



228 Cayuga Drive  
Lansing, New York 14882  
(607) 533-7913 Telephone  
(607) 533-8744 Fax

December 22, 2015

Michael Stamm  
Administrative Director  
Tompkins County Industrial Development Agency  
401 East State/Martin Luther King Junior Street  
Ithaca, NY 14850

Dear Mr. Stamm:

Upstate New York Power Producers, Inc. (as successor in interest to AES Eastern Energy, L.P., "USNYPP") is the sole member of Cayuga Operating Company, LLC (the "Company") in connection with a certain straight lease transaction (the "Straight Lease") entered into by and between the Tompkins County Industrial Development Agency (the "Agency") and USNYPP. Capitalized terms not otherwise defined herein shall have the meaning assigned to such terms in the Amended and Restated Leaseback Agreement, dated as of June 1, 2012 (the "Leaseback Agreement"), by and between USNYPP and the Agency with respect to the Project located at 228 Cayuga Drive and Ridge Road, Lansing, New York (the "Facility").

USNYPP has entered into a Purchase and Sale Agreement with Riesling Power LLC ("Riesling"), pursuant to which USNYPP is selling 100% of its membership interests in the Company to Riesling (the "Sale Transaction"). As part of the Sale Transaction, prior to USNYPP's transfer of such membership interests, USNYPP intends to formally assign the Leaseback Agreement and the other Straight Lease Transaction Documents to the Company (the "Assignment"). The Sale Transaction is currently awaiting regulatory approvals, which are expected as soon as January 2016. Following receipt of the regulatory approvals, USNYPP anticipates closing the Sale Transaction within sixty (60) days. Pursuant to Section 6.3(a) of the Leaseback Agreement, a sale of more than 50% of the equity voting interests of USNYPP is deemed to be a transfer, conveyance or an assignment that requires the prior written consent of the Agency. While the Sale Transaction does not include a sale of USNYPP's equity voting or membership interests, but instead a sale by USNYPP of all of its membership interests in the Company, USNYPP believes Agency consent is still required due to the fact that the Company is the operator of the Facility.

The purpose of this letter is to request the written consent of the Agency under Section 6.3(a) of the Leaseback Agreement to the Sale Transaction (including the Assignment), with such consent to include a confirmation for the benefit of Riesling that no default or event that with the passage of time or notice would constitute a default on the part of the lessee exists under the Leaseback Agreement.

December 23, 2015

USNYPP believes that by completing the Sale Transaction, the Company's ability to maintain its operations and employment levels in Tompkins County will be strengthened and will further enhance the ability of the Company to maintain its obligations in connection with the Straight Lease.

Thank you in advance for your consideration. Should you need anything further with respect to this request, please do not hesitate to contact me directly

Very truly yours,

A handwritten signature in black ink that reads "William A. Wexler". The signature is written in a cursive style with a large, stylized 'W' and 'L'.

William A. Wexler  
Chief Executive Officer

cc: Mariette Geldenhuys, Esq.  
Christopher A. Andreucci, Esq.