



KATHY HOCHUL  
Governor

# Northern NY Power Proceeds Allocation Board

PATRICK J. KELLY  
Chairman

## MINUTES OF THE NORTHERN NEW YORK POWER PROCEEDS ALLOCATION BOARD MEETING

October 8, 2025

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Minutes of the Northern New York Power Proceeds Allocation Board (NNYPPAB) meeting held on October 8, 2025, via videoconference at approximately 4:00 p.m.

**Members present were:**

Patrick Kelly – Chair  
Stacey Brekke  
Robert McNeil  
Robert Smith

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Also in attendance were:

Karen Delince	Vice President and Corporate Secretary
Patricia Wilson	Senior Program Manager, Economic Development
Alana Appenzeller	Director, Economic Development and Key Account Management
Sheila Quatrocci	Manager, Corporate Secretary
Michele Stockwell	Associate, Corporate Secretary
Fiona Khan	Senior Assistant Corporate Secretary
Kayla Scholz	Travel Administrator

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Chair Patrick Kelly presided over the meeting. Vice President and Corporate Secretary Karen Delince kept the minutes.

## **Introduction**

Chairman Patrick Kelly welcomed members of the Board and the staff of the New York Power Authority (“NYPA”). He stated that this meeting of the Board had been duly noticed as required by the Open Meetings law. The meeting was called to order at 4:00 p.m.

### **1. Adoption of October 8, 2025, Proposed Meeting Agenda**

On motion made by member Smith and seconded by member Brekke, the agenda for the meeting was adopted with no amendments. (4-0)

### **Conflicts of Interest**

Chairman Kelly stated that the members had been polled prior to the meeting regarding possible conflicts of interest with the entity previously provided for their review. The members declared no conflicts of interest.

*Chairman Kelly noted that the applicant under agenda item 4 is working with the Industrial Development Agency (IDA) on project development activities while also seeking assistance from the New York Power Proceeds Allocation Board. Accordingly, Chairman Kelly recused himself from discussing and voting on this item.*

### **2. Adoption of the August 13, 2025 Meeting Minutes**

On motion made by member McNeil and seconded by member Smith, the Minutes of the meeting held on August 13, 2025, were unanimously approved. (4-0)

### **3. Fund Update**

Patricia Wilson, Senior Program Manager Economic Development, presented the update to the Board.

#### **➤ Fund Update Report – End of August 2025**

- **Deposits**

- Fund Deposits - \$10,974,341
- Interest Earned - \$787,420
- Total Funds Deposited - \$11,761,761

- **Disbursements**

- Total Disbursements to Grantees: \$1,419,417
- Current Fund Balance: \$10,342,344

Wilson noted that in accordance with the Northern New York Power Proceeds Allocation Act, a minimum of 15% of fund benefits is dedicated to energy-related projects. Subtracting prior awards of \$557,422, currently, there is \$1,088,729 available to be awarded by the Board, leaving the total fund benefits available to be awarded by the Board at \$6,532,344.

- **Funds Awarded to Date**

- Amount to date: \$5,229,417 to projects listed on the updates report.

Wilson said the recommendation is for one project in the amount of \$1,000,000, with \$500,000 of that amount from the portion of the fund dedicated to energy-related projects.

Chairman Kelly stated that item does not require any action by the Board.

#### **4. Award of Fund Benefits from the Northern New York Economic Development Fund – Round 15**

Patricia Wilson, Senior Program Manager Economic Development, presented the Award of Fund Benefits noting that this is the 15<sup>th</sup> round of allocations being brought before the Board for consideration.

- **Project Allocation Recommendation – Empire State Mines, LLC**

- The staff recommends an award of \$1 million from the Northern New York Economic Development Fund to Empire State Mines, LLC.

