

MINUTES OF THE JOINT FINANCE COMMITTEE MEETING

September 16, 2025

Table of Contents

<u>Subject</u>	<u>Page No.</u>
Introduction	3
1. Adoption of the September 16, 2025 Proposed 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. Financial Operations	3
i. Chief Financial Officer's Report.....	3
ii. Release of Funds in Support of the New York State Canal Corporation for Q4 2025 - Resolution	4
b. Utility Operations.....	6
i. Fleet Vehicles – Contract Award - Resolution	6
c. Legal Affairs	8
i. Workforce Development – Funding Request- Resolution.....	8
d. New York Renewable Energy Development Holdings Corporation (NYRED)	10
i. Authorization to Enter Into an Intercompany Loan Agreement with New York Renewable Energy Development Holdings Corporation - Resolution.....	10
5. CONSENT AGENDA.....	12
a. Governance	12
i. Approval of the Joint Meeting Minutes held on May 6, 2025	12
6. Next Meeting	12
Adjournment.....	12

Minutes of the joint meeting of the New York Power Authority and Canal Corporation's Finance Committee held via videoconference at approximately 8:30 a.m.

Members present were:

John Koelmel - Chair
Michael Cusick
Cecily Morris
Bethaida Gonzalez
Laurie Wheelock
Dennis Trainor

Members excused were:

Lewis Warren, Jr. - excused

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
Lori Alesio	Executive Vice President and General Counsel
Karina Saslow	Senior Vice President - Human Resources
Daniella Piper	Executive Vice President and Chief Innovation Officer
Robert Piascik	Senior Vice President and Chief Information and Technology Officer
Alexis Harley	Senior Vice President and Chief Risk and Resiliency Officer
Charles Imohiosen	Senior Vice President - Communications and External Affairs
Salman Ali	Senior Vice President - Internal Audit
Paul DeMichele	Chief of Staff
John Canale	Senior Vice President Strategic Supply Management
Maribel Cruz Brown	Senior Vice President - Internal Affairs
Patricia Lombardi	Senior Vice President Project Delivery
Christopher Hutson	Senior Vice President NYPA Development
Karen Delince	Vice President and Corporate Secretary
Victor Costanza	Vice President Chief Information Security Officer
Girish Behal	Vice President - Project and Business Development
Christopher Vitale	Director - Projects
Sandra Bleckman	Workforce Development Project Director
Ricardo DaSilva	Vice President, Strategic Operations
Nicholas Gonzalez	Vice President, Project Finance
Patrick Monaghan	Director – Fleet Operations
Eric Bowers	Vice President - Economic Development and Key Account Management
Chad Gholizadeh	Deputy General Counsel
Felisa Hochheiser	Deputy Corporate Secretary
Sheila Quatrocci	Manager, Corporate Secretary

Michele Stockwell	Associate Corporate Secretary
Fiona Khan	Senior Assistant Corporate Secretary

Chair John Koelmel presided over the meeting. Vice President and Corporate Secretary Delince kept the Minutes.

Introduction

Chair John Koelmel welcomed committee members and the Authority's senior staff to the meeting. He stated that the meeting has been duly noticed as required by New York State's Open Meetings Law and called the meeting to order pursuant to Section B (4) of the Finance Committee Charter.

1. Adoption of the September 16, 2025 Proposed Meeting Agenda

On motion by member Trainor and seconded by member Gonzalez the agenda for the meeting was adopted. (6-1)

Conflicts of Interest

Chair Koelmel and members Trainor, Morris, Wheelock, Gonzalez and Cusick declared no conflicts of interest based on the list of entities previously provided for their review.

2. Motion to Conduct an Executive Session

On motion by member Cusick and seconded by member Trainor, an Executive Session was held to discuss the financial and credit history of a particular corporation pursuant to §105(f) of the New York State Public Officers Law. (6-1)

3. Motion to Resume Meeting in Open Session

On motion by member Trainor and seconded by member Wheelock, the meeting resumed in Open Session. (6-1)

4. DISCUSSION AGENDA:

a. Financial Operations

i. Chief Financial Officer's Report

Adam Barsky, Chief Financial Officer, presented the report noting the posting timeline disabled the inclusion of the August results and will be presented at the next board meeting.

➤ Year-To-Date Actuals through July 31st

- NYPA has already met the full-year and gone above the plan by the end of July.
- August – slightly over the plan according to budget forecast.

