

DAVID A. PATERSON GOVERNOR

STATE OF NEW YORK EXECUTIVE DEPARTMENT

OFFICE OF GENERAL SERVICES

MAYOR ERASTUS CORNING 2ND TOWER

THE GOVERNOR NELSON A. ROCKEFELLER EMPIRE STATE PLAZA
ALBANY, NEW YORK 12242

CARLA CHIARO
ACTING COMMISSIONER

HOWARD L. ZWICKEL
DEPUTY COMMISSIONER AND COUNSEL

October 25, 2010

Gerald S. Goodenough Plant Manager AES Cayuga 228 Cayuga Drive Lansing, NY 14882

RE:

Easement Renewal

State to AES Cayuga, LLC

96 Inch Pipeline - Cayuga Lake

Dear Mr. Goodenough:

Enclosed is the executed easement renewal for the Cayuga Lake intake pipeline originally conveyed October 20, 1983. The new easement term expires October 20, 2033. The easement was recorded in the Department of State on October 15, 2010 in Volume 52 of Miscellaneous Deeds and Title Papers at page 74.

Also enclosed for use in local recording in the Tompkins County Clerk's office is Form TP-584, executed by the agency. Please add any missing information prior to signature.

Thank you for your cooperation in this matter. Contact me at 518-474-8831, if there are any questions.

Sincerely,

Thomas A. Pohl

Associate Attorney

Enclosure

THIS INDENTURE made this It day of April , 2010, between THE PEOPLE OF THE STATE OF NEW YORK acting by the Commissioner of General Services having its office and place of business at Mayor Erastus Corning 2nd Tower, The Governor Nelson A. Rockefeller Empire State Plaza, Albany, New York 12242, hereinafter referred to as the "Grantor", and AES Cayuga, L.L.C., a Delaware limited liability company, having its principal office and place of business at 228 Cayuga Drive, Lansing, New York 14882 hereinafter referred to as the "Grantee";

WITNESSETH, that the Grantor, pursuant to Section 3, subdivision 2 of the Public Lands Law and Findings of the Commissioner dated April 27, 2010, and in consideration of the sum of Ten Thousand Seven Hundred and Twelve Dollars (\$10,712.00), lawful money of the United States of America, paid by the Grantee and upon the terms and conditions hereinafter expressed, does hereby give and grant unto the Grantee and assigns of the Grantee, the right, privilege and easement to operate and maintain an existing 96 inch internal diameter intake pipe line and wooden dock and appurtenances thereof, hereinafter collectively referred to herein as the "facilities," on the land underwater hereinafter described:

PARCEL ONE

All that piece or strip of land thirty feet in width under the waters of Cayuga Lake in the Town of Lansing, County of Tompkins, State of New York the centerline of which is described as follows:

Beginning at a point in the east shoreline of Cayuga Lake about one thousand two hundred seventy feet northerly from the center of the intersection of the Lehigh Valley Railroad tracks with the centerline of Milliken Road, formerly known as Lake Ridge Road, a County highway in the Town of Lansing, Tompkins County, which point of beginning is North seventy-two degrees twenty-one minutes, West sixty-two and eight one-hundredths feet from the northwesterly corner of #1 Unit – Ash Collector Foundation and North forty-three degrees twenty-seven minutes, West ninety-three and eight one-hundredths feet from the southwesterly corner of said building; thence into the waters of

Lake Cayuga South sixty-nine degrees, no minutes, West five hundred and twenty-six feet.

PARCEL TWO

All that piece of parcel of land under the waters of Cayuga Lake in the Town of Lansing, County of Tompkins, State of New York, and more particularly bounded and described as follows:

Beginning at a point in said east shoreline one hundred fifty-two and five tenths feet southerly of the centerline of the easement for the 96 inch pipeline granted simultaneously with this grant of easement; thence southerly twenty-five feet along said east shore line; thence westerly at right angles to the last course sixty feet; thence northerly parallel to the east shore line twenty-five feet; thence easterly sixty feet to the point of beginning.

All as shown on a map filed with the original application in the Office of the Department of State and in the Office of General Services in Albany, New York.

This grant of easement is a renewal of an easement granted to New York State Electric & Corporation by the People of the State of New York, dated October 20, 1983 and recorded in the Department of State in Albany, New York on May 18, 1984 in Volume 26 of Miscellaneous Deeds and Title Papers at page 121. This grant of easement commences from the date hereof and terminates on October 20, 2033, unless sooner terminated as hereinafter provided and is made and accepted subject to the following covenants, terms and conditions:

- 1. At the termination of the easement hereby granted, the Grantee agrees at the expense of the Grantee and at no expense to the Grantor to remove at once the said facilities from the land affected and leave said land in as nearly the same condition as possible as it was prior to construction.
- 2. The easement hereby granted is granted only with respect to the facilities. If the facilities shall not have been maintained and used for a period of two years, the easement shall cease and determine without action to such effect being taken by the Grantor and all the rights of the Grantee shall then terminate and, furthermore, in such event, the provisions for removal of said electric line above set forth in Paragraph 1 shall apply in the same manner and to the same effect as so set forth.

- Grantee assumes all risk in the construction, reconstruction, installation, repair, 3. maintenance, operation and/or removal of the facilities referred to in this Indenture, and shall be solely responsible and answerable in damages for any and all accidents and injuries to person or property (including death), and hereby covenants and agrees to indemnify and hold harmless the Grantor from any violation by Grantee, its agents, employees, or contractors, of any law, ordinance, rule or regulation affecting or relating to the construction, reconstruction, installation, repair, maintenance, operation and/or removal of said facilities, and from any and all claims, suits, losses, damages or injuries to person or property (including death) of every kind and nature whether direct or indirect, arising out of the construction, reconstruction, installation, repair, maintenance, operation and/or removal thereof, or the carelessness, negligence or improper conduct of the Grantee or any contractor, servant, agent or employee thereof and to pay for and on behalf of the Grantor any and all charges, fees, expenses, costs or judgments arising therefrom. The Grantee agrees, upon being requested so to do, to assume the defense and to defend, at its own cost and expense, any action brought at any time against the Grantor in connection with any such claim, suits, losses or liens as aforesaid.
- 4. The easement hereby granted shall not be assigned or transferred without the written consent of the Commissioner of General Services.
- 5. The easement hereby granted is intended to affect only the right, title and interest of the Grantor in the aforedescribed parcel of land.

The word "Grantee" shall be construed as if read "Grantees" whenever the sense of this Indenture so requires. The use of the neuter pronoun in any reference to "Grantee" shall be construed to include any individual "Grantee," and the word "successors" shall be construed as if read "heirs" whenever the sense of this Indenture so requires.

All the covenants, terms and conditions in this Indenture shall inure to the benefit of and be binding upon the executors, administrators, successors and assigns of the respective parties hereto, the same as if they were in every case named and expressed.

IN WITNESS WHEREOF, the Grantor has caused this instrument to be signed by its duly authorized representative on the day and year first above written.

THE PEOPLE OF THE STATE OF NEW YORK

Commissioner of General Services

STATE OF NEW YORK SS.:

COUNTY OF ALBANY

in the year 2010, before me, John C. Egan, personally known to me or proved undersigned personally appeared to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public, State of New York

Qualified in County of

My Commission Expires:

TROMAS A POHL Motary Public, State of New York Appointed in Saratoga County My Commission Explan 7/2 02 POSOR 2571

Approved as to form this 3

of

, 2010

ANDREW M. CUOMO Attorney General

Robert J. Fleury

EASEMENT

THE PEOPLE OF THE STATE OF NEW YORK

AND

AES CAYUGA, L.L.C.

and Title Papers at page 74 on 7.15 2010. Recorded in the Department of State in Volume 2 of Miscellaneous Deeds

First Deputy, Secretary of State Daniel E. Shapiro

Linda Lasch

By J. (Ducus)

Miscellaneous Records



ANDREW M. CUOMO Governor ROANN M. DESTITO Commissioner

June 16, 2017

VIA UPS EXPRESSMAIL

Cayuga Operating Company LLC 228 Cayuga Drive Lansing, NY 14882 Attn: John C. Marabella

Re: Easement to Cayuga Operating Company LLC Town of Lansing, County of Tompkins - LUW01995

Dear Mr. Marabella:

Enclosed is the executed easement for water intake screens located under the waters of Cayuga Lake.

The easement was recorded in the Department of State on June 14, 2017 in Volume 59 of Miscellaneous Deeds and Title Papers at page 45. Please utilize the enclosed TP-584 form for the recording of the executed easement in the Tompkins County Clerk's office.

Please check the form and add any missing information.

Thank you for your patience and cooperation.

Very truly yours.

Chad Cook Senior Attorney

Enclosures

Combined Real Estate

Transfer Tax Return, Credit Line Mortgage Certificate, and Certification of Exemption from the Payment of Estimated Personal Income Tax

Recording office time stamp

See Form TP-584-I, Instructions for Form TP-584, before completing this form. Print or type. Schedule A - Information relating to conveyance Grantor/Transferor Name (if individual, last, first, middle initial) (check if more than one grantor) Social security number New York State Office of General Services Individual Mailing address Social security number Corporation 41st Floor, Corning Tower Building, Empire State Plaza ☐ Partnership Federal EIN City ZIP code ☐ Estate/Trust 12242 14-6013200 ☐ Single member LLC Single member EIN or SSN Single member's name if grantor is a single member LLC (see instructions) ✓ Other Grantee/Transferee Name (if individual, last, first, middle initial) (check if more than one grantee) Social security number Cayuga Operating Company LLC Individual Mailing address Social security number ▼ Corporation 228 Cayuga Drive Partnership Federal EIN ZIP code City State ☐ Estate/Trust 14882 Lansing ☐ Single member LLC Single member's name if grantee is a single member LLC (see instructions) Single member EIN or SSN ☐ Other Location and description of property conveyed SWIS code Tax map designation -Street address City, town, or village County Section, block & lot (six digits) (include dots and dashes) Lands Under the Waters of Cayuga Wappinger **Tompkins** Type of property conveyed (check applicable box) One- to three-family house Date of conveyance Percentage of real property Residential cooperative 6 Apartment building conveyed which is residential 2017 05 10 Residential condominium 7 Office building real property_ month 8 X Other Under Water Vacant land (see instructions) Condition of conveyance (check all that apply) f.

Conveyance which consists of a I.

Option assignment or surrender mere change of identity or form of a.

Conveyance of fee interest ownership or organization (attach m. Leasehold assignment or surrender Form TP-584.1, Schedule F) b. Acquisition of a controlling interest (state percentage acquired_ g.

Conveyance for which credit for tax n. Leasehold grant previously paid will be claimed (attach Form TP-584.1, Schedule G) c.

Transfer of a controlling interest (state o. X Conveyance of an easement h. Conveyance of cooperative apartment(s) percentage transferred ___ p.

Conveyance for which exemption from transfer tax claimed (complete d.

Conveyance to cooperative housing i. Syndication Schedule B, Part III) corporation a.

Conveyance of property partly within i. Conveyance of air rights or development rights and partly outside the state e.

