NOTICE OF PUBLIC HEARING

POWER AUTHORITY OF THE STATE OF NEW YORK

The Power Authority of the State of New York (Authority) will hold a public hearing, as detailed below, on the proposed form of Contracts for the Extension of Hydropower Contracts, and the sale of Replacement Power Allocations.

Copies of the proposed Contract forms may be inspected at the Authority's Buffalo office at the address below, or online at the Authority's Web site, www.nypa.gov, in the Documents Library under Notices and Agendas.

Those wishing to make oral statements at the hearing are asked to provide to the Authority, in writing and in advance of the hearing, their name(s) and the name of the organization or group they represent. Oral statements should be limited to five minutes. Speakers should also provide two copies of their oral statements.

Hearing Date:	September 16, 2026
Hearing Times:	2:00 p.m. to 6:00 p.m.
Hearing Location:	New York Power Authority Buffalo office 40 La Riviere Drive Suite 202, multi-purpose room 210 Buffalo, New York 14202

Written statements provided to the Authority by close of business on Thursday, September 17, 2026, will also become part of the record of the hearing. For further information, including the address of other Authority offices at which copies of the proposed Contract forms may be inspected, contact:

POWER AUTHORITY OF THE STATE OF NEW YORK
Felisa Hochheiser, Vice President and Corporate Secretary
123 Main Street
White Plains, New York 10601
(914) 681-6903
secretaryoffice@nypa.gov

NEW YORK STATE | NY Power Authority | Canal Corporation

2026 Amendment to 1990 Service Agreement

This 2026 Amendment to the 1990 Service Agreement, dated this __ day of ______, 2026 is made between Niagara Mohawk Power Corporation, d/b/a National Grid ("Company") and the Power Authority of the State of New York ("Authority").

WHEREAS, the Company and the Authority are parties to an agreement dated February 22, 1989 under which the Authority has sold certain quantities of hydroelectric power and energy in accordance with Authority Service Tariff ("ST") No. 41 and ST. No. 42 from Authority's Niagara and St. Lawrence Projects to Company for resale to its rural and residential consumers (the "1990 Service Agreement").

WHEREAS, the Company and Authority have previously modified and extended the 1990 Service Agreement, most recently by the "First Revised 2025 Amendment to 1990 Service Agreement" (the "First Revised 2025 Amendment").

WHEREAS, by letter dated June 29, 2011, Authority withdrew all 189 MW of Firm Hydroelectric Power and Energy allocated under ST No. 41 and terminated service under the 1990 Service Agreement under ST No. 41 with respect to all 189 MW of Firm Hydroelectric Power and Energy, effective August 1, 2011, for use in the Recharge New York Power Program created pursuant to Chapter 60 (Part CC) of the Laws of 2011 (the "Firm Power and Energy Withdrawal/Termination").

WHEREAS, Company and Authority agree to further modify and extend certain terms of the 1990 Service Agreement as follows:

1) As a result of the Authority's Firm Power and Energy Withdrawal/Termination, the amount of Firm Hydroelectric Power and Energy allocated to Company under ST No. 41 is zero (0), and the Firm Peaking Power allocation of 175 MW under ST No. 42 will remain unchanged.

2) Article E - Rates. The current text is deleted in its entirety and is replaced with the following text.

   "The rates charged by the Authority under this Agreement shall be established in accordance with this Article.

   A. Project Power and Energy provided by the Authority from the Project shall be sold to the Customer at cost-based rates consistent with the NRA and the FERC License, and at the "lowest rates reasonably possible" as referred to in the NRA, § 836(b)(1) and at the "lowest possible price" as referred to in the N.Y. Public Authorities Law ("PAL") § 1005(5). The Authority shall charge and the Customer shall pay the preference power rates as adopted by the Authority's Trustees, as revised from time to time at the discretion of the Authority's Trustees, exercised in accordance with the terms and conditions of this Agreement. During the Term of this Agreement, the Customer will not object to rates that apply the following Cost of Service ("CoS") provisions ("Principles and Methodologies"):

(i) Recovery of the "cost of generation, plus capital and operating charges," or any other charge permitted under PAL § 1005(5);

(ii) The melding of the costs of the Niagara Power Project and St. Lawrence-FDR Power Project ("Hydro Projects") for ratemaking purposes;

(iii) The use of Authority's 'labor/labor' method (i.e. labor ratios) for allocation of Administrative and General ("A&G") costs;

(iv) Recovery of capital costs and depreciation expense, as defined below.