➤ Main Drivers of Performance

- **Below the Line** - Largely reflects non-operating items, income and expenses, particularly investment income.
 - **Investment Income** - The Authority's investment portfolio outperformed expectations due to interest rates remaining higher than predicted in 2024. Rates have begun to decrease.

- **Federal Government** - The organization is expecting a 25-basis point cut by the federal government with the possibility of up to two others before the end of 2025.
- **Tariffs** - The cuts will depend on the tariffs and whether they will filter through the economy in a form of higher prices, putting pressure on inflation.
- **Labor Market** - The labor market is very tight; new hiring is weak due to numerous factors such as immigration policy, and peak retirement of baby boomers at age 65. These factors are creating supply-demand pressures in the labor market and raising concerns with the federal government.

Barsky advised that the federal government is trying to balance the need and keep unemployment low while simultaneously maintaining inflation towards their target low of 2%. NYPA does not expect this anomaly to continue over the next four years while pulling together the organization's financial plan.

- **Above the Line**

- **Generation** – NYPA had slightly more hydro generation than was built into the plan, about \$50M.
- **Weather Impacts** – Winter incurred more cooling degree days, and summer had greater warmer cooling degree days than expected in a normal year. These factors played a role in increased prices.
- **Hedging** – The Authority is hedged about 65% on the portfolio; most of the hedging is at the hydro plants. NYPA's other plants operate on a merchant basis, with generation depending on what the market is calling for. The organization is careful not to overhedge.
- **Peaker Plants** – The Blenheim-Gilboa (BG) plant is having a historic 2025 with increase in demand.

Barsky forecasted that trends will continue to normalize and revert to a mean over time. NYPA is seeing the benefit in terms of 2025 performance.

➤ **2025 Year-End Projection**

Barsky said NYPA is maintaining the end-of-year projection to be above \$100 million, which is above the current plan. As the organization builds the next four-year plan over the coming months it will give the Authority both greater capital capacity and ability to take on more projects, particularly with the renewable portfolio and the Renewable Energy Access and Community Help (REACH) program. Overall, the year is shaping up in a positive direction.

ii. Release of Funds in Support of the New York State Canal Corporation for Q4 2025 - Resolution

Adam Barsky, Chief Financial Officer, presented the release of funds to the committee.

➤ **2025 Canals Net Income Thru July and Recommendation to Release Q4 Operating Funds**

- NYPA has provided the usual quarterly release of funds for the Canals and Canals is performing according to plan.
- There is a lot of work being performed at the Canals, particularly on infrastructure; mitigating risks where possible; doing projects to enhance public access participation; and ensuring the organization continues the good work it has been doing.

• **Capital**

- NYPA continues to see support from the state through the budget process, receiving \$50 million for the second year in a row.
- There are active discussions not only for this support to continue but also to secure a forward-year commitment to allow for better planning, thereby enabling a higher rate of work to be completed faster and to cut costs for all involved.

On motion made by member Trainor and seconded by member Wheelock, the following resolution was unanimously approved. (6-1)

RESOLUTION

RESOLVED, that the Finance Committee hereby recommends that the New York Power Authority Board of Trustees authorize the release of up to \$27.0 million in funding to the Canal Corporation to support operations of the Canal Corporation in Q4 2025, as discussed in the foregoing report of the President and Chief Executive Officer; and be it further

RESOLVED, that the Finance Committee recommends that the New York Power Authority Board of Trustees affirm that amounts presently set aside as reserves in the Operating Fund are adequate for the purposes specified in Section 503.2 of the Authority's General Resolution Authorizing Revenue Obligations, dated February 24, 1998, as amended and supplemented (the "General Bond Resolution"), that the amount of up to \$27.0 million in funding as described in the foregoing report is not needed for any of the purposes specified in Section 503.1(a)-(c) of the General Bond Resolution of that the release of such amount is feasible and advisable; and be it further

RESOLVED, that the Finance Committee recommends that the New York Power Authority Board of Trustees affirm that as a condition to making the payments specified in the foregoing report, on the day of such payments, either the Executive Vice President & Chief Financial Officer or the Treasurer shall certify that such monies are not then needed for any of the purposes specified in Section 503.1(a)-(c) of the General Bond Resolution; 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.

b. Utility Operations

i. Fleet Vehicles – Contract Award - Resolution

Patrick Monaghan, Director of Fleet Operations, presented the request: a five-year value contract to purchase vehicles and equipment for a total of \$53 million.