Conveyance pursuant to or in lieu of foreclosure or enforcement of security k. Contract assignment r. Conveyance pursuant to divorce or separation interest (attach Form TP-584.1, Schedule E) s. Other (describe) For recording officer's use Amount received Date received Transaction number Schedule B., Part I \$ Schedule B., Part II \$

S	chedule B - Real estate transfer tax return (Tax Law, Article 31)			
Р	art I – Computation of tax due			
•	1 Enter amount of consideration for the conveyance (if you are claiming a total exemption from tax, check the			
	exemption claimed box, enter consideration and proceed to Part III)	1.	8372	00
	2 Continuing lien deduction (see instructions if property is taken subject to mortgage or lien)	2.	0	00
	3 Taxable consideration (subtract line 2 from line 1)	3.	8372	00
	4 Tax: \$2 for each \$500, or fractional part thereof, of consideration on line 3	4.		00
	5 Amount of credit claimed for tax previously paid (see instructions and attach Form TP-584.1, Schedule G)	5.		
	6 Total tax due* (subtract line 5 from line 4)	6.		00
P	art II - Computation of additional tax due on the conveyance of residential real property for \$1 million or more			
	1 Enter amount of consideration for conveyance (from Part I, line 1)	1,		
	2 Taxable consideration (multiply line 1 by the percentage of the premises which is residential real property, as shown in Schedule A)			
	3 Total additional transfer tax due* (multiply line 2 by 1% (.01))	3.		
P	art III – Explanation of exemption claimed on Part I, line 1 (check any boxes that apply)			
	ne conveyance of real property is exempt from the real estate transfer tax for the following reason:			
a.	Conveyance is to the United Nations, the United States of America, the state of New York, or any of their instru	mentalitie	s,	
	agencies, or political subdivisions (or any public corporation, including a public corporation created pursuant to	-		
	compact with another state or Canada)	•••••	a	\Box
h	Conveyance is to secure a debt or other obligation		h	
υ.	Conveyance is to secure a debt or other obligation.		D	
c.	Conveyance is without additional consideration to confirm, correct, modify, or supplement a prior conveyance.		С	
d.	Conveyance of real property is without consideration and not in connection with a sale, including conveyances realty as bona fide gifts			
e.	Conveyance is given in connection with a tax sale		е	
f.	Conveyance is a mere change of identity or form of ownership or organization where there is no change in ben ownership. (This exemption cannot be claimed for a conveyance to a cooperative housing corporation of real properties of the cooperative dwelling or dwellings.) Attach Form TP-584.1, Schedule F	roperty	f	
g.	Conveyance consists of deed of partition		g	
h.	Conveyance is given pursuant to the federal Bankruptcy Act		h	
i.	Conveyance consists of the execution of a contract to sell real property, without the use or occupancy of such the granting of an option to purchase real property, without the use or occupancy of such property			
	Conveyance of an option or contract to purchase real property with the use or occupancy of such property who consideration is less than \$200,000 and such property was used solely by the grantor as the grantor's personal and consists of a one-, two-, or three-family house, an individual residential condominium unit, or the sale of sign a cooperative housing corporation in connection with the grant or transfer of a proprietary leasehold covering individual residential cooperative apartment.	l residenc tock g an		
	Conveyance is not a conveyance within the meaning of Tax Law, Article 31, section 1401(e) (attach documents supporting such claim)		k	

^{*}The total tax (from Part I, line 6 and Part II, line 3 above) is due within 15 days from the date conveyance. Please make check(s) payable to the county clerk where the recording is to take place. If the recording is to take place in the New York City boroughs of Manhattan, Bronx, Brooklyn, or Queens, make check(s) payable to the **NYC Department of Finance**. If a recording is not required, send this return and your check(s) made payable to the **NYS Department of Taxation and Finance**, directly to the NYS Tax Department, RETT Return Processing, PO Box 5045, Albany NY 12205-5045.

Schedule C — Credit Line Mortgage Certificate (Tax Law, Article 11)
Complete the following only if the interest being transferred is a fee simple interest. I (we) certify that: (check the appropriate box)
1. The real property being sold or transferred is not subject to an outstanding credit line mortgage.
2. The real property being sold or transferred is subject to an outstanding credit line mortgage. However, an exemption from the tax is claimed for the following reason: The transfer of real property is a transfer of a fee simple interest to a person or persons who held a fee simple interest in the real property (whether as a joint tenant, a tenant in common or otherwise) immediately before the transfer.
The transfer of real property is (A) to a person or persons related by blood, marriage or adoption to the original obligor or to one or more of the original obligors or (B) to a person or entity where 50% or more of the beneficial interest in such real property after the transfer is held by the transferor or such related person or persons (as in the case of a transfer to a trustee for the benefit of a minor or the transfer to a trust for the benefit of the transferor).
The transfer of real property is a transfer to a trustee in bankruptcy, a receiver, assignee, or other officer of a court.
The maximum principal amount secured by the credit line mortgage is \$3,000,000 or more, and the real property being sold or transferred is not principally improved nor will it be improved by a one- to six-family owner-occupied residence or dwelling.
Please note: for purposes of determining whether the maximum principal amount secured is \$3,000,000 or more as described above, the amounts secured by two or more credit line mortgages may be aggregated under certain circumstances. See TSB-M-96(6)-R for more information regarding these aggregation requirements.
Other (attach detailed explanation).
3. The real property being transferred is presently subject to an outstanding credit line mortgage. However, no tax is due for the following reason:
A certificate of discharge of the credit line mortgage is being offered at the time of recording the deed.
A check has been drawn payable for transmission to the credit line mortgagee or his agent for the balance due, and a satisfaction of such mortgage will be recorded as soon as it is available.
4. The real property being transferred is subject to an outstanding credit line mortgage recorded in
Signature (both the grantor(s) and grantee(s) must sign)
The undersigned certify that the above information contained in schedules A, B, and C, including any return, certification, schedule, or attachment, is to the best of his/her knowledge, true and complete, and authorize the person(s) submitting such form on their behalf to receive a copy for purposes of recording the deed or other instrument effecting the conveyance.
Grantor signature Title Grantee signature Title
Grantor signature Title Grantee signature Title

Reminder: Did you complete all of the required information in Schedules A, B, and C? Are you required to complete Schedule D? If you checked *e*, *f*, or *g* in Schedule A, did you complete Form TP-584.1? Have you attached your check(s) made payable to the county clerk where recording will take place or, if the recording is in the New York City boroughs of Manhattan, Bronx, Brooklyn, or Queens, to the *NYC Department of Finance*? If no recording is required, send your check(s), made payable to the *Department of Taxation and Finance*, directly to the NYS Tax Department, RETT Return Processing, PO Box 5045, Albany NY 12205-5045.

Schedule D - Certification of exemption from the payment of estimated personal income tax (Tax Law, Article 22, section 663)

Complete the following only if a fee simple interest or a cooperative unit is being transferred by an individual or estate or trust.

If the property is being conveyed by a referee pursuant to a foreclosure proceeding, proceed to Part II, and check the second box under Exemptions for nonresident transferor(s)/seller(s) and sign at bottom.

Part I - New York State residents

If you are a New York State resident transferor(s)/seller(s) listed in Schedule A of Form TP-584 (or an attachment to Form TP-584), you must sign the certification below. If one or more transferors/sellers of the real property or cooperative unit is a resident of New York State, **each** resident transferor/seller must sign in the space provided. If more space is needed, please photocopy this Schedule D and submit as many schedules as necessary to accommodate all resident transferors/sellers.

Certification of resident transferor(s)/seller(s)

This is to certify that at the time of the sale or transfer of the real property or cooperative unit, the transferor(s)/seller(s) as signed below was a resident of New York State, and therefore is not required to pay estimated personal income tax under Tax Law, section 663(a) upon the sale or transfer of this real property or cooperative unit.

care or transfer or time roun brighter of a conference and		
Signature	Print full name	Date
Signature	Print full name	Date
Signature	Print full name	Date
Signature	Print full name	Date

Note: A resident of New York State may still be required to pay estimated tax under Tax Law, section 685(c), but not as a condition of recording a deed.

Part II - Nonresidents of New York State

If you are a nonresident of New York State listed as a transferor/seller in Schedule A of Form TP-584 (or an attachment to Form TP-584) but are not required to pay estimated personal income tax because one of the exemptions below applies under Tax Law, section 663(c), check the box of the appropriate exemption below. If any one of the exemptions below applies to the transferor(s)/seller(s), that transferor(s)/seller(s) is not required to pay estimated personal income tax to New York State under Tax Law, section 663. **Each** nonresident transferor/seller who qualifies under one of the exemptions below must sign in the space provided. If more space is needed, please photocopy this Schedule D and submit as many schedules as necessary to accommodate all nonresident transferors/sellers.

If none of these exemption statements apply, you must complete Form IT-2663, Nonresident Real Property Estimated Income Tax Payment Form, or Form IT-2664, Nonresident Cooperative Unit Estimated Income Tax Payment Form. For more information, see Payment of estimated personal income tax, on page 1 of Form TP-584-I.

Exemption for nonresident transferor(s)/seller(s)

This is to certify that at the time of the sale or transfer of the real property or cooperative unit, the transferor(s)/seller(s) (grantor) of this real property or cooperative unit was a nonresident of New York State, but is not required to pay estimated personal income tax under Tax Law, section 663 due to one of the following exemptions:

The real property or cooperative unit being sold or transferred qualitation (within the meaning of Internal Revenue Code, section 121) from			
The transferor/seller is a mortgagor conveying the mortgaged pro no additional consideration.	perty to a mor	rtgagee in fore	closure, or in lieu of foreclosure with
The transferor or transferee is an agency or authority of the United New York, the Federal National Mortgage Association, the Federal Mortgage Association, or a private mortgage insurance company.	Il Home Loan I		

Signature	Print full name	Date
Signature	Print full name	Date
Signature	Print full name	Date
Signature	Print full name	Date

THIS INDENTURE made this day of day of , 2017, between THE PEOPLE OF THE STATE OF NEW YORK acting by the Commissioner of General Services having its office and place of business at Mayor Erastus Corning 2nd Tower, The Governor Nelson A. Rockefeller Empire State Plaza, Albany, New York 12242, hereinafter referred to as the "Grantor," and the Cayuga Operating Company LLC, a Delaware limited liability company, having its principal office and place of business at 228 Cayuga Drive, Lansing, New York 14882, hereinafter referred to as the "Grantee,"

WITNESSETH, that the Grantor, pursuant to Section 3, subdivision 2 of the Public Lands Law and Findings of the Commissioner dated , 2017 and in consideration of the sum of Eight Thousand Three Hundred and Seventy-Two (\$8,372.00) Dollars, lawful money of the United States of America, paid by the Grantee and upon the terms and conditions hereinafter expressed, does hereby give and grant unto the Grantee and the successors and assigns of the Grantee, the right, privilege and easement for the installation, operation and maintenance of water intake screens, hereinafter referred to as the "structures and/or improvements," on the parcel of land under the water of Cayuga Lake as hereinafter described:

All that piece or parcel of land situate in the Town of Lansing, County of Tompkins and State of New York, being bounded and described as follows:

Beginning at a point on the low water line of Cayuga Lake on the northerly boundary of a 30 foot wide easement granted to AES Cayuga, L.L.C., dated April 27, 2010 and recorded in the Department of State in Volume 52 of Miscellaneous Deeds and Title Papers at page 74, said point of beginning being the following two courses and distances from the northwest corner of lands, now or formerly, of New York State Electric and Gas Corporation (Tax Map Section 11, Block 1, Lot 3.23), said northwest corner being on the easterly boundary of lands of Cayuga Operating Company LLC (Instrument No. 598401-037):

1. S 54° 09' 38" W, a distance of 734.96 feet to a point; and

- 2. S 60° 02' 29" W, a distance of 84.78 feet to the point of beginning; thence from said Point of Beginning into the waters a Cayuga lake the following seven courses and distances:
- 1. S 60°02'29" W, along said northerly boundary of said easement granted to AES Cayuga, L.L.C., a distance of 441.22 feet to a point at the northwest corner thereof;
- 2. S 29°57'31" E, a distance of 70 feet to a point;
- 3. S 60°02'29" W, a distance of 132.00 feet to a point;
- 4. N 29°57'31" W, a distance of 120.00 feet to a point;
- 5. N 60°02'29" E, a distance of 132.00 feet to a point;
- 6. S 29°57'31" E, a distance of 45.00 feet to a point; and
- 7. N 60°02'29" E, a distance of 432.03 feet to a point on the low water line of Cayuga Lake;

thence N 88°35'40" E, along said low water line, a distance of 10.46 feet to the point or place of beginning, containing 18,023 square feet of land, more or less.

