

January 2024

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Executive Committee 2023-2024 President–Bryan White Pres-Elect–Robert Schneider VP Treasurer–Thomas Posella VP Secretary–Kimball Daby Trustee– Andrew Thompson

To foster and advance the efficient operation of publicly owned and operated electric systems, including the production, distribution, conservation and prudent use of electric power and energy for public service for the mutual benefit of all members.

Municipal Electric Utilities Association of NYS News and Views

I have a dream that one day this nation will rise up and live out the true meaning of its creed: We hold these truths to be selfevident, that all men are created equal...I have a dream that my four little children will one day live in a nation where they will not be judged by the color of their skin but by the content of their character.

I have a dream today.

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Municipal Members

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Executive Director's Report

Greetings Everyone,

The holidays are over we are fully into the winter months. December weather was exceptionally mild and the first half of January has been similar. While it's hard to wish for

cold weather, let's hope the rest of the winter temperatures are closer to normal and more conducive to electricity sales.

Recent storms, while not the blizzards of old we remember, have caused damage and outages, although the storm effects seemed to have been relatively localized. For instance, Hamilton had practically no damage while Skaneateles, 45 miles away, had significant damage and interruption of service.

I would like to thank everyone that was out restoring service under adverse conditions, and especially the crews from Salamanca and Arcade that answered the call to render mutual aid to assist getting NYSEG customers back on. This assistance is an indication of the skill and dedication of our line workers and reflects well on all of MEUA.

As most of you know, at each Annual Conference, MEUA has a charity raffle for the



Executive Committee Trustee Andrew Thompson presents MEUA's 2023 charity auction donation to the Westfield Fund's Chairman Alan Holbrook, along with (l to r)Mike Vande Velde, Deanne Manzella and Sue Poster.

benefit of a charity chosen by the Executive Committee president. The most recent beneficiary was the Westfield Fund, a Community Donor Advised Fund affiliated with the Northern Chautauqua Community Foundation, which provides grants to charitable projects and organizations to enrich the quality of life for the residents of the Westfield community. To learn more about the Westfield Fund and making a donation, here is a link to the website: www.NCCFoundation.org/westfield-fund

Recently, I had the pleasure of attending a retirement celebration for Keith Hayes of the New York Power Authority. If you're thinking that we recognized Keith in anticipation of his retirement in the fall of 2022, you are not mistaken. Keith was subsequently convinced by NYPA President and CEO Justin Driscoll to stay on for another year. In any event, now that it is for sure, we again wish Keith the best in his retirement.



Keith Hayes (c) with Larry McCrum of Theresa (l) and Scott Tetenman of NYPA (r) at the 2022 Annual Conference

And speaking of NYPA, I want to remind everyone that that the NYPA Board of Trustees has authorized \$20M in additional funding for the Municipal Alternative Program (MAP) which provides for three year interest free financing of EV and hybrid vehicles for municipal use. Many of our members have taken advantage of this program in the past and I encourage you to check into it if you have not previously participated. If you have questions, contact the MEUA office or Ryan Grieco at the New York Power Authority.

Stay warm and take care. Jim

2024 Conferences and Workshops Save the Dates!

SPRING ACCOUNTING & FINANCE WORKSHOP

March 12-13, 2024 Embassy Suites by Hilton Destiny USA, Syracuse

SPRING ENGINEERING WORKSHOP March 12-13, 2024 Embassy Suites by Hilton Destiny USA, Syracuse

SEMI-ANNUAL MEETING May 21-22, 2024 Embassy Suites by Hilton Destiny USA, Syracuse

MEUA ANNUAL CONFERENCE October 1-3, 2024 Hotel Canandaigua, Canandaigua

FALL ACCOUNTING & FINANCE WORKSHOP

November 6-7, 2024 Embassy Suites by Hilton Destiny USA, Syracuse

FALL ENGINEERING WORKSHOP

November 6-7, 2024 Embassy Suites by Hilton Destiny USA, Syracuse



NYISO Update Chris Wentlent

New York State Cap & Invest Program – Next Steps

On Wednesday, December 20, 2023, the New York State

Department of Environmental Conservation (DEC) and the New York State Energy Research and Development Authority (NYSERDA released two key documents in the ongoing development of New York's Cap-and-Invest Program (NYCI). The Pre-Proposal Outline and Climate Affordability Study are now available on the New York Cap-and-Invest website, <u>https://capandinvest.ny.gov/</u>. These documents are a framework for the cap-andinvest program design and a study on the distribution of benefits. These documents are a key step in ensuring the program succeeds in achieving a declining cap on greenhouse gas emissions, limits potential costs to New Yorkers, invests proceeds in equitable programs that drive emission reductions, and helps maintain the competitiveness of New York businesses and industries.

