will, where feasible, make use of the stock item specification forms of New York State manufacturers, producers and/or assemblers, as made available by the Commissioner of General Services, for any Procurement Contract for the purchase of goods.

F. Certain goods and/or services may be procured pursuant to Procurement Contracts let by any department, agency, officer, political subdivision or instrumentality of the state (e.g., the New York State Office of General Services (OGS)) or Federal government (e.g., General Services Administration (GSA)) or any city or municipality where the SSM Department and the initiating department determine that a reasonable potential exists for cost savings or other benefits to the Authority and have approved the specifications and proposed terms and conditions of such contract.

Certain Procurement Contracts established by the OGS or GSA require that authorized users conduct a "mini bid" (i.e., an abbreviated supplemental competitive bid procurement process) among prequalified bidders identified in such established contracts.

G. Procurement Contracts issued by the Authority may also utilize a mini bid process, typically, in cases of a multiple award, where a contract is awarded to more than one bidder that meets the Authority's bid requirements. Such mini bids shall be conducted by the Authority's SSM staff (or on behalf of the Authority by a contracted service provider) where applicable and practicable. Within a said multiple award group, work may be assigned to a specific firm without conducting a mini bid, under certain circumstances, including but not limited to: where such firm possesses specialized expertise and is uniquely qualified to perform such work; where time constraints, emergency or other critical conditions exist or geographic location is of primary consideration in order to meet schedule requirements, respond to emergent issues or otherwise meet the Authority's needs; or when the work scope is below a specified monetary threshold. The decision to assign work without conducting a mini bid shall be made jointly by SSM and the initiating departments and shall be documented for the Procurement Record.

H. Solicitations will include a scope of work that defines the goods required and/or the services to be performed; evaluation criteria (as defined in Section 4); milestone dates; the Authority's Supplier Diversity program requirements, if applicable; all other applicable Authority requirements and any special methods or limitations that the Authority chooses to govern the work.

I. Telephone solicitation, for procurements valued at less than $50,000, may be used where time constraints do not permit issuance of a Request for Proposals, where issuance of a Request for Proposals is otherwise impracticable, or for goods that are catalog items or do not require a detailed bill of materials or specification. All telephone solicitations made by SSM shall be documented and made part of the Procurement Record.

Deleted: State

J. For all Procurement Contracts, including Discretionary Purchases, with a value equal to or greater than $150,000 (except for those contracts noted below), the Authority will, prior to soliciting proposals, submit all required information to the Commissioner of the DED to be included on the New York State *Contract Reporter* website, (www.nyscr.ny.gov). Such information will be submitted to the DED Commissioner in accordance with the schedule set forth by the DED. The due date for bids or proposals will be a minimum of 15 business days after the date of publication of such notice on the *Contract Reporter* website, except where a shorter period is specifically authorized by law. For Procurement Contracts resulting from a Request for Proposals process, the Authority will submit the results of the bid opening, including the names of firms submitting proposals and the name(s) of the awardee(s), for inclusion on the *Contract Reporter* website. For all other Procurement Contracts, the name of the awardee will be submitted.[4]

This section 3.J does not apply to (i) Procurement Contracts awarded on an emergency basis as described below in Section 3.O, (ii) Procurement Contracts being rebid or re-solicited for substantially the same goods and/or services, within 45 business days after the original due date, and/or (iii) Procurement Contracts awarded to not-for-profit human services providers pursuant to a non-competitive selection process.[5]

Notwithstanding the foregoing, submittal of a notice of award for inclusion on the *Contract Reporter* website is required for Procurement Contracts with a value of $50,000 or more awarded on a sole source or single source basis. Such notice shall specify the name of the awardee.[6]

K. In order to further increase participation of service-disabled veterans in New York State's contracting opportunities, contracts may be competitively bid exclusively among NYS-certified SDVOBs regardless of value and advertised as such on the *Contract Reporter* website as a SDVOB Set-Aside.

L. Proposals for certain services not resulting in Procurement Contracts may also be solicited by the SSM Department to gather information from potential sources that will include a description of the offeror/firm's qualifications, résumés of key personnel, past experience and proposed billing rates. SSM's effort is concluded when SSM furnishes the information solicited to the initiating department for their use.

M. A Procurement Contract may be awarded on a Sole Source, Single Source, or other non-competitive basis where:

1. Compatibility of equipment, accessories or spare or replacement parts is the paramount consideration.

Deleted: /

Deleted: /

Deleted: (See Article 4-C, Economic Development Law)…

[4] Economic Development Law § 143.
[5] Economic Development Law § 144(1).
[6] Economic Development Law § 143(4).

2. Services are required to extend or complement a prior procurement and it is impracticable or uneconomic to have a source other than the original source continue the work.

3. An item is needed for trial use or testing.

4. A proprietary item is sought for which there is only one source.

5. Other circumstances or work requirements exist that cause only one source to be available or uniquely qualified to supply the required goods and/or services.

6. Services are required on a more expedited basis than the competitive procurement process will allow. Requesting business units must demonstrate the urgency of the project and that awardee is cost-effective and qualified in the subject area. Services shall be for specific scopes of work in an amount not exceeding $500,000 and are subject to the approvals stated in Section 3.D.

7. An award made to NYS SBEs, up to the discretionary purchasing buying threshold, that is in the best interest of the Authority in furtherance of the State of New York and Authority's Supplier Diversity economic program goals and upon approval by the SSM Department Head.

N. Pursuant to Public Authorities Law § 2879-a, the Comptroller Regulations (2 NYCRR Part 206) and the State Authority Contract Manual, the Authority may be required to submit certain contracts to the New York State Comptroller for approval that are awarded on a Sole Source, Single Source, or other non-competitive basis for the purchase of goods and/or services in an amount in excess of $1 million, and shall notify the successful bidder therefor. Such contracts or contract amendments shall not be valid and enforceable unless approved by the Comptroller or until 90 days have elapsed from such submission without action by the Comptroller, as further set forth in the referenced law and regulations.

O. Subject to the Authority's Expenditure Authorization Procedures (EAPs), and Public Authorities Law § 2879-a, the Comptroller Regulations and the State Authority Contract Manual, a Procurement Contract may be awarded without following the solicitation requirements that ordinarily apply (but using such competitive selection procedures as are practicable under the circumstances) where emergency conditions exist, such as:

1. A threat to the health or safety of the public or Authority employees or workers arising out of (i) an accident; or (ii) other unforeseen occurrence or condition immediately affecting the property or other interest of the Authority.

2. Proper functioning of the Authority facilities or construction or operating projects, or other projects implemented by the Authority, requires adherence to a schedule that does not permit time for an ordinary procurement solicitation.

P. Whenever an initiating department determines that a Procurement Contract should be awarded on a Single Source, Sole Source, or an emergency basis, the department head

or other authorized equivalent per the EAPs will provide a written statement explaining the compelling reasons therefor to the SSM Department. The award of such Procurement Contracts, regardless of value, requires the written approval of the SSM Department Head.

Q. In furtherance of Public Authorities Law § 2800, when a procurement is made on a non-competitive basis, and the price for goods or services purchased exceeds fair market value, prior to making the purchase, the Business Unit Head of the initiating department shall provide a detailed explanation of the justification for making the purchase and a certification shall be signed by the Chief Executive Officer and Chief Financial Officer of the Authority stating that they have reviewed the terms of such purchase and determined that it complies with applicable law and procurement guidelines. The following definition shall apply: "Fair Market Value" shall mean the estimated dollar amount that a willing buyer would pay to a willing seller for property in an arms-length transaction in the appropriate marketplace and under similar circumstances. Fair market value may be determined by internal appraisals, industry recognized sources, or other methods of valuation generally accepted in the industry in which such property is utilized, as may be approved by the SSM Department Head or authorized designee.

R. It is the policy of New York State to discourage improper communications intended to influence a governmental procurement. The Authority will endeavor to control such practices and will comply with the applicable statutory provisions. In furtherance of the State Finance Law §§ 139-j and 139-k, the following shall apply:

The "Restricted Period" is the period of time commencing with the earliest posting, on the Authority's website, in a newspaper of general circulation, or in the Procurement Opportunities Newsletter (i.e., New York State *Contract Reporter*) in accordance with Article 4-C of the Economic Development Law of written notice, advertisement or solicitation of a request for proposal, invitation for bids, or solicitation of proposals, or any other method provided for by law or regulation for soliciting a response from offerors intending to result in a Procurement Contract with the Authority and ending with the final contract award and approval by the Authority and, where applicable, the State Comptroller. The "Restricted Period" also applies to a "mini bid" process that may be utilized in certain established OGS, GSA or Authority multiple award contracts, as provided in Section 3.F and 3.G.

The Authority shall designate a person or persons who may be contacted, with respect to each Authority procurement. The bidders/contractors or persons acting on their behalf shall only contact the Authority's designated person or persons where a reasonable person would infer that the communication was intended to influence the procurement during the Restricted Period. Any contacts received by persons other than those designated by the Authority shall make a contemporaneous record of such contact and report it to the designee(s).

S. In furtherance of the Authority's commitment to ensure transparency and accountability of its operations, every member, officer or employee of the Authority who is contacted by a lobbyist is required to make a contemporaneous record of such contact, pursuant to

Public Authorities Law § 2987 and as further set forth in the Authority's Company Policy, Lobbying Contacts CP 9-2, regarding this matter.

T. Project Sunlight (Chapter 399, Part A, Section 4 of the Laws of 2011) requires the Authority to record in a database maintained by the New York State Office of General Services certain appearances between the Authority and individuals, firms or other entities (excluding elected officials and representatives of federal, state and local agencies and authorities) relating to the procurement of a contract, with a value of $25,000 or more, for real property, goods or services. Appearances are defined as an interaction through an in-person meeting or a video conference between covered individuals. Appearances related to emergency procurements and disposal of property through public auctions are excluded, as are appearances that take place during the formal "Restricted Period." Covered individuals at the Authority means an employee who has the power to exercise discretion in procurement matters or advises someone who exercises such discretion. A covered individual outside of the Authority means both "external" (e.g., a lobbyist) and "internal" (e.g., sales representative) representatives of an entity, individuals appearing on behalf of themselves, advocacy groups or organizations or entities representing the interests or concerns of the organization or entity or of its members. All such appearances must be promptly reported to the Authority's Ethics and Compliance Office for recording in the Project Sunlight database.

U. Prior to entering into any binding commitment with a third party (e.g., written agreement or memorandum of understanding (MOU)) in pursuit of any joint or collaborative development project, the office of SSM and the Law Department (Law) must be notified regarding the procurement and on the issue of whether and to what extent the projects fall within the constraints of the Authority's procurement regulations and enabling legislation. SSM and Law should be brought into any such project during the development phase.

Provided that the Authority has statutory authority to develop or otherwise participate in a project developed, in whole or in part, in collaboration with a third party, the following minimum criteria must be met:

(i) the Authority's participation must be in response to a solicitation issued by the state or other public entity pursuant to a competitive selection process; and

(ii) the construction of any asset to be owned by the Authority must comply with all applicable laws, including but not limited to prevailing wage requirements and goals established for the use of diverse and NYS small businesses (e.g., MWBE, SDVOB, SBE or DBE); and

(iii) goods and/or services required to develop and implement the project must be sourced and procured in accordance with, and subject to, either (a) the Authority's Procurement Guidelines; or (b) the requirements of the third party collaborator governing the competitive procurement of goods and services, provided that SSM has been furnished with a copy of such requirements which demonstrate, in SSM's judgement, that a competitive procurement or equivalent has been or will be undertaken.

Deleted: State

Prior to execution any underlying agreement (i.e. joint development agreement, MOU, etc.) an internal award recommendation must be memorialized and approved by the SSM Department Head, the Executive Vice President and Chief Financial Officer (or their designee) and the responsible Business Unit head.

4. SELECTION PROCESS

A. Proposals will be evaluated using a fair and equitable comparison of all aspects of the proposals against the specifics of the solicitation and against each other, including an analysis of each offer that considers: the quality of the goods and/or the competence of the bidder (including, but not limited to, the bidder's skill, judgment and business integrity), the technical merit of the proposal and the price for which the goods and/or services are to be supplied.

In the event the price submitted by the bidder recommended to be awarded a contract exceeds the cost estimated, where a cost estimate is provided on the solicitation at the time of bidding, the initiating department will prepare a written explanation to be reviewed by the SSM Department and the appropriate managers as stipulated in the EAPs. The following options should be considered: (1) rejecting the bids, resoliciting proposals and/or modifying the scope of work; (2) revising the cost estimate and proceeding with the contract award and (3) negotiating with the bidder(s) to reduce the price quoted. Factors to be considered in reaching the proper course of action include but are not limited to: the effects of a delay on both the schedule and the cost of the specific procurement (e.g.: capital construction project) or specific circumstances (ego: outage at an operating facility), the magnitude of the contract, available bidders, the ability to attract additional competition if the solicitation is reissued, and the accuracy of the original cost estimate. The recommended course of action and the reasons therefor must be fully documented in a memorandum for consideration by the appropriate level of management prior to approval and placed in the appropriate procurement file.

B. Factors to be considered in evaluating the goods and/or services to be supplied and/or the competence of the bidder are: previous experience (including applicable experience in New York State and evaluations from other clients for whom the bidder has provided goods and/or services); the abilities and experience of the personnel to be assigned to the Authority's work and the ability to provide any needed advanced techniques such as simulation and modeling; and overall, the bidder's skill, judgment and business integrity. The approach proposed in meeting the exact requirements of the scope of work will be given consideration in evaluating the technical merit of the proposal, together with a well organized task structure, the ability to timely supply the goods and/or perform the proposed services and the ability to comply with Supplier Diversity participation goals, if any. The need to purchase the goods from and/or subcontract performance of services to others will be evaluated as to their effects on cost, as well as quality, schedule and overall performance.

Other factors that may be considered in evaluating proposals may involve an assessment of the bidder's diversity practices (Exec Law § 313-a), participation in the Authority's

Mentor-Protégé Program (SFL § 9(147) for MWBEs, or Quantitative Factoring (NYCRR 142.14) for MWBEs, SDVOBs and SBEs, where applicable.

C. For Personal Services Contracts, Non-Personal Services Contracts, and Construction Contracts (as defined in Section 2 of these Guidelines), the technical merits of the proposals and the experience and capabilities of the bidders will be the primary factors in determining the individual or firm to be awarded the contract, provided that the price for performing such work is reasonable and competitive.

D. For Procurement Contracts for Goods (as defined in Section 2.H of these Guidelines), the award should generally be made to the lowest-priced firm submitting a proposal that meets the commercial and technical requirements of the bid documents. (See also Section 4.F regarding award to "other than low bidder".)

E. Pursuant to § 139-k of the State Finance Law, the Authority shall not award a Procurement Contract to an offeror who fails to provide timely, accurate and complete responses to inquiries about past determinations of non-responsibility (unless awarding the contract is necessary to protect public property or public health or safety and the offeror is the only source capable of supplying the required article of procurement within the necessary timeframe.)

A bidder's/contractor's knowing and willful violation of the Authority's policy providing for certain procurement disclosures shall result in a determination of non-responsibility of such offeror pursuant to State Finance Law §§ 139-j and 139-k only.

More than one determination of non-responsibility due to violations of State Finance Law § 139-k in a four-year period shall render an offeror ineligible to submit bids for four years from the second determination of non-responsibility.

F. The Authority may award on a best value basis for awarding contracts to the offeror that optimizes quality, cost and efficiency, among all qualified bidders. The Authority may award to other than low bidder or best value only with the approval of appropriate management as stipulated in the EAPs and should be based on such a proposal providing a clear advantage to the Authority over the lower-priced proposal. Such basis shall reflect, wherever possible, objective and quantifiable analysis and may also identify a quantitative factor for offerors that are Small Businesses or NYS-certified SDVOB or MWBE firms. Other factors may include but are not limited to: improved delivery schedules that will reduce outages; longer warranty periods; improved efficiency over the usable life of the equipment; reduced maintenance costs; the bidders' financial resources or the ability to meet or exceed Supplier Diversity goals; and overall, the bidder's skill, judgment and business integrity.

G. The specifications set forth in any solicitation prepared under these Guidelines were based upon information available at the time of the preparation of the solicitation. Thus, the Authority may diverge from the specifications of any solicitation if, after review of the proposals responsive to such solicitation, the Authority deems it prudent considering its experience, the circumstances of the solicitation and/or potential cost savings.

5. AWARD OF CONTRACT

A. Procurement Contracts must be approved in writing by the appropriate management as set forth in the EAPs. Trustee approval at the next Trustees' meeting is required as detailed in this Section 5.

B. If the proposed term of a Personal Services contract will exceed five (5) years, including any extensions authorized in the contract, the SSM Department Head must first approve the Business Unit's written justification for the term exceeding 5 years prior to the issuing of the contract.

C. The SSM Department prepares the contract for execution by the Authority and the successful bidder. No work by the selected contractor will commence until the contract is executed by both parties, except that a signed letter of intent or a notice to proceed may initiate work prior to formal execution. Authority signatories of such letters must be authorized to approve contract awards pursuant to the EAPs.

D. Pursuant to Economic Development Law § 143, the Authority shall submit an announcement of the intended contract for inclusion in the procurement opportunities newsletter at the time it enters into a contract. Such announcement shall identify the contract, specify the date of the award of the contract and provide the name of and contact information for each recipient of the contract.

E. Pursuant to Public Authorities Law § 2879, the Authority shall notify the Commissioner of Economic Development of the award of any Procurement Contract for the purchase of goods and/or services from a Foreign Business Enterprise (as defined in Subsection 3.E.3 of these Guidelines) in an amount equal to or greater than $1 million simultaneously with notifying the successful bidder thereof. The Authority shall not enter into the Procurement Contract for said goods and/or services until at least 15 days have elapsed from the notification of the award, except for a Procurement Contract awarded on an emergency or critical basis. The notification to the Commissioner shall include the name, address, telephone and facsimile number of the Foreign Business Enterprise, the amount of the proposed Procurement Contract and the name of the individual at the Foreign Business Enterprise or acting on behalf of same who is principally responsible for the proposed Procurement Contract.

F. Prior to award, contracts meeting the following criteria must be approved by the Trustees:

   a. The value of a contract (or the aggregate amount for multiple awards) meets or exceeds the minimum value requiring Trustee approval as set forth in the EAPs;

   b. A Services Contract (which include contracts for Construction, Personal and Non-personal services, as defined in Section 2 of these Guidelines) valued or estimated to be $5,000 or greater that will be awarded for a period of more than 12 months;

c. Extending a contract for Services with an initial duration of less than 12 months beyond 12 months. When time constraints or emergency conditions require extending an existing contract with an initial duration of less than a year beyond a year, the Business Unit Head, with the prior concurrence of the SSM Department Head or equivalent(s) or designee, may authorize in writing extending such contract, subject to the Trustees ratifying such action as soon as practicable; or

d. Extending a previously approved contract for services beyond the allowable "grace period" as further described in Section 5G.

G. Extending a Services Contract, previously approved by the Trustees, for 12 months or less ("grace period") requires approval by the Vice President of the requesting department or other authorized equivalent or designee in accordance with existing EAPs and concurrence by the SSM Department Head.

H. The Business Unit head, with the prior concurrence of the SSM Department Head, may authorize, in writing, the commencement of services or the purchase of goods prior to obtaining the required Trustee approval under the following limited circumstances:

a. When the total estimated contract value or the value of the extension exceeds the monetary limits set forth in the EAPs and immediate work is required.

b. When time constraints or emergency conditions require immediate commencement of services to be performed for a period of more than one year.

The initial compensation limitation may not exceed the authorization level for the Business Unit head as set forth in the EAPs. Such contracts will be subject to the Trustees' approval, which will be solicited at their next scheduled Trustee meeting.

I. For Personal Services Contracts, Non-Personal Service Contracts, and Construction Contracts valued or estimated to be $5,000 or greater to be performed for a period of more than 12 months that must be awarded prior to the next Trustees' meeting, the initial contract will be issued for the entire intended term of the contract. Based on its total term and value, such contract must be approved in writing by the appropriate management as set forth in the EAPs and the Business Unit head. Such contract is subject to the Trustees' approval, at the next Trustees' meeting. If such approval is not granted, the contract will be terminated immediately.

J. A Personal Services Contract, Non-Personal Service Contract, and Construction Contract or contract task valued or estimated to be $5,000 or greater is deemed to be for services in excess of 12 months where the contract does not specify a definite term and the work will not be completed within 12 months, and any "continuing services" contract with no fixed term that provides for the periodic assignment of specific tasks or particular requests for services. This includes Trustee-approved contracts for architect/ engineering services

with the original engineers of operating facilities, as well as the original supplier of steam supply systems or boilers and turbine generating equipment. Each task authorized under such contracts (which may be referred to as a "Change Order," "Purchase Order" or "Task Number") is considered a separate commitment and must be separately approved in accordance with the EAPs.

6 CONTRACT PROVISIONS

A. Standard forms of boilerplate contracts are available including but not limited to the following more common forms: purchase orders; furnish-and-deliver format; consulting services agreements and maintenance agreement formats; contract work orders; construction contracts and furnish, deliver and install contracts. These contract forms are intended to govern the routine purchase of goods and/or performance of services.

Authority departments proposing to initiate a Procurement Contract should review these forms to suggest any modifications and additions that may be required for the particular goods and/or services. Under no circumstances should contract forms be shown to proposed bidders without the prior approval of the SSM Department, which is solely responsible for requesting proposals.

B. The following types of provisions setting forth contractor responsibilities are to be contained in the standard forms of Procurement Contracts, except that any provisions listed below that are inapplicable or unnecessary because of the nature or duration of the work to be performed, the location(s) where the work is to be performed or the type of compensation being paid therefore, need not be included. Other provisions may be added as necessary and appropriate.

1. Schedule of Services or Specifications
2. Time of Completion
3. Compensation or Itemized Proposals
4. Relationship of Parties
5. Delays
6. Termination
7. Changes in the Work
8. Claims and Disputes
9. Warranty
10. Insurance
11. Records, Accounts, Inspection and Audit
12. Assignment
13. Notices
14. Indemnification
15. Governing Law
16. Proprietary Nature of Work
17. Testimony
18. Supplier Diversity (MWBE/SDVOB/DBE/EEO) requirements

19. Entire Agreement

Contract Attachments

1. Compensation Schedule
2. Schedule of Services or Specifications
3. Appendix “A” (Miscellaneous Statutory Provisions)
4. Appendix “B” (Prompt Payment Provisions)
5. Appendix “C” (Supplier Diversity Provisions)
6. Appendix “D” (Background Security Screening for Authority Contractors)
7. Appendix “E” (Omnibus Procurement Act of 1992 Requirements)
8. Appendix “F” (Computer Aided Design Requirements For New York Power Authority Drawings)
9. Appendix “G” (Equal Employment Opportunities Requirements) - inactive
10. Appendix “H” (Tax Law Requirements)
11. Appendix “I” (New York Power Authority (NYPA) North American Electric Reliability Corporation Critical Infrastructure Protection (NERC CIP) Cyber Access And/or Unescorted Physical Access Training Requirements)
12. Appendix “J” (Bidder/Contractor Compliance with State Finance Law §§ 139-j and
    139-k Providing for Certain Procurement Disclosures) - inactive
13. Appendix “K” (Additional State and Federal Provisions Required for American Recovery and Reinvestment Act (Pub. L. No. 111-5 Stat. 2009) (“ARRA”) Funded Projects) - inactive
14. Appendix “L” (DOE Federal Contract Provisions) - inactive
15. Appendix “M” (Use of Ultra Low Sulfur Diesel Fuel and Best Available Retrofit Technology (“BART”) for Heavy Duty Vehicles)
16. Appendix “N” (The New York State Iran Divestment Act of 2012 – Iranian Energy Sector Divestment) - inactive
17. Appendix “O” (Encouraging Use of New York State Businesses in Contract Performance) – inactive
18. Appendix “P” (Information Security Requirements for Vendors and External Partners)
19. Omnibus Procurement Certification

C. If a vendor (firm, person or other entity) participates in the development or writing of the specifications for a procurement solicitation, such vendor shall not be permitted to bid on such procurement, either as a prime vendor or as a subcontractor at any level. Contracts for evaluation of offers for products or services shall not be awarded to a vendor that would then evaluate its own offers for products or services.

Furthermore, any firm, person or other entity retained by the Authority to provide conceptual studies, designs or specifications is prohibited from being awarded future phases of work, including implementation, related to the original work.

The name(s) of any vendor(s) providing goods or services as outlined in this section C shall be disclosed during the bidding event.

The above restrictions shall not apply where:

1. The vendor is the sole source or single source of the product or service;

2. More than one vendor has been involved in preparing the specifications for a procurement proposal;

3. There is no qualified response to the solicitation for future phases of work, including implementation;

4. Construction projects using delivery models of Design-Build or Engineer, Procure Construct; or

5. The originating Authority Business Unit determines in writing that the restrictions
are not in the best interests of the Authority. Such originating Business Unit shall obtain the approval of the applicable Business Unit Head or equivalent(s), SSM Department Head or equivalent(s) or designee, Assistant General Counsel or equivalent(s) and President and Chief Executive Officer or designee or Chief Operating Officer or equivalent(s) to waive this restriction on a case-by-case basis.

7. <u>CHANGE ORDERS</u>

A. Change Orders to existing contracts are justified in circumstances such as the following

1. To incorporate additional work related to the original scope, to delete work or to otherwise modify the original work scope.
2. To exercise options previously included in the original contract to perform additional work or to extend the contract term.
3. To accommodate emergency conditions, defined in Section 3.O herein, that require the immediate performance of work by a firm already under contract.
4. When rebidding would not be practical or in the best interests of the Authority's customers.

B. Change Order requests for an increase to the value of a Purchase Order, Value Contract or Purchase Order Release must be approved in accordance with the Authority's EAPs.

C. Change Order requests to extend the term of a services contract, inclusive of Personal Services, Non-Personal Services and Construction contracts, from a term of less than one year to more than one year must be approved by the Board of Trustees prior to the execution of the Change Order.

D. The Authority will not execute a Change Order and will engage in a competitive bidding process when a proposed change order would result in a contract value (or aggregate) exceeding the thresholds set forth below:

a. For contracts with an original approved amount (or latest Trustee approved amount) of less than $100,000:

i. $25K more than the original authorized amount (or latest trustee approved amount)

b. For contracts with an original approved amount (or latest Trustee approved amount) of $100,000 or greater:

i. $500K more than the original authorized amount (or latest trustee approved amount) for Personal Services contracts

- OR -

ii. $6M more than the original authorized amount (or latest trustee approved amount) for all contracts that are not Personal Services contracts

- OR -

iii. 125% of the original authorized amount of the contract (or latest trustee approved amount).

c. Should a competitive bidding process not be feasible:

i. A memo must be presented to and signed by the SSM Department head explaining why rebidding pursuant to a competitive solicitation process is not feasible. The memo must be signed by the proposing business unit representative following the appropriate column of the EAPs for the proposed new value of the contract(s).

ii. The SSM Department Head has the right to reject the proposed change order to the contract and direct rebidding pursuant to a competitive solicitation process. The SSM Department Head has the right to accept the change order and may direct the end user to advise the Trustees of the resultant increase at the next Trustee meeting.

iii. For contracts with an original approved amount (or latest approved trustee amount) of greater than $100,000, if the change order proposed meets criteria (b.iii) above and meets either (b.i) or (b.ii), the change order must be presented to the Board of Trustees.

iv. When the change order has been presented and accepted by the Trustees, the latest Trustee approved amount will become the new contract value.

E. All Change Orders should include a defined scope of work and all impacts to price and schedule.

F. Pursuant to Public Authorities Law § 2879-a, the Comptroller Regulations and the State Authority Contract Manual, the Authority may be required to submit certain Change Orders to the New York State Comptroller for filing or approval where the aggregate value of the contract as amended is in excess of $1 million and the original contract was

awarded on the basis of a competitive procurement, but the modification was neither contemplated nor provided for in the solicitation for such competitive procurement.

8. CONTRACTING DECISIONS INVOLVING CURRENT OR FORMER EMPLOYEES

A. Former Authority officers and employees may be eligible to be considered for direct engagement as contractors and/or consultants provided that they meet all criteria for contractors and/or consultants generally as specified in these Guidelines; their engagement is not barred by New York Public Officers Law § 73(8); they obtain an opinion by the New York State Commission on Ethics and Lobbying in Government that such engagement is permissible; and upon approval of the President and Chief Executive Officer, as well as the Chairman of the Board of Trustees.

B. Pursuant to the provisions of New York Public Officers Law § 73(8):

1. No Authority officer or employee is eligible, within a period of two years after the termination of Authority service to appear or practice before the Authority or receive compensation for any services rendered on behalf of any person, firm, corporation or association, in relation to any case, proceeding or application or other matter before the Authority.

2. No Authority officer or employee is eligible, at any time after the termination of Authority service, to appear, practice, communicate or otherwise render services before the Authority or any other state agency or receive compensation for any such services rendered on behalf of any person, firm, corporation or other entity in relation to any case, proceeding, application or transaction that such person was directly concerned with and personally participated in during their period of service, or which was under their active consideration.

3. Pursuant to the provisions of New York Public Officers Law § 73(8-b), notwithstanding the provisions of 1. and 2. above, a former Authority officer or employee may contract individually, or as a member or employee of a firm, corporation or association, to render services to the Authority, if, prior to engaging in such service, the Chairman of the Board of Trustees certifies in writing to the New York State Joint Commission on Public Ethics that such former officer or employee has expertise, knowledge or experience with respect to a particular matter which meets the Authority's needs and is otherwise unavailable at a comparable cost. Where approval of the contract is required under § 112 of the New York State Finance Law, the Comptroller shall review and consider the reasons for such certification. The New York State Commission on Ethics and Lobbying in Government must review and approve all such certifications.

C. No Authority employee who is involved in the award of Authority grants or contracts may ask any officer, director or employee of such current or prospective contractor or grantee to reveal: (a) the political party affiliation of the individual; (b) whether the individual or entity has made campaign contributions to any political party, elected

official or candidate for elective office or (c) whether the individual voted for or against any political party, elected official or candidate for elective office.

D. No Authority employee may award or decline to award any grant or contract, or recommend, promise or threaten to do so because of a current or prospective grantees or contractor's: (a) refusal to answer any inquiry prohibited by Section 8.C above or (b) giving or withholding or neglecting to make any contribution of money, service or any other valuable thing for any political purpose.

E. No Authority employee may take part in any contracting process or decision: (i) to a Relative; or (ii) to any entity in which the Authority employee or a Relative of such Authority employee owns or controls 10% or more of the stock of such entity (or 1% in the case of a corporation whose stock is regularly traded on an established securities exchange); or serves as an officer, director or partner of that entity. If a contracting matter arises relating to this Section 8.E, then the employee must advise in writing their supervisor and the Office of Ethics and Compliance of the relationship, and must be recused from any and all discussions or decisions relating to the matter.

For purposes of this Section 8.E, the term "Relative" is defined in Definitions, Section 2.P of these Guidelines.

9. <u>SUPPLIER DIVERSITY PROGRAM REQUIREMENTS</u> A.

MWBE and Equal Employment Opportunity (EEO)

The Authority is committed to the inclusion and participation of MWBEs on Authority contracts. Article 15-A of the Executive Law established the Division of Minority and Women's Business Development ("DMWBD") that is responsible for developing rules and regulations for implementation of this statute, certifying MWBEs and reviewing and monitoring goal plans, compliance reports and contract provisions to be included in all non-construction contracts for more than $25,000 and construction contracts for more than $100,000. In addition, specific subcontracting goals for MWBEs may be included in certain contracts for consulting work, construction and procurement of goods and other services requiring the contractor/vendor to subcontract a portion of the work to NYScertified MWBEs as required by law. Additionally, the Authority may use discretionary purchases to further advance this socio-economic goal.

B. Service-Disabled Veteran-Owned Business (SDVOB) Program Requirements

The Authority is also committed to promote business opportunities for NYS-certified SDVOBs in Authority contracts. Veteran Services Law Article 3 established the Division of Service-Disabled Veteran-Owned Business Development that is responsible for developing rules and regulations for implementation, certifying SDVOBs and reviewing and monitoring NYPA's plans, compliance reports, and contract provisions to be included in all non-construction contracts for more than $25,000 and construction contracts for more than $100,000. In addition, specific subcontracting goals for SDVOBs may be

included in certain contracts for consulting work, construction and procurement of goods and other services requiring the contractor/vendor to subcontract a portion of the work to NYScertified SDVOB as required by law. Additionally, the Authority may use discretionary purchases and SDVOB Set-Asides to further advance this socio-economic goal.

C. Disadvantaged Business Enterprise (DBE) Program Requirements on Federally Funded Contracts

The Authority strives to foster the development of business opportunities for NYS certified DBEs and to further increase their participation in NYPA Federally funded contracts. The Authority aims to solicit proposals from DBEs for procurements that will be partially or fully federally funded. The Authority follows the DBE guidelines as set out by the Federal Department of Transportation ("DOT") to ensure that DBEs have an equal opportunity to compete and provide goods and services to the Authority.

10. PROCUREMENT RECORD AND REPORTING

A. Procurement Record

The SSM Department maintains records of Procurement Contracts. In addition to bid and contract award-related documents for the goods provided and/or services performed, the Procurement Record includes, but is not limited to, documentation of the decisions made, and the approach taken in the procurement process. Such records are transmitted to the Digital Warehouse for electronic storage and retrieval. Under State Finance Law §§ 139-j and 139-k, the Procurement Record must also include:

i. A statement describing the basis for a determination of a bidder's/contractor's non-responsibility (per State Finance Law §§ 139-j and 139-k only) and the Authority's decision not to award an offeror the Procurement Contract.

ii. All forms entitled "Record of Contact".

iii. A statement describing the basis for the termination of a Procurement Contract for providing an intentionally false certification must be included in the Procurement Record.

The Authority shall notify the New York State Office of General Services of bidders/contractors who have been determined to be non-responsible bidders or debarred due to violations of State Finance Law § 139-j.

B. Procurement Report

The SSM Department Head or equivalent(s) will prepare and submit an annual report to the Trustees for their approval that will include:

1. A copy of the Guidelines;

2. An explanation of the Guidelines and any amendments thereto since the last annual report;
3. A list of all Procurement Contracts entered into since the last annual report, including all contracts entered into with New York State Business Enterprises and the subject matter and value thereof and all contracts entered into with Foreign Business Enterprises and the subject matter and value thereof;
4. A description of work performed, the contract number, the date of the contract and its duration, the name, address and NYS-certified MWBE designation of the awardees, the total amount of the contract, the amount spent on the contract during the reporting period and for the term of the contract to date and the status of open Procurement Contracts during the report year;
5. The type of contract (equipment, services, personal services or construction);
6. The method of awarding the contract (e.g., competitive bidding, Sole Source, Single Source);
7. The reasons why any procurements with a value equal to or greater than $50,000 were not noticed in the Contract Reporter;
8. The number of bids received and
9. All referrals made and all penalties imposed, if any, pursuant to § 316 of the Executive Law.

C. Such annual report, as approved by the Trustees, shall be submitted to the New York State Division of the Budget within 90 days of the end of such calendar year, and copies thereof shall be distributed to the New York State Department of Audit and Control, the DED, the

New York State Senate Finance Committee, and the New York State Assembly Ways and Means Committee and any other entity as may be required by law. The annual procurement report is posted on the Authority's website and copies shall be made available to the public upon reasonable written request therefor.

D. The Authority may be called upon periodically to submit information regarding the procurement of goods and/or services to organizations implementing the Public Authorities Accountability Act (PAAA) or other statutes regulating the procurement of goods and services, such as the New York State Authorities Budget Office through the Public Authorities Reporting Information System (PARIS).

E. The SSM Department Head or designee will also prepare Annual Goal Plans for the MWBE and SDVOB programs and will submit them by January 15 of each year to Empire State Development - Division of Minority and Women Business Development and the New York
State Office of General Services - Division of Service-Disabled Veterans' Business Development, respectively. Quarterly Utilization / Activity Reports for each program will also be prepared and submitted to the aforementioned respective state entities by the 15th day of July, October, January and April.

11. THIRD PARTY RIGHTS: VALIDITY OF CONTRACTS

A. These Guidelines are intended for the guidance of officers and employees of the Authority only. Nothing contained herein is intended, nor should it be construed, to confer on any person, firm or corporation any right, remedy, claim or benefit under, or by reason of, any requirement or provision hereof.

B. Nothing contained in these Guidelines alters or affects the validity of, modifies the terms of or impairs any contract or agreement entered into in violation of these Guidelines.

EXHIBIT A-1
October 20, 2026

Effective: January 1, 2027

Company Policy Title: Policy Number:

CP 3-1

NEW YORK STATE OF OPPORTUNITY. | NY Power Authority

NYPA GUIDELINES FOR PROCUREMENT CONTRACTS

Revision Date (For IBC Use Only)	Revision #	Description/Modification	Revision Section (s)	Author
10/20/2026	10	Corrections/clarifications necessitated by updates to NYS statutes.	Sections 2 and 3	Liz Carl, Sr. Dir. Procurement Gov & Analytics COE
10/14/2025	9	Updated definitions; Clarifications to MWBE, SDVOB limits due to change in statute; deletion of Section 5K	2F, 2K, 2T, 3D, 3J, 3M, 4B, 5K	Liz Carl, Sr. Dir. Procurement Gov & Analytics COE
10/16/2024	8	Updated definitions; Clarifications to MWBE, SDVOB, SBE language throughout document; New title heading for Section 4; Removal of Section 5 “Recommendation for Award”.	2, 3, 4, 6, 7, 9	Liz Carl, Sr. Dir. Procurement Gov & Analytics COE
10/17/2023	7	Title change for SSM Department Head; Clarifications to Sections 7 and 8, Change Orders	7, 8	Liz Carl, Sr. Dir. Procurement Gov & Analytics COE
3/22/2023	6	Annual updates proposed for clarity, ease of use and include minor changes to reflect current regulatory and statutory changes.	Sections misc.	Liz Carl, Sr. Dir. Procurement Gov & Analytics COE

3/29/2022	5	Annual updates proposed for clarity, ease of use and include minor changes to reflect current regulatory and statutory changes.	Sections misc.	Liz Carl, Sr. Dir. Procurement Gov & Analytics COE
3/30/2021	4	Annual updates include definitions for Purchase Order Release, Value Contract and Design-Build; award of contracts updates on purchase order releases; carve out for Design-Build contract provisions on solicitation for future phases of work	Sections 2C, 2L, 2T, 6F, 7(3)	Liz Carl, Sr. Dir. Procurement Gov & Analytics COE
12/09/2020	3	Annual updates include definition of NonProcurement; solicitation requirements for services and third party; award of contracts updates on personal services and	Sections 2,3,6,7	Liz Carl, Sr. Dir. Procurement Gov & Analytics COE

Printed copies are not controlled.
For the latest revision of this document, refer to the Policy and Procedure PowerNet Site.
Records will be retained in accordance with NYPA's approved records retention schedules and/or in compliance with all applicable legal requirements pertaining to NYPA.

		construction value contracts; contract provisions on Appendix P		
4/6/2020	2	Annual updates include definition of Software; statutory updates for procurement announcements and the dollar cap for MWBE discretionary spend	Sections 2, 3, 6	Diane Gil, Sr. Director, Procurement Governance & Analytics Center of Excellence
3/26/2019	1	Per PAL §2879, the Guidelines were adopted by resolution and are reviewed annually and approved (by the Trustees). Updates proposed for clarity, ease of use and include minor changes to reflect current regulatory and statutory changes.	Sections 1,2,3,4,6,7, 10 and 13	Diane Gil, Sr. Director, Procurement Governance & Analytics Center of Excellence
3/27/2018	0	Converting approved 2018 NYPA Guidelines for Procurement Contracts ("Guidelines") to e-Scribe format. Per PAL §2879, the Guidelines were adopted by resolution and are reviewed annually and approved (by the Trustees).	N/A	Diane Gil, Sr. Director, Procurement Governance & Analytics Center of Excellence

NYPA GUIDELINES FOR PROCUREMENT CONTRACTS

1. PURPOSE

These Guidelines are adopted pursuant to the provisions of the Act (as defined below) and Section 2879 of the Public Authorities Law, as amended. The provisions of Article 4-C of the Economic Development Law, §§ 2879 and 2879-a of the Public Authorities Law, Article 15-A of the Executive Law, Article 3 of the Veterans' Services Law, and §§ 139-j and 139-k of the State Finance Law were considered in developing these Guidelines. Departments and facilities may adopt further procedures to implement these Guidelines. These Guidelines are designed to ensure the responsible and prudent use of the resources of the Authority; to guard against favoritism, extravagance, fraud and corruption; and, to facilitate the efficient and timely acquisition of goods and services for the Authority. To help ensure that the purposes of these Guidelines are met and that there is compliance with applicable law and procedures governing procurements by the Authority, each operating division within the Authority shall engage Strategic Supply Management in all purchases of goods and services by the Authority.

2. DEFINITIONS

A. "Act" shall mean the Power Authority Act.

B. "Capital Projects" generally refer to the acquisition or construction of new assets, the replacement and/or betterment of existing assets, equipment, or property (including those of NYPA's customers, where authorized). Betterment refers to an extension of the useful life or improvement in the efficiency and/or capacity of the asset, equipment, or property.

C. "Construction Contracts" are Procurement Contracts that employ craft labor and other services utilizing laborers and/or mechanics not otherwise considered Non-Personal Services for the construction, reconstruction, alteration, maintenance, moving or demolition of any building, structure or improvement, or relating to the excavation of or other development or improvement to the land.

D. "Contact" is any oral, written, or electronic communication with the Authority under circumstances where a reasonable person would infer that the communication was intended to influence the Authority's conduct or decision regarding the procurement.

E. "Design-Build" is a method of project delivery where there is one entity, one contract, one unified flow of work from initial concept through completion. Design-Build is also referred to as Engineer, Procure, Construct (EPC) in some instances.

F. "Discretionary Purchase" is a procurement made below statutorily established monetary threshold amounts for the purchase of commodities and/or services from NYS Small Business Enterprises or NYS-certified Minority- and Women-owned Business Enterprises (MWBE) firms, and/or NYS-certified Service-Disabled Veteran Owned Business Enterprise (SDVOB) firms, and at the discretion of the Authority.

G. "Disadvantaged Business Enterprise" (DBE) is a for-profit small business concern: (1) that is at least 51 percent owned by one or more individuals who are both socially and economically disadvantaged or, in the case of a corporation, in which 51 percent of the stock is owned by one or more such individuals; and (2) whose management and daily business operations are controlled by one or more of the socially and economically disadvantaged individuals who own it, as that term is defined in 49 C.F.R Part 26.

H. "Goods" include equipment, material and supplies of any kind. Procurement Contracts that include both equipment and services may be classified as Goods, where a majority of the total projected contract value will be for the purchase of equipment, material or supplies.

I. "Minority- and Women-owned Business Enterprise" (MWBE) is defined as a small business certified under Article 15-A of the Executive Law that is independently owned, operated and authorized to do business in New York State; and is owned and controlled by at least fifty-one percent women or minority group members who are citizens of the United State or permanent resident aliens; and whose personal net worth does not exceed fifteen million dollars or such other amount as set forth in the regulations. Such ownership must be real, substantial and continuing; and the minorities or women must have and exercise the authority to control independently the day-to-day business operations and decisions of the enterprise.[1]

J. "Non-Personal Services Contracts" are Procurement Contracts for all other services that do not involve professional skill, knowledge or expertise and/or performance may be substituted by another individual or entity. By way of example, Non-Personal Services include, but are not limited to, managed services that support information technology functions (inclusive of subscription services), maintenance, minor structural repairs, printing services, marine patrol and skilled or unskilled temporary personnel, including clerical office staff, technicians, or engineers working under Authority's supervision.

K. "Non-Procurement Contracts" include: (i) contracts for goods and services under $5,000; (ii) contracts for energy with or without environmental attributes included, capacity, renewable energy certificates, ancillary services, transmission, distribution or related services in support of providing service to Authority customers; (iii) contracts for differences; (iv) contracts for the issuance of commercial paper or bonded indebtedness including, but not limited to: bond purchase agreements, standby bond purchase agreements, letters of credit, firm remarketing agreements, forward purchase agreements, revolving credit agreements and other similar liquidity facility agreements, broker-dealer agreements, remarketing agent agreements, auction agent agreements, interest rate swaps and other similar hedging agreements, provided, however, that this shall not include: (a) contracts with the state for providing for the payment of debt service subject to an appropriation; (b) professional or banking services agreements such as bond counsel, financial advisor and trustee agreements; and (c) custodial service agreements; (v) certain insurance and healthcare products that do not readily lend themselves to a competitive solicitation; (vi) direct and indirect placement of

[1] Executive Law § 310(7) and (15); 5 NYCRR § 140.1(bb).

advertisements; (vii) the purchase of periodicals, referential data subscriptions, reference materials or professional research tools; (viii) fees or tuition associated with continuing education courses, training courses, conferences, seminars and symposiums, or the engagement of guest speakers; (ix) funding agreements, co-funding agreements, or grants and (x) or memberships in various industry groups, professional societies or similar cooperative associations, or any cooperative projects and procurement activities conducted or sponsored by such organizations in which the Authority participates.

L. "Operation and Maintenance" (O&M) generally refers to the work or services necessary to keep the plants, transmission lines, and other equipment and facilities to include NYPA customers, where authorized, (collectively referred to generally as an "asset") in optimal operating condition and/or to restore an asset to its productive capacity. This includes the cost of inspecting, testing, analyzing and reporting on the condition of the asset required to determine repairs or replacement, as well as costs associated with the normal operation and administration of NYPA's production/transmission facilities and energy programs.

M. "Personal Services Contracts" are Procurement Contracts to provide either (i) a service by a named individual that involves a particular skill, cultivated judgment and the exercise of discretion, such that performance by a substituted individual would be unacceptable; or (ii) a professional service requiring professional skill, knowledge or expertise of a consulting, professional or technical nature in occupations that may require an advanced degree or specific licensure, certification or specialized training, for a fee, commission or other compensation, by a person or persons who are not providing such services as officers or employees of a state agency or public corporation. By way of example, such professional services include but are not limited to the areas of accounting, architectural, engineering, surveying, financial advisory, investment banking, legal, public relations, marketing, planning, management, consulting, surveying, training (when specifically developed by a consultant for the Authority), IT or cyber consulting, IT development and construction management.

N. "Procurement Contracts" are contracts for the acquisition of goods and/or services in the actual or estimated amount of $5,000 or more. Such goods and/or services are those necessary to support the Authority's offices, facilities, operations and maintenance (O&M) and capital projects (as defined in Section 2 of the Guidelines), including but not limited to goods such as office supplies, major electrical equipment, construction and maintenance work and services.

O. "Purchase Order Release" is a single order issued for goods or services in accordance with the terms and conditions of a Value Contract.

P. "Relative" is any person living in the same household as the Authority employee or any person who is a direct descendant of the Authority employee's grandparents or the spouse of such descendant, as referred to in Subsection 8.E of these Guidelines. The term Relative may include, but is not limited to, the relationship of spouse, child, parent, sister, brother, grandparent, grandchild, aunt, uncle, cousin, niece, nephew, stepchild,

stepparent, stepsister, stepbrother, mother-in-law, father-in-law, sister-in-law, brother-in-law, daughter-in-law or son-in-law.

Q. "SDVOB Set-Aside" are procurements identified at the discretion of the Authority to exclusively set-aside for the participation of NYS-certified SDVOBs, and are subject to the applicable laws, rules, and procedures governing procurements.

R. "Selection Process," as further outlined in Section 4 below, includes as evaluating factors the Authority's consideration of a bidder's skill, judgment, and business integrity.

S. "Service-Disabled Veteran-Owned Business Enterprise" (SDVOB) is a business enterprise, including a sole proprietorship, partnership, limited liability company or corporation, certified under Article 3 of the Veterans' Services Law that is: (i) at least fifty-one percent owned by one or more service disabled veterans; (ii) an enterprise in which such service-disabled veteran ownership is real, substantial and continuing; (iii) an enterprise in which such service-disabled veteran ownership has and exercises the authority to control independently the day-to-day business decisions of the enterprise; (iv) an enterprise authorized to do business in the State and is independently owned and operated; (v) an enterprise that is a small business which has a significant business presence in the State, not dominant in its field and employs less than 300; (vi) and is certified by the Office of General Services.[2]

T. "Single-Source" is a procurement in which, although two or more offerors can supply the required goods or services, the Authority, upon written findings setting forth the material and substantial reasons therefor, may award a contract or amendment to a contract to one offeror over the other.

U. "Small Business" (or Small Business Enterprise, SBE), as defined pursuant to Executive Law § 310 and as used in these Guidelines, unless otherwise indicated, is a business that has a significant business presence (as defined at 5 NYCRR 140.1) in New York State, is independently owned and operated, not dominant in its field and employs not more than 300 people.[3]

V. "Software" includes on-premises applications as well as Software-as-a-Service (SaaS) which is defined as a software distribution model in which a third-party provider hosts the application. Software shall be considered "Equipment" where such term is used throughout these Guidelines. Furthermore, the implementation services related to the initial installation of any software may also be considered Equipment under that contract provided such installation does not exceed one year.

W. "Sole Source" is a procurement in which only one offeror is capable of supplying the required goods or services.

[2] Veterans' Services Law § 40(1); 9 NYCRR § 252.1(e).

[3] Executive Law § 310(20).

X. "SSM Department Head"is the Senior Vice President of Strategic Supply Management.

Y. "Value Contract" is the master service agreement for goods and services with specific target value and term.

3. SOLICITATION REQUIREMENTS

A. Preparation of the solicitation of proposals for Procurement Contracts is the joint responsibility of the Strategic Supply Management ("SSM") Department and the initiating department. Except as otherwise authorized by these Guidelines, a Request for Proposals or Request for Quotations will be made available to a minimum of three providers and/or firms (if available) commensurate with the magnitude and nature of the goods and/or services, and the schedule for performance.

B. Prospective bidders on Procurement Contracts may be prequalified by invitation advertised in the same manner as a Request for Proposals but referred to as a Request for Qualifications. In such cases, proposals are requested only from those provider(s) and/or firm(s) whose prequalification submittals demonstrate sufficient ability and competence (including, but not limited to, the bidder's skill, judgment and business integrity) to supply the particular goods and/or perform the particular services required.

C. The Authority may withdraw any pending solicitation at any time, for cause or no cause. Any person or entity submitting any responsive document to the Authority does so at its own cost or expense and will not be reimbursed by the Authority for the preparation of any responsive document, unless otherwise agreed to in writing and signed by an authorized Authority representative.

D. In order to promote the use of MWBEs, SDVOBs and SBEs, the Authority will solicit offers from such firms known to have experience in the type of goods and/or services to be provided, regardless of the type of contract. For the purpose of these Guidelines, the definitions of NYS-certified MWBE or SDVOB firms and SBEs are set forth in Sections 2.

In furtherance of this commitment to encourage greater MWBE, SDVOB, and SBE participation, the Authority, at its own discretion, may utilize its discretionary purchasing authority to target specific [or limit the responses to certain] procurements for goods and services (not including construction or construction-related services) under the established monetary threshold from MWBEs, SDVOBs, and/or SBEs. For the purpose of determining whether a purchase is within the discretionary monetary thresholds, the aggregate amount of all purchases of the same commodities and/or services to be made from the same supplier within the 12-month period commencing on the date of purchase shall be considered. A change to or a renewal of a discretionary purchase shall not be permitted if the change or renewal would bring the reasonably expected aggregate amount of all purchases of the same commodities and/or services from the same provider within the 12-month period commencing on the date of the first purchase to an amount greater than the statutorily established monetary threshold amounts as provided for in Public Authorities Law § 2879(3)(b)(i).

