

POWER AUTHORITY OF THE STATE OF NEW YORK

PROPOSED ISSUANCE OF ONE OR MORE SERIES OF 2015 REVENUE BONDS AND RELATED ACTIONS AND APPROVALS

WHEREAS, the Authority proposes to issue one or more series of Revenue Bonds (the “Series 2015 Bonds”), in an aggregate principal amount of not more than \$80,000,000 for the following purposes: (i) to refund up to \$74,590,000 of the Authority’s Series 2006 A Revenue Bonds (the “Series 2006 A Bonds”); and (ii) to pay financing costs related to the issuance of the Authority’s debt obligations, including underwriters’ discount, structuring fees, any insurance premiums, credit enhancement or liquidity fees related to obtaining any municipal bond insurance policy, other credit enhancement or liquidity facilities determined to be necessary or desirable and other costs incurred by the Authority in connection therewith;

WHEREAS, implementation of any refunding will depend upon market conditions and other factors, and the Authority expects to issue the Series 2015 Bonds either as fixed rate or variable rate bonds or a combination thereof;

WHEREAS, any fixed rate Series 2015 Bonds will have a true interest cost not to exceed 3.00 percent and any variable rate Series 2015 Bonds will have an initial interest rate not to exceed 3.00 percent;

WHEREAS, on February 24, 1998, the Authority adopted its General Resolution Authorizing Revenue Obligations (the “General Bond Resolution”), which, consistent with the Power Authority Act, Title 1 of Article 5 of the Public Authorities Law, Chapter 43-A of the Consolidated Laws of the State of New York, as amended from time to time, authorizes special obligations of the Authority (hereinafter “Bonds”), in accordance with the terms thereof for any lawful purpose;

WHEREAS, the General Bond Resolution requires that the issuance of each series of Bonds by the Authority shall be authorized by a supplemental resolution or resolutions of the Authority adopted at or prior to the time of issuance, subject to further delegation to certain officers to establish the details of the terms of such Bonds;

WHEREAS, duly authorized officers of the Authority have caused to be prepared and submitted to the Trustees a form of the Tenth Supplemental Resolution to the General Bond Resolution, attached to this resolution as **Exhibit**

1, which authorizes the issuance of one or more series of Series 2015 Bonds in an aggregate principal amount of not more than \$80,000,000 for the purposes of implementing the associated plan of finance;

WHEREAS, in connection with the Series 2015 Bonds, the Authority may enter into one or more interest rate exchange agreements in accordance with its Policy for the Use of Interest Rate Exchange Agreements adopted on January 25, 2011, relating to such agreements;

WHEREAS, it is anticipated that one or more contracts of purchase would be entered into with underwriters selected by the Chairman, President and Chief Executive Officer, Executive Vice President and Chief Financial Officer, or Treasurer (each a “Designated Officer”) from a prequalified underwriting pool of Senior Managers, Co-Managers and Selling Group members approved by the Trustees at the July 29, 2014, Board Meeting (the “Prequalified Underwriting Pool”) which such contracts of purchase will be in substantially the form of the Contract of Purchase previously entered into in connection with the sale of the Authority’s Series 2011 A Revenue Bonds (the “Series 2011 Bonds”);

WHEREAS, a preliminary official statement relating to the Series 2015 Bonds is expected to be made available to potential purchasers of the Series 2015 Bonds, a draft form of which is attached to this resolution as **Exhibit 2**; and

WHEREAS, the Finance Committee of the Trustees has reviewed and considered the proposed issuance of the Series 2015 Bonds and the associated plan of finance and has recommended the approval thereof.

NOW THEREFORE BE IT RESOLVED AS FOLLOWS:

Section 1. One or more series of the Series 2015 Bonds shall be sold, subject to the limitations described below, to underwriters selected by a Designated Officer from the Prequalified Underwriting Pool, at such prices, with accrued interest, if any, on such Bonds from the date of issue of said Bonds to the date of delivery and payment for said Bonds, as any Designated Officer may accept and as will be in compliance with the requirements of the Tenth Supplemental Resolution, pursuant to a Contract of Purchase, and upon the basis of the representations therein set forth.

Section 2. The Designated Officers shall be, and each of them hereby is, authorized on behalf of the Authority, subject to the limitations described below, to execute one or more Contracts of Purchase substantially in the form entered into in connection with the Series 2011 Bonds, providing for the sale of one or more series

of the Bonds to said purchasers, with such changes, insertions, deletions, amendments and supplements as any Designated Officer may approve, subject to the requirements of the Tenth Supplemental Resolution, and to deliver it to said purchasers; and that said officers and all other officers of the Authority are each hereby authorized and directed to carry out or cause to be carried out all obligations of the Authority set forth in said Contracts of Purchase upon execution thereof and that the execution of the Contracts of Purchase relating to the Series 2015 Bonds by any of said authorized officers be conclusive evidence that any conditions imposed by the Trustees have been satisfied and the sale and issuance of the Series 2015 Bonds has been authorized by the Authority's Board of Trustees.

