

NYPA is unique among New York State's public authorities. It is the nation's largest state-owned public power utility, employs approximately 1,900 people at the various facilities offices and operates in a competitive and dynamic electricity marketplace. NYPA is also one of the largest electricity producers in New York, operating 16 generating facilities and more than 1,400 circuit miles of transmission and providing through its generation and power purchases, up to one-quarter of all the electric energy consumed in the state. It supplies electricity to a large number of the state's major manufacturers and private industry through power programs that support critical State economic development goals. NYPA also supplies electricity to State and local government consumers in New York City and Westchester County, including the Metropolitan Transportation Authority, the State Office of General Services, New York City, the New York City Housing Authority and the Port Authority of New York and New Jersey.

To perform its responsibilities, NYPA is organized into a number of major "units" which include the following:

NEW YORK POWER AUTHORITY MAJOR UNITS

BUSINESS SERVICES

The Business Services Unit (BSU) manages the financial functions of NYPA. Its units include the Office of the Chief Financial Officer, Controller, Treasury, Financial Planning, Budgets and Business Controls, Project Finance and Risk Management.

The mission of the BSU includes providing innovative and cost effective financial services and products that contribute towards the success of its internal and external customers; and preserving the financial strength of NYPA in order to ensure access to low cost capital to fund future projects as well as the ability to undertake any new initiatives necessary to carry out our mission.

Risk Management department is responsible for ensuring that NYPA's risk profile is appropriately managed. More specifically, the department is organized to include Enterprise Risk Management, Insurance Risk Management, Operational Risks, Commodity Risk and Analytics. The object of these functions is to facilitate informed and transparent risk-based decision making by providing insights on the risk/reward tradeoffs while protecting and enhancing value of the enterprise through increased resiliency.

The Enterprise Risk Management group is entrusted with the task of identifying and helping manage the top risks from NYPA's perspective. The team addresses the risks on a forward-looking basis and assigns responsibility within NYPA to manage these risks on a cross-functional basis, if required. The team works closely with corporate strategy team.

The Operational Risk Management team is responsible for identifying risks on a day-to-day basis and is focused on the ability of the business units to meet their targets.

Insurance Risk Management's role is to manage various insurance policies and programs for NYPA. It is essentially about transferring some of the extreme risks to third parties.

Commodity Risk and Analytics is responsible for assessing risks to NYPA's commodity portfolio, quantifying and reporting on the potential impacts. Identified risks may be financial in nature, such as exposure to energy commodity markets, credit, liquidity and uncertainty in net revenues. The team also reviews various initiatives of different business units and partners with business units to perform risk-based analytics to drive business insights.

COMMERCIAL OPERATIONS

The Commercial Operations organization is responsible for the revenue generated from NYPA's wholesale and customer businesses, including marketing electricity and related offerings, as well as delivery of supply, energy efficiency projects, and new business and infrastructure development. Business units in Commercial Operations include: Economic Development, Engineering & Construction Management, Market Services and Business Controls, Business Development, New York Energy Manager, Energy Resource Management, Project and Business Development, Marketing & Product Development, and e-Mobility & Grid Flexibility.

The Economic Development business unit's primary roles are to administer the Power Authority's portfolio of economic development programs to foster job creation, induce private capital investment and to create and maintain relationships with NYPA's customers. In addition, Economic Development is also responsible for pricing Authority power and negotiating power contracts.

The Engineering and Construction Management's business unit and also the Business Development unit provide customers with wide-ranging on-site energy solutions including energy auditing and the planning operations and the development of capital projects such as energy efficiency, distributed generation, advanced technologies, and renewables. These businesses implement energy efficiency and clean energy programs that benefit NYPA's customers, New York State, and improve the productivity of NYPA's operations. Since 1990, NYPA has invested over \$3 billion on energy efficiency projects, clean technologies and clean transportation initiatives throughout New York State. New York Energy Manager's business unit currently provides a digital service offering focused on data analytics and associated advisory services to support efficiency gains across NYPA's customer base.