E. It is the policy of New York State to promote the participation of New York State Business Enterprises and New York State residents in Procurement Contracts. The Authority will endeavor to promote such participation and to comply with the applicable statutory provisions. In furtherance of Public Authorities Law § 2879, the following definitions and actions apply:

1. "New York State Business Enterprise" is a business enterprise, including a sole proprietorship, partnership or corporation that offers for sale or lease or other form of exchange, goods sought by the Authority that are substantially manufactured, produced or assembled in New York State or services, excluding construction services, sought by the Authority that are substantially performed within New York State as further described in Public Authorities Law § 2879. For purposes of construction services, a New York State Business Enterprise shall mean a business enterprise, including a sole proprietorship, partnership, or corporation, which has its principal place of business in New York state.

2. "New York State resident" is a person who maintains a fixed, permanent, and principal home in New York State to which such person, whenever temporarily located, always intends to return as further described in Public Authorities Law § 2879.

3. "Foreign Business Enterprise" is a business enterprise, including a sole proprietorship, partnership or corporation, which offers for sale, lease or other form of exchange, goods sought by the Authority that are substantially produced outside New York State, or services other than construction services, sought by the Authority that are substantially performed outside New York State as further described in Public Authorities Law § 2879. For purposes of construction services, Foreign Business Enterprise is a business enterprise, including a sole proprietorship, partnership or corporation, which has its principal place of business outside New York State.

4. "Discriminatory Jurisdiction" is any country, nation, province, state or political subdivision thereof which employs a preference or price distorting mechanism to the detriment of, or otherwise discriminates against, a New York State Business Enterprise in the procurement of goods and/or services by the same or a nongovernmental entity influenced by the same.

5. Pursuant to Public Authorities Law § 2879, the Authority shall not enter into a contract with a Foreign Business Enterprise which has its principal place of business in a Discriminatory Jurisdiction contained on the list prepared by the Commissioner of the New York State Department of Economic Development ("DED"). The provisions of this section may be waived by the Authority's Chief Executive Officer if the Chief Executive Officer determines in writing that it is in the best interests of the Authority to do so, as further set forth in the above-referenced law.

6. Pursuant to Public Authorities Law § 2879, the Authority will, where feasible, make use of the stock item specification forms of New York State manufacturers, producers and/or assemblers, as made available by the Commissioner of General Services, for any Procurement Contract for the purchase of goods.

F. Certain goods and/or services may be procured pursuant to Procurement Contracts let by any department, agency, officer, political subdivision or instrumentality of the state (e.g., the New York State Office of General Services (OGS)) or Federal government (e.g., General Services Administration (GSA)) or any city or municipality where the SSM Department and the initiating department determine that a reasonable potential exists for cost savings or other benefits to the Authority and have approved the specifications and proposed terms and conditions of such contract.

Certain Procurement Contracts established by the OGS or GSA require that authorized users conduct a "mini bid" (i.e., an abbreviated supplemental competitive bid procurement process) among prequalified bidders identified in such established contracts.

G. Procurement Contracts issued by the Authority may also utilize a mini bid process, typically, in cases of a multiple award, where a contract is awarded to more than one bidder that meets the Authority's bid requirements. Such mini bids shall be conducted by the Authority's SSM staff (or on behalf of the Authority by a contracted service provider) where applicable and practicable. Within a said multiple award group, work may be assigned to a specific firm without conducting a mini bid, under certain circumstances, including but not limited to: where such firm possesses specialized expertise and is uniquely qualified to perform such work; where time constraints, emergency or other critical conditions exist or geographic location is of primary consideration in order to meet schedule requirements, respond to emergent issues or otherwise meet the Authority's needs; or when the work scope is below a specified monetary threshold. The decision to assign work without conducting a mini bid shall be made jointly by SSM and the initiating departments and shall be documented for the Procurement Record.

H. Solicitations will include a scope of work that defines the goods required and/or the services to be performed; evaluation criteria (as defined in Section 4); milestone dates; the Authority's Supplier Diversity program requirements, if applicable; all other applicable Authority requirements and any special methods or limitations that the Authority chooses to govern the work.

I. Telephone solicitation, for procurements valued at less than $50,000, may be used where time constraints do not permit issuance of a Request for Proposals, where issuance of a Request for Proposals is otherwise impracticable, or for goods that are catalog items or do not require a detailed bill of materials or specification. All telephone solicitations made by SSM shall be documented and made part of the Procurement Record.

J. For all Procurement Contracts, including Discretionary Purchases, with a value equal to or greater than $150,000 (except for those contracts noted below), the Authority will, prior to soliciting proposals, submit all required information to the Commissioner of the DED to be included on the New York State *Contract Reporter* website, (www.nyscr.ny.gov). Such information will be submitted to the DED Commissioner in accordance with the schedule set forth by the DED. The due date for bids or proposals will be a minimum of 15 business days after the date of publication of such notice on the *Contract Reporter* website, except where a shorter period is specifically authorized by law. For Procurement Contracts resulting from a Request for Proposals process, the Authority will submit the results of the bid opening, including the names of firms submitting proposals and the name(s) of the awardee(s), for inclusion on the *Contract Reporter* website. For all other Procurement Contracts, the name of the awardee will be submitted.[4]

This section 3.J does not apply to (i) Procurement Contracts awarded on an emergency basis as described below in Section 3.O, (ii) Procurement Contracts being rebid or re-solicited for substantially the same goods and/or services, within 45 business days after the original due date, and/or (iii) Procurement Contracts awarded to not-for-profit human services providers pursuant to a non-competitive selection process.[5]

Notwithstanding the foregoing, submittal of a notice of award for inclusion on the *Contract Reporter* website is required for Procurement Contracts with a value of $50,000 or more awarded on a sole source or single source basis. Such notice shall specify the name of the awardee.[6]

K. In order to further increase participation of service-disabled veterans in New York State's contracting opportunities, contracts may be competitively bid exclusively among NYS-certified SDVOBs regardless of value and advertised as such on the *Contract Reporter* website as a SDVOB Set-Aside.

L. Proposals for certain services not resulting in Procurement Contracts may also be solicited by the SSM Department to gather information from potential sources that will include a description of the offeror/firm's qualifications, résumés of key personnel, past experience and proposed billing rates. SSM's effort is concluded when SSM furnishes the information solicited to the initiating department for their use.

M. A Procurement Contract may be awarded on a Sole Source, Single Source, or other non-competitive basis where:

1. Compatibility of equipment, accessories or spare or replacement parts is the paramount consideration.

[4] Economic Development Law § 143.
[5] Economic Development Law § 144(1).
[6] Economic Development Law § 143(4).

2. Services are required to extend or complement a prior procurement and it is impracticable or uneconomic to have a source other than the original source continue the work.

3. An item is needed for trial use or testing.

4. A proprietary item is sought for which there is only one source.

5. Other circumstances or work requirements exist that cause only one source to be available or uniquely qualified to supply the required goods and/or services.

6. Services are required on a more expedited basis than the competitive procurement process will allow. Requesting business units must demonstrate the urgency of the project and that awardee is cost-effective and qualified in the subject area. Services shall be for specific scopes of work in an amount not exceeding $500,000 and are subject to the approvals stated in Section 3.D.

7. An award made to NYS SBEs, up to the discretionary purchasing buying threshold, that is in the best interest of the Authority in furtherance of the State of New York and Authority's Supplier Diversity economic program goals and upon approval by the SSM Department Head.

N. Pursuant to Public Authorities Law § 2879-a, the Comptroller Regulations (2 NYCRR Part 206) and the State Authority Contract Manual, the Authority may be required to submit certain contracts to the New York State Comptroller for approval that are awarded on a Sole Source, Single Source, or other non-competitive basis for the purchase of goods and/or services in an amount in excess of $1 million, and shall notify the successful bidder therefor. Such contracts or contract amendments shall not be valid and enforceable unless approved by the Comptroller or until 90 days have elapsed from such submission without action by the Comptroller, as further set forth in the referenced law and regulations.

O. Subject to the Authority's Expenditure Authorization Procedures (EAPs), and Public Authorities Law § 2879-a, the Comptroller Regulations and the State Authority Contract Manual, a Procurement Contract may be awarded without following the solicitation requirements that ordinarily apply (but using such competitive selection procedures as are practicable under the circumstances) where emergency conditions exist, such as:

1. A threat to the health or safety of the public or Authority employees or workers arising out of (i) an accident; or (ii) other unforeseen occurrence or condition immediately affecting the property or other interest of the Authority.

2. Proper functioning of the Authority facilities or construction or operating projects, or other projects implemented by the Authority, requires adherence to a schedule that does not permit time for an ordinary procurement solicitation.

P. Whenever an initiating department determines that a Procurement Contract should be awarded on a Single Source, Sole Source, or an emergency basis, the department head

or other authorized equivalent per the EAPs will provide a written statement explaining the compelling reasons therefor to the SSM Department. The award of such Procurement Contracts, regardless of value, requires the written approval of the SSM Department Head.

Q. In furtherance of Public Authorities Law § 2800, when a procurement is made on a non-competitive basis, and the price for goods or services purchased exceeds fair market value, prior to making the purchase, the Business Unit Head of the initiating department shall provide a detailed explanation of the justification for making the purchase and a certification shall be signed by the Chief Executive Officer and Chief Financial Officer of the Authority stating that they have reviewed the terms of such purchase and determined that it complies with applicable law and procurement guidelines. The following definition shall apply: "Fair Market Value" shall mean the estimated dollar amount that a willing buyer would pay to a willing seller for property in an arms-length transaction in the appropriate marketplace and under similar circumstances. Fair market value may be determined by internal appraisals, industry recognized sources, or other methods of valuation generally accepted in the industry in which such property is utilized, as may be approved by the SSM Department Head or authorized designee.

R. It is the policy of New York State to discourage improper communications intended to influence a governmental procurement. The Authority will endeavor to control such practices and will comply with the applicable statutory provisions. In furtherance of the State Finance Law §§ 139-j and 139-k, the following shall apply:

The "Restricted Period" is the period of time commencing with the earliest posting, on the Authority's website, in a newspaper of general circulation, or in the Procurement Opportunities Newsletter (i.e., New York State *Contract Reporter*) in accordance with Article 4-C of the Economic Development Law of written notice, advertisement or solicitation of a request for proposal, invitation for bids, or solicitation of proposals, or any other method provided for by law or regulation for soliciting a response from offerors intending to result in a Procurement Contract with the Authority and ending with the final contract award and approval by the Authority and, where applicable, the State Comptroller. The "Restricted Period" also applies to a "mini bid" process that may be utilized in certain established OGS, GSA or Authority multiple award contracts, as provided in Section 3.F and 3.G.

The Authority shall designate a person or persons who may be contacted, with respect to each Authority procurement. The bidders/contractors or persons acting on their behalf shall only contact the Authority's designated person or persons where a reasonable person would infer that the communication was intended to influence the procurement during the Restricted Period. Any contacts received by persons other than those designated by the Authority shall make a contemporaneous record of such contact and report it to the designee(s).

S. In furtherance of the Authority's commitment to ensure transparency and accountability of its operations, every member, officer or employee of the Authority who is contacted by a lobbyist is required to make a contemporaneous record of such contact, pursuant to

Public Authorities Law § 2987 and as further set forth in the Authority's Company Policy, Lobbying Contacts CP 9-2, regarding this matter.

T. Project Sunlight (Chapter 399, Part A, Section 4 of the Laws of 2011) requires the Authority to record in a database maintained by the New York State Office of General Services certain appearances between the Authority and individuals, firms or other entities (excluding elected officials and representatives of federal, state and local agencies and authorities) relating to the procurement of a contract, with a value of $25,000 or more, for real property, goods or services. Appearances are defined as an interaction through an in-person meeting or a video conference between covered individuals. Appearances related to emergency procurements and disposal of property through public auctions are excluded, as are appearances that take place during the formal "Restricted Period." Covered individuals at the Authority means an employee who has the power to exercise discretion in procurement matters or advises someone who exercises such discretion. A covered individual outside of the Authority means both "external" (e.g., a lobbyist) and "internal" (e.g., sales representative) representatives of an entity, individuals appearing on behalf of themselves, advocacy groups or organizations or entities representing the interests or concerns of the organization or entity or of its members. All such appearances must be promptly reported to the Authority's Ethics and Compliance Office for recording in the Project Sunlight database.

U. Prior to entering into any binding commitment with a third party (e.g., written agreement or memorandum of understanding (MOU)) in pursuit of any joint or collaborative development project, the office of SSM and the Law Department (Law) must be notified regarding the procurement and on the issue of whether and to what extent the projects fall within the constraints of the Authority's procurement regulations and enabling legislation. SSM and Law should be brought into any such project during the development phase.

Provided that the Authority has statutory authority to develop or otherwise participate in a project developed, in whole or in part, in collaboration with a third party, the following minimum criteria must be met:

(i) the Authority's participation must be in response to a solicitation issued by the state or other public entity pursuant to a competitive selection process; and

(ii) the construction of any asset to be owned by the Authority must comply with all applicable laws, including but not limited to prevailing wage requirements and goals established for the use of diverse and NYS small businesses (e.g., MWBE, SDVOB, SBE or DBE); and

(iii) goods and/or services required to develop and implement the project must be sourced and procured in accordance with, and subject to, either (a) the Authority's Procurement Guidelines; or (b) the requirements of the third party collaborator governing the competitive procurement of goods and services, provided that SSM has been furnished with a copy of such requirements which demonstrate, in SSM's judgement, that a competitive procurement or equivalent has been or will be undertaken.

Prior to execution any underlying agreement (i.e. joint development agreement, MOU, etc.) an internal award recommendation must be memorialized and approved by the SSM Department Head, the Executive Vice President and Chief Financial Officer (or their designee) and the responsible Business Unit head.

4. SELECTION PROCESS

A. Proposals will be evaluated using a fair and equitable comparison of all aspects of the proposals against the specifics of the solicitation and against each other, including an analysis of each offer that considers: the quality of the goods and/or the competence of the bidder (including, but not limited to, the bidder's skill, judgment and business integrity), the technical merit of the proposal and the price for which the goods and/or services are to be supplied.

In the event the price submitted by the bidder recommended to be awarded a contract exceeds the cost estimated, where a cost estimate is provided on the solicitation at the time of bidding, the initiating department will prepare a written explanation to be reviewed by the SSM Department and the appropriate managers as stipulated in the EAPs. The following options should be considered: (1) rejecting the bids, resoliciting proposals and/or modifying the scope of work; (2) revising the cost estimate and proceeding with the contract award and (3) negotiating with the bidder(s) to reduce the price quoted. Factors to be considered in reaching the proper course of action include but are not limited to: the effects of a delay on both the schedule and the cost of the specific procurement (e.g.: capital construction project) or specific circumstances (ego: outage at an operating facility), the magnitude of the contract, available bidders, the ability to attract additional competition if the solicitation is reissued, and the accuracy of the original cost estimate. The recommended course of action and the reasons therefor must be fully documented in a memorandum for consideration by the appropriate level of management prior to approval and placed in the appropriate procurement file.

B. Factors to be considered in evaluating the goods and/or services to be supplied and/or the competence of the bidder are: previous experience (including applicable experience in New York State and evaluations from other clients for whom the bidder has provided goods and/or services); the abilities and experience of the personnel to be assigned to the Authority's work and the ability to provide any needed advanced techniques such as simulation and modeling; and overall, the bidder's skill, judgment and business integrity. The approach proposed in meeting the exact requirements of the scope of work will be given consideration in evaluating the technical merit of the proposal, together with a well organized task structure, the ability to timely supply the goods and/or perform the proposed services and the ability to comply with Supplier Diversity participation goals, if any. The need to purchase the goods from and/or subcontract performance of services to others will be evaluated as to their effects on cost, as well as quality, schedule and overall performance.

Other factors that may be considered in evaluating proposals may involve an assessment of the bidder's diversity practices (Exec Law § 313-a), participation in the Authority's

Mentor-Protégé Program (SFL § 9(147) for MWBEs, or Quantitative Factoring (NYCRR 142.14) for MWBEs, SDVOBs and SBEs, where applicable.

C. For Personal Services Contracts, Non-Personal Services Contracts, and Construction Contracts (as defined in Section 2 of these Guidelines), the technical merits of the proposals and the experience and capabilities of the bidders will be the primary factors in determining the individual or firm to be awarded the contract, provided that the price for performing such work is reasonable and competitive.

D. For Procurement Contracts for Goods (as defined in Section 2.H of these Guidelines), the award should generally be made to the lowest-priced firm submitting a proposal that meets the commercial and technical requirements of the bid documents. (See also Section 4.F regarding award to "other than low bidder".)

E. Pursuant to § 139-k of the State Finance Law, the Authority shall not award a Procurement Contract to an offeror who fails to provide timely, accurate and complete responses to inquiries about past determinations of non-responsibility (unless awarding the contract is necessary to protect public property or public health or safety and the offeror is the only source capable of supplying the required article of procurement within the necessary timeframe.)

A bidder's/contractor's knowing and willful violation of the Authority's policy providing for certain procurement disclosures shall result in a determination of non-responsibility of such offeror pursuant to State Finance Law §§ 139-j and 139-k only.

More than one determination of non-responsibility due to violations of State Finance Law § 139-k in a four-year period shall render an offeror ineligible to submit bids for four years from the second determination of non-responsibility.

F. The Authority may award on a best value basis for awarding contracts to the offeror that optimizes quality, cost and efficiency, among all qualified bidders. The Authority may award to other than low bidder or best value only with the approval of appropriate management as stipulated in the EAPs and should be based on such a proposal providing a clear advantage to the Authority over the lower-priced proposal. Such basis shall reflect, wherever possible, objective and quantifiable analysis and may also identify a quantitative factor for offerors that are Small Businesses or NYS-certified SDVOB or MWBE firms. Other factors may include but are not limited to: improved delivery schedules that will reduce outages; longer warranty periods; improved efficiency over the usable life of the equipment; reduced maintenance costs; the bidders' financial resources or the ability to meet or exceed Supplier Diversity goals; and overall, the bidder's skill, judgment and business integrity.

G. The specifications set forth in any solicitation prepared under these Guidelines were based upon information available at the time of the preparation of the solicitation. Thus, the Authority may diverge from the specifications of any solicitation if, after review of the proposals responsive to such solicitation, the Authority deems it prudent considering its experience, the circumstances of the solicitation and/or potential cost savings.

5. AWARD OF CONTRACT

A. Procurement Contracts must be approved in writing by the appropriate management as set forth in the EAPs. Trustee approval at the next Trustees' meeting is required as detailed in this Section 5.

B. If the proposed term of a Personal Services contract will exceed five (5) years, including any extensions authorized in the contract, the SSM Department Head must first approve the Business Unit's written justification for the term exceeding 5 years prior to the issuing of the contract.

C. The SSM Department prepares the contract for execution by the Authority and the successful bidder. No work by the selected contractor will commence until the contract is executed by both parties, except that a signed letter of intent or a notice to proceed may initiate work prior to formal execution. Authority signatories of such letters must be authorized to approve contract awards pursuant to the EAPs.

D. Pursuant to Economic Development Law § 143, the Authority shall submit an announcement of the intended contract for inclusion in the procurement opportunities newsletter at the time it enters into a contract. Such announcement shall identify the contract, specify the date of the award of the contract and provide the name of and contact information for each recipient of the contract.

E. Pursuant to Public Authorities Law § 2879, the Authority shall notify the Commissioner of Economic Development of the award of any Procurement Contract for the purchase of goods and/or services from a Foreign Business Enterprise (as defined in Subsection 3.E.3 of these Guidelines) in an amount equal to or greater than $1 million simultaneously with notifying the successful bidder thereof. The Authority shall not enter into the Procurement Contract for said goods and/or services until at least 15 days have elapsed from the notification of the award, except for a Procurement Contract awarded on an emergency or critical basis. The notification to the Commissioner shall include the name, address, telephone and facsimile number of the Foreign Business Enterprise, the amount of the proposed Procurement Contract and the name of the individual at the Foreign Business Enterprise or acting on behalf of same who is principally responsible for the proposed Procurement Contract.

F. Prior to award, contracts meeting the following criteria must be approved by the Trustees:

   a. The value of a contract (or the aggregate amount for multiple awards) meets or exceeds the minimum value requiring Trustee approval as set forth in the EAPs;

   b. A Services Contract (which include contracts for Construction, Personal and Non-personal services, as defined in Section 2 of these Guidelines) valued or estimated to be $5,000 or greater that will be awarded for a period of more than 12 months;

c. Extending a contract for Services with an initial duration of less than 12 months beyond 12 months. When time constraints or emergency conditions require extending an existing contract with an initial duration of less than a year beyond a year, the Business Unit Head, with the prior concurrence of the SSM Department Head or equivalent(s) or designee, may authorize in writing extending such contract, subject to the Trustees ratifying such action as soon as practicable; or

d. Extending a previously approved contract for services beyond the allowable "grace period" as further described in Section 5G.

G. Extending a Services Contract, previously approved by the Trustees, for 12 months or less ("grace period") requires approval by the Vice President of the requesting department or other authorized equivalent or designee in accordance with existing EAPs and concurrence by the SSM Department Head.

H. The Business Unit head, with the prior concurrence of the SSM Department Head, may authorize, in writing, the commencement of services or the purchase of goods prior to obtaining the required Trustee approval under the following limited circumstances:

a. When the total estimated contract value or the value of the extension exceeds the monetary limits set forth in the EAPs and immediate work is required.

b. When time constraints or emergency conditions require immediate commencement of services to be performed for a period of more than one year.

The initial compensation limitation may not exceed the authorization level for the Business Unit head as set forth in the EAPs. Such contracts will be subject to the Trustees' approval, which will be solicited at their next scheduled Trustee meeting.

I. For Personal Services Contracts, Non-Personal Service Contracts, and Construction Contracts valued or estimated to be $5,000 or greater to be performed for a period of more than 12 months that must be awarded prior to the next Trustees' meeting, the initial contract will be issued for the entire intended term of the contract. Based on its total term and value, such contract must be approved in writing by the appropriate management as set forth in the EAPs and the Business Unit head. Such contract is subject to the Trustees' approval, at the next Trustees' meeting. If such approval is not granted, the contract will be terminated immediately.

J. A Personal Services Contract, Non-Personal Service Contract, and Construction Contract or contract task valued or estimated to be $5,000 or greater is deemed to be for services in excess of 12 months where the contract does not specify a definite term and the work will not be completed within 12 months, and any "continuing services" contract with no fixed term that provides for the periodic assignment of specific tasks or particular requests for services. This includes Trustee-approved contracts for architect/ engineering services

with the original engineers of operating facilities, as well as the original supplier of steam supply systems or boilers and turbine generating equipment. Each task authorized under such contracts (which may be referred to as a "Change Order," "Purchase Order" or "Task Number") is considered a separate commitment and must be separately approved in accordance with the EAPs.

6 CONTRACT PROVISIONS

A. Standard forms of boilerplate contracts are available including but not limited to the following more common forms: purchase orders; furnish-and-deliver format; consulting services agreements and maintenance agreement formats; contract work orders; construction contracts and furnish, deliver and install contracts. These contract forms are intended to govern the routine purchase of goods and/or performance of services.

Authority departments proposing to initiate a Procurement Contract should review these forms to suggest any modifications and additions that may be required for the particular goods and/or services. Under no circumstances should contract forms be shown to proposed bidders without the prior approval of the SSM Department, which is solely responsible for requesting proposals.

B. The following types of provisions setting forth contractor responsibilities are to be contained in the standard forms of Procurement Contracts, except that any provisions listed below that are inapplicable or unnecessary because of the nature or duration of the work to be performed, the location(s) where the work is to be performed or the type of compensation being paid therefore, need not be included. Other provisions may be added as necessary and appropriate.

1. Schedule of Services or Specifications
2. Time of Completion
3. Compensation or Itemized Proposals
4. Relationship of Parties
5. Delays
6. Termination
7. Changes in the Work
8. Claims and Disputes
9. Warranty
10. Insurance
11. Records, Accounts, Inspection and Audit
12. Assignment
13. Notices
14. Indemnification
15. Governing Law
16. Proprietary Nature of Work
17. Testimony
18. Supplier Diversity (MWBE/SDVOB/DBE/EEO) requirements

19. Entire Agreement

Contract Attachments

1. Compensation Schedule
2. Schedule of Services or Specifications
3. Appendix “A” (Miscellaneous Statutory Provisions)
4. Appendix “B” (Prompt Payment Provisions)
5. Appendix “C” (Supplier Diversity Provisions)
6. Appendix “D” (Background Security Screening for Authority Contractors)
7. Appendix “E” (Omnibus Procurement Act of 1992 Requirements)
8. Appendix “F” (Computer Aided Design Requirements For New York Power Authority Drawings)
9. Appendix “G” (Equal Employment Opportunities Requirements) - inactive
10. Appendix “H” (Tax Law Requirements)
11. Appendix “I” (New York Power Authority (NYPA) North American Electric Reliability Corporation Critical Infrastructure Protection (NERC CIP) Cyber Access And/or Unescorted Physical Access Training Requirements)
12. Appendix “J” (Bidder/Contractor Compliance with State Finance Law §§ 139-j and 139-k Providing for Certain Procurement Disclosures) - inactive
13. Appendix “K” (Additional State and Federal Provisions Required for American Recovery and Reinvestment Act (Pub. L. No. 111-5 Stat. 2009) (“ARRA”) Funded Projects) - inactive
14. Appendix “L” (DOE Federal Contract Provisions) - inactive
15. Appendix “M” (Use of Ultra Low Sulfur Diesel Fuel and Best Available Retrofit Technology (“BART”) for Heavy Duty Vehicles)
16. Appendix “N” (The New York State Iran Divestment Act of 2012 – Iranian Energy Sector Divestment) - inactive
17. Appendix “O” (Encouraging Use of New York State Businesses in Contract Performance) – inactive
18. Appendix “P” (Information Security Requirements for Vendors and External Partners)
19. Omnibus Procurement Certification

C. If a vendor (firm, person or other entity) participates in the development or writing of the specifications for a procurement solicitation, such vendor shall not be permitted to bid on such procurement, either as a prime vendor or as a subcontractor at any level. Contracts for evaluation of offers for products or services shall not be awarded to a vendor that would then evaluate its own offers for products or services.

Furthermore, any firm, person or other entity retained by the Authority to provide conceptual studies, designs or specifications is prohibited from being awarded future phases of work, including implementation, related to the original work.

The name(s) of any vendor(s) providing goods or services as outlined in this section C shall be disclosed during the bidding event.

The above restrictions shall not apply where:

1. The vendor is the sole source or single source of the product or service;

2. More than one vendor has been involved in preparing the specifications for a procurement proposal;

3. There is no qualified response to the solicitation for future phases of work, including implementation;

4. Construction projects using delivery models of Design-Build or Engineer, Procure Construct; or

5. The originating Authority Business Unit determines in writing that the restrictions
are not in the best interests of the Authority. Such originating Business Unit shall obtain the approval of the applicable Business Unit Head or equivalent(s), SSM Department Head or equivalent(s) or designee, Assistant General Counsel or equivalent(s) and President and Chief Executive Officer or designee or Chief Operating Officer or equivalent(s) to waive this restriction on a case-by-case basis.

7. CHANGE ORDERS

A. Change Orders to existing contracts are justified in circumstances such as the following

1. To incorporate additional work related to the original scope, to delete work or to otherwise modify the original work scope.
2. To exercise options previously included in the original contract to perform additional work or to extend the contract term.
3. To accommodate emergency conditions, defined in Section 3.O herein, that require the immediate performance of work by a firm already under contract.
4. When rebidding would not be practical or in the best interests of the Authority's customers.

B. Change Order requests for an increase to the value of a Purchase Order, Value Contract or Purchase Order Release must be approved in accordance with the Authority's EAPs.

C. Change Order requests to extend the term of a services contract, inclusive of Personal Services, Non-Personal Services and Construction contracts, from a term of less than one year to more than one year must be approved by the Board of Trustees prior to the execution of the Change Order.

D. The Authority will not execute a Change Order and will engage in a competitive bidding process when a proposed change order would result in a contract value (or aggregate) exceeding the thresholds set forth below:

a. For contracts with an original approved amount (or latest Trustee approved amount) of less than $100,000:

i. $25K more than the original authorized amount (or latest trustee approved amount)

b. For contracts with an original approved amount (or latest Trustee approved amount) of $100,000 or greater:

i. $500K more than the original authorized amount (or latest trustee approved amount) for Personal Services contracts

- OR -

ii. $6M more than the original authorized amount (or latest trustee approved amount) for all contracts that are not Personal Services contracts

- OR -

iii. 125% of the original authorized amount of the contract (or latest trustee approved amount).

c. Should a competitive bidding process not be feasible:

i. A memo must be presented to and signed by the SSM Department head explaining why rebidding pursuant to a competitive solicitation process is not feasible. The memo must be signed by the proposing business unit representative following the appropriate column of the EAPs for the proposed new value of the contract(s).

ii. The SSM Department Head has the right to reject the proposed change order to the contract and direct rebidding pursuant to a competitive solicitation process. The SSM Department Head has the right to accept the change order and may direct the end user to advise the Trustees of the resultant increase at the next Trustee meeting.

iii. For contracts with an original approved amount (or latest approved trustee amount) of greater than $100,000, if the change order proposed meets criteria (b.iii) above and meets either (b.i) or (b.ii), the change order must be presented to the Board of Trustees.

iv. When the change order has been presented and accepted by the Trustees, the latest Trustee approved amount will become the new contract value.

E. All Change Orders should include a defined scope of work and all impacts to price and schedule.

F. Pursuant to Public Authorities Law § 2879-a, the Comptroller Regulations and the State Authority Contract Manual, the Authority may be required to submit certain Change Orders to the New York State Comptroller for filing or approval where the aggregate value of the contract as amended is in excess of $1 million and the original contract was

awarded on the basis of a competitive procurement, but the modification was neither contemplated nor provided for in the solicitation for such competitive procurement.

8. CONTRACTING DECISIONS INVOLVING CURRENT OR FORMER EMPLOYEES

A. Former Authority officers and employees may be eligible to be considered for direct engagement as contractors and/or consultants provided that they meet all criteria for contractors and/or consultants generally as specified in these Guidelines; their engagement is not barred by New York Public Officers Law § 73(8); they obtain an opinion by the New York State Commission on Ethics and Lobbying in Government that such engagement is permissible; and upon approval of the President and Chief Executive Officer, as well as the Chairman of the Board of Trustees.

B. Pursuant to the provisions of New York Public Officers Law § 73(8):

1. No Authority officer or employee is eligible, within a period of two years after the termination of Authority service to appear or practice before the Authority or receive compensation for any services rendered on behalf of any person, firm, corporation or association, in relation to any case, proceeding or application or other matter before the Authority.

2. No Authority officer or employee is eligible, at any time after the termination of Authority service, to appear, practice, communicate or otherwise render services before the Authority or any other state agency or receive compensation for any such services rendered on behalf of any person, firm, corporation or other entity in relation to any case, proceeding, application or transaction that such person was directly concerned with and personally participated in during their period of service, or which was under their active consideration.

3. Pursuant to the provisions of New York Public Officers Law § 73(8-b), notwithstanding the provisions of 1. and 2. above, a former Authority officer or employee may contract individually, or as a member or employee of a firm, corporation or association, to render services to the Authority, if, prior to engaging in such service, the Chairman of the Board of Trustees certifies in writing to the New York State Joint Commission on Public Ethics that such former officer or employee has expertise, knowledge or experience with respect to a particular matter which meets the Authority's needs and is otherwise unavailable at a comparable cost. Where approval of the contract is required under § 112 of the New York State Finance Law, the Comptroller shall review and consider the reasons for such certification. The New York State Commission on Ethics and Lobbying in Government must review and approve all such certifications.

C. No Authority employee who is involved in the award of Authority grants or contracts may ask any officer, director or employee of such current or prospective contractor or grantee to reveal: (a) the political party affiliation of the individual; (b) whether the individual or entity has made campaign contributions to any political party, elected

official or candidate for elective office or (c) whether the individual voted for or against any political party, elected official or candidate for elective office.

D. No Authority employee may award or decline to award any grant or contract, or recommend, promise or threaten to do so because of a current or prospective grantees or contractor's: (a) refusal to answer any inquiry prohibited by Section 8.C above or (b) giving or withholding or neglecting to make any contribution of money, service or any other valuable thing for any political purpose.

E. No Authority employee may take part in any contracting process or decision: (i) to a Relative; or (ii) to any entity in which the Authority employee or a Relative of such Authority employee owns or controls 10% or more of the stock of such entity (or 1% in the case of a corporation whose stock is regularly traded on an established securities exchange); or serves as an officer, director or partner of that entity. If a contracting matter arises relating to this Section 8.E, then the employee must advise in writing their supervisor and the Office of Ethics and Compliance of the relationship, and must be recused from any and all discussions or decisions relating to the matter.

For purposes of this Section 8.E, the term "Relative" is defined in Definitions, Section 2.P of these Guidelines.

9. <u>SUPPLIER DIVERSITY PROGRAM REQUIREMENTS</u> A.

MWBE and Equal Employment Opportunity (EEO)

The Authority is committed to the inclusion and participation of MWBEs on Authority contracts. Article 15-A of the Executive Law established the Division of Minority and Women's Business Development ("DMWBD") that is responsible for developing rules and regulations for implementation of this statute, certifying MWBEs and reviewing and monitoring goal plans, compliance reports and contract provisions to be included in all non-construction contracts for more than $25,000 and construction contracts for more than $100,000. In addition, specific subcontracting goals for MWBEs may be included in certain contracts for consulting work, construction and procurement of goods and other services requiring the contractor/vendor to subcontract a portion of the work to NYScertified MWBEs as required by law. Additionally, the Authority may use discretionary purchases to further advance this socio-economic goal.

B. Service-Disabled Veteran-Owned Business (SDVOB) Program Requirements

The Authority is also committed to promote business opportunities for NYS-certified SDVOBs in Authority contracts. Veteran Services Law Article 3 established the Division of Service-Disabled Veteran-Owned Business Development that is responsible for developing rules and regulations for implementation, certifying SDVOBs and reviewing and monitoring NYPA's plans, compliance reports, and contract provisions to be included in all non-construction contracts for more than $25,000 and construction contracts for more than $100,000. In addition, specific subcontracting goals for SDVOBs may be

included in certain contracts for consulting work, construction and procurement of goods and other services requiring the contractor/vendor to subcontract a portion of the work to NYScertified SDVOB as required by law. Additionally, the Authority may use discretionary purchases and SDVOB Set-Asides to further advance this socio-economic goal.

C. Disadvantaged Business Enterprise (DBE) Program Requirements on Federally Funded Contracts

The Authority strives to foster the development of business opportunities for NYS certified DBEs and to further increase their participation in NYPA Federally funded contracts. The Authority aims to solicit proposals from DBEs for procurements that will be partially or fully federally funded. The Authority follows the DBE guidelines as set out by the Federal Department of Transportation ("DOT") to ensure that DBEs have an equal opportunity to compete and provide goods and services to the Authority.

10. PROCUREMENT RECORD AND REPORTING

A. Procurement Record

The SSM Department maintains records of Procurement Contracts. In addition to bid and contract award-related documents for the goods provided and/or services performed, the Procurement Record includes, but is not limited to, documentation of the decisions made, and the approach taken in the procurement process. Such records are transmitted to the Digital Warehouse for electronic storage and retrieval. Under State Finance Law §§ 139-j and 139-k, the Procurement Record must also include:

i. A statement describing the basis for a determination of a bidder's/contractor's non-responsibility (per State Finance Law §§ 139-j and 139-k only) and the Authority's decision not to award an offeror the Procurement Contract.

ii. All forms entitled "Record of Contact".

iii. A statement describing the basis for the termination of a Procurement Contract for providing an intentionally false certification must be included in the Procurement Record.

The Authority shall notify the New York State Office of General Services of bidders/contractors who have been determined to be non-responsible bidders or debarred due to violations of State Finance Law § 139-j.

B. Procurement Report

The SSM Department Head or equivalent(s) will prepare and submit an annual report to the Trustees for their approval that will include:

1. A copy of the Guidelines;

2. An explanation of the Guidelines and any amendments thereto since the last annual report;
3. A list of all Procurement Contracts entered into since the last annual report, including all contracts entered into with New York State Business Enterprises and the subject matter and value thereof and all contracts entered into with Foreign Business Enterprises and the subject matter and value thereof;
4. A description of work performed, the contract number, the date of the contract and its duration, the name, address and NYS-certified MWBE designation of the awardees, the total amount of the contract, the amount spent on the contract during the reporting period and for the term of the contract to date and the status of open Procurement Contracts during the report year;
5. The type of contract (equipment, services, personal services or construction);
6. The method of awarding the contract (e.g., competitive bidding, Sole Source, Single Source);
7. The reasons why any procurements with a value equal to or greater than $50,000 were not noticed in the Contract Reporter;
8. The number of bids received and
9. All referrals made and all penalties imposed, if any, pursuant to § 316 of the Executive Law.

C. Such annual report, as approved by the Trustees, shall be submitted to the New York State Division of the Budget within 90 days of the end of such calendar year, and copies thereof shall be distributed to the New York State Department of Audit and Control, the DED, the

New York State Senate Finance Committee, and the New York State Assembly Ways and Means Committee and any other entity as may be required by law. The annual procurement report is posted on the Authority's website and copies shall be made available to the public upon reasonable written request therefor.

D. The Authority may be called upon periodically to submit information regarding the procurement of goods and/or services to organizations implementing the Public Authorities Accountability Act (PAAA) or other statutes regulating the procurement of goods and services, such as the New York State Authorities Budget Office through the Public Authorities Reporting Information System (PARIS).

E. The SSM Department Head or designee will also prepare Annual Goal Plans for the MWBE and SDVOB programs and will submit them by January 15 of each year to Empire State Development - Division of Minority and Women Business Development and the New York
State Office of General Services - Division of Service-Disabled Veterans' Business Development, respectively. Quarterly Utilization / Activity Reports for each program will also be prepared and submitted to the aforementioned respective state entities by the 15th day of July, October, January and April.

11. THIRD PARTY RIGHTS: VALIDITY OF CONTRACTS

A. These Guidelines are intended for the guidance of officers and employees of the Authority only. Nothing contained herein is intended, nor should it be construed, to confer on any person, firm or corporation any right, remedy, claim or benefit under, or by reason of, any requirement or provision hereof.

B. Nothing contained in these Guidelines alters or affects the validity of, modifies the terms of or impairs any contract or agreement entered into in violation of these Guidelines.

CANAL CORPORATION GUIDELINES FOR PROCUREMENT CONTRACTS

Formatted: Different first page header

1. PURPOSE

These Guidelines are adopted pursuant to the provisions of Section 2879 of the Public Authorities Law, as amended. The provisions of Article 4-C of the Economic Development Law, §§ 2879 and 2879-a of the Public Authorities Law, Articles 15-A of the Executive Law, Article 3 of the Veterans' Services Law, Article 4 of the Canal Law and §§ 139-j and 139-k of the State Finance Law were considered in developing these Guidelines. Departments and facilities may adopt further procedures to implement these Guidelines. These Guidelines are designed to ensure the responsible and prudent use of the resources of the Canal Corporation to guard against favoritism, extravagance, fraud and corruption; and, to facilitate the efficient and timely acquisition of goods and services for the Canal Corporation. To help ensure that the purposes of these Guidelines are met and that there is compliance with applicable law and procedures governing procurements by the Corporation, each operating division within the Corporation shall engage Strategic Supply Management in all purchases of goods and services by the Corporation.

Deleted: Article 3

2. DEFINITIONS

A. "Capital projects" generally refer to the acquisition or construction of new assets, the replacement and/or betterment of existing assets, equipment, or property. Betterment refers to an extension of the useful life or improvement in the efficiency and/or capacity of the asset, equipment, or property.

B. "Construction Contracts" are Procurement Contracts that employ craft labor and other services utilizing laborers and/or mechanics not otherwise considered Non-Personal Services for the construction, reconstruction, alteration, maintenance, moving or demolition of any building, structure or improvement, or relating to the excavation of or other development or improvement to the land.

C. "Contact" is any oral, written, or electronic communication with the Canal Corporation under circumstances where a reasonable person would infer that the communication was intended to influence the Canal Corporation's conduct or decision regarding the procurement.

D. "Design-Build" is a method of project delivery where there is one entity, one contract, one unified flow of work from initial concept through completion. Design-Build is also referred to as Engineer, Procure, Construct (EPC) in some instances.

E. "Discretionary Purchase" is a procurement made below statutorily established monetary threshold amounts for the purchase of commodities and/or services from NYS Small Business Enterprises or NYS-certified Minority- and Women-owned Business Enterprises (MWBE) firms, and/or NYS-certified Service-Disabled Veteran Owned Business Enterprise (SDVOB) firms as further, and at the discretion of the Canal Corporation.

Deleted: Service Disabled

Deleted: (

Deleted: Exhibit A-2¶
October 1420, 20252026

F. "Disadvantaged Business Enterprise" (DBE) is a for-profit small business concern (1) that is at least 51 percent owned by one or more individuals who are both socially and economically disadvantaged or, in the case of a corporation, in which 51 percent of the stock is owned by one or more such individuals; and (2) whose management and daily business operations are controlled by one or more of the socially and economically disadvantaged individuals who own it, as that term is defined in 49 C.F.R Part 26.

G. "Goods" include equipment, material and supplies of any kind. Procurement Contracts that include both equipment and services may be classified as Goods, where a majority of the total projected contract value will be for the purchase of equipment, material or supplies.

H. "Minority- and Women-owned Business Enterprise" ("MWBE") is defined a small business certified under Article 15-A of the Executive Law that is independently owned, operated and authorized to do business in New York State; and is owned and controlled by at least fifty-one percent women or minority group members who are citizens of the United State or permanent resident aliens; and whose personal net worth does not exceed fifteen million dollars or such other amount as set forth in the regulations. Such ownership must be real, substantial and continuing; and the minorities or women must have and exercise the authority to control independently the day-to-day business operations and decisions of the enterprise.[1]

I. "Non-Personal Services Contracts" are Procurement Contracts for all other services that do not involve professional skill, knowledge or expertise and/or performance may be substituted by another individual or entity. By way of example, Non-Personal Services include, but are not limited to, managed services that support information technology functions (inclusive of subscription services), maintenance, minor structural repairs, printing services, marine patrol and skilled or unskilled temporary personnel, including clerical office staff, technicians, or engineers working under Canal Corporation's supervision.

J. "Non-Procurement Contracts" include: (i) contracts for goods and services under $5,000; (ii) contracts for energy with or without environmental attributes included, capacity, renewable energy certificates, ancillary services, transmission, distribution or related services in support of providing service to Authority customers; (iii) contracts for differences; (iv) contracts for the issuance of commercial paper or bonded indebtedness including, but not limited to: bond purchase agreements, standby bond purchase agreements, letters of credit, firm remarketing agreements, forward purchase agreements, revolving credit agreements and other similar liquidity facility agreements, broker-dealer agreements, remarketing agent agreements, auction agent agreements, interest rate swaps and other similar hedging agreements, provided, however, that this shall not include: (a) contracts with the state for providing for the payment of debt service subject to an appropriation; (b) professional or banking services agreements such as bond counsel, financial advisor and trustee agreements; and (c) custodial service agreements; (v) certain insurance and healthcare products that do not readily lend themselves to a competitive solicitation; (vi) direct and indirect placement of advertisements; (vii) the purchase of periodicals, referential data subscriptions, reference materials or professional research tools; (viii) fees or tuition associated with continuing education courses, training courses,

Deleted: State

[1] Executive Law § 310(7) and (15); 5 NYCRR § 140.1(bb).

Deleted: Exhibit A-2¶
October 1420, 20252026

conferences, seminars and symposiums, or the engagement of guest speakers: (ix) funding agreements, co-funding agreements, or grants and (x) memberships in various industry groups, professional societies or similar cooperative associations, or any cooperative projects and procurement activities conducted or sponsored by such organizations in which the Canal Corporation participates.

K. "Operation and Maintenance" ("O&M") generally refers to the work or services necessary to keep the equipment and facilities, (collectively referred to generally as an "asset") in optimal operating condition and/or to restore an asset to its productive capacity. This includes the cost of inspecting, testing, analyzing and reporting on the condition of the asset required to determine repairs or replacement, as well as costs associated with the normal operation and administration of assets.

L. "Personal Services Contracts" are Procurement Contracts to provide either (i) a service by a named individual that involves a particular skill, cultivated judgment and the exercise of discretion, such that performance by a substituted individual would be unacceptable; or (ii) a professional service requiring professional skill, knowledge or expertise of a consulting, professional or technical nature in occupations that may require an advanced degree or specific licensure, certification or specialized training, for a fee, commission or other compensation, by a person or persons who are not providing such services as officers or employees of a state agency or public corporation. By way of example, such professional services include but are not limited to the areas of accounting, architectural, engineering, surveying, financial advisory, investment banking, legal, public relations, marketing, planning, management, consulting, surveying, training (when specifically developed by a consultant for the Canal Corporation), IT or cyber consulting, IT development and construction management.

M. "Procurement Contracts" are contracts for the acquisition of goods and/or services in the actual or estimated amount of $5,000 or more. Such goods and/or services are those necessary to support the Canal Corporation's offices, facilities, operations and maintenance ("O&M") and capital projects (as defined in Section 2), including but not limited to goods such as office supplies, major electrical equipment, construction and maintenance work and services.

N. "Purchase Order Release" is a single order issued for goods or services in accordance with the terms and conditions of a Value Contract.

O. "Relative" is any person living in the same household as the Canal Corporation employee or any person who is a direct descendant of the Canal Corporation employee's grandparents or the spouse of such descendant, as referred to in Subsection 8.E of these Guidelines. The term Relative may include, but is not limited to, the relationship of spouse, child, parent, sister, brother, grandparent, grandchild, aunt, uncle, cousin, niece, nephew, stepchild, stepparent, stepsister, stepbrother, mother-in-law, father-in-law, sister-in-law, brother-in-law, daughter-in-law or son-in-law.

P. "SDVOB Set-Aside" are procurements identified at the discretion of the Corporation to exclusively set-aside for the participation of NYS-certified SDVOBs, and are subject to the applicable laws, rules, and procedures governing procurements.

Q. "Selection Process," as further outlined in Section 4 below, includes as evaluating factors the Canal Corporation's consideration of a bidder's skill, judgment, and business integrity.

R. "Service-Disabled Veteran-Owned Business Enterprise" ("SDVOB") is a business enterprise, including a sole proprietorship, partnership, limited liability company or corporation, certified under Article 3 of the Veterans' Services Law that is: (i) at least fifty-one percent owned by one or more service-disabled veterans; (ii) an enterprise in which such service-disabled veteran ownership is real, substantial and continuing; (iii) an enterprise in which such service-disabled veteran ownership has and exercises the authority to control independently the day-to-day business decisions of the enterprise; (iv) an enterprise authorized to do business in the State; and is independently owned and operated; (v) an enterprise that is a small business which has a significant business presence in the State, not dominant in its field and employs less than 300; (vi) and is certified by the Office of General Services. [2]

S. "Single-Source" is a procurement in which although two or more offerers can supply the required goods or services, the Canal Corporation, upon written findings setting forth the material and substantial reasons therefore, may award a contract or amendment to a contract to one offerer over the other..

T. "Small Business" (or Small Business Enterprise, "SBE"), as defined pursuant to Executive Law § 310 and as used in these Guidelines, unless otherwise indicated, is a business that has a significant business presence (as defined at 5 NYCRR 140.1) in New York State, is independently owned and operated, not dominant in its field and employs not more than 300 people. [3]

U. "Software" includes premises applications as well as Software-as-a-Service (SaaS) which is defined as a software distribution model in which a third-party provider hosts the application. Software shall be considered "Equipment" where such term is used throughout these Guidelines. Furthermore, the implementation services related to the initial installation of any software may also be considered Equipment under that contract provided such installation does not exceed one year.

V. "Sole Source" is a procurement in which only one offeror is capable of supplying the required goods or services.

W. "SSM Department Head" – is the Senior Vice President of Strategic Supply Management.

X. "Value Contract" is the master service agreement for goods and services with specific target value and term.

3. SOLICITATION REQUIREMENTS

[2] Veterans' Services Law § 40(1); 9 NYCRR § 252.1(e).
[3] Executive Law § 310(20).

Deleted: Exhibit A-2¶ October 1420, 20252026

Deleted: dominate

Deleted: on-premise

Deleted: "

Deleted: "

Deleted: can

Deleted: equipment

Deleted: The

Deleted: currently serves as the SSM Department Head…

Deleted: s

Deleted: Exhibit A-2¶
October 1420, 20252026

A. Preparation of the solicitation of proposals for Procurement Contracts is the joint responsibility of the White Plains Strategic Supply Management ("SSM") Department, or the Canal Corporation SSM Department, and the initiating department. Except as otherwise authorized by these Guidelines, a Request for Proposals or Request for Quotations will be made available to a minimum of three providers and/or firms (if available) commensurate with the magnitude and nature of the goods and/or services, and the schedule for performance.

B. Prospective bidders on Procurement Contracts may be prequalified by invitation advertised in the same manner as a Request for Proposals but referred to as a Request for Qualifications. In such cases, proposals are requested only from those provider(s) and/or firm(s) whose prequalification submittals demonstrate sufficient ability and competence (including, but not limited to, the bidder's skill, judgment and business integrity) to supply the particular goods and/or perform the particular services required.

C. The Canal Corporation may withdraw any pending solicitation at any time, for cause or no cause. Any person or entity submitting any responsive document to the Canal Corporation does so at its own cost or expense and will not be reimbursed by the Canal Corporation for the preparation of any responsive document, unless otherwise agreed to in writing and signed by an authorized Canal Corporation representative.

D. In order to promote the use of MWBEs, SDVOBs and SBEs, the Canal Corporation will solicit offers from such firms known to have experience in the type of goods and/or services to be provided, regardless of the type of contract. For the purpose of these Guidelines, the definitions of NYS-certified MWBE or SDVOB firms and SBEs are set forth in Sections 2.

Deleted: Minority- and Women-owned Business Enterprises ("…
Deleted: ")
Deleted: Service-Disabled Veteran-Owned Businesses ("…
Deleted: ")
Deleted: Small Business Enterprises ("
Deleted: ")

In furtherance of this commitment to encourage greater MWBE, SDVOB, and SBE participation, the Canal Corporation, at its own discretion, may utilize its discretionary purchasing authority to target specific [or limit the responses to certain] procurements for goods and services (not including construction or construction-related services) under the established monetary threshold from MWBEs, SDVOBs, and/or SBEs. For the purpose of determining whether a purchase is within the discretionary monetary thresholds, the aggregate amount of all purchases of the same commodities and/or services to be made from the same supplier within the 12-month period commencing on the date of purchase shall be considered. A change to or a renewal of a discretionary purchase shall not be permitted if the change or renewal would bring the reasonably expected aggregate amount of all purchases of the same commodities and/or services from the same provider within the 12-month period commencing on the date of the first purchase to an amount greater than statutorily established monetary threshold amounts as provided for in Public Authorities Law § 2879(3)(b)(i).

E. It is the policy of New York State to promote the participation of New York State Business Enterprises and New York State residents in Procurement Contracts. The Canal Corporation will endeavor to promote such participation and to comply with the

Deleted: Exhibit A-2¶
October 1420, 20252026

applicable statutory provisions. In furtherance of Public Authorities Law § 2879, the following definitions and actions apply:

1. "New York State Business Enterprise" is a business enterprise, including a sole proprietorship, partnership or corporation that offers for sale or lease or other form of exchange, goods sought by the Canal Corporation that are substantially manufactured, produced or assembled in New York State or services, excluding construction services, sought by the Canal Corporation that are substantially performed within New York State as further described in Public Authorities Law § 2879. For purposes of construction services, a New York State Business Enterprise shall mean a business enterprise, including a sole proprietorship, partnership, or corporation, which has its principal place of business in New York state.

2. "New York State resident" is a person who maintains a fixed, permanent and principal home in New York State to which such person, whenever temporarily located, always intends to return as further described in Public Authorities Law § 2879.

3. "Foreign Business Enterprise" is a business enterprise, including a sole proprietorship, partnership or corporation, that offers for sale, lease or other form of exchange, goods sought by the Canal Corporation that are substantially produced outside New York State, or services other than construction services, sought by the Canal Corporation that are substantially performed outside New York State as further described in Public Authorities Law § 2879. For purposes of construction services, Foreign Business Enterprise is a business enterprise, including a sole proprietorship, partnership or corporation, which has its principal place of business outside New York State.

