BY-LAWS OF THE

WESTERN NEW YORK POWER PROCEEDS ALLOCATION BOARD

Western New York
Power Proceeds Allocation Board

The New NY WORKS for Business

ARTICLE I

Office

Section 1. Principal Office. The principal office of the Western New York Power Proceeds Allocation Board (hereinafter referred to as the "Board") shall be located at 95 Perry Street Buffalo, NY 14203.

Section 2. Books and Records. All books and records of the Board shall be kept at its principal office.

ARTICLE II

Member

Section 1. Number, Term and Appointment. The number, term and appointment of Members shall be governed by Article 6A of the Economic Development Law of New York State.

Section 2. Appointment of Chairman. The Chairman of the Board shall be designated by the Governor from among the Members.

Section 3. Powers and Duties. The powers and duties of the Board shall be as set forth in Article 6A of the Economic Development Law.

ARTICLE III

Meetings of the Board

Section 1. Place of Meetings. Meetings of the Board shall be held at the principal office of the Board or at such other place as the Board may from time to time designate. Videoconference may be used for attendance and participation by members of the board. If videoconference is used, the board shall provide an opportunity for the public to attend, listen and observe at any site at which a member participates.

Section 2. Regular Meetings. Regular meetings shall be held in accordance with a schedule adopted annually by the Board for that purpose and may be changed from time to time within that year by the Chair, in consultation with the Board.

Section 3. Special Meetings. Special meetings of the Board may be called by the Chairman or upon the request of any two Members. The Secretary shall give notice of the time, place and purpose or purposes of each special meeting by mail at least three days before the meeting or in person or by telephone or other electronic communications at least two days

before the meeting to each Member. The notice required to be given under this section may be waived by the Member to whom such notice is required to be given.

Section 4. Quorum. At all Board meetings, the presence of three Members shall be necessary to constitute a quorum and shall be sufficient for the transaction of business. Any act shall be sufficient for the transaction of business if such three members are in agreement and any act of such three members present at a meeting and which constitutes a quorum shall be the act of the Board. Participation by videoconference shall count for quorum and voting purposes but participation by telephone shall not

ARTICLE IV

Duties

Section 1. Chairman. The Chairman shall preside at all meetings of the Board. In carrying out the policies as determined by the Board, the Chairman shall have the general supervision and control of the affairs of the Board. The Chairman shall designate a Secretary of the Board and shall obtain such legal, technical and administrative services as he may deem necessary or desirable in order to administer the affairs of the Board. The Chairman may delegate to one or more of the other Members the Chairman's powers and functions in the general supervision, administration and control of the business of the Board.

Section 2. Secretary. The Secretary shall attend all meetings of the Board and act as secretary thereof and record all votes and shall keep a record of the proceedings of the Board in a Minute Book to be kept for that purpose. The Secretary shall cause notice to be given of all meetings of the Board. The Secretary shall attest to the signatures of the Members and have the authority to cause copies to be made of all minutes, resolutions, records and documents of the Board and to deliver certificates to the effect that such copies are true and accurate and that all persons dealing with the Board may rely on same. The Secretary shall possess such powers and perform such other duties as customarily pertain to the office or may be from time to time assigned by the Chairman or prescribed by the Board.

ARTICLE V

Execution of Instruments

The Board may authorize any Member or person to execute and deliver any instrument in the name of and on behalf of the Board, and such power to execute and deliver may be general or specific; and unless so authorized, no person or member shall have any power or authority to bind the Board by any contract or engagement.

ARTICLE VI

Defense And Indemnification Of Board Members And Employees

The provisions of section 18 of the New York Public Officers Law ("POL § 18") shall apply to the members and employees of the Board. The benefits thereof shall be made available to each member or employee with respect to any act or omission that has occurred or may in the future occur during the period the benefits of POL § 18 are in effect and no amendment to such that modifies the provisions thereof shall take effect with respect to any act or omission of a member or employee that occurred prior to the effective date of such amendment unless the effect of such amendment is to increase the defense and indemnification protection afforded to such member or employee prior to such effective date.

Amendment

The Board shall have the power to amend, alter or repeal any provision or provisions of these By-laws at any regular or special meeting.