Energy Resource Management manages NYPA's and its customers' generation resources in the energy markets in an effective manner to maximize benefits to New York State and to reduce energy costs to consumers. This responsibility includes the bidding of NYPA energy, capacity and ancillary products into the various New York Independent System Operator markets, developing and implementing fuel supply strategies and hedging strategies, procuring emission allowances. The Market Services and Business Controls business unit conducts the customer load forecasting, supports the implementation of back office systems, and manages budgeting and ad hoc financial analyses on behalf of initiatives undertaken by the Commercial Operations group.

The e-Mobility & Grid Flexibility group drive initiatives focused on the electrification of the transportation industry and the integration of assets to support the decentralized grid of the future. Current activities in this group include installation of Direct Current Fast Charging (DCFC) throughout New York and the integration of energy storage assets and demand response offerings. The Marketing & Product Development group gathers and builds upon the Voice of Customer program to introduce new products and services for our customers and the marketing communications associated with it.

HUMAN RESOURCES & SHARED SERVICES

The Human Resources and Administration business unit consists of: Human Resources, Civil Rights and Inclusion, Corporate Communications, Strategic Supply Management, and Corporate Support Services.

The business unit is also responsible for the advancement of three organization-wide strategic initiatives: Workforce planning and development, knowledge management and process improvement. The Human Resources (HR) department serves as a strategic business partner and internal consultant to the Executive Management Committee and all departments of NYPA. HR guides NYPA's leadership in developing the most effective organizational structure and aligning the right people with the right roles to achieve the organization's mission and vision. To further these goals, HR promotes a work environment that is characterized by open communication, personal accountability, trust and mutual respect.

Strategic Supply Management's mission is to enable NYPA to achieve its goals by becoming a strategic partner to our business stakeholders, developing deep market knowledge aligning with NYPA's major spend categories, and leading in capability and technology to sustainably develop local economics and utilize diverse suppliers.

The Civil Rights and Inclusion Office is responsible for investigating employee claims of affirmative action violations, manager and staff training, and development of policies and procedures. The office also implements proactive strategies to promote a culture of inclusion through fostering Employee Resource Groups and providing training.

Corporate Communications has six departments: media relations, digital communications, graphic communications and photography, internal and marketing communications, and video production. Its goal is to develop and implement a comprehensive, strategic and proactive communications program that will build public and employee awareness in support of the Power Authority's objectives and accomplishments.

The departments that comprise the Corporate Support services have enterprise-wide capability and manages various functions that support NYPA's administrative operations.

INFORMATION TECHNOLOGY AND CYBER SECURITY

Information Technology (IT) supports our digital utility to innovatively plan, build and run IT assets to support NYPA operations. Departments within IT include Strategy & Planning, Architecture & Engineering, Product Development & Data Integration, Centers of Excellence, Critical Secure Services (Infrastructure, Service Delivery, and Cyber Security), and Resiliency & Technical Compliance.

IT works with business units to leverage technology to enable new capabilities and efficiency in business operations. The process of driving value with IT begins in aligning technology strategy to business strategy and working together to prioritize and build technology investments.

Technology investments are rationalized across business units to drive a build once use many strategy. Once built, IT runs the assets in a reliable, secure and efficient manner.

Cyber Security is accountable for ensuring technology risks and compliance are managed appropriately.

LEGAL AFFAIRS

The Law Department provides legal advice and support to the Authority's Trustees, senior management and all Authority business units, provides legal representation to the Authority as appropriate, and supervises outside counsel providing legal services to the Authority. The Office of Ethics and Compliance is responsible for handling ethics and compliance inquiries, and for developing and monitoring programs to assure the Authority's compliance with applicable laws, rules, and regulations.

The Hydro Licensing group is responsible for the licensing, relicensing and implementation of license requirements for NYPA's hydroelectric generation portfolio.

Legal Affairs also includes the Office of the Corporate Secretary, Internal Audit, and Public and Regulatory Affairs.