➤ **Contract Purpose**

- To procure light and medium duty vehicles for NYPA and Canals to support project execution as well as operation and maintenance activities.
- Support decarbonization and fleet electrification goals for VISION2030 Renewed.
- Provide flexibility to navigate the complexities/challenges of the vehicle marketplace, especially in terms of the number of vehicles purchased and the specialized equipment required to meet strategic priorities.
- To be utilized on an as needed basis and serve as the primary method of purchase in addition to existing processes.

➤ **Background**

- The first value contract of this type was implemented in 2023.
- In 2023, there was tremendous difficulty obtaining vehicles from the traditional procurement methods due to supply chain issues still stemming from the pandemic.
- The value contracts allowed the organization to work directly with the awarded vendors and provided flexibility to ensure that NYPA received exactly what was needed for internal stakeholders.
- As a result, NYPA was able to continue keeping the fleet current and remain on path to fleet electrification with minimal interruption.
- The contracts worked so well that the initial funding was quickly exhausted. This time around, the Authority took a broader look at the forecast for purchases over the next five years, and in collaboration with Canals, arrived at the proposed dollar figure for this contract.
- Based on the organization's forecasting needs for the next five years, the requested amount is sufficient to meet the vehicle needs of NYPA and Canals.
- NYPA has the ability to easily purchase not only light duty electrified vehicles, but also medium duty electrified vehicles, helping us to meet electrification goals for 2030 and 2035.

➤ **Request for Proposals**

- The Authority issued a Request for Proposals on June 20, 2025, and at the closing of the Ariba event on July 14, received a total of six proposals.
- An evaluation of the proposals was conducted by members of the team, as well as members from Strategic Supply Management (SSM).
- Following the evaluation, the intention is to award contracts to all six vendors:
 1. Bollinger Motors Inc.
 2. Global Lease Group, Inc.
 3. Lithia of Utica – 2 LLC
 4. Mastrovito Auto Group, Inc.
 5. Nielsen Ford of Morristown, Inc.
 6. Sarat Ford Sales, Inc.

➤ **Criteria Used for Selection**

- Meeting technical specifications.
- The quality of the goods and/or competence of the vendor.
- If the vendor took exceptions to contract terms and conditions.
- Any previous history the organization may have had working with the vendor.

➤ **Contract Benefits**

- Enable NYPA to optimize the fleet by extending lifecycles.
- Meeting the fleet electrification goals for VISION2030 Renewed.
- Ensure flexibility to meet specific needs of the Authority's customers so that they can effectively and safely achieve their missions.

On motion made by member Trainor and seconded by member Morris, the following resolution was unanimously approved. (6-1)

RESOLVED, that the Finance Committee hereby recommends that the Trustees approve, pursuant to the Guidelines for Procurement Contracts adopted by the Authority and the Authority's Expenditure Authorization Procedures, the award of six (6) five-year contracts to Bollinger Motors Inc., Global Lease Group, Inc., Lithia of Utica - 2 LLC, Mastrovito Auto Group, Inc., Nielsen Ford of Morristown, Inc., and Sarat Ford Sales, Inc. in the aggregate amount of \$53 million; and be it further

RESOLVED, that the Finance Committee recommends that the Trustees approve the Authority's use of Capital Funds, which may include proceeds of debt issuances, to finance the costs of projects; and be it further

RESOLVED, that the Finance Committee recommends that the Trustees declare in accordance with Treasury Regulation Section 1.150-2, the Authority's official intent to finance as follows: The Authority intends to reimburse to the maximum extent permitted by law with the proceeds of tax-exempt obligations to be issued by the Authority, all expenditures made and which may be made in accordance with the Project described in the foregoing report 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.

c. Legal Affairs

i. Workforce Development – Funding Request- Resolution

Sandra Bleckman, Workforce Development Project Coordinator, presented the year two request.

