

STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

At a session of the Public Service
Commission held in the City of
Albany on June 11, 2026

COMMISSIONERS PRESENT:

Rory M. Christian, Chair
James S. Alesi
David J. Valesky
John B. Maggiore
Uchenna S. Bright
Denise M. Sheehan
Radina R. Valova

CASE 26-S-0101 - Petition of CentRio Energy Syracuse LLC and
Syracuse Energy Concessionaire LLC for
Approval, Pursuant to Section 82 of the Public
Service Law, to Issue Corporate Debt.

ORDER APPROVING FINANCING

(Issued and Effective June 12, 2026)

BY THE COMMISSION:

INTRODUCTION

In a petition filed on February 13, 2026 (the
Petition), CentRio Energy Syracuse LLC and Syracuse Energy
Concessionaire LLC (collectively, Concessionaire or Petitioners)
requested that the Public Service Commission (Commission)
authorize, pursuant to Public Service Law (PSL) §82, a
modification of their financing to increase the total debt it
may issue from \$250 million to \$400 million.¹ The Petitioners
control the operation and maintenance of the Syracuse University
Steam System (SUSS), which is a district energy system that

¹ Case 20-S-0550, Enwave Syracuse LLC et al., Order Approving
Financing (issued May 14, 2021) (Original Financing Order).

supplies steam and/or chilled water to Syracuse University (also referred to as the University) and four institutional customers.² The Petitioners sought authorization for the original debt to fund a "Modernization Plan" under which they would build, finance, operate, and maintain new and modernized steam, chilled water, and electricity distribution facilities to be incorporated into the SUSS in order to realize operational efficiencies and to achieve specific energy conservation, environmental impact reduction, reliability, and sustainability goals. Based on subsequently proposed and negotiated capital projects, as well as the unavoidable impacts of inflation, Petitioners have determined that \$250 million is insufficient to fulfill the financing purpose for which it was sought.

As discussed below, the Commission approves the Petitioners' request to enter into indebtedness up to the requested amount, along with flexibility to modify financing arrangements.

THE PETITION

The Petition explains that Enwave Energy USA changed its operating name to Centrio Energy Syracuse LLC in 2021. The Petition describes Petitioners as limited liability companies organized under the laws of the State of Delaware that are both wholly owned subsidiaries of CenTrio Energy USA Holdings LLC (CenTrio USA). CenTrio USA is a fully integrated, sustainable energy services provider which owns and operates facilities incorporated into district energy systems throughout the United States.

² The four customers are the Veterans Administration Medical Center, Crouse Irving Memorial Hospital, the State University of New York Upstate Medical Center, and the State University of New York College of Environmental Science and Forestry.

Petitioners previously sought debt authorization from the Commission in 2020. The authorization was sought for the purposes of the Long-Term Concession and Operating Agreement for the SUSS, dated October 29, 2019, which included the Modernization Plan. On May 14, 2021, the Commission authorized Petitioners to enter into indebtedness up to \$250 million.³ Petitioners seek an increase in their debt authorization due to inflation driven cost increases as well as additional capital projects related to the Modernization Plan that were approved by the University after issuance of the Original Financing Order. Petitioners assert that the purpose for which the proceeds would be used has not changed, i.e., the Modernization Plan.

The Petition seeks approval, pursuant to PSL §82, to borrow an amount not to exceed a total of \$400 million for a term in excess of 12 months. Petitioners remain committed to using the requested financing for general corporate purposes, including the provision of working capital and other financial requirements necessary to support investments in the renovation and expansion of the SUSS.

The Petitioners note that the Concession Agreement will be pledged as collateral for the debt, which would be serviced through a combination of an availability payment made by the University to Concessionaire and revenues from the sales of steam, chilled water, and electricity distribution products and services provided to the University and Third-Party Customers. Lastly, Petitioners request that they be afforded the flexibility to issue and reissue financing instruments as may be required periodically, and to change the financing entities, payment terms, and amounts financed (up to a total of

³ Original Financing Order.

\$400 million), without seeking further authorization from the Commission.

NOTICE OF PROPOSED RULE MAKING

Pursuant to the State Administrative Procedure Act (SAPA) §202(1), a Notice of Proposed Rulemaking (Notice) was published in the State Register on March 18, 2026 [SAPA No. 26-S-0101SP1]. The time for submission of comments pursuant to the Notice expired on May 18, 2026. No comments were received.