4. "Discriminatory Jurisdiction" is any country, nation, province, state or political subdivision thereof which employs a preference or price distorting mechanism to the detriment of, or otherwise discriminates against, a New York State Business Enterprise in the procurement of goods and/or services by the same or a non-governmental entity influenced by the same.

5. Pursuant to Public Authorities Law § 2879, the Canal Corporation shall not enter into a contract with a Foreign Business Enterprise which has its principal place of business in a Discriminatory Jurisdiction contained on the list prepared by the Commissioner of the New York State Department of Economic Development ("DED"). The provisions of this section may be waived by the New York Power Authority's (NYPA) President and Chief Executive Officer if the Chief Executive Officer determines in writing that it is in the best interests of the Canal Corporation to do so, as further set forth in the above-referenced law.

6. Pursuant to Public Authorities Law § 2879, the Canal Corporation will, where feasible, make use of the stock item specification forms of New York State manufacturers, producers and/or assemblers, as made available by the Commissioner of General Services, for any Procurement Contract for the purchase of goods.

Deleted: Exhibit A-2¶
October 1420, 20252026

F. Certain goods and/or services may be procured pursuant to Procurement Contracts let by any department, agency, officer, political subdivision or instrumentality of the state (e.g., the New York State Office of General Services ("OGS")) or Federal government (e.g., General Services Administration ("GSA")) or any city or municipality where the White Plains SSM Department, or Canal Corporation SSM Department, and the initiating department determine that a reasonable potential exists for cost savings or other benefits to the Canal Corporation and have approved the specifications and proposed terms and conditions of such contract.

Deleted: State

Certain Procurement Contracts established by the OGS or GSA require that authorized users conduct a "mini-bid" (i.e., an abbreviated supplemental competitive bid procurement process) among prequalified bidders identified in such established contracts.

G. Procurement Contracts issued by the Canal Corporation may also utilize a mini-bid process, typically, in cases of a multiple award, where a contract is awarded to more than one bidder that meets the Canal Corporation bid requirements. Such mini bids shall be conducted by the Canal's Corporation SSM staff (or on behalf of the Canal Corporation by a contracted service provider) where applicable and practicable. Within a said multiple award group, work may be assigned to a specific firm without conducting a mini-bid, under certain circumstances, including but not limited to: where such firm possesses specialized expertise and is uniquely qualified to perform such work; where time constraints, emergency or other critical conditions exist or geographic location is of primary consideration in order to meet schedule requirements, respond to emergent issues or otherwise meet the Canal's Corporation needs; or when the work scope is below a specified monetary threshold. The decision to assign work without conducting a mini bid shall be made jointly by the Canal Corporation SSM Department and initiating departments and shall be documented for the Procurement Record.

H. Solicitations will include a scope of work that defines the goods required and/or the services to be performed; evaluation criteria (as defined in Section 4); milestone dates; the Canal Corporation Supplier Diversity program requirements, if applicable; all other applicable Canal Corporation requirements and any special methods or limitations that the Canal Corporation chooses to govern the work.

I. Telephone solicitation, for procurements valued at less than $50,000, may be used where time constraints do not permit issuance of a Request for Proposals, where issuance of a Request for Proposals is otherwise impracticable or for goods that are catalog items or do not require a detailed bill of materials or specification. All telephone solicitations made by SSM shall be documented and made part of the Procurement Record.

J. For all Procurement Contracts, including Discretionary Purchases, with a value equal to or greater than $150,000 (except for those contracts noted below), and for all Procurement Contracts let by the Canal Corporation for the improvement, maintenance or repair of the canal system regardless of value the Canal Corporation will, prior to soliciting proposals, submit all required information to the Commissioner of the DED

to be included on the New York State *Contract Reporter* website, (www.nyscr.ny.gov). Such information will be submitted to the DED Commissioner in accordance with the schedule set forth by the DED. The due date for bids or proposals will be a minimum of 15 business days after the date of publication of such notice on the *Contract Reporter* website, except where a shorter period is specifically authorized by law. For Procurement Contracts resulting from a Request for Proposal process, the Canal Corporation will submit the results of the bid opening, including the names of firms submitting proposals and the name(s) of the awardee(s), for inclusion on the *Contract Reporter* website. For all other Procurement Contracts, the name of the awardee will be submitted.[4]

This section 3.J does not apply to (i) Procurement Contracts awarded on an emergency basis as described below in Section 3.O, (ii) Procurement Contracts being rebid or re-solicited for substantially the same goods and/or services, within 45 business days after the original due date, and/or (iii) Procurement Contracts awarded to not-for-profit human services providers pursuant to a non-competitive selection process.[5]

Notwithstanding the foregoing, submittal of a notice of award for inclusion on the *Contract Reporter* website is required for Procurement Contracts with a value of $50,000 or more awarded on a sole source or single source basis. Such notice shall specify the name of the awardee.[6]

K. In order to further increase participation of service-disabled veterans in New York State's contracting opportunities, contracts may be competitively bid exclusively among NYS-certified SDVOBs regardless of value and advertised as such on the *Contract Reporter* website as a SDVOB Set-Aside.

L. Proposals for certain services not resulting in Procurement Contracts may also be solicited by the SSM Department staff to gather information from potential sources, that will include a description of the offeror/firm's qualifications, résumés of key personnel, past experience and proposed billing rates. SSM's effort is concluded when SSM furnishes the information solicited to the initiating department for their use.

M. A Procurement Contract may be awarded on a Sole Source, Single Source, or other non-competitive basis where:

1. Compatibility of equipment, accessories or spare or replacement parts is the paramount consideration.
2. Services are required to extend or complement a prior procurement and it is impracticable or uneconomic to have a source other than the original source continue the work.
3. An item is needed for trial use or testing.
4. A proprietary item is sought for which there is only one source.
5. Other circumstances or work requirements exist that cause only one source to be available to supply the required goods and/or services.

[4] Economic Development Law § 143.
[5] Economic Development Law § 144(1).
[6] Economic Development Law § 143(4).

Deleted: Exhibit A-2¶ October 1420, 20252026

Formatted: Font color: Accent 5

Deleted: /

Deleted: /

Deleted: (See Article 4-C, Economic Development Law)…

Deleted: Exhibit A-2¶
October 1420, 20252026

6. Services are required on a more expedited basis than the competitive procurement process will allow. Requesting business units must demonstrate the urgency of the project and that awardee is cost-effective and qualified in the subject area. Services shall be for specific scopes of work in an amount not exceeding $500,000 and are subject to the approvals stated in Section 3.D.
7. An award made to NYS SBEs, up to the discretionary purchasing buying threshold, that is in the best interest of the Corporation in furtherance of the State of New York and Authority's Supplier Diversity economic program goals and upon approval by the SSM Department Head.

N. Pursuant to Public Authorities Law § 2879-a, the Comptroller Regulations and the State Authority Contract Manual, the Canal Corporation may be required to submit certain contracts to the New York State Comptroller for approval that are awarded on a Sole Source, Single Source, or other non-competitive basis for the purchase of goods and/or services in an amount in excess of $1 million, and shall notify the successful bidder therefor. Such contracts or contract amendments shall not be valid and enforceable unless approved by the Comptroller or until 90 days have elapsed from such submission without action by the Comptroller, as further set forth in the referenced law and regulations.

O. Subject to the Canal Corporation Expenditure Authorization Procedures ("EAPs"), and Public Authorities Law § 2879-a, the Comptroller Regulations and the State Authority Contract Manual, a Procurement Contract may be awarded without following the solicitation requirements that ordinarily apply (but using such competitive selection procedures as are practicable under the circumstances) where emergency conditions exist, such as:

1. A threat to the health or safety of the public or Canal Corporation employees or workers arising out of (i) an accident; or (ii) other unforeseen occurrence or condition immediately affecting the property or other interest of the Canal Corporation.
2. Proper functioning of the Canal Corporation facilities or construction or operating projects, or other projects implemented by the Canal Corporation, requires adherence to a schedule that does not permit time for an ordinary procurement solicitation.

P. Whenever an initiating department determines that a Procurement Contract should be awarded on a Single Source, Sole Source, or an emergency basis, the department head or other authorized equivalent per the EAPs will provide a written statement explaining the compelling reasons therefor to the SSM Department. The award of such Procurement Contracts, regardless of value, requires the written approval of the SSM Department Head.

Q. In furtherance of Public Authorities Law § 2800, when a procurement is made on a non-competitive basis, and the price for goods or services purchased exceeds fair market value, prior to making the purchase, the Business Unit Head of the initiating

Deleted: Exhibit A-2¶
October 1420, 20252026

department shall provide a detailed explanation of the justification for making the purchase and a certification shall be signed by the Chief Executive Officer and Chief Financial Officer stating that they have reviewed the terms of such purchase and determined that it complies with applicable law and procurement guidelines. The following definition shall apply: "Fair Market Value" shall mean the estimated dollar amount that a willing buyer would pay to a willing seller for property in an arms-length transaction in the appropriate marketplace and under similar circumstances. Fair market value may be determined by internal appraisals, industry-recognized sources, or other methods of valuation generally accepted in the industry in which such property is utilized, as may be approved by the SSM Department Head or authorized designee.

R. It is the policy of New York State to discourage improper communications intended to influence a governmental procurement. The Canal Corporation will endeavor to control such practices and will comply with the applicable statutory provisions. In furtherance of the State Finance Law §§ 139-j and 139-k, the following shall apply:

The "Restricted Period" is the period of time commencing with the earliest posting, on the Canal Corporation website, in a newspaper of general circulation, or in the Procurement Opportunities Newsletter (i.e., New York State *Contract Reporter*) in accordance with Article 4-C of the Economic Development Law of written notice, advertisement or solicitation of a request for proposal, invitation for bids, or solicitation of proposals, or any other method provided for by law or regulation for soliciting a response from offerors intending to result in a Procurement Contract with the Canal Corporation and ending with the final contract award and approval by the Canal Corporation and, where applicable, the State Comptroller. The "Restricted Period" also applies to a "mini bid" process that may be utilized in certain established OGS, GSA or Canal Corporation multiple award contracts, as provided in Section 3.F and 3.G.

The Canal Corporation shall designate a person or persons who may be contacted, with respect to each Canal Corporation procurement. The bidders/contractors or persons acting on their behalf, shall only contact the Canal Corporation's designated person or persons where a reasonable person would infer that the communication was intended to influence the procurement during the Restricted Period. Any contacts received by persons other than those designated by the Canal Corporation shall make a contemporaneous record of such contact and report it to the designee(s).

S. In furtherance of the Canal Corporation commitment to ensure transparency and accountability of its operations, every member, officer or employee of the Canal Corporation who is contacted by a lobbyist is required to make a contemporaneous record of such contact, pursuant to Public Authorities Law § 2987.

T. Project Sunlight (Chapter 399, Part A, Section 4 of the Laws of 2011) requires the Canal Corporation to record in a database maintained by the New York State Office of General Services certain appearances between the Canal Corporation and individuals, firms or other entities (excluding elected officials and representatives of federal, state and local agencies and authorities) relating to the procurement of a contract, with a value of $25,000 or more, for real property, goods or services. Appearances are

Deleted: Exhibit A-2¶
October 1420, 20252026

defined as an interaction through an in-person meeting or a video conference between covered individuals. Appearances related to emergency procurements and disposal of property through public auctions are excluded, as are appearances that take place during the formal "Restricted Period." Covered individuals at the Canal Corporation means an employee who has the power to exercise discretion in procurement matters or advises someone who exercises such discretion. A covered individual outside of the Canal Corporation means both "external" (e.g., a lobbyist) and "internal" (e.g., sales representative) representatives of an entity, individuals appearing on behalf of themselves, advocacy groups or organizations or entities representing the interests or concerns of the organization or entity or of its members. All such appearances must be promptly reported to the Canal Corporation Ethics and Compliance Office for recording in the Project Sunlight database.

U. Prior to entering into any binding commitment with a third party (e.g., written agreement or memorandum of understanding (MOU)) in pursuit of any joint or collaborative development project, the office of SSM and the Law Department ("Law") must be notified regarding the procurement and on the issue of whether and to what extent the projects falls within the constraints of the Canal Corporation's procurement regulations and enabling legislation. SSM and Law should be brought into any such project during the development phase.
Provided that the Canal Corporation has statutory authority to develop or otherwise participate in a project developed, in whole or in part, in collaboration with a third party, the following minimum criteria must be met:

(i) the Canal Corporation's participation must be in response to a solicitation issued by the state or other public entity pursuant to a competitive selection process; and

Deleted: State

(ii) the construction of any asset to be owned by the Canal Corporation must comply with all applicable laws, including but not limited to prevailing wage requirements and goals established for the use of diverse and NYS small businesses (e.g., MWBE, SDVOB, SBE or DBE); and

(iii) goods and/or services required to develop and implement the project must be sourced and procured in accordance with, and subject to, either (a) the Canal Corporation's Procurement Guidelines; or (b) the requirements of the third party collaborator governing the competitive procurement of goods and services, provided that SSM has been furnished with a copy of such requirements which demonstrate, in SSM's judgement, that a competitive procurement or equivalent has been or will be undertaken.

Prior to execution any underlying agreement (i.e., joint development agreement, MOU, etc.) an internal award recommendation must be memorialized and approved by the SSM Department Head, the Executive Vice President and Chief Financial Officer (or his/her designee) and the responsible Business Unit head.

4. SELECTION PROCESS

Deleted: Exhibit A-2¶
October 1420, 20252026

A. Proposals will be evaluated using a fair and equitable comparison of all aspects of the proposals against the specifics of the solicitation and against each other, including an analysis of each offer that considers: the quality of the goods and/or the competence of the bidder (including, but not limited to, the bidder's skill, judgment and business integrity), the technical merit of the proposal and the price for which the goods and/or services are to be supplied.

In the event the price submitted by the bidder recommended to be awarded a contract exceeds the cost estimated, where a cost estimate is provided on the solicitation at the time of bidding, the initiating department will prepare a written explanation to be reviewed by the Canal Corporation SSM Department and appropriate managers as stipulated in the EAPs. The following options should be considered: (1) rejecting the bids, resoliciting proposals and/or modifying the scope of work; (2) revising the cost estimate and proceeding with the contract award and (3) negotiating with the bidder(s) to reduce the price quoted. Factors to be considered in reaching the proper course of action include but are not limited to: the effects of a delay on both the schedule and the cost of the specific procurement (e.g.: capital construction project) or specific circumstances (e.g.: outage at an operating facility), the magnitude of the contract, available bidders, the ability to attract additional competition if the solicitation is reissued, and the accuracy of the original cost estimate. The recommended course of action and the reasons therefor must be fully documented in a memorandum for consideration by the appropriate level of management prior to approval and placed in the appropriate procurement file.

B. Factors to be considered in evaluating the goods and/or services to be supplied and/or the competence of the bidder are: previous experience (including applicable experience in New York State and evaluations from other clients for whom the bidder has provided goods and/or services); the abilities and experience of the personnel to be assigned to the Canal Corporation work and the ability to provide any needed advanced techniques such as simulation and modeling; and overall, the bidder's skill, judgment and business integrity. The approach proposed in meeting the exact requirements of the scope of work will be given consideration in evaluating the technical merit of the proposal, together with a well-organized task structure, the ability to timely supply the goods and/or perform the proposed services and the ability to comply with Supplier Diversity participation goals, if any. The need to purchase the goods from and/or subcontract performance of services to others will be evaluated as to their effects on cost, as well as quality, schedule and overall performance.

Other factors that may be considered in evaluating proposals may involve an assessment of the bidder's diversity practices (Exec Law § 313-a), participation in the Authority's Mentor-Protégé Program (SFL § 9(147) for MWBEs, or Quantitative Factoring NYCRR 142.14) for MWBEs, SDVOBs and SBEs, where applicable.

C. For Personal Services Contracts, Non-Personal Services Contracts, and Construction Contracts (as defined in Section 2 of these Guidelines), the technical merits of the proposals and the experience and capabilities of the bidders will be the primary factors in determining the individual or firm to be awarded the contract, provided that the price for performing such work is reasonable and competitive.

Deleted: Exhibit A-2¶
October 1420, 20252026

D. For Procurement Contracts for Goods (as defined in Section 2.G of these Guidelines), the award should generally be made to the lowest-priced firm submitting a proposal that meets the commercial and technical requirements of the bid documents. (See also Section 4.G regarding award to "other than low bidder".)

E. For Procurement Contracts let by the Canal Corporation for the improvement, maintenance or repair of the canal system, each proposal shall specify the correct gross sum for which the work will be performed and shall also include the amount to be charged for each item specified on the proposal estimate sheet. These Procurement Contracts shall be awarded to the lowest responsible bidder, as will best promote the public interest, as determined in accordance with applicable law. The Canal Corporation may reject any or all proposals and may advertise for new proposals if, in its opinion, the best interest of the State and the Canal Corporation will thereby be promoted.

F. Pursuant to § 139-k of the State Finance Law, the Canal Corporation shall not award a Procurement Contract to an offeror who fails to provide timely, accurate and complete responses to inquiries about past determinations of non-responsibility (unless awarding the contract is necessary to protect public property or public health or safety and the offeror is the only source capable of supplying the required article of procurement within the necessary timeframe.)

A bidder's/contractor's knowing and willful violation of the Canal Corporation policy providing for certain procurement disclosures shall result in a determination of non-responsibility of such offeror pursuant to State Finance Law §§ 139-j and 139-k only.

More than one determination of non-responsibility due to violations of State Finance Law § 139-k in a four-year period shall render an offeror ineligible to submit bids for four years from the second determination of non-responsibility.

G. The Canal Corporation may award on a best value basis for awarding contracts to the offeror that optimizes quality, cost and efficiency, among all qualified bidders. The Canal Corporation may award to other than low bidder or best value only with the approval of appropriate management as stipulated in the EAPs and should be based on such a proposal providing a clear advantage to the Canal Corporation over the lower-priced proposal. Such basis shall reflect, whenever possible, objective and quantifiable analysis and may also identify a quantitative factor for offerors that are Small Businesses or NYS-certified SDVOB or MWBE firms. Other factors may include but are not limited to: improved delivery schedules that will reduce outages; longer warranty periods; improved efficiency over the usable life of the equipment; reduced maintenance costs; the bidders' financial resources or the ability to meet or exceed Supplier Diversity goals; and overall, the bidder's skill, judgment and business integrity.

H. The specifications set forth in any solicitation prepared under these Guidelines were based upon information available at the time of the preparation of the solicitation. Thus, the Canal Corporation may diverge from the specifications of any solicitation if, after review of the proposals responsive to such solicitation, the Canal Corporation

Deleted: Exhibit A-2¶
October 1420, 20252026

deems it prudent in light of its experience, the circumstances of the solicitation and/or potential cost savings.

5. AWARD OF CONTRACT

A. Procurement Contracts must be approved in writing by the appropriate management as set forth in the EAPs. Trustee approval at the next Trustees' meeting is required as detailed in this Section 5.

B. If the proposed term of a Personal Services contract will exceed five (5) years, including any extensions authorized in the contract, the SSM Department Head must first approve the Business Unit's written justification for the term exceeding 5 years prior to the issuing of the contract.

C. The SSM Department prepares the contract for execution by the Canal Corporation and the successful bidder. No work by the selected contractor will commence until the contract is executed by both parties, except that a signed letter of intent or a notice to proceed may initiate work prior to formal execution. Canal Corporation signatories of such letters must be authorized to approve contract awards pursuant to the EAPs.

D. Pursuant to Economic Development Law § 143, the Canal Corporation shall submit an announcement of the intended contract for inclusion in the procurement opportunities newsletter at the time it enters into a contract. Such announcement shall identify the contract, specify the date of the award of the contract and provide the name of and contact information for each recipient of the contract.

E. Pursuant to Public Authorities Law § 2879, the Canal Corporation shall notify the Commissioner of Economic Development of the award of any Procurement Contract for the purchase of goods and/or services from a Foreign Business Enterprise (as defined in Subsection 3.E.3 of these Guidelines) in an amount equal to or greater than $1 million simultaneously with notifying the successful bidder thereof. The Canal Corporation shall not enter into the Procurement Contract for said goods and/or services until at least 15 days have elapsed from the notification of the award, except for a Procurement Contract awarded on an emergency or critical basis. The notification to the Commissioner shall include the name, address, telephone and facsimile number of the Foreign Business Enterprise, the amount of the proposed Procurement Contract and the name of the individual at the Foreign Business Enterprise or acting on behalf of same who is principally responsible for the proposed Procurement Contract.

F. Prior to award, contracts meeting the following criteria must be approved by the Trustees:

   a. The value of a contract (or the aggregate amount for multiple awards) meets or exceeds the minimum value requiring Trustee approval as set forth in the EAPs;

Deleted: Exhibit A-2¶
October 1420, 20252026

b. A Services Contract (which include contracts for Construction, Personal and Non-personal services, as defined in Section 2 of these Guidelines) valued or estimated to be $5,000 or greater that will be awarded for a period of more than 12 months;

c. Extending a contract for Services with an initial duration of less than 12 months beyond 12 months. When time constraints or emergency conditions require extending an existing contract with an initial duration of less than a year beyond a year, the Business Unit Head, with the prior concurrence of the SSM Department Head or equivalent(s) or designee, may authorize in writing extending such contract, subject to the Trustees ratifying such action as soon as practicable; or

d. Extending a previously approved contract for services beyond the allowable "grace period" as further described in Section 5G.

G. Extending a Services Contract, previously approved by the Trustees, for 12 months or less ("grace period") requires approval by the Vice President of the requesting department or other authorized equivalent or designee in accordance with existing EAPs and concurrence by the SSM Department Head.

H. The Business Unit head, with the prior concurrence of the SSM Department Head, may authorize, in writing, the commencement of services or the purchase of goods prior to obtaining the required Trustee approval under the following limited circumstances:

a. When the total estimated contract value or the value of the extension exceeds the monetary limits set forth in the EAPs and immediate work is required.

b. When time constraints or emergency conditions require immediate commencement of services to be performed for a period of more than one year.

The initial compensation limitation may not exceed the authorization level for the Business Unit head as set forth in the EAPs. Such contracts will be subject to the Trustees' approval, which will be solicited at their next scheduled Trustee meeting.

I. For Personal Services Contracts, Non-Personal Service Contracts, and Construction Contracts valued or estimated to be $5,000 or greater to be performed for a period of more than 12 months that must be awarded prior to the next Trustees' meeting, the initial contract will be issued for the entire intended term of the contract. Based on its total term and value, such contract must be approved in writing by the appropriate management as set forth in the EAPs and the Business Unit head. Such contract is subject to the Trustees' approval, at the next Trustees' meeting. If such approval is not granted, the contract will be terminated immediately.

J. A Personal Services Contract, Non-Personal Service Contract, and Construction Contract or contract task valued or estimated to be $5,000 or greater is deemed to be for services in excess of 12 months where the contract does not specify a definite term and the work will not be completed within 12 months, and any "continuing services" contract with no fixed term that provides for the periodic assignment of specific tasks

Deleted: Exhibit A-2¶
October 1420, 20252026

or particular requests for services. This includes Trustee-approved contracts for architect/ engineering services with the original engineers of operating facilities, as well as the original supplier of steam supply systems or boilers and turbine generating equipment. Each task authorized under such contracts (which may be referred to as a "Change Order," "Purchase Order" or "Task Number") is considered a separate commitment and must be separately approved in accordance with the EAPs.

6. CONTRACT PROVISIONS

A. Standard forms of boilerplate contracts are available including but not limited to the following more common forms: purchase orders; furnish-and-deliver; consulting services agreements and maintenance agreement formats; contract work orders; construction contracts and furnish, deliver and install contracts. These contract forms are intended to govern the routine purchase of goods and/or performance of services.

Canal Corporation departments proposing to initiate a Procurement Contract should review these forms to suggest any modifications and additions that may be required for the particular goods and/or services. Under no circumstances should contract forms be shown to proposed bidders without the prior approval of the SSM Department, which are responsible for requesting proposals.

B. The following types of provisions setting forth contractor responsibilities are to be contained in the standard forms of Procurement Contracts, except that any provisions listed below that are inapplicable or unnecessary because of the nature or duration of the work to be performed, the location(s) where the work is to be performed or the type of compensation being paid therefor, need not be included. Other provisions may be added as necessary and appropriate.

1. Schedule of Services or Specifications
2. Time of Completion
3. Compensation or Itemized Proposals
4. Relationship of Parties
5. Delays
6. Termination
7. Changes in the Work
8. Claims and Disputes
9. Warranty
10. Insurance
11. Records, Accounts, Inspection and Audit
12. Assignment
13. Notices
14. Indemnification
15. Governing Law
16. Proprietary Nature of Work
17. Testimony
18. Supplier Diversity (MWBE/SDVOB/DBE/EEO) requirements
19. Entire Agreement

Contract Attachments

Deleted: Exhibit A-2¶
October 1420, 20252026

1. Compensation Schedule
2. Schedule of Services or Specifications
3. Appendix "A" (Miscellaneous Statutory Provisions)
4. Appendix "B" (Prompt Payment Provisions)
5. Appendix "C" (Supplier Diversity Provisions)
6. Appendix "E" (Omnibus Procurement Act of 1992 Requirements)
7. Appendix "G" (Equal Employment Opportunities Requirements) - inactive
8. Appendix "H" (Tax Law Requirements)
9. Appendix "J" (Bidder/Contractor Compliance with State Finance Law §§ 139-j and 139-k Providing for Certain Procurement Disclosures) - inactive
10. Appendix "K" (Additional State and Federal Provisions Required for American Recovery and Reinvestment Act (Pub. L. No. 111-5 Stat. 2009) ("ARRA") Funded Projects) - inactive
11. Appendix "L" (DOE Federal Contract Provisions) - inactive
12. Appendix "M" (Use of Ultra Low Sulfur Diesel Fuel and Best Available Retrofit Technology ("BART") for Heavy Duty Vehicles)
13. Appendix "N" (The New York State Iran Divestment Act of 2012 – Iranian Energy Sector Divestment) - inactive
14. Appendix "O" (Encouraging Use of New York State Businesses in Contract Performance) – inactive
15. Appendix "P" (Information Security Requirements for Vendors and External Partners)
16. Omnibus Procurement Certification

C. If a vendor (firm, person or other entity) participates in the development or writing of the specifications for a procurement solicitation, such vendor shall not be permitted to bid on such procurement, either as a prime vendor or as a subcontractor at any level. Contracts for evaluation of offers for products or services shall not be awarded to a vendor that would then evaluate its own offers for products or services.

Furthermore, any firm, person or other entity retained by the Canal Corporation to provide conceptual studies, designs or specifications is prohibited from being awarded future phases of work, including implementation, related to the original work.

The name(s) of any vendor(s) providing goods or services as outlined in this section C shall be disclosed during the bidding event.

The above restrictions shall not apply where:

1. The vendor is the sole source or single source of the product or service;
2. More than one vendor has been involved in preparing the specifications for a procurement proposal;
3. There is no qualified response to the solicitation for future phases of work, including implementation;
4. Construction projects using delivery models of Design-Build or Engineer, Procure, Construct; or
5. The originating Canal Corporation Department determines in writing that the restrictions are not in the best interests of the Canal Corporation. Such

Deleted: Exhibit A-2¶
October 1420, 20252026

originating Department shall obtain the approval of the applicable Department Head or equivalent(s), NYPA SSM Department Head or equivalent(s) or designee, NYPA Assistant General Counsel or equivalent(s) and NYPA President and Chief Executive Officer or designee or Chief Operating Officer or equivalent(s) to waive this restriction on a case-by-case basis.

7. CHANGE ORDERS

A. Change Orders to existing contracts are justified in circumstances such as the following:

1. To incorporate additional work related to the original scope, to delete work or to otherwise modify the original work scope;

2. To exercise options previously included in the original contract to perform additional work or to extend the contract term;

3. To accommodate emergency conditions, defined in Section 3.P herein, that require the immediate performance of work by a firm already under contract;

4. When rebidding would not be practical or in the best interests of the Canal Corporation customers; or

B. Change Orders requests for an increase to the value of a Purchase Order, Value Contract or Purchase Order Release must be approved in accordance with the Canal Corporation's EAPs. The estimated expenditure pursuant to the Change Order shall not increase the total amount of the primary contract until the estimated expenditure shall have been approved by the Canal Corporation and a duplicate of such approval shall have been filed with the Comptroller.

C. Change Order requests that extend the term of a services contract, inclusive of Personal Services, Non-Personal Services and Construction contracts, from a term of less than one year to more than one year must be approved by the Board of Trustees prior to the execution of the Change Order.

D. The Canal Corporation will not execute a Change Order and will engage in a competitive bidding process when a proposed change order would result in a contract value (or aggregate) exceeding the thresholds set forth below:

a. For contracts with an original approved amount (or latest Trustee approved amount) of less than $100,000:

i. $25K more than the original authorized amount (or latest trustee approved amount)

b. For contracts with an original approved amount (or latest Trustee approved amount) of $100,000 or greater:

i. $500K more than the original authorized amount (or latest trustee approved amount) for Personal Services contracts

Deleted: Exhibit A-2¶
October 1420, 20252026

- OR -

ii. $6M more than the original authorized amount (or latest trustee approved amount) for all contracts that are not Personal Services contracts

- OR -

iii. 125% of the original authorized amount of the contract (or latest trustee approved amount).

c. Should a competitive bidding process not be feasible:

i. A memo must be presented to and signed by the SSM Department Head explaining why rebidding pursuant to a competitive solicitation process is not feasible. The memo must be signed by the proposing business unit representative following the appropriate column of the EAPs for the proposed new value of the contract(s).

ii. The SSM Department Head has the right to reject the proposed change order to the contract and direct rebidding pursuant to a competitive solicitation process. The SSM Department Head has the right to accept the change order and may direct the end user to advise the Trustees of the resultant increase at the next Trustee meeting.

iii. For contracts with an original approved amount (or latest approved trustee amount) of greater than $100,000, if the change order proposed meets criteria (b.iii) above and meets either (b.i) or (b.ii), the change order must be presented to the Board of Trustees.

iv. When the change order has been presented and accepted by the Trustees, the latest trustee approved amount will become the new contract value.

E. All Change Orders should include a defined scope of work and all impacts to price and schedule.

F. Pursuant to Public Authorities Law § 2879-a, the Comptroller Regulations and the State Authority Contract Manual, the Canal Corporation may be required to submit certain Change Orders to the New York State Comptroller for filing or approval where the aggregate value of the contract as amended is in excess of $1 million and the original contract was awarded on the basis of a non-competitive procurement, but the modification was neither contemplated nor provided for in the solicitation for such non-competitive procurement.

8. CONTRACTING DECISIONS INVOLVING CURRENT OR FORMER EMPLOYEES

A. Former Canal Corporation officers and employees may be eligible to be considered for direct engagement as contractors and/or consultants provided that they meet all criteria for contractors and/or consultants generally as specified in these Guidelines; their engagement is not barred by New York Public Officers Law § 73(8); they obtain an opinion by the New York State Commission on Ethics and Lobbying in Government that such engagement is permissible; and upon approval of the NYPA President and Chief Executive Officer, as well as the Chairman of the Canal Corporation Board.

Deleted: Exhibit A-2¶
October 1420, 20252026

B. Pursuant to the provisions of New York Public Officers Law § 73(8):

1. No Canal Corporation officer or employee is eligible, within a period of two years after the termination of Canal Corporation service to appear or practice before the Canal Corporation or receive compensation for any services rendered on behalf of any person, firm, corporation or association, in relation to any case, proceeding or application or other matter before the Canal Corporation.

2. No Canal Corporation officer or employee is eligible, at any time after the termination of Canal Corporation service, to appear, practice, communicate or otherwise render services before the Canal Corporation or any other state agency or receive compensation for any such services rendered on behalf of any person, firm, corporation or other entity in relation to any case, proceeding, application or transaction that such person was directly concerned with and personally participated in during his or her period of service, or which was under his or her active consideration.

3. Pursuant to the provisions of New York Public Officers Law § 73(8-b), notwithstanding the provisions of 1. and 2. above, a former Canal Corporation officer or employee may contract individually, or as a member or employee of a firm, corporation or association, to render services to the Canal Corporation, if, prior to engaging in such service, the Chairman of the Board of Directors certifies in writing to the New York State Commission on Ethics and Lobbying in Government that such former officer or employee has expertise, knowledge or experience with respect to a particular matter which meets the Canal Corporation needs and is otherwise unavailable at a comparable cost. Where approval of the contract is required under § 112 of the New York State Finance Law, the Comptroller shall review and consider the reasons for such certification. The New York State Commission on Ethics and Lobbying in Government must review and approve all such certifications.

C. No Canal Corporation employee who is involved in the award of Canal Corporation grants or contracts may ask any officer, director or employee of such current or prospective contractor or grantee to reveal: (a) the political party affiliation of the individual; (b) whether the individual or entity has made campaign contributions to any political party, elected official or candidate for elective office or (c) whether the individual voted for or against any political party, elected official or candidate for elective office.

D. No Canal Corporation employee may award or decline to award any grant or contract, or recommend, promise or threaten to do so because of a current or prospective grantee's or contractor's: (a) refusal to answer any inquiry prohibited by Section 8.C above or (b) giving or withholding or neglecting to make any contribution of money, service or any other valuable thing for any political purpose.

E. No Canal Corporation employee may take part in any contracting process or decision: (i) to a Relative; or (ii) to any entity in which the Canal Corporation employee or a Relative of such Canal Corporation employee owns or controls 10% or more of the

Deleted: Exhibit A-2¶
October 1420, 20252026

stock of such entity (or 1% in the case of a corporation whose stock is regularly traded on an established securities exchange); or serves as an officer, director or partner of that entity. If a contracting matter arises relating to this Section 8.E, then the employee must advise in writing his or her supervisor and the Office of Ethics and Compliance of the relationship, and must be recused from any and all discussions or decisions relating to the matter.

For purposes of this Section 8.E, the term "Relative" is defined in Definitions, Section 2.O of these Guidelines.

9. SUPPLIER DIVERSITY PROGRAM REQUIREMENTS

A. Minority- and Women-owned Business Enterprises (MWBE) and Equal Employment Opportunity (EEO)

The Canal Corporation is committed to the inclusion and participation of MWBEs on Canal Corporation contracts. Article 15-A of the Executive Law established the Division of Minority and Women's Business Development ("DMWBD") that is responsible for developing rules and regulations for implementation of this statute, certifying MWBEs and reviewing and monitoring goal plans, compliance reports and contract provisions to be included in all non-construction contracts for more than $25,000 and construction contracts for more than $100,000. In addition, specific subcontracting goals for MWBEs may be included in certain contracts for consulting work, construction and procurement of goods and other services requiring the contractor/vendor to subcontract a portion of the work to NYS-certified MWBEs as required by law. Additionally, the Canal Corporation may use discretionary purchases to further advance this socio-economic goal.

B. Service-Disabled Veteran-Owned Business (SDVOB) Program Requirements

The Canal Corporation is committed to promote business opportunities for NYS-certified SDVOBs in Canal Corporation contracts. Veteran Services Law Article 3 established the Division of Service-Disabled Veteran-Owned Business Development that is responsible for developing rules and regulations for implementation, certifying SDVOBs and reviewing and monitoring NYPA's plans, compliance reports, and contract provisions to be included in all non-construction contracts for more than $25,000 and construction contracts for more than $100,000. In addition, specific subcontracting goals for SDVOBs may be included in certain contracts for consulting work, construction and procurement of goods and other services requiring the contractor/vendor to subcontract a portion of the work to NYS-certified SDVOB as required by law. Additionally, the Corporation may use discretionary purchases and SDVOB Set-Asides to further advance this socio-economic goal

C. Disadvantaged Business Enterprise (DBE) Program Requirements on Federally Funded Contracts

The Canal Corporation ("Canals") strives to foster the development of business opportunities for NYS certified DBEs and to further increase their participation in Canals Federally funded contracts. The Canals aims to solicit proposals from DBEs

Deleted: Exhibit A-2¶
October 1420, 20252026

for procurements that will be partially or fully federally funded. The Canals follows the DBE guidelines as set out by the Federal Department of Transportation ("OT") to ensure that DBEs have an equal opportunity to compete, and provide goods and services to the Canal Corporation.

10. PROCUREMENT RECORD AND REPORTING

A. Procurement Record

The Canal Corporation SSM Department maintains records of Procurement Contracts. In addition to bid- and contract award-related documents for the goods provided and/or services performed, the Procurement Record includes, but is not limited to, documentation of the decisions made, and the approach taken in the procurement process. Such records may be transmitted to the digital warehouse for electronic storage and retrieval. Under State Finance Law §§ 139-j and 139-k, the Procurement Record must also include:

i. A statement describing the basis for a determination of a bidder's/contractor's non-responsibility (per State Finance Law §§ 139-j and 139-k only) and the decision not to award an offeror the Procurement Contract.

ii. All forms entitled "Record of Contact".

iii. A statement describing the basis for a termination of a Procurement Contract for providing an intentionally false certification must be included in the Procurement Record.

The Canal Corporation shall notify the New York State Office of General Services of bidders/contractors who have been determined to be non-responsible bidders or debarred due to violations of State Finance Law § 139-j.

B. Procurement Report

The NYPA SSM Department Head or equivalent(s) will prepare and submit an annual report to the Canal Corporation Board of Directors for their approval that will include:

1. A copy of the Guidelines;
2. An explanation of the Guidelines and any amendments thereto since the last annual report;
3. A list of all Procurement Contracts entered into since the last annual report, including all contracts entered into with New York State Business Enterprises and the subject matter and value thereof and all contracts entered into with Foreign Business Enterprises and the subject matter and value thereof;
4. A description of work performed, the contract number, the date of the contract and its duration, the name, address and NYS-certified MWBE designation of the awardees, the total amount of the contract, the amount spent on the contract during the reporting period and for the term of the

Deleted: Exhibit A-2¶
October 1420, 20252026

contract to date and the status of open Procurement Contracts during the report year;

5. The type of contract (equipment, services, personal services or construction);
6. The method of awarding the contract (e.g., competitive bidding, Sole Source, Single Source);
7. The reasons why any procurements with a value equal to or greater than $50,000 were not noticed in the Contract Reporter;
8. The number of bids received and
9. All referrals made and all penalties imposed, if any, pursuant to § 316 of the Executive Law.

C. Such annual report, as approved by the Canal Corporation Board of Directors, shall be submitted to the New York State Division of the Budget within 90 days of the end of such calendar year, and copies thereof shall be distributed to the New York State Department of Audit and Control, the DED, the New York State Senate Finance Committee, and the New York State Assembly Ways and Means Committee and any other entity as may be required by law. The annual procurement report is posted on the Canal Corporation website and copies shall be made available to the public upon reasonable written request therefor.

D. The Canal Corporation may be called upon periodically to submit information regarding the procurement of goods and/or services to organizations implementing the Public Authorities Accountability Act (PAAA) or other statutes regulating the procurement of goods and services, such as New York State Authorities Budget Office through the Public Authorities Reporting Information System ("PARIS").

E. The SSM Department Head or designee will also prepare Annual Goal Plans for the MWBE and SDVOB programs and will submit them by January 15 of each year to Empire State Development - Division of Minority and Women Business Development and the New York State Office of General Services - Division of Service-Disabled Veterans' Business Development, respectively. Quarterly Utilization / Activity Reports for each program will also be prepared and submitted to the aforementioned respective state entities by the 15th day of July, October, January and April.

11. THIRD PARTY RIGHTS: VALIDITY OF CONTRACTS

A. These Guidelines are intended for the guidance of officers and employees of the Canal Corporation only. Nothing contained herein is intended, nor should it be construed, to confer on any person, firm or corporation any right, remedy, claim or benefit under, or by reason of, any requirement or provision hereof.

B. Nothing contained in these Guidelines alters or affects the validity of, modifies the terms of or impairs any contract or agreement entered into in violation of these Guidelines.

CANAL CORPORATION GUIDELINES FOR PROCUREMENT CONTRACTS

1. PURPOSE

These Guidelines are adopted pursuant to the provisions of Section 2879 of the Public Authorities Law, as amended. The provisions of Article 4-C of the Economic Development Law, §§ 2879 and 2879-a of the Public Authorities Law, Articles 15-A of the Executive Law, Article 3 of the Veterans' Services Law, Article 4 of the Canal Law and §§ 139-j and 139-k of the State Finance Law were considered in developing these Guidelines. Departments and facilities may adopt further procedures to implement these Guidelines. These Guidelines are designed to ensure the responsible and prudent use of the resources of the Canal Corporation to guard against favoritism, extravagance, fraud and corruption; and, to facilitate the efficient and timely acquisition of goods and services for the Canal Corporation. To help ensure that the purposes of these Guidelines are met and that there is compliance with applicable law and procedures governing procurements by the Corporation, each operating division within the Corporation shall engage Strategic Supply Management in all purchases of goods and services by the Corporation.

2. DEFINITIONS

A. "Capital projects" generally refer to the acquisition or construction of new assets, the replacement and/or betterment of existing assets, equipment, or property. Betterment refers to an extension of the useful life or improvement in the efficiency and/or capacity of the asset, equipment, or property.

B. "Construction Contracts" are Procurement Contracts that employ craft labor and other services utilizing laborers and/or mechanics not otherwise considered Non-Personal Services for the construction, reconstruction, alteration, maintenance, moving or demolition of any building, structure or improvement, or relating to the excavation of or other development or improvement to the land.

C. "Contact" is any oral, written, or electronic communication with the Canal Corporation under circumstances where a reasonable person would infer that the communication was intended to influence the Canal Corporation's conduct or decision regarding the procurement.

D. "Design-Build" is a method of project delivery where there is one entity, one contract, one unified flow of work from initial concept through completion. Design-Build is also referred to as Engineer, Procure, Construct (EPC) in some instances.

E. "Discretionary Purchase" is a procurement made below statutorily established monetary threshold amounts for the purchase of commodities and/or services from NYS Small Business Enterprises or NYS-certified Minority- and Women-owned Business Enterprises (MWBE) firms, and/or NYS-certified Service-Disabled Veteran Owned Business Enterprise (SDVOB) firms as further, and at the discretion of the Canal Corporation.

F. "Disadvantaged Business Enterprise" (DBE) is a for-profit small business concern (1) that is at least 51 percent owned by one or more individuals who are both socially and economically disadvantaged or, in the case of a corporation, in which 51 percent of the stock is owned by one or more such individuals; and (2) whose management and daily business operations are controlled by one or more of the socially and economically disadvantaged individuals who own it, as that term is defined in 49 C.F.R Part 26.

G. "Goods" include equipment, material and supplies of any kind. Procurement Contracts that include both equipment and services may be classified as Goods, where a majority of the total projected contract value will be for the purchase of equipment, material or supplies.

H. "Minority- and Women-owned Business Enterprise" ("MWBE") is defined a small business certified under Article 15-A of the Executive Law that is independently owned, operated and authorized to do business in New York State; and is owned and controlled by at least fifty-one percent women or minority group members who are citizens of the United State or permanent resident aliens; and whose personal net worth does not exceed fifteen million dollars or such other amount as set forth in the regulations. Such ownership must be real, substantial and continuing; and the minorities or women must have and exercise the authority to control independently the day-to-day business operations and decisions of the enterprise.[1]

I. "Non-Personal Services Contracts" are Procurement Contracts for all other services that do not involve professional skill, knowledge or expertise and/or performance may be substituted by another individual or entity. By way of example, Non-Personal Services include, but are not limited to, managed services that support information technology functions (inclusive of subscription services), maintenance, minor structural repairs, printing services, marine patrol and skilled or unskilled temporary personnel, including clerical office staff, technicians, or engineers working under Canal Corporation's supervision.

J. "Non-Procurement Contracts" include: (i) contracts for goods and services under $5,000; (ii) contracts for energy with or without environmental attributes included, capacity, renewable energy certificates, ancillary services, transmission, distribution or related services in support of providing service to Authority customers; (iii) contracts for differences; (iv) contracts for the issuance of commercial paper or bonded indebtedness including, but not limited to: bond purchase agreements, standby bond purchase agreements, letters of credit, firm remarketing agreements, forward purchase agreements, revolving credit agreements and other similar liquidity facility agreements, broker-dealer agreements, remarketing agent agreements, auction agent agreements, interest rate swaps and other similar hedging agreements, provided, however, that this shall not include: (a) contracts with the state for providing for the payment of debt service subject to an appropriation; (b) professional or banking services agreements such as bond counsel, financial advisor and trustee agreements; and (c) custodial service agreements; (v) certain insurance and healthcare products that do not readily lend themselves to a competitive solicitation; (vi) direct and indirect placement of advertisements; (vii) the purchase of periodicals, referential data subscriptions, reference materials or professional research tools; (viii) fees or tuition associated with continuing education courses, training courses,

[1] Executive Law § 310(7) and (15); 5 NYCRR § 140.1(bb).

conferences, seminars and symposiums, or the engagement of guest speakers: (ix) funding agreements, co-funding agreements, or grants and (x) memberships in various industry groups, professional societies or similar cooperative associations, or any cooperative projects and procurement activities conducted or sponsored by such organizations in which the Canal Corporation participates.

K. "Operation and Maintenance" ("O&M") generally refers to the work or services necessary to keep the equipment and facilities, (collectively referred to generally as an "asset") in optimal operating condition and/or to restore an asset to its productive capacity. This includes the cost of inspecting, testing, analyzing and reporting on the condition of the asset required to determine repairs or replacement, as well as costs associated with the normal operation and administration of assets.

L. "Personal Services Contracts" are Procurement Contracts to provide either (i) a service by a named individual that involves a particular skill, cultivated judgment and the exercise of discretion, such that performance by a substituted individual would be unacceptable; or (ii) a professional service requiring professional skill, knowledge or expertise of a consulting, professional or technical nature in occupations that may require an advanced degree or specific licensure, certification or specialized training, for a fee, commission or other compensation, by a person or persons who are not providing such services as officers or employees of a state agency or public corporation. By way of example, such professional services include but are not limited to the areas of accounting, architectural, engineering, surveying, financial advisory, investment banking, legal, public relations, marketing, planning, management, consulting, surveying, training (when specifically developed by a consultant for the Canal Corporation), IT or cyber consulting, IT development and construction management.

M. "Procurement Contracts" are contracts for the acquisition of goods and/or services in the actual or estimated amount of $5,000 or more. Such goods and/or services are those necessary to support the Canal Corporation's offices, facilities, operations and maintenance ("O&M") and capital projects (as defined in Section 2), including but not limited to goods such as office supplies, major electrical equipment, construction and maintenance work and services.

N. "Purchase Order Release" is a single order issued for goods or services in accordance with the terms and conditions of a Value Contract.

O. "Relative" is any person living in the same household as the Canal Corporation employee or any person who is a direct descendant of the Canal Corporation employee's grandparents or the spouse of such descendant, as referred to in Subsection 8.E of these Guidelines. The term Relative may include, but is not limited to, the relationship of spouse, child, parent, sister, brother, grandparent, grandchild, aunt, uncle, cousin, niece, nephew, stepchild, stepparent, stepsister, stepbrother, mother-in-law, father-in-law, sister-in-law, brother-in-law, daughter-in-law or son-in-law.

P. "SDVOB Set-Aside" are procurements identified at the discretion of the Corporation to exclusively set-aside for the participation of NYS-certified SDVOBs, and are subject to the applicable laws, rules, and procedures governing procurements.

Q. "Selection Process," as further outlined in Section 4 below, includes as evaluating factors the Canal Corporation's consideration of a bidder's skill, judgment, and business integrity.

R. "Service-Disabled Veteran-Owned Business Enterprise" ("SDVOB") is a business enterprise, including a sole proprietorship, partnership, limited liability company or corporation, certified under Article 3 of the Veterans' Services Law that is: (i) at least fifty-one percent owned by one or more service-disabled veterans; (ii) an enterprise in which such service-disabled veteran ownership is real, substantial and continuing; (iii) an enterprise in which such service-disabled veteran ownership has and exercises the authority to control independently the day-to-day business decisions of the enterprise; (iv) an enterprise authorized to do business in the State; and is independently owned and operated; (v) an enterprise that is a small business which has a significant business presence in the State, not dominant in its field and employs less than 300; (vi) and is certified by the Office of General Services. [2]

S. "Single-Source" is a procurement in which although two or more offerers can supply the required goods or services, the Canal Corporation, upon written findings setting forth the material and substantial reasons therefore, may award a contract or amendment to a contract to one offerer over the other..

T. "Small Business" (or Small Business Enterprise, "SBE"), as defined pursuant to Executive Law § 310 and as used in these Guidelines, unless otherwise indicated, is a business that has a significant business presence (as defined at 5 NYCRR 140.1) in New York State, is independently owned and operated, not dominant in its field and employs not more than 300 people. [3]

U. "Software" includes premises applications as well as Software-as-a-Service (SaaS) which is defined as a software distribution model in which a third-party provider hosts the application. Software shall be considered "Equipment" where such term is used throughout these Guidelines. Furthermore, the implementation services related to the initial installation of any software may also be considered Equipment under that contract provided such installation does not exceed one year.

V. "Sole Source" is a procurement in which only one offeror is capable of supplying the required goods or services.

W. "SSM Department Head" – is the Senior Vice President of Strategic Supply Management .

X. "Value Contract" is the master service agreement for goods and services with specific target value and term.

3. SOLICITATION REQUIREMENTS

[2] Veterans' Services Law § 40(1); 9 NYCRR § 252.1(e).

[3] Executive Law § 310(20).

A. Preparation of the solicitation of proposals for Procurement Contracts is the joint responsibility of the White Plains Strategic Supply Management ("SSM") Department, or the Canal Corporation SSM Department, and the initiating department. Except as otherwise authorized by these Guidelines, a Request for Proposals or Request for Quotations will be made available to a minimum of three providers and/or firms (if available) commensurate with the magnitude and nature of the goods and/or services, and the schedule for performance.

B. Prospective bidders on Procurement Contracts may be prequalified by invitation advertised in the same manner as a Request for Proposals but referred to as a Request for Qualifications. In such cases, proposals are requested only from those provider(s) and/or firm(s) whose prequalification submittals demonstrate sufficient ability and competence (including, but not limited to, the bidder's skill, judgment and business integrity) to supply the particular goods and/or perform the particular services required.

C. The Canal Corporation may withdraw any pending solicitation at any time, for cause or no cause. Any person or entity submitting any responsive document to the Canal Corporation does so at its own cost or expense and will not be reimbursed by the Canal Corporation for the preparation of any responsive document, unless otherwise agreed to in writing and signed by an authorized Canal Corporation representative.

D. In order to promote the use of MWBEs, SDVOBs and SBEs, the Canal Corporation will solicit offers from such firms known to have experience in the type of goods and/or services to be provided, regardless of the type of contract. For the purpose of these Guidelines, the definitions of NYS-certified MWBE or SDVOB firms and SBEs are set forth in Sections 2.

In furtherance of this commitment to encourage greater MWBE, SDVOB, and SBE participation, the Canal Corporation, at its own discretion, may utilize its discretionary purchasing authority to target specific [or limit the responses to certain] procurements for goods and services (not including construction or construction-related services) under the established monetary threshold from MWBEs, SDVOBs, and/or SBEs. For the purpose of determining whether a purchase is within the discretionary monetary thresholds, the aggregate amount of all purchases of the same commodities and/or services to be made from the same supplier within the 12-month period commencing on the date of purchase shall be considered. A change to or a renewal of a discretionary purchase shall not be permitted if the change or renewal would bring the reasonably expected aggregate amount of all purchases of the same commodities and/or services from the same provider within the 12-month period commencing on the date of the first purchase to an amount greater than statutorily established monetary threshold amounts as provided for in Public Authorities Law § 2879(3)(b)(i).

E. It is the policy of New York State to promote the participation of New York State Business Enterprises and New York State residents in Procurement Contracts. The Canal Corporation will endeavor to promote such participation and to comply with the

applicable statutory provisions. In furtherance of Public Authorities Law § 2879, the following definitions and actions apply:

1. "New York State Business Enterprise" is a business enterprise, including a sole proprietorship, partnership or corporation that offers for sale or lease or other form of exchange, goods sought by the Canal Corporation that are substantially manufactured, produced or assembled in New York State or services, excluding construction services, sought by the Canal Corporation that are substantially performed within New York State as further described in Public Authorities Law § 2879. For purposes of construction services, a New York State Business Enterprise shall mean a business enterprise, including a sole proprietorship, partnership, or corporation, which has its principal place of business in New York state.