(a) The Authority's capital costs are defined as rate base (defined in subparagraph (iv)(b) below) times the Authority's actual long-term debt rate as published annually in the Authority's Consolidated Financial Statements report;

(b) The Authority's rate base will be comprised of net plant balances, (net of accumulated depreciation), for the following: Project production and allocated general plant, St. Lawrence-FDR Project production and allocated general plant, Headquarters allocated general plant, and Clark Energy Center allocated general plant, plus applicable prepayments, materials & supplies and cash working capital (labor ratio allocators applied to all allocable costs);

(c) The Authority will recover depreciation expense for plant in service, including Project production and allocated general plant, St. Lawrence-FDR Project production and allocated general plant, Headquarters allocated general plant, and Clark Energy Center allocated general plant. Depreciation expense shall not include an adjustment for inflation and shall be calculated using generally accepted accounting principles, consistent with the Authority's depreciation studies performed by outside experts and as adopted by the Authority from time to time following any applicable regulatory approvals;

(v) Continued recovery of all prudent Hydro Project relicensing costs in the exercise of the Authority's broad discretion and in accordance with the Authority's obligations under its FERC licenses for the Hydro Projects;

(vi) Continuation of Authority's existing practice of retaining excess revenues from the sale of hydroelectric energy from the Hydro Projects after the preference power rate is set;

(vii) Use of the Rate Stabilization Reserve ("RSR") for the tracking of any under-collection or over-collection of the Authority's CoS developed for the Hydro Projects;

(viii) In developing preference power rates, Authority to include crediting to the CoS the Hydro Project revenues from the projected sales of excess Unforced Capacity ("UCAP") and Ancillary Services revenues;

(ix) The use of a five-year historical average of actual generation levels of the Hydro Projects in the development of preference power rates. RSR calculations made each year will use the annual generation level;

(x) Elimination of the ReCharge NY Program normalization in the preference power rate development; and

(xi) The RSR reconciliations will be subject to the following:

(a) Excess UCAP not needed to meet firm demands of customers served from the Hydro Projects will be credited to the COS based on the sale of such UCAP in the NYISO capacity auctions. To the extent excess UCAP is used by Authority to make bilateral transactions, preference customers shall be credited on a pro-rata basis in the RSR reconciliation based on the assumption that such quantity of excess UCAP is sold at the NYISO monthly average "Rest of State" UCAP auction prices in the wholesale market, weighted at 1/3 for the Strip auction price, 1/3 for the Monthly auction price, and 1/3 for the Spot auction price.

(b) Authority's A&G expenses collected in preference rates commencing April 1, 2026 through March 31, 2031 will use a 2023 base year of $212,665,707 of actual expenses, escalated 4% annually. Such A&G expenses will not be subject to reconciliation to actual A&G in annual RSR calculations, except for reconciliation based on annual updates to the labor ratio. After March 31, 2031, A&G expense will be determined by mutual agreement.

(c) Authority's Operation & Maintenance ("O&M") expenses collected in preference rates commencing April 1, 2026 through March 31, 2031 will be based on budgeted projections. Such O&M expenses will not be subject to reconciliation to actual O&M in annual RSR calculations, except for reconciliation of any direct O&M related to emergent work (identified through specific project coding) at the Hydro Projects. After March 31, 2031, O&M expense will be determined by mutual agreement.

(d) Authority's actual Ancillary Service revenues from the Hydro Projects will be credited to the CoS.

B. In the event the Authority ceases to employ any of the methodologies and principles enumerated above, the Customer or the Customer's Authorized Recipient shall have the right to take any position whatsoever with respect to such methodology or principle, but shall not have the right to challenge any of the remaining methodologies and principles that continue to be employed by the Authority. Notwithstanding the foregoing, nothing in this Article shall

limit the Authority and Customer or Customer's Authorized Recipient from entering into good faith negotiations to change the above methodologies and principles.

3) Article F - Transmission. The current text is deleted in its entirety and is replaced with the following text.

> "In accordance with the terms of the existing transmission service agreement, which by its terms will expire on August 31, 2007, Company will cease taking transmission service from Authority and will instead take transmission service under the New York Independent System Operator's ("NYISO") Open Access Transmission Tariff. Company agrees to settle any outstanding transmission charges that may apply prior to September 1, 2007 including any subsequent NYISO true up settlements."

4) Article G - Notification. In the contact address for Authority replace "10 Columbus Circle, New York, NY 10019" with "123 Main Street, White Plains, NY 10601".

