

Case 10-T-0139

Champlain-Hudson Power Express Project

Environmental Trust Governance Committee Meeting Minutes

December 11, 2015

On December 11, 2015, the Governance Committee for the Hudson River and Lake Champlain Habitat Enhancement, Restoration, and Research/Habitat Improvement Project Trust (the “Trust”) held its regularly scheduled meeting.

The meeting took place at the NYS Public Service Commission, 19th Floor Conference Room, Albany, New York, with videoconference connections to the Commission’s 4th Floor Conference Room in New York City and to DEC’s Region 3 Office in New Paltz, New York.

Attendees:

PSC Offices in Albany: Certificate Holders, DPS, DEC, DOS and APA

DEC Region 3 at New Paltz: Scenic Hudson via videoconference

PSC Offices in NYC: Riverkeeper and Trout Unlimited via videoconference

Via teleconference: Bob Loughney for NYC; HRF

Agenda Items:

1. Approval of September 9, 2015 meeting minutes
2. Project Update
3. Trust Administrator Agreement
4. Trustee Bank Agreement
5. Next meeting date

Preliminary Items:

Meeting was called to order at 10 a.m. and a quorum was confirmed.

- The minutes of the September 9, 2015 meeting were approved.

Project Updates:

Certificate Holders reported on the status of the Project. Project activities discussed included:

- The Project is participating in the Class Year 2015 Facilities Study at NYISO, which will ideally be completed by June 2016, although this is looking less likely. There are several factors outside of Certificate Holders' control that may delay this, potentially until January 2017. Certificate Holders should have a better idea in February of when the Facilities Study will be complete. Financial close will likely be contemporaneous with the Class Year 2015 Interconnection Agreement.
- There are ongoing substantive discussions with NYC and Canadian suppliers that have been encouraging. The tides are running in favor of hydropower, given the NYC RFI, federal Clean Power Plan and Governor's carbon emissions goals.
- There are a few upland locations where municipality is fee owner of right-of-way and Certificate Holders must negotiate a use and occupancy agreement and possible host community fee.
- Army Corps of Engineers permit requires Navigational Risk Assessment by 3/31/16 and Certificate Holders are actively working on this.
- Cultural Resources Management plan under Presidential Permit (required for Section 106 compliance) has been filed and accepted by SHPO.
- Interconnection in New Scotland is still possible, no decision has been made but the timing is independent of rest of project.
- Current expected project in-service date would shift to mid-late 2020 if the NYISO pushes the CY2015 Study out to 2017.

Trust Administrator Agreement

HRF provided an outline and assumptions prior to the meeting.

- Who will be Trustee and Beneficiary?
 - Certificate Holders recommend bank as Trustee, and PSC as Beneficiary.
- What are relevant procurement requirements?
 - **Action Item: Steve Blow will look into this.**
- Technical and financial oversight: Who does trust designate TA to report to on day-to-day basis? A standing committee of officers?
 - **Action Item: Sacha will suggest structure for financial and technical oversight committee.**

Trust Agreement:

There is nothing new to report.

Next meeting date:

Mid-March 2016. Steve Blow will look into room availability at DPS and date will be determined via email.