2. "New York State resident" is a person who maintains a fixed, permanent and principal home in New York State to which such person, whenever temporarily located, always intends to return as further described in Public Authorities Law § 2879.

3. "Foreign Business Enterprise" is a business enterprise, including a sole proprietorship, partnership or corporation, that offers for sale, lease or other form of exchange, goods sought by the Canal Corporation that are substantially produced outside New York State, or services other than construction services, sought by the Canal Corporation that are substantially performed outside New York State as further described in Public Authorities Law § 2879. For purposes of construction services, Foreign Business Enterprise is a business enterprise, including a sole proprietorship, partnership or corporation, which has its principal place of business outside New York State.

4. "Discriminatory Jurisdiction" is any country, nation, province, state or political subdivision thereof which employs a preference or price distorting mechanism to the detriment of, or otherwise discriminates against, a New York State Business Enterprise in the procurement of goods and/or services by the same or a non-governmental entity influenced by the same.

5. Pursuant to Public Authorities Law § 2879, the Canal Corporation shall not enter into a contract with a Foreign Business Enterprise which has its principal place of business in a Discriminatory Jurisdiction contained on the list prepared by the Commissioner of the New York State Department of Economic Development ("DED"). The provisions of this section may be waived by the New York Power Authority's (NYPA) President and Chief Executive Officer if the Chief Executive Officer determines in writing that it is in the best interests of the Canal Corporation to do so, as further set forth in the above-referenced law.

6. Pursuant to Public Authorities Law § 2879, the Canal Corporation will, where feasible, make use of the stock item specification forms of New York State manufacturers, producers and/or assemblers, as made available by the Commissioner of General Services, for any Procurement Contract for the purchase of goods.

F. Certain goods and/or services may be procured pursuant to Procurement Contracts let by any department, agency, officer, political subdivision or instrumentality of the state (e.g., the New York State Office of General Services ("OGS")) or Federal government (e.g., General Services Administration ("GSA")) or any city or municipality where the White Plains SSM Department, or Canal Corporation SSM Department, and the initiating department determine that a reasonable potential exists for cost savings or other benefits to the Canal Corporation and have approved the specifications and proposed terms and conditions of such contract.

Certain Procurement Contracts established by the OGS or GSA require that authorized users conduct a "mini-bid" (i.e., an abbreviated supplemental competitive bid procurement process) among prequalified bidders identified in such established contracts.

G. Procurement Contracts issued by the Canal Corporation may also utilize a mini-bid process, typically, in cases of a multiple award, where a contract is awarded to more than one bidder that meets the Canal Corporation bid requirements. Such mini bids shall be conducted by the Canal's Corporation SSM staff (or on behalf of the Canal Corporation by a contracted service provider) where applicable and practicable. Within a said multiple award group, work may be assigned to a specific firm without conducting a mini-bid, under certain circumstances, including but not limited to: where such firm possesses specialized expertise and is uniquely qualified to perform such work; where time constraints, emergency or other critical conditions exist or geographic location is of primary consideration in order to meet schedule requirements, respond to emergent issues or otherwise meet the Canal's Corporation needs; or when the work scope is below a specified monetary threshold. The decision to assign work without conducting a mini bid shall be made jointly by the Canal Corporation SSM Department and initiating departments and shall be documented for the Procurement Record.

H. Solicitations will include a scope of work that defines the goods required and/or the services to be performed; evaluation criteria (as defined in Section 4); milestone dates; the Canal Corporation Supplier Diversity program requirements, if applicable; all other applicable Canal Corporation requirements and any special methods or limitations that the Canal Corporation chooses to govern the work.

I. Telephone solicitation, for procurements valued at less than $50,000, may be used where time constraints do not permit issuance of a Request for Proposals, where issuance of a Request for Proposals is otherwise impracticable or for goods that are catalog items or do not require a detailed bill of materials or specification. All telephone solicitations made by SSM shall be documented and made part of the Procurement Record.

J. For all Procurement Contracts, including Discretionary Purchases, with a value equal to or greater than $150,000 (except for those contracts noted below), and for all Procurement Contracts let by the Canal Corporation for the improvement, maintenance or repair of the canal system regardless of value the Canal Corporation will, prior to soliciting proposals, submit all required information to the Commissioner of the DED

to be included on the New York State *Contract Reporter* website, (www.nyscr.ny.gov). Such information will be submitted to the DED Commissioner in accordance with the schedule set forth by the DED. The due date for bids or proposals will be a minimum of 15 business days after the date of publication of such notice on the *Contract Reporter* website, except where a shorter period is specifically authorized by law. For Procurement Contracts resulting from a Request for Proposal process, the Canal Corporation will submit the results of the bid opening, including the names of firms submitting proposals and the name (s) of the awardee(s), for inclusion on the *Contract Reporter* website. For all other Procurement Contracts, the name of the awardee will be submitted. [4]

This section 3.J does not apply to (i) Procurement Contracts awarded on an emergency basis as described below in Section 3.O, (ii) Procurement Contracts being rebid or re-solicited for substantially the same goods and/or services, within 45 business days after the original due date, and/or (iii) Procurement Contracts awarded to not-for-profit human services providers pursuant to a non-competitive selection process. [5]

Notwithstanding the foregoing, submittal of a notice of award for inclusion on the *Contract Reporter* website is required for Procurement Contracts with a value of $50,000 or more awarded on a sole source or single source basis. Such notice shall specify the name of the awardee. [6]

K. In order to further increase participation of service-disabled veterans in New York State's contracting opportunities, contracts may be competitively bid exclusively among NYS-certified SDVOBs regardless of value and advertised as such on the *Contract Reporter* website as a SDVOB Set-Aside.

L. Proposals for certain services not resulting in Procurement Contracts may also be solicited by the SSM Department staff to gather information from potential sources, that will include a description of the offeror/firm's qualifications, résumés of key personnel, past experience and proposed billing rates. SSM's effort is concluded when SSM furnishes the information solicited to the initiating department for their use.

M. A Procurement Contract may be awarded on a Sole Source, Single Source, or other non-competitive basis where:

1. Compatibility of equipment, accessories or spare or replacement parts is the paramount consideration.
2. Services are required to extend or complement a prior procurement and it is impracticable or uneconomic to have a source other than the original source continue the work.
3. An item is needed for trial use or testing.
4. A proprietary item is sought for which there is only one source.
5. Other circumstances or work requirements exist that cause only one source to be available to supply the required goods and/or services.

[4] Economic Development Law § 143.
[5] Economic Development Law § 144(1).
[6] Economic Development Law § 143(4).

6. Services are required on a more expedited basis than the competitive procurement process will allow. Requesting business units must demonstrate the urgency of the project and that awardee is cost-effective and qualified in the subject area. Services shall be for specific scopes of work in an amount not exceeding $500,000 and are subject to the approvals stated in Section 3.D.
7. An award made to NYS SBEs, up to the discretionary purchasing buying threshold, that is in the best interest of the Corporation in furtherance of the State of New York and Authority's Supplier Diversity economic program goals and upon approval by the SSM Department Head.

N. Pursuant to Public Authorities Law § 2879-a, the Comptroller Regulations and the State Authority Contract Manual, the Canal Corporation may be required to submit certain contracts to the New York State Comptroller for approval that are awarded on a Sole Source, Single Source, or other non-competitive basis for the purchase of goods and/or services in an amount in excess of $1 million, and shall notify the successful bidder therefor. Such contracts or contract amendments shall not be valid and enforceable unless approved by the Comptroller or until 90 days have elapsed from such submission without action by the Comptroller, as further set forth in the referenced law and regulations.

O. Subject to the Canal Corporation Expenditure Authorization Procedures ("EAPs"), and Public Authorities Law § 2879-a, the Comptroller Regulations and the State Authority Contract Manual, a Procurement Contract may be awarded without following the solicitation requirements that ordinarily apply (but using such competitive selection procedures as are practicable under the circumstances) where emergency conditions exist, such as:

1. A threat to the health or safety of the public or Canal Corporation employees or workers arising out of (i) an accident; or (ii) other unforeseen occurrence or condition immediately affecting the property or other interest of the Canal Corporation.
2. Proper functioning of the Canal Corporation facilities or construction or operating projects, or other projects implemented by the Canal Corporation, requires adherence to a schedule that does not permit time for an ordinary procurement solicitation.

P. Whenever an initiating department determines that a Procurement Contract should be awarded on a Single Source, Sole Source, or an emergency basis, the department head or other authorized equivalent per the EAPs will provide a written statement explaining the compelling reasons therefor to the SSM Department. The award of such Procurement Contracts, regardless of value, requires the written approval of the SSM Department Head.

Q. In furtherance of Public Authorities Law § 2800, when a procurement is made on a non-competitive basis, and the price for goods or services purchased exceeds fair market value, prior to making the purchase, the Business Unit Head of the initiating

department shall provide a detailed explanation of the justification for making the purchase and a certification shall be signed by the Chief Executive Officer and Chief Financial Officer stating that they have reviewed the terms of such purchase and determined that it complies with applicable law and procurement guidelines. The following definition shall apply: "Fair Market Value" shall mean the estimated dollar amount that a willing buyer would pay to a willing seller for property in an arms-length transaction in the appropriate marketplace and under similar circumstances. Fair market value may be determined by internal appraisals, industry-recognized sources, or other methods of valuation generally accepted in the industry in which such property is utilized, as may be approved by the SSM Department Head or authorized designee.

R. It is the policy of New York State to discourage improper communications intended to influence a governmental procurement. The Canal Corporation will endeavor to control such practices and will comply with the applicable statutory provisions. In furtherance of the State Finance Law §§ 139-j and 139-k, the following shall apply:

The "Restricted Period" is the period of time commencing with the earliest posting, on the Canal Corporation website, in a newspaper of general circulation, or in the Procurement Opportunities Newsletter (i.e., New York State *Contract Reporter*) in accordance with Article 4-C of the Economic Development Law of written notice, advertisement or solicitation of a request for proposal, invitation for bids, or solicitation of proposals, or any other method provided for by law or regulation for soliciting a response from offerors intending to result in a Procurement Contract with the Canal Corporation and ending with the final contract award and approval by the Canal Corporation and, where applicable, the State Comptroller. The "Restricted Period" also applies to a "mini bid" process that may be utilized in certain established OGS, GSA or Canal Corporation multiple award contracts, as provided in Section 3.F and 3.G.

The Canal Corporation shall designate a person or persons who may be contacted, with respect to each Canal Corporation procurement. The bidders/contractors or persons acting on their behalf, shall only contact the Canal Corporation's designated person or persons where a reasonable person would infer that the communication was intended to influence the procurement during the Restricted Period. Any contacts received by persons other than those designated by the Canal Corporation shall make a contemporaneous record of such contact and report it to the designee(s).

S. In furtherance of the Canal Corporation commitment to ensure transparency and accountability of its operations, every member, officer or employee of the Canal Corporation who is contacted by a lobbyist is required to make a contemporaneous record of such contact, pursuant to Public Authorities Law § 2987.

T. Project Sunlight (Chapter 399, Part A, Section 4 of the Laws of 2011) requires the Canal Corporation to record in a database maintained by the New York State Office of General Services certain appearances between the Canal Corporation and individuals, firms or other entities (excluding elected officials and representatives of federal, state and local agencies and authorities) relating to the procurement of a contract, with a value of $25,000 or more, for real property, goods or services. Appearances are

defined as an interaction through an in-person meeting or a video conference between covered individuals. Appearances related to emergency procurements and disposal of property through public auctions are excluded, as are appearances that take place during the formal "Restricted Period." Covered individuals at the Canal Corporation means an employee who has the power to exercise discretion in procurement matters or advises someone who exercises such discretion. A covered individual outside of the Canal Corporation means both "external" (e.g., a lobbyist) and "internal" (e.g., sales representative) representatives of an entity, individuals appearing on behalf of themselves, advocacy groups or organizations or entities representing the interests or concerns of the organization or entity or of its members. All such appearances must be promptly reported to the Canal Corporation Ethics and Compliance Office for recording in the Project Sunlight database.

U. Prior to entering into any binding commitment with a third party (e.g., written agreement or memorandum of understanding (MOU)) in pursuit of any joint or collaborative development project, the office of SSM and the Law Department ("Law") must be notified regarding the procurement and on the issue of whether and to what extent the projects falls within the constraints of the Canal Corporation's procurement regulations and enabling legislation. SSM and Law should be brought into any such project during the development phase.
Provided that the Canal Corporation has statutory authority to develop or otherwise participate in a project developed, in whole or in part, in collaboration with a third party, the following minimum criteria must be met:

(i) the Canal Corporation's participation must be in response to a solicitation issued by the state or other public entity pursuant to a competitive selection process; and
(ii) the construction of any asset to be owned by the Canal Corporation must comply with all applicable laws, including but not limited to prevailing wage requirements and goals established for the use of diverse and NYS small businesses (e.g., MWBE, SDVOB, SBE or DBE); and
(iii) goods and/or services required to develop and implement the project must be sourced and procured in accordance with, and subject to, either (a) the Canal Corporation's Procurement Guidelines; or (b) the requirements of the third party collaborator governing the competitive procurement of goods and services, provided that SSM has been furnished with a copy of such requirements which demonstrate, in SSM's judgement, that a competitive procurement or equivalent has been or will be undertaken.

Prior to execution any underlying agreement (i.e., joint development agreement, MOU, etc.) an internal award recommendation must be memorialized and approved by the SSM Department Head, the Executive Vice President and Chief Financial Officer (or his/her designee) and the responsible Business Unit head.

4. SELECTION PROCESS

A. Proposals will be evaluated using a fair and equitable comparison of all aspects of the proposals against the specifics of the solicitation and against each other, including an analysis of each offer that considers: the quality of the goods and/or the competence of the bidder (including, but not limited to, the bidder's skill, judgment and business integrity), the technical merit of the proposal and the price for which the goods and/or services are to be supplied.

In the event the price submitted by the bidder recommended to be awarded a contract exceeds the cost estimated, where a cost estimate is provided on the solicitation at the time of bidding, the initiating department will prepare a written explanation to be reviewed by the Canal Corporation SSM Department and appropriate managers as stipulated in the EAPs. The following options should be considered: (1) rejecting the bids, resoliciting proposals and/or modifying the scope of work; (2) revising the cost estimate and proceeding with the contract award and (3) negotiating with the bidder(s) to reduce the price quoted. Factors to be considered in reaching the proper course of action include but are not limited to: the effects of a delay on both the schedule and the cost of the specific procurement (e.g.: capital construction project) or specific circumstances (e.g.: outage at an operating facility), the magnitude of the contract, available bidders, the ability to attract additional competition if the solicitation is reissued, and the accuracy of the original cost estimate. The recommended course of action and the reasons therefor must be fully documented in a memorandum for consideration by the appropriate level of management prior to approval and placed in the appropriate procurement file.

B. Factors to be considered in evaluating the goods and/or services to be supplied and/or the competence of the bidder are: previous experience (including applicable experience in New York State and evaluations from other clients for whom the bidder has provided goods and/or services); the abilities and experience of the personnel to be assigned to the Canal Corporation work and the ability to provide any needed advanced techniques such as simulation and modeling; and overall, the bidder's skill, judgment and business integrity. The approach proposed in meeting the exact requirements of the scope of work will be given consideration in evaluating the technical merit of the proposal, together with a well-organized task structure, the ability to timely supply the goods and/or perform the proposed services and the ability to comply with Supplier Diversity participation goals, if any. The need to purchase the goods from and/or subcontract performance of services to others will be evaluated as to their effects on cost, as well as quality, schedule and overall performance.

Other factors that may be considered in evaluating proposals may involve an assessment of the bidder's diversity practices (Exec Law § 313-a), participation in the Authority's Mentor-Protégé Program (SFL § 9(147) for MWBEs, or Quantitative Factoring NYCRR 142.14) for MWBEs, SDVOBs and SBEs, where applicable.

C. For Personal Services Contracts, Non-Personal Services Contracts, and Construction Contracts (as defined in Section 2 of these Guidelines), the technical merits of the proposals and the experience and capabilities of the bidders will be the primary factors in determining the individual or firm to be awarded the contract, provided that the price for performing such work is reasonable and competitive.

D. For Procurement Contracts for Goods (as defined in Section 2.G of these Guidelines), the award should generally be made to the lowest-priced firm submitting a proposal that meets the commercial and technical requirements of the bid documents. (See also Section 4.G regarding award to "other than low bidder".)

E. For Procurement Contracts let by the Canal Corporation for the improvement, maintenance or repair of the canal system, each proposal shall specify the correct gross sum for which the work will be performed and shall also include the amount to be charged for each item specified on the proposal estimate sheet. These Procurement Contracts shall be awarded to the lowest responsible bidder, as will best promote the public interest, as determined in accordance with applicable law. The Canal Corporation may reject any or all proposals and may advertise for new proposals if, in its opinion, the best interest of the State and the Canal Corporation will thereby be promoted.

F. Pursuant to § 139-k of the State Finance Law, the Canal Corporation shall not award a Procurement Contract to an offeror who fails to provide timely, accurate and complete responses to inquiries about past determinations of non-responsibility (unless awarding the contract is necessary to protect public property or public health or safety and the offeror is the only source capable of supplying the required article of procurement within the necessary timeframe.)

A bidder's/contractor's knowing and willful violation of the Canal Corporation policy providing for certain procurement disclosures shall result in a determination of non-responsibility of such offeror pursuant to State Finance Law §§ 139-j and 139-k only.

More than one determination of non-responsibility due to violations of State Finance Law § 139-k in a four-year period shall render an offeror ineligible to submit bids for four years from the second determination of non-responsibility.

G. The Canal Corporation may award on a best value basis for awarding contracts to the offeror that optimizes quality, cost and efficiency, among all qualified bidders. The Canal Corporation may award to other than low bidder or best value only with the approval of appropriate management as stipulated in the EAPs and should be based on such a proposal providing a clear advantage to the Canal Corporation over the lower-priced proposal. Such basis shall reflect, whenever possible, objective and quantifiable analysis and may also identify a quantitative factor for offerors that are Small Businesses or NYS-certified SDVOB or MWBE firms. Other factors may include but are not limited to: improved delivery schedules that will reduce outages; longer warranty periods; improved efficiency over the usable life of the equipment; reduced maintenance costs; the bidders' financial resources or the ability to meet or exceed Supplier Diversity goals; and overall, the bidder's skill, judgment and business integrity.

H. The specifications set forth in any solicitation prepared under these Guidelines were based upon information available at the time of the preparation of the solicitation. Thus, the Canal Corporation may diverge from the specifications of any solicitation if, after review of the proposals responsive to such solicitation, the Canal Corporation

deems it prudent in light of its experience, the circumstances of the solicitation and/or potential cost savings.

5. AWARD OF CONTRACT

A. Procurement Contracts must be approved in writing by the appropriate management as set forth in the EAPs. Trustee approval at the next Trustees' meeting is required as detailed in this Section 5.

B. If the proposed term of a Personal Services contract will exceed five (5) years, including any extensions authorized in the contract, the SSM Department Head must first approve the Business Unit's written justification for the term exceeding 5 years prior to the issuing of the contract.

C. The SSM Department prepares the contract for execution by the Canal Corporation and the successful bidder. No work by the selected contractor will commence until the contract is executed by both parties, except that a signed letter of intent or a notice to proceed may initiate work prior to formal execution. Canal Corporation signatories of such letters must be authorized to approve contract awards pursuant to the EAPs.

D. Pursuant to Economic Development Law § 143, the Canal Corporation shall submit an announcement of the intended contract for inclusion in the procurement opportunities newsletter at the time it enters into a contract. Such announcement shall identify the contract, specify the date of the award of the contract and provide the name of and contact information for each recipient of the contract.

E. Pursuant to Public Authorities Law § 2879, the Canal Corporation shall notify the Commissioner of Economic Development of the award of any Procurement Contract for the purchase of goods and/or services from a Foreign Business Enterprise (as defined in Subsection 3.E.3 of these Guidelines) in an amount equal to or greater than $1 million simultaneously with notifying the successful bidder thereof. The Canal Corporation shall not enter into the Procurement Contract for said goods and/or services until at least 15 days have elapsed from the notification of the award, except for a Procurement Contract awarded on an emergency or critical basis. The notification to the Commissioner shall include the name, address, telephone and facsimile number of the Foreign Business Enterprise, the amount of the proposed Procurement Contract and the name of the individual at the Foreign Business Enterprise or acting on behalf of same who is principally responsible for the proposed Procurement Contract.

F. Prior to award, contracts meeting the following criteria must be approved by the Trustees:

   a. The value of a contract (or the aggregate amount for multiple awards) meets or exceeds the minimum value requiring Trustee approval as set forth in the EAPs;

b. A Services Contract (which include contracts for Construction, Personal and Non-personal services, as defined in Section 2 of these Guidelines) valued or estimated to be $5,000 or greater that will be awarded for a period of more than 12 months;

c. Extending a contract for Services with an initial duration of less than 12 months beyond 12 months. When time constraints or emergency conditions require extending an existing contract with an initial duration of less than a year beyond a year, the Business Unit Head, with the prior concurrence of the SSM Department Head or equivalent(s) or designee, may authorize in writing extending such contract, subject to the Trustees ratifying such action as soon as practicable; or

d. Extending a previously approved contract for services beyond the allowable "grace period" as further described in Section 5G.

G. Extending a Services Contract, previously approved by the Trustees, for 12 months or less ("grace period") requires approval by the Vice President of the requesting department or other authorized equivalent or designee in accordance with existing EAPs and concurrence by the SSM Department Head.

H. The Business Unit head, with the prior concurrence of the SSM Department Head, may authorize, in writing, the commencement of services or the purchase of goods prior to obtaining the required Trustee approval under the following limited circumstances:

a. When the total estimated contract value or the value of the extension exceeds the monetary limits set forth in the EAPs and immediate work is required.

b. When time constraints or emergency conditions require immediate commencement of services to be performed for a period of more than one year.

The initial compensation limitation may not exceed the authorization level for the Business Unit head as set forth in the EAPs. Such contracts will be subject to the Trustees' approval, which will be solicited at their next scheduled Trustee meeting.

I. For Personal Services Contracts, Non-Personal Service Contracts, and Construction Contracts valued or estimated to be $5,000 or greater to be performed for a period of more than 12 months that must be awarded prior to the next Trustees' meeting, the initial contract will be issued for the entire intended term of the contract. Based on its total term and value, such contract must be approved in writing by the appropriate management as set forth in the EAPs and the Business Unit head. Such contract is subject to the Trustees' approval, at the next Trustees' meeting. If such approval is not granted, the contract will be terminated immediately.

J. A Personal Services Contract, Non-Personal Service Contract, and Construction Contract or contract task valued or estimated to be $5,000 or greater is deemed to be for services in excess of 12 months where the contract does not specify a definite term and the work will not be completed within 12 months, and any "continuing services" contract with no fixed term that provides for the periodic assignment of specific tasks

or particular requests for services. This includes Trustee-approved contracts for architect/ engineering services with the original engineers of operating facilities, as well as the original supplier of steam supply systems or boilers and turbine generating equipment. Each task authorized under such contracts (which may be referred to as a "Change Order," "Purchase Order" or "Task Number") is considered a separate commitment and must be separately approved in accordance with the EAPs.

6. CONTRACT PROVISIONS

A. Standard forms of boilerplate contracts are available including but not limited to the following more common forms: purchase orders; furnish-and-deliver; consulting services agreements and maintenance agreement formats; contract work orders; construction contracts and furnish, deliver and install contracts. These contract forms are intended to govern the routine purchase of goods and/or performance of services.

Canal Corporation departments proposing to initiate a Procurement Contract should review these forms to suggest any modifications and additions that may be required for the particular goods and/or services. Under no circumstances should contract forms be shown to proposed bidders without the prior approval of the SSM Department, which are responsible for requesting proposals.

B. The following types of provisions setting forth contractor responsibilities are to be contained in the standard forms of Procurement Contracts, except that any provisions listed below that are inapplicable or unnecessary because of the nature or duration of the work to be performed, the location(s) where the work is to be performed or the type of compensation being paid therefor, need not be included. Other provisions may be added as necessary and appropriate.

1. Schedule of Services or Specifications
2. Time of Completion
3. Compensation or Itemized Proposals
4. Relationship of Parties
5. Delays
6. Termination
7. Changes in the Work
8. Claims and Disputes
9. Warranty
10. Insurance
11. Records, Accounts, Inspection and Audit
12. Assignment
13. Notices
14. Indemnification
15. Governing Law
16. Proprietary Nature of Work
17. Testimony
18. Supplier Diversity (MWBE/SDVOB/DBE/EEO) requirements
19. Entire Agreement

Contract Attachments

1. Compensation Schedule
2. Schedule of Services or Specifications
3. Appendix "A" (Miscellaneous Statutory Provisions)
4. Appendix "B" (Prompt Payment Provisions)
5. Appendix "C" (Supplier Diversity Provisions)
6. Appendix "E" (Omnibus Procurement Act of 1992 Requirements)
7. Appendix "G" (Equal Employment Opportunities Requirements) - inactive
8. Appendix "H" (Tax Law Requirements)
9. Appendix "J" (Bidder/Contractor Compliance with State Finance Law §§ 139-j and 139-k Providing for Certain Procurement Disclosures) - inactive
10. Appendix "K" (Additional State and Federal Provisions Required for American Recovery and Reinvestment Act (Pub. L. No. 111-5 Stat. 2009) ("ARRA") Funded Projects) - inactive
11. Appendix "L" (DOE Federal Contract Provisions) - inactive
12. Appendix "M" (Use of Ultra Low Sulfur Diesel Fuel and Best Available Retrofit Technology ("BART") for Heavy Duty Vehicles)
13. Appendix "N" (The New York State Iran Divestment Act of 2012 – Iranian Energy Sector Divestment) - inactive
14. Appendix "O" (Encouraging Use of New York State Businesses in Contract Performance) – inactive
15. Appendix "P" (Information Security Requirements for Vendors and External Partners)
16. Omnibus Procurement Certification

C. If a vendor (firm, person or other entity) participates in the development or writing of the specifications for a procurement solicitation, such vendor shall not be permitted to bid on such procurement, either as a prime vendor or as a subcontractor at any level. Contracts for evaluation of offers for products or services shall not be awarded to a vendor that would then evaluate its own offers for products or services.

Furthermore, any firm, person or other entity retained by the Canal Corporation to provide conceptual studies, designs or specifications is prohibited from being awarded future phases of work, including implementation, related to the original work.

The name(s) of any vendor(s) providing goods or services as outlined in this section C shall be disclosed during the bidding event.

The above restrictions shall not apply where:

1. The vendor is the sole source or single source of the product or service;
2. More than one vendor has been involved in preparing the specifications for a procurement proposal;
3. There is no qualified response to the solicitation for future phases of work, including implementation;
4. Construction projects using delivery models of Design-Build or Engineer, Procure, Construct; or
5. The originating Canal Corporation Department determines in writing that the restrictions are not in the best interests of the Canal Corporation. Such

originating Department shall obtain the approval of the applicable Department Head or equivalent(s), NYPA SSM Department Head or equivalent(s) or designee, NYPA Assistant General Counsel or equivalent(s) and NYPA President and Chief Executive Officer or designee or Chief Operating Officer or equivalent(s) to waive this restriction on a case-by-case basis.

7. CHANGE ORDERS

A. Change Orders to existing contracts are justified in circumstances such as the following:

1. To incorporate additional work related to the original scope, to delete work or to otherwise modify the original work scope;

2. To exercise options previously included in the original contract to perform additional work or to extend the contract term;

3. To accommodate emergency conditions, defined in Section 3.P herein, that require the immediate performance of work by a firm already under contract;

4. When rebidding would not be practical or in the best interests of the Canal Corporation customers; or

B. Change Orders requests for an increase to the value of a Purchase Order, Value Contract or Purchase Order Release must be approved in accordance with the Canal Corporation's EAPs. The estimated expenditure pursuant to the Change Order shall not increase the total amount of the primary contract until the estimated expenditure shall have been approved by the Canal Corporation and a duplicate of such approval shall have been filed with the Comptroller.

C. Change Order requests that extend the term of a services contract, inclusive of Personal Services, Non-Personal Services and Construction contracts, from a term of less than one year to more than one year must be approved by the Board of Trustees prior to the execution of the Change Order.

D. The Canal Corporation will not execute a Change Order and will engage in a competitive bidding process when a proposed change order would result in a contract value (or aggregate) exceeding the thresholds set forth below:

a. For contracts with an original approved amount (or latest Trustee approved amount) of less than $100,000:

i. $25K more than the original authorized amount (or latest trustee approved amount)

b. For contracts with an original approved amount (or latest Trustee approved amount) of $100,000 or greater:

i. $500K more than the original authorized amount (or latest trustee approved amount) for Personal Services contracts

- OR -

ii. $6M more than the original authorized amount (or latest trustee approved amount) for all contracts that are not Personal Services contracts

- OR -

iii. 125% of the original authorized amount of the contract (or latest trustee approved amount).

c. Should a competitive bidding process not be feasible:

i. A memo must be presented to and signed by the SSM Department Head explaining why rebidding pursuant to a competitive solicitation process is not feasible. The memo must be signed by the proposing business unit representative following the appropriate column of the EAPs for the proposed new value of the contract(s).

ii. The SSM Department Head has the right to reject the proposed change order to the contract and direct rebidding pursuant to a competitive solicitation process. The SSM Department Head has the right to accept the change order and may direct the end user to advise the Trustees of the resultant increase at the next Trustee meeting.

iii. For contracts with an original approved amount (or latest approved trustee amount) of greater than $100,000, if the change order proposed meets criteria (b.iii) above and meets either (b.i) or (b.ii), the change order must be presented to the Board of Trustees.

iv. When the change order has been presented and accepted by the Trustees, the latest trustee approved amount will become the new contract value.

E. All Change Orders should include a defined scope of work and all impacts to price and schedule.

F. Pursuant to Public Authorities Law § 2879-a, the Comptroller Regulations and the State Authority Contract Manual, the Canal Corporation may be required to submit certain Change Orders to the New York State Comptroller for filing or approval where the aggregate value of the contract as amended is in excess of $1 million and the original contract was awarded on the basis of a non-competitive procurement, but the modification was neither contemplated nor provided for in the solicitation for such non-competitive procurement.

8. CONTRACTING DECISIONS INVOLVING CURRENT OR FORMER EMPLOYEES

A. Former Canal Corporation officers and employees may be eligible to be considered for direct engagement as contractors and/or consultants provided that they meet all criteria for contractors and/or consultants generally as specified in these Guidelines; their engagement is not barred by New York Public Officers Law § 73(8); they obtain an opinion by the New York State Commission on Ethics and Lobbying in Government that such engagement is permissible; and upon approval of the NYPA President and Chief Executive Officer, as well as the Chairman of the Canal Corporation Board.

B. Pursuant to the provisions of New York Public Officers Law § 73(8):

1. No Canal Corporation officer or employee is eligible, within a period of two years after the termination of Canal Corporation service to appear or practice before the Canal Corporation or receive compensation for any services rendered on behalf of any person, firm, corporation or association, in relation to any case, proceeding or application or other matter before the Canal Corporation.

2. No Canal Corporation officer or employee is eligible, at any time after the termination of Canal Corporation service, to appear, practice, communicate or otherwise render services before the Canal Corporation or any other state agency or receive compensation for any such services rendered on behalf of any person, firm, corporation or other entity in relation to any case, proceeding, application or transaction that such person was directly concerned with and personally participated in during his or her period of service, or which was under his or her active consideration.

3. Pursuant to the provisions of New York Public Officers Law § 73(8-b), notwithstanding the provisions of 1. and 2. above, a former Canal Corporation officer or employee may contract individually, or as a member or employee of a firm, corporation or association, to render services to the Canal Corporation, if, prior to engaging in such service, the Chairman of the Board of Directors certifies in writing to the New York State Commission on Ethics and Lobbying in Government that such former officer or employee has expertise, knowledge or experience with respect to a particular matter which meets the Canal Corporation needs and is otherwise unavailable at a comparable cost. Where approval of the contract is required under § 112 of the New York State Finance Law, the Comptroller shall review and consider the reasons for such certification. The New York State Commission on Ethics and Lobbying in Government must review and approve all such certifications.

C. No Canal Corporation employee who is involved in the award of Canal Corporation grants or contracts may ask any officer, director or employee of such current or prospective contractor or grantee to reveal: (a) the political party affiliation of the individual; (b) whether the individual or entity has made campaign contributions to any political party, elected official or candidate for elective office or (c) whether the individual voted for or against any political party, elected official or candidate for elective office.

D. No Canal Corporation employee may award or decline to award any grant or contract, or recommend, promise or threaten to do so because of a current or prospective grantee's or contractor's: (a) refusal to answer any inquiry prohibited by Section 8.C above or (b) giving or withholding or neglecting to make any contribution of money, service or any other valuable thing for any political purpose.

E. No Canal Corporation employee may take part in any contracting process or decision: (i) to a Relative; or (ii) to any entity in which the Canal Corporation employee or a Relative of such Canal Corporation employee owns or controls 10% or more of the

stock of such entity (or 1% in the case of a corporation whose stock is regularly traded on an established securities exchange); or serves as an officer, director or partner of that entity. If a contracting matter arises relating to this Section 8.E, then the employee must advise in writing his or her supervisor and the Office of Ethics and Compliance of the relationship, and must be recused from any and all discussions or decisions relating to the matter.

For purposes of this Section 8.E, the term "Relative" is defined in Definitions, Section 2.O of these Guidelines.

9. SUPPLIER DIVERSITY PROGRAM REQUIREMENTS

A. Minority- and Women-owned Business Enterprises (MWBE) and Equal Employment Opportunity (EEO)

The Canal Corporation is committed to the inclusion and participation of MWBEs on Canal Corporation contracts. Article 15-A of the Executive Law established the Division of Minority and Women's Business Development ("DMWBD") that is responsible for developing rules and regulations for implementation of this statute, certifying MWBEs and reviewing and monitoring goal plans, compliance reports and contract provisions to be included in all non-construction contracts for more than $25,000 and construction contracts for more than $100,000. In addition, specific subcontracting goals for MWBEs may be included in certain contracts for consulting work, construction and procurement of goods and other services requiring the contractor/vendor to subcontract a portion of the work to NYS-certified MWBEs as required by law. Additionally, the Canal Corporation may use discretionary purchases to further advance this socio-economic goal.

B. Service-Disabled Veteran-Owned Business (SDVOB) Program Requirements

The Canal Corporation is committed to promote business opportunities for NYS-certified SDVOBs in Canal Corporation contracts. Veteran Services Law Article 3 established the Division of Service-Disabled Veteran-Owned Business Development that is responsible for developing rules and regulations for implementation, certifying SDVOBs and reviewing and monitoring NYPA's plans, compliance reports, and contract provisions to be included in all non-construction contracts for more than $25,000 and construction contracts for more than $100,000. In addition, specific subcontracting goals for SDVOBs may be included in certain contracts for consulting work, construction and procurement of goods and other services requiring the contractor/vendor to subcontract a portion of the work to NYS-certified SDVOB as required by law. Additionally, the Corporation may use discretionary purchases and SDVOB Set-Asides to further advance this socio-economic goal

C. Disadvantaged Business Enterprise (DBE) Program Requirements on Federally Funded Contracts

The Canal Corporation ("Canals") strives to foster the development of business opportunities for NYS certified DBEs and to further increase their participation in Canals Federally funded contracts. The Canals aims to solicit proposals from DBEs

for procurements that will be partially or fully federally funded. The Canals follows the DBE guidelines as set out by the Federal Department of Transportation ("OT") to ensure that DBEs have an equal opportunity to compete, and provide goods and services to the Canal Corporation.

10. PROCUREMENT RECORD AND REPORTING

A. Procurement Record

The Canal Corporation SSM Department maintains records of Procurement Contracts. In addition to bid- and contract award-related documents for the goods provided and/or services performed, the Procurement Record includes, but is not limited to, documentation of the decisions made, and the approach taken in the procurement process. Such records may be transmitted to the digital warehouse for electronic storage and retrieval. Under State Finance Law §§ 139-j and 139-k, the Procurement Record must also include:

i. A statement describing the basis for a determination of a bidder's/contractor's non-responsibility (per State Finance Law §§ 139-j and 139-k only) and the decision not to award an offeror the Procurement Contract.

ii. All forms entitled "Record of Contact".

iii. A statement describing the basis for a termination of a Procurement Contract for providing an intentionally false certification must be included in the Procurement Record.

The Canal Corporation shall notify the New York State Office of General Services of bidders/contractors who have been determined to be non-responsible bidders or debarred due to violations of State Finance Law § 139-j.

B. Procurement Report

The NYPA SSM Department Head or equivalent(s) will prepare and submit an annual report to the Canal Corporation Board of Directors for their approval that will include:

1. A copy of the Guidelines;
2. An explanation of the Guidelines and any amendments thereto since the last annual report;
3. A list of all Procurement Contracts entered into since the last annual report, including all contracts entered into with New York State Business Enterprises and the subject matter and value thereof and all contracts entered into with Foreign Business Enterprises and the subject matter and value thereof;
4. A description of work performed, the contract number, the date of the contract and its duration, the name, address and NYS-certified MWBE designation of the awardees, the total amount of the contract, the amount spent on the contract during the reporting period and for the term of the

contract to date and the status of open Procurement Contracts during the report year;
5. The type of contract (equipment, services, personal services or construction);
6. The method of awarding the contract (e.g., competitive bidding, Sole Source, Single Source);
7. The reasons why any procurements with a value equal to or greater than $50,000 were not noticed in the Contract Reporter;
8. The number of bids received and
9. All referrals made and all penalties imposed, if any, pursuant to § 316 of the Executive Law.

C. Such annual report, as approved by the Canal Corporation Board of Directors, shall be submitted to the New York State Division of the Budget within 90 days of the end of such calendar year, and copies thereof shall be distributed to the New York State Department of Audit and Control, the DED, the New York State Senate Finance Committee, and the New York State Assembly Ways and Means Committee and any other entity as may be required by law. The annual procurement report is posted on the Canal Corporation website and copies shall be made available to the public upon reasonable written request therefor.

D. The Canal Corporation may be called upon periodically to submit information regarding the procurement of goods and/or services to organizations implementing the Public Authorities Accountability Act (PAAA) or other statutes regulating the procurement of goods and services, such as New York State Authorities Budget Office through the Public Authorities Reporting Information System ("PARIS").

E. The SSM Department Head or designee will also prepare Annual Goal Plans for the MWBE and SDVOB programs and will submit them by January 15 of each year to Empire State Development - Division of Minority and Women Business Development and the New York State Office of General Services - Division of Service-Disabled Veterans' Business Development, respectively. Quarterly Utilization / Activity Reports for each program will also be prepared and submitted to the aforementioned respective state entities by the 15th day of July, October, January and April.

11. THIRD PARTY RIGHTS: VALIDITY OF CONTRACTS

A. These Guidelines are intended for the guidance of officers and employees of the Canal Corporation only. Nothing contained herein is intended, nor should it be construed, to confer on any person, firm or corporation any right, remedy, claim or benefit under, or by reason of, any requirement or provision hereof.

B. Nothing contained in these Guidelines alters or affects the validity of, modifies the terms of or impairs any contract or agreement entered into in violation of these Guidelines.

NEW YORK STATE | NY Power Authority | Canal Corporation

Memorandum

Date: **October 20, 2026**

To: **GOVERNANCE COMMITTEE**

From: **PRESIDENT & CHIEF EXECUTIVE OFFICER**

Subject: **Approval of Guidelines for Disposal of Personal Property and Expenditure Authorization Procedures for New York Power Authority and Canal Corporation**

SUMMARY

This memorandum is to request that the Governance Committee review and recommend for approval by the Board of Trustees and the Canal Corporation Board of Directors the changes to New York Power Authority ("NYPA" or "Authority") and Canal Corporation's ("Canal") Guidelines for Disposal of Personal Property (Exhibits "A" and "C") and Expenditure Authorization Procedures ("EAPs") (Exhibits "B" and "D").

BACKGROUND

On January 13, 2006, the Public Authorities Accountability Act of 2005 ("PAAA") was enacted to codify model governance principles for New York State's public authorities to further accountability and transparency. Among its provisions, the PAAA, and as later amended by the Public Authorities Reform Act of 2009, established requirements for the disposal of public authority personal property. The law also required each authority to draft guidelines consistent with the legislation dealing with these issues, to review and approve such guidelines annually and to prepare an annual report of the disposal of personal property (including the full description, name of the purchaser and price received for all such property disposed of by the authority during such period).

Article VII, Section 5 of the Authority's By-Laws requires that the Trustees adopt expenditure authorization procedures which, among other things, govern contract approval authorizations and executions, delegation of approval for claims settlements and payment for real estate. The EAPs were last revised on October 14, 2025, with the Chairman's approval.

DISCUSSION

The Personal Property Guidelines set forth the methodology detailing NYPA and Canal Corporation's policy regarding the use, award, monitoring and reporting of the disposal of personal property and designate a Contracting Officer responsible for compliance with, and enforcement of, such Guidelines. For NYPA and the Canal Corporation, please note there are no changes to the Guidelines for Disposal of Personal Property as detailed in Exhibits A for NYPA and Exhibit C for Canal Corporation.

Since the full Board of Trustees last approved EAPs on October 14, 2025, good governance dictates that these revised EAPs be presented for Board approval. The Expenditure Authorization Procedures have been amended as deemed advisable and necessary as detailed in Exhibits B and B-1 for NYPA and Exhibits D and D-1 for Canal Corporation.

For the NYPA and the Canal Corporation, please note the following changes to Expenditure Authorization Procedures:

1. The addition of certain organizational titles and the signature authority associated with those titles namely,
   a. Sr. Director, Design and Construction Management - for Canal Corporation

FISCAL INFORMATION

There will be no financial impact on the Authority or the Canal Corporation.

RECOMMENDATION

The Governance Committee is requested to review the respective Guidelines for Disposal of Personal Property (Exhibits “A” and “C”) and Expenditure Authorization Procedures (Exhibits “B” and “D”) and, if appropriate, to recommend adoption by the Boards at the meeting to be held on December 8, 2026.

For the reasons stated, I recommend the approval of the above-requested action by adoption of the resolution below.

Justin E. Driscoll

President and Chief Executive Officer

R E S O L U T I O N

RESOLVED, That pursuant to Section 2879 of the Public Authorities Law, the Governance Committee approves and recommends for adoption to the Trustees and the Canal Corporation Board of Directors, the Authority's and Canal's Guidelines for the Disposal of Personal Property, and the Authority's and Canal's Expenditure Authorization Procedures, as amended; and be it further

RESOLVED, that the Governance Committee recommends that the Chair, the President and Chief Executive Officer, and all other officers of the Authority be, and each of them hereby is, authorized on behalf of the Authority and Canal Corporation to do any and all things, take any and all actions and execute and deliver any and all agreements, certificates and other documents to effectuate the foregoing resolution, subject to the approval of the form thereof by the Executive Vice President and General Counsel.

Company Policy Title: **NYPA Guidelines for the Disposal of Personal Property**

Policy Number: CP 3-2

Revision Date (For IBC Use Only)	Revision #	Description/Modification	Revision Section (s)	Author
10/20/2026	9	Annual Review – No updates	N/A	Grant Johnston, Director, Transactional Procurement
10/14/2025	8	Annual Review – No updates	N/A	Grant Johnston, Director, Transactional Procurement
10/16/2024	7	Annual Review – updated definitions, formatting and made grammatical changes.		Grant Johnston, Director, Transactional Procurement
10/17/2023	6	Annual Review – No updates	N/A	Grant Johnston, Director, Transactional Procurement
3/22/2023	5	Annual Review – No updates	N/A	Grant Johnston, Director, Transactional Procurement
3/29/2022	4	Annual Review – No updates	N/A	Kevin King, Director, Transactional Procurement
3/30/2021	3	Annual Review – No updates	N/A	Kevin King, Director, Transactional Procurement

Printed copies are not controlled.
For the latest revision of this document, refer to the Policy and Procedure PowerNet Site.
Records will be retained in accordance with NYPA's approved records retention schedules and/or in compliance with all applicable legal requirements pertaining to NYPA.

4/6/2020	2	Update of certain organizational titles and the correction of certain inconsistencies, grammatical and otherwise based on annual review	II A, V B-F, VI A-B, VIII B, XI A-B, XII - XIV	Kevin King, Director, Transactional Procurement
3/26/2019	1	Updated definition of 'Related To'	IX. B.	Kevin King, Director, Transactional Procurement
6/22/2020	0	Converting approved 2018 NYPA Guidelines for the Disposal of Personal Property ("Guidelines") to e-Scribe format. Per PAL §§§ 2895, 2896 and 2897, the Guidelines were adopted by resolution and are reviewed annually and approved (by the Trustees).	N/A	Kevin King, Director, Transactional Procurement

Effective: January 1, 2027

I. PURPOSE

These Guidelines for the Disposal of New York Power Authority Personal Property (hereinafter Guidelines), which comply with Title 5-A, Article 9 of the Public Authorities Law, establish the Authority's policy and instructions regarding the use, award, monitoring and reporting of the disposal of Personal Property. In addition, the Guidelines designate a Contracting Officer who is responsible for the Authority's compliance with, and enforcement of, the Guidelines.

II. DEFINITIONS

Contracting Officer- the officer or employee of the Authority who shall be appointed by resolution of the Authority's Board of Trustees to be responsible for the disposition of Personal Property. The "Contracting Officer" is hereby designated to be the Senior Vice President – Strategic Supply Management, or equivalent(s). The Authority's Contracting Officer shall not be responsible for compliance for dispositions of the Authority's personal property conducted by another state entity authorized to dispose of the Authority's personal property under the Public Authorities Accountability Act (PAAA) or as otherwise authorized by law.

Dispose or disposal - the transfer of title or any other beneficial interest in Personal Property in accordance with these Guidelines.

DTP – Director Transactional Procurement

Fair Market Value – the estimated dollar amount that a willing buyer would pay to a willing seller for the Property in an arms-length transaction in the appropriate marketplace and under similar circumstances. Fair Market Value may be determined by consulting industry-recognized sources, contacting original suppliers, depreciation analysis, appraisals, fair market valuations by public auction or other methods of valuation generally accepted in the industry in which such Property is utilized, as may be approved by the Contracting Officer or authorized designee.

PDC - Property Disposal Coordinator

Personal Property- Property owned by the Authority regardless of value, and any other interest in such Property, to the extent that such interest may be conveyed to another person for any purpose, excluding an interest securing a loan or other financial obligation of another party. For the purposes of these Guidelines, Property may include, but is not limited to, materials, tools, equipment, or vehicles.

Relative – any person living in the same household as the Authority employee or any person who is a direct descendant of the Authority employee's grandparents or the spouse of such descendant. The term Relative may include, but is not limited to, the relationship of spouse, child, parent, sister, brother, grandparent, grandchild, aunt, uncle, cousin, niece, nephew,

stepchild, stepparent, stepsister, stepbrother, mother-in-law, father-in-law, sister-in-law, brother-in-law, daughter-in-law or son-in-law.

III. OBJECTIVE

The objective of these Guidelines is to identify Authority personnel responsible for authorizing the disposal of Personal Property owned by the Authority and to ensure that the Authority receives fair and reasonable value for such Property. The transfer or sale of Personal Property shall be accounted for in accordance with the Authority's Corporate Accounting Policy No. CAP 4.3 "Accounting for Materials and Supplies Inventory," and the Authority's procedures for the disposal of Personal Property implementing these Guidelines.

IV. TRANSACTIONS NOT COVERED

These Guidelines do not apply to any of the following transactions:

A. Disposal of Real Property interests;

B. Exchange of Property with other utilities or power plant owners, where such owners will provide an identical or in-kind replacement;

C. Transfer/re-deployment of Property from one Authority facility to another Authority facility or to Canal Corporation;

D. Disposal of natural gas that is subject to the Authority's Energy Resource Management Fuels Procedures.

V. DESIGNATION OF PROPERTY DISPOSAL COORDINATORS (PDC)

The Contracting Officer shall be responsible for the Authority's compliance with, and enforcement of, the Guidelines, including through development and implementation of internal controls (such as written procedures and supporting tools).

The individual responsible for disposal of Personal Property greater than $5,000 at the Authority's facilities will be the Director Transactional Procurement (DTP) or equivalent. For purposes of Personal Property disposal, the DTP reports directly to the Contracting Officer or authorized designee.

The Manager - SSM Site Manager at each facility acts as the local Property Disposal Coordinator, who is responsible for Property disposal less than or equal to $5,000 and assists the DTP with all other disposals at their facility or location (Facility PDC). The Facility PDC reports to the DTP.

The DTP shall act as the Personal Property Disposal Coordinator(s) for the White Plains and other corporate offices. For purposes of Personal Property disposal, the DTP will confer, interface with and report to the Contracting Officer or authorized designee.

The Director of Fleet Operations (DFO) or equivalent(s) or authorized designee is responsible for the disposal of vehicles and rolling equipment. The DFO reports directly to the Senior Director Asset Performance, or authorized designee.

If appropriate, the responsible Facility PDC should confer (by oral or written communication) with the DTP and should confer (by oral or written communication) with the Contracting Officer or authorized designee to determine if a "centralized" sale of Property, as outlined in Article VII, is appropriate. If agreed, the responsible Facility or DTP (collectively hereinafter referred to as PDC) should arrange for shipment of the Property to be sold from the site to the sale location. If a centralized sale is not appropriate, the responsible PDC should proceed in accordance with the "decentralized" procedures, as outlined in Article VIII.

VI. DISPOSAL OF AUTHORITY PERSONAL PROPERTY

Except for Disposals pursuant to Article VII, Article XII and Subsection VI.A.4 of these Guidelines, whenever practicable, the responsible PDC shall solicit proposals from qualified bidders, to purchase the Property to be disposed of, and will maintain records of such solicitations. The PDC should use “Attachment A” attached hereto or an appropriate substitute for solicitations under this Article VI.

A. DISPOSAL METHODS FOR PERSONAL PROPERTY

1. For the purposes of these Guidelines, disposal methods may include, but are not limited to: sale (directly to the Buyer, through a third party, negotiation, advertised public auction that permits full and free competition consistent with the value and nature of the Personal Property or on any other centralized basis that achieves the same level of competition); return to the original equipment manufacturer or to the source; trade-ins or disposals as part of a competitive procurement; or disposal through the New York State Office of General Services (OGS). Provided, however, that no disposition of any Personal Property, which because of its unique nature or the unique circumstance of the proposed transaction is not readily valued by reference to an active market for similar Personal Property, shall be made unless an appraisal of the value of such Personal Property has been made by an independent appraiser and included in the record of the transaction. The Authority's Environmental, Health and Safety Division should be consulted, on a case-by-case basis, regarding disposal of items that may be considered hazardous waste.

2. Personal Property valued at less than $1,000 may be donated or, when having an estimated resale value less than the cost of handling and sale, may be disposed of as scrap or junk.

3. Solicitation via telephone, e-mail and/or direct mailings may be used where the estimated Fair Market Value of the Personal Property to be disposed of does not exceed $15,000. All bids must be submitted in writing on the forms or an appropriate substitute and in the manner prescribed by this procedure and by the date and time (the Bid Due Date) included in the solicitation.