LEGAL AUTHORITY

Pursuant to PSL §82, the Commission is authorized to approve certain forms of indebtedness and financings by steam corporations. Financings proposed under this and other comparable sections of the PSL by lightly regulated companies may be addressed on the basis of representations made in the petition, and do not require an in-depth analysis.⁴

DISCUSSION AND CONCLUSION

On September 21, 2020, the Commission approved the transfer of operational control over the SUSS from Syracuse University to the Petitioners, noting that the Concession Agreement is "expected to bring in the services of an experienced operator of steam and district heating projects to oversee the redevelopment of facilities that are very near the end of their useful lives."⁵ The Commission also authorized a

⁴ Case 17-E-0016, TC Ravenswood et al., Order Approving Transfer Subject to Acceptance of Conditions and Making Other Findings (issued April 19, 2017).

⁵ Case 20-S-0196, Enwave Syracuse LLC et al., Order Approving Exercise of Municipal Consents, Transfer of Operational Control, and Providing for Lightened Regulation (issued September 21, 2020), p. 9.

lightened regulatory regime for the Petitioners in connection with their operation of the SUSS, while recognizing that the University will continue to be lightly regulated as the owner of SUSS.⁶

With respect to the Petition, the Commission will continue to apply the reduced level of scrutiny appropriate for lightly regulated entities such as the Petitioners. As the Petitioners represent, the purpose of the indebtedness relates to the provision of working capital and other financial requirements necessary to support investments in the renovation and expansion of the SUSS. The Modernization Plan is designed to improve the SUSS's reliability, resiliency, and efficiency, while supporting its growth and reducing its environmental impacts. The Concession Agreement, including the payments thereunder to the University to recognize the efficiency and capacity improvement savings up-front, reflects the interdependent relationship between the University, as the owner and a consumer, and the Petitioners, as the operators of the SUSS. Accordingly, the Concession Agreement supports the plans to upgrade and expand the SUSS.

Because the proposed financing relates to a statutory purpose and is intended to enhance the provision of safe and adequate service, the Commission finds that it is within the public interest. Accordingly, we approve the Petitioner's request to incur indebtedness up to a maximum amount of \$400 million, along with the requested flexibility to modify, without prior Commission approval, the identity of the financing entities, payment terms, the amount financed up to the maximum \$400 million amount, and to issue and reissue such financing instruments as may be required. The exercise of this financing

⁶ Id., pp. 10-13.

flexibility will allow the Petitioners to avoid disruption of their financing arrangements and enable them to operate more efficiently to take advantage of changing market conditions.

The approval of the financing is a Type II action under the State Environmental Quality Review Act and therefore an environmental review of the action is not necessary.⁷ Further, the approval of the financing will not result in an increase in greenhouse gas (GHG) emissions in contravention to the Climate Leadership and Community Protection Act.⁸ The financing will be used to modernize the SUSS to achieve energy conservation and environmental impact reduction, and will not result in an increase in GHG emissions beyond existing and valid air permits. Large portions of the City of Syracuse, including parts of the University campus, have been identified as a Disadvantaged Community by the Climate Justice Working Group.⁹ However, the approval of the financing will not disproportionately burden the community because the financing is being used to modernize the already existing SUSS and, as noted,

⁷ 16 NYCRR 7.2(2).

⁸ See Section 7 of Chapter 106 of the Laws of 2019. The CLCPA became effective on January 1, 2020. The CLCPA requires, inter alia, that a State agency, in considering and issuing permits, licenses, and other administrative approvals and decisions, consider whether such decisions are inconsistent with or will interfere with the attainment of statewide GHG emissions limits and, if so, provide justification for why such limits/criteria may not be met, and identify alternatives or GHG mitigation measures to be required where a project is located.

⁹ The areas designated as Disadvantaged Communities by the Climate Justice Working Group can be identified in an interactive map available at: <https://www.nyserda.ny.gov/ny/Disadvantaged-Communities>.

is intended to reduce environmental impacts and achieve energy conservation to the benefit of the area.

The Commission orders:

1. CentTrio Energy Syracuse LLC and Syracuse Energy Concessionaire LLC are authorized to issue up to \$400 million in overall long-term debt securities, inclusive of the \$250 million already authorized, up to a maximum total amount of \$400 million, including financing flexibility, as discussed in the Petition filed in this proceeding and in the body of this Order.

2. This proceeding is closed.

By the Commission,

(SIGNED)

MICHELLE L. PHILLIPS
Secretary