

**NIAGARA POWER COALITION
MEETING MINUTES**

Thursday, September 15, 2011 – Following HCSC Meeting
Niagara County Department of Economic Development
6311 Inducon Corporate Drive, Suite One
Sanborn, New York 14132

1.0 Call to Order

Chairman Ross called the meeting to order at 1:23 p.m.

2.0 Roll Call

Ms. Melloni performed roll call:

Representatives Present:

William L. Ross, Chairman, NC Leg. Chairman, Niagara Power Coalition	Niagara County
Don Rappold, Asst. Superintendent	Lewiston-Porter School District
Angelo Massaro, Esq.	Niagara Falls City School District
Tom O'Donnell, Esq.	City of Niagara Falls
Kerin Dumphrey, Business Manager	Niagara Wheatfield School District
Michael Risman, Esq.	Town of Niagara

Guests:

Chris Roser, Superintendent	Lewiston-Porter School District
Thomas Burgasser, Esq.	Niagara County
Scott Hapeman, Esq.	Niagara Wheatfield School District
Jackie Siegmann	Town of Niagara
Tom Prohaska	Buffalo News
Mark Scheer	Niagara Gazette

Staff Present:

John Baird, Treasurer, NPC
Mary Melloni, Secretary
Stan Widger, Esq., NPC Counsel, Nixon Peabody (via teleconference)
Samuel M. Ferraro, Executive Director/Commissioner - Niagara County Center for
Economic Development

3.0 NYPA Rate Increase

Mr. Widger explained that the meeting with the NYPA representatives was essentially informational. They made a short presentation on what the nature of the rate increase was, what were the specific drivers of it and the reasons that the timing was handled the way it was. Questions were asked about the nature of the increase and what was motivating it and NYPA's responses to those questions were detailed. One of the messages that I take away from that is that NYPA basically feels that forbearing from proposed increase that they could have put into place two years ago and it is time to play catchup.

3.0 NYPA Rate Increase (Continued...)

Unlike the situation with investor-owned utilities, if they pass up the opportunity to implement a rate increase, they do not make up for it later on because it is water over the dam. NYPA's rate-making mechanism which has been approved and referenced in the individual contracts with the members of the Niagara Power Coalition, gives them the opportunity to go back and pick up things that they did not include in rates in previous increases. This is why you see rate increases of the magnitude they are proposing over the next four years. However, there are items Mr. Widger stated that are worth pushing for because one of the dangers of not saying anything would be that there is no discipline to their end of the process. Mr. Widger stated that after the meeting they put together a draft of proposed comments and they capture some of the items discussed in the meeting and other things that the members of the NPC have expressed. Mr. Widger stated that when it comes time to discuss the draft, it is appropriate for an executive session because the process of rate-setting by NYPA is in the nature of litigation – lining up of adversarial positions on different issues and that is an appropriate area for executive session. When the draft is complete and final it will become a public document and will be treated that way.

Chairman Ross explained that the Greenway Commission will hold a meeting on Friday, September 23, 2011 at the Beaver Island State Park Office. The notice states that there will be no votes, no allocation of time for public comment, and seating is limited. The NPC will have a representative there. Ben Bedell of the Economic Development Department will be there representing the NPC and will come back with a report.

Executive Session

Mr. O'Donnell made a motion, seconded by Ms. Bianco, to enter into executive session for the reasons previously explained by Mr. Widger. Motion passed. Executive Session began at 12:23 p.m.

Mr. O'Donnell made a motion, seconded by Mr. Reiter, to end executive session and return to the regular meeting. Motion passed. Executive session ended at 1:24 p.m.

4.0 Adjournment

Mr. O'Donnell made a motion to adjourn, seconded by Mr. Dumphrey. Motion passed. Meeting adjourned at 1:26 p.m.

Respectfully submitted,

Mary P. Melloni
Secretary