4. All Disposals of Authority Personal Property in excess of $15,000 shall be made after publicly advertising for bids except as provided in Subsection 5 below, using the following process:

    a) the appropriate advertisement for bids (Attachment "B" or an appropriate substitute) shall be made at such time prior to the Disposal, through such methods, and on such terms and conditions as shall permit full and free competition consistent with the value and nature of the Personal Property. This may include advertisements in one or more of the following publications, depending on the nature of the Personal Property: local newspapers in the geographic area of the facility where the sale is taking place, trade journals, regional or nationwide publications (if the market for such sale is regional or nationwide), the New York State Contract Reporter, internet services or other communication outlets as appropriate;

    b) all bids must be submitted in writing on the forms or an appropriate substitute and in the manner prescribed by these guidelines and by the Bid Due Date included in the solicitation;

    c) where the value of the Personal Property exceeds $5,000, all bid amounts shall be posted to the Authority's internet website or publicly disclosed at the time and place of the sale; and

    d) the award shall be made with reasonable promptness by notice to the responsible bidder whose bid, conforms to the bid solicitation and is most advantageous to the Authority, price and other factors considered; however, any bid may be rejected when in the public interest to do so at the Authority's sole discretion.

5. Disposals of Personal Property may be negotiated or made by public auction without regard to Subsection 4 of this Section, but subject to obtaining such competition as is feasible under the circumstances, if:

    a) the Personal Property involved has qualities separate from the utilitarian purpose of such Personal Property, such as artistic quality, antiquity, historical significance, rarity or other quality of similar effect that would tend to increase its value, or if the Personal Property is to be disposed of in such quantity that, if it were Disposed of under Subsection 4 of this Section, would adversely affect the state or local market for such Personal Property, and the estimated Fair Market Value of such Personal Property and other satisfactory terms of disposal may be obtained by negotiation;

    b) bid prices after advertising therefore are not reasonable, either as to all or part of the Personal Property, or have not been independently arrived at in open competition;

    c) the Disposal will be to the state or any political subdivision, and the estimated Fair Market Value of the Personal Property and other satisfactory terms of Disposal are obtained by negotiation;

    d) under those circumstances permitted by Subsection 7 of this Section;

    e) if the estimated or actual fair market value of the property does not exceed $15,000; or

    f) such action is otherwise authorized by law.

6. An explanatory statement shall be prepared of the circumstances of each Disposal by negotiation of any Personal Property which has an estimated Fair Market Value in excess of fifteen thousand dollars ($15,000). In addition, an explanatory statement shall be prepared of the circumstances of each Disposal by negotiation of any Personal Property disposed of by exchange, regardless of value. Each such statement shall be transmitted to the Commissioner of General Services, the State Legislature, the State Comptroller, the Director of the Division of the Budget and the Authorities Budget Office, not less than ninety days in advance of such Disposal, and a copy thereof shall be preserved in the Authority's files.

7. No Personal Property in excess of five thousand dollars ($5,000) owned or otherwise in the control of the Authority may be disposed or otherwise alienated for less than its Fair Market Value except if:

   a) the transferee is a government or other public entity, and the terms and conditions of the transfer require that the ownership and use of the Personal Property will remain with the government or any other public entity;

   b) the purpose of the transfer is within the purpose, mission or governing statute of the Authority; or

   c) in the event the Authority seeks to transfer Personal Property for less than its Fair Market Value to other than a governmental entity, which Disposal would not be consistent with the Authority's mission, purpose or governing statutes, the Authority shall provide written notification thereof to the Governor, the Speaker of the Assembly, and the Temporary President of the Senate, and such proposed transfer shall be subject to denial by the Governor, the Senate or the Assembly. Denial by the Governor shall take the form of a signed certification by the Governor. Denial by either House of the Legislature shall take the form of a resolution by such House. The Governor and each House of the Legislature shall take any such action within sixty days of receiving notification of such proposed transfer during the months of January through June, provided that if the Legislature receives notification of a proposed transfer during the months of July through December, the Legislature may take any such action within sixty days of January first of the following year. If no such resolution or certification is performed within sixty days of such notification of the proposed transfer to the Governor, Senate and Assembly, the Authority may effectuate such transfer provided, however, that with respect to a below-market transfer by the Authority that is not within the purpose, mission or governing statute of the Authority, if the governing statute provides for the approval of such transfer by the executive and legislative branches of the political subdivision in which the Authority resides, and if the transfer is of Personal Property obtained by the Authority from that political

subdivision, then such approval shall be sufficient to permit the transfer.

d) In the event a below Fair Market Value Personal Property transfer is proposed, the following information must be provided to the Authority's Board of Trustees and the public:

    1) a full description of the Personal Property;

    2) an appraisal of the Fair Market Value of the Personal Property and any other information establishing the Fair Market Value sought by the Board of Trustees;

    3) a description of the purpose of the transfer and a reasonable statement of the kind and amount of the benefit to the public resulting from the transfer, including but not limited to the kind, number, location, wages or salaries of jobs created or preserved as required by the transfer, the benefits, if any, to the communities in which the Personal Property is situated as are required by the transfer;

    4) a statement of the value to be received compared to the Fair Market Value;

    5) the names of any private parties participating in the transfer and, if different than the statement required by subparagraph 4 of this Subsection, a statement of the value to the private party; and

    6) the names of other private parties who have made an offer for such Personal Property, the value offered and the purpose for which the Personal Property was sought to be used.

e) Before approving the Disposal of any Personal Property for less than Fair Market Value, the Board of Trustees shall consider the information described in paragraph d of this Subsection and make a written determination that there is no reasonable alternative to the proposed below-market transfer that would achieve the same purpose of such transfer.

8. In cases where a Disposal of Personal Property in excess of five thousand dollars ($5,000) is made without competitive bidding and where the proposed contract price for the Personal Property disposed of is less than Fair Market Value, a detailed explanation of the justification for making the Disposal without competitive bidding shall be prepared, and a certification shall be signed by the Chief Executive Officer and Chief Financial Officer of the Authority stating that they have reviewed the terms of such Disposal and have determined that it complies with applicable law and these Guidelines.

B. DISPOSAL OPTIONS IF NO BIDS OR NO ACCEPTABLE BIDS ARE RECEIVED

The appropriate PDC shall confer with the DTP and the Contracting Officer or authorized designee to decide (i) if re-soliciting is feasible; (ii) if shipment to a third-party contractor for Disposal would result in higher-priced proposals; (iii) if disposal by other methods would be appropriate; and/or (iv) if the Fair Market Value estimate requires review or adjustment, where:

1. the solicitation pursuant to Section VI.A does not produce any bids to purchase the Personal Property;

2. in the opinion of the Authority, the bids are not arrived at independently;

3. all bids are not reasonable in accordance with Section X. C; or

4. all bids received are less than the Authority's Fair Market Value estimate.

VII. CENTRALIZED DISPOSAL

A. Subject to the approval of the Contracting Officer or authorized designee and in accordance with Article VI of these Guidelines, in either the initial document authorizing the disposal or through a subsequent communication, Personal Property may be disposed of using any of the following methods:

1. Shipment of the material to a third-party vendor(s), selected by competitive bidding, which, pursuant to these Guidelines, will market the material for sale or dispose of such material in accordance with environmental and any other Authority requirements.

2. Consolidation of such Personal Property at one of the Authority's facilities or an offsite warehouse for the purpose of conducting a sale managed by Authority staff, possibly with the assistance of an outside contractor.

3. Participation in public auctions provided the advertisement for bids through such methods permits full and free competition consistent with the value and nature

of the Personal Property, as may be conducted through an independent auctioneer, online auction service, or another utility.

VIII. DECENTRALIZED DISPOSAL

A. The Regional Manager, Project Manager, or head of a Department or Division requiring disposal of Personal Property which they believe to be disposable, will submit to the responsible PDC a written description of the material, with the original price (if known), and estimate of the Personal Property's Fair Market Value (if available). If practical, a photograph of the material or equipment in question should be provided. Such submission shall be made to the responsible PDC for the location where the Personal Property is located.

B. If the responsible PDC, in conference with either the DTP or the Contracting Officer or authorized designee, as appropriate, determines that other Authority facilities may have an interest in the Personal Property, a notice should be sent to the other Authority facilities advising of its availability and requesting a response within a specified time frame. A record of the notice will be maintained by the responsible PDC. In the event that the responsible PDC and either the DTP or the Contracting Officer or authorized designee, as appropriate, determine there is no interest in such material at other Authority facilities, a written explanation should be prepared by the PDC to that effect and maintained in the file for that transaction.

C. If no response to the notice is received, the responsible PDC will solicit bids for the purchase of such Personal Property in accordance with these Guidelines.

IX. PARTIES PROHIBITED FROM BIDDING

A. All current and former employees of the Authority and relatives of such employees or third parties acting on behalf of such employees shall not be eligible to bid for the purchase of Authority Personal Property and are prohibited from subsequently acquiring it in any manner. Each bidder will be required, as part of their bid, to certify, by signing Attachment "A," that they are not a current or former employee of the Authority, is not related to any current or former employee of the Authority and is not acting on behalf of a current or former employee of the Authority or a relative of any such employee. No bid will be accepted unless accompanied by such certification.

B. The term "related to" as used in paragraph A above means the relationship of spouse, child, parent, sister, brother, grandparent, grandchild, aunt, uncle, cousin, niece, nephew, stepchild, stepparent, stepsister, stepbrother, mother-in-law, father-in-law, sister-in-law, brother-in-law, daughter-in-law or son-in-law.

X. EVALUATION OF PROPOSALS; AWARD OF CONTRACT

A. Following the receipt of proposals for the Personal Property, the responsible PDC shall evaluate the proposals submitted and determine whether the highest of such proposals is reasonable, given the estimated Fair Market Value of the Personal Property.

B. If the responsible PDC determines that the highest bid received is reasonable, the responsible PDC shall recommend to the Responsible Officer(s) or designee, as hereinafter defined in Article XI, that such bid be accepted, and upon the written approval of the Responsible Officer(s) or designee, the sale shall be made to the person offering such proposal. After obtaining all necessary approvals in accordance with Article XI "Authorization Levels," a Sales Agreement appended hereto (Attachment C) must be executed by the responsible Authority staff member and by the successful bidder prior to completion of the transaction. (See Section XI.C.)

C. If either (a) the responsible PDC determines that the highest bid is not reasonable or (b) the Responsible Officer(s) or designee decline(s) to authorize the sale, the Personal Property will, except as provided in paragraph D below, be retained for future disposal in accordance with these Guidelines. Factors to be considered in determining whether a bid is reasonable include but are not limited to: adequacy of the estimate of the Fair Market Value, anticipated improved future market conditions, potential for other means of disposal or redeployment, financial viability of the bidder, and condition of the Personal Property.

D. Notwithstanding any determination by the responsible PDC, the Responsible Officer(s) or designee, with the review and approval of the Contracting Officer, may direct the sale of the Personal Property to the person or firm submitting the highest bid.

E. No Authority employee who is involved in the award of Authority grants or contracts, may ask any officer, director or employee of such current or prospective contractor or grantee to reveal: (a) the political party affiliation of the individual; (b) whether the individual or entity has made campaign contributions to any political party, elected official, or candidate for elective office; or (c) whether the individual voted for or against any political party, elected official or candidate for elective office.

F. No Authority employee may award or decline to award any grant or contract, or recommend, promise or threaten to do so because of a current or prospective grantee's or contractor's: (a) refusal to answer any inquiry prohibited by Section E above or (b) giving or withholding or neglecting to make any contribution of money, service or any other valuable thing for any political purpose.

G. No Authority employee may take part in any contracting decision involving the payment of $1,000 or more: (i) to a Relative; or (ii) to any entity in which a Relative owns or controls 10% or

more of the stock of such entity (or 1% in the case of a corporation whose stock is regularly traded on an established securities exchange); or serves as an officer, director or partner of that entity. If a contracting matter arises relating to this Section G, then the employee must advise their supervisor of the relationship and must be recused from any and all discussions or decisions relating to the matter.

XI. AUTHORIZATION LEVELS AND SIGNING AUTHORITY

A. For the purposes of these Guidelines, the Responsible Officer(s) or designee will in each case review the appropriateness of the Fair Market Value estimate and the recommendation for contract award for disposal of the Personal Property. Responsible Officers or designee are designated as follows:

1. The Board of Trustees, if the Fair Market Value of the Personal Property is greater than $1,000,000 or if the Disposal is for less than Fair Market Value in accordance with paragraph VI.A.6; or

2. The President or the Chief Operating Officer or equivalent(s), if the Fair Market Value of the Personal Property is up to $1,000,000; or

3. The Executive Vice President and Chief Financial Officer or equivalent(s), if the Fair Market Value of the Personal Property is up to $750,000; or

4. For Fleet-related transactions, the Executive Vice President – Operations or equivalent(s), if the Fair Market Value of the Personal Property is up to $750,000; or

5. The Senior Vice President – Strategic Supply Management or equivalent(s), if the Fair Market Value of the Personal Property is up to $500,000; or

6. For Fleet-related transactions, the Vice President – Operations or equivalent(s), if the Fair Market Value of the Personal Property is up to $500,000; or

7. The DTP, if the Fair Market Value of the Personal Property is up to $100,000; or

8. For Fleet-related transactions, the Director – Fleet Operations, if the Fair Market Value of the Personal Property is up to $100,000; or

9. The responsible PDC, if the Fair Market Value of the Personal Property is $5,000 or less.

B. For public auctions or similar centralized disposals, such authorization should be obtained prior to submitting Personal Property to auction based on the estimated Fair Market Value of the Personal Property.

1. For purposes of these Guidelines, the Director - Fleet Operations (DFO) or equivalent(s) and DTP are authorized to sign Disposal Sales Agreements based upon the provisions of Section XI.A above whereby the DFO is authorized to sign fleet-related sales agreements and the DTP may sign both fleet and non-fleet sales agreements.

2. For decentralized disposals, such authorization should be obtained prior to signing of Sales Agreement or award of contract, in accordance with the Authorization Levels set forth in Section XI.A. Sales Agreements for individual disposal transactions through a decentralized sale should be signed in accordance with the limits set forth in the Authority's Expenditure Authorization Procedures.

3. The foregoing provisions of this section shall not apply to the sale of energy and fuel. Such authorization shall be governed by the transaction authorization limits for energy and energy-related financial transactions, as adopted by the Authority's Board of Trustees.

XII. OTHER METHODS FOR DISPOSAL OF PERSONAL PROPERTY

A. Disposals as Part of a Competitive Procurement

These Guidelines are not intended to restrict disposals as part of a competitive procurement, including trade-ins, where the procurement is competitively bid and awarded in accordance with the Authority's Guidelines for Procurement Contracts and Fair Market Value can be obtained for the Personal Property. Any such proposed disposal must be included as part of the solicitation of bids for the procurement. The solicitation must also include an estimated Fair Market Value of the Personal Property or minimum bid amount. The disposal or trade-in value must be stated in the proposals from bidders. When disposing of Personal Property as part of a competitive procurement, the Authority may consider the cost difference between the accepted proposal and the next lowest responsive proposal as part of the consideration for the disposal of the Personal Property.

B. Return to the Original Equipment Manufacturer (OEM) or to the Source

For Personal Property with a Fair Market Value of $15,000 or less, return of materials to the OEM or the source is permissible provided that the Authority receives full value for any materials equal to the price paid by the Authority or the estimated Fair Market Value of the Personal Property. In the event a re-stocking fee is charged by the OEM or the source, the DTP or the Contracting Officer or authorized designee, as appropriate, shall be consulted to determine if such a re-stocking fee is reasonable and if there are other opportunities for sale of such material. Approval of all such returns to the OEM or the source when a re-stocking fee is charged, must be in accordance with the Authorization Levels delineated in Section XI.A.

C. Disposal through the New York State Office of General Services (OGS)

The Authority may utilize OGS for Disposal of Authority-owned Personal Property including on-line disposal methods offered by OGS. In addition, in accordance with New York State law, surplus computers and related accessories, surplus office furniture, and other equipment may, with the approval of the Contracting Officer or authorized designee, be transferred to OGS for disposition, in the case of computers and accessories to school districts located near Authority offices or operating facilities, or in the case of office furniture and office equipment, to other state entities. Disposal of these items in this manner represents the best value to New York State in lieu of attempted re-sale of such materials.

XIII. METHODS OF PAYMENT

The proceeds from the sale of Personal Property in the form of cash or a certified check made payable to the Authority must be forwarded to the Authority's Treasurer by the Facility PDCs and to the Authority's Controller's Office by the DTP.. In certain cases, involving a transfer of Personal Property to other state agencies or authorities, the performance of documented services to the Authority equal to or greater in value to the Fair Market Value of the Personal Property, will serve as payment for such Personal Property. The authorization limits of Article XI shall apply to such transactions.

XIV. REPORTING REQUIREMENTS

A. The Authority shall publish, not less frequently than annually, a report of all Personal Property having a FMV in excess of $5,000 that was disposed of during the reporting period, including the full description, price (if any) received and the name of the purchaser for all such Personal Property disposed of by the Authority during such period. Such report shall be prepared in conjunction with the report required by the Authority's "Guidelines for the Disposal of New York Power Authority Real Property."

B. Such report, as approved by the Board of Trustees, shall be submitted to the State Comptroller, the Director of the Division of the Budget, the Commissioner of General Services, the State Legislature and the Authorities Budget Office.

C. These Guidelines, as approved by the Trustees, shall be reviewed and approved annually by the Authority's Board of Trustees. On or before the thirty-first day of March in each year, the Authority shall file with the State Comptroller a copy of the Guidelines most recently reviewed and approved by the Board of Trustees, including the name of the Authority's designated Contracting Officer. At the time of filing such Guidelines with the Comptroller, the Authority shall also post such Guidelines on the Authority's internet website and maintain such Guidelines on the website.

D. An explanatory statement shall be prepared and submitted to the parties as set forth in Subsection VI.A.6 for the disposal by negotiation of Personal Property over $15,000 or when real

property and related Personal Property are disposed of by exchange, regardless of value. Property of any value related to the disposal of Real Property by exchange, or where part of the consideration received is real property.

E. Staff from the Business Services Business Unit, or equivalent(s), prepare and present ongoing reports regarding disposals of Personal Property at regularly scheduled Board of Trustee Governance Committee meetings.

The Authority may be called upon periodically to submit information regarding the Disposal of Personal Property to organizations implementing the PAAA or other statutes regulating the disposal of Personal Property, such as the Authorities Budget Office through the Public Authorities Reporting Information System (PARIS).

BID SHEET

The following personal property is available for sale "AS IS, WHERE IS" and the Power Authority gives no warranty whatsoever as to its condition.

LUMP SUM BID AMOUNT* $_____

Subject to all terms and conditions set forth on the reverse hereof, the undersigned offers and agrees to purchase the above-described personal property at the bid amount indicated.

Signature	Company Name
Name (printed)	Street Address
Date	City, State Zip Code
Fax Number	Telephone Number

* All sales are subject to New York State Sales Tax and Compensating Use Tax unless the Purchaser furnishes the Authority with an exemption certificate.

PERSONAL PROPERTY SALE
SALE NO. _____
NEW YORK POWER AUTHORITY
(ADDRESS OF PROJECT)
Telephone: ( )
FAX: ( )

Subject to the terms and conditions stated below, bids will be received on the Personal Property, either by mail, fax or hand delivery at the (Location) _____ no later than (Date) _____

The Personal Property is available for inspection, by appointment, at the (Project) _____. For an appointment, please contact the Property Disposal Coordinator, (Name) _____ at (Telephone no.) _____.

Successful bidders will be required to pay by certified check, on notice from the Authority that the bid has been accepted and remove the Personal Property from the Authority's premises within ten (10) calendar days after receipt of notice of award.

Envelopes containing bids submitted by mail should be marked on the outside to indicate that a bid on Sale No._____ is enclosed.

Current and former employees of the Power Authority or relatives of such employees or third parties acting on behalf of such employees or relatives are ineligible to bid and are prohibited from subsequently acquiring such Personal Property in any manner.

1. **INSPECTION.** Bidders are invited, urged and cautioned to inspect the Personal Property being sold prior to submitting a bid. The Personal Property will be available for inspection at the time and place specified above. In no case will failure to inspect constitute grounds for the withdrawal of a bid after opening.

2. **CONDITION OF PROPERTY.** All Personal Property listed is offered for sale "AS IS, WHERE IS". The Authority does not in any way warrant the fitness of the personal property for any particular use or its merchantability and disclaims any other representations or warranties, express or implied, including, but not limited to, quality, character, performance or condition of the Personal Property or any of its component parts, assemblies, or accessories.

3. **CONSIDERATION OF BIDS.** Bids must be submitted in writing on the form provided by the Authority (see reverse side) and shall be submitted on all items listed. The Authority reserves the right to reject any and all bids, to waive technical defects in bids and to award sale of the items as may be in the best interest of the Authority.

4. **PAYMENT.** The Purchaser agrees to pay for the awarded Personal Property in accordance with the prices quoted in his/her bid. Payment of the full purchase price must be made within the time allowed for removal, and prior to the release of any Personal Property to the Purchaser.

5. **NEW YORK STATE SALES AND COMPENSATING USE TAX.** All sales will be subject to New York State Sales and Compensating Use Tax unless the Purchaser furnishes the Authority with an exemption certificate.

ADVERTISEMENT FOR PROPOSALS

The following described personal property shall be sold "AS IS, WHERE IS" by the New York Power Authority ("the Authority").

1. Sealed bids are invited for the above, which will be available for inspection by inquiry at the (Location/Building) _____ at the (Project and Address) _____ between the hours of _____ a.m. to _____ p.m. on (Date/s) . Bids must be submitted on the Authority's bid form, which can be obtained by calling (Telephone no.) . No bid will be accepted unless it is on such form. Bids shall be accepted on or before ___ p.m. on (Date) .

2. Current and former employees of the Authority or relatives of such employees or third parties seeking to act on behalf of such employees or relatives shall be ineligible to bid.

3. Successful bidders, on notice from the Authority, shall be required to pay by certified check and shall promptly remove the Personal Property from the Authority's property.

4. The Authority reserves the right to reject any and all bids.

PERSONAL PROPERTY
SALES AGREEMENT

_____, the Buyer, and the Power Authority of the State of New York ("the Authority"), agree as follows:

1. The Personal Property identified herein is sold by the Authority and purchased by Buyer "AS IS, WHERE IS" at the price(s) shown, plus any applicable sales tax.

2. **THE AUTHORITY DOES NOT IN ANY WAY WARRANT THE FITNESS OF THE PERSONAL PROPERTY FOR ANY PARTICULAR USE OR ITS MERCHANTABILITY AND DISCLAIMS ANY OTHER REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED INCLUDING, BUT NOT LIMITED TO, THE QUALITY, CHARACTER, PERFORMANCE, OR CONDITION OF THE PERSONAL PROPERTY OR ANY OF ITS COMPONENT PARTS, ASSEMBLIES, OR ACCESSORIES.**

3. The Buyer warrants that he/she/it is not a current or former Authority employee, is not related to an Authority employee, and did not bid on behalf of an Authority employee. Buyer is aware that Authority employees and their family members are precluded from subsequently receiving, or acquiring, in whole or in part, by any manner including gift, sale, loan or lease, the personal property acquired by the Buyer pursuant to this sale. The term "related to" as used in this paragraph means the relationships of spouse, child, parent, sister, brother, grandparent, grandchild, aunt, uncle, cousin, niece, nephew, stepchild, stepparent, stepsister, stepbrother, mother-in-law, father in law, sister-in-law, brother in law, daughter-in-law, or son-in-law. The Authority reserves the right to invoke any available legal or equitable remedy in the event of a breach by the Buyer of their warranty under this paragraph, including but not limited to, rescinding the sale and recovering the property sold and all costs associated with the sale and the rescission of said sale.

4. The Buyer shall indemnify and hold harmless the Authority and all of its officers, agents and employees from any loss, damage, remedial or response cost, liability or expense, on account of damage or contamination to property and injuries, including death, to all persons, including Buyer's employees, or any third parties, arising or in any manner growing out of the sale of any personal property or the performance of any work under this agreement and shall defend at its own expense any suits or other proceedings brought against the Authority and its officers, agents and employees, or any of them, on account thereof, and pay all expenses and satisfy all judgments which may be incurred by or rendered against them or any of them in connection therewith.

5. Except for disposals by public auction, the Buyer shall remove the Personal Property from the Authority's premises by_____ at Buyer's expense. The Buyer shall make payment by certified check payable to the New York Power Authority, prior to removal of property.

Description of Personal Property:

Selling Price: _____

Executed this _____ day of _____ 20

Buyer (print or type)

_____

_____

_____

_____
Authorized Signature

_____
Full Name (printed)

_____
Title

Seller:
Power Authority of the State of New York

123 Main Street

White Plains, NY 10601

_____
Authorized Signature

_____
Title

PRIVACY LAW NOTIFICATION

SECTION 94(1)(d) OF THE NEW YORK PUBLIC OFFICERS LAW REQUIRES THIS NOTICE TO BE PROVIDED WHEN COLLECTING PERSONAL INFORMATION FROM POTENTIAL PURCHASERS OF AUTHORITY PROPERTY.

This information is requested pursuant to Article 5, Title I of the Public Authorities Law. The principal purpose for which the information is collected is to assist the Power Authority of the State of New York in the sale of Authority personal property in accordance with Section 96(1) of the Personal Privacy Protection Law, particularly subdivisions (b), (e) and (f).

Failure to provide the requested information may result in ineligibility for participation in a program, sale or benefit provided by the Authority.

This information will be maintained by Fleet Operations, at the Power Authority of the State of New York, Clark Energy Center located at 6520 Glass Factory Road, Marcy, N.Y. 13403, (315) 724-8186 or, when appropriate, by the Procurement Department at the Corporate office or at one of the Authority facilities.

Exhibit B

October 20, 2026

Company Policy Title:

NYPA Expenditure Authorization Procedures

Policy Number:

CP 3-3

Revision Date(For BCG Use Only)	Revision #	Description/Modification	Revision Section (s)	Author
10/20/2026	8	Annual Review – No updates	N/A	John Canale, Senior Vice President, Strategic Supply Management
10/14/2025	7	Addition of Regional Construction Manager and Vice President - SSM titles	Pages 2, 3, 4, 5	John Canale, Senior Vice President, Strategic Supply Management
10/16/2024	6	Changes to values associated with titles on “Approval Limits for Requisitions for Solicitation” and clarification of footnotes; Insertion of new chart for “Approval Limits for Purchase Order Releases and Change Orders”; Changes to values associated with titles on “Approval of Award by Contract Value” and clarification of footnotes; Title changes and clarification footnote added to “Limits for Execution (Signature Authority) of Contract Documents”	Pages 2, 3, 4, 5	John Canale, Senior Vice President, Strategic Supply Management
10/10/2023	5	Clarifications in footnotes; clarifications to contract types on Limits for Execution (signature authority) of Contract Documents; establishment of effective date; update to SVP, SSM’s title	Pages 1, 2, 4	John Canale, Senior Vice President, Strategic Supply Management

3/22/2023	4	Per the By-Laws of the Power Authority of the State of New York, Article VII, Section 5, the EAPs were adopted by resolution and are reviewed annually and approved (by the Trustees). Updates proposed for adjustments to authorization limits and titles, removal of definitions and removal of Change Order Approval and Rebidding Thresholds and miscellaneous clarifications.		John Canale, Vice President, Strategic Supply Management
3/29/2022	3	Per the By-Laws of the Power Authority of the State of New York, Article VII, Section 5, the EAPs were adopted by resolution and are reviewed annually and approved (by the Trustees). Updates proposed for adjustments to authorization limits and titles, delegation by VP, SSM, and miscellaneous clarifications.		John Canale, Vice President, Strategic Supply Management
3/30/2021	2	Per the By-Laws of the Power Authority of the State of New York, Article VII, Section 5, the EAPs were adopted by resolution and are reviewed annually and approved (by the Trustees). Updates proposed for adjustments to authorization limits and titles.		John Canale, Vice President, Strategic Supply Management
5/31/2019	1	Per the By-Laws of the Power Authority of the State of New York, Article VII, Section 5, the EAPs were adopted by resolution and are reviewed annually and approved (by the Trustees). Updates proposed for clarity and ease of use.		Diane Gil, Senior Director, Procurement Governance & Analytics Center of Excellence
3/27/2018	0	Converting approved 2018 NYPA Expenditure Authorization Procedures ("EAP's") to e-scribe format. Per the By-Laws of the Power Authority of the State of New York, Article VII, Section 5, the EAPs were adopted by resolution and are reviewed annually and approved (by the Trustees).	N/A	Diane Gil, Senior Director, Procurement Governance & Analytics Center of Excellence

Printed copies are not controlled.
For the latest revision of this document, refer to the Policy and Procedure PowerNet Site.
Records will be retained in accordance with NYPA's approved records retention schedules and/or in compliance with all applicable legal requirements pertaining to NYPA.

EXPENDITURE AUTHORIZATION PROCEDURES

1. Purpose

These Expenditure Authorization Procedures ("EAPs") set forth the policy of the New York Power Authority ("NYPA") regarding approval authority applicable to requisitions for Procurement and Non-Procurement Contracts and the execution of contract documents. These EAPs govern purchasing activities as defined in NYPA's Guidelines for Procurement Contracts ("Procurement Guidelines"). Certain contracts such as financial contracts, fuel contracts and contracts concerning the sale of energy are not covered under these EAPs.

2. Definitions

For a more detailed and full listing of definitions, please refer to the Procurement Guidelines.

A. "**Procurement Contracts**" are fully defined in the Procurement Guidelines.
B. **"Competitive"** includes awards made on the basis of low bidder, best value, Office of General Services (OGS), General Services Administration (GSA), cooperative agreements, or any other method where multiple proposals were solicited.
C. "**Non-competitive**" refers to a procurement in which a contract award is not made on the basis of a Competitive procurement.

3. Notes

All values, as shown, are "Less than", unless otherwise stated.
Values shown as ">" are "greater than or equal to".
These Expenditure Authorization Procedures shall become effective as of January 1, 2027.

	Approval limits - Requisition for solicitation [1]			
	Personal Services		All other Contracts	
	Non-competitive	Competitive	Non-competitive	Competitive
First line supervisor Engineer			5,000	5,000
Senior Engineer			25,000	25,000
Manager	25,000	50,000	50,000	100,000
Senior Manager Project Manager Program Manager Regional Construction Manager	50,000	100,000	250,000	500,000
Director	50,000	100,000	1,000,000	2,000,000
Senior Director Superintendent	250,000	500,000	1,000,000	3,000,000
Vice President ***or higher*** Controller Sr Advisor, Asset Strategy	>250,000	>500,000	>1,000,000	>3,000,000

[1] Does not include Purchase Requisitions for Purchase Order Releases or Change Orders.

	Approval limits - Requisition for Purchase Order Releases and Change Orders [1], [2], [3]			
	Personal Services		All other Contracts	
	Non-competitive	Competitive	Non-competitive	Competitive
First line supervisor Engineer			5,000	5,000
Senior Engineer			25,000	25,000
Manager	25,000	50,000	50,000	100,000
Senior Manager Project Manager Program Manager Regional Construction Manager	50,000	100,000	250,000	500,000
Director	50,000	100,000	1,000,000	2,000,000
Senior Director Superintendent	250,000	500,000	1,000,000	3,000,000
Vice President Controller Sr Advisor, Asset Strategy	500,000	1,000,000	1,000,000	3,000,000
Senior Vice President Regional Manager & SVP	750,000	3,000,000	1,000,000	5,000,000
CFO [4] **- AND -** one of the following: President COO Executive Vice President SVP reporting directly to President	>750,000	>3,000,000	>1,000,000	>5,000,000

(1) Requisitions for Change Orders that increase the value of a Purchase Order Release or contract must be approved based upon the proposed new value of the Purchase Order Release or contract (or the aggregate value in the case of multiple awards).

(2) Additional approvals may be necessary per Finance Committee rules and/or Section 7 of the Guidelines for Procurement Contracts.

(3) This includes requisitions for direct Purchase Order Releases and requisitions for a mini bid which will result in a Purchase Order Release

(4) Dual authorization is required at this level

	Approval for Award by Contract Value [1]			
	Personal Services		All other Contracts	
	Non-competitive [2], [3]	Competitive	Non-competitive [2], [3]	Competitive
First line supervisor Engineer			5,000	5,000
Senior Engineer			25,000	25,000
Manager	25,000	50,000	50,000	100,000
Senior Manager Project Manager Program Manager Regional Construction Manager	50,000	100,000	250,000	500,000
Director	50,000	100,000	1,000,000	2,000,000
Senior Director Superintendent	250,000	500,000	1,000,000	3,000,000
Vice President Controller Sr Advisor, Asset Strategy	500,000	1,000,000	1,000,000	3,000,000
Senior Vice President Regional Manager & SVP	750,000	3,000,000	1,000,000	5,000,000
CFO [4] **- AND -** one of the following: President COO Executive Vice President SVP reporting directly to President	1,000,000	10,000,000	10,000,000	10,000,000
Trustees	> 1,000,000 - OR - term > 1 year	> 10,000,000 - OR - term > 1 year	> 10,000,000 for all awards - OR - term > 1 year for services [5]	> 10,000,000 for all awards - OR - term > 1 year for services [5]

(1) This chart is for Recommendation for Award memos and Trustee submissions.

(2) All non-competitive contract awards, excluding non-procurements, require approval by the SSM Dept Head.

(3) Non-competitive contracts valued or estimated at $1 million or greater require review for approval by the NYS Comptroller prior to award.

(4) Dual authorization is required at this level.

(5) Services are Personal Services, Non-Personal Services and Construction.

Limits for Execution (Signature Authority) of Contract Documents [1]			
Purchase Orders Value Contracts Change Orders Purchase Order Releases [7]	Operating Facilities	Facility Purchasing Staff Fleet Clerk	5,000
		Site Buyer	25,000
		Senior Site Buyer	50,000
		Site Manager	250,000
	Headquarters	Strategic / Transactional Buyer - SSM [2]	50,000
		Senior Strategic Buyer - SSM	250,000
		Category Manager - SSM Senior Category Manager - SSM	500,000
		Director - SSM	750,000
		Senior Director - SSM	1,000,000
		Vice President - SSM	3,000,000
		SSM Dept Head [4] [6]	25,000,000
		President Chief Operating Officer Chief Financial Officer	> 25,000,000
Customer Project Agreement [3]		VP, Operations SVP, Operations	3,000,000
		EVP Chief Operating Officer	> 3,000,000
Customer Agreement Ongoing Revenue [5]		VP, Operations SVP, Operations	3,000,000
		EVP Chief Operating Officer	> 3,000,000

(1) All delegations of authority must be in writing.

(2) Strategic Supply Management (SSM).

(3) Customer Project Agreement - These authorizations apply to the Customer Installation Commitments, Customer Project Commitments, Master Energy Agreement Task Orders, Power Proceeds Awards, Industrial Incentive Awards and/or similar Customer agreement initiating a project, and the settlement of such Customer projects. Authorization applies to any Senior Vice President (SVP) in Operations.

(4) Certain contract documents, specifically Letters of Intent, Notices to Proceed, Non-Disclosure Agreements and Master Cost Recovery Agreements, require the authorization of the SSM Dept Head.

(5) Customer Agreement Ongoing Revenue – These authorizations apply to Customer Power Sales and similar or supporting agreements with ongoing revenues to NYPA. RNY Agreements associated with allocations approved by Trustees to be executed by SVP, Operations. Applies to Customer Agreements not subject to PAL 1009. Authorization applies to any SVP in Operations.

(6) NOTE: Execution of agreements falling within the signing authority of the SSM Dept Head, not limited to those listed herein, may be delegated for limited periods of time at the SSM Dept Head's discretion.

(7) Purchase Orders, Value Contracts, Change Orders and Purchase Order Releases are signed at face value.

Exhibit C

October 20, 2026

Company Policy Title:

Guidelines for the Disposal of Canal Corporation Personal Property

Policy Number:

25-6-02C

Revision Date (For IBC Use Only)	Revision #	Description/Modification	Revision Section (s)	Author
10/20/2026	7	Annual Review – No updates	N/A	Grant Johnston Director Transactional Procurement
10/14/2025	6	Annual Review – No updates	N/A	Grant Johnston Director Transactional Procurement
10/16/2024	5	Annual Review – updated definitions, formatting and made grammatical changes.	N/A	Grant Johnston Director Transactional Procurement
3/29/2022	4	Annual review and approval pursuant to PAL 2896	N/A	Kevin King Director Transactional Procurement
3/30/2021	3	Annual review and approval pursuant to PAL 2896	N/A	Kevin King Director Transactional Procurement
3/31/2020	2	Update of certain organizational titles and the correction of certain inconsistencies, grammatical and otherwise	4.1 F-G, 4.7 2-3	Kevin King Director Transactional Procurement
12/1/2018	1	Added Definition of Discarded Property; Added Personal Property Discarded by the Corporation; Revised Violations Section	3 4.6 5	Kevin King Director Transactional Procurement
11/15/2018	0	Original Issue	N/A	Kevin King

Printed copies are not controlled.
For the latest revision of this document, refer to the Policy and Procedure PowerNet Site.
Records will be retained in accordance with NYPA's approved records retention schedules and/or in compliance with all applicable legal requirements pertaining to NYPA.

				Director Transactional Procurement

Printed copies are not controlled.
For the latest revision of this document, refer to the Policy and Procedure PowerNet Site.
Records will be retained in accordance with NYPA's approved records retention schedules and/or in compliance with all applicable legal requirements pertaining to NYPA.

Effective: January 1, 2027

I. PURPOSE

These Guidelines for the Disposal of Canal Corporation ("Corporation") Personal Property (hereinafter Guidelines), which comply with Title 5-A, Article 9 of the Public Authorities Law, establish the Corporation's policy and instructions regarding the use, award, monitoring and reporting of the disposal of Personal Property. In addition, the Guidelines designate a Contracting Officer who is responsible for the Corporation's compliance with, and enforcement of, the Guidelines.

Powers and duties relating to the New York State Canal System, which were transferred to and merged with the New York Power Authority pursuant to Canal Law Article 1-A, may be exercised by the Authority directly or through the Corporation.

II. DEFINITIONS

Abandoned, Lost or Found Personal Property - Personal Property that remains unclaimed after notification to an owner, if known, and/or after being held for the required holding periods as prescribed by law. This includes all lost or mislaid property found on Corporation property/premises, as well as property which is knowingly abandoned.

Authority - Power Authority of the State of New York

Contracting Officer- the officer or employee of the Authority who shall be appointed by resolution of the Authority's Board of Trustees to be responsible for the disposition of Personal Property. The "Contracting Officer" is hereby designated to be the Senior Vice President – Strategic Supply Management, or equivalent(s). The Authority's/Corporation's Contracting Officer shall not be responsible for compliance for dispositions of the Authority's/Corporation's personal property conducted by another state entity authorized to dispose of the Authority's/Corporation's personal property under the Public Authorities Accountability Act (PAAA) or as otherwise authorized by law.

Corporation – The Canal Corporation

Discarded Property - Personal Property of the Corporation, or other personal property that has come into the Corporation's possession, that the Corporation has discarded, or designated to be discarded, as scrap or junk.

Dispose or disposal - the transfer of title or any other beneficial interest in Personal Property in accordance with these Guidelines.

Fair Market Value – the estimated dollar amount that a willing buyer would pay to a willing seller for the Property in an arms-length transaction in the appropriate marketplace and under similar circumstances. Fair Market Value may be determined by consulting industry-recognized sources, contacting original suppliers, depreciation analysis, appraisals, fair market valuations by

public auction or other methods of valuation generally accepted in the industry in which such Property is utilized, as may be approved by the Contracting Officer or authorized designee.

PAL – Public Authorities Law

PDC - Property Disposal Coordinator

Personal Property- Property owned by the Corporation regardless of value, and any other interest in such Property, to the extent that such interest may be conveyed to another person for any purpose, excluding an interest securing a loan or other financial obligation of another party. For the purposes of these Guidelines, Property may include, but is not limited to, materials, tools, equipment, or vehicles.

Relative – any person living in the same household as the Corporation employee or any person who is a direct descendant of the Corporation employee's grandparents or the spouse of such descendant. The term Relative may include, but is not limited to, the relationship of spouse, child, parent, sister, brother, grandparent, grandchild, aunt, uncle, cousin, niece, nephew, stepchild, stepparent, stepsister, stepbrother, mother-in-law, father-in-law, sister-in-law, brother-in-law, daughter-in-law or son-in-law.

III. OBJECTIVE

The objective of these Guidelines is to identify Corporation personnel responsible for authorizing the disposal of Personal Property owned by the Corporation and to ensure that the Corporation receives fair and reasonable value for such Personal Property.

IV. TRANSACTIONS NOT COVERED

These Guidelines do not apply to any of the following transactions:

A. Disposal of Real Property interests;

B. Transfer/re-deployment of Property from one Corporation facility to another Corporation facility or to The Authority;

V. DESIGNATION OF PROPERTY DISPOSAL COORDINATORS (PDC)

A. The Contracting Officer shall be responsible for the Corporation's compliance with, and enforcement of, the Guidelines, including through development and implementation of internal controls (such as written procedures and supporting tools).

B. The Director of Transactional Procurement and the Director of Fleet & Marine Equipment Management or equivalent(s) or authorized designee are the Property Disposal Coordinators, responsible for all Corporation Personal Property disposals including but not limited to; the

disposal of vehicles, vessels, and other equipment.

C. If appropriate, the responsible PDC should confer (by oral or written communication) with the DTP and should confer (by oral or written communication) with the Contracting Officer or authorized designee to determine if a "centralized" sale of Property, as outlined in Article VI, is appropriate. If agreed, the responsible PDC (collectively hereinafter referred to as PDC) should arrange for shipment of the Property to be sold from the site to the sale location. If a centralized sale is not appropriate, the responsible PDC should proceed in accordance with the "decentralized" procedures, as outlined in Article VII.

VI. DISPOSAL OF CORPORATION PERSONAL PROPERTY

Except for Disposals pursuant to Article XI of these Guidelines, whenever practicable, the responsible PDC shall solicit proposals from qualified bidders, to purchase the Property to be disposed of, and will maintain records of such solicitations. The PDC should use “Attachment A” attached hereto or an appropriate substitute for solicitations under this Article VI.

A. DISPOSAL METHODS FOR PERSONAL PROPERTY

1) For the purposes of these Guidelines, disposal methods may include, but are not limited to: sale (directly to the Buyer, through a third party, negotiation, advertised public auction that permits full and free competition consistent with the value and nature of the Personal Property or on any other centralized basis that achieves the same level of competition); return to the original equipment manufacturer or to the source; trade-ins or disposals as part of a competitive procurement; or disposal through the New York State Office of General Services (OGS). Provided, however, that no disposition of any Personal Property, which because of its unique nature or the unique circumstance of the proposed transaction is not readily valued by reference to an active market for similar Personal Property, shall be made unless an appraisal of the value of such Personal Property has been made by an independent appraiser and included in the record of the transaction. The Corporation's Environmental, Health and Safety Division should be consulted, on a case-

by-case basis, regarding disposal of items that may be considered hazardous waste.

2) Personal Property valued at less than $1,000 may be donated or, when having an estimated resale value less than the cost of handling and sale, may be disposed of as scrap or junk.

3) Solicitation via telephone, e-mail and/or direct mailings may be used where the estimated Fair Market Value of the Personal Property to be disposed of does not exceed $15,000. All bids must be submitted in writing on the forms or an appropriate substitute and in the manner prescribed by this procedure and by the date and time (the Bid Due Date) included in the solicitation.

4) All Disposals of Corporation Personal Property in excess of $15,000 shall be made after publicly advertising for bids except as provided in Subsection 5 below, using the following process:

    a) the appropriate advertisement for bids (Attachment "B" or an appropriate substitute) shall be made at such time prior to the Disposal, through such methods, and on such terms and conditions as shall permit full and free competition consistent with the value and nature of the Personal Property. This may include advertisements in one or more of the following publications, depending on the nature of the Personal Property: local newspapers in the geographic area of the facility where the sale is taking place, trade journals, regional or nationwide publications (if the market for such sale is regional or nationwide), the New York State Contract Reporter, internet services or other communication outlets as appropriate;

    b) all bids must be submitted in writing on the forms or an appropriate substitute and in the manner prescribed by these guidelines and by the Bid Due Date included in the solicitation;

    c) where the value of the Personal Property exceeds $5,000, all bid amounts shall be posted to the Corporation's internet website or publicly disclosed at the time and place of the sale; and

    d) the award shall be made with reasonable promptness by notice to the responsible bidder whose bid, conforms to the bid solicitation and is

most advantageous to the Corporation, price and other factors considered; however, any bid may be rejected when in the public interest to do so at the Corporation's sole discretion.

5) Disposals of Personal Property may be negotiated or made by public auction without regard to Subsection 4of this Section, but subject to obtaining such competition as is feasible under the circumstances, if:

   a) the Personal Property involved has qualities separate from the utilitarian purpose of such Personal Property, such as artistic quality, antiquity, historical significance, rarity or other quality of similar effect that would tend to increase its value, or if the Personal Property is to be disposed of in such quantity that, if it were Disposed of under Subsection 4 of this Section, would adversely affect the state or local market for such Personal Property, and the estimated Fair Market Value of such Personal Property and other satisfactory terms of disposal may be obtained by negotiation;

   b) bid prices after advertising therefore are not reasonable, either as to all or part of the Personal Property, or have not been independently arrived at in open competition;

   c) the Disposal will be to the state or any political subdivision, and the estimated Fair Market Value of the Personal Property and other satisfactory terms of Disposal are obtained by negotiation;

   d) under those circumstances permitted by Subsection 7 of this Section;

   e) if the estimated or actual fair market value of the property does not exceed $15,000; or

   f) such action is otherwise authorized by law.

6) An explanatory statement shall be prepared of the circumstances of each Disposal by negotiation of any Personal Property which has an estimated Fair Market Value in excess of fifteen thousand dollars ($15,000). In addition, an explanatory statement shall be prepared of the circumstances of each Disposal by negotiation of any Personal Property disposed of by exchange, regardless of value. Each such statement shall be transmitted to the Commissioner of General Services, the State Legislature, the State Comptroller, the Director of the Division of the Budget and the Authorities

Budget Office, not less than ninety days in advance of such Disposal, and a copy thereof shall be preserved in the Corporation's files.

7) No Personal Property in excess of five thousand dollars ($5,000) owned or otherwise in the control of the Corporation may be disposed or otherwise alienated for less than its Fair Market Value except if:

   a) the transferee is a government or other public entity, and the terms and conditions of the transfer require that the ownership and use of the Personal Property will remain with the government or any other public entity;

   b) the purpose of the transfer is within the purpose, mission or governing statute of the Corporation; or

   c) in the event the Corporation seeks to transfer Personal Property for less than its Fair Market Value to other than a governmental entity, which Disposal would not be consistent with the Corporation's mission, purpose or governing statutes, the Corporation shall provide written notification thereof to the Governor, the Speaker of the Assembly, and the Temporary President of the Senate, and such proposed transfer shall be subject to denial by the Governor, the Senate or the Assembly. Denial by the Governor shall take the form of a signed certification by the Governor. Denial by either House of the Legislature shall take the form of a resolution by such House. The Governor and each House of the Legislature shall take any such action within sixty days of receiving notification of such proposed transfer during the months of January through June, provided that if the Legislature receives notification of a proposed transfer during the months of July through December, the Legislature may take any such action within sixty days of January first of the following year. If no such resolution or certification is performed within sixty days of such notification of the proposed transfer to the Governor, Senate and Assembly, the Corporation may effectuate such transfer provided, however, that with respect to a below-market transfer by the Corporation that is not within the purpose, mission or governing statute of the Corporation, if the governing statute provides for the approval of such transfer by the executive and legislative branches of the political subdivision in which the Corporation resides, and if the

transfer is of Personal Property obtained by the Corporation from that political subdivision, then such approval shall be sufficient to permit the transfer.

d) In the event a below Fair Market Value Personal Property transfer is proposed, the following information must be provided to the Corporation's Board of Trustees and the public:

(1) a full description of the Personal Property;

(2) an appraisal of the Fair Market Value of the Personal Property and any other information establishing the Fair Market Value sought by the Board of Trustees;

(3) a description of the purpose of the transfer and a reasonable statement of the kind and amount of the benefit to the public resulting from the transfer, including but not limited to the kind, number, location, wages or salaries of jobs created or preserved as required by the transfer, the benefits, if any, to the communities in which the Personal Property is situated as are required by the transfer;

(4) a statement of the value to be received compared to the Fair Market Value;

(5) the names of any private parties participating in the transfer and, if different than the statement required by subparagraph 4 of this Subsection, a statement of the value to the private party; and

(6) the names of other private parties who have made an offer for such Personal Property, the value offered and the purpose for which the Personal Property was sought to be used.

e) Before approving the Disposal of any Personal Property for less than Fair Market Value, the Board of Trustees shall consider the information described in paragraph d of this Subsection and make a written determination that there is no reasonable alternative to the proposed below-market transfer that would achieve the same purpose of such transfer.

8) In cases where a Disposal of Personal Property in excess of five thousand dollars ($5,000) is made without competitive bidding and where the proposed contract price for the Personal Property disposed of is less than Fair Market Value, a detailed explanation of the justification for making

the Disposal without competitive bidding shall be prepared, and a certification shall be signed by the Chief Executive Officer and Chief Financial Officer of the Authority stating that they have reviewed the terms of such Disposal and have determined that it complies with applicable law and these Guidelines.

B. DISPOSAL OPTIONS IF NO BIDS OR NO ACCEPTABLE BIDS ARE RECEIVED

The appropriate PDC shall confer with the DTP and the Contracting Officer or authorized designee to decide (i) if re-soliciting is feasible; (ii) if shipment to a third-party contractor for Disposal would result in higher-priced proposals; (iii) if disposal by other methods would be appropriate; and/or (iv) if the Fair Market Value estimate requires review or adjustment, where:

1) the solicitation pursuant to Section VI.A does not produce any bids to purchase the Personal Property;

2) in the opinion of the Corporation, the bids are not arrived at independently;

3) all bids are not reasonable in accordance with Section X.C ; or

4) all bids received are less than the Corporation's Fair Market Value estimate.

VII. CENTRALIZED DISPOSAL

A. Subject to the approval of the Contracting Officer or authorized designee and in accordance with Article VI of these Guidelines, in either the initial document authorizing the disposal or through a subsequent communication, Personal Property may be disposed of using any of the following methods:

1) Shipment of the material to a third-party vendor(s), selected by competitive bidding, which, pursuant to these Guidelines, will market the material for sale or dispose of such material in accordance with environmental and any other Corporation requirements.

2) Consolidation of such Personal Property at one of the Corporations facilities or an offsite warehouse for the purpose of conducting a sale managed by Corporation staff, possibly with the assistance of an outside contractor.

3) Participation in public auctions provided the advertisement for bids through such methods permits full and free competition consistent with

the value and nature of the Personal Property, as may be conducted through an independent auctioneer, online auction service, or another utility.

VIII. DECENTRALIZED DISPOSAL

A. The Regional Manager, Section Superintendent or head of a Department or Division requiring disposal of Personal Property which they believe to be disposable, will submit to the responsible PDC a written description of the material, with the original price (if known), and estimate of the Personal Property's Fair Market Value (if available). If practical, a photograph of the material or equipment in question should be provided. Such submission shall be made to the responsible PDC for the location where the Personal Property is located.

B. If the responsible PDC, in conference with either the DTP or the Contracting Officer or authorized designee, as appropriate, determines that other Corporation facilities may have an interest in the Personal Property, a notice should be sent to the other Corporation facilities advising of its availability and requesting a response within a specified time frame. A record of the notice will be maintained by the responsible PDC. In the event that the responsible PDC and either the DTP or the Contracting Officer or authorized designee, as appropriate, determine there is no interest in such material at other Corporation facilities, a written explanation should be prepared by the PDC to that effect and maintained in the file for that transaction.

C. If no response to the notice is received, the responsible PDC will solicit bids for the purchase of such Personal Property in accordance with these Guidelines.

IX. PARTIES PROHIBITED FROM BIDDING

A. All current and former employees of the Corporation and relatives of such employees or third parties acting on behalf of such employees shall not be eligible to bid for the purchase of Corporation Personal Property and are prohibited from subsequently acquiring it in any manner. Each bidder will be required, as part of their bid, to certify, by signing Attachment "A," that they are not a current or former employee of the Corporation, is not related to any current or former employee of the Corporation and is not acting on behalf of a current or former employee of the Corporation or a relative of any such employee. No bid will be accepted unless accompanied by such certification.