➤ **Clean Energy Workforce Development Initiative**

- In the beginning of the 2024-2025 State Fiscal Year, NYPA was authorized, as deemed feasible and advisable by the Trustees, to make available up to \$25 million annually to the New York State Department of Labor to fund programs established or implemented by or within the Department Of Labor (DOL).
- Including but not limited to the Office of Just Energy Transition (OJET) and programs for workforce training and retraining, to prepare workers for employment for work in the renewable energy field.
- In March 2024, NYPA and DOL entered into a Cooperation Agreement to collaborate on programs related to workforce training, retraining and apprenticeship opportunities in the renewable energy field.
- The initiatives may be advanced by either entity or co-branded by NYPA and DOL.
- For the current 2025-2026 fiscal year, NYPA has issued a Request for Application (RFA) seeking applications from parties who could build or expand New York's training infrastructure and capacity to develop and deliver clean energy training, hands-on experience, wrap around services and job placement assistance to new and existing workers.
- The RFA was issued in August 2025 and includes three competitive application periods.
- The first application cycle opened on August 15th and closed on September 15th.
- A robust response was received, and the evaluation committee has begun reviewing the applications.
- Following review and scoring, the team will meet to discuss and prepare funding recommendations to be presented to the Board at the next finance committee meeting.
- In conjunction with NYPA's collaboration agreement, the NYS DOL has identified two DOL-led programs and is requesting a total of \$12 million.

➤ **Breakdown of \$12 Million Request**

• **First Request - \$7 Million for Electric Vehicle (EV) Training Programs**

- The NYS DOL is seeking to issue a Request for Application (RFA) to expand or create training programs in Electric Vehicle maintenance, repair and/or Electric Vehicle (EV) charging station

repair, maintenance, EV fleet maintenance, and to support wraparound services for students in these training programs.

- Eligible parties can be a standalone provider or a partnership between two entities – one to provide training and one that provides supportive services.
- Eligible programs are required to enroll at least 35% of their participants from Disadvantaged Communities (DACs).
- The RFA will be issued, with an award period targeted for February to March of 2026 and a performance period between 2026-2028.

- **Second Request - \$5 Million for the NYS DOL Support Services Funds Initiative**

- The DOL is requesting funds to issue a Notice of Obligational Authority (NOA) to Local Workforce Development Boards (LWDBs) to fund supportive services throughout the state for participants enrolled in clean energy training programs.
- Supportive services will include services such as childcare, transportation, student fees, and books.
- Participants must be enrolled in a clean energy training program or enrolled in STEM areas of study that support renewable energy in two-year or four-year degree programs at a State University of New York (SUNY) school throughout the state.
- Priority for participation will be given to individuals with additional barriers to employment.
- The DOL will contract with the workforce development boards in winter of 2026 for a spring 2026 launch.
- Stipends will range from \$2,500-\$5,000, depending on the program and the program will be ongoing until funds are expended.

On motion made by member Gonzalez and seconded by member Morris, the following resolution was unanimously approved. (6-1)

RESOLUTION

RESOLVED, that the Finance Committee recommends that the Authority's Board of Trustees approve funding for the DOL Workforce Training Initiative and the DOL Support Services Fund, as detailed in the foregoing Memorandum of the President and Chief Executive Officer (the "Memorandum"), for a total of \$12 million; and be it further

RESOLVED, that the Finance Committee recommends that the New York Power Authority Board of Trustees affirm that amounts presently set aside as reserves in the Operating Fund are adequate for the purposes specified in Section 503.2 of the Authority's General Resolution Authorizing Revenue Obligations, dated February 24, 1998, as amended and supplemented (the "General Bond Resolution"), that the aggregate amount of \$12 million in funding as described in the foregoing report is not needed for any of the purposes specified in Section 503.1(a)-(c) of the General Bond Resolution and that the release of such amount is feasible and advisable; and be it further

RESOLVED, that the Finance Committee recommends that the New York Power Authority Board of Trustees affirm that as a condition to making the payments specified in the foregoing Memorandum, on the day of such payments, either the Executive Vice President & Chief Financial Officer or the Treasurer

shall certify that such monies are not then needed for any of the purposes specified in Section 503.1(a)-(c) of the General Bond Resolution; 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. New York Renewable Energy Development Holdings Corporation (NYRED)

i. Authorization to Enter Into an Intercompany Loan Agreement with New York Renewable Energy Development Holdings Corporation - Resolution

Nicholas Gonzalez, Vice President of Clean Energy and Project Finance, presented the intercompany loan facility between the Authority and its wholly owned subsidiary, New York Renewable Energy Holdings Corporation (NYRED).

The loan facility is intended to act like a revolver credit for NYRED as it pursues and carries out the authority granted under Section 27-a of the Public Authorities Act for NYPA to own, finance and operate renewable energy projects in the state of New York.

