

July 26, 2016

Exhibit "4g i-A"

Honorable Joseph D. Gray
Chairman, Local Government Task Force
Town Hall Building
60 Main Street Massena, NY 13662

Re: Proposal to Amend the Ten-Year Review Agreement

Dear Mr. Gray:

Effective May 4, 2015, the Power Authority of the State of New York ("NYPA" or "Authority") and the Local Government Task Force for Issues with NYPA and the St. Lawrence River ("Task Force" or "LGTF") entered into the First Ten -Year Review Agreement (the "Review Agreement"). As part of the Agreement, NYPA Trustees authorized the creation of the Temporary North Country Power Discount Program ("TNCPPD").

Paragraph 2(B) of the Review Agreement provides:

Commencing no later than sixty (60) days after the Effective Date of this Agreement and continuing for a period of three (3) years, during Alcoa's current reduced purchases of "Preservation Power," NYPA will reduce electric costs for businesses and active dairy farms in St. Lawrence, Jefferson and Franklin counties by a combined total of ten million dollars per year (\$10 million/yr.) through the Temporary North Country Power Discount Program. Forty percent (40%) of the annual Program saving shall accrue to the benefit of St. Lawrence County businesses and dairy farms.

This program of discounts to the electric bills of businesses and active dairy farms located in the three county Preservation Power region was to be funded by the net margins produced by the sale of hydropower into the wholesale energy market that was not being used due to the curtailment of the Alcoa East smelter, but remained under contract to Alcoa.

Circumstances have changed since the execution of the Agreement for all of us. In December 2015, NYPA renegotiated the Alcoa power contract to prevent the closure of smelting operations at the Alcoa Massena West Plant and the loss of hundreds of jobs. As a result of the new contract, NYPA now has over 230 MW of uncontracted Preservation Power, which by law must be contracted for business use in Jefferson, Franklin and St. Lawrence counties. Consistent with this legislative directive, NYPA has a proper business purpose to find customers for this power, and to make reasonable investments in doing so.

In 2015, as provided by the Review Agreement with the LGTF, NYPA funded a comprehensive Economic Development Study. The LGTF communities were active participants in the Study. There is widespread support for the conclusions of the Study,

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but frustration about the resources needed to pursue implementation, However, many elements of the Strategic Initiatives (Advanced Manufacturing, Small Business and Agriculture, and Community Revitalization) identified in the Economic Development Study that the communities are now trying to implement align with NYPA's objective of securing new Preservation Power customers.

Therefore, consistent with the above objective, the parties would agree to amend the Review Agreement by striking out the provision contained in Paragraph 2(B) entitled "Temporary Reduction in Electricity Costs". NYPA will phase out and eliminate the TNCPDP during a three month period beginning in fall, 2016 and expecting to end the program by the end of 2016. Beginning January, 2017, NYPA will use its resources in cooperation with the communities to identify, attract and facilitate the creation or expansion of facilities, consistent with the St Lawrence County Economic Development Study that can be users of Preservation Power. NYPA will support this effort in an amount up to two million dollars (\$2,000,000) per year for a period of up to five years, or until contracts for all the available Preservation Power have been executed, whichever occurs first.

Please let us know if the LGTF would like to proceed with this amendment.