As shown on a map entitled "State of New York Office of General Services Submerged Land Application Map in the Application of Cayuga Operating Company LLC," dated August 22, 2016 and filed in the Office of General Services in Albany, New York as O.G.S. Map No. 2577.

This grant of easement commences on the date hereof and terminates on October 20, 2033, unless sooner terminated as hereinafter provided, and is made and accepted subject to the following covenants, conditions and restrictions:

- 1. At the termination of the easement hereby granted, the Grantee, for itself and its successors in interest hereunder, agrees, at its own expense and at no expense to the Grantor, to remove at once the structures and/or improvements and appurtenances installed or maintained hereunder from the land affected hereby and to leave said land in authorized.
- 2. The easement hereby granted is granted only with respect to the structures and/or improvements described in Grantee's applications and shown on the maps or plans accompanying the applications or substantially as so described. If the structures and/or improvements shall not be maintained and used for a period of three years, this easement shall cease and determine, without action to such effect being taken by the Grantor, and all the rights of the Grantee and its successors hereunder shall then

terminate; and, furthermore, in such event, the provisions for removal as above set forth in Paragraph 1 shall apply in the same manner and with the same effect as so set forth.

- 3. The construction, reconstruction, installation, repair, maintenance and operation of the structures and/or improvements shall be in accordance with all applicable safety rules and regulations and so as not to constitute a hazard or nuisance to persons and property, and shall be in compliance with all applicable statutes, laws and ordinances, federal, state or municipal, and with the codes, rules, regulations and orders of any governmental department, office, board, commission or other body having jurisdiction in the matter.
- 4. In the event of the abandonment of said easement and the removal of said structures and/or improvements, the easement herein granted shall terminate and revert to the Grantor, free and clear of any and all liens, mortgages or encumbrances, and without any affirmative action by the Grantor.
- 5. The easement herein granted shall not be assigned by the Grantee without the prior written consent of the Grantor.
- Grantee assumes all risk in the construction, reconstruction, installation, repair, 6. maintenance, operation and/or removal of the structures and/or improvements referred to in this Indenture, and shall be solely responsible and answerable in damages for any and all accidents and injuries to person or property (including death), and hereby covenants and agrees to indemnify and hold harmless the Grantor from any violation by Grantee, its agents, employees, or contractors, of any law, ordinance, rule or regulation affecting or relating to the construction, reconstruction, installation, repair, maintenance, operation and/or removal of said structures and/or improvements, and from any and all claims, suits, losses, damages or injuries to person or property (including death) of every kind and nature whether direct or indirect, arising out of the construction, reconstruction, installation, repair, maintenance, operation and/or removal thereof, or the carelessness, negligence or improper conduct of the Grantee or any contractor, servant, agent or employee thereof and to pay for and on behalf of the Grantor any and all charges, fees, expenses, costs or judgments arising there from. The Grantee agrees, upon being requested so to do, to assume the defense and to defend, at its own cost and expense, any action brought at any time against the Grantor in connection with any such claim, suits, losses or liens as aforesaid.
- 7. The easement hereby granted is intended to affect only the right, title and interest of the Grantor in the aforedescribed parcel of land.

The word "Grantee" shall be construed as if read "Grantees" whenever the sense of this Indenture so requires. The use of the neuter pronoun in any reference to "Grantee" shall be

construed to include any individual "Grantee," and the word "successors" shall be construed as if read "heirs" whenever the sense of this Indenture so requires.

All the covenants, terms and conditions in this Indenture shall inure to the benefit of and be binding upon the executors, administrators, successors and assigns of the respective parties hereto, the same as if they were in every case named and expressed.

IN WITNESS WHEREOF, the Grantor has caused this instrument to be signed by its duly authorized representative on the day and year first above written.

THE PEOPLE OF THE STATE OF NEW YORK

Commissioner of General Service

RoAnn M. Destito.

STATE OF NEW YORK } : SS.:	
COUNTY OF ALBANY }	
On the 10 ^{4h} day of May undersigned personally appeared ROAM proved to me on the basis of satisfactor subscribed to the within instrument and ac	, in the year 2017, before me, the personally known to me or ry evidence to be the individual whose name is knowledged to me that he executed the same in his
capacity, and that by his signature on the in	nstrument, the individual, or the person upon behalf
of which the individual acted, executed the	
SUSAN G PULVER NOTARY PUBLIC-STATE OF NEW YORK NO. 01PU6289995 Qualified in Columbia County My Commission Expires October 07, 2017	Notary Public, State of New York Qualified in County of: My Commission Expires:
Approved as to form thisday	
of	w a
Eric T. Schneiderman Attorney General	
By: Jenne M. Kong	
Associate Attorner	4

By:

EASEMENT

THE PEOPLE OF THE STATE OF NEW YORK

5

Cayuga Operating Company LLC

Recorded in the Department of State in Volume Sof Miscellaneous Deeds and Title Papers at page 45 on January 14, 2017

Brendan Fitzgerald Executive Deputy Secretary of State

Linda Lasch Miscellaneous Records





October 12, 2016

Doug Roll Cayuga Operating Co. Inc. Heorot Power 228 Cayuga Drive Lansing, NY 14882

RE:

NYSEG's 34.5 kV Line to Cargill

Off Rte 34B

Town of Lansing/Tompkins County Tax Map: 11-1-3.211 and 3.212

Dear Mr. Roll:

Enclosed please find the transmission easement we discussed last week at our meeting.

This easement will give NYSEG permission to install a 34.5 kV line next to the existing 34.5 kV line currently on the property along with an easement and clearing width of 100 feet as indicated on the attached Exhibit's to the easement.

Kindly review the easement with Heorot and if there are no objections, then, I would ask that you have the easement signed, dated and notarized in black ink; please return in the enclosed envelop.

If you have any questions, please contact me at 914-953-5507.

Thank you for your cooperation in this matter.

Sincerely.

Debra A. Drake, Supervisor

IUSA Right of Way





IIBER 847 PAGE . 46

03387

AMENDED AND RESTATED RECIPROCAL EASEMENT AGREEMENT

(MILLIKEN STATION)

BETWEEN

NEW YORK STATE ELECTRIC & GAS CORPORATION

AND

AES EASTERN ENERGY, L.P.

DATED: As of May 1, 1999

RECEIVED

MAY 2 0 1999

REAL ESTATB TRANSFER TAX TOMPKINS COUNTY

NY2: 221470.04.

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AMENDED AND RESTATED RECIPROCAL EASEMENT AGREEMENT

THIS AMENDED AND RESTATED RECIPROCAL EASEMENT AGREEMENT dated as of May 1, 1999, by and between NEW YORK STATE ELECTRIC & GAS CORPORATION ("NYSEG"), a corporation organized and existing under and pursuant to the laws of the State of New York and having an office for the transaction of business at Corporate Drive, Kirkwood Industrial Park, Binghamton, New York 13902-5225, and AES EASTERN ENERGY, L.P. ("AEE"), a limited partnership organized and existing under and pursuant to the laws of the State of Delaware with its principal place of business at 1001 North 19th Street, Arlington, Virginia 22209. NYSEG and AEE may be referred to individually as a "Party" and collectively as the "Parties."

ARTICLE 1 - Background and Objectives

NGE Generation, Inc. ("NGE"), NYSEG and AES NY, L.L.C. ("AES NY") have entered into an Asset Purchase Agreement dated as of August 3, 1998 (as the same may be modified, supplemented or amended from time to time, the "APA") for the sale of NGE's fossil-fired generating facilities (the "Fossil Plants") and associated assets and liabilities described therein to AES NY.

As part of the transactions set forth in the APA, NGE agreed to sell to AES NY the Real Property, Tangible Personal Property, and related assets, liabilities, rights, and obligations comprising NGE's Milliken Station, all as more specifically set forth in the APA.

Further, NYSEG and AES NY entered into an Interconnection Agreement (the "ICA") dated as of August 3, 1998 whereby NYSEG agreed to provide Interconnection Service (as defined in the ICA) to AES NY for the Fossil Plants, including Milliken Station, and AES NY agreed to provide NYSEG access to the Fossil Plants, including Milliken Station, for this purpose.

AES NY has assigned certain of its rights and obligations under the APA with respect to the Milliken Station to AEE and has assigned certain other of its rights and interest under the APA with respect to the Milliken Station to certain owner trusts (collectively, the "Owner Trusts").

AEE will be the lessee, under various lease agreements to be entered into between AEE and the Owner Trusts, of the rights and interests to be acquired by the Owner Trusts in and to the Milliken Station (the "Lease Agreements"), which Lease Agreements will grant AEE operational control over such rights and interests held by the Owner Trusts in the Milliken Station.

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AMENDED AND RESTATED RECIPROCAL EASEMENT AGREEMENT

EXHIBIT A

(Buyer Property)

NY2: 221470.04

All those certain lots, pieces, or parcels of land situate, lying and being Southwesterly of Lake Ridge Road in the Town of Lansing, County of Tompkins, and State of New York as shown on a map entitled "Property Conveyed to NGE Generation, Inc. by New York State Electric & Gas Corporation, Milliken Station, Town of Lansing, Tompkins County, New York State", as prepared by Hawk Engineering, PC, Binghamton, New York dated July 30, 1998. (HE File 98152.02), bounded and described as follows:

PARCEL I (TMN 12-1-15.4)

BEGINNING at a 5/8 inch rebar with cap at the intersection of the division line between the property owned by NGE Generation, Inc. on the Northeast and the property now or formerly owned by Cornell University on the Southwest with the existing Southeasterly boundary of Milliken Road;

RUNNING THENCE along said boundary the following ten (10) courses and distances:

- (1) North 42 degrees 33 minutes 03 seconds East, a distance of 6.31 feet to a point;
- (2) thence North 36 degrees 55 minutes 09 seconds East, a distance of 231.35 feet to a point;
- (3) thence North 36 degrees 58 minutes 55 seconds East, a distance of 148.03 feet to a point;
- (4) thence North 45 degrees 59 minutes 38 seconds East, a distance of 279.03 feet to a point;
- (5) thence North 56 degrees 44 minutes 31 seconds East, a distance of 573.26 feet to a point;
- (6) thence North 57 degrees 53 minutes 32 seconds East, a distance of 481.66 feet to a point;
- (7) thence North 56 degrees 55 minutes 34 seconds East, a distance of 191.91 feet to a point;
- (8) thence North 53 degrees 19 minutes 29 seconds East, a distance of 215.01 feet to a 5/8 inch rebar with cap:

Continued ...