Internal Audit (IA) reports directly to the Audit Committee of NYPA's Board of Trustees with a dotted line to the Executive Vice President and General Counsel. IA is responsible for the performance of internal control, financial, operational, information technology and management audits at corporate offices, operating plants, construction sites and/or contractor offices, to provide NYPA and Canal Corporation management at all levels, and the Audit Committee of the Board of Trustees with objective assurance and advisory services designed to add value and improve the organization's internal control structure. The objective of the IA program is to improve the Authority's internal control environment and operations. IA helps NYPA and the Canal Corporation accomplish its objectives by bringing a systematic, disciplined approach to evaluate, test and improve the effectiveness of risk management, internal controls and the governance processes.

The Public and Regulatory Affairs Business Unit constitutes of four sections: Community and Government Relations, Environmental Justice and Sustainability, and Legislative and Regulatory Affairs.

Community and Government Relations works closely with the cities, towns and villages across New York State to address energy, environment, crisis management and economic development needs. It also is responsible for the running and management of visitor centers at the Power Authority's Niagara, St. Lawrence, and Blenheim-Gilboa plants, which educate the public on the benefits the Power Authority brings to the area and the State. In addition, it takes the lead on NYPA's intergovernmental activities.

Environmental Justice and Sustainability leads corporate social responsibility and strives to improve performance by reducing the Power Authority's carbon footprint, making more efficient use of resources, and addressing the needs and concerns of the communities around our facilities. Environmental Justice works to ensure that all major decisions within the Power Authority consider the impacts to environmental justice communities. Sustainability monitors the Power Authority's operations to ensure they are as efficient as possible to achieve executive goals of reduction of energy intensity.

Legislative and Regulatory Affairs focuses on the interaction of the Power Authority with state and federal regulatory bodies and with the New York State Legislature. Regulatory Affairs serves as a business partner to other business units to navigate regulatory waters in a manner that helps achieve the Power Authority's goals. Legislative affairs monitors state legislative activity and provides timely notice to NYPA management of the progress of bills of special interest.

STRATEGY AND CORPORATE DEVELOPMENT

The Strategy and Corporate Development organizations is responsible for driving strategy across the company, ensuring that the planning to support New York State's energy transformation is closely aligned with the company's operations. Strategy and Corporate Development focuses on building awareness and understanding of the strategy throughout NYPA and with key stakeholder. The Strategy and Corporate Development organization contains the Organizational Performance (OP) department, which is a key contributor in NYPA's quest to become a performance-driven organization. Acknowledging that we can't manage what we don't measure, OP strives to provide the guidance, discipline and system support that enables the creation and management of meaningful performance measures across the organization. Further, OP seeks to ensure the performance measures are aligned to NYPA's strategy and accessible to all employees to provide guidance for day-to-day decision-making. Further, the function strives to facilitate engagement in the strategy with NYPA employees at all levels. The Strategy and Corporate Development organization contains Reimagine the Canals. Reimagine the Canals is a unit within NYPA to oversee the Reimagine the Canals initiatives and carry projects forward.

UTILITY OPERATIONS

The Utility Operations organization consists of Power Supply (Transmission, Power Generation, Fleet and System Operations & Planning), Enterprise Resilience (Technical Compliance, Reliability Standards Compliance, Code Compliance, Quality Assurance and Code Compliance, Business Resiliency, Emergency Management, Physical Security & Crisis Response), Environmental Health and Safety, Labor Relations, Support Services (Engineering, Project Management, Asset Management, Facilities and Portfolio Management) and Technology and Innovation. The purpose of Operations is to operate and maintain the generation and transmission assets of NYPA in an effective, efficient and safe manner; and to invest in new and existing assets to ensure reliable power supply and meet the future energy needs of NYPA's customers and the people of New York State. Technology and Innovation includes Information Technology, Strategic Operations, Research & Development and Integrated Smart Operations Center.

NEW YORK POWER AUTHORITY SUBSIDIARIES

In accordance with legislation enacted on April 4, 2016, the Canal Corporation, formerly a subsidiary of the New York Thruway Authority, became a subsidiary of NYPA, effective January 1, 2017. The Canal Corporation exists primarily to operate, improve, maintain, repair and promote the NYS Canal System.