B. The term "related to" as used in paragraph A above means the relationship of spouse, child, parent, sister, brother, grandparent, grandchild, aunt, uncle, cousin, niece, nephew, stepchild, stepparent, stepsister, stepbrother, mother-in-law, father-in-law, sister-in-law, brother-in-law, daughter-in-law or son-in-law.

X. EVALUATION OF PROPOSALS; AWARD OF CONTRACT

A. Following the receipt of proposals for the Personal Property, the responsible PDC shall

evaluate the proposals submitted and determine whether the highest of such proposals is reasonable, given the estimated Fair Market Value of the Personal Property.

B. If the responsible PDC determines that the highest bid received is reasonable, the responsible PDC shall recommend to the Responsible Officer(s) or designee, as hereinafter defined in Article XI, that such bid be accepted, and upon the written approval of the Responsible Officer(s) or designee, the sale shall be made to the person offering such proposal. After obtaining all necessary approvals in accordance with Article X "Authorization Levels," a Sales Agreement appended hereto (Attachment C) must be executed by the responsible Corporation staff member and by the successful bidder prior to completion of the transaction. (See Section XI.C)

C. If either (a) the responsible PDC determines that the highest bid is not reasonable or (b) the Responsible Officer(s) or designee decline(s) to authorize the sale, the Personal Property will, except as provided in paragraph D below, be retained for future disposal in accordance with these Guidelines. Factors to be considered in determining whether a bid is reasonable include but are not limited to: adequacy of the estimate of the Fair Market Value, anticipated improved future market conditions, potential for other means of disposal or redeployment, financial viability of the bidder, and condition of the Personal Property.

D. Notwithstanding any determination by the responsible PDC, the Responsible Officer(s) or designee, with the review and approval of the Contracting Officer, may direct the sale of the Personal Property to the person or firm submitting the highest bid.

E. No Corporation employee who is involved in the award of Corporation grants or contracts, may ask any officer, director or employee of such current or prospective contractor or grantee to reveal: (a) the political party affiliation of the individual; (b) whether the individual or entity has made campaign contributions to any political party, elected official, or candidate for elective office; or (c) whether the individual voted for or against any political party, elected official or candidate for elective office.

F. No Corporation employee may award or decline to award any grant or contract, or recommend, promise or threaten to do so because of a current or prospective grantee's or contractor's: (a) refusal to answer any inquiry prohibited by Section E above or (b) giving or withholding or neglecting to make any contribution of money, service or any other valuable thing for any political purpose.

G. No Corporation employee may take part in any contracting decision involving the payment of $1,000 or more: (i) to a Relative; or (ii) to any entity in which a Relative owns or controls 10% or more of the stock of such entity (or 1% in the case of a corporation whose stock is regularly traded on an established securities exchange); or serves as an officer, director or partner of that entity. If a contracting matter arises relating to this Section G, then the employee must advise their supervisor of the relationship and must be recused from any and all discussions or

decisions relating to the matter.

XI. AUTHORIZATION LEVELS AND SIGNING AUTHORITY

A. For the purposes of these Guidelines, the Responsible Officer(s) or designee will in each case review the appropriateness of the Fair Market Value estimate and the recommendation for contract award for disposal of the Personal Property. Responsible Officers or designee are designated as follows:

1) The Board of Trustees, if the Fair Market Value of the Personal Property is greater than $1,000,000 or if the Disposal is for less than Fair Market Value in accordance with paragraph VI.A.6 or

2) The President or the Chief Operating Officer or equivalent(s), if the Fair Market Value of the Personal Property is up to $1,000,000; or

3) The Executive Vice President and Chief Financial Officer or equivalent(s), if the Fair Market Value of the Personal Property is up to $750,000; or

4) For Fleet-related transactions, the Executive Vice President – Operations or equivalent(s), if the Fair Market Value of the Personal Property is up to $750,000; or

5) The Senior Vice President – Strategic Supply Management or equivalent(s), if the Fair Market Value of the Personal Property is up to $500,000; or

6) For Fleet-related transactions, the Vice President – Operations or equivalent(s), if the Fair Market Value of the Personal Property is up to $500,000; or

7) The Director of Transactional Procurement or the Director Fleet & Marine Equipment Management, if the Fair Market Value of the Personal Property is up to $100,000.

B. For public auctions or similar centralized disposals, such authorization should be obtained prior to submitting Personal Property to auction based on the estimated Fair Market Value of the Personal Property.

1) For purposes of these Guidelines, the Director Fleet & Marine Equipment Management or equivalent(s) and Director of Transactional Procurement

are authorized to sign Disposal Sales Agreements based upon the provisions of Section XI. A.

2) For decentralized disposals, such authorization should be obtained prior to signing of Sales Agreement or award of contract, in accordance with the Authorization Levels set forth in Section XI. A. Sales Agreements for individual disposal transactions through a decentralized sale should be signed in accordance with the limits set forth in the Authority's Expenditure Authorization Procedures.

XII. OTHER METHODS FOR DISPOSAL OF PERSONAL PROPERTY

A. Disposals as Part of a Competitive Procurement

These Guidelines are not intended to restrict disposals as part of a competitive procurement, including trade-ins, where the procurement is competitively bid and awarded in accordance with the Corporation's Guidelines for Procurement Contracts and Fair Market Value can be obtained for the Personal Property. Any such proposed disposal must be included as part of the solicitation of bids for the procurement. The solicitation must also include an estimated Fair Market Value of the Personal Property or minimum bid amount. The disposal or trade-in value must be stated in the proposals from bidders. When disposing of Personal Property as part of a competitive procurement, the Corporation may consider the cost difference between the accepted proposal and the next lowest responsive proposal as part of the consideration for the disposal of the Personal Property.

B. Return to the Original Equipment Manufacturer (OEM) or to the Source

For Personal Property with a Fair Market Value of $15,000 or less, return of materials to the OEM or the source is permissible provided that the Corporation receives full value for any materials equal to the price paid by the Corporation or the estimated Fair Market Value of the Personal Property. In the event a re-stocking fee is charged by the OEM or the source, the DTP or the Contracting Officer or authorized designee, as appropriate, shall be consulted to determine if such a re-stocking fee is reasonable and if there are other opportunities for sale of such material. Approval of all such returns to the OEM or the source when a re-stocking fee is charged, must be in accordance with the Authorization Levels delineated in Section XI.A.

C. Disposal through the New York State Office of General Services (OGS)

The Corporation may utilize OGS for Disposal of Corporation-owned Personal Property including on-line disposal methods offered by OGS. In addition, in accordance with New York State law, surplus computers and related accessories, surplus office furniture, and other equipment may, with the approval of the Contracting Officer or authorized designee, be transferred to OGS for disposition, in the case of computers and accessories to school districts located near Corporation

offices or operating facilities, or in the case of office furniture and office equipment, to other state entities. Disposal of these items in this manner represents the best value to New York State in lieu of attempted re-sale of such materials.

XIII. METHODS OF PAYMENT

The proceeds from the sale of Personal Property in the form of cash or a certified check made payable to the Corporation must be forwarded to the Corporation's Treasurer by the Facility PDCs and to the Corporation' Controller's Office by the DTP. In certain cases, involving a transfer of Personal Property to other state agencies or authorities, the performance of documented services to the Corporation equal to or greater in value to the Fair Market Value of the Personal Property, will serve as payment for such Personal Property. The authorization limits of Article XI shall apply to such transactions.

XIV. REPORTING REQUIREMENTS

A. The Corporation shall publish, not less frequently than annually, a report of all Personal Property having a FMV in excess of $5,000 that was disposed of during the reporting period, including the full description, price (if any) received and the name of the purchaser for all such Personal Property disposed of by the Corporation during such period. Such report shall be prepared in conjunction with the report required by the Corporation's "Guidelines for the Disposal of New York Power Authority Real Property."

B. Such report, as approved by the Board of Trustees, shall be submitted to the State Comptroller, the Director of the Division of the Budget, the Commissioner of General Services, the State Legislature and the Authorities Budget Office.

C. These Guidelines, as approved by the Trustees, shall be reviewed and approved annually by the Board of Trustees. On or before the thirty-first day of March in each year, the Corporation shall file with the State Comptroller a copy of the Guidelines most recently reviewed and approved by the Board of Trustees, including the name of the Corporation's designated Contracting Officer. At the time of filing such Guidelines with the Comptroller, the Corporation shall also post such Guidelines on the Corporation's internet website and maintain such Guidelines on the website.

D. An explanatory statement shall be prepared and submitted to the parties as set forth in Subsection VI.A.6 ~~f~~or the disposal by negotiation of Personal Property over $15,000 or when real property and related Personal Property are disposed of by exchange, regardless of value. Property of any value related to the disposal of Real Property by exchange, or where part of the consideration received is real property.

E. Staff from the Business Services Business Unit, or equivalent(s), prepare and present ongoing reports regarding disposals of Personal Property at regularly scheduled Board of

Trustee Governance Committee meetings.

The Corporation may be called upon periodically to submit information regarding the Disposal of Personal Property to organizations implementing the PAAA or other statutes regulating the disposal of Personal Property, such as the Authorities Budget Office through the Public Authorities Reporting Information System (PARIS).

Attachment A

BID SHEET

The following personal property is available for sale "AS IS, WHERE IS" and the Canal Corporation gives no warranty whatsoever as to its condition.

LUMP SUM BID AMOUNT* $_____

Subject to all terms and conditions set forth on the reverse hereof, the undersigned offers and agrees to purchase the above-described personal property at the bid amount indicated.

Signature	Company Name
Name (printed)	Street Address
Date	City, State Zip Code
Fax Number	Telephone Number

* All sales are subject to New York State Sales Tax and Compensating Use Tax unless the Purchaser furnishes the Corporation with an exemption certificate.

PERSONAL PROPERTY SALE
SALE NO. _____
NEW YORK STATE CANAL CORPORATION
(ADDRESS OF PROJECT)
Telephone: ( )_____
FAX: ( )_____

Subject to the terms and conditions stated below, bids will be received on the Personal Property, either by mail, fax or hand delivery at the (Location)_____ no later than (Date)_____

The Personal Property is available for inspection, by appointment, at the (Project)_____. For an appointment, please contact the Property Disposal Coordinator, (Name)_____at (Telephone no.)____.

Successful bidders will be required to pay by certified check, on notice from the Corporation that the bid has been accepted and remove the Personal Property from the Corporation's premises within ten (10) calendar days after receipt of notice of award.

Envelopes containing bids submitted by mail should be marked on the outside to indicate that a bid on Sale No._____ is enclosed.

Current and former employees of the Canal Corporation or relatives of such employees or third parties acting on behalf of such employees or relatives are ineligible to bid and are prohibited from subsequently acquiring such Personal Property in any manner.

1. **INSPECTION.** Bidders are invited, urged and cautioned to inspect the Personal Property being sold prior to submitting a bid. The Personal Property will be available for inspection at the time and place specified above. In no case will failure to inspect constitute grounds for the withdrawal of a bid after opening.

2. **CONDITION OF PROPERTY.** All Personal Property listed is offered for sale "AS IS, WHERE IS". The Corporation does not in any way warrant the fitness of the personal property for any particular use or its merchantability and disclaims any other representations or warranties, express or implied, including, but not limited to, quality, character, performance or condition of the Personal Property or any of its component parts, assemblies, or accessories.

3. **CONSIDERATION OF BIDS.** Bids must be submitted in writing on the form provided by the Corporation (see reverse side) and shall be submitted on all items listed. The Corporation reserves the right to reject any and all bids, to waive technical defects in bids and to award sale of the items as may be in the best interest of the Corporation.

4. **PAYMENT.** The Purchaser agrees to pay for the awarded Personal Property in accordance with the prices quoted in his/her bid. Payment of the full purchase price must be made

within the time allowed for removal, and prior to the release of any Personal Property to the Purchaser.

5. **NEW YORK STATE SALES AND COMPENSATING USE TAX.** All sales will be subject to New York State Sales and Compensating Use Tax unless the Purchaser furnishes the Corporation with an exemption certificate.

ADVERTISEMENT FOR PROPOSALS

The following described Personal Property shall be sold "AS IS, WHERE IS" by the New York State Canal Corporation ("Corporation")

1. Sealed bids are invited for the above, which will be available for inspection by inquiry at the (Location/Building) _____ at the (Project and Address) _____ between the hours of _____ a.m. to _____ p.m. on (Date/s) . Bids must be submitted on the Corporation's bid form, which can be obtained by calling (Telephone no.) _____. No bid will be accepted unless it is on such form. Bids shall be accepted on or before ___ p.m. on (Date) .

2. Current and former employees of the Corporation or relatives of such employees or third parties seeking to act on behalf of such employees or relatives shall be ineligible to bid.

3. Successful bidders, on notice from the Corporation, shall be required to pay by certified check and shall promptly remove the Personal Property from the Corporation's property.

4. The Corporation reserves the right to reject any and all bids.

PERSONAL PROPERTY
SALES AGREEMENT

_____, the Buyer, and the New York State Canal Corporation ("Corporation"), agree as follows:

1. The Personal Property identified herein is sold by the Corporation and purchased by Buyer "AS IS, WHERE IS" at the price(s) shown, plus any applicable sales tax.

2. **THE CORPORATION DOES NOT IN ANY WAY WARRANT THE FITNESS OF THE PERSONAL PROPERTY FOR ANY PARTICULAR USE OR ITS MERCHANTABILITY AND DISCLAIMS ANY OTHER REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED INCLUDING, BUT NOT LIMITED TO, THE QUALITY, CHARACTER, PERFORMANCE, OR CONDITION OF THE PERSONAL PROPERTY OR ANY OF ITS COMPONENT PARTS, ASSEMBLIES, OR ACCESSORIES.**

3. The Buyer warrants that he/she/it is not a current or former Corporation employee, is not related to an Corporation employee, and did not bid on behalf of an Corporation employee. Buyer is aware that Corporation employees and their family members are precluded from subsequently receiving, or acquiring, in whole or in part, by any manner including gift, sale, loan or lease, the personal property acquired by the Buyer pursuant to this sale. The term "related to" as used in this paragraph means the relationships of spouse, child, parent, sister, brother, grandparent, grandchild, aunt, uncle, cousin, niece, nephew, stepchild, stepparent, stepsister, stepbrother, mother-in-law, father in law, sister-in-law, brother in law, daughter-in-law, or son-in-law. The Corporation reserves the right to invoke any available legal or equitable remedy in the event of a breach by the Buyer of their warranty under this paragraph, including but not limited to, rescinding the sale and recovering the property sold and all costs associated with the sale and the rescission of said sale.

4. The Buyer shall indemnify and hold harmless the Corporation and all of its officers, agents and employees from any loss, damage, remedial or response cost, liability or expense, on account of damage or contamination to property and injuries, including death, to all persons, including Buyer's employees, or any third parties, arising or in any manner growing out of the sale of any personal property or the performance of any work under this agreement and shall defend at its own expense any suits or other proceedings brought against the Corporation and its officers, agents and employees, or any of them, on account thereof, and pay all expenses and satisfy all judgments which may be incurred by or rendered against them or any of them in connection therewith.

5. Except for disposals by public auction, the Buyer shall remove the Personal Property from the Corporation 's premises by_____ at Buyer's expense. The Buyer shall make payment by certified check payable to the New York State Canal Corporation, prior to removal of property.

Description of Personal Property:

Selling Price: _____

Executed this _____ day of _____ 20

Buyer (print or type)

_____

_____

_____

Seller:
NYS Canal Corporation
30 S. Pearl St., 5th floor
Albany, NY 12207

_____
Authorized Signature

_____
Full Name (printed)

_____
Title

_____
Authorized Signature

_____
Title

PRIVACY LAW NOTIFICATION

SECTION 94(1)(d) OF THE NEW YORK PUBLIC OFFICERS LAW REQUIRES THIS NOTICE TO BE PROVIDED WHEN COLLECTING PERSONAL INFORMATION FROM POTENTIAL PURCHASERS OF AUTHORITY PROPERTY.

This information is requested pursuant to Article 5, Title I of the Public Authorities Law. The principal purpose for which the information is collected is to assist the New York State Canal Corporation in the sale of Corporation Personal Property in accordance with Section 96(1) of the Personal Privacy Protection Law, particularly subdivisions (b), (e) and (f).

Failure to provide the requested information may result in ineligibility for participation in a program, sale or benefit provided by the Corporation.

This information will be maintained by Fleet Operations, at the Power Authority of the State of New York, Clark Energy Center located at 6520 Glass Factory Road, Marcy, N.Y. 13403, (315) 724-8186 or, when appropriate, by the Procurement Department at the Corporate office or at one of the Authority facilities.

Exhibit D
October 20, 2026

Deleted: 14

Deleted: 2025

NEW YORK STATE CANAL CORPORATION
EXPENDITURE AUTHORIZATION PROCEDURES

1. Purpose

These Expenditure Authorization Procedures ("EAPs") set forth the policy of the Canal Corporation regarding approval authority applicable to requisitions for Procurement and Non-Procurement Contracts and the execution of contract documents. These EAPs govern purchasing activities as defined in the Canal Corporation's Guidelines for Procurement Contracts ("Procurement Guidelines").

2. Definitions

For a more detailed and full listing of definitions, please refer to the Procurement Guidelines.

a. "**Procurement Contracts**" are fully defined in the Procurement Guidelines.
b. "**Competitive**" includes awards made on the basis of low bidder, best value, Office of General Services (OGS), General Services Administration (GSA), cooperative agreement, or any other method where multiple proposals were solicited.
c. "**Non-competitive**" refers to a procurement in which a contract award is not made on the basis of a Competitive procurement.

3. Notes

All values, as shown, are "less than" unless otherwise stated.
Values shown as ">" are "greater than or equal to".
These Expenditure Authorization Procedures shall become effective as of January 1, 2027.

Deleted: 2026

Deleted: Exhibit D¶
October 1420, 20252026

Formatted

	Approval limits - Requisition for solicitation [1]			
	Personal Services		All other Contracts	
	Non-competitive	Competitive	Non-competitive	Competitive
Manager of: Marine Infrastructure*, Project Manager*, Administrative Services Director of: Design, Construction Management, Technical Services, Waterways Dam Safety*, Human Resources, Asset Management & Inspection, Environment, Health & Safety*, Fleet and Marine Equipment Management Regional Canal Engineer	50,000	100,000	500,000	1,000,000
Sr. Director, Design and Construction Management Director/Sr. Director of: Waterways Maintenance, Integrated Marketing Communications*, Public Engagement*	100,000	200,000	750,000	2,000,000
VP of Planning * Executive Deputy Director-Canals Regional Manager & SVP VP – Canals Infrastructure Project Delivery ***Or higher***	>100,000	>200,000	>750,000	>2,000,000

Formatted Table

* NYPA Shared Service titles

[1] Does not include Purchase Requisitions for Purchase Order Releases or Change Orders.

	Approval limits for Requisition for Purchase Order Releases and Change Orders [1], [2], [3]			
	Personal Services		All other Contracts	
	Non-competitive	Competitive	Non-competitive	Competitive
Manager of: Marine Infrastructure*, Project Manager *, Administrative Services Director of: Design, Construction Management, Technical Services, Waterways Dam Safety*, Human Resources, Asset Management & Inspection, Environment, Health & Safety*, Fleet and Marine Equipment Management Regional Canal Engineer	50,000	100,000	500,000	1,000,000
Sr. Director, Design and Construction Management Director/Sr. Director of: Waterways Maintenance, Integrated Marketing Communications*, Public Engagement*	100,000	200,000	750,000	2,000,000
VP of Planning * Executive Deputy Director-Canals Regional Manager & SVP VP – Canals Infrastructure Project Delivery	250,000	500,000	1,000,000	3,000,000
SVP of Operations	750,000	3,000,000	1,000,000	5,000,000
CFO [4] **- AND -** one of the following: President COO EVP	>750,000	>3,000,000	>1,000,000	>5,000,000

[1] Requisitions for Change Orders that increase the value of a Purchase Order Release or contract must be approved based upon the proposed new value of the Purchase Order Release or contract (or the aggregate value in the case of multiple awards).

[2] Additional approvals may be necessary per Finance Committee rules and/or Section 7 of the Guidelines for Procurement Contracts.

[3] This includes requisitions for direct Purchase Order Releases and requisitions for a mini bid which will result in a Purchase Order Release.

[4] Dual authorization is required at this level.

Deleted: Exhibit D¶
October 1420, 20252026

Formatted Table

Deleted: (

Deleted: ¶

Deleted: Exhibit D¶
October 1420, 20252026

Formatted Table

	Approval for Award by Contract Value [1]			
	Personal Services		All other Contracts	
	Non-competitive [2], [3]	Competitive	Non-competitive [2], [3]	Competitive
Manager of: Marine Infrastructure*, Project Manager *, Administrative Services Director of: Design, Construction Management, Technical Services, Waterways Dam Safety*, Human Resources, Asset Management & Inspection, Environment, Health & Safety*, Fleet and Marine Equipment Management Regional Canal Engineer	50,000	100,000	500,000	1,000,000
Sr. Director, Design and Construction Management Director/Sr. Director of: Waterways Maintenance, Integrated Marketing Communications*, Public Engagement*	100,000	200,000	750,000	2,000,000
VP of Planning * Executive Deputy Director-Canals Regional Manager & SVP VP – Canals Infrastructure Project Delivery	250,000	500,000	1,000,000	3,000,000
SVP of Operations	750,000	3,000,000	1,000,000	5,000,000
CFO [4] **- AND -** one of the following: President COO EVP	1,000,000	10,000,000	10,000,000	10,000,000
Canal Board	> 1,000,000 - OR - term > 1 year	> 10,000,000 - OR - term > 1 year	> 10,000,000 for all awards - OR - term > 1 year for services [5]	> 10,000,000 for all awards - OR - term > 1 year for services [5]

(1) This chart is for Recommendation for Award memos and Trustee submissions.
(2) All non-competitive contract awards, excluding non-procurements, require approval by the SSM Dept Head.
(3) Non-competitive contracts valued or estimated at $1 million or greater require review for approval by the NYS Comptroller prior to award.
(4) Dual authorization is required at this level.
(5) Services are Personal Services, Non-Personal Services and Construction.

Deleted: Exhibit D¶
October 1420, 20252026

Limits for Execution (Signature Authority) of Contract Documents [1]			
Purchase Orders Value Contracts Change Orders Purchase Order Releases [5]	Canal Corporation	Procurement Team Specialist or Shared Service Equivalent (Below Grade 18)	5,000
		Senior Procurement Team Specialist or Shared Service Equivalent (Grade 18)	50,000
		Procurement Team Manager or Shared Service Equivalent (Grade 23 thru 25)	250,000
		Procurement Team Manager	500,000
		Director of Business Services	750,000
		Manager Administrative Services	1,000,000
	NYPA	SSM Vice President [2]	3,000,000
		SSM Dept Head [2] [3] [4]	25,000,000
		President COO CFO	> 25,000,000

[1] All delegations of authority must be in writing
[2] Strategic Supply Management (SSM).
[3] Certain contract documents, specifically Letters of Intent, Notices to Proceed, Non-Disclosure Agreements and Master Cost Recovery Agreements, require the authorization of the SSM Dept Head.
[4] Execution of agreements falling within the signing authority of the SSM Dept Head, not limited to those listed herein, may be delegated for limited periods of time at the SSM Dept Head's discretion.
[5] Purchase Orders, Value Contracts, Change Orders and Purchase Order Releases are signed at face value.

Exhibit D
October 20, 2026

NEW YORK STATE CANAL CORPORATION
EXPENDITURE AUTHORIZATION PROCEDURES

1. Purpose

   These Expenditure Authorization Procedures ("EAPs") set forth the policy of the Canal Corporation regarding approval authority applicable to requisitions for Procurement and Non-Procurement Contracts and the execution of contract documents. These EAPs govern purchasing activities as defined in the Canal Corporation's Guidelines for Procurement Contracts ("Procurement Guidelines").

2. Definitions

   For a more detailed and full listing of definitions, please refer to the Procurement Guidelines.
   a. "**Procurement Contracts**" are fully defined in the Procurement Guidelines.
   b. "**Competitive**" includes awards made on the basis of low bidder, best value, Office of General Services (OGS), General Services Administration (GSA), cooperative agreement, or any other method where multiple proposals were solicited.
   c. "**Non-competitive**" refers to a procurement in which a contract award is not made on the basis of a Competitive procurement.

3. Notes

   All values, as shown, are "less than" unless otherwise stated.
   Values shown as ">" are "greater than or equal to".
   These Expenditure Authorization Procedures shall become effective as of January 1, 2027.

	Approval limits - Requisition for solicitation [1]			
	Personal Services		All other Contracts	
	Non-competitive	Competitive	Non-competitive	Competitive
Manager of: Marine Infrastructure*, Project Manager*, Administrative Services Director of: Design, Construction Management, Technical Services, Waterways Dam Safety*, Human Resources, Asset Management & Inspection, Environment, Health & Safety*, Fleet and Marine Equipment Management Regional Canal Engineer	50,000	100,000	500,000	1,000,000
Sr. Director, Design and Construction Management Director/Sr. Director of: Waterways Maintenance, Integrated Marketing Communications*, Public Engagement*	100,000	200,000	750,000	2,000,000
VP of Planning * Executive Deputy Director-Canals Regional Manager & SVP VP – Canals Infrastructure Project Delivery ***Or higher***	>100,000	>200,000	>750,000	>2,000,000

* NYPA Shared Service titles

[1] Does not include Purchase Requisitions for Purchase Order Releases or Change Orders.

	Approval limits for Requisition for Purchase Order Releases and Change Orders [1], [2], [3]			
	Personal Services		All other Contracts	
	Non-competitive	Competitive	Non-competitive	Competitive
Manager of: Marine Infrastructure*, Project Manager *, Administrative Services Director of: Design, Construction Management, Technical Services, Waterways Dam Safety*, Human Resources, Asset Management & Inspection, Environment, Health & Safety*, Fleet and Marine Equipment Management Regional Canal Engineer	50,000	100,000	500,000	1,000,000
Sr. Director, Design and Construction Management Director/Sr. Director of: Waterways Maintenance, Integrated Marketing Communications*, Public Engagement*	100,000	200,000	750,000	2,000,000
VP of Planning * Executive Deputy Director-Canals Regional Manager & SVP VP – Canals Infrastructure Project Delivery	250,000	500,000	1,000,000	3,000,000
SVP of Operations	750,000	3,000,000	1,000,000	5,000,000
CFO [4] **- AND -** one of the following: President COO EVP	>750,000	>3,000,000	>1,000,000	>5,000,000

[1] Requisitions for Change Orders that increase the value of a Purchase Order Release or contract must be approved based upon the proposed new value of the Purchase Order Release or contract (or the aggregate value in the case of multiple awards).

[2] Additional approvals may be necessary per Finance Committee rules and/or Section 7 of the Guidelines for Procurement Contracts.

[3] This includes requisitions for direct Purchase Order Releases and requisitions for a mini bid which will result in a Purchase Order Release.

[4] Dual authorization is required at this level.

	Approval for Award by Contract Value [1]			
	Personal Services		All other Contracts	
	Non-competitive [2], [3]	Competitive	Non-competitive [2], [3]	Competitive
Manager of: Marine Infrastructure*, Project Manager *, Administrative Services Director of: Design, Construction Management, Technical Services, Waterways Dam Safety*, Human Resources, Asset Management & Inspection, Environment, Health & Safety*, Fleet and Marine Equipment Management Regional Canal Engineer	50,000	100,000	500,000	1,000,000
Sr. Director, Design and Construction Management Director/Sr. Director of: Waterways Maintenance, Integrated Marketing Communications*, Public Engagement*	100,000	200,000	750,000	2,000,000
VP of Planning * Executive Deputy Director-Canals Regional Manager & SVP VP – Canals Infrastructure Project Delivery	250,000	500,000	1,000,000	3,000,000
SVP of Operations	750,000	3,000,000	1,000,000	5,000,000
CFO [4] **- AND -** one of the following: President COO EVP	1,000,000	10,000,000	10,000,000	10,000,000
Canal Board	> 1,000,000 - OR - term > 1 year	> 10,000,000 - OR - term > 1 year	> 10,000,000 for all awards - OR - term > 1 year for services [5]	> 10,000,000 for all awards - OR - term > 1 year for services [5]

(1) This chart is for Recommendation for Award memos and Trustee submissions.
(2) All non-competitive contract awards, excluding non-procurements, require approval by the SSM Dept Head.
(3) Non-competitive contracts valued or estimated at $1 million or greater require review for approval by the NYS Comptroller prior to award.
(4) Dual authorization is required at this level.
(5) Services are Personal Services, Non-Personal Services and Construction.

Limits for Execution (Signature Authority) of Contract Documents [1]			
Purchase Orders Value Contracts Change Orders Purchase Order Releases [5]	Canal Corporation	Procurement Team Specialist or Shared Service Equivalent (Below Grade 18)	5,000
		Senior Procurement Team Specialist or Shared Service Equivalent (Grade 18)	50,000
		Procurement Team Manager or Shared Service Equivalent (Grade 23 thru 25)	250,000
		Procurement Team Manager	500,000
		Director of Business Services	750,000
		Manager Administrative Services	1,000,000
	NYPA	SSM Vice President [2]	3,000,000
		SSM Dept Head [2] [3] [4]	25,000,000
		President COO CFO	> 25,000,000

[1] All delegations of authority must be in writing

[2] Strategic Supply Management (SSM).

[3] Certain contract documents, specifically Letters of Intent, Notices to Proceed, Non-Disclosure Agreements and Master Cost Recovery Agreements, require the authorization of the SSM Dept Head.

[4] Execution of agreements falling within the signing authority of the SSM Dept Head, not limited to those listed herein, may be delegated for limited periods of time at the SSM Dept Head's discretion.

[5] Purchase Orders, Value Contracts, Change Orders and Purchase Order Releases are signed at face value.

NEW YORK STATE | NY Power Authority | Canal Corporation

Memorandum

Date: **October 20, 2026**

To: **GOVERNANCE COMMITTEE**

From: **PRESIDENT & CHIEF EXECUTIVE OFFICER**

Subject: **Annual Review & Approval of Guidelines and Procedures for the Disposal and Acquisition of Real Property and Expenditure Authorization Procedures of the New York Power Authority and Canal Corporation**

SUMMARY

The Committee is requested to recommend that the New York Power Authority Trustees ("Trustees") and New York State Canal Corporation Board of Directors ("Board of Directors") approve the following at their December 8, 2026 meeting:

1. Exhibits A-1 and A-2: Annual Review and Approval of Guidelines and Procedures for the Disposal of Real Property by the New York Power Authority and Guidelines and Procedures for the Disposal of Real Property by the Canal Corporation
2. Exhibits B-1 and B-2: Annual Review and Approval of Guidelines and Procedures for the Acquisition of Real Property by the New York Power Authority and Guidelines and Procedures for the Acquisition of Real Property by the Canal Corporation
3. Exhibits C-1 and C-2: Annual Review and Approval of the Real Property Expenditure Authorization Procedures for the New York Power Authority and the Canal Corporation ("EAPs")

BACKGROUND

Section 2896(1) of the Power Authority Act requires that the New York Power Authority and the Canal Corporation adopt by resolution comprehensive guidelines which detail their respective operative policy and instructions regarding the use and disposal of property as well as designate a contracting officer who shall be responsible for the compliance and enforcement of such guidelines. Such guidelines are to be annually reviewed and approved by the governing body of the respective public authority.

Article VII, Section 5 of the shared By-Laws for the New York Power Authority and Canal Corporation's requires that the Trustees and Board of Directors adopt expenditure authorization procedures. The EAPs are submitted annually for review.

The 2027 Real Property Disposal Guidelines and the 2027 Real Property Acquisition Guidelines set forth the methodology regarding the use, award, monitoring and reporting of contracts for the disposal and acquisition of real property and designate a Contracting Officer responsible for compliance with, and enforcement of, such Guidelines.

The Trustees reviewed and approved the Authority's and the Canal Corporation's 2026 Real Property Authorization Procedures at their December 9, 2025 meeting.

The Trustees most recently approved the Authority's and the Canal Corporation's 2026 Real Property Disposal and Acquisition Guidelines at their meeting on March 20, 2026.

DISCUSSION

The Governance Committee is now requested to review and recommend for approval the Authority's 2027 Real Property Disposal Guidelines, 2027 Real Property Acquisition Guidelines and 2027 Real Estate Expenditure Authorization Procedures. There are no material changes to the Authority's 2027 Real Property Disposal and Acquisition Guidelines or 2027 EAPs.

The Governance Committee is also requested to review and recommend for approval the Canal Corporation's 2027 Real Property Disposal Guidelines, 2027 Real Property Acquisition Guidelines and 2027 Real Property Expenditure Authorization Procedures.

The Canal Corporation's EAPs have been updated to permit the Corporation to enter into access agreements, in addition to its existing authority to execute permits, licenses and operating agreements for the use of property owned by others, as described in Section B of the EAPs. This amendment is intended to give the Canal Corporation greater flexibility and efficiency when working with third parties to advance projects.

There are no material changes to the Canal Corporation's 2027 Real Property Disposal or Acquisition Guidelines.

The Guidelines, if approved by the Authority's Board of Trustees and Canal Corporation's Board of Directors, will be posted on the respective Authority and Canal Corporation internet websites subsequent to the December Trustee and Board meetings. The Real Property Disposal Guidelines and the Real Property Acquisition Guidelines, as reviewed and approved by the Trustees and the Board of Directors, will be filed with the State Comptroller, the Director of the Budget, the Commissioner of General Services, the State Legislature, and the Authorities Budget Office.

FISCAL INFORMATION

There will be no financial impact on the Authority.

RECOMMENDATION

The Assistant General Counsel – Real Estate, requests that the Governance Committee recommend that the Trustees and Board of Directors approve the 2027 Guidelines and Procedures for the Disposal of Property by the New York Power Authority and Canal Corporation, the 2027 Guidelines and Procedures for the Acquisition of Real Property by the New York Power Authority and Canal Corporation, and the 2027 Expenditure Authorization Procedures for the New York Power Authority and Canal Corporation, as set forth in the attached Exhibits.

For the reasons stated, I recommend the approval of the above-requested action by adoption of the resolution below.

Justin E. Driscoll
President and Chief Executive Officer

R E S O L U T I O N

RESOLVED, That the Governance Committee recommends approval of the Authority's 2027 Real Property Disposal Guidelines, 2027 Real Property Acquisition Guidelines, and 2027 Expenditure Authorization Procedures to the Trustees and Board of Directors as required by Section C.5 of the Governance Committee Charter; and be it further

RESOLVED, that the Governance Committee recommends approval of the Canal Corporation's 2027 Canal Real Property Disposal Guidelines, 2027 Canal Real Property Acquisition Guidelines, and 2027 Expenditure Authorization Procedures to the Trustees and Board of Directors as required by Section C.5 of the Governance Committee Charter; and be it further

RESOLVED, That the Chair, the President and Chief Executive Officer, and all other officers of the Authority be, and each of them hereby is, authorized on behalf of the Authority and Canal Corporation to do any and all things, take any and all actions and execute and deliver any and all agreements, certificates and other documents to effectuate the foregoing resolution, subject to the approval of the form thereof by the Executive Vice President and General Counsel.

Exhibit A-1
October 20, 2026

GUIDELINES

AND

PROCEDURES

FOR THE

DISPOSAL OF NEW YORK POWER AUTHORITY

REAL PROPERTY

INDEX

Article	Description	Page
I.	PURPOSE…….....……...1	
II.	DEFINITIONS…….....1	
III.	COMPLIANCE OVERVIEW…….……2	
IV.	DUTIES OF THE DIRECTOR CORPORATE REAL ESTATE……3	
V.	PROCEDURES FOR THE DISPOSITION OF AUTHORITY REAL PROPERTY……..4	
VI.	AUTHORITY REAL PROPERTY REPORTS…….....8	
VII.	APPROVAL OF GUIDELINES BY THE AUTHORITY'S BOARD…….....9	

GUIDELINES AND PROCEDURES FOR THE DISPOSAL OF NEW YORK POWER AUTHORITY REAL PROPERTY

I. PURPOSE

The purpose of these Guidelines and Procedures for the Disposal of Real Property ("Guidelines"), which comply with Title 5-A, Article 9 of the Public Authorities Law, is to establish the procedures that detail the Authority's policy and instructions regarding the disposal of real property. In addition, the Guidelines designate a Contracting Officer who is responsible for the Authority's compliance with, and enforcement of, the Guidelines.

II. DEFINITIONS

2.1 "Contracting Officer" shall mean the officer or employee of the Authority who shall be appointed by resolution of the Authority's Trustees to be responsible for enforcement of the Guidelines for the Disposal of Real Property. The "Contracting Officer" is hereby designated to be the Assistant General Counsel - Real Estate, or equivalent(s) or designee.

2.2 "Dispose" or "Disposal" shall mean transfer of title or any other beneficial interest in real property in accordance with these Guidelines. Disposal does not include a release of an easement, Permit (defined hereinafter) or Transfer of Jurisdiction (defined hereinafter).

2.3 "Fair Market Value" shall mean the estimated dollar amount that a willing buyer would pay to a willing seller for the Real Property in an arms-length transaction in the appropriate marketplace and under similar circumstances.

2.4 "Permits" shall mean permits issued by the Authority that grant revocable privileges to use or access real property under the jurisdiction of the Authority. Permits may be issued where the real property is not presently required for Authority purposes but held for future use in carrying out its corporate purposes. Permits do not transfer a beneficial interest in real property. Permits are revocable, in part to assure availability upon demand of the real property for Authority purposes.

2.5 "Real Property" shall mean real property, including land, tenements and hereditaments owned by the Authority, and any other interest in such real property, to the extent that such interest may be conveyed to another person or entity for any purpose, excluding an interest securing a loan or other financial obligation of another party.

2.6 "Relative" shall mean any person living in the same household as the Authority employee or any person who is a direct descendant of the Authority employee's grandparents or the spouse of such descendant.

2.7 "Transfers of Jurisdiction" shall mean transactions pursuant to Public Lands Law §3(4) and which are between the Authority and other State governmental entities where jurisdiction over Real Property is transferred and reassigned on such terms and conditions as the Authority and the New York State Office of General Services deem proper, but the title to the Real Property remains in the name of the People of the State of New York.

III. COMPLIANCE OVERVIEW

The Public Authorities Law ("PAL") requires the Authority to establish policy guidelines to accomplish the following:

3.1 Maintain inventory controls and accountability systems for all Real Property under the Authority's control.

3.2 Periodically inventory Authority Real Property to determine which Real Property shall be disposed of.

3.3 Dispose of Authority Real Property interests in accordance with the PAL.

3.4 Prepare annual reports of Real Property Disposal transactions.

IV. DUTIES OF THE DIRECTOR CORPORATE REAL ESTATE

4.1 The Director Corporate Real Estate or equivalent(s) or designee shall maintain adequate inventory controls and accountability systems for all Real Property under the Authority's control.

4.2 The Director Corporate Real Estate or equivalent(s) or designee shall periodically inventory Authority Real Property to determine which Authority Real Property shall be Disposed of and shall prepare a report identifying such Real Property for Disposal.

4.3 The Director Corporate Real Estate or equivalent(s) or designee shall produce for publishing written reports of such Real Property as set forth in Article VI of these Guidelines.

4.4 The Director Corporate Real Estate or equivalent(s) or designee shall arrange for the Disposal of any Real Property identified for Disposal by the Authority in accordance with these Guidelines and the Authority's Expenditure Authorization Procedures and as soon as reasonably practical under the circumstances.

V. PROCEDURES FOR THE DISPOSITION OF AUTHORITY REAL PROPERTY

5.1 The Authority may Dispose of Real Property for not less than the Fair Market Value of such Real Property by sale, exchange, or transfer, for cash, credit or other property, without warranty, and upon such other terms and conditions as the Contracting Officer deems proper under the provisions of the PAL and as implemented by these Guidelines. Fair Market Value of the Authority Real Property subject to Disposal shall be established by independent appraisal as appropriate and consistent with the intent of the PAL. Such appraisal documents shall be included in the record of the Real Property Disposal transaction.

5.2 Except as set forth in Section 5.3 of the Guidelines, any Disposal of Real Property shall only be made after publicly advertising for bids in accordance with the following:

5.2.1 the advertisement for bids shall be made at such time prior to the Disposal or contract, through such methods, and on such terms and conditions as shall permit full and free competition consistent with the value and nature of the Real Property;

5.2.2 all bids shall be publicly disclosed at the time and place stated in the advertisement; and

5.2.3 the award shall be made with reasonable promptness by notice to the responsible bidder whose bid, conforming to the invitation for bids, will be most advantageous to the Authority, price and other factors considered; provided, that all bids may be rejected when it is in the public interest to do so.

5.3.a The Disposal of Authority Real Property may be negotiated or made by public auction without regard to Section 5.2 but subject to obtaining such competition as is feasible under the circumstances, if:

1. the Fair Market Value of the Real Property does not exceed fifteen thousand dollars ($15,000.00); or

2. bid prices after advertising therefore are not reasonable, either as to all or some part of the Real Property, or have not been independently arrived at in open competition; or

3. the Disposal will be to the state or any political subdivision, and the estimated Fair Market Value of the Real Property and other satisfactory terms of Disposal are obtained by negotiation; or

4. under those circumstances permitted by Section 5.3; or

5. such action is otherwise authorized by law.

5.3.b.1 No Real Property owned, leased or otherwise in the control of the Authority may be sold, leased, or otherwise alienated for less than its Fair Market Value except if:

a. the transferee is a government or other public entity, and the terms and conditions of the transfer require that the ownership and use of the Real Property will remain with the government or any other public entity;

b. the purpose of the transfer is within the purpose, mission or governing statute of the Authority; or

c. in the event the Authority seeks to transfer Real Property for less than its Fair Market Value to other than a governmental entity, which Disposal would not be consistent with the Authority's mission, purpose or governing statutes, the Authority shall provide written notification thereof to the Governor, the Speaker of the Assembly, and the Temporary President of the Senate, and such proposed transfer shall be subject to denial by the Governor, the Senate, or the Assembly. Denial by the Governor shall take the form of a signed certification by the Governor. Denial by either House of the Legislature shall take the form of a resolution by such House. The Governor and each House of the Legislature shall take any such action within sixty days of receiving notification of such proposed transfer during the months of January through June, provided that if the Legislature receives notification of a proposed transfer during the months of July through December, the Legislature may take any such action within sixty days of January first of the following year. If no such resolution or certification is performed within sixty days of such notification of the proposed transfer to the Governor, Senate, and Assembly, the Authority may effectuate such transfer.

5.3.b.2. In the event a below Fair Market Value Real Property transfer is proposed, the following information must be provided to the Authority’s Board of Trustees and the public:

a. a full description of the Real Property;

b. an appraisal of the Fair Market Value of the Real Property and any other information establishing the Fair Market Value sought by the Authority's Board of Trustees;

c. a description of the purpose of the transfer, and a reasonable statement of the kind and amount of the benefit to the public resulting from the transfer, including but not limited to the kind, number, location, wages or salaries of jobs created or preserved as required by the transfer, the benefits, if any, to the communities in which the Real Property is situated as are required by the transfer;

d. a statement of the value to be received compared to the Fair Market Value;

e. the names of any private parties participating in the transfer, and if different than the statement required by subparagraph (d) of this paragraph, a statement of the value to the private party; and

f. the names of other private parties who have made an offer for such Real Property, the value offered, and the purpose for which the Real Property was sought to be used.

5.3.b.3. Before approving the Disposal of any Real Property for less than Fair Market Value, the Authority's Board of Trustees shall consider the information described in Paragraph 5.3.b.2 and make a written determination that there is no reasonable alternative to the proposed below-market transfer that would achieve the same purpose of such transfer.

5.4 An explanatory statement detailing the Disposal by negotiation of Authority Real Property subject to the PAL as set forth in Section 5.3 shall be made for any Disposal of:

5.4.1 Real Property with a Fair Market Value in excess of one hundred thousand dollars ($100,000.00) except that Real Property Disposed of by lease or exchange shall only be subject to 5.4.2 of this Section 5.4;

5.4.2 Real Property Disposed of by lease if the fair annual rent over the term of the lease is in excess of fifteen thousand dollars ($15,000.00); and

5.4.3 Any Real Property or real and related personal property Disposed of by exchange, regardless of value, or any property any part of the consideration is for Real Property:

5.5 Each explanatory statement prepared in accordance with Section 5.4 above shall be transmitted to the State Comptroller, the Director of the Division of the Budget, the Commissioner of General Services, the State Legislature and the State Authorities Budget Office not less than 90 days in advance of such Disposal, and a copy shall be kept by the Authority.

5.6 Each explanatory statement prepared in accordance with Section 5.4 must include the following:

5.6.1 Description of the parties involved in the property transaction;
5.6.2 Justification for disposing of property by negotiation;
5.6.3 Identification of property, including its location;
5.6.4 Estimated fair market value of the property;
5.6.5 Proposed sale price of the property;
5.6.6 Size of the property; and
5.6.7 Expected date of sale of property.

5.7 In the Authority's discretion, when it shall be deemed advantageous to the Authority and the State, the Authority may enter into an agreement with the Office of the Commissioner of General Services ("OGS") under which OGS may Dispose of the Authority's Real Property under terms and conditions agreed to by the Authority and the OGS. In Disposing of any such Real Property of the Authority, the OGS shall be bound by the relevant provisions of the PAL.

5.8 The Director Corporate Real Estate or equivalent(s) or designee shall provide all relevant documentation to the Environmental Division for the purposes of determining, if applicable, whether the Disposal of Real Property is in compliance with the State Environmental Quality Review Act, and for whether it adheres to the American Society of Testing and Material's guidelines for Environmental Site Assessments, if applicable.

5.9 No Authority employee who is involved in the award of Authority grants or contracts, may ask any purchaser(s), grantor(s), lessor(s) or officer(s), director(s) or employee(s) of such current or prospective purchaser(s), contractor(s) or grantee(s) to reveal: (a) the political party affiliation of the individual; (b) whether the individual or entity has made campaign contributions to any political party, elected official, or candidate for elective office; or (c) whether the individual voted for or against any political party, elected official or candidate for elective office.

5.10 No Authority employee may award or decline to award any grant or contract, or recommend, promise or threaten to do so because of a current or prospective grantee's or contractor's: (a) refusal to answer any inquiry prohibited by Section 5.9 above or (b) giving or withholding or neglecting to make any contribution of money, service or any other valuable thing for any political purpose.

5.11 No Authority employee may take part in any contracting decision involving the payment of more than $1,000: (i) to a Relative; or (ii) to any entity in which a Relative owns or controls 10% or more of the stock of such entity (or 1% in the case of a corporation whose stock is regularly traded on an established securities exchange); or serves as an officer, director or partner of that entity. If such situation arises, the employee must advise his or her supervisor of the relationship, and must be recused from any and all discussions or decisions relating to the matter.

5.12 Public Authorities Law Section 2879-a establishes a framework for the Office of the State Comptroller ("OSC") to review and approve certain Public Authority contracts.

5.12.1. Any contract in excess of $1,000,000 that is to be awarded by a state authority 1) to a "single source" or "sole source", or pursuant to any other means of procurement that is not competitive, or 2) where the monies to be paid in whole or in part have been appropriated by the state to the state authority for such contractual expenditure ("Eligible Contract"), must be reported in advance of execution to the OSC. Upon execution, all such Eligible Contracts must be filed with the OSC within 60 days.

5.12.2. If the OSC has previously identified a contract or category of contract as "reviewable" ("Reviewable Contract)", such Reviewable Contract must include language stating that it is subject to OSC approval and the executed Reviewable Contract must be submitted to the OSC for review. If the OSC does not act to disapprove the Reviewable Contract within 90 days, the contract is valid.

5.12.3. Where the OSC has notified the Authority that any contract or category of contracts shall be subject to OSC approval, the Authority shall include or cause to be included in each such contract a provision informing the other party that such contract is subject to OSC approval pursuant to the OSC's authority to supervise the accounts of public corporations.

5.12.4. If the OSC has not approved or disapproved any contract subject to its approval within ninety days of submission to its office, such contract shall become valid and enforceable without such approval.

Note: The Accelerated Renewable Energy Growth and Community Benefit Act, Chapter 58 of the Laws of 2020, Part JJJ, provides limited exclusions to the applicability of Section 2897 of the Public Authorities Law for conveyances involving certain renewable energy generation and transmission projects.

Section 11 of that statute states:

Notwithstanding section 2897 of the public authorities law, the power authority of the state of New York and the New York state energy research and development authority may each negotiate and enter into agreements with other parties providing for the conveyance of interests in real property provided that in the case of any such conveyance such entity determines that the conveyance will further the purposes of this act or provide other benefits to the entity or the state.

VI. AUTHORITY REAL PROPERTY REPORTS

6.1 The Director Corporate Real Estate or equivalent(s) or designee shall publish the following reports in accordance with these Guidelines:

6.1.1 Pursuant to Section 2800 of the Public Authorities Law, the Director Corporate Real Estate shall furnish a report for incorporation in the Authority's annual report which is distributed to the Governor, the Chairman and Ranking Minority Member of the Senate Finance Committee, the Chairman and Ranking Minority Member of the Assembly Ways and Means Committee, the State Comptroller and the State Authorities Budget Office. This report shall include (a) a listing of all Real Property having an estimated Fair Market Value greater than fifteen thousand dollars ($15,000.00) that the Authority Disposed of during such reporting period and the name of the purchaser of the Real Property and the price paid by the purchaser for the Real Property, and (b) a description of the total amounts of Real Property sold without competitive bidding, including (i) the nature of the Real Property, (ii) the names of the counterparties, and (iii) where the price for the Real Property sold is less than Fair Market Value, a detailed explanation of the justification for making the sale without competitive bidding, and a certification by the Authority's Chief Executive Officer and Chief Financial Officer that they have reviewed the terms of such sale and determined that it complies with applicable law.

6.1.2 Pursuant to Public Authorities Law § 2896(3)(a), the Director Corporate Real Estate or equivalent(s) or designee shall prepare for distribution to the State Comptroller, the Director of the Division of the Budget, the Commissioner of General Services, the State Legislature and the State Authorities Budget Office, an annual report listing all real property of the Authority, which report shall include a list and full description of all Real Property Disposed of during the fiscal reporting period. Regarding Disposals, this annual report shall include the price received by the Authority and the name of the purchaser of the Real Property.

6.2 The Authority may be called upon periodically to submit information regarding the Disposal of Real Property to organizations implementing the PAL or other statutes regulating the Disposal of Real Property.

6.3 The Authority's Governance Committee meets at least three times per year and staff from Legal Affairs or the equivalent(s) may prepare and present ongoing reports regarding the Disposal of Real Property.

VII. APPROVAL OF GUIDELINES BY THE AUTHORITY'S BOARD

7.1 The Guidelines shall be annually reviewed and approved by the Authority's Trustees. On or before the thirty-first day of March in each year, the Authority shall file with the State Comptroller a copy of the most recently reviewed and approved Guidelines, including the name of the Authority's designated Contracting Officer. At the time of filing such Guidelines with the State Comptroller, the Authority shall also post such Guidelines on its internet website.

Guidelines for the Disposal of Canal Corporation Real Property

Note: Revision # should be listed in descending order starting with most recent version at the top

Revision Date(For BCG Use Only)	Revision #	Description/Modification	Revision Section (s)	Author
[Revision Date]	1	Conversion to new Canal document template	All	Allison Renstrom Shea Assistant General Counsel

Contents

1 Purpose and Scope 3
2 Applicability 3
3 Initialisms (Acronyms) and Definitions 3
4 Responsibility 4
5 Procedure Implementation 5
6 Violations 11
7 References 12
8 Procedure Review and Expiration 12
9 Attachments 12

1 PURPOSE AND SCOPE

The purpose of these Guidelines for the Disposal of Real Property ("Guidelines"), which comply with Title 5-A, Article 9 of the Public Authorities Law, is to establish the procedures that detail the Canal Corporation's ("Corporation") policy and instructions regarding the disposal of real property. In addition, the Guidelines designate a Contracting Officer who is responsible for the Corporation's compliance with, and enforcement of, the Guidelines.