5) Article K - Restoration of Withdrawn Power and/or Energy is deleted in its entirety.

6) Article L - Term of Service, is revised to read as follows:

> "Service under this contract shall commence at 12:01 A.M. on January 1, 1990 and shall continue unless cancelled as provided for In the "Withdrawals of Power and/or Energy" or the "Cancellation or Reduction" provisions until December 31, 2027, subject to earlier termination by the Authority at any time with respect to any or all of the quantities of power and energy provided hereunder on at least thirty (30) days' prior written notice to Company."

7) Article M - Availability of Energy - Firm and Firm Peaking Hydroelectric Power Service. In the third paragraph, line 1, starting with the words "In the event that..." through "... minimize the impact of such reductions." on line 10, replace with the following:

> "The Authority will have the right to reduce on a pro rata basis the amount of energy provided to Company under Service Tariff No. 42 if such reductions are necessary due to low flow (i.e. hydrologic) conditions at the Authority's Niagara Project hydroelectric generating station. In the event that hydrologic conditions require the Authority to reduce the amount of energy provided to Company, reductions as a percentage of the otherwise required, energy deliveries will be the same for all firm Niagara Project customers. The Authority shall be under no obligation to deliver and will not deliver any such curtailed energy to the Company in later billing periods. The offer of Energy for delivery shall fulfill the Authority's obligations for purposes of this Provision whether or not the Energy is taken by the Company. The Authority shall provide reasonable notice to Company of any condition or activities that could result, or have resulted, in low flow conditions consistent with the notice provided to other similarly affected customers."

8) This amendment shall be referred to as the "2026 Amendment to the 1990 Service Agreement".

9) Continuation of service under this 2026 Amendment to the 1990 Service Agreement shall be subject to approval of this 2026 Amendment to the 1990 Service Agreement by the Governor of the State of New York pursuant to Public Authorities Law § 1009. If the Governor disapproves this 2026 Amendment to the 1990 Service Agreement, service will cease on the last day of the month following the month during which the Governor disapproved this 2026 Amendment to the 1990 Service Agreement. If the Governor takes no action within the time frame provided for in Public Authorities Law § 1009, service will cease on the last day of the month following the month during which such timeframe expired.

10) Except as expressly provided in this 2026 Amendment to the 1990 Service Agreement, the 1990 Service Agreement shall remain unchanged and in full force and effect.

11) This 2026 Amendment to the 1990 Service Agreement shall be governed by and construed in accordance with the laws of the State of New York applicable to contracts and to be performed in such state, without regard to conflict of laws principles.

12) This 2026 Amendment to the 1990 Service Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signature thereto and hereto were upon the same instrument.

13) Upon approval of the Governor of the State of New York pursuant to Public Authorities Law § 1009, and upon execution by the Chairman of the Authority, this 2026 Amendment to the 1990 Service Agreement shall come into full force and effect, provided however that pending such gubernatorial approval and execution, this 2026 Amendment to the 1990 Service Agreement shall replace the First Revised 2025 Amendment and take effect on January 1, 2027 and continue on a month to month basis.

14) This 2026 Amendment to the 1990 Service Agreement may be amended or modified by written agreement signed by the Authority and the Company.

AGREED:

Niagara Mohawk Power Corporation, d/b/a National Grid

By: ____________________

Name: ____________________

Title: ____________________

Date: ____________________

Power Authority of the State of New York

By: ____________________
Name: John R. Koelmel
Title: Chairman

Date: ____________________

2026 Amendment to 1990 Hydropower Contract

This 2026 Amendment to the 1990 Hydropower Contract, dated this __ day of _______, 2026 is made between New York State Electric & Gas Corporation ("Company") and the Power Authority of the State of New York ("Authority").

WHEREAS, the Company and the Authority are parties to an agreement dated February 22, 1989 under which the Authority sells certain quantities of hydroelectric power and energy from Authority's Niagara and St, Lawrence Projects to Company for resale to its rural and residential consumers (the "1990 Hydropower Contract").

WHEREAS, Authority, Rochester Gas and Electric Corporation ("RGE") and Company are also parties to a letter agreement dated February 14, 2008, which modified Article D - Regulation of Rates and Charges as it pertained to the calculation of the monthly savings realized by the customers of Company and RGE from the purchase of Authority hydropower.

WHEREAS, Company and Authority have previously modified and extended the 1990 Hydropower Contract, most recently by the "First Revised 2025 Amendment to 1990 Hydropower Contract" (the "First Revised 2025 Amendment").