- (9) thence North 49 degrees 59 minutes 32 seconds East, a distance of 164.68 feet to a point;
- (10) thence North 51 degrees 24 minutes 49 seconds East, a distance of 302.11 feet to a 3/4 inch rebar at its intersection with the division line between said NGE Generation, Inc. on the Southwest and the property now or formerly owned by Pozzolanic International, Inc. on the Northeast;

thence South 41 degrees 09 minutes 02 seconds East along the last mentioned division line and passing through a 3/4 inch rebar, a distance of 162.59 feet to a point at its intersection with the division line between said property owned by NGE Generation, Inc. on the Northwest and said property now or formerly owned by Pozzolanic International, Inc. on the Southeast;

thence South 50 degrees 51 minutes 05 seconds West along the last mentioned division line, a distance of 465.80 feet to a point at its intersection with the division line between said property owned by NGE Generation, Inc. on the West and said property now or formerly owned by Pozzolanic International, Inc. on the East;

thence South 12 degrees 41 minutes 50 seconds West along the last mentioned division line and along the division line between said property owned by NGE Generation, Inc. on the West and said property now or formerly owned by Cornell University on the East, a distance of 241.39 feet to a point at its intersection with the division line between said property owned by NGE Generation, Inc. on the Southwest and said property now or formerly owned by Cornell University on the Northeast;

thence South 29 degrees 29 minutes 34 seconds East along the last mentioned division line, a distance of 101.18 feet to a point at its intersection with the division line between said property owned by NGE Generation, Inc. on the Northwest and said property owned by Cornell University on the Southeast;

thence along the last mentioned division line the following two (2) courses and distances:

- (1) South 33 degrees 48 minutes 57 seconds West, a distance of 162.71 feet to a point;
- (2) thence South 56 degrees 20 minutes 40 seconds West, a distance of 120.23 feet to a point at its intersection with the division line between said property owned by NGE Generation, Inc. on the North and said property owned by Cornell University on the South;

Continued...

thence South 85 degrees 26 minutes 00 seconds West along the last mentioned division line, a distance of 169.68 feet to a point at its intersection with the division line between said property owned by NGE Generation. Inc. on the Northwest and said property owned by Cornell University on the Southeast;

thence along the last mentioned division line the following seven (7) courses and distances:

- (1) South 39 degrees 53 minutes 52 seconds West, a distance of 142.33 feet to a point;
- (2) thence South 44 degrees 56 minutes 59 seconds West, a distance of 195.26 feet to a point;
- (3) thence South 40 degrees 07 minutes 15 seconds West, a distance of 137.66 feet to a point;
- (4) thence South 66 degrees 08 minutes 22 seconds West, a distance of 157.66 feet to a point:
- (5) thence South 50 degrees 57 minutes 51 seconds West, a distance of 382.75 feet to a point;
- (6) thence South 24 degrees 26 minutes 48 seconds West, a distance of 170.62 feet to a point;
- (7) thence South 52 degrees 08 minutes 38 seconds West, a distance of 362.44 feet to a 5/8 inch rebar with cap at its intersection with the above first mentioned division line:

thence North 35 degrees 50 minutes 06 seconds West along said first mentioned division line, a distance of 482.38 feet to the POINT OR PLACE OF BEGINNING.

Containing 1,085,028 square feet or 24.9088 acres, more or less, as shown on the above referenced map.

Continued...

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PARCEL II (TMN 12-1-15.5)

BEGINNING at a point on the division line between the property owned by NGE Generation, Inc. on the Northeast and the property now or formerly owned by Lehigh Valley Railroad on the Southwest at its intersection with the existing Southeasterly boundary of Milliken Road:

RUNNING THENCE along said Milliken Road the following two (2) courses and distances:

- (1) North 52 degrees 23 minutes 08 seconds East, a distance of 126.26 feet to a point;
- (2) thence North 44 degrees 53 minutes 16 seconds East, a distance of 174.04 feet to a 5/8 inch rebar with cap at its intersection with the division line between said property owned by NGE Generation, Inc. on the Southwest and the property now or formerly owned by Cornell University on the Northeast;

thence South 35 degrees 50 minutes 06 seconds East along the last mentioned division line, a distance of 465.35 feet to a 5/8 inch rebar with cap at its intersection with the division line between said property owned by NGE Generation, Inc. on the Northwest and said property now or formerly owned by Cornell University on the Southeast;

thence South 52 degrees 08 minutes 38 seconds West along the last mentioned division line, a distance of 280.00 feet to a 5/8 inch rebar with cap at its intersection with said first mentioned division line;

thence North 38 degrees 10 minutes 38 seconds West along said first mentioned division line, a distance of 443.62 feet to the POINT OR PLACE OF BEGINNING.

Containing 130,000 square feet or 2.9844 acres, more or less, as shown on the above referenced map.

Continued. . .

PARCEL III (TMN 11-1-32)

BEGINNING at a 1-1/4 inch bolt on the existing Southwesterly side of Lake Ridge Road at its intersection with the division line between the property owned by NGE Generation, Inc. on the North and the property now or formerly owned by Raymond L. Boles on the South;

RUNNING THENCE South 85 degrees 30 minutes 32 seconds West along said division line, a distance of 24.71 feet to a 5/8 inch rebar at its intersection with the division line between said property owned by NGE Generation, Inc. on the West and said property now or formerly owned by Raymond L. Boles on the East;

thence South 06 degrees 42 minutes 21 seconds East along the last mentioned division line, along the division line between said property owned by NGE Generation, Inc. on the West and the property now or formerly owned by Glenn T. Rick and Darlene M. Rick on the East, and along the division line between said property owned by NGE Generation, Inc. on the West and the property now or formerly owned by Charles D. Balog Sr. and Jolan E. Balog on the East, a distance of 817.60 feet to a 5/8 inch rebar in concrete with MacNeill cap at its intersection with the division line between said property owned by NGE Generation, Inc. on the North and the property now or formerly owned by Deborah N. Bruner on the South;

thence South 87 degrees 59 minutes 24 seconds West along the last mentioned division line and along the division line between said property owned by NGE Generation, Inc. on the North and the property now or formerly owned by Richard C. Jones. Jr. on the South, a distance of 421.89 feet to a 5/8 inch rebar at its intersection with the division line between said property owned by NGE Generation, Inc. on the West and said property now or formerly owned by Richard C. Jones, Jr. on the East;

thence South 02 degrees 11 minutes 01 second East along the last mentioned division line, a distance of 358.43 feet to a 5/8 inch rebar at its intersection with the Northwesterly boundary of Milliken Road;

thence along the last mentioned boundary the following twenty-four (24) courses and distances:

- (1) South 73 degrees 59 minutes 07 seconds West, a distance of 118.96 feet to a point;
- (2) thence South 68 degrees 24 minutes 42 seconds West, a distance of 274.77 feet to a point;

- (3) thence South 61 degrees 34 minutes 36 seconds West, a distance of 315.82 feet to a point;
- (4) thence South 58 degrees 34 minutes 58 seconds West, a distance of 114.45 feet to a point;
- (5) thence South 56 degrees 02 minutes 40 seconds West, a distance of 654.22 feet to a 5/8 inch rebar with cap;
- (6) thence North 84 degrees 42 minutes 07 seconds West, a distance of 226.88 feet to a 5/8 inch rebar with cap;
- (7) thence South 04 degrees 20 minutes 50 seconas West, a distance of 171.75 feet to a 5/8 inch rebar;
- (8) thence South 60 degrees 35 minutes 39 seconds West, a distance of 276.49 feet to a point;
- (9) thence South 61 degrees 12 minutes 56 seconds West, a distance of 548.78 feet to a point;
- (10) thence South 56 degrees 20 minutes 26 seconds West, a distance of 167.16 feet to a 5/8 inch rebar with cap;
- (11) thence South 51 degrees 24 minutes 49 seconds West, a distance of 310.82 feet to a point;
- (1) thence South 49 degrees 59 minutes 32 seconds West, a distance of 163.88 feet to a point;
- (12) thence South 53 degrees 20 minutes 04 seconds West, a distance of 211.38 feet to a point;
- (18) thence South 56 degrees 55 minutes 34 seconds West, a distance of 189.95 feet to a point;
- (14) thence South 57 degrees 53 minutes 32 seconds West, a distance of 481.74 feet to a point;
- (15) thence South 56 degrees 44 minutes 31 seconds West, a distance of 578.42 feet to a point;

- (16) thence South 45 degrees 59 minutes 38 seconds West, a distance of 287.59 feet to a point;
- (17) thence South 36 degrees 58 minutes 55 seconds West, a distance of 151.95 feet to a point;
- (18) thence South 36 degrees 55 minutes 09 seconds West, a distance of 229.36 feet to a point;
- (19) thence South 42 degrees 33 minutes 03 seconds West, a distance of 103.53 feet to a point;
- (20) thence South 44 degrees 53 minutes 16 seconds West, a distance of 170.82 feet to a point;
- (21) thence South 52 degrees 23 minutes 08 seconds West, a distance of 123.62 feet to a point;
- (22) thence South 38 degrees 31 minutes 17 seconds East, a distance of 24.75 feet to a point;
- (23) thence South 51 degrees 54 minutes 52 seconds West, a distance of 66.00 feet to a PK nail at its intersection with the division line between said property owned by NGE Generation, Inc. on the Northeast and the property now or formerly owned by Ronald S. Ronsvalle on the Southwest;

thence North 38 degrees 31 minutes 19 seconds West along the last mentioned division line, along the division line between said property owned by NGE Generation, Inc. on the Northeast and the property now or formerly owned by Stanley E. Neigh and Hazel N. Neigh on the Southwest, and along the division line between said property owned by NGE Generation, Inc. on the Northeast and the property now or formerly owned by Fred J. Stone and Shirley D. Stone on the Southwest, a distance of 56.50 feet to a point at its intersection with the division line between said property owned by NGE Generation, Inc. on the Southeast and said property now or formerly owned by Fred J. Stone and Shirley D. Stone on the Northwest;

thence North 51 degrees 28 minutes 43 seconds East, a distance of 16.50 feet to a point at its intersection with the division line between said property owned by NGE Generation, Inc. on the Northeast and said property owned by Fred J. Stone and Shirley D. Stone on the Southwest;

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thence North 38 degrees 31 minutes 17 seconds West along the last mentioned division line, a distance of 56.00 feet to a point at its intersection with the division line between said property owned by NGE Generation. Inc. on the Northwest and said property now or formerly owned by Fred J. Stone and Shirley D. Stone on the Southeast;

thence South 51 degrees 28 minutes 43 seconds West along the last mentioned division line, a distance of 16.50 feet to a point at its intersection with the division line between said property owned by NGE Generation, Inc. on the Northeast and the property now or formerly owned by Fred J. Stone and Shirley Deeb Stone on the Southwest;

thence North 38 degrees 31 minutes 17 seconds West along the last mentioned division line, a distance of 136.00 feet to a point at its intersection with the division line between said property owned by NGE Generation, Inc. on the Northwest and said property now or formerly owned by Fred J. Stone and Shirley Deeb Stone on the Southeast;

thence South 51 degrees 28 minutes 43 seconds West along the last mentioned division line, a distance of 36.00 feet to a point at its intersection with the existing Shoreline of Cayuga Lake;

thence generally Northerly along said Shoreline, a distance of 4,711 feet, more or less, defined by the following four (4) chords and distances:

- (1) North 31 degrees 20 minutes 00 seconds West, a distance of 1,030.76 feet to a point;
- (2) thence North 12 degrees 06 minutes 25 seconds West, a distance of 1,117.23 feet to a point;
- (3) thence North 18 degrees 16 minutes 16 seconds West, a distance of 1,143.50 feet to a point;
- (4) thence North 12 degrees 11 minutes 02 seconds West, a distance of 1,241.70 feet to a 5/8 inch rebar with cap at its intersection with the division line between said property owned by NGE Generation, Inc. on the South and the Parcel to be Retained by New York State Electric & Gas Corporation on the North;

thence along the last mentioned division line the following seven (7) courses and distances:

Continuer

- (1) South 89 degrees 53 minutes 55 seconds East, a distance of 341.37 feet to a 5/8 inch rebar with cap;
- (2) thence South 82 degrees 57 minutes 21 seconds East, a distance of 2,100.00 feet to a 5/8 inch rebar with cap;
- (3) thence North 10 degrees 27 minutes 25 seconds West, a distance of 24.75 feet to a 5/8 inch rebar with cap;
- (4) thence North 79 degrees 32 minutes 39 seconds East, a distance of 1,166.28 feet to a 5/8 inch rebar with cap;
- (5) thence North 85 degrees 27 minutes 44 seconds East, a distance of 170.25 feet to a point;
- (6) thence North 87 degrees 42 minutes 52 seconds East, a distance of 398.52 feet to a point;
- (7) thence North 87 degrees 57 minutes 59 seconds East, a distance of 1,234.97 feet to a 5/8 inch rebar with cap at its intersection with the division line between said property owned by NGE Generation, Inc. on the East and saia Parcel to be Retained by New York State Electric & Gas Corporation on the West;

thence North 01 degree 20 minutes 08 seconds West along the last mentioned division line, a distance of 1,467.61 feet to a 5/8 inch rebar with cap at its intersection with the division line between said property owned by NGE Generation, Inc. on the South and said Parcel to be Retained by New York State Electric & Gas Corporation on the North;

thence North 88 degrees 13 minutes 10 seconds East along the last mentioned division line, a distance of 676.39 feet to a 5/8 inch rebar with cap at its intersection with the above first mentioned boundary;

thence along said first mentioned boundary the following two (2) courses and distances:

(1) South 22 degrees 47 minutes 17 seconds East, a distance of 730.30 feet to a point:

Continued ...

(2) thence South 23 degrees 03 minutes 52 seconds East, a distance of 903.69 feet to the POINT OR PLACE OF BEGINNING. Containing 17,802,087 square feet or 408.6796 acres, more or less, as shown on the above referenced map.

Together with the rights under Deprocal Easement as shown on the above referenced map between AES Eastern Energy, L.P. and New York State Electric & Gas Corporation dated as of Day 1, 2000 being duly recorded in the Office of the Tompkins County Clerk.

The above described parcel was Surveyed in accordance with the ALTA/ACSM Land Title Survey on April 16, 1998.

EXCEPTING Parcel as follows:

from the above described Parcel III the Substation

COMMENCING at a Railroad Spike in the Centerline of Milliken Road, said Railroad Spike being 4130 feet Southwesterly measured along said centerline from a point at its intersection with the centerline of Relocated Milliken Road; thence North 08 degrees 06 minutes 12 seconds West through the property owned by New York State Electric & Gas Corporation, a distance of 1036.40 feet to a 5/8 inch rebar with cap at the POINT OR PLACE OF BEGINNING;

RUNNING THENCE from said POINT OR PLACE OF BEGINNING through said property owned by New York State Electric & Gas Corporation the following fifteen (15) courses and distances:

- (1) North 18 degrees 27 minutes 27 seconds West, a distance of 120.43 feet to a 5/8 inch rebar with cap;
- (2) thence North 71 degrees 32 minutes 33 seconds East, a distance of 24.00 feet to a 5/8 inch rebar with cap;
- (3) thence North 19 degrees 00 minutes 30 seconds East, a distance of 50.72 feet to a 5/8 inch rebar with cap;

Continued. . .

- (4) thence North 71 degrees 38 minutes 14 seconds East, a distance of 124.62 feet to a 5/8 inch rebar with cap;
- (5) thence North 34 degrees 08 minutes 45 seconds East, a distance of 34.78 feet to a 5/8 inch rebar with cap;
- (6) thence North 18 degrees 12 minutes 56 seconds West, a distance of 62.67 feet to a 5/8 inch rebar with cap;
- (7) thence South 71 degrees 56 minutes 47 seconds West, a distance of 38.37 feet to a 5/8 inch rebar with cap;
- (8) thence North 18 degrees 10 minutes 09 seconds West, a distance of 121.12 feet to a 5/8 inch rebar with cap;
- (9) thence North 72 degrees 11 minutes 11 seconds East, a distance of 48.83 feet to a 5/8 inch rebar with cap;
- (10) thence North 18 degrees 30 minutes 01 second West, a distance of 60.86 feet to a 5/8 inch rebar with cap;
- (11) thence North 71 degrees 56 minutes 43 seconds East, a distance of 251.15 feet to a 5/8 inch rebar with cap;
- (12) thence South 18 degrees 09 minutes 51 seconds East, a distance of 357.80 feet to a 5/8 inch rebar with cap;
- (13) thence South 71 degrees 49 minutes 49 seconds West, a distance of 244.57 feet to a 5/8 inch rebar with cap;
- (14) thence South 18 degrees 04 minutes 07 seconds East, a distance of 68.93 feet to a 5/8 inch rebar with cap;
- (15) thence South 71 degrees 52 minutes 26 seconds West, a distance of 222.67 feet to the POINT OR PLACE OF BEGINNING. Containing 130,700 square feet or 3.0005 acres, more or less, as shown on the above referenced map.

Continued...

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Subject to any Municipal, Public, or Private easements in existence or of record. The above described parcel being all of the property acquired by NGE Generation, Inc. Recorded in the Tompkins County Clerk's Office in the following two (2) Deeds: (1) Liber 813 at Page 243 on February 13, 1998; and (2) Liber 824 at Page 200 on July 20, 1998.

All bearings are referred to True North at the 76 degree 35 minute Meridian of West Longitude.

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EXHIBIT B

(NYSEG Property)

NY2: 221470 04

APPENDIX B

RESERVING to the Grantor ownership of that portion of the premises now occupied by the Grantor's 115-kV/34.5-kV electric substation, bounded and described below, the appurtenances covered by this reservation shall include, without limitation, the 115-kV electrical disconnect switches B1-66, B1-67, B2-66 and B2-67 and the 34.5-kV electrical disconnect switch ES-64:

ALL THAT CERTAIN LOT, PIECE, OR PARCEL OF LAND situate, lying and being Northerly of Milliken Road in the Town of Lansing, County of Tompkins, and State of New York bounded and described as follows:

COMMENCING at a Railroad Spike in the Centerline of Milliken Road, said Railroad Spike being 4130 feet Southwesterly measured along said centerline from a point at its intersection with the centerline of Relocated Milliken Road, thence North 08 degrees 06 minutes 12 seconds West through the property owned by New York State Electric & Gas Corporation, a distance of 1036.40 feet to a 5/8 inch rebar with cap at the POINT OR PLACE OF BEGINNING.

RUNNING THENCE from said POINT OR PLACE OF BEGINNING through said property owned by New York State Electric & Gas Corporation the following fifteen (15) courses and distances:

- (1) North 18 degrees 27 minutes 27 seconds West, a distance of 120.43 feet to a 5/8 inch rebar with cap;
- (2) thence North 71 degrees 32 minutes 33 seconds East, a distance of 24.00 feet to a 5/8 inch rebar with cap;
- (3) thence North 19 degrees 00 minutes 30 seconds East, a distance of 50.72 feet to a 5/8 inch rebar with cap;
- (4) thence North 71 degrees 38 minutes 14 seconds East, a distance of 124.52 feet to a 5/8 inch rebar with cap;
- (5) thence North 34 degrees 08 minutes 45 seconds East, a distance of 34.78 feet to a 5/8 inch rebar with cap;
- (6) thence North 18 degrees 12 minutes 56 seconds West, a distance of 62.67 feet to a 5/8 inch rebar with cap;

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Milliken

- (7) thence South 71 degrees 56 minutes 47 seconds West, a distance of 38.37 feet to a 5/8 inch rebar with cap,
- (8) thence North 18 degrees 10 minutes 09 seconds West, a distance of 121 12 feet to a 5/8 inch rebar with cap,
- (9) thence North 72 degrees 11 minutes 11 seconds East, a distance of 48 83 feet to a 5/8 inch rebar with cap,
- (10) thence North 18 degrees 30 minutes 01 second West, a distance of 60 86 feet to a 5/8 inch rebar with cap,
- (11) thence North 71 degrees 56 minutes 43 seconds East, a distance of 251.15 feet to a 5/8 inch rebar with cap,
- (12) thence South 18 degrees 09 minutes 51 seconds East, a distance of 357.80 feet to a 5/8 inch rebar with cap.
- (13) thence South 71 degrees 49 minutes 49 seconds West, a distance of 244.57 feet to a 5/8 inch rebar with cap;
- (14) thence South 18 degrees 04 minutes 07 seconds East, a distance of 68.93 feet to a 5/8 inch rebar with cap;
- (15) thence South 71 degrees 52 minutes 26 seconds West, a distance of 222.67 feet to the POINT OR PLACE OF BEGINNING. Containing 130,700 square feet or 3.0005 acres, more or less.

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EXHIBIT C

(Electric and Gas Easements)

Maps filed in the Tompkins County Clerk's Office on April 28, 1999 in Map Drawer LL, Sheets 27 & 28 titled "Property conveyed to NGE GENERATION, INC. by NEW YORK STATE ELECTRIC & GAS CORPORATION - Milliken Station."

NY2: 221470,04

EXHIBIT D

(Construction and Work Rules)

Each Party performing construction or other work on the easement of the other Party shall comply with the following rules and conditions with respect to such construction or other work:

- 1. During construction on the easement area, NYSEG and AEE shall each be fully liable to the other for any damage done. Determination of damage shall be left to the reasonable determination of the Parties.
- 2. All equipment used on the easement area shall maintain a minimum clearance from electrical wires as specified by the Occupational Safety and Health Act of 1970 ("OSHA"), 29 U.S.C. § 651 et seq., and its implementing regulations, as amended. Each Party shall comply with the clearance requirements of the "High Voltage Proximity Act," New York Labor Law § 202-h, as amended, and all requirements of the National Electric Safety Code (ANSI C2), as amended.
- 3. Each Party is on notice that induced voltage may occur during construction, operation, maintenance, or other work due to the proximity to electric facilities. Each Party, as appropriate, shall install appropriate grounding.
- 4. Each Party shall provide the other Party with a detailed proposal for review before performing any blasting in the easement area; no blasting shall occur within the easement area until the Party receiving notice has reviewed the blasting proposal and provided approval in writing. Such approval shall not be unreasonably withheld, delayed, or conditioned.
- 5. Each Party, at its sole expense, shall provide the other with an asbuilt survey of any facilities installed within the easement area within 30 days following completion of the installation.
- 6. Any underground facilities installed on the easement area shall be designed to support heavy equipment with an axle load of 22,000 lbs. Neither Party shall be responsible for damage to underground installations of the other Party due to the movement of heavy equipment with an axle load of 22,000 lbs. or less on the easement area.
- 7. Underground facilities to be installed by a Party shall be located as far as possible from plants, structures, buildings, towers, poles, supporting structures, anchors, and guy wires of the other Party. Twenty-five (25) feet is the recommended minimum. No grading shall occur within fifty (50) feet of a plant, structure, building,

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tower or H-frame structure or related anchor installation, or within twenty-five (25) feet of a single pole or related anchor installation. Any grading up to the 50/25 foot limitation shall be accessible to vehicle traffic for maintenance purposes. A slope of 3H:1V or flatter is required. All grading shall be stabilized to prevent erosion.