The powers and duties relating to the New York State canal system, which were transferred to and merged with the Power Authority ("Power Authority") pursuant to Canal Law Section 5, may be exercised by the Power Authority directly or through the Corporation on behalf of the people of the State of New York.

2 APPLICABILITY

This Policy applies to all the Corporation employees who intend to Dispose of Real Property owned by or under the jurisdiction of the Corporation.

3 INITIALISMS (ACRONYMS) AND DEFINITIONS

Contracting Officer - shall mean the officer or employee appointed by resolution of the Corporation's Trustees to be responsible for compliance with, and enforcement of, the Guidelines for the Disposal of Real Property. The "Contracting Officer" is hereby designated to be the Power Authority Assistant General Counsel – Real Estate, or equivalent(s) or designee.
\
Corporation – Canal Corporation

Dispose or Disposal - shall mean transfer of title or any other beneficial interest in real property in accordance with these Guidelines. Disposal does not include a release of an easement, Permit (defined hereinafter) or Transfer of Jurisdiction (defined hereinafter).

Fair Market Value - shall mean the estimated dollar amount that a willing buyer would pay to a willing seller for the Real Property in an arms-length transaction in the appropriate marketplace and under similar circumstances.

OGS – NYS Office of General Services

PAL – Public Authorities Law

Permits - shall mean permits issued by the Corporation that grant revocable privileges to use or access real property or structures under the jurisdiction of the Corporation and for the diversion of Canal waters for sanitary, farm or industrial purposes. Permits are revocable in part to assure availability of the real property for Corporation or public purposes. Permits do not transfer a beneficial interest in real property and may be issued when deemed to be advantageous to the Corporation for the purpose of cutting, gathering and hauling away ice from the canals or when the permitted use does not result in a detriment to canal navigation or damage to the banks or other structures thereof. Permits include Occupancy and Work Permits.

a) **Occupancy Permit** - a revocable instrument that authorizes the temporary, restricted use of real property under the jurisdiction of the Corporation, including, temporary use of Canal lands or structures, and for the diversion of Canal waters for sanitary, farm or industrial purposes.

b) **Work Permit** - a revocable instrument that authorizes construction, maintenance, inspection, survey, or other type of work or short term activity on real property under the jurisdiction of the Corporation.

Real Property - shall mean real property, including land, tenements and hereditaments owned by the Corporation, and any other interest in such real property, to the extent that such interest may be conveyed to another person or entity for any purpose, excluding an interest securing a loan or other financial obligation of another party.

Relative - shall mean any person living in the same household as the Corporation employee or any person who is a direct descendant of the Corporation employee's grandparents or the spouse of such descendant.

Transfers of Jurisdiction - shall mean transactions pursuant to Public Lands Law §3(4) and which are between the Corporation and other State governmental entities where jurisdiction over Real Property is transferred and reassigned on such terms and conditions as the Corporation and the New York State Office of General Services deem proper, but the title to the Real Property remains in the name of the People of the State of New York.

4 RESPONSIBILITY

The Board shall adopt by resolution Guidelines for the Disposal of Corporation Real Property regarding the use, awarding, monitoring and reporting of contracts for the disposal of Real Property and which designate a Contracting Officer who is responsible for compliance with and enforcement of, these Guidelines.

5 PROCEDURE IMPLEMENTATION

5.1 COMPLIANCE OVERVIEW

The Public Authorities Law ("PAL") requires the Corporation to establish policy guidelines to accomplish the following:

5.1.1 Ensure that the Corporation's contracting activities comply with Title 5-A, Article 9 of the Public Authorities Law, the Corporation's enabling statute, and any other applicable law pertaining to the Disposal of Real Property.

5.1.2 Maintain inventory controls and accountability systems for all Real Property under the Corporation's control.

5.1.3 Periodically inventory Corporation Real Property to determine which Real Property shall be disposed of.

5.1.4 Dispose of Corporation Real Property interests as promptly as possible in accordance with the PAL.

5.1.5 Prepare annual reports of Real Property Disposal transactions.

5.2 DISPOSITION OF CORPORATION REAL PROPERTY

5.2.1 The Corporation may Dispose of Real Property for not less than the Fair Market Value of such Real Property by sale, exchange, or transfer, for cash, credit or other property, without warranty, and upon such other terms and conditions as the Contracting Officer deems proper under the provisions of the PAL and as implemented by these Guidelines. Fair Market Value of the Corporation Real Property subject to Disposal shall be established by independent appraisal as appropriate and consistent with the intent of the PAL. Such appraisal documents shall be included in the record of the Real Property Disposal transaction.

5.2.2 Except as set forth in Sections 5.2.3 and 5.2.4 herein of the Guidelines, any Disposal of Real Property shall only be made after publicly advertising for bids in accordance with the following:

a) the advertisement for bids shall be made at such time prior to the Disposal or contract, through such methods, and on such terms and conditions as shall permit full and free competition consistent with the value and nature of the Real Property; and

b) all bids shall be publicly disclosed at the time and place stated in the advertisement; and

c) the award shall be made with reasonable promptness by notice to the responsible bidder whose bid, conforming to the invitation for bids, will be most advantageous to the Corporation, price and other factors considered; provided, that all bids may be rejected when it is in the public interest to do so.

5.2.3 The Disposal of Corporation Real Property by Negotiation or Public Auction

a) The Disposal of Corporation Real Property may be negotiated or made by public auction without regard to Section 5.2.2 but subject to obtaining such competition as is feasible under the circumstances, if:

1. the Fair Market Value of the Real Property does not exceed fifteen thousand dollars ($15,000.00); or
2. bid prices after advertising therefore are not reasonable, either as to all or some part of the Real Property, or have not been independently arrived at in open competition; or
3. the Disposal will be to the state or any political subdivision, and the estimated Fair Market Value of the Real Property and other satisfactory terms of Disposal are obtained by negotiation; or
4. under those circumstances permitted by Section 5.2.4; or
5. such action is otherwise authorized by law.

b) The Disposal of Corporation Real Property may also be made by negotiated sale without regard to Section 5.2.2 but subject to obtaining such competition as is feasible under the circumstances, if ALL the following conditions have been satisfied:

1. the Corporation has determined that: such real property is no longer necessary or useful to the purposes of the Corporation; disposal of such real property complies with all applicable provisions of the canal law; and disposal of such real property is in the best interest of the Corporation; and
2. an appraisal of the fair market value of such property has been made by an independent appraiser and included in the record of the transaction; and

3. the fair market value of such real property is greater than fifteen thousand dollars ($15,000.00) but not greater than seventy-five thousand dollars ($75,000.00); and
4. such real property was improved prior to April 1, 1992, under a municipal permit or a permit issued pursuant to Section 100 of the Canal Law, thereby creating an encroachment on Corporation Real Property; and
5. the purchaser of such Real Property is, or will be, the owner of the improvement that either fully or partially encroaches on Corporation real property; and
6. the consideration paid for such real property will not be less than the fair market value of the real property exclusive of the value, fair market or otherwise, of the encroaching improvements.

5.2.4 Below Fair Market Value

a) No Real Property owned, leased or otherwise in the control of the Corporation may be sold, leased, or otherwise alienated for less than its Fair Market Value except if:

1. the transferee is a government or other public entity, and the terms and conditions of the transfer require that the ownership and use of the Real Property will remain with the government or any other public entity; or
2. the purpose of the transfer is within the purpose, mission or governing statute of the Corporation; or
3. in the event the Corporation seeks to transfer Real Property for less than its Fair Market Value to other than a governmental entity, which Disposal would not be consistent with the Corporation's mission, purpose or governing statutes, the Corporation shall provide written notification thereof to the Governor, the Speaker of the Assembly, and the Temporary President of the Senate, and such proposed transfer shall be subject to denial by the Governor, the Senate, or the Assembly. Denial by the Governor shall take the form of a signed certification by the Governor. Denial by either House of the Legislature shall take the form of a resolution by such House. The Governor and each House of the Legislature shall take any such action within sixty days of receiving notification of such proposed transfer during the months of January through June, provided that if the Legislature receives notification of a proposed transfer during the months of July through December, the Legislature may take any such action within sixty days of January first of the following year. If no such resolution or certification is performed within sixty days of such notification of the proposed transfer to the Governor, Senate, and Assembly, the Corporation may effectuate such transfer.

b) In the event a below Fair Market Value Real Property transfer is proposed, the following information must be provided to the Corporation’s Board of Trustees and the public:

1. a full description of the Real Property; and

2. an appraisal of the Fair Market Value of the Real Property and any other information establishing the Fair Market Value sought by the Corporation's Board of Trustees; and
3. a description of the purpose of the transfer, and a reasonable statement of the kind and amount of the benefit to the public resulting from the transfer, including but not limited to the kind, number, location, wages or salaries of jobs created or preserved as required by the transfer, the benefits, if any, to the communities in which the Real Property is situated as are required by the transfer; and
4. a statement of the value to be received compared to the Fair Market Value; and
5. the names of any private parties participating in the transfer, and if different than the statement required by subparagraph (iv) of this paragraph, a statement of the value to the private party; and
6. the names of other private parties who have made an offer for such Real Property, the value offered, and the purpose for which the Real Property was sought to be used.

d) Before approving the Disposal of any Real Property for less than Fair Market Value, the Corporation's Board of Trustees shall consider the information described in Paragraph 5.2.4.b and make a written determination that there is no reasonable alternative to the proposed below-market transfer that would achieve the same purpose of such transfer.

5.2.5 An explanatory statement detailing the Disposal by negotiation of Corporation Real Property subject to the PAL as set forth in Section 5.2.3.a shall be made for any Disposal of:

a) Real Property with a Fair Market Value in excess of one hundred thousand dollars ($100,000.00) except that Real Property Disposed of by lease or exchange shall only be subject to Paragraph 5.2.5.b of this Section 5.2.5; or

b) Real Property Disposed of by lease if the fair annual rent over the term of the lease is in excess of fifteen thousand dollars ($15,000.00); or

c) Any Real Property or real and related personal property Disposed of by exchange, regardless of value, or any property any part of the consideration is for Real Property.

5.2.6 Each explanatory statement prepared in accordance with Section 5.2.5 above shall be transmitted to the State Comptroller, the Director of the Division of the Budget, the Commissioner of General Services, the State Legislature and the State Authorities

Budget Office not less than 90 days in advance of such Disposal, and a copy shall be kept by the Corporation.

5.2.7 Each explanatory statement prepared in accordance with Section 5.4 must include the following:

a) Description of the parties involved in the property transaction;

b) Justification for disposing of property by negotiation;

c) Identification of property, including its location;

d) Estimated fair market value of the property;

e) Proposed sale price of the property;

f) Size of the property; and

g) Expected date of sale of property.

5.2.8 In the Corporation's discretion, when it shall be deemed advantageous to the Corporation and the State, the Corporation may enter into an agreement with the Office of the Commissioner of the Office of General Services ("OGS") under which OGS may Dispose of the Corporation's Real Property under terms and conditions agreed to by the Corporation and the OGS. In Disposing of any such Real Property of the Corporation, the OGS shall be bound by the relevant provisions of the PAL.

5.2.9 No Corporation employee who is involved in the award of Corporation grants or contracts, may ask any purchaser(s), grantor(s), lessor(s) or officer(s), director(s) or employee(s) of such current or prospective purchaser(s), contractor(s) or grantee(s) to reveal: (a) the political party affiliation of the individual; (b) whether the individual or entity has made campaign contributions to any political party, elected official, or candidate for elective office; or (c) whether the individual voted for or against any political party, elected official or candidate for elective office.

5.2.10 No Corporation employee may award or decline to award any grant or contract, or recommend, promise or threaten to do so because of a current or prospective grantee's or contractor's: (a) refusal to answer any inquiry prohibited by Section 5.2.8 above or (b) giving or withholding or neglecting to make any contribution of money, service or any other valuable thing for any political purpose.

5.2.11 No Corporation employee may take part in any contracting decision involving the payment of more than $1,000: (i) to a Relative; or (ii) to any entity in which a Relative owns or controls 10% or more of the stock of such entity (or 1% in the case of a corporation whose stock is regularly traded on an established securities exchange); or serves as an officer, director or partner of that entity. If such situation arises, the

employee must advise his or her supervisor of the relationship, and must be recused from any and all discussions or decisions relating to the matter.

5.2.12 Public Authority Contracts

a) Public Authorities Law Section 2879-a establishes a framework for the Office of the State Comptroller ("OSC") to review and approve certain Public Authority contracts.

b) Any contract in excess of $1,000,000 that is to be awarded by a state authority 1) to a "single source" or "sole source", or pursuant to any other means of procurement that is not competitive, or 2) where the monies to be paid in whole or in part have been appropriated by the state to the state authority for such contractual expenditure ("Eligible Contract"), must be reported in advance of execution to the OSC. Upon execution, all such Eligible Contracts must be filed with the OSC within 60 days.

c) If the OSC has previously identified a contract or category of contract as "reviewable" ("Reviewable Contract)", such contract must include language stating that it is subject to OSC approval and the executed Reviewable Contract must be submitted to the OSC for review. If the OSC does not act to disapprove the Reviewable Contract within 90 days, the contract is valid.

d) Where the OSC has notified the Corporation that any contract or category of contracts shall be subject to OSC approval, NYPA shall include or cause to be included in each such contract a provision informing the other party that such contract is subject to OSC approval pursuant to the OSC's authority to supervise the accounts of public corporations.

e) If the OSC has not approved or disapproved any contract subject to its approval within ninety days of submission to its office, such contract shall become valid and enforceable without such approval.

5.3 CORPORATION REAL PROPERTY REPORTS

5.3.1 The Corporation shall publish the following reports in accordance with these Guidelines:

a) Pursuant to Section 2800 of the Public Authorities Law, the Corporation shall furnish a report for incorporation in the Corporation's annual report which is distributed to the Governor, the Chairman and Ranking Minority Member of the Senate Finance Committee, the Chairman and Ranking Minority Member of the Assembly Ways and Means Committee, the State Comptroller and the State Authorities Budget Office. This report shall include (a) a listing of all Real Property having an estimated Fair Market Value greater than fifteen thousand dollars ($15,000.00) that the Corporation Disposed of during such reporting period and the name of the purchaser of the Real

Property and the price paid by the purchaser for the Real Property, and (b) a description of the total amounts of Real Property sold without competitive bidding, including (i) the nature of the Real Property, (ii) the names of the counterparties, and (iii) where the price for the Real Property sold is less than Fair Market Value, a detailed explanation of the justification for making the sale without competitive bidding, and a certification by the Power Authority's Chief Executive Officer and Chief Financial Officer that they have reviewed the terms of such sale and determined that it complies with applicable law.

b) Pursuant to Public Authorities Law § 2896(3), the Corporation shall prepare for distribution to the State Comptroller, the Director of the Division of the Budget, the Commissioner of General Services, the State Legislature and the State Authorities Budget Office, an annual report listing all real property of the Corporation, which report shall include a list and full description of all Real Property Disposed of during the fiscal reporting period. Regarding Disposals, this annual report shall include the price received by the Corporation and the name of the purchaser of the Real Property.

5.3.2 The Corporation may be called upon periodically to submit information regarding the Disposal of Real Property to organizations implementing the PAL or other statutes regulating the Disposal of Real Property.

5.3.3 The Corporation's Governance Committee meets at least three times per year and Corporation staff may be required to prepare and present ongoing reports regarding the Disposal of Real Property.

5.4 APPROVAL OF GUIDELINES BY THE AUTHORITY'S BOARD

The Guidelines shall be annually reviewed and approved by the Corporation's Board of Trustees. On or before the thirty-first day of March in each year, the Corporation shall file with the State Comptroller a copy of the most recently reviewed and approved Guidelines, including the name of the Corporation's designated Contracting Officer. At the time of filing such Guidelines with the State Comptroller, the Corporation shall also post such Guidelines on its internet website.

6 VIOLATIONS

Violations of these Guidelines and related policies and procedures by employees may result in disciplinary action up to and including termination. In addition, where the conduct engaged in is illegal, violators may be subject to prosecution under applicable federal, state or local laws.

7 REFERENCES

Canal Law
Public Authorities Law

8 PROCEDURE REVIEW AND EXPIRATION

This document will be reviewed and updated as business needs require. However, a mandatory review will be required on the anniversary date of the approved document.

Revision cycle:

9 ATTACHMENTS

N/A

Exhibit B-1
October 20, 2026

GUIDELINES

AND

PROCEDURES

FOR THE

ACQUISITION OF REAL PROPERTY

BY THE NEW YORK POWER AUTHORITY

INDEX

Article	Description	Page
I.	PURPOSE…….….....	1
II.	DEFINITIONS…….….....	1-2
III.	COMPLIANCE OVERVIEW…….….....	2
IV.	DUTIES OF THE DIRECTOR CORPORATE REAL ESTATE ….....	2-3
V.	ETHICAL CONSIDERATIONS……...…….....	3-4
VI.	ACQUISITION REPORTS BY AUTHORITY….....	4-5

GUIDELINES AND PROCEDURES FOR THE ACQUISITION OF REAL PROPERTY BY THE NEW YORK POWER AUTHORITY

I. PURPOSE

1.1 These Guidelines and Procedures for the Acquisition of Real Property ("Guidelines"), which comply with Title 2, Article 9 of the Public Authorities Law, establish the procedures that detail the Authority's policy and instructions regarding the acquisition of real property. In addition, the Guidelines designate a Contracting Officer who is responsible for the Authority's compliance with, and enforcement of, the Guidelines.

II. DEFINITIONS

2.1 "Contracting Officer" shall mean the officer or employee of the Authority who shall be responsible for enforcement of the Guidelines for the acquisition of real property. The "Contracting Officer" is hereby designated to be the Assistant General Counsel - Real Estate, or the equivalent(s), or designee.

2.2 "Acquisition" or "Acquire" shall mean to obtain title to or any other beneficial interest in real property in accordance with applicable statutes and these Guidelines.

2.3 "Fair Market Value" shall mean the estimated dollar amount that a willing buyer would pay to a willing seller for the Real Property in an arms-length transaction in the appropriate marketplace and under similar circumstances.

2.4 "Real Property" shall mean real property, including land, tenements and hereditaments owned by the Authority, and any other interest in such real property, to the extent that such interest may be conveyed to another person or entity for any purpose, excluding an interest securing a loan or other financial obligation of another party.

2.5 "Relative" is any person living in the same household as the Authority employee or any person who is a direct descendant of the Authority employee's grandparents or the spouse of such descendant, as referred to in Article 5 of these Guidelines.

III. COMPLIANCE OVERVIEW

3.1 These Guidelines are being adopted consistent with the Public Authorities Law ("PAL").

3.2. The Authority may Acquire Real Property through purchase, eminent domain, state transfers of jurisdiction, lease and by other legal means.

3.3 The Authority's New York statutory authority for land acquisition includes, without limitation, the Public Authorities Law, the Real Property Law, the Public Lands Law, the Eminent Domain Procedure Law and the Highway Law, as amended.

IV. DUTIES OF THE DIRECTOR CORPORATE REAL ESTATE

4.1 The Director Corporate Real Estate or the equivalent(s) or designee will maintain adequate inventory controls and accountability systems for all Real Property under the Authority's control.

4.2 Real Property to be Acquired by the Authority will be in support of existing operating and transmission facilities or in support of new initiatives being pursued by the Authority. The Director Corporate Real Estate or the equivalent(s) or designee will, in consultation with the other appropriate Authority staff (by oral or written communication), determine what Lands are necessary or convenient for Acquisition by the Authority.

4.3 The compensation for and the procedure for such Acquisition must be consistent with these Guidelines and the Authority's Real Estate Expenditure Authorization Procedures as amended.

4.4 The Director Corporate Real Estate or the equivalent(s) or designee will arrange for the transfer or Acquisition of any Real Property identified for Acquisition by the Authority in accordance with these Guidelines and the Authority's Real Estate Expenditure Authorization Procedures and as soon as reasonably practical under the circumstances.

4.5 The Director Corporate Real Estate or the equivalent(s) or designee will provide all

relevant documentation to the Authority's Environmental Division to determine whether the Acquisition of Real Property is in compliance with the State Environmental Quality Review Act, and whether it adheres to the American Society of Testing and Material's Guidelines for Environmental Site Assessments, if applicable.

4.6 Public Authorities Law Section 2879-a establishes a framework for the Office of the State Comptroller ("OSC") to review and approve certain Public Authority contracts.

4.6.1. Any contract in excess of $1,000,000 that is to be awarded by a state authority 1) to a "single source" or "sole source", or pursuant to any other means of procurement that is not competitive, or 2**)** where the monies to be paid in whole or in part have been appropriated by the state to the state authority for such contractual expenditure ("Eligible Contract"), must be reported in advance of execution to the OSC. Upon execution, all such Eligible Contracts must be filed with the OSC within 60 days.

4.6.2. If the OSC has previously identified a contract or category of contract as "reviewable" ("Reviewable Contract)", such Reviewable Contract must include language stating that it is subject to OSC approval and the executed Reviewable Contract submitted to the OSC for review. If the OSC does not act to disapprove the contract within 90 days, the contract is valid.

V. ETHICAL CONSIDERATIONS

5.1 No Authority employee who is involved in the Acquisition of Real Property, may ask any purchaser, grantor, lessor or officers, directors or employees of such current or prospective purchaser, grantor or lessor to reveal: (a) the political party affiliation of the individual; (b) whether the individual or entity has made campaign contributions to any political party, elected official, or candidate for elective office; or (c) whether the individual voted for or against any political party, elected official or candidate for elective office.

5.2 No Authority employee may take part in any Acquisition decision involving the payment of more than $1,000: (i) to a Relative; or (ii) to any entity in which a Relative owns or controls 10% or more of the stock of such entity (or 1% in the case of a corporation whose stock is regularly traded on an established securities exchange); or serves as an officer, director or partner of that entity. If such situation arises, the employee must advise his or her supervisor of the relationship, and must be recused from any and all discussions or decisions relating to the matter.

VI. ACQUISITION REPORTS BY THE AUTHORITY

6.1 The Director Corporate Real Estate or equivalent(s) or designee shall publish the following reports in accordance with these Guidelines:

6.1.1 Pursuant to Section 2800 of the Public Authorities Law, the Director Corporate Real Estate shall furnish a report for incorporation in the Authority's annual report which is distributed to the Governor, the Chairman and Ranking Minority Member of the Senate Finance Committee, the Chairman and Ranking Minority Member of the Assembly Ways and Means Committee, the State Comptroller and the State Authorities Budget Office. This report shall include (a) a listing of all Real Property having an estimated Fair Market Value

greater than fifteen thousand dollars ($15,000.00) that the Authority Acquired during such reporting period and the name of the seller of the Real Property and the price paid by the Authority for the Real Property, and (b) a description of the total amounts of Real Property purchased without competitive bidding, including (i) the nature of the Real Property, (ii) the names of the counterparties, and (iii) where the price for the Real Property purchased exceeds Fair Market Value, a detailed explanation of the justification for making the purchase without competitive bidding, and a certification by the Authority's Chief Executive Officer and Chief Financial Officer that they have reviewed the terms of such purchase and determined that it complies with applicable law.

6.1.2 The Authority may be called upon periodically to submit information regarding the Acquisition of Real Property to organizations implementing the PAL or other statutes regulating the Acquisition of Real Property, such as the Authority Budget Office through the Public Authorities Reporting System ("PARIS").

6.1.3 The Authority's Governance Committee meets at least three times per year and staff from Legal Affairs or the equivalent may, upon request, prepare and present ongoing reports regarding the Acquisition of Real Property.

Guidelines and Procedures for the Acquisition of Real Property by the Canal Corporation

Note: Revision # should be listed in descending order starting with most recent version at the top

Revision Date(For BCG Use Only)	Revision #	Description/Modification	Revision Section (s)	Author
[Revision Date]	1	Conversion to new Canal document template	All	Allison Renstrom Shea Assistant General Counsel

Contents

1 Purpose and Scope 3
2 Applicability 3
3 Initialisms (Acronyms) and Definitions 3
4 Responsibility 4
5 Procedure Implementation 4
6 Violations 6
7 References 6
8 Procedure Review and Expiration 7
9 Attachments 7

1 PURPOSE AND SCOPE

These Guidelines for the Acquisition of Real Property ("Guidelines"), which comply with Title 2, Article 9 of the Public Authorities Law, establish the procedures that detail the Canal Corporation's ("Corporation") policy and instructions regarding the acquisition of real property. In addition, the Guidelines designate a contracting officer who is responsible for the Corporation's compliance with, and enforcement of, the Guidelines.

The powers and duties relating to the New York State canal system, which were transferred to and merged with the Power Authority of the State of New York ("Power Authority") pursuant to Section 5 of the Canal Law, may be exercised by the Power Authority directly or through the Corporation on behalf of the people of the State of New York.

2 APPLICABILITY

These Guidelines apply to all Corporation employees who intend to Acquire Real Property for the Corporation.

3 INITIALISMS (ACRONYMS) AND DEFINITIONS

Contracting Officer - shall mean the officer or employee appointed by resolution of the Corporation's Trustees to be responsible for compliance with, and enforcement of, the Guidelines for the acquisition of real property. The "Contracting Officer" is hereby designated to be the Power Authority Assistant General Counsel – Real Estate, or the equivalent(s), or designee.

Corporation – Canal Corporation

Acquisition or Acquire – shall mean to obtain title to or any other beneficial interest in real property in accordance with applicable statutes and these Guidelines.

Fair Market Value – shall mean the estimated dollar amount that a willing buyer would pay to a willing seller for the Real Property in an arms-length transaction in the appropriate marketplace and under similar circumstances.

OSC – Office of the State Comptroller

PAL – Public Authorities Law

PARIS – Public Authorities Reporting System

Real Property – shall mean real property, including land, tenements and hereditaments owned by the Corporation, and any other interest in such real property, to the extent that such interest may be conveyed to another person or entity for any purpose, excluding an interest securing a loan or other financial obligation of another party.

Relative – is any person living in the same household as the Corporation employee or any person who is a direct descendant of the Corporation employee's grandparents or the spouse of such descendant, as referred to in Article 5 of these Guidelines.

4 RESPONSIBILITY

The Board shall adopt by resolution Guidelines for the Acquisition of Corporation Real Property and which designate a Contracting Officer who is responsible for compliance with and enforcement of, these Guidelines.

5 PROCEDURE IMPLEMENTATION

5.1 COMPLIANCE OVERVIEW

5.1.1 These Guidelines are being adopted consistent with the Public Authorities Law ("PAL").

5.1.2 The Corporation may Acquire Real Property through purchase, eminent domain, state transfers of jurisdiction, lease and by other legal means.

5.1.3 The Corporation's New York statutory authority for land acquisition includes, without limitation, the Canal Law, the Public Authorities Law, the Real Property Law, the Public Lands Law, the Eminent Domain Procedure Law and the Highway Law, as amended.

5.2 DUTIES OF THE CORPORATION

5.2.1 The Corporation will maintain adequate inventory controls and accountability systems for all Real Property under the Corporation's control.

5.2.2 Real Property to be Acquired by the Corporation will be in support of existing facilities, operations or in support of new initiatives being pursued by the Corporation.

5.2.3 The compensation for and the procedure for such Acquisition must be consistent with these Guidelines and the Corporation's Real Estate Expenditure Authorization Procedures as amended.

5.2.4 The Corporation will arrange for the transfer or Acquisition of any Real Property identified for Acquisition in accordance with these Guidelines and the Corporation's Real Estate Expenditure Authorization Procedures and as soon as reasonably practical under the circumstances.

5.2.5 Public Authorities Law Section 2879-a establishes a framework for the Office of the State Comptroller ("OSC") to review and approve certain contracts.

a) Any contract in excess of $1,000,000 that is to be awarded by a state authority 1) to a "single source" or "sole source", or pursuant to any other means of procurement that is not competitive, or 2) where the monies to be paid in whole or in part have been appropriated by the state to the state authority for such contractual expenditure ("Eligible Contract"), must be reported in advance of execution to the OSC. Upon execution, all such Eligible Contracts must be filed with the OSC within 60 days.

b) If the OSC has previously identified a contract or category of contract as "reviewable" ("Reviewable Contract)", such Reviewable Contract must include language stating that it is subject to OSC approval and the executed Reviewable Contract must be submitted to the OSC for review. If the OSC does not act to disapprove the Reviewable Contract within 90 days, the contract is valid.

5.3 ETHICAL CONSIDERATIONS

5.3.1 No Corporation employee who is involved in the Acquisition of Real Property, may ask any purchaser, grantor, lessor or officers, directors or employees of such current or prospective purchaser, grantor or lessor to reveal: (a) the political party affiliation of the individual; (b) whether the individual or entity has made campaign contributions to any political party, elected official, or candidate for elective office; or (c) whether the individual voted for or against any political party, elected official or candidate for elective office.

5.3.2 No Corporation employee may take part in any Acquisition decision involving the payment of more than $1,000: (i) to a Relative; or (ii) to any entity in which a Relative owns or controls 10% or more of the stock of such entity (or 1% in the case of a corporation whose stock is regularly traded on an established securities exchange); or serves as an officer, director or partner of that entity. If such situation arises, the

employee must advise his or her supervisor of the relationship, and must be recused from any and all discussions or decisions relating to the matter.

5.4 ACQUISITION REPORTS BY THE CORPORATION

5.4.1 The Corporation shall publish the following reports in accordance with these Guidelines:

a) Pursuant to Section 2800 of the Public Authorities Law, the Corporation shall furnish a report for incorporation in the Corporation's annual report which is distributed to the Governor, the Chairman and Ranking Minority Member of the Senate Finance Committee, the Chairman and Ranking Minority Member of the Assembly Ways and Means Committee, the State Comptroller and the State Authorities Budget Office. This report shall include (a) a listing of all Real Property having an estimated Fair Market Value greater than fifteen thousand dollars ($15,000.00) that the Corporation Acquired during such reporting period and the name of the seller of the Real Property and the price paid by the Corporation for the Real Property, and (b) a description of the total amounts of Real Property purchased without competitive bidding, including (i) the nature of the Real Property, (ii) the names of the counterparties, and (iii) where the price for the Real Property purchased exceeds Fair Market Value, a detailed explanation of the justification for making the purchase without competitive bidding, and a certification by the Power Authority's Chief Executive Officer and Chief Financial Officer that they have reviewed the terms of such purchase and determined that it complies with applicable law.

b) The Corporation may be called upon periodically to submit information regarding the Acquisition of Real Property to organizations implementing the PAL or other statutes regulating the Acquisition of Real Property, such as the Authority Budget Office through the Public Authorities Reporting System ("PARIS").

c) The Corporation's Governance Committee meets at least three times per year and Corporation staff may be required to prepare and present ongoing reports regarding the Acquisition of Real Property.

6 VIOLATIONS

Violations of these Guidelines and related policies and procedures by employees may result in disciplinary action up to and including termination. In addition, where the conduct engaged in is illegal, violators may be subject to prosecution under applicable federal, state or local laws.

7 REFERENCES

Public Authorities Law

8 PROCEDURE REVIEW AND EXPIRATION

This document will be reviewed and updated as business needs require. However, a mandatory review will be required on the anniversary date of the approved document.

Revision cycle:

9 ATTACHMENTS

N/A

DELEGATION OF APPROVAL / SIGNATORY AUTHORITY FOR CLAIMS SETTLEMENT AND PAYMENT FOR REAL ESTATE

	Real Estate Administrator or Equivalent	Director Corp. Real Estate or Equivalent[1]	AGC-RE or Equivalent[2]	President/Chairman	Trustees
A) Acquisition and disposition of fee and permanent easement interests in real property other than by appropriation or condemnation:		**up to $ 10,000 value* per parcel**	**up to $ 25,000 value* per parcel**	**up to $ 3,000,000 value* per parcel**	**> $ 3,000,000 value* per parcel**
B) Permits, Licenses, Easements for a Term of Years, and Operating Agreements for use of property owned by others or for use of Authority property by others:	**up to $1,000 annual value**	**up to $10,000 annual value**	**up to $25,000 annual value**	**up to $100,000 annual value**	**>$100,000 annual value**
C) Agreement for annual payment in lieu of taxes: [3] (per year)		**up to $10,000 per parcel**	**up to $50,000 per parcel**	**up to $100,000 per parcel**	**> $100,000 per parcel**
D) Leases or Lease Extensions where Authority is either landlord or tenant:		**up to 5-year term including all renewal options *and* not exceeding $30,000 annual rent**	**up to 10-year term including all renewal options *and* not exceeding $50,000 annual rent**	**up to 10-year term including all renewal options *and* > $50,000 and ≤$100,000 annual rent**	**> 10-year term including all renewal options *or* > $100,000 annual rent regardless of term**
E) Advance payments for acquisition of real property by condemnation or appropriation:		**100% of AV with concurrence of General Counsel if over $100,000**			
F) Entry into Options preparatory to acquisition of interests in real property		**Up to 1-year option term *and* annual option fee not exceeding $10,000**	**Up to 2-year option term *and* annual option fee not exceeding $25,000**	**>2-year option term *and* annual option fee not exceeding $3,000,000**	**annual option fee exceeding $3,000,000**
G Settlement of claims resulting from:					
1) Acquisition of Real Property by Appropriation or Condemnation: [4]					
(a) If AV [5] is $ 20,000 or less:		**≤ 150% of AV *or* AV + $2,000**	**≤ 200% of AV *or* AV + $6,000**	**> 200% of AV *or* AV + $6,000**	
(b) If AV is $ 200,000 or less:		**≤ 125% of AV**	**≤ 150% of AV**	**≤ 175% of AV**	**> 175% of AV**
(c) If AV is $ 500,000 or less:		**≤ 110% of AV**	**≤ 120% of AV**	**≤ 135% of AV**	**> 135% of AV**
(d) If AV is $1,000,000 or less:		**AV**	**≤ 110% of AV**	**≤ 135% of AV**	**> 135% of AV**
(e) If AV is more than $1,000,000:		**--**	**≤ AV**	**≤ 120% of AV**	**> 120% of AV**
2) Agricultural damages and mitigation:	**up to $1,000**	**up to $20,000**	**up to $100,000**	**up to $300,000**	**> $300,000**
3) Miscellaneous damages:	**up to $1,000**	**up to $20,000**	**up to $50,000**	**up to $100,000**	**> $100,000**
4) Radio & TV interference; audible noise:		**up to $20,000**	**up to $50,000**	**up to $100,000**	**> $100,000**

(1) The Real Estate Director-Renewables is also authorized to sign commitments up to the Director level for Real Estate transactions for Renewable Projects.
(2) The General Counsel is also authorized to sign commitments for Real Estate transactions up to the AGC-RE level in the latter's absence.
(3) Only upon approval by Trustees to make payment in lieu of taxes for the specific project.
(4) Only upon approval by the Trustees of the acquisition.

(5) AV = Appraised Value
*** Value = Fair Market Value (FMV) or negotiated value or total consideration for Option Agreement**

DELEGATION OF APPROVAL / SIGNATORY AUTHORITY FOR CLAIMS SETTLEMENT AND PAYMENT FOR REAL ESTATE

	Director of Canal Real Property Mgmnt.	Director, Canal Technical Services	Canal Regional Manager or Equivalent[1]	President/Chairman	Trustees
A) Acquisition and disposition of fee and easement interests in real property other than by appropriation or condemnation:		**up to $ 10,000 FMV* per parcel**	**up to $ 25,000 FMV per parcel**	**up to $ 250,000 FMV per parcel**	**> $ 250,000 FMV per parcel**
B) Permits, Licenses and Operating Agreements, And Access Agreements for use of property owned by others:	**up to $1,000 annual value**	**up to $10,000 annual value**	**up to $25,000 annual value**	**up to $100,000 annual value**	**>$100,000 annual value**
C) Permits for use of Canal property by others:	**up to $10,000 annual value**	**up to $75,000 annual value**	**up to $100,000 annual value**	**up to $150,000 annual value**	**>150,000 annual value**
D) Leases or Lease Extensions where Canals is the landlord or tenant:		**up to 5-year term including all renewal options *and* not exceeding $30,000 annual rent**	**up to 10-year term including all renewal options *and* not exceeding $50,000 annual rent**	**up to 10-year term including all renewal options *and* > $50,000 and ≤$100,000 annual rent**	**> 10-year term including all renewal options *or* > $100,000 annual rent regardless of term**
E) Advance payments for acquisition of real property by condemnation or appropriation:		**100% of AV* with concurrence of General Counsel if over $100,000**			
F) Entry into Options preparatory to acquisition of interests in real property		**Up to 1-year option term *and* annual option fee not exceeding $10,000**	**Up to 2-year option term *and* annual option fee not exceeding $25,000**	**>2-year option term *and* annual option fee not exceeding $3,000,000**	**annual option fee exceeding $3,000,000[4]**
F) Settlement of claims resulting from:					
1) Acquisition of Real Property by Appropriation or Condemnation: [2]					
(a) If AV is $ 20,000 or less:		**≤ 150% of AV *or* AV + $2,000**	**≤ 200% of AV *or* AV + $6,000**	**> 200% of AV *or* AV + $6,000**	
(b) If AV is $200,000 or less:		**≤ 125% of AV**	**≤ 150% of AV**	**≤ 175% of AV**	**> 175% of AV**
(c) If AV is $500,000 or less:		**≤ 110% of AV**	**≤ 120% of AV**	**≤ 135% of AV**	**> 135% of AV**
(d) If AV is $1,000,000 or less:		**AV**	**≤ 110% of AV**	**≤ 135% of AV**	**> 135% of AV**
(e) If AV is more than $1,000,000:		**--**	**≤ AV**	**≤ 120% of AV**	**> 120% of AV**
2) Agricultural damages and mitigation:	**up to $1,000**	**up to $20,000**	**up to $100,000**	**up to $300,000**	**> $300,000**
3) Miscellaneous damages:	**up to $1,000**	**up to $20,000**	**up to $50,000**	**up to $100,000**	**> $100,000**

(1) The Assistant General Counsel – Real Estate or Equivalent –is also authorized to sign commitments for Real Estate transactions up to the Canal Regional Manager level in the latter's absence.

(2) Only upon approval by the Trustees of the acquisition.

*** AV = Appraised Value, FMV = Fair Market Value**

NEW YORK STATE | NY Power Authority | Canal Corporation

MINUTES OF THE JOINT GOVERNANCE COMMITTEE MEETING

March 20, 2026

Table of Contents

Subject	Page No.
Introduction	3
1. Adoption of the March 20, 2026 Proposed Special Meeting Agenda	3
2. MOTION TO CONDUCT AN EXECUTIVE SESSION	3
3. MOTION TO RESUME MEETING IN OPEN SESSION	3
4. DISCUSSION AGENDA:	3
a. Diversity, Equity, Inclusion and Accessibility Update	3
b. External Communications Strategy	14
5. CONSENT AGENDA:	16
a. New York Power Authority and Canal Corporation Ethics and Compliance Program Report	17
b. Procurement and Related Reports for New York Power Authority and Canal Corporation (January – December 2025)	25
c. Annual Report of Procurement Contracts, and Annual Review of Open Procurement Service Contracts	25
d. Annual Review and Approval of Guidelines and Procedures for the Disposal and Acquisition of Real Property, and Annual Reports for the Disposal and Acquisition of Real Property	26
e. Annual Review and Approval of Certain Policies for New York Power Authority and Canal Corporation	26
f. New York Power Authority and Canal Corporation 2025 Annual Board Evaluation Pursuant to Sections 2800 and 2824of the Public Authorities Law and Guidance of the Authorities Budget Office	28
g. Annual Review and Approval of Guidelines for the Investment of Funds and 2025 Annual Report on Investment of Authority Funds	28
h. Annual Report on New York Power Authority and New York State Canal Corporation 2026 Mission Statements and Strategic Plans	29
i. Approval of the Minutes of the Joint Meeting of the New York Power Authority and Canal Corporation Governance Committee held on October 14, 2025	29
6. Next Meeting	29
Adjournment	29

Minutes of the special joint meeting of the New York Power Authority and Canal Corporation's Governance Committee held via videoconference on Tuesday, March 20, 2026, at approximately 8:30 a.m.

Members present were:
Bethaida Gonzalez - Chair
Lewis M. Warren, Jr.
Cecily Morris

Members excused were:
John R. Koelmel
Dennis Trainor

Also in attendance were:

Justin E. Driscoll	President and Chief Executive Officer
Joseph Kessler	Executive Vice President and Chief Operating Officer
Adam Barsky	Executive Vice President and Chief Financial Officer
Karina Saslow	Senior Vice President - Human Resources
Daniella Piper	Executive Vice President and Chief Innovation Officer (Excused)
Robert Piascik	Senior Vice President and Chief Information & Technology Officer (Excused)
Alexis Harley	Senior Vice President and Chief Risk and Resiliency Officer (Excused)
Charles Imohiosen	Senior Vice President - Communications and External Affairs
Salman Ali	Senior Vice President - Internal Audit
Paul DeMichele	Chief of Staff
Joseph Kessler	Executive Vice President and Chief Operating Officer
Patricia Lombardi	Senior Vice President Project Delivery
Donna McMongale	Senior Director Corporate Finance
Justin Pryune	Director, Equal Employment Opportunity/Affirmative Action Office Investigations
Nancy Harvey	Chief Diversity, Equity and Inclusion Officer
Kaela Mainsah	Vice President, Environmental Justice
John Canale	Senior Vice President, Strategic Supply Management
Tianna Tyler	Program Manager, Environmental Justice
Theresa Santoro	Senior Director, Community and Government Relations
Pooja Nayyar	Senior Director, Organizational and Talent Development
Eric Alemany	Vice President Supplier Relationship Management
Will Choi	Senior Director Supplier Engagement & Compliance
Ronald Carroll	Vice President and Chief Data & Artificial Intelligence Officer
Joseph Gryzlo	Vice President and Chief Ethics & Compliance Officer
Maribel Cruz	Senior Vice President, Customer Solutions
Nicholas Gonzalez	Treasurer
Chad Gholizadeh	Deputy General Counsel
Karen Delince	Vice President and Corporate Secretary
Felisa Hochheiser	Deputy Corporate Secretary
Sheila Quatrocci	Manager, Corporate Secretary

Michele Stockwell	Associate, Corporate Secretary
Fiona Khan	Senior Assistant Corporate Secretary

Chair Bethaida Gonzalez presided over the meeting. Vice President and Corporate Secretary Delince kept the Minutes.

Introduction

Chair Bethaida Gonzalez welcomed committee members and the Authority's senior staff to the meeting. She said that the meeting has been duly noticed as required by New York State's Open Meetings Law and called the meeting to order.

1. Adoption of the March 20, 2026 Proposed Special Meeting Agenda

On motion by member Warren, Jr. and seconded by member Morris, the agenda for the meeting was adopted. (3-0)

2. MOTION TO CONDUCT AN EXECUTIVE SESSION

On motion by member Warren, Jr. and seconded by member Morris, the members held an executive session to discuss matters leading to the possible appointment, employment, or promotion of a particular person or corporation (pursuant to section 105 of the Public Officers Law). (3-0)

3. MOTION TO RESUME MEETING IN OPEN SESSION

On motion by member Warren, Jr., and seconded by member Morris, the meeting resumed in Open Session. No votes were taken during Executive Session. (3-0)

4. DISCUSSION AGENDA:

a. Diversity, Equity, Inclusion and Accessibility Update

Nancy Harvey, Chief Diversity, Equity and Inclusion Officer, presented the update.

- **Diversity, Equity, Inclusion and Accessibility Update**

  - NYPA is committed to a just and equitable clean energy future for New York by meeting the demand for energy that is:
    - Clean
    - Affordable
    - Renewable, including:
      - Recreation that is accessible in a way that will support and create opportunity for everyone
  - The organization is focused on a core pillar that uplifts its people and lives its values.
  - Back in October 2025, the team discussed its program and today they will share what they are learning.

- **Today's Agenda – Our Why, Updates on 3Es of Impact and Q&A**

  - Topics of discussion include:
    - The Why
    - Providing an update on IDEALS
    - The three Es of Impact – Employer, Economy and Environment
    - Opportunity for questions and answers

- **The "Why" – The IDEALS Committee**

  - Success at NYPA and Canals is determined by the success of its people, and this is reliant on a culture that is:

    - Inclusive
    - Diverse
    - Safety first
    - Centers on:
      - Everyone contributes
      - Everyone belongs

  - The organizational resilience for innovation and overall capacity requires:

    - Collaborative decision making
    - Strategic prioritization
    - Aligned resource allocation

  - The Committee is comprised of Subject Matter Experts (SMEs) from across NYPA and Canal Corporation.

  - These SMEs collaborate to drive and achieve the goals of VISION2030 Renewed by addressing challenges using a critical eye of the DEIA lens.

- **IDEALS Committee Charter – Our Purpose**

  - The foundational charter began in 2025, and in early 2026, it was established with the significance to:

    - Formalize governance
    - Clarify NYPA's goals
    - Clarify NYPA's responsibilities
    - Clarify procedures
    - Ensure there is transparency across the committee members

  - The Committee meets on a monthly basis as SMEs to collaboratively discuss resource utilization that will help the organization better serve its customers and partners by:

    - Decision making
    - Suggesting process improvements

- **What We're Doing**

  - Leadership circles have been established that meet on a monthly basis.

  - Some issues were surfaced across NYPA's groups, and these circles work best because people are highly engaged.

  - The team will continue to provide periodic updates to the Executive Management Committee (EMC) and the Governance Committee.

  - The last meeting back in February 2026 addressed:

    - Updates on the leadership circles
    - Ensuring there is a strong pipeline into NYPA's C-suite employees through:
      - Recruitment
      - Interns

- Analyzing how NYPA is strategically working on:
  - Engagement of external partners
  - Leveraging this space
  - Discussing other issues being worked on

- The plan is to share an update on these matters at the October 2026 Governance Committee Meeting.

- VISION2030 Renewed is in full progress with many projects happening, and NYPA learned that early employee engagement and testing groups have helped improve these initiatives, *e.g.*, Project Luminate and Workday.

Harvey emphasized leveraging the information received from NYPA's leaders and its employees ensures a more effective and impactive outcome when introduced later in 2026.

Pooja Nayyar, Senior Director Organizational and Talent Development, continued the update.

➢ **Employer**

- A key pillar in the three Es framework.

- NYPA's strategy focuses on attracting and retaining top talent by ensuring that everyone:

- Contributes
- Belongs
- Is heard

• **Engagement has Improved Since 2015**

- **Employee Engagement Survey** – The organization has been performing this survey every two years since 2015, for the past 10 years.

- **Engagement Survey Results** - The current result has been the best year yet after launching in November 2025, due to all of the actions taken over the past several years contributing to the building of:
  - Resilience
  - Inclusivity
  - Safe culture

- **Participation** - Increased from 81% in 2023, to 84%, a positive increase that displays the people's willingness to be heard and provide feedback to be shared.

- **Engagement Score** – The score has doubled since the start of the process back in 2015: NYPA is at the 74th percentile, up four points from the last round. This increase demonstrates that NYPA is performing better than other organizations that have conducted this survey

- **Engaged Employees** – More than doubled since 2015, now at 33%, the highest seen to date.

- **Disengaged Employees** – The organization has seen a reduction in this area.

- This is due to NYPA's high intentional action planning with overall significantly positive results.

- High engagement scores also drive tangible business outcomes such as:

- Improved safety scores
- Improved financial performance
- Improved customer satisfaction
- Employee retention

- **DEI Index for Engagement**

  - The report was introduced in 2021, and contains a subset of 15 survey questions that are statistically linked to promoting an inclusive culture, including:

    - Professional growth
    - Driving belonging
    - People feeling respected
    - People feeling valued

  - Results have demonstrated positive trends across the past three surveys.

  - The organization continues to work on its action planning, which is a key component in order to remain on track with what is being done well and for opportunities to do better.

  - The IDEALS Committee spearheads the continued advancement of these efforts by:

    - Reviewing feedback
    - Helping to identify priority areas
    - Working with businesses
    - Working with NYPA senior leaders

- **More Inclusive NYPA and Canals Culture**

  - Employee Resource Groups (ERGs) and ERG events also play a role in this progress; both are invaluable resources in the development of belonging.

  - NYPA has over 800 employees that are active in its seven ERGs. The newest one, Abilities Beyond Limits and Expectations (ABLE), contains 90 members that drive the creation of:

    - Culture
    - Opportunities to build community
    - Building networks
    - Developing new skillsets

  - The Office of Civil Rights and Inclusion (OCRI) team partners with ERG leadership on a number of events including:

    - ERG Summit on Courageous Conversations taking place in November 2026

    - ERG Awards of Excellence celebrated internal leaders across the entire organization with over 65 peer nominations received.

- **Employees Continue to Join ERGs and Opt into Cultural Learning in 2025**

  - ERGs are significant to help a sense of belonging, and almost half of its members are a result of some of the DEI foundations training.

  - They also act as a positive on ramp for new hires and a really great way for new employees to:

    - Find their people
    - Build informal networks

- Begin to feel a sense of belonging as they start within the organization

– Membership has increased by 23% and driving:

- Connection engagement
- Sense of community

– Opportunities to be created for professional development by enabling:

- Taking on leadership role
- Roles that weren't available within their existing roles
- Creation of informal mentorships

– NYPA fosters professional development opportunities through highly coveted and leveraged programs in a variety of ways including:

- Advancing Women Executives (AWE)
- Pathways Program
- Connected Leadership Academy

– Nancy Florence, an accomplished category manager in the procurement department for the past eight years, is responsible for:

- Strategic sourcing
- Forecasting
- Market intelligence
- Planning and execution of capital projects for internal and external stakeholders

(A brief video was played highlighting Nancy Florence's feedback)

– The employer pillar creates a substantial number of opportunities that strengthens employee:

- Engagement
- Passion
- Commitment

– These pillars drive NYPA's strategy towards VISION2030 alignment that helps support and achieve New York State's energy goals.

Jung (William) Choi, Senior Director Supplier Diversity, continued the update.

➢ **Economy**

• **Supplier Diversity Remains a Critical Component**

– The national landscape is shifting in particular for:

- Suppliers
- Supplier diversity

– Organizations are reassessing their approach to this work due to factors, including:

- New guidance
- Evolving market dynamics

– NYPA's commitment remains strong despite these external challenges.

- The organization surveyed key alliance partners in Q3 2025, and results reported:
  - 80% are committed to continuing supplier diversity principles
- The response demonstrates that the market values and recognizes the long-term value of supplier diversity.
- Many suppliers are adjusting and doubling down on what matters most, including:
  - Setting clear expectation goals
  - Participation goals
  - Tracking progress rigorously
  - Embedding accountability at every level
  - Helping to diversify supply chain
  - Assisting suppliers through:
    - Mentorships
    - Training
    - Transparent sourcing
- NYPA's commitment to VISION2030 Renewed coupled with the IDEALS team work in 2025, resulted in expenditures including:
  - Minority Women Business Enterprise (MWBE) - $126 million
    - Spend increase – 4%
  - Service Disabled Veteran Owned Business (SDVOB) - $15.2 million
    - Spend increase – 3%
  - New York Small Business Enterprise (SBE) - $238 million
    - Spend increase – 33%
- Overall, spend with actively included businesses increased 34% in comparison to 2024, demonstrating an upward trend in 2025.
- This effort was a result of intentional multi-level participation, and the results:
  - Increased NYPA's spend
  - Significantly deepened small business engagement
  - Set a new benchmark for 2026
- The goal is to spend smarter not more through procurement strategies that will reach further into communities by:
  - Expanding access
  - Deepening impact
  - Ensuring opportunities

- **$4.7 Million Increase in MWBE and SDVOB Spending for 2025**
  - Combined MWBE and SDVOB:
    - Overall Spend – Increased by 46% in 2025
    - Subcontracting Opportunities – Generated over $65 million
  - Treasury operations in 2025:

- 14.3% ($282 million) of investment was conducted with MWBE broker-dealers
- 15.2% (nearly $300 million) of investment was conducted with SDVOB broker-dealers

- **Small Business as Foundational to Community Building and NYPA's Success**
  - This enterprise-wide integration and supplier diversity impact is reflective of the numbers that include small businesses being the foundations of a thriving community that:
    - Creates jobs
    - Delivers essential services
    - Fuels local economies
  - Supplier diversity allows the organization to do more than project delivery. It also:
    - Builds economic opportunity at scale
    - Creates a workforce pipeline
    - Empowers entrepreneurs
    - Enables individuals to:
      - Seek jobs
      - Create jobs

- **NYPA Small Business Academy 2025 in Review**
  - **Supplier Diversity** - 312 businesses have graduated from NYPA supplier programs, brining new supplier into the supply chain.
  - **Accessibility Education** – The Authority supported 11 small businesses with developing strategic inclusion plans, *e.g.,* one business resulted in over 100 additional booking it may have missed or left behind due to them having a strategic inclusion plan.
  - **Power Up 2030** – NYPA is building the next generation of clean energy suppliers with 42 business currently prepared to compete in New York's clean energy future.
  - **Mentor Protégé Program** – The organization is strengthening engineering and construction firms and are gaining capabilities and relationships built through this program. NYPA's in-person quarterly meetings are held to collaborate with corporate insurance, health and safety teams to share their expertise with protégés and mentors.
  - **Small Local Capacity Building Program** – 28 early-stage entrepreneurs received support with the tools to grow and compete in 2025.