WHEREAS, by letter dated June 29, 2011, Authority withdrew all 167 MW of Firm Hydroelectric Power and Energy allocated under Service Tariff No. 41 and terminated service under the 1990 Hydropower Contract with respect to all 167 MW of Firm Hydroelectric Power and Energy, effective August 1, 2011, for use in the Recharge New York Power Program created pursuant to Chapter 60 (Part CC) of the Laws of 2011 (the "Firm Power and Energy Withdrawal/Termination").

WHEREAS, Company and Authority agree to further modify and extend certain terms of 1990 Hydropower Contract as follows:

1) As a result of the Authority's Firm Power and Energy Withdrawal/Termination, the amount of Firm Hydroelectric Power and Energy allocated to Company under Service Tariff No. 41 is zero (0). The Firm Peaking Power allocation of 150 MW under Service Tariff No. 42 will remain unchanged.

2) Article E - Rates. The current text is deleted in its entirety and is replaced with the following text.

"The rates charged by the Authority under this Agreement shall be established in accordance with this Article.

A. Project Power and Energy provided by the Authority from the Project shall be sold to the Customer at cost-based rates consistent with the NRA and the FERC License, and at the "lowest rates reasonably possible" as referred to in the NRA, § 836(b)(1) and at the "lowest possible price" as referred to in the N.Y. Public Authorities Law ("PAL") § 1005(5). The Authority shall charge and the Customer shall pay the preference power rates as adopted by the Authority's Trustees, as revised from time to time at the discretion of the Authority's Trustees, exercised in accordance with the terms and conditions of this Agreement. During the Term of this Agreement, the Customer will not object to rates that apply the following Cost of Service ("CoS") provisions ("Principles and Methodologies"):

(i) Recovery of the "cost of generation, plus capital and operating charges," or any other charge permitted under PAL § 1005(5);

(ii) The melding of the costs of the Niagara Power Project and St. Lawrence-FDR Power Project ("Hydro Projects") for ratemaking purposes;

(iii) The use of Authority's 'labor/labor' method (i.e. labor ratios) for allocation of Administrative and General ("A&G") costs;

(iv) Recovery of capital costs and depreciation expense, as defined below.

(a) The Authority's capital costs are defined as rate base (defined in subparagraph (iv)(b) below) times the Authority's actual long-term debt rate as published annually in the Authority's Consolidated Financial Statements report;

(b) The Authority's rate base will be comprised of net plant balances, (net of accumulated depreciation), for the following: Project production and allocated general plant, St. Lawrence-FDR Project production and allocated general plant, Headquarters allocated general plant, and Clark Energy Center allocated general plant, plus applicable prepayments, materials & supplies and cash working capital (labor ratio allocators applied to all allocable costs);

(c) The Authority will recover depreciation expense for plant in service, including Project production and allocated general plant, St. Lawrence-FDR Project production and allocated general plant, Headquarters allocated general plant, and Clark Energy Center allocated general plant. Depreciation expense shall not include an adjustment for inflation and shall be calculated using generally accepted accounting principles, consistent with the Authority's depreciation studies performed by outside experts and as adopted by the Authority from time to time following any applicable regulatory approvals;

(v) Continued recovery of all prudent Hydro Project relicensing costs in the exercise of the Authority's broad discretion and in accordance with the Authority's obligations under its FERC licenses for the Hydro Projects;

(vi) Continuation of Authority's existing practice of retaining excess revenues from the sale of hydroelectric energy from the Hydro Projects after the preference power rate is set;

(vii) Use of the Rate Stabilization Reserve ("RSR") for the tracking of any under-collection or over-collection of the Authority's CoS developed for the Hydro Projects;

(viii) In developing preference power rates, Authority to include crediting to the CoS the Hydro Project revenues from the projected sales of excess Unforced Capacity ("UCAP") and Ancillary Services revenues;

(ix) The use of a five-year historical average of actual generation levels of the Hydro Projects in the development of preference power rates. RSR calculations made each year will use the annual generation level;

(x) Elimination of the ReCharge NY Program normalization in the preference power rate development; and

(xi) The RSR reconciliations will be subject to the following:

(a) Excess UCAP not needed to meet firm demands of customers served from the Hydro Projects will be credited to the CoS based on the sale of such UCAP in the NYISO capacity auctions. To the extent excess UCAP is used by Authority to make bilateral transactions, preference customers shall be credited on a pro-rata basis in the RSR reconciliation based on the assumption that such quantity of excess UCAP is sold at the NYISO monthly average "Rest of State" UCAP auction prices in the wholesale market, weighted at 1/3 for the Strip auction price, 1/3 for the Monthly auction price, and 1/3 for the Spot auction price.