- 8. Each Party shall furnish the other Party with a written proposal for any landscaping contemplated by the first Party in the easement area. The first Party shall not begin the landscaping work without the other Party's prior written approval of such proposal, which approval shall not be unreasonably withheld, delayed, or conditioned.
- 9. Any facilities built within the easement area shall be of standard construction and shall conform with all applicable codes and regulations. The constructing Party agrees to maintain such facilities in good repair and condition.
- 10. During construction any equipment used on the easement area shall drag chains or grounding straps to avoid sparks or shocks while handling metallic objects.
- 11. The Party performing the work shall place personnel grounding protection systems around any above-ground appurtenance (e.g., valve site) on the easement area.
- 12. A static electric charge may exist on underground metallic objects located in the vicinity of electric transmission and distribution lines. Until installation, each Party shall ground all metal objects that it stores on the easement area to avoid sparks and shocks.
- 13. Prior to welding pipe on the easement area, the Party performing the work shall bond and ground all pipe sections.
- 14. If a Party intends to install an underground pipeline on the easement area with cathodic protection, such Party shall first perform tests to insure that no cathodic protection current is being picked up by the grounding system of any electric transmission or distribution line. This testing shall be planned and performed in conjunction the other Party. The anode beds of any cathodic protection shall be placed on the opposite side of the pipeline from any transmission or distribution line.
- 15. If either Party installs any underground pipelines or facilities on the easement area, such Party shall place markers on the easement area identifying the location of the underground pipelines or facilities. Such Party shall also furnish the other Party with a sketch of construction showing distances from any electric transmission or distribution lines or structures to the underground pipelines or facilities.
- 16. A Party shall not raise or lower the grade during construction from that indicated on any development plans previously approved by other Party.

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17. A Party shall comply with all applicable laws, rules, and regulations pertaining to construction and excavation performed on the easement area, including New York Public Service Law § 119-b, as amended, and 16 NYCRR Part 753, et seq., as amended, relating to protection of underground facilities and the one-call notification system.

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EXHIBIT E

(Environmental Investigation & Remediation Work)

The Parties' rights and easements set forth in Sections 3.1(h) and 3.2(d) shall include the following rights and/or be subject to the following conditions; provided, however, that the exercise of any such following right shall not unreasonably interfere with the use, enjoyment or future development of the Party's Property on which such right is exercised unless any applicable federal, state, local, or municipal law, rule, regulation, or consent order requires otherwise:

- (a) Each Party's rights and easements shall include the right to enter upon, use, excavate, travel over, alter, improve, and occupy the other Party's Property for the purpose of conducting soil sampling, groundwater sampling, and other investigations, assessments, and tests, including invasive testing, as well as necessary, related, or resulting excavation, construction, remedial work, and other activities and work ancillary to the conduct of such investigations, assessments, sampling, remedial work, testing, and work. These rights and easements are granted for the accommodation of each Party's respective employees, agents, contractors, consultants, invitees, and subcontractors, as well as construction and other equipment, vehicles, materials, excavated earth, tools, accessories, and other necessary items required for the proper performance of such investigations, assessments, sampling, remedial work, testing, and work on the other Party's Property.
- (b) That, as part of the use of the other Party's Property as provided herein, a Party shall be permitted to drill borings and holes, construct test wells and monitoring devices, both temporary and permanent, at its own expense, on the other Party's Property. To the extent permitted by applicable law, the location of such holes, borings, wells, and monitoring devices shall be situated as mutually agreed by the Parties.
- (c) Except as provided in the following sentence, prior to conducting any investigation or remediation work on the other Party's Property, a Party shall first furnish the other Party with a work plan which, among other things, identifies the number and general location of any planned borings, piezometers, and monitoring wells and the analysis which the first Party plans to perform, and/or the anticipated scope and timing of any remediation work. Each Party waives this requirement for any spills, leaks, or other exposures which, in the exercise of reasonable judgment, require immediate action.
- (d) Each Party acknowledges that the other Party may disclose the results of any testing or analysis it performs on soil, groundwater, and air samples taken from the first Party's Property to appropriate federal, state, local, and municipal environmental and health agencies as deemed necessary or prudent by the other Party.

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Except as provided in the immediately preceding sentence and as otherwise required by law, each Party shall maintain such results in confidence and shall not otherwise disclose them to any third party without the other Party's prior written consent.

- (e) Each Party agrees to furnish the other Party with a copy of any and all data and reports resulting from any environmental testing or analysis performed by the first Party on soil, groundwater, and air samples from the other Party's Property.
- (f) Each Party shall promptly remove, or cause to be removed, from the other Party's Property, all debris, surplus material, and equipment when no longer actually needed for the conduct of the investigations, assessments, sampling, remedial work, testing, and work permitted hereunder, and shall restore the affected portions of the other Party's Property to substantially their condition before the conduct of such investigations, assessments, sampling, remedial work, testing, and work. Notwithstanding the foregoing, the first Party shall be permitted to leave in place any monitoring or testing devices which such Party installed and which such Party is required to maintain in order to comply with any applicable federal, state, local, or municipal laws, rules, regulations, or consent orders.
- (g) Except as otherwise provided herein, any fencing, equipment, and other materials to be used, operated, installed, or situated by a Party on the other Party's Property shall be situated as mutually agreed by the Parties. Any obstruction required for the performance of work by a Party on the other Party's Property shall be temporary only and shall be removed by the first Party as soon as practicable following the completion of the activity requiring such obstruction.

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EXHIBIT A

(Description of the Buyer Property)

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Following the Closing contemplated by the APA, NYSEG will continue to own certain real property, Interconnection Facilities, and Excluded Assets situated on or adjacent to Milliken Station which NYSEG plans to use in the normal conduct of its business.

In order for NYSEG and AEE each to (i) enjoy the full benefit of their respective property rights, (ii) fulfill legal requirements, and (iii) comply with their respective agreements under the Interconnection Agreement, each Party requires certain easements, licenses, rights of way, and other rights in, on, over, under, through, to, and above the other's real property and improvements.

NYSEG and AEE have agreed upon the following specific goals and objectives for this Agreement:

- (a) AEE will grant NYSEG such easements, licenses, rights, and rights of way over Buyer Property (defined below) as NYSEG deems reasonably necessary or desirable to enable NYSEG and its employees, agents, consultants, contractors, and subcontractors to use and/or operate any and all NYSEG Property, as well as property, facilities, and equipment owned by third parties, located on or adjacent to the Buyer Property in the normal conduct of NYSEG's business, both current and future.
- (b) NYSEG will grant AEE such easements, licenses, rights, and rights of way over NYSEG Property (defined below) as AEE deems reasonably necessary or desirable to enable AEE and its employees, agents, consultants, contractors, and subcontractors to use and/or operate any and all Buyer Property, as well as property, facilities, and equipment owned by third parties, located on or adjacent to NYSEG's Property in the normal conduct of AEE's business, both current and future.
- (c) Each Party will exercise its rights hereunder in a manner which will avoid material disruptions in the other Party's business operations.
- (d) Each Party will respect the security and safety of the other Party's employees, agents, consultants, contractors, subcontractors, and property in the exercise of its rights under this Agreement.
- (e) Rules governing hours of access and security precautions will contain terms allowing full and complete access to a Party in order to safely and efficiently operate the Party's system and/or to investigate and rectify both potential and existing emergency situations.

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(f) Each Party will exercise its rights hereunder in a manner which will avoid placing unreasonable burdens on such Property of the other Party as is subject to the applicable easement, license, right, or right of way. The provisions of this Article 1 are intended to be a general introduction to this Agreement and are not intended to expand the scope of the Parties' rights and obligations under this Agreement or to alter the plain meaning of the terms and conditions of this Agreement. However, to the extent the terms and conditions of this Agreement do not address a particular circumstance or are otherwise unclear or ambiguous, such terms and conditions are to be construed and interpreted so as to give effect to the provisions in this Article 1.

NOW, THEREFORE, the Parties hereto, in consideration of the mutual covenants contained herein and in the APA and ICA, and for ONE DOLLAR (\$1.00) and other good and valuable consideration, the receipt whereof and sufficiency of which are hereby acknowledged, each intending to be legally bound and to bind their respective successors and assigns, hereby mutually agree as follows:

ARTICLE 2 - Intent and Definitions

- 2.1 Intent. This Agreement amends and restates in its entirety that certain unrecorded Reciprocal Easement Agreement between NYSEG and AES NY dated as of August 3, 1998.
- 2.2 <u>Definitions in APA and ICA</u>. Except for terms separately defined in this Agreement, capitalized terms used in this Agreement will have the same meanings provided for such terms in the APA and ICA.

2.3 <u>Definitions in this Agreement</u>. As used in this Agreement:

(a) "Access" shall mean, subject to the conditions set forth in this Agreement and a Party's right to impose reasonable security and safety restrictions protecting its employees, agents, consultants, contractors, subcontractors, invitees, property, and confidential information, full and unimpeded access, in common with the Grantor (defined below), over and through such roads, paths, walkways, corridors, hallways, doorways, and other means of entry or exit as exist now and from time to time on the Grantor's property, or, where no means of access exist, over and through those areas of the Grantor's property which are (i) reasonably necessary for achieving the Grantee's underlying purpose, and (ii) least likely to impede or damage the Grantee's employees, agents, consultants, contractors, subcontractors, invitees, cars, vehicles, trucks, trailers, heavy machinery, equipment, materials, and all other apparatus and items reasonably necessary for

achieving the Grantee's underlying purpose. This term is as defined whether or not capitalized in this Agreement.

- (b) "Affiliate" shall have the meaning set forth in Rule 12b-2 of the General Rules and Regulations under the Exchange Act.
- (c) "Agreement" shall mean this Amended and Restated Reciprocal Easement Agreement.
- (d) "AEE" shall mean AES Eastern Energy, L.P., its Affiliates, successors, and assigns, as well as their respective employees, agents, consultants, contractors, and subcontractors.
- (e) "Buyer Improvements" shall mean any and all buildings, structures, and facilities now situated or hereafter erected on the Buyer Property, excluding any Excluded Assets and NYSEG Interconnection Facilities.
- (f) "Buyer Property" shall mean the real property described in Exhibit A, attached hereto and incorporated herein, as well as any and all Buyer Improvements.
- (g) "Communication Facilities" shall mean wires, cables, fiber optic cables, devices, poles, lines of poles, towers, lines of towers, supporting structures, switches, and other related equipment, facilities, and appurtenances, both above-ground and underground, whether owned by a Party hereto or by a third party, and which are used for the transmission of voice communications, data, and/or information.
- (h) "Electric Facilities" shall mean towers, poles, lines of towers, lines of poles, supporting structures, cables, crossarms, overhead and underground wires, guys, braces, Communication Facilities, and all related above-ground and underground facilities, appurtenances, and equipment located on the Buyer Property, and/or which NYSEG may reasonably require now and from time to time on the Buyer Property for the transmission and/or distribution of electric current and for communication purposes, for public or private use.
- (i) "Gas Facilities" shall mean underground pipelines, pipes, hand/man holes, ducts, conduits, Communication Facilities, and all related above-ground and underground facilities, appurtenances, and equipment located on the Buyer Property which NYSEG may reasonably require now and from time to time on the Buyer Property for the transmission and/or distribution of natural and/or manufactured gas.