(A brief video was played on program participants and their experiences)

- **With Your Help, Our Impact is Bigger than Ever**
  - **Real Economic Mobility** – The IDEALS economy pillar, all across NYPA and its stakeholders are helping to create intentional:
    - Opportunity
    - Strategically
  - **2025 Supplier Diversity Expo** – The largest in its history, and NYPA is creating more opportunity for May 14, 2026, for suppliers to connect with decision makers and grow within the ecosystem.
  - Looking ahead, the organization is developing regional partnerships to:

  - Expand business development opportunities
  - Amplify procurements
  - Ensure the preparedness of communities across New York state to participate in the energy transition

- Intentional supplier diversity opportunity helps to strengthen New York by multiplying opportunities across:

  - Regions
  - Industries
  - Communities

Kaela Mainsah, Vice President - Environmental Justice, continued the update noting the discussion items will include:

- How External Affairs is driving the VISION2030 Renewed community goals

- NYPA's proactive outreach around Propel's transmission line commitment to early and inclusive community engagement

➢ **Environment**

• **Coordinating Community Engagement for NYPA Strategic Initiatives - Propel Campaign Pod**

- NYPA's External Affairs team, led by Charles Imohoisen, Senior Vice President Communications and External Affairs, are working on campaign pods that unites cross-functional teams and businesses units to drive and achieve high-priority industry initiatives, ***e.g.***, Propel

- The organization is ensuring it is leveraging the correct expertise and relationships to handle complex stakeholder multilayered challenges.

- The Propel pod team has been working together for a while prior to the award, and has completed:

  - **Geographic Information Systems (GIS) Analysis** – Provides understanding of the socioeconomic characteristics of impacted communities

  - Writing NYPA's narratives highlighting its historical commitment to communities, which were included in the business development application to the New York Independent System Operator (NYISO) response to the competitive solicitation

- The team continues to collaborate post award to advance this plan.

- The organization was awarded a $43 million federal grant intended to support the effort but was unable to implement due to the change in administration.

- The team will continue to be innovative in its approach to community development

Thersa Santoro, Senior Director, Community and Government Relations, continued the update.

➢ **Propel NY Energy**

- NYPA and New York Transco have collaborated on the development of Propel NY, a joint effort that will:

  - Construct approximately 90 miles of new underground and submarine transmission lines

- Create a 345-kilovolt backbone for the downstate electric grid
- Upgrade three substations

- The organization is upgrading the Uniondale Hub station, which will increase capabilities in:
  - Capacity
  - Interconnection

- These significant investments are advancing NYPA's strategic priority to be a leading owner and operator.

- **Committed to Engagement: Early, Often and Inclusive**

  - NYPA has emphasized being early, often, and inclusive before formal permitting milestones, to explain the project's purpose and long-term benefits by engaging those including:
    - Elected officials
    - Civic associations
    - Businesses
    - Chambers of Commerce

  - The organization has remained in consistent communication with the community, keeping them informed through various methods, including:
    - Utilizing public meetings
    - Virtual updates
    - Direct mailers
    - Door knocking
    - Translated materials
    - Regular newsletter updates

  - Multiple NYPA departments have been collaborating successfully to enable the organization to:
    - Communicate information to the community in a timely manner
    - Maintain consistent messaging
    - Address issues proactively

  - This early engagement has built support across sectors and in the community.

- **Supporters: Diverse Groups of Support from 1,000+ Entities (76 Formal Letters) to Date**

  - NYPA has benefitted from local partnerships that have:
    - Co-hosted events
    - Shared information
    - Helped to reinforce the importance of grid modernization

  - These relationships have become long-term partners for NYPA's future initiatives.

  - Propel NY crosses 34 municipalities and the organization conducted outreach across the project route by dedicating more effort into Disadvantaged Communities (DAC) allowing NYPA to reach all residents by:
    - Providing more resources
    - Partnering with trusted organizations
    - Partnering with local messengers

- **Committed to Engagement: "Early, Often and Inclusive"**

  - NYPA engages public participation by:

    - Providing educational tools
    - Providing information on potential project impacts
    - Advising how the public can participate in the permitting process

  - Propel NY's approach aligns with NYPA's VISION2030 Renewed community pillar and the project's impact of:

    - Early planning
    - Department coordination
    - Community first engagement

Santoro concluded, NYPA will continue the engagement model through construction, anticipated to start in 2026 through 2030, keeping the community informed and connected.

Tianna Tyler, Program Manager Environmental Justice, continued the update.

- **EnergizeU**

  - **Public Education Engagement**

    - In support of Propel NY, NYPA offers EnergizeU, a community energy education program delivered with:

      - Grassroots partners
      - Local leaders
      - Community-based organizations

    - The program offers youth initiatives, overseen by Tyler in collaboration with:

      - Local school districts
      - Board of Cooperative Educational Services (BOCES) programs

    - These programs are significant to students as they go through middle and high school that build strong and meaningful relations in areas centered on:

      - Energy generation
      - Transmission generation

  - **Career Opportunities and Workforce Development**

    - NYPA and its partner organizations held a workshop with the Point Community Development Corporations (CDC), located in the Bronx, a strong environmental advocate group. The activities included:

      - NYPA collaborating with youth advocates
      - Discussing transmission generation
      - Discussing the meaning of grid reliability
      - Acting as engineering teams to determine the best route of placing transmission lines
      - Figuring out various challenges including:
        - Disadvantaged Communities (DAC)
        - Wildlife preserves

        - Hospital
        - Schools

    - The group learned how to maneuver and think about these types of projects through:

        - Real world scenarios
        - Their feelings about complex processes
        - Decision making

    - This workshop was created in conjunction with:

        - New York Transco
        - WSP

- **Strategic Partnerships**

    - NYPA is continuing its strategic partnerships in order to create community messengers with local leaders by collaborating and supporting programs including:

        - **Citizens Campaign for the Environment** – Located in Uniondale, New York

        - **Brentwood School District** – Offering EnergizeU to four of their middle schools, reaching over 1,000 seventh grade students, teachers and community members

Tyler noted that the organization hopes to continue EnergizeU in fall or 2026, in the Bronx.

Kaela Mainsah, Vice President - Environmental Justice, continued the update.

➢ Community Project Support

- NYPA is increasing community investments as part of VISION2030 Renewed such as:

    - Municipal Housing Authority of City of New York (MHACY)

        - The Authority was identified as an eligible entity serving underserved communities that are intersecting with the Propel NY transmission line.

        - MHACY had already undertaken an extensive electrification upgrade of its aging gas infrastructure in need of replacement.

- NYPA is providing gap funding in order to replace gas stoves with induction stoves.

- These upgrades will provide improved air quality and safety for over 1,000 residents.

- Another part of the capital funding is to ensure NYPA is providing all standard environmental justice programs delivered to all communities that includes:

    - Community outreach
    - Education

- The organization's cross functional teams supported by:

    - Patricia Lombardi, Senior Vice President, Project Delivery
    - Girish Behal, Vice President Project and Business Development

- Tim Zandes, Senior Advisor Asset Recovery

– Propel NY is a long-term project that is anticipated to be in service in May 2030.

Mainsah emphasized that NYPA continues to be a collaborative team as a campaign pod to have continuous, inclusive and early outreach to stakeholders.

b. External Communications Strategy

Charles Imohoisen, Senior Vice President - Communications and External Affairs, presented the update.

➢ **C&EA Strategy Update**

• **Our Strategic Communications and Stakeholder Engagement Journey - Evolving Power and Responsibilities**

– NYPA's stakeholder engagement efforts have matured over the past few years significantly extending its reach by uniting:

- Communications
- External affairs
- Legislative community affairs
- Environmental Justice

– Key components of this approach have been a consistent focus on:

- Prioritizing actions that build and maintain public trust
- Leveraging new technologies and working to deliver the right:
  - Message
  - To the right audience
  - To the right communication channel
  - At the right time

• **Evolving Power & Responsibilities**

– Rising electricity demand across numerous parts of the country, including New York, was caused by:

- Changing climate
- Rapid expansion of the digital economy

– The organization is meeting those challenges by implementing new business models resulting from:

- New legislative directives
- New executive directives for clean energy projects to:
  - Develop
  - Own
  - Operate

– This includes one gigawatt of nuclear power in upstate New York.

– NYPA is stepping up to meet increased public expectations around:

  - Developing renewables

  - Reporting on progress with moving New York State away from fossil fuels and towards cleaner energy sources

- **Transmission** – The Authority's ongoing transmission work and North American Electric Reliability Corporation (NERC) certification demonstrates its:

  - Tools
  - Expertise
  - Governance to maintain and operate the power grid:
    - Safely
    - Reliably

- **Builds on Engagement Best Practices & Industry Standards**

  - NYPA continues to meet this challenging operating environment by:

    - Reinforcing strategic communications
    - Working to build trust with its audience

  - This is done through delivering content that emphasizes the organization's shared:

    - Goals
    - Priorities
    - Values

  - Best practices across sectors encourage consistent communication early and often through:

    - Stakeholder communication
    - Engagement to diverse groups through:
      - Meetings
      - Events
      - Traditional media
      - Digital media content distribution

  - Communicating the information directly and clearly to communities and stakeholders through trusted messengers.

- **Quantifying Our Reach & Impact**

  - NYPA's strategy had yielded strong engagement across the board.

  - **Digital Content** – Demonstrated significant growth, *e.g.*, LinkedIn, under Kenisha Dennis, Digital Director and team have improved engagement rates:

    - 10.6% in 2025
    - 14% in the first two months of 2026
    - 35% increase, in comparison to a sector where good engagement rates fall between 2% and 5%

- **Building Relationships through Our Visitors Centers**

  - The visitor centers are a prime example of how the organization has taken a hands-on approach to building and strengthening community and relationships.

  - These centers are popular resources for groups and families that offer a variety of experiences

reflective of NYPA's evolving clean energy mission such as:

- Engagement
- Interactive
- Educational

- NYPA is in the process of enhancing each visitor center experience to include the Authority's:

  - Renewable energy plans
  - Role in developing nuclear
  - Role in grid modernization activities

- The centers connect these efforts to a broader statewide clean energy story of how NYPA is powering New York today and how innovation will power it in the future.

- **Community Collaboration Drives Innovation**

  - **Harvest Agrivoltaics Project** – A first of its kind in New York State, this 1.4-megawatt project utilizes novel technology that involves solar co-located with cow-plant production and incorporates student education enabling them to share in their knowledge of growing a clean economy.

  - The project is currently in development with NYPA Research and Development (R&D), leading project management and Electric Power Research Institute (EPRI) providing technical support.

- **2026: Harnessing Tools for Bold Impact**

  - Looking ahead, the key components to NYPA's continued growth along with public understanding of the significance of electricity demand and needs are:

    - Community engagement
    - Targeted communication
    - Innovation

  - The organization will continue to strengthen ties to:

    - Government entities
    - First nations
    - New administrations in several municipalities across New York State

  - Pairing NYPA's in-person learning and programming at its visitors centers with online digital content to build deeper connections between stakeholder audiences.

Imohiosen emphasizes this multi-channel approach will continue to strengthen the public trust and deliver to the right audience through the right channel at the right time.

5. CONSENT AGENDA:

On motion made by member Warren, Jr., and seconded by member Morris, the following report and resolutions were unanimously approved. (3-0)

a. New York Power Authority and Canal Corporation Ethics and Compliance Program Report

SUMMARY

The Ethics and Compliance Office ("ECO") advises the NYPA and Canal Corporation ("Canals") trustees, directors, officers and employees on the legal, regulatory and NYPA Code of Conduct ethics and compliance standards affecting their employees and operations. It coordinates the investigation of allegations and concerns involving NYPA's and Canals' assets and employees. ECO staff members participate in various committees and working groups related to enterprise compliance, resilience, risk management, internal controls and best business practices. This report highlights significant developments in the ethics and compliance program for the period October 14, 2025 through March 20, 2026.

BACKGROUND

The principal substantive issues arising under the NYS ethics laws, NYPA's Code of Conduct and the Canals' Code of Ethics investigated or researched involved requests to engage in both personal, non-work related and professional outside activities and employment, conflict of interest reviews, financial disclosure analyses, post-employment guidance and assessments of unwarranted privileges.

The ECO provides guidance in support of emerging strategic initiatives across NYPA and Canals. Reaffirming and embedding the guiding principles of the NYS Public Officers Law and NYPA/Canals' Codes of Conduct from the outset of a project, or initiative sets a foundational expectation of ethical conduct and transparency. NYPA's commitment to these principles ensures a resilient organization and protects NYPA and Canals' most valuable resource--its employees, from violations of law and policy.

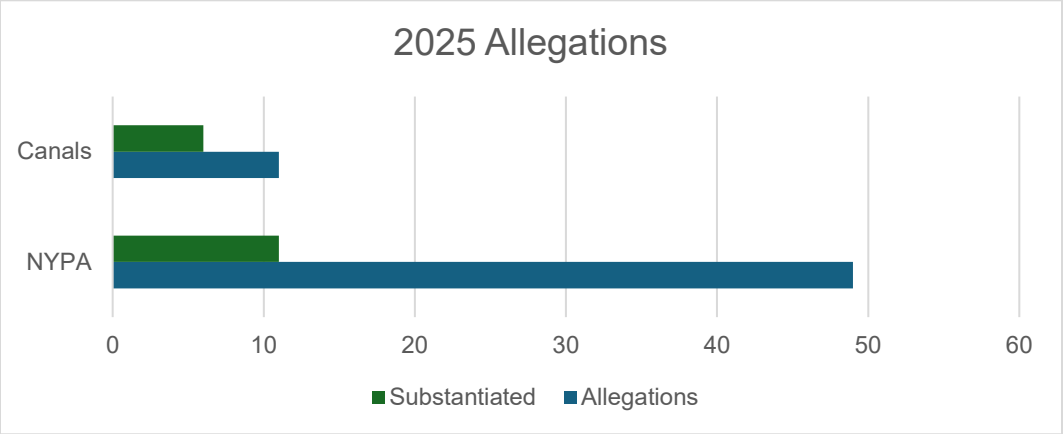
DISCUSSION

The ECO responded to 1,017 ethics inquiries and issues in 2025, a 20% increase over calendar year 2024.

The charts below represent three consolidated workstreams; "Case Work", "Advisory Services" and "Approvals/Guidance". "Case Work" includes allegations of misconduct and retaliation concerns unrelated to protected class claims, which are investigated by the Office of Civil Rights & Inclusion. "Advisory Services" captures inquiries for which we interpret the Public Officers Law and regulations of the New York State Commission on Ethics and Lobbying in Government (COELIG) and provide advice and counsel. The last graph, "Approvals/Guidance" reflects those inquiries where we issue determinations and ethics guidelines for specific individual and corporate requests for internal opinions.

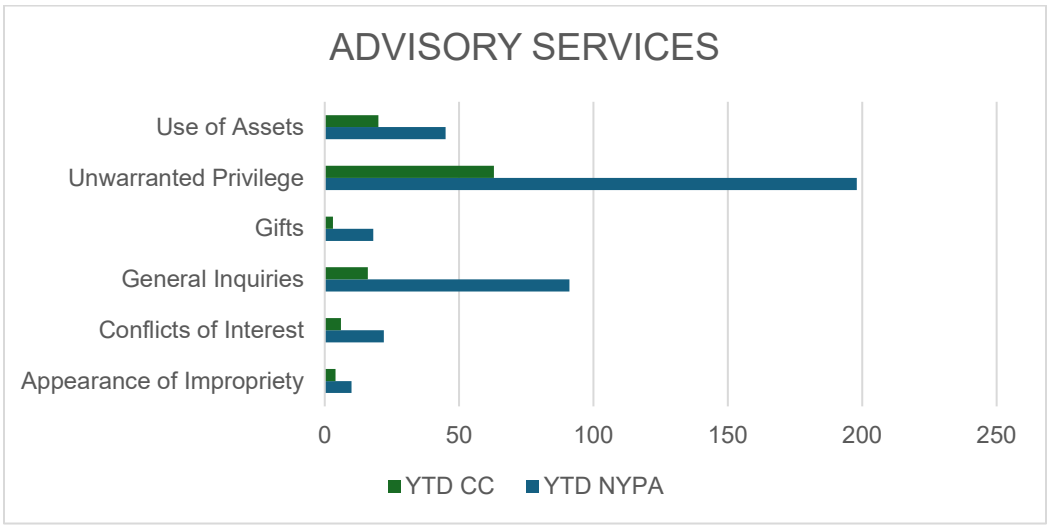
Caseload Management

Notable Observations-Case Work:



There have been 49 allegations or concerns related to NYPA employees and 11 concerning Canals' employees in 2025. Of the 49 NYPA based allegations, 11 were substantiated, 5 were unsubstantiated, and 23 were managed by either Employee Relations, the Office of Civil Rights and Inclusion or site Human Resources and/or Labor Relations for review with the ECO offering historical perspective, advice and guidance when appropriate. 4 Retaliation claims were reviewed and were not substantiated. 6 Canals' cases were substantiated in 2025.

Notable Observations-Advisory Services:



The Advisory Services category includes inquiries related to unwarranted privileges, which are broadly defined as any attempt to use one's official state position to either obtain or provide privileges or exemptions for oneself or others. The ECO responded to a NYPA/Canals aggregated 241 unwarranted privilege requests, including 28 letters of support for grants and projects and 29 NYPA and Canals logo use scenarios. It vetted 52 external conference-related presentations, including those co-presented with NYPA business stakeholders and 31 requests for business references from NYPA vendors.

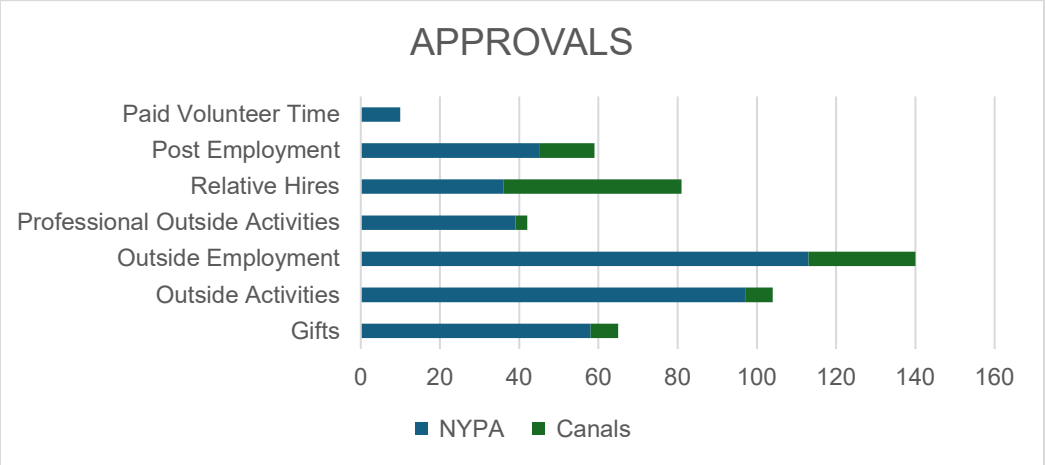
Reviews included various vendor-related requests to co-author presentations and research papers for jointly developed projects and collaborations. Employees were instructed to not share any proprietary, non-public or confidential data or information and refrain from endorsing or otherwise promoting stakeholders and their products and services.

The ECO reviewed 15 distinct requests related to the Canals' Bicentennial and the World Canals Conference events. Requests included the collaboration with the NYS Lottery to develop a commemorative Canals' lottery raffle game with prizes up to one million dollars and sponsorship opportunities by various New York State businesses celebrating the historic 200th anniversary of the Canals. Requests for employee and board member participation or awards offered at various ceremonies were included in this category. The ECO reviewed and requested changes in the PBS documentary about the history of the Erie Canal involving suppliers featured in several segments, and recommended removal of various comments made by participants as unwarranted privileges.

33 Requests for Proposal (RFP) engagements were reviewed for self-identified conflicts of interest (COIs) by participants on bid review committees. These COIs were submitted by both employees and third-party consultants responsible for evaluating responsive bids and making recommendations for approval. Identified conflicts included past work engagements with bidders and/or familial relationships or friendships with employees of firms submitting bids.

The ECO reviewed 26 NYPA Letters of Support and two Canal Corporation Letters of Support in 2025. These letters are reviewed jointly by the ECO and Law Department staff to ensure that evaluators recognize that neither NYPA or Canals are offering any unwarranted privileges, partnership with or endorsements of the organizations submitting responses for funding opportunities. These letters of support are almost exclusively offered to not-for-profit entities and educational institutions. The majority of these letters are for applications before the US Department of Energy and the New York State Energy Research and Development Authority.

Notable Observations-Approvals/Guidance:



The ECO reviewed 97 NYPA and 7 Canals employees' uncompensated personal outside activities and 42 professional outside activities. Approvals included roles on various industry boards, research organizations, high school and college curriculum development advisory boards to enable workforce development and prepare a skilled workforce for the electric industry, and service on various school boards, parent teacher associations, local planning and zoning boards.

The ECO reviewed 113 NYPA and 27 Canals compensated outside employment requests. These reviews included sole proprietorships, various adjunct professor roles for in-person and online coursework, Lyft and UberEats services, rental property ownership/management, consulting services, hospitality wait staff and various home maintenance services.

Several requests submitted by designated policy makers for compensated work as adjunct professors were reviewed and approved by COELIG in accordance with its regulations.

New York State Commission on Ethics and Lobbying in Government (COELIG)

COELIG is responsible for interpreting and ensuring compliance with the State's ethics and lobbying laws (NYS Public Officers Law) and regulations and administers the annual Financial Disclosure Program and mandatory ethics training for all New York State employees. The ECO continues to maintain collaborative working relationships with COELIG staff, including those in the Investigations, Law Department, Financial Disclosure and Training units. There currently are no pending NYPA or Canals investigations at COELIG.

Financial Disclosure

2025 Financial Disclosure Statements ("FDS") will be due to COELIG by May 15, 2026. Internal notifications to required filers will be issued in April. ECO staff assists employees interpret the FDS and offers guidance to respond to questions. It reviews all filer exemption requests submitted to COELIG.

NYPA currently has approximately 1,400 participants in the FDS program. NYPA has 314 designated Policy Makers, 385 employees serving in title exempt positions or who have been granted individual exemptions based upon their job duties, and 728 employees considered Threshold and Over filers who must submit an annual Financial Disclosure Statement.

The Canal Corporation has approximately 30 FDS participants, including 18 designated Policy Makers, two exempt employees and 11 Threshold and Over filers.

Training and Outreach

The Ethics Commission Reform Act of 2022 enhanced the ethics training requirements for all state employees, executives and Board members.

In 2025, the ECO provided mandatory live or virtual interactive COELIG Comprehensive Ethics Training to 99% of NYPA and Canals employees.

For the 2026 calendar year, Ethics training will be delivered through a combination of computer-based modules and live training for new hires and those employees without regular access to a computer.

The ECO issued Federal Energy Regulatory Commission (FERC) Standards of Conduct annual training to the Trustees and approximately 1000 employees via a computer-based training module in March 2025.

The ECO issued FERC Anti-Market Manipulation Rule biennial training to Trustees and approximately 300 employees in January 2026 via a computer-based training module. More than 75% of assigned employees
have completed the training, and the ECO will monitor and facilitate outreach to support full training completion.

Compliance Reporting

The ECO collaborates with the Controller's Office and multiple stakeholders to ensure the accurate and timely preparation and submission of reports required by the NYS Public Authorities Law. This effort includes coordination of mandatory NYPA and Canals' website postings and entries into the Public Authorities Reporting Information System maintained by the NYS Comptroller's Office. NYPA and Canals are on track to achieve all required filings and postings. These reports comprise a comprehensive view into NYPA and Canals' finances, governance, organizational structure, operations and strategy. These and other mandatory reporting and training requirements are captured in NYPA and Canals' electronic Compliance Repository.

The ECO and Legal Affairs are evaluating the statutory and regulatory reporting and training obligations of each NYPA subsidiary. The ECO will coordinate with compliance owners to capture these requirements in the Compliance Repository.

Internal Committee Governance

In 2025, the ECO coordinated implementation of NYPA and Canals' internal committee governance framework. The associated company policy and procedure establish governance standards and expectations for NYPA and Canals' management committees, and ensure transparent decision-making processes, standardization, accountability, recordkeeping, and information sharing. Each committee must have a governing charter and Executive Management Committee member sponsor. These governance standards do not apply to committees established by NYPA and Canals' Board of Trustees/Directors and/or bylaws (e.g., ERRMC), or those committees, working groups or task forces formed by and reporting to the CEO and President.

The ECO identified and engaged 35-40 committees that are expected to align their governance and operations to the standards. The ECO evaluated each committee's governance documentation for compliance with the company policy and procedure and discussed its findings with each committee's leadership to provide guidance and recommended modifications to the group's governance. A majority of committees have aligned their charters and governance with the company's framework, and the remaining committees are currently developing governance documentation or discussing prospective governance or formation changes with their leadership and Executive Management Committee member sponsors.

The committee governance framework also recognizes and sets expectations for Sub-committees, Taskforces and Working Groups, which may form to provide targeted support on a topic or initiative requiring additional attention, or to support or complement committee activities. In 2025, 14 existing committees dissolved, merged with other groups, or converted to one of the non-committee formations. The ECO identified approximately 25 non-committee groups to be operating at NYPA and Canals in 2026 and will review and discuss these groups' governance with relevant stakeholders to promote their alignment with the established framework.

The ECO continues to familiarize NYPA & Canals' staff with the governance for committees and develop Committee Central content and resources to address common questions and clarify guidance. The ECO will publish a full list of committees on Committee Central after all committees are validated, documented and affirmed by their corresponding Executive Management Committee member sponsor.

Enterprise Initiatives--Committees and Working Groups

The ECO continues to participate in various enterprise and departmental committees and program development working groups. Being engaged during the formulation, strategy, development and implementation of projects and initiatives allows the ECO to offer advice and guidance to ensure that ethical awareness, transparency and compliance with standards are foundational objectives as NYPA/Canals evolve in pursuit of VISION2030 Renewed goals and underlying Foundational Pillars.

The ECO convened four enterprise Compliance Work Group meetings during 2025 and one in February 2026. Each meeting included a presentation by a NYPA or Canals' department on key initiatives affecting the enterprises with a focus on compliance-related considerations. Recent presentation topics included NYPA and Canals' Artificial Intelligence initiatives and governance, Renewable Projects development, and risk- and compliance-based internal controls framework and methodology.

TECHNICAL COMPLIANCE
RELIABILITY STANDARDS COMPLIANCE (RSC)

BACKGROUND

Background information related to the origin of the North American Electric Reliability Corporation (NERC) mandatory standards for reliability and NYPA's obligations to demonstrate compliance with the standards has been presented in previous reports to the Governance Committee.

DISCUSSION

NERC Reliability Standards Compliance Enforcement Actions

During the reporting period, there were three (3) new potential noncompliance concerns (PNC) of the NERC Reliability Standards reported to the Northeast Power Coordinating Council (NPCC).

These potential noncompliance concerns were determined to be of minimal impact to the Bulk Electric System (BES). As such, RSC reported these matters to NPCC under the self-logging process and subsequently confirmed with NPCC.

Investigations of Potential Noncompliance

During the reporting period, RSC reviewed five (5) investigations of potential noncompliance of the NERC Reliability Standards. One (1) investigation resulted in a determination of potential noncompliance and was submitted to NPCC, as described above. The remaining four (4) investigations are under review and pending a final determination.

This internal process is viewed by the regulator as evidence that NYPA has a strong internal compliance program and is able to self-identify and correct instances of non-compliance. RSC collaborates with applicable departments in developing mitigation plans to address noncompliance and prevent recurrence. RSC also works with NPCC enforcement throughout the process to address and respond to any regulatory requests for information.

Risk-Based Evidence Management Program

RSC implements a Risk-Based Evidence Management Program for identifying areas of risk and appropriate frequency for evaluation of controls and compliance evidence updates for the NERC Reliability Standards applicable to NYPA. This process ensures that NYPA's compliance program aligns with NERC's risk-based Compliance Monitoring and Enforcement Program and the NPCC guided self-certification process. In 2026, RSC is scheduled to review and update the evidence for twelve (12) NERC Reliability Standards. In Q4 2025, RSC reviewed three (3) NERC Reliability Standards. Based on the evidence provided, no potential noncompliance was identified.

RSC Spot Checks

During the reporting period, RSC completed (3) three Spot Checks of NERC Reliability Standards. A Spot Check is a comprehensive assessment of a selected NERC Reliability Standard across the entire organization. In such assessments, Reliability Standards and Compliance Assessment Team (RSCAT) conducts a thorough assessment of the compliance evidence and adherence to governance documents applicable to the selected NERC Reliability Standard and/or NPCC Directory.

Based on the evidence provided for the (3) three Spot Checks, no potential noncompliance was identified. These assessments identified specific process improvements and recommendations for enhancement of the NYPA Internal Control Program. The identified improvements are assigned and tracked in RSC's electronic Governance, Risk and Compliance (eGRC) Tracking Tool.

NERC Alerts

NERC disseminates information that it deems critical to ensuring the reliability of the bulk power system via “alerts” designed to provide concise, actionable information to the electric industry. During the reporting period, there was one (1) NERC alert sent to industry. NYPA responded to the requested data submittal in January 2026.

NERC, Regional Entities, and NERC registered entities have analyzed a series of disturbances that occurred on the bulk power system (BPS) resulting in widespread and unexpected customer-initiated load reduction of large loads. These disturbances involved multiple events during which 1,000+ MW of unexpected Large Loads output reduction occurred, with most events occurring in 2024 or 2025. The increase of Large Loads-related events coincides with an increase in Large Load penetration across the BPS. The purpose of this alert is to address the risks observed from the analyzed large load behavior and to assess the status of industry preparedness in relation to large loads.

NPCC CIP and O&P Audit

NPCC performed an audit from April 28, 2025 – August 26, 2025, on NYPA’s Critical Infrastructure Protection (CIP) and Operations & Planning (O&P) compliance program. The audit process included a review of evidence that was submitted to demonstrate compliance, a review of internal controls documentation and processes and multiple rounds of follow-up questions conducted off-site. The results of the audit identified two (2) positive observations, nine (9) recommendations and one (1) potential noncompliance. The potential noncompliance was self-identified in the course of audit preparation and involved an Under Frequency Load Shedding (UFLS) issue at the St. Lawrance Power Project for PRC-006-NPCC-2 identifying a difference in timing between field clearing of load vs. what was modelled, submitted and approved by NYISO.

Recommendation Tracking Tool

RSC’s internal awareness tools are utilized to advise NYPA staff on prior enforcement issues and mitigation activities. Any lessons learned, root cause analyses, and/or recommendations are given to the compliance evidence managers aimed at improving the effectiveness of the compliance program. Recommendations can be internal improvements or external mitigation activities associated with audit recommendations or a potential noncompliance self-log/self-report.

During the reporting period, recommendations from the conclusion of risk-based evidence review process, Spot Checks and mitigating activities for recent PNCs have been incorporated in RSC’s Compliance Tracking process and issued to SMEs within the eGRC Tool.

New York Renewable Energy Development Holdings Corporation (NYRED) / Renewables

RSC has been working with NYRED to develop and finalize its compliance program and future operational model for its upcoming renewable generation project portfolio. Project and compliance guidelines have been developed and shared related to renewable generator installations. RSC is engaged with NYRED on an ongoing basis, in reviewing their project pipeline and assisting with finalization of O&M capabilities for the Somers Solar project. Discussions have also included contractual, O&M and design considerations for NYRED as it engages third party developers and partners to execute project work.

NERC identified a new registration Category 2 GO/GOP for owners and operators of non-BES IBRs not registered today that are greater than or equal to 20 MVA nameplate rating and interconnected at a voltage greater than or equal to 60 kV. NERC approved NYPA’s GO/GOP registrations to include future IBR generation. The new registration will take effect in May 2026. RSC is working with Engineering, ECC and STL site stakeholders to address upcoming NERC Category 2 compliance requirements for the Willis Battery project in NYPA’s Northern NY region.

NERC Critical Infrastructure Protection (CIP) / Operations and Planning (O&P) Standards

Due to our expanding transmission portfolio and NYPA's desire to participate in public/private transmission development projects to meet NYPSC goals in coming years, NYPA registered as a Transmission Operator (TOP) with NERC. RSC collaborated with the Energy Control Center (ECC) group to develop governance, controls, a training program and a new Energy Management System to ensure a successful registration. NPCC conducted an on-site visit to ECC in November 2025, and NERC awarded NYPA the certification of Transmission Operator on January 21, 2026.

CIP-015-1 Internal Network Security Monitoring was approved by FERC with an effective date of 10/1/2028. The Standard requires entities to monitor, analyze and alert on anomalous network traffic within Electronic Security Perimeters hosting externally routable Medium Impact BES Cyber Systems, and/or High Impact BES Cyber Systems

FAC-008 Facility Walkdown - Internal Control - RSC collaborated with the Facility Ratings group and site personnel to conduct a field verification / confirmation for each component of each BES Element and comparing how it is connected in the field to how it is shown in the documents. 100% of the field components have been verified with minimal variances identified. In addition, RSC worked with system studies and facility ratings teams to develop new internal control(s) that streamline communication with NYPA's project delivery team prior to project energization date.

RSC is evaluating the initiation of a new 'Compliance Center of Excellence' and NERC Information Command Center to extract relevant data from NYPA asset management systems, compliance databases and sources to develop near real-time dashboards and improve visibility of field activities that impact NYPA's compliance posture.

NERC Compliance Consideration for New Projects – a compliance scoping tool, used to identify applicable NERC Standards based on the user input of project details. The checklist is being reviewed and updated and is intended to be incorporated into all project plan schedules. In addition, RSC staff have developed a draft compliance milestone schedule template that is being piloted as part of the Smart Path Connect project.

Quality Assurance

QA is performing most of the required factory inspections and vendor surveys in the US, Canada, Europe, South America, and Asia. We continue to use a 3rd party inspector in China for select projects on an as needed basis. Also, we continue to support procurements for the NGN, NIA and STL crane projects, Interconnects and Renewable projects, and other major purchases for all NYPA generating and transmission facilities.

Code Compliance

Annual Safety Inspections – Final 2025 results for NYPA have reached 97.1% and Canals reached 90.9% with a 4th Quarter target of 90%. The 19 NYCRR Part 1204 report has been submitted to NYSDOS for work in 2025. Scheduling of inspections for the current year has already started.

The Annual OSHA Crane Inspection program for 2025 at all NYPA sites has been completed. We continue supporting the development of the OSHA Crane Inspection program for Canals.

b. Procurement and Related Reports for New York Power Authority and Canal Corporation (January – December 2025)

RESOLUTION

RESOLVED, That pursuant to Section 2879 of the Public Authorities Law and the Procurement and Related Reports for New York Power Authority and Canal Corporation, as amended, be, and hereby are, approved; and be it further

Procurement and Related Reports
NYPA Procurement Contracts Summary
Disposal of Personal Property (fleet only)
Supplier Diversity Program (SDP) Activity
Plant Inventory Statistics
Fossil Fuels Activity
Corporate Finance
Transfer of Interest in Personal Property to Canal Corporation
Canal Corporation Procurement Contracts Summary
NYPA and Canal Corporation Disposal of Personal Property

RESOLVED, That the Procurement and Related Reports, and hereby are, reviewed and approved; and be it further

RESOLVED, That the Chair, the President and Chief Executive Officer, and all other officers of the Authority be, and each of them hereby is, authorized on behalf of the Authority and Canal Corporation to do any and all things, take any and all actions and execute and deliver any and all agreements, certificates and other documents to effectuate the foregoing resolution, subject to the approval of the form thereof by the Executive Vice President and General Counsel.

c. Annual Report of Procurement Contracts, and Annual Review of Open Procurement Service Contracts

RESOLUTION

RESOLVED, That pursuant to Section 2879 of the Public Authorities Law and the Authority's and Canal's Procurement Guidelines, the Annual Report of Procurement Contracts, and the Guidelines for the use, awarding, monitoring and reporting of Procurement Contracts, as amended, be, and hereby are, approved; and be it further

RESOLVED, That the open service contracts exceeding one year be, and hereby are, reviewed and approved; and be it further

RESOLVED, That the Chair, the President and Chief Executive Officer, and all other officers of the Authority be, and each of them hereby is, authorized on behalf of the Authority and Canal Corporation to do any and all things, take any and all actions and execute and deliver any and all agreements, certificates and other documents to effectuate the foregoing resolution, subject to the approval of the form thereof by the Executive Vice President and General Counsel.

d. Annual Review and Approval of Guidelines and Procedures for the Disposal and Acquisition of Real Property, and Annual Reports for the Disposal and Acquisition of Real Property

RESOLUTION

RESOLVED, That the Governance Committee recommends approval of the Authority's 2026 Real Property Disposal Guidelines, 2026 Real Property Acquisition Guidelines, 2025 Annual Report of the Disposal of Real Property in excess of $15,000, 2025 Annual Report of the Acquisition of Real Property in excess of $15,000 and 2025 Report of Acquisition and Disposal of Real Property to the Trustees and Board of Directors as required by Section C.5 of the Governance Committee Charter; and be it further

RESOLVED, that the Governance Committee recommends approval of the Canal Corporation's 2026 Canal Real Property Disposal Guidelines, 2026 Canal Real Property Acquisition Guidelines, 2025 Annual Report of the Disposal of Canal Real Property in excess of $15,000, 2025 Annual Report of the Acquisition of Canal Real Property in excess of $15,000 and 2025 Report of Acquisition and Disposal of Real Property to the Trustees and Board of Directors as required by Section C.5 of the Governance Committee Charter; and be it further

RESOLVED, That the Chair, the President and Chief Executive Officer, and all other officers of the Authority be, and each of them hereby is, authorized on behalf of the Authority and Canal Corporation to do any and all things, take any and all actions and execute and deliver any and all agreements, certificates and other documents to effectuate the foregoing resolution, subject to the approval of the form thereof by the Executive Vice President and General Counsel.

e. Annual Review and Approval of Certain Policies for New York Power Authority and Canal Corporation

RESOLUTION

RESOLVED, That the Governance Committee recommends that the New York Power Authority's Board of Trustees and the Canal Corporation's Board of Directors adopt the below listed policies pursuant to Section 2824 of the Public Authorities Law, Section 2 of Article II of the Authority's and the Canal Corporation's By-laws and Section (C)(1) of the Authority's and Canal Corporation Charters:

AND BE IT FURTHER RESOLVED, That the Governance Committee recommends that the Authority's Trustees and the Canal Corporation's Board of Directors authorize the President and Chief Executive Officer to modify the foregoing policies, as necessary, except in the event that any powers, duties or obligations of the Trustees and Board of Directors would be affected by such modification; and be it further

RESOLVED, That the Chair, the President and Chief Executive Officer, and all other officers of the Authority be, and each of them hereby is, authorized on behalf of the Authority and Canal Corporation to do any and all things, take any and all actions and execute and deliver any and all agreements, certificates and other documents to effectuate the foregoing resolution, subject to the approval of the

form thereof by the Executive Vice President and General Counsel.

NYPA & Canals - Required Items to be Presented for Annual Review	Policy Number	Revision Date
Code of Conduct (NYPA & Canal -shared)	-	03/20/2026

Whistle Blower (aka Anti-Retaliation Policy) (NYPA & Canal - shared)	CP 1-7	
Summary of Changes for All Required NYPA and Canals Policies		

NYPA & Canals Shared Policies	Policy Number	Revision Date
Reasonable Accommodation in Programs and Services for People with Disabilities	CP 1-4	4/4/2025
Reasonable Accommodations and Workplace Accessibility for Employees and Job Applicants	CP 1-11	3/12/2025
Equal Employment Opportunity, Anti-Harassment and Anti-Discrimination Policy	CP 1-14	5/22/2025
NYPA Policy Name	**Policy Number**	**Revision Date**
Display of Flags at Facilities	CP 1-19	6/16/2025
Recruitment and Job Posting	EP 1.2	5/2/2025
Separation From Service	EP 1.6	6/16/2025
Severance Policy	EP 1.7	4/24/2025
Discrimination and Harassment Investigation Executive Review Committee	OCRI CHAR-002	03/26/2025
Investigative Trends Committee	OCRI CHAR-003	3/26/2025
Salary Administration	EP 2.1	7/09/2025
Management Non-Exempt and Facility-Based Exempt Overtime	EP 2.4	05/27/2025
Termination Dispute Resolution	EP 4.3	01/05/2026
Attendance and Flexible Hours	EP 4.6	03/02/2025
Employee Background Investigation	EP 1.10	04/07/2025

CANAL Policy Name	Policy Number	Revision Date
Canal MC Handbook		
Advancement Opportunities for Canal Workers 1	ASB-2025-004	5/19/2025
Approval for Salaries Above the Hiring Rate Based Upon Candidate Experience	ASB-2025-005	6/13/2025
Social Leave for Canal Employees	ASB-2025-014	11/10/2025

f. New York Power Authority and Canal Corporation 2025 Annual Board Evaluation Pursuant to Sections 2800 and 2824of the Public Authorities Law and Guidance of the Authorities Budget Office

RESOLUTION

RESOLVED, Pursuant to Sections 2800(1)(a)(15) and 2800(2)(a)(15) and Section 2824(7) of the Public Authorities Law and Guidance of the Authorities Budge Office, the Authority and Canal Board is required to annually submit a summary of the Board Evaluation to the Governor, the Chairman and Ranking Minority Member of the Senate Finance Committee, the Chairman and Ranking Minority Member of the Assembly Ways and Means Committee, the State Comptroller and the Authorities Budget Office, within 90 days after the end of its fiscal year; and be it further

RESOLVED, the Governance Committee recommends the adoption of the 2025 Annual Board Evaluation Summary to the Authority's Board of Trustees and the Canal Corporation's Board of Directors as required by Section C (2) of the Governance Committee Charter.

RESOLVED, That pursuant to Sections 2800(1)(a)(15) and 2800(2)(a)(15) and Section 2824(7) of the Public Authorities Law and Guidance of the Authorities Budget Office, the 2025 Annual Board Evaluation Summary is hereby adopted and the Corporate Secretary is hereby authorized to submit to the Governor, the Chairman and Ranking Minority Member of the Senate Finance Committee, the Chairman and Ranking Minority Member of the Assembly Ways and Means Committee, the State Comptroller, and the Authorities Budget the adopted 2024 summary; and be it further

RESOLVED, That the Chair, the President and Chief Executive Officer, and all other officers of the Authority be, and each of them hereby is, authorized on behalf of the Authority and Canal Corporation to do any and all things, take any and all actions and execute and deliver any and all agreements, certificates and other documents to effectuate the foregoing resolution, subject to the approval of the form thereof by the Executive Vice President and General Counsel

g. Annual Review and Approval of Guidelines for the Investment of Funds and 2025 Annual Report on Investment of Authority Funds

RESOLUTION

RESOLVED, that the Governance Committee recommends that the Trustees adopt the Annual Report on Investments of the Authority Funds and adopt the Guidelines for the Investment of Funds to support the continued growth of and strengthen the fiduciary controls over the internal investment portfolio, and approve the operating and debt service reserve levels ($175 million and $104 million, respectively) as discussed in the foregoing memorandum of the President and Chief Executive Officer; and be it further

RESOLVED, that the Governance Committee recommends that the Chair, the President and Chief Executive Officer, and all other officers of the Authority be, and each of them hereby is, authorized on behalf of the Authority and Canal Corporation to do any and all things, take any and all actions and execute and deliver any and all agreements, certificates and other documents to effectuate the foregoing resolution, subject to the approval of the form thereof by the Executive Vice President and General Counsel.

h. Annual Report on New York Power Authority and New York State Canal Corporation 2026 Mission Statements and Strategic Plans

RESOLUTION

RESOLVED, That the Governance Committee recommends that the Authority's Board of Trustees and Board of Directors approve the 2026 Mission Statements and Strategic Plans at their March 31, 2026 meeting, as discussed in the foregoing memorandum of the President and Chief Executive Officer; and be it further

RESOLVED, That the Chair, the President and Chief Executive Officer, and all other officers of the Authority be, and each of them hereby is, authorized on behalf of the Authority and Canal Corporation to do any and all things, take any and all actions and execute and deliver any and all agreements, certificates and other documents to effectuate the foregoing resolution, subject to the approval of the form thereof by the Executive Vice President and General Counsel.

i. Approval of the Minutes of the Joint Meeting of the New York Power Authority and Canal Corporation Governance Committee held on October 14, 2025

On motion made and seconded, the Minutes of the Joint Meeting held on October 14, 2025, were unanimously adopted.

6. Next Meeting

Chair Gonzalez said that the next Joint Governance Committee Meeting is scheduled for Tuesday, October 20, 2026.

Adjournment

On motion made by member Morris and seconded by member Warren, Jr., the Governance Committee special meeting was adjourned at 10:41 a.m. *(3-0)*

Karen Delince

Karen Delince
Vice President and Corporate Secretary

NEW YORK STATE | NY Power Authority | Canal Corporation

MINUTES OF THE JOINT GOVERNANCE COMMITTEE SPECIAL MEETING

June 23, 2026

Table of Contents

Subject	Page No.
Introduction	3
1. Adoption of the June 23, 2026 Proposed Special Meeting Agenda	3
2. DISCUSSION AGENDA:	3
a. Governance Matters	3
3. Next Meeting	4
Adjournment	4

Minutes of the special joint meeting of the New York Power Authority and Canal Corporation's Governance Committee held via videoconference on Tuesday, June 23, 2026, at approximately 8:33 a.m.

Members present were:
John R. Koelmel– Acting Chair
Lewis M. Warren, Jr.
Cecily Morris
Dennis Trainor

Members excused were:
Bethaida Gonzalez

Non-members present were:
Michael Cusick
Laurie Wheelock

Also in attendance were:

Justin E. Driscoll	President and Chief Executive Officer
Joseph Kessler	Executive Vice President and Chief Operating Officer
Adam Barsky	Executive Vice President and Chief Financial Officer
Karina Saslow	Senior Vice President - Human Resources
Daniella Piper	Executive Vice President and Chief Innovation Officer (Excused)
Robert Piascik	Senior Vice President and Chief Information & Technology Officer (Excused)
Alexis Harley	Senior Vice President and Chief Risk and Resiliency Officer (Excused)
Charles Imohiosen	Senior Vice President - Communications and External Affairs
Salman Ali	Senior Vice President - Internal Audit
Paul DeMichele	Chief of Staff
Joseph Kessler	Executive Vice President and Chief Operating Officer
Patricia Lombardi	Senior Vice President Project Delivery
Christopher Vitale	Director - Projects
Donna McMongale	Senior Director Corporate Finance
Maribel Cruz-Brown	Senior Vice President, Customer Solutions
Girish Behal	Vice President, Project and Business Development
Heather Adams	Vice President, Renewables Development
John Canale	Senior Vice President, Strategic Supply Management
Nicholas Gonzalez	Vice President, Project Finance
Dave Work	Vice President, Customer Project Delivery
Sandra Bleckman	Manager, Workforce Development
Mohammad Zakaria	Superintendent II
Kedaar Raman	Senior Director Enterprise Planning
Jenny Liu	Regional Manager and Senior Vice President
Thomas Spencer	Vice President, Enterprise and Operational Risk
Victor Costanza	Vice President and Chief Information Security Officer
Chad Gholizadeh	Deputy General Counsel
Felisa Hochheiser	Deputy Corporate Secretary

Sheila Quatrocci	Manager, Corporate Secretary
Fiona Khan	Senior Assistant Corporate Secretary

Acting Chair Koelmel presided over the meeting. Deputy Corporate Secretary Hochheiser kept the Minutes.

Introduction

Acting Chair Koelmel welcomed committee members and the Authority's senior staff to the meeting. He said that the meeting has been duly noticed as required by New York State's Open Meetings Law and called the meeting to order.

1. Adoption of the June 23, 2026 Proposed Special Meeting Agenda

On motion by member Morris and seconded by member Warren, Jr., the agenda for the meeting was adopted. *(4-0)*

2. DISCUSSION AGENDA:

a. Governance Matters

i. Appointment of New York Power Authority and Canal Corporation Vice President and Corporate Secretary

Justin E. Driscoll, President and Chief Executive Officer, presented the recommendation highlighting Felisa Hochheiser's experience and qualifications, including her current role as Deputy Corporate Secretary.

➢ **Background**

- **Legal**
  - Attorney in good standing for 30 years
  - Began her career in litigation and criminal defense
- **New York State Office of the Inspector General (OIG)**
  - Served six years as Director of Investigative Reporting.
  - Oversaw reporting at the New York City location
  - Led major investigations on behalf of the (OIG)
- **Empire State Development (ESD)**
  - Served as Special Counsel for Ethics, Risk and Compliance reporting to the Governor's Office
  - Subsequently served as Director of Compliance
  - Served as the legal advisor to the Governance Committee Board
  - Oversaw all reporting requirements
- **NYPA-Canals**
  - Currently serving as NYPA-Canals Deputy Corporate Secretary since 2025.
  - Worked closely with the outgoing Vice President and Corporate Secretary, Karen Delince, and the Corporate Secretary Office staff.

- Acclimated herself with all aspects of how NYPA:
    - Conducts its board meetings
    - Develops its materials
    - Complies with laws that govern its public meetings and hearing requirements

President Driscoll emphasized Hochheiser's readiness to transition seamlessly into the role of Vice President and Corporate Secretary upon Delince's retirement.

- **Current Request**
    - The Governance Committee is requested to recommend to the Board of Trustees to approve:
        - The appointment of Felisa Hochheiser as NYPA-Canal Vice President and Corporate Secretary, pursuant to Article IV, Section 2 of the NYPA and Canals Bylaws

On motion made by member Morris and seconded by member Warren, Jr., the following resolution was unanimously approved. (4-0)

RESOLUTION

RESOLVED, That pursuant to Article IV, Section 2 of the Authority and Canal Corporation's Bylaws, the Governance Committee hereby recommends to the Authority's Trustees and the Canal Corporation's Board of Directors the appointment of Felisa Hochheiser as Vice President and Corporate Secretary, at an annual salary of $230,000, effective immediately, to hold such office until her successor is chosen and qualified or until her earlier removal, resignation or death and be it further

RESOLVED, that the Chair, the President and Chief Executive Officer, and all other officers of the Authority be, and each of them hereby is, authorized on behalf of the Authority and Canal Corporation to do any and all things, take any and all actions and execute and deliver any and all agreements, certificates and other documents to effectuate the foregoing resolution, subject to the approval of the form thereof by the Executive
Vice President and General Counsel.

3. Next Meeting

Acting Chair Koelmel said that the next Joint Governance Committee Meeting is scheduled for Tuesday, October 20, 2026.

Adjournment

On motion made by member Trainor and seconded by member Warren, Jr., the Governance Committee special meeting was adjourned at 8:39 a.m. *(4-0)*

Felisa Hochheiser
Deputy Corporate Secretary

NEW YORK STATE | NY Power Authority | Canal Corporation

October 20, 2026

Next Meeting

The next regular meeting of the Joint Governance Committee is to be determined.