➤ **Factors Driving the Recommendation to Create Credit Between NYPA and its Subsidiary**

• **Background**

- NYRED was created, in part, to insulate the Authority from liabilities that may arise from developing and owning renewable energy generating projects.
- It was also created to facilitate the purchasing of renewable energy project companies and allow for discrete project financing, increasing the number of renewables the Authority can build while limiting recourse to NYRED and NYPA.
- One of NYPA's advantages in developing renewable energy projects comes from its strong AA+ credit rating, which allows NYPA to access capital markets for low-cost financing, including access to tax-exempt financing, where applicable.
- NYPA has access to some of the cheapest financing in power, allowing it to be cost competitive in renewable energy generation.
- NYRED, as a separate entity, does not have a credit rating.
- The organization wanted to find a way to utilize NYPA's strong credit rating while supporting its subsidiary.
- NYPA has commercial paper facilities with excess capacity that could be issued to fund NYPA's interests in its subsidiaries.
- The loan facility allows NYPA to issue commercial paper and lend to NYRED with an additional 50 basis point spread, successfully utilizing NYPA's strong credit rating to support the liquidity needs of NYRED, while providing a loan that is cheaper than other options NYRED may have access to.

- **Guidance**

- The One Big Beautiful Bill and subsequent Treasury guidance has given solar and wind projects until July 5, 2026, to commence construction, which allows projects to be safe-harbored and lock in tax credits.
- If projects do not meet this commence construction date or get placed in service by December 31, 2026, they'll lose at least 30% of the capital stack, increasing the price of renewable energy generation.

- **Benefits**

- As a result, NYRED is accelerating, pursuing and prioritizing projects to take advantage of federal tax credits and limit any cost impact to the people of New York.
- The acceleration increases NYRED's capital needs and requires NYRED to spend money earlier than expected.
- The intercompany loan facility will give NYRED much needed liquidity in the time between Board meetings and facilitate the expansion of renewable energy for the State while limiting rate impacts.
- Given NYPA's other investments in key areas to reach carbon emissions goals, such as Transmission and Nuclear, NYPA felt this facility was the best way to provide liquidity to NYRED, limit equity contributions to the \$300 million already publicly committed and allow it to maintain its strong credit rating.
- NYPA expects sources of repayment to come from NYRED when it achieves term financing for the projects, which is expected to occur when projects near substantial completion and have line of sight into operations.
- Additionally, as NYRED matures and puts projects into operations, it will have operating cashflow to provide payment to NYPA.
- In the case of default, NYPA may refuse to lend additional amounts of unused commitment values, force an acceleration of payment, and seek additional rights and remedies afforded under the agreement and any other statute.

Gonzalez noted that given the benefits of the intercompany loan facility to NYPA and its subsidiary, NYPA staff requests the Finance Committee recommend to the Authority's Board the execution, delivery, and performance of the intercompany loan facility for up to \$100 million.

On motion made by member Trainor and seconded by member Wheelock, the following resolution was unanimously approved. (6-1)

RESOLUTION

RESOLVED, that the Finance Committee recommends that the New York Power Authority's (the "Authority") Board of Trustees authorize the execution, delivery and performance of an Intercompany Loan Agreement with New York Renewable Energy Development Holdings Corporation, a wholly-owned subsidiary of the Authority incorporated under the New York State Business Corporation Law, in an amount not to exceed \$100,000,000; and be it further

RESOLVED, that the Finance Committee recommends that the New York Power Authority's Board of Trustees declare in accordance with Treasury Regulation Section 1.150-2, the Authority's official intent to finance as follows: The Authority intends to reimburse to the maximum extent permitted by law with the proceeds of tax-exempt obligations to be issued by the Authority, all expenditures made and which may be made in accordance with the projects described in the foregoing report of the President and Chief Executive Officer; and be it further

RESOLVED, that the Finance Committee recommends that the Chair, the President and Chief Executive Officer, and all other officers of the Authority be authorized on behalf of the Authority 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.

5. CONSENT AGENDA

a. Governance

i. Approval of the Joint Meeting Minutes held on May 6, 2025

On motion made by member Trainor and seconded by member Gonzalez, the Joint Meeting Minutes held on May 6, 2025, were unanimously adopted. (6-1)

6. Next Meeting

Chair Koelmel said that the next Finance Committee Meeting is scheduled for Wednesday, November 12, 2025.

Adjournment

On motion made by member Trainor and seconded by member Wheelock, the Finance Committee meeting was adjourned at 9:56 a.m.



Karen Delince
Vice President & Corporate Secretary