

**NEW YORK STATE RELIABILITY COUNCIL, L.L.C.<sup>1</sup> ("NYSRC")  
NYSRC FUNDING MECHANISM FOR 2017**

**The following NYSRC Funding Mechanism for the year 2017 was approved by the NYSRC Executive Committee at its meeting on August 12, 2016:**

1. A \$5,000 membership fee shall be assessed to each of the nine (9) NYSRC Affiliated Members, including representatives of the Transmission Owners (6), Wholesale Sellers (1), Municipal Electric Systems and Cooperatives (1), and Large Consumers (1).
2. 2017 NYSRC budget expenses in excess of the \$45,000 in membership fees, shall be allocated equally among the six (6) Transmission Owners.
3. The 2017 NYSRC budget will be set at \$\_\_\_\_\_ as approved by the NYSRC Executive Committee at its August 12, 2016 meeting.
4. In adopting this NYSRC Funding Mechanism for 2017, the representatives of the Members of the NYSRC, LLC expressly waive the provisions of Sections 3.04, 3.05 and 5.05 of the NYSRC Operating Agreement and the provisions of Sections 2.03, 3.01, 3.02 and 3.03 of the NYSRC Reimbursement Agreement, under which each Represented Entity is obligated to pay its proportionate share of the dues allocated by the Executive Committee, to the extent that the proportionate share of the annual dues allocated to each of the Represented Entities representing Wholesale Sellers, Large Consumers and Municipal Systems and Electric Cooperatives exceeds \$5,000.

As a result of this waiver, it is understood by the Members of the NYSRC, LLC that the total responsibility under the Reimbursement Agreement of each of the Represented Entities described above for dues related to the NYSRC budget for the year 2017 will be \$5,000.

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**NYSRC Executive Committee Vote:**

Votes in Favor of Proposal: \_\_\_\_

Votes Against Proposal: \_\_\_\_

Motion Approved/Rejected: \_\_\_\_\_

**Motion Approved on August 12, 2016**

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<sup>1</sup> The Members of the New York State Reliability Council, LLC include: Central Hudson Gas & Electric Corporation; Consolidated Edison Company of New York, Inc.; Long Island Power Authority; National Grid, USA; New York Power Authority; New York State Electric & Gas Corporation/Rochester Gas and Electric Corporation.