(b) Authority's A&G expenses collected in preference rates commencing April 1, 2026 through March 31, 2031 will use a 2023 base year of $212,665,707 of actual expenses, escalated 4% annually. Such A&G expenses will not be subject to reconciliation to actual A&G in annual RSR calculations, except for reconciliation based on annual updates to the labor ratio. After March 31, 2031, A&G expense will be determined by mutual agreement.

(c) Authority's Operation & Maintenance ("O&M") expenses collected in preference rates commencing April 1, 2026 through March 31, 2031 will be based on budgeted projections. Such O&M expenses will not be subject to reconciliation to actual O&M in annual RSR calculations, except for reconciliation of any direct O&M related to emergent work (identified through specific project coding) at the Hydro Projects. After March 31, 2031, O&M expense will be determined by mutual agreement.

(d) Authority's actual Ancillary Service revenues from the Hydro Projects will be credited to the CoS.

B. In the event the Authority ceases to employ any of the methodologies and principles enumerated above, the Customer or the Customer's Authorized Recipient shall have the right to take any position whatsoever with respect to such methodology or principle, but shall not have the right to challenge any of the remaining methodologies and principles that continue to be employed by the Authority. Notwithstanding the foregoing, nothing in this Article shall

limit the Authority and Customer or Customer's Authorized Recipient from entering into good faith negotiations to change the above methodologies and principles.

3) Article F - Transmission. The current text is deleted in its entirety and is replaced with the following text.

> "In accordance with the terms of the existing transmission Hydropower Contract, which by its terms will expire on August 31, 2007, Company will cease taking transmission service from Authority and will instead take transmission service under the New York Independent System Operator's ("NYISO") Open Access Transmission Tariff. Company agrees to settle any outstanding transmission charges that may apply prior to September 1, 2007 including any subsequent NYISO true up settlements."

4) Article G - Notification. In the contact address for Authority replace "10 Columbus Circle, New York, NY 10019" with "123 Main Street, White Plains, NY 10601". For Company, delete the current reference in its entirety and replace with the following "Patrick W. Fox, Senior Director, NY Energy Services, New York State Electric & Gas Corporation and Rochester Gas and Electric Corporation, 18 Link Drive, P.O. Box 5224, Binghamton, New York 13902-5224".

5) Article K - Restoration of Withdrawn Power and/or Energy is deleted in its entirety.

6) Article L - Term of Service, is revised to read as follows:

> "Service under this contract shall commence at 12:01 A.M. on January 1, 1990 and shall continue unless cancelled as provided for in the "Withdrawals of Power and/or Energy" or the "Cancellation or Reduction" provisions until December 31, 2027, subject to earlier termination by the Authority at any time with respect to any or all of the quantities of power and energy provided hereunder on at least thirty (30) days' prior written notice to Company."

7) Article M - Availability of Energy - Firm and Firm Peaking Hydroelectric Power Service. In the third paragraph, line 1, starting with the words "In the event that..." through "... minimize the impact of such reductions." on line 10, replace with the following:

> "The Authority will have the right to reduce on a pro rata basis the amount of energy provided to Company under Service Tariff No. 42 if such reductions are necessary due to low flow (i.e. hydrologic) conditions at the Authority's Niagara Project hydroelectric generating station. In the event that hydrologic conditions require the Authority to reduce the amount of energy provided to the Company, reductions as a percentage of the otherwise required, energy deliveries will be the same for all firm Niagara Project customers. The Authority shall be under no obligation to deliver and will not deliver any such curtailed energy to the Company in later billing periods. The offer of Energy for delivery shall fulfill Authority's obligations for purposes of this Provision whether or not the Energy is taken by the Company. The Authority shall provide reasonable notice to the Company of any condition or activities that could result, or have resulted, in low

flow conditions consistent with the notice provided to other similarly affected customers."

8) This amendment shall be referred to as the "2026 Amendment to the 1990 Hydropower Contract".

