

Financial

Notes:

1. "Value" shall mean the cost to be paid or received by NYPA. Note: For a CFD the "value" is the aggregate fixed payment to be paid by the Authority.
2. A financial hedge transaction shall include, but not be limited to, a put, a call, a covered call, a covered put, a swap including a contract for differences, a swap option, a transmission congestion contract (TCC), a NYMEX contract or Over The Counter (OTC) hedging instrument or an option on a NYMEX or OTC contract.
The VP-CRO will determine what instruments qualify as a financial instrument or an instrument that can be used for hedging purposes.
3. Includes but not limited to the following titles: Senior Fuel Economist, Fuel Planning Consultant, Fuel Buyer, Associate Fuels Buyer, Fuel Scheduling Coordinator, Senior Power Marketer ERM, Power Marketer ERM, Senior Economist ERM and Power Trader. Additional titles may be added by the Vice President- Energy Resource Manager or the Vice President-CRO.
- 4. In addition, in the case of any physical or financial transaction having a value of \$15 million or more, prior to any officer or staff member approving such transaction under authority granted hereunder, such officer or staff member would obtain the written concurrence of (a) those members of his or her staff at the level of Manager and above (or designees in the case of their absence) having responsibility for such transaction, (b) the Executive Vice President, Secretary and General Counsel, or his designee, as to the acceptability of the contractual arrangement governing such transaction, and (c) in the case of derivative transactions, the Vice President-Chief Risk Officer, or, in his absence, designee, as to the acceptability of the transaction from a risk management perspective.**
5. Sale or purchases of UCAP or ancillary services, natural gas pipeline transportation capacity or emissions allocation/credits, for the purposes of these limits, are considered physical and not financial transactions
- 6 The VP-CRO/ ERAC staff shall be advised concerning the execution or commitment of all financial hedge transactions.
- 7."cumulative" is a daily total limit; a per day basis for all transactions done. The VP- Energy Resource Management shall be the primary administrator of this limit.
8. The President and Sr VP-Chief Financial Officer shall have the same authority level to approve financial hedge transactions.
9. One contract = 10,000 dth over a 1 month period or 333 dth/day.
10. Provided that the aggregate purchase cost of all NYMEX contracts (natural gas, fuel oil, jet kero contracts) not exceed \$ 90 MM as per 4-27-04 Trustee Resolution.
11. The President or in his absence, the Ex. Vice President-Pwr Generation, has the authority, as per the Trustee Resolution of 4/27/04, to authorize up to \$10 MM above the base \$25 MM in collateral margin transfers with the concurrence of either the VP-ERM or VP-CRO.
12. These levels may be adjusted by the VP-CRO or by the VP-ERM, subject to the approval of such change by the VP-CRO.
Provided, however, that any such adjustment shall be less than the authority level granted by the Trustees to the EVP- Pwr Gen.
13. NYMEX Fuel Oil, Jet Kero contracts: Total open contracts for these shall be limited to the maximum physical tank storage capacity.
Entry into NYMEX Fuel Oil or Jet Kero contracts require the specific approval by the VP-ERM.
14. Limit set expressly by 4-27-04 Trustee Resolution.

DBM- delegated by manager; not to exceed or be equal to the authority delegated to manager

NE- No limit currently in effect.

NA- not applicable = No authority currently delegated.

MM- million

Note: The above limits also apply to any titles which are the successor to the positions set forth above, provided that the President and Chief executive Officer deems that such new title is the successor for the purposes of the delegation of authority as set forth above