- **Background**

- The project is owned by Titan Mining Corporation, an Augusta Group Company.
- Empire State Mines plans to spend approximately \$5.6 million to establish a micronization and purification facility at their Gouverneur location to process 20-50 kilograms per hour of natural flake graphite.
- This is a key next step in advancing the first fully integrated graphite production in the United States since 1956.
- The technical, operational and qualification data achieved from this phase will form the foundation for full commercialization ramp up – benefitting United States:
  - Defense
  - Aerospace
  - Clean energy industries
- The project represents a landmark achievement in processing and refining an end-to-end United States natural graphite product, promoting supply chain resilience and national security.
- Graphite is the largest component in lithium-ion batteries, with America currently importing 100% of its natural graphite requirements.
- This project aims to solve the supply chain resilience issue and onshore production of inputs essential for energy storage.

- The total strike length of natural flake graphite identified at Empire State Mines represents significant resource expansion potential to meet United States demands over a long-term period.
- **Use of Funds**
  - Proceeds funding will be used to reimburse costs associated with the purchase of machinery & equipment, and related soft costs.
- **Reasons for Recommendation of Award**
  - Advances Empire State Mines as the first fully integrated United States Graphite producer in more than 70 years.
  - Restoring the country’s industrial graphite capability and delivering a fully Made in America natural graphite product a critical mineral in:
    - Defense
    - Aerospace
    - Clean energy industries
  - Empire State Mine’s Kilbourne Graphite Project offers significant scalability, positioning the Gouverneur facility to be able to meet a majority of projected U.S. graphite demand in these key sectors for many years to come.
  - This phase will require the addition of four new employees, while positioning the company to leverage further investment, and creation of additional new employment when fully scaled.
  - The project advances the North Country Regional Economic Development Council’s Tradeable Sector strategic objective towards major industries serving domestic and global markets by supporting:
    - Growth
    - Diversity

Wilson advised that based on the information provided, staff is recommending that the Board recommend to the NYPA Board of Trustees to award \$1 million to Empire State Mines, LLC with \$500,000 of that amount being allocated from the fund portion dedicated to energy projects, reflecting graphite’s critical role in energy storage.

*On motion made by member McNeil and seconded by member Brekke, the following resolution was unanimously adopted with the exception of Chair Kelly who abstained. (3-0-1).*

#### **RESOLUTION**

NOW, THEREFORE BE IT RESOLVED, that the Northern New York Power Proceeds Allocation Board (“Board”) hereby recommends that the Power Authority of the State of New York (“NYPA”) make awards of Fund Benefits to the applicant identified in the attached memorandum and the attachments thereto, for the reasons set forth therein and to utilize for the award funds from the 15% of the fund proceeds that are dedicated to energy projects; provided, however, that (i) if an application proposes a project that must receive approvals and/or comply with other legal requirements, such as the State

Environmental Quality Review Act, before it may proceed, the recommendation for such application shall not be forwarded to NYPA until Staff, on behalf of the Board, receives appropriate notification that such legal approvals and/or requirements necessary for the project(s) to proceed have been satisfied, and (ii) such recommendations shall be subject to further Board review in the event that such approvals and/or legal requirements are not satisfied; and be it further

RESOLVED, that Staff is authorized, on behalf of the Board, to transmit the Board's decision and recommendations to NYPA, subject to the qualifications stated above regarding legal approvals and/or requirements, and to do any and all things, and take any and all actions, to effectuate the Board's decision and the foregoing resolution.

#### **5. Adoption of 2026 NNYPAB Meeting Schedule**

On motion made by member Brekke and seconded by member McNeil, the Board adopted the 2026 NNYPAB Meeting Schedule. (4-0)

#### **Other Business**

#### **6. Next Meeting**

The next meeting of the Northern New York Power Proceeds Allocation Board is scheduled for Wednesday, February 4, 2026.

#### **Adjournment**

On a motion made by member Smith and seconded by member Brekke, the meeting was adjourned at approximately 4:08 p.m. (4-0)

*Karen Delince*

Karen Delince  
Vice President and Corporate Secretary