9) Continuation of service under this 2026 Amendment to the 1990 Hydropower Contract shall be subject to approval of this 2026 Amendment to the 1990 Hydropower Contract by the Governor of the State of New York pursuant to Public Authorities Law § 1009. If the Governor disapproves this 2026 Amendment to the 1990 Hydropower Contract, service will cease on the last day of the month following the month during which the Governor disapproved this 2026 Amendment to the 1990 Hydropower Contract. If the Governor takes no action within the time frame provided for in Public Authorities Law § 1009, service will cease on the last day of the month following the month during which such timeframe expired.

10) Except as expressly provided in this 2026 Amendment to the 1990 Hydropower Contract, the 1990 Hydropower Contract shall remain unchanged and in full force and effect.

11) This 2026 Amendment to the 1990 Hydropower Contract shall be governed by and construed in accordance with the laws of the State of New York applicable to contracts and to be performed in such state, without regard to conflict of laws principles.

12) This 2026 Amendment to the 1990 Hydropower Contract may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signature thereto and hereto were upon the same instrument.

13) Upon approval of the Governor of the State of New York pursuant to Public Authorities Law § 1009, and upon execution by the Chairman of the Authority, this 2026 Amendment to the 1990 Hydropower Contract shall come into full force and effect, provided however that pending such gubernatorial approval and execution, this 2026 Amendment to the 1990 Hydropower Contract shall replace the First Revised 2025 Amendment and take effect on January 1, 2027 and continue on a month to month basis.

14) This 2026 Amendment to the 1990 Hydropower Contract may be amended or modified by a written agreement signed by the Authority and the Company.

AGREED:

New York State Electric & Gas Corporation

By: ____________________
Name: Andrea VanLuling
Title: Controller
Date: ____________________

By: ____________________
Name: Patricia Nilsen

Title: Chief Executive Officer
Date: ____________________

Power Authority of the State of New York

ACCEPTED:

By: ____________________
Name: John R. Koelmel
Title: Chairman
Date: ____________________

2026 Amendment to 1990 Hydropower Contract

This 2026 Amendment to the 1990 Hydropower Contract, dated this ___ day of _______, 2026 is made between Rochester Gas and Electric Corporation ("Company") and the Power Authority of the State of New York ("Authority").

WHEREAS, the Company and the Authority are parties to an agreement dated February 22, 1989 under which the Authority sells certain quantities of hydroelectric power and energy from Authority's Niagara and St. Lawrence Projects to Company for resale to its rural and residential consumers (the "1990 Hydropower Contract").

WHEREAS, Authority, New York State Electric & Gas Corporation ("NYSEG") and Company are also parties to a letter agreement dated February 14, 2008 which modified Article D - Regulation of Rates and Charges as it pertained to the calculation of the monthly savings realized by the customers of Company and NYSEG from the purchase of Authority hydropower.

WHEREAS, Company and Authority have previously modified and extended the 1990 Hydropower Contract, most recently by the "First Revised 2025 Amendment to 1990 Hydropower Contract" (the "First Revised 2025 Amendment").

WHEREAS, by letter dated June 29, 2011, Authority withdrew all 99 MW of Firm Hydroelectric Power and Energy allocated under Service Tariff No. 41 and terminated service under the 1990 Hydropower Contract with respect to all 99 MW of Firm Hydroelectric Power and Energy, effective August 1, 2011, for use in the Recharge New York Power Program created pursuant to Chapter 60 (Part CC) of the Laws of 2011 (the "Firm Power and Energy Withdrawal/Termination").

WHEREAS, Company and Authority agree to further modify and extend certain terms of 1990 Hydropower Contract as follows:

1) As a result of the Authority's Firm Power and Energy Withdrawal/Termination, the amount of Firm Hydroelectric Power and Energy allocated to Company under Service Tariff No. 41 is zero (0). The Firm Peaking Power allocation of 35 MW under Service Tariff No. 42 will remain unchanged.

2) Article E - Rates. The current text is deleted in its entirety and is replaced with the following text.

    "The rates charged by the Authority under this Agreement shall be established in accordance with this Article.

    A. Project Power and Energy provided by the Authority from the Project shall be sold to the Customer at cost-based rates consistent with the NRA and the FERC License, and at the "lowest rates reasonably possible" as referred to in the NRA, § 836(b)(1) and at the "lowest possible price" as referred to in the N.Y. Public Authorities Law ("PAL") § 1005(5). The Authority shall charge and the Customer shall pay the preference power rates as adopted by the Authority's Trustees, as revised from time to time at the discretion of the Authority's Trustees, exercised in accordance with the terms and conditions of this Agreement. During the Term of this Agreement, the Customer will not object to rates that apply the following Cost of Service ("CoS") provisions ("Principles and Methodologies"):

(i) Recovery of the "cost of generation, plus capital and operating charges," or any other charge permitted under PAL § 1005(5);

(ii) The melding of the costs of the Niagara Power Project and St. Lawrence-FDR Power Project ("Hydro Projects") for ratemaking purposes;

(iii) The use of Authority's 'labor/labor' method (i.e. labor ratios) for allocation of Administrative and General ("A&G") costs;

(iv) Recovery of capital costs and depreciation expense, as defined below.

