

Authority Mission Statement and Performance Measurements

Name of Public Authority:

Power Authority of the State of New York (also known as the "New York Power Authority" and "NYPA")

Public Authority's Mission Statement:

Please see the attached document entitled "2010 Mission Statement and Strategic Plan" (the "Mission Statement")

Date Adopted:

March 23, 2010

List of Performance Goals (If additional space is needed, please attach):

Please see the attached Mission Statement.

Additional Questions:

- 1. Have the board members acknowledged that they have read and understood the mission of the public authority?**

The current members of NYPA's Board of Trustees have acknowledged that they have read and understand the Mission Statement.

- 2. Who has the power to appoint the management of the public authority?**

NYPA is governed by a Board of Trustees consisting of seven members. The Trustees are appointed by the Governor by and with the advice and consent of the New York State Senate.

In accordance with NYPA's By-Laws, last approved by the Trustees at their December 15, 2009 meeting, the President and Chief Executive Officer, Chief Operating Officer, Executive Vice President and General Counsel, Executive Vice President and Chief Engineer – Power Supply, the Executive Vice President – Chief Administrative Officer, Executive Vice President – Chief

Financial Officer, the Executive Vice President – Energy Marketing and Business Development and the Corporate Secretary are selected by the Trustees.

The Vice President – Internal Audits is appointed by and serves at the pleasure of the Audit Committee.

All other officers of the Authority are appointed by and serve at the pleasure of the President and Chief Executive Officer.

3. If the Board appoints management, do you have a policy you follow when appointing the management of the public authority?

NYPA's Governance Committee reviews and approves the hiring of the following officers: President and Chief Executive Officer, Chief Operating Officer, Executive Vice President and General Counsel, Executive Vice President and Chief Financial Officer and Corporate Secretary.

4. Briefly describe the role of the Board and the role of management in the implementation of the mission.

Article II, Section 2 of the NYPA's By-Laws provide that the powers and duties of the Trustees are governed by the Power Authority Act and the applicable provisions of the Public Authorities Accountability Act of 2005. To implement these powers and duties, the Trustees oversee the Authority's chief executive and other senior management in the effective and ethical management of the Authority; understand, review and monitor financial, management and operational decisions of the Authority and to review and approve annually the policies and procedures governing: (i) the salary, (ii) compensation, (iii) benefits and (iv) time and attendance of the chief executive and senior management.

The powers and duties of NYPA's non-statutory officers (management) are provided in Article IV, Section 6 of its By-Laws with the President and Chief Executive Officer responsible for developing and implementing the strategic vision and mission of the Authority and for the supervision of all of the Authority's operations. He or she shall have primary responsibility for the Authority's legal and financial matters and the activities of all other Authority business units, except those assigned to the Chief Operating Officer who shall report to the Chief Executive Officer on such matters.

The Chief Operating Officer shall manage and monitor the day-to-day operations of the Authority. The Executive Vice President and Chief Engineer – Power Supply shall be responsible for the safe, reliable and cost-effective operation and maintenance of all Authority generating and transmission facilities. The Executive Vice President and General Counsel, who shall report to both the

Trustees and the President and Chief Executive Officer, shall be the chief legal officer of the Authority. The Executive Vice President and Chief Financial Officer shall give advice to the President and Chief Executive Officer regarding financial and investment policies of the Authority, supervise the Authority's investment program, recommend and implement financial policies of the Authority, and participate in the preparation of the financial reports of the Authority required by applicable law. The Corporate Secretary shall report to the Chairman and Board of Trustees and to the Executive Vice President and General Counsel and attend all meetings of the Trustees and record all votes and shall keep a record of the proceedings of the Trustees in a Minute Book to be kept for that purpose. The Corporate Secretary shall be custodian of the records of the actions of the Trustees and shall keep in safe custody the seal of the Authority and shall have the authority to affix such seal to all documents and papers authorized to be executed by the Trustees or officers of the Authority requiring such seal to be affixed.

5. Has the Board acknowledged that they have read and understood the responses to each of these questions?

NYPA's Board of Trustees reviewed and approved the responses to these questions at its March 23, 2010 meeting.