- (j) "Grantee" shall mean the party who enjoys the principal benefit of the applicable easement, license, right, or right of way. This term is as defined whether or not capitalized in this Agreement.
- (k) "Grantor" shall mean the owner of, or the holder of a leasehold interest in, the property and/or improvement affected by the applicable easement, license, right, or right of way. This term is as defined whether or not capitalized in this Agreement.
- (l) "Including" shall mean including without limitation. This term is as defined whether or not capitalized in this Agreement.
- (m) "NYSEG" shall mean New York State Electric & Gas Corporation, its Affiliates, successors, and assigns, as well as their respective employees, agents, consultants, contractors, and subcontractors.
- (n) "NYSEG Improvements" shall mean any and all (i) buildings, structures, and facilities situated or erected on the NYSEG Property, (ii) NYSEG Interconnection Facilities situated or erected on the NYSEG Property, and (iii) the Substation Improvements; but excluding any and all (x) Buyer Purchased Assets, and (y) Joint Use Facilities owned by AEE.
- (o) "NYSEG Property" shall mean the real property described in Exhibit B, attached hereto and incorporated herein, as well as any and all NYSEG Improvements.
- (p) "Qualified Personnel" shall mean individuals trained for their positions pursuant to Good Utility Practice or other applicable minimum qualification standards generally recognized within the relevant field of expertise or endeavor.
- (q) "Substation Improvements" shall mean all buildings, fencing, structures, fixtures, grounding wire and conductors, facilities, equipment, and other improvements (together with any subterranean footings, foundations, columns, and piles supporting same, and any related piping, sumps, and other underground appurtenances that are an integral part thereof) as well as all incidents and appurtenances thereto, which are owned and/or used by NYSEG now or in the future as, or in connection with, electrical substation(s), including all additions, replacements, and expansions thereto.
- 2.4 <u>Additional Definitions.</u> Additional defined terms not defined in this Article 2 or in the APA and ICA have the meanings set forth elsewhere in this Agreement.

2.5 Interpretation. (a) With respect to any easement, license, right, or right of way created by this Agreement, the words "in," "upon," "to," "on," "over," "above," "through," and/or "under" shall be interpreted to include all of such terms, and (b) the term "use" shall be interpreted to include "use, operate, maintain, repair, upgrade, clean, install, alter, remove, inspect, construct, modify, restore, rebuild, replace, and expand within the defined scope of the easement, license, right, or right of way to meet the current and future needs of a Party hereto."

ARTICLE 3 - Easements

- 3.1 Grant of Easements to NYSEG. AEE does hereby establish, grant, and convey to NYSEG the following easements for the following purposes:
 - (a) An easement on the Buyer Property (i) permitting any and all NYSEG Interconnection Facilities and Excluded Assets located on the Buyer Property to remain in their present locations, and (ii) to use the NYSEG Interconnection Facilities and Excluded Assets in the manner described in this Agreement and the ICA and in the normal conduct of NYSEG's business, both current and future;
 - (b) An easement over the premises described in Exhibit C, attached hereto and incorporated herein (i) permitting any and all Electric Facilities located on the Buyer Property, along with any Communication Facilities attached thereto, to remain in their present locations on the Buyer Property, and (ii) to use the easement, the Electric Facilities, and the Communication Facilities for the transmission and/or distribution of electric current and for communications purposes, for public or private use;
 - (c) An easement over the premises described in Exhibit C, attached hereto and incorporated herein (i) permitting any and all Gas Facilities located on the Buyer Property, along with any Communication Facilities situated therewith, to remain in their present locations on the Buyer Property, and (ii) to use the easement, Gas Facilities, and the Communication Facilities for the transmission and/or distribution of natural and/or manufactured gas and for communications purposes, for public or private use;
 - (d) An easement on the Buyer Property (i) permitting any and all Communication Facilities located on the Buyer Property which are connected to the NYSEG Property, the NYSEG Interconnection Facilities, Revenue Meters (defined below), RTUs (defined below), SCADA systems (defined below), and/or the Excluded Assets, to remain in their present locations, and (ii) to use the Communication Facilities in the normal conduct of NYSEG's business, both current and future, including use by, or for the benefit of, third parties;

- (e) An easement on the Buyer Property (i) permitting any portions of the Substation Improvements situated on the Buyer Property to remain in their present locations, and (ii) to use such portions of the Substation Improvements in the normal conduct of NYSEG's business, both current and future;
- (f) An easement on the Buyer Property (i) permitting any and all revenue meters ("Revenue Meters"), remote terminal units ("RTUs"), and SCADA systems (all as defined in the ICA) owned by NYSEG and located on the Buyer Property to remain in their present locations, and (ii) to use the Revenue Meters, RTUs, and SCADA systems in accordance with the ICA and/or in the normal course of NYSEG's business, both current and future; AEE acknowledges that the easement granted hereunder is for the benefit of NYSEG and any and all third parties requiring access to, and use of, the Revenue Meters, RTUs, and/or SCADA systems pursuant to the ICA;
- (g) An easement on the Buyer Property (i) permitting the future installation of poles, lines of poles, supporting structures, cables, crossarms, overhead and underground wires, guys, braces, communication facilities, and all related above-ground and underground facilities, appurtenances, and equipment in order to connect two (2) or more electrical substations owned by NYSEG, provided, that NYSEG agrees to use the least intrusive to AEE of the commercially reasonable available alternatives to connect such substations, and (ii) to use such poles, lines of poles, supporting structures, cables, crossarms, overhead and underground wires, guys, braces, Communication Facilities, and all related above-ground and underground facilities, appurtenances, and equipment in the normal conduct of NYSEG's business, both current and future;
- (h) An easement to use the Buyer Property to perform environmental investigation and remediation work in connection with an Environmental Condition on the Buyer Property, NYSEG Property, and/or the property of any third party or parties, arising from or in connection with NYSEG's use and operation of the NYSEG Property, including those additional easements and rights and subject to those conditions set forth in Exhibit E, attached hereto and incorporated herein;
- (i) An easement on the Buyer Property (i) to permit any drainage pipes and systems which serve the NYSEG Property to remain in their present locations on the Buyer Property, and (ii) to allow rainwater and runoff collecting within drainage and collection systems on the NYSEG Property to drain into and through the drainage systems on the Buyer Property;

- (j) An easement on the Buyer Property to (i) permit any grounding wire or conductor located around the Substation Improvement(s) and on the Buyer Property to remain in its present location, or, where no grounding wire or conductor is installed, an easement to install new grounding wire or conductor on such portion of the Buyer Property as is located within six (6) feet of the perimeter fence(s) surrounding the Substation Improvements, and (ii) use such grounding wire or conductor in the normal conduct of NYSEG's business, both current and future;
- (k) An easement on the Buyer Property (i) permitting the future installation of Communication Facilities between the communication facilities of NYSEG's actual or proposed communication service provider and the NYSEG Property, the NYSEG Interconnection Facilities, and/or the Excluded Assets, and (ii) to use such Communication Facilities in the normal conduct of NYSEG's business, both current and future, including use by, or for the benefit of, third parties;
- (I) An easement on the Buyer Property for all purposes deemed reasonably necessary or convenient by NYSEG in exercising any right or fulfilling any obligation under this Agreement or the ICA, including maintenance of the NYSEG Interconnection Facilities in the manner described in the ICA;
- (m) An easement on the Buyer Property to use on a temporary basis such portions of AEE's parking facilities as are reasonably necessary for the purpose of parking cars, trucks, vehicles, trailers, heavy machinery, equipment, materials, and all other apparatus and items belonging to NYSEG in the exercise of any easement, license, right, or right of way under this Agreement, including the right to temporarily store materials needed for the exercise thereof, provided, however, that any such parking and storage shall be undertaken in such a manner as will minimize disruption to AEE's business and operations and shall be in accordance with reasonable security and safety rules established by AEE,
- (n) An easement on the Buyer Property for access to the brine concentrating system currently located in the FGD Building (the "Brine Concentrator") for the purpose of operating, inspecting and testing such Brine Concentrator; and
- (o) An easement on the Buyer Property for access, in accordance with Section 6.2 of the APA, (i) as requested to Milliken Station, at reasonable times and on reasonable prior notice, by NYSEG, the United States Department of Energy (the "DOE"), the DOE contracting officer or the DOE contracting officer's Technical Project Officer for the purposes of allowing government officials and interested members of the public to observe the work and the effect of the work

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performed pursuant to the Cooperative Agreements (as defined in the APA) on the operation of Milliken Station, and (ii) as requested by NYSEG for the purpose of allowing members of the public to observe the operation of the Topaz System as that term is used in the APA.

- and convey to AEE the following easements on the NYSEG does hereby establish, grant, purposes:
 - (a) An easement (i) permitting any and all of the Buyer's Purchased Assets and Joint Use Facilities owned by AEE and located on the NYSEG Property to remain in their present locations, and (ii) to use such Buyer's Purchased Assets and Joint Use Facilities in the manner described in this Agreement and the ICA and in the normal conduct of AEE's business, both current and future;
 - (b) An easement for all purposes deemed reasonably necessary or convenient by AEE in exercising any right or fulfilling any obligation under this Agreement or the ICA, including maintenance of the Buyer's Purchased Assets and Joint Use Facilities owned by AEE in the manner described in the ICA,
 - (c) An easement to permit any drainage pipes and systems which serve the Buyer Property and which cross the NYSEG Property to remain in their present locations on the NYSEG Property and to allow rainwater and runoff collecting within the drainage and collection systems on the Buyer Property to drain into and through such drainage pipes and systems which cross the NYSEG Property;
 - (d) An easement to use the NYSEG Property to perform environmental investigation and remediation work in connection with an Environmental Condition on the Buyer Property, NYSEG Property, and/or the property of any third party or parties, arising from or in connection with AEE's use and operation of the Buyer Property, including those additional easements and rights and subject to those conditions set forth in Exhibit E, attached hereto and incorporated herein;
 - (e) An easement (i) permitting any and all towers, poles, lines of towers, lines of poles, supporting structures, cables, crossarms, overhead and underground wires, guys, braces, Communication Facilities, and all related aboveground and underground facilities, appurtenances, and equipment owned by AEE and located on NYSEG Property, and/or which AEE may reasonably require now and from time to time, to remain in their present locations on the NYSEG Property, and (ii) to use and maintain the easement, the electric facilities and Communication Facilities;

- (f) An easement (i) permitting any and all underground pipelines, pipes, hand/man holes, ducts, conduits, Communication Facilities, and all related above-ground and underground facilities, appurtenances, and equipment owned by AEE and located on the NYSEG Property, and/or which AEE may reasonably require now and from time to time on the NYSEG Property for the transmission and/or distribution of natural and/or manufactured gas and for communications purposes, for public or private use, to remain in their present locations on the NYSEG Property, and (ii) to use and maintain the easement, Gas Facilities, and the Communication Facilities for the transmission and/or distribution of natural and/or manufactured gas and for communications purposes for public or private use; and
- (g) An easement (i) permitting any and all Communication Facilities located on the NYSEG Property which are connected to the Buyer Property to remain in their present locations, and (ii) to use the Communication Facilities in the normal conduct of AEE's business, both current and future, including use by, or for the benefit of, third parties.
- 3.3 General Scope of Easements. (a) Except as otherwise provided in Section 3.3(b), below, each easement granted hereby is and shall be a perpetual grant, transfer, conveyance, and right of use, as well as an easement, subject to the terms of this Agreement, for the benefit of the Grantee, whether NYSEG or AEE, and any future owner of, or the holder of any interest in, the respective Facilities, Property, and/or Improvements of each of them.
- (b) Any easement, license, right, or right of way granted for purposes of enabling a Party to exercise any right or fulfill any obligation set forth in the ICA will last for the term of the ICA or longer if the right or obligation either (i) survives the ICA, or (ii) is necessary for the conduct of business by a Party hereto or by a future owner of the Facilities, Property, and/or Improvements of a Party hereto.
- (c) Without in any way limiting its rights as the fee simple (or leasehold) owner of its property, the Grantor reserves all rights in and to such portions of its property as are subject to an easement, license, right, or right of way in favor of the Grantee pursuant to this Agreement, to the extent that such rights are not inconsistent with and do not materially interfere with the Grantee's aforesaid easement, license, right, or right of way, or the use thereof.
- (d) Whenever an easement, license, right, or right of way conveyed to a Grantee includes the right to install, erect, or construct any new facilities not in existence on the Effective Date hereof, the Grantee shall not exercise such right in any way which would unreasonably or materially burden the Property of the Grantor beyond the burden anticipated by this Agreement, without, in each case, the express, prior written consent of