(a) The Authority's capital costs are defined as rate base (defined in subparagraph (iv)(b) below) times the Authority's actual long-term debt rate as published annually in the Authority's Consolidated Financial Statements report;

(b) The Authority's rate base will be comprised of net plant balances, (net of accumulated depreciation), for the following: Project production and allocated general plant, St. Lawrence-FDR Project production and allocated general plant, Headquarters allocated general plant, and Clark Energy Center allocated general plant, plus applicable prepayments, materials & supplies and cash working capital (labor ratio allocators applied to all allocable costs);

(c) The Authority will recover depreciation expense for plant in service, including Project production and allocated general plant, St. Lawrence-FDR Project production and allocated general plant, Headquarters allocated general plant, and Clark Energy Center allocated general plant. Depreciation expense shall not include an adjustment for inflation and shall be calculated using generally accepted accounting principles, consistent with the Authority's depreciation studies performed by outside experts and as adopted by the Authority from time to time following any applicable regulatory approvals;

(v) Continued recovery of all prudent Hydro Project relicensing costs in the exercise of the Authority's broad discretion and in accordance with the Authority's obligations under its FERC licenses for the Hydro Projects;

(vi) Continuation of Authority's existing practice of retaining excess revenues from the sale of hydroelectric energy from the Hydro Projects after the preference power rate is set;

(vii) Use of the Rate Stabilization Reserve ("RSR") for the tracking of any under-collection or over-collection of the Authority's CoS developed for the Hydro Projects;

(viii) In developing preference power rates, Authority to include crediting to the CoS the Hydro Project revenues from the projected sales of excess Unforced Capacity ("UCAP") and Ancillary Services revenues;

(ix) The use of a five-year historical average of actual generation levels of the Hydro Projects in the development of preference power rates. RSR calculations made each year will use the annual generation level;

(x) Elimination of the ReCharge NY Program normalization in the preference power rate development; and

(xi) The RSR reconciliations will be subject to the following:

(a) Excess UCAP not needed to meet firm demands of customers served from the Hydro Projects will be credited to the COS based on the sale of such UCAP in the NYISO capacity auctions. To the extent excess UCAP is used by Authority to make bilateral transactions, preference customers shall be credited on a pro-rata basis in the RSR reconciliation based on the assumption that such quantity of excess UCAP is sold at the NYISO monthly average "Rest of State" UCAP auction prices in the wholesale market, weighted at 1/3 for the Strip auction price, 1/3 for the Monthly auction price, and 1/3 for the Spot auction price.

(b) Authority's A&G expenses collected in preference rates commencing April 1, 2026 through March 31, 2031 will use a 2023 base year of $212,665,707 of actual expenses, escalated 4% annually. Such A&G expenses will not be subject to reconciliation to actual A&G in annual RSR calculations, except for reconciliation based on annual updates to the labor ratio. After March 31, 2031, A&G expense will be determined by mutual agreement.

(c) Authority's Operation & Maintenance ("O&M") expenses collected in preference rates commencing April 1, 2026 through March 31, 2031 will be based on budgeted projections. Such O&M expenses will not be subject to reconciliation to actual O&M in annual RSR calculations, except for reconciliation of any direct O&M related to emergent work (identified through specific project coding) at the Hydro Projects. After March 31, 2031, O&M expense will be determined by mutual agreement.

(d) Authority's actual Ancillary Service revenues from the Hydro Projects will be credited to the CoS.

B. In the event the Authority ceases to employ any of the methodologies and principles enumerated above, the Customer or the Customer's Authorized Recipient shall have the right to take any position whatsoever with respect to such methodology or principle, but shall not have the right to challenge any of the remaining methodologies and principles that continue to be employed by the Authority. Notwithstanding the foregoing, nothing in this Article shall

limit the Authority and Customer or Customer's Authorized Recipient from entering into good faith negotiations to change the above methodologies and principles.

3) Article F - Transmission. The current text is deleted in its entirety and is replaced with the following text.

"In accordance with the terms of the existing transmission Hydropower Contract, which by its terms will expire on August 31, 2007, Company will cease taking transmission service from Authority and will instead take transmission service under the New York Independent System Operator's ("NYISO") Open Access Transmission Tariff. Company agrees to settle any outstanding transmission charges that may apply prior to September 1, 2007 including any subsequent NYISO true up settlements."

4) Article G - Notification. In the contact address for Authority replace "10 Columbus Circle, New York, NY 10019" with "123 Main Street, White Plains, NY 10601". For Company, delete the current reference in its entirety and replace with the following "Patrick W. Fox, Senior Director, NY Energy Services, New York State Electric & Gas Corporation and Rochester Gas and Electric Corporation, 18 Link Drive, P.O. Box 5224, Binghamton, New York 13902-5224".

5) Article K - Restoration of Withdrawn Power and/or Energy is deleted in its entirety.

6) Article L - Term of Service, is revised to read as follows:

"Service under this contract shall commence at 12:01 A.M. on January 1, 1990 and shall continue unless cancelled as provided for In the "Withdrawals of Power and/or Energy" or the "Cancellation or Reduction" provisions until December 31, 2027, subject to earlier termination by the Authority at any time with respect to any or all of the quantities of power and energy provided hereunder on at least thirty (30) days' prior written notice to Company."

7) Article M - Availability of Energy - Firm and Firm Peaking Hydroelectric Power Service. In the third paragraph, line 1, starting with the words "In the event that..." through "... minimize the impact of such reductions." on line 10, replace with the following:

"The Authority will have the right to reduce on a pro rata basis the amount of energy provided to Company under Service Tariff No. 42 if such reductions are necessary due to low flow (i.e. hydrologic) conditions at the Authority's Niagara Project hydroelectric generating station. In the event that hydrologic conditions require the Authority to reduce the amount of energy provided to the Company, reductions as a percentage of the otherwise required, energy deliveries will be the same for all firm Niagara Project customers. The Authority shall be under no obligation to deliver and will not deliver any such curtailed energy to the Company in later billing periods. The offer of Energy for delivery shall fulfill the Authority's obligations for the purposes of this Provision whether or not the Energy is taken by the Company. The Authority shall provide reasonable notice to Company of any condition or activities that could result, or have resulted, in low flow conditions consistent with the notice provided to other similarly affected customers."

8) This amendment shall be referred to as the "First Revised 2025 Amendment to the 1990 Hydropower Contract".

9) Continuation of service under this First Revised 2025 Amendment to the 1990 Hydropower Contract shall be subject to approval of this 2026 Amendment to the 1990 Hydropower Contract by the Governor of the State of New York pursuant to Public Authorities Law § 1009. If the Governor disapproves this 2026 Amendment to the 1990 Hydropower Contract, service will cease on the last day of the month following the month during which the Governor disapproved this 2026 Amendment to the 1990 Hydropower Contract. If the Governor takes no action within the time frame provided for in Public Authorities Law § 1009, service will cease on the last day of the month following the month during which such timeframe expired.

10) Except as expressly provided in this 2026 Amendment to the 1990 Hydropower Contract, the 1990 Hydropower Contract shall remain unchanged and in full force and effect.

11) This 2026 Amendment to the 1990 Hydropower Contract shall be governed by and construed in accordance with the laws of the State of New York applicable to contracts and to be performed in such state, without regard to conflict of laws principles.

12) This 2026 Amendment to the 1990 Hydropower Contract may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signature thereto and hereto were upon the same instrument.

13) Upon approval of the Governor of the State of New York pursuant to Public Authorities Law § 1009, and upon execution by the Chairman of the Authority, this 2026 Amendment to the 1990 Hydropower Contract shall come into full force and effect, provided however that pending such gubernatorial approval and execution, this 2026 Amendment to the 1990 Hydropower Contract shall replace the First Revised 2025 Amendment and take effect on January 1, 2027 and continue on a month to month basis.

14) This 2026 Amendment to the 1990 Hydropower Contract may be amended or modified by a written agreement signed by the Authority and the Company.

AGREED:

Rochester Gas and Electric Corporation

By: ____________________
Name: Andrea VanLuling
Title: Controller
Date: ____________________

By: ____________________
Name: Patricia Nilsen

Title: Chief Executive Officer
Date: ____________________

Power Authority of the State of New York

ACCEPTED:

By: ____________________
Name: John R. Koelmel
Title: Chairman
Date: ____________________