Three webinars will be presented on Tuesday, January 23, 2024, to cover The Role of Cap and Invest, Thursday, January 25, 2024, to cover the Pre-Proposal Outline, and Friday, January 26, 2024, to review the Preliminary Analysis Overview.

Public stakeholder comments are encouraged, and feedback on the Pre-Proposal Outline, and Analysis Overview is requested by March 1, 2024.

It is expected this informal process will ultimately lead to a draft regulation in Calendar Year 2024 which will go through the state regulatory processes. We will continue to keep our municipalities informed about the process in upcoming News & Views.

New York State Reliability Council (NYSRC) Meets and Approves Internal Reserve Margin (IRM)

The NYSRC met on Friday, December 8, 2024. The major item on the agenda included the approval of the IRM Report and Appendices, official vote on the IRM, and approval of the IRM Resolution so the NYSRC could file the result of the vote and official reports at the Federal Energy Regulatory Commission (FERC) and New York State Public Service Commission (NYSPSC).

The NYSRC approved an IRM of 22% for the capacity capability period which covers May 1, 2024, to April 30, 2025. The actual analysis takes approximately eleven months to complete and includes review of new and retiring generation, generation performance over a five-year period, new transmission resources, availability, support from our neighboring power systems, load forecasting and other factors.

The report was filed in mid-December and the NYSRC will await final review and approval orders from FERC and the NYSPSC. All information regarding the IRM Report and Appendices is available at the New York State Reliability Council website at https://www.nysrc.org/.



Albany Update: John Jennings Harter Secrest & Emery LLP

We are entering the busy season in Albany. Governor Hochul delivered her annual State of the State

Address on January 9th, which provided an overview of her priorities heading into the new year. On January 16th, she held a press conference regarding the proposed executive budget, which she released later that day. The next major milestone in the budget process arrives when the Assembly and the Senate each release their proposals - usually in early March. Then everyone works to negotiate a final budget before the state's fiscal year closes out on March 31.

For Fiscal Year 2025, the Governor is proposing a \$233 billion budget, which represents a 1.7% increase over the prior year final budget. Notably, the Governor did not propose any increases in income taxes. The proposed budget contained several high-level priorities, including \$2.4B to help tackle the costs of the migrant crisis. It also included several policies related to housing. It did not include the aggressive proposal from last year that would have affected local control of zoning issues, but it did make funding from certain programs contingent on certification under the state's Pro-Housing Communities Program. The budget proposal includes a modest 2.4% increase in school aid, along with several other policies related to education in New York. As expected, the budget proposal included significant policies related to Medicaid and healthcare more broadly, as well as transportation and water infrastructure spending.

The budget proposal included less policy than in previous years, and after an initial review, it does not seem to include anything directly aimed at municipal electric utilities. However, it did include several policies related to the energy sector that may be of interest to you. The "Affordable Gas Transition Act" proposal would amend the Public Service Law in several ways to conform it to the greenhouse gas emission reduction requirements as set forth in the CLCPA. It specifically adds the achievement of these goals to the law's references to the role of the Public Service Commission. As the title suggests, the main thrust of the proposal relates to transitioning away from the use of natural gas. Accordingly, it codifies several mechanisms to discourage the expansion of natural gas service and new natural gas infrastructure. It also proposes to eliminate several parts of the law related to gas infrastructure, such as the 100-foot rule.

Another energy policy included in the proposal is called the Renewable Action Through Project Interconnection and Deployment (RAPID) Act. It would streamline the review and permitting of major electric transmission facilities through the Office of Renewable Energy Siting and Electric Transmission. To further that goal, it would also relocate ORES into the Department of Public Service.

Finally, the budget proposal included plenty of items directed to municipal entities more broadly. It proposed to keep AIM funding level, and it also included continued funding for many programs that you all might be eligible for, such as the Downtown Revitalization Initiative, NY Forward, and Restore New York.

Please reach out to Jim Stokes if you hear of other proposals that might affect our members. In the meantime, we are also tracking dozens of bills related to our interests that are under consideration by the legislature. We will keep you all apprised as the legislative session progresses.