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the Grantor, which consent shall not be unreasonably withheld, delayed, or conditioned. In addition, prior to commencing any such installation, erection, or construction of new facilities, the Grantee shall provide the Grantor with written plans therefor (which plans shall indicate the planned site for such new facilities) and, if such new facilities when located at such planned site would unreasonably or materially burden the Grantor's Property (or the use or development thereof), the Grantor shall have the right to require the Grantee to locate such new facilities on a different site selected by the Grantor on the Grantor's Property, which right shall be exercised promptly if at all, provided, however, that (i) the Grantor shall bear any and all reasonable costs, whether direct or indirect, incurred by the Grantee in installing, erecting, or constructing such new facilities at such different site to the extent that such costs are in excess of the costs that would have been incurred by the Grantee if it had installed, erected, or constructed such new facilities at such planned site; (ii) such different site shall not be materially less useful to the Grantee as a location for such new facilities than such planned site would have been; (iii) the installation, erection, or construction of such new facilities at such different site (rather than at such planned site) shall not adversely affect the business or operations of the Grantee; and (iv) if this Agreement has not already granted the Grantee an easement, license, right, or right of way that would permit the Grantee to use such new facilities on such different site, (a) the Parties shall promptly modify or amend this Agreement to grant the Grantee such an easement, license, right, or right of way, (b) the interest so granted shall be of the same type as the interest pursuant to which such planned site was available to the Grantee, and (c) any and all reasonable costs, whether direct or indirect, of such modification or amendment shall be borne by the Grantor. NYSEG shall provide reasonable prior written notice to AEE prior to commencing any activities at the Brine Concentrator as permitted by Section 3.1(n) hereof.

- 3.4 <u>Interpretation</u>. The following shall apply in interpreting any easement granted pursuant to this Agreement:
 - (a) Each easement is irrevocable.
 - (b) Each easement may be enjoyed without charge or fee to the Grantee of the easement.
 - (c) Each easement is also a grant of such additional easement and right of access over the Grantor's Property as are reasonably necessary to accomplish the purpose of the easement, to perform any rights or obligations hereunder or in the ICA, and to comply with any legal requirements affecting the Grantee or its Facilities, Property, and/or Improvements.

- (d) Maintenance, repair, alteration, restoration, rebuilding, construction, upgrading, cleaning, installation, removal, modification, replacement, expansion, or other work by the Grantee upon the Facilities, Property, and/or Improvements of the Grantor shall be subject to the following conditions:
 - (1) Except in the event of an emergency, work shall be done upon advance notice as set forth in the ICA, which terms are incorporated herein by reference and which shall survive the termination of the ICA for any reason;
 - (2) Work and access shall be permitted only to Qualified Personnel;
 - (3) For substantial or material work, the Grantee shall furnish the Grantor with reasonably detailed written plans and specifications for the work in advance and shall consult with the Grantor on the performance and progress of the work;
 - (4) Work shall be performed so as to interfere as little as possible with the Grantor's use and enjoyment of its Facilities, Property, and Improvements;
 - (5) Except as otherwise provided in Exhibit D hereto, the Grantor shall not be liable for damage, if any, which may be caused by the Grantor's normal and reasonable use of the easement area;
 - (6) Following completion of the work, the Grantee shall restore the Grantor's Facilities, Property, and Improvements to the same or as good a condition as existed before the commencement of the work, and
 - (7) The Grantee shall indemnify and hold the Grantor harmless from and against any and all claims, losses, costs, expenses, and liabilities (including reasonable attorneys' fees and costs) to the extent caused by or arising from the performance of such work
- (e) Any easement which permits a Grantee to maintain its property, equipment, facilities, and appurtenances on the Property owned by the Grantor also includes the right to maintain in place on the Grantor's Property any and all wires and cables connecting such property, equipment, facilities, and appurtenances to (i) the devices, machinery, and equipment which they measure, regulate, and/or control, and (ii) power sources.

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(f) Any easement and right of way for Electric, Gas, and/or Communication Facilities includes the right to (i) trim, cut, burn, treat, and/or remove by manual, mechanical, and chemical means, all in accordance with any and all applicable legal requirements in connection therewith, any and all trees, brush, and vegetation within the easement area, as well as such trees, brush, and vegetation outside of the easement area as is deemed reasonably necessary by the Grantee for the safe and secure operation of its Facilities, and (ii) reasonable access over and across the Grantor's Property for purposes of performing the aforementioned acts.

3.4A Relocation of Easements. Either Party may, upon reasonable written notice received by the other Party, require such other Party to remove any of such other Party's property, real, personal or mixed, from its site on the first Party's Property and, if such other Party so desires, such other Party shall establish (by purchase, relocation, construction or otherwise) functionally equivalent property selected by such other Party on a new site selected by the first Party on the first Party's Property, provided, however, that (i) any and all reasonable costs, whether direct or indirect, incurred by such other Party in connection with such removal and establishment (including any disposal of property associated therewith) shall be borne by the first Party; (ii) such removal and establishment shall result in such other Party possessing property and a site therefor that are not materially less useful to such other Party than were the prior property and site; (iii) such removal and establishment shall not adversely affect the business or operations of such other Party; and (iv) if this Agreement has not already granted such other Party an easement, license, right, or right of way that would permit such other Party to use such functionally equivalent property on such new site, (a) the Parties shall promptly modify or amend this Agreement to grant the other Party such an easement, license, right, or right of way, (b) the interest so granted shall be of the same type as the interest pursuant to which such prior site was available to such other Party, and (c) any and all reasonable costs, whether direct or indirect, of such modification or amendment shall be borne by the first Party. If the removal of any property has the effect of ending the usefulness to such other Party of any portion of the first Party's Property, such other Party shall, upon reasonable written notice received from the first Party, execute a modification or amendment to this Agreement that terminates the status of such portion of the first Party's Property as an area subject to an easement, license, right, or right of way, as the case may be, of such other Party; provided, however, that any and all reasonable costs, whether direct or indirect, of such modification or amendment shall be borne by the first Party.

a.5 Electric and Gas Easements. The course and dimensions of the easements granted to NYSEG by AEE for the Electric Facilities and Gas Facilities shall be limited to the electric and gas easement areas shown and/or described on the maps referenced in Exhibit C, attached hereto and incorporated herein.

- 3.6 Rules and Regulations. (a) NYSEG and AEE will each comply with the rules and regulations set forth in Exhibit D, attached hereto and incorporated herein, when performing any construction or other work on any easement granted to the other by this Agreement, as well as with any other applicable conditions, rules, and regulations set forth in this Agreement or the ICA, or as imposed by applicable law.
- (b) NYSEG and AEE will each comply with the rules and regulations set forth in Exhibit E, attached hereto and incorporated herein, in the conduct of any environmental investigation and remediation work on the Property of the other, as well as any applicable legal requirements.
- (c) Each Party will provide the other Party with keys, access codes, or other access methods necessary to enter such portions of the first Party's Facilities, Property, and Improvements as are reasonably necessary to effectuate the purposes of this Agreement. Access will be afforded in accordance with any mutually acceptable rules and regulations of the Parties.
- (d) Each Party may promulgate additional rules and regulations governing the conduct of the other Party in the exercise of easements, licenses, rights of way, and rights under this Agreement provided such rules and regulations do not unreasonably interfere with, or impede, the affected Party's easements, licenses, rights, and rights of way as set forth herein or in the ICA.
- 3.7 <u>No Obstruction</u> (a) Neither NYSEG nor AEE shall obstruct in any material way the easements, licenses, rights, or rights of way granted or created pursuant to this Agreement or render them impassable or unusable in any material way or otherwise in any material way interfere with the use and enjoyment of the easements, licenses, rights, or rights of way granted or created pursuant to this Agreement.
- (b) Neither NYSEG nor AEE shall make any changes to the topography or accesses on its respective Property, including grading or drainage, that could reasonably be expected to adversely affect the other Party's Facilities, Property, Improvements, common-use drainage systems, or pollution control systems, or the exercise of any right or fulfillment of any obligation in this Agreement or in the ICA, without the prior written consent of the other Party, which consent will not be unreasonably withheld.
- 3.8 Repair and Maintenance. Each Party, as Grantee of any easement, license, right, or right of way hereunder, at its sole cost and expense and with Qualified Personnel, shall maintain the area of such easement and its facilities located thereon in a good, safe, and secure operating condition, in compliance with all applicable legal requirements, and otherwise in such a manner as does not unreasonably interfere with the Grantor's use of its property.

- 3.9 Effective Date. This Agreement will be effective on May 14, 1999.
- 3.10 No Interference. AEE represents to NYSEG that it has the right, title and authority to grant the easements described herein and that it will cause the Owner Trusts, at AEE's sole cost and expense, to permit access to the improvements located on the Buyer Property so that NYSEG may enjoy the rights under this Agreement without interference from the Owner Trusts.
- Brine Concentrator (a) The easement rights conveyed pursuant to 3.11 Section 3.1(n) hereof shall also include NYSEG's right to request that AEE operate the Brine Concentrator under normal operating conditions at a mutually acceptable time and for a reasonable duration; provided, however that AEE shall not be obligated to perform such activities if AEE reasonably determines that (a) such operations will interfere with the generating plant located on the Property or (b) the Brine Concentrator in its then "as is" condition is not capable of being operated. All labor, equipment, materials, fuel and other costs and expenses associated with operating the Brine Concentrator at NYSEG's request shall be borne by NYSEG and paid to AEE within fifteen (15) days after receipt of a bill therefor. NYSEG agrees to indemnify and hold AEE harmless from and against any and all claims, losses, costs, expenses and liabilities (including reasonable attorney's fees and costs) to the extent caused by NYSEG's acts and omissions on the performance of work on the Brine Concentrator. Notwithstanding anything to the contrary contained herein, neither NYSEG nor AEE has any obligation to make the Brine Concentrator fully or partially operational or effective.
- (b) Unless requested by NYSEG as provided in subparagraph 3.11(a) above or with the prior consent of NYSEG, AEE agrees not to move, dismantle or disturb the Brine Concentrator during the pendency of the action in the Supreme Court of the State of New York for Albany County entitled "Gorman Brothers, Inc. v. New York State Electric & Gas Corporation" or any appeal of such litigation.

ARTICLE 4 - Taxes, Assessments, and Other Charges

NYSEG, with respect to the NYSEG Property, shall pay and discharge all of the following ("Real Estate Taxes") whether or not now within the contemplation of the Parties hereto: (i) all real estate taxes, assessments, water, water meter (including any expenses incident to the installation, repair, or replacement of any water meter) and sewer rents, and other governmental impositions and charges, taxes, rents, levies, and sums of every kind or nature whatsoever, extraordinary as well as ordinary, and whether or not now within the contemplation of the parties hereto, as shall at any time be imposed by any governmental or public authority on, or become a lien in respect of, the Buyer Property or the NYSEG Property, as the case may be, or any part thereof, or which may become due and payable with respect thereto, and any and all