Section 3. The Tenth Supplemental Resolution in the form presented to this meeting (attached hereto as **Exhibit 1**) and made a part of this resolution as though set forth in full herein, is hereby approved and adopted. The Designated Officers shall be, and each of them hereby is, authorized on behalf of the Authority to deliver the Tenth Supplemental Resolution to the Trustee (as defined in the General Resolution), with such amendments, supplements, changes, insertions and omissions thereto as may be approved by the Chairman and the President and Chief Executive Officer, which amendments, supplements, insertions and omissions shall be deemed to be part of such resolution as approved and adopted hereby.

Section 4. The Designated Officers shall be, and each of them hereby is, authorized to make such changes, insertions, deletions, amendments and supplements, to or from the draft form of the Preliminary Official Statement relating to the Series 2015 Bonds (attached hereto as **Exhibit 2**) as may be approved by any such officer, and upon the completion of any such modifications, such officer is authorized to execute such certificates as may be requested by the underwriters to certify on behalf of the Authority that such Preliminary Official Statement is "deemed final" for purposes of Rule 15c2-12 under the Securities Exchange Act of 1934, subject to the omission of such information as is permitted by such Rule. The distribution of one or more Preliminary Official Statements relating to the Series 2015 Bonds to all interested persons in connection with the sale of such Bonds is hereby approved.

Section 5. The Designated Officers shall be, and each of them hereby is, authorized to adopt and execute on behalf of the Authority one or more final Official Statements of the Authority relating to the Series 2015 Bonds, in such form and substance as such officer deems necessary or desirable, and the delivery of each said Official Statement to the purchasers of said Bonds is hereby authorized, and the Authority hereby authorizes each said Official Statement and

the information contained therein to be used in connection with the sale and delivery of the Series 2015 Bonds.

Section 6. If it is determined to be necessary or advisable, the Designated Officers shall be, and each of them hereby is, authorized on behalf of the Authority to obtain one or more bond insurance policies, credit enhancement facilities or liquidity facilities for each series of the Series 2015 Bonds with such terms and conditions as such officer deems necessary or advisable, and which a Designated Officer may select, covering scheduled payments of principal of and interest on such Bonds, including mandatory sinking fund redemption payments.

Section 7. If it is determined to be necessary or advisable, the Designated Officers shall be, and each of them hereby is, authorized on behalf of the Authority to enter into one or more interest rate exchange agreements relating to any Series 2015 Bonds in a notional amount not greater than the principal amount of the related Series 2015 Bonds, with such terms and conditions and with such counterparties as such officer deems necessary or advisable.

Section 8. The Designated Officers and all other officers of the Authority shall be, and each of them hereby is, authorized and directed, for and in the name and on behalf of the Authority, to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements and other documents, including but not limited to those actions, certificates, agreements and other documents described in the Tenth Supplemental Resolution, the Contracts of Purchase and the other documents approved today or required in connection with the obtaining of one or more bond insurance policies, credit enhancement facilities, or liquidity facilities, which they, or any of them, may deem necessary or advisable in order to (i) consummate the lawful sale, issuance and delivery of the Series 2015 Bonds; (ii) implement any action permitted to be taken by the Authority under the Tenth Supplemental Resolution, the Contracts of Purchase and the other agreements and documents approved today following the issuance of the Series 2015 Bonds; and (iii) effectuate the purposes of the transactions and documents approved today.

Section 9. The Bank of New York Mellon is hereby appointed as Registrar and Paying Agent for the Series 2015 Bonds under the General Resolution and as escrow agent for the refunded Series 2006 A Bonds if an escrow account is established for such refunded Series 2006 A Bonds.

Section 10. The Designated Officers shall be, and each of them hereby is, authorized to execute one or more Continuing Disclosure Agreements relating to

the Series 2015 Bonds between the Authority and The Bank of New York Mellon, as Trustee under the General Resolution, in substantially the form of the continuing disclosure agreement executed by the Authority in connection with the issuance of the Series 2011 Bonds, each with such changes, insertions, deletions, and supplements, as such authorized executing officer deems in his or her discretion to be necessary or appropriate, including, without limitation, such changes as are necessary to conform to recent amendments to Rule 15c2-12 under the Securities Exchange Act of 1934, such execution to be conclusive evidence of such approval.

Section 11. The Designated Officers, and all other officers of the Authority shall be, and each of them hereby is, authorized and directed, for and in the name and on behalf of the Authority, to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements and other documents, which they, or any of them, may deem necessary or advisable in order to effectuate the foregoing resolutions.

EXHIBITS

- Exhibit 1: Tenth Supplemental Resolution Authorizing Series 2015 Bonds
- Exhibit 2: Draft of Preliminary Official Statement relating to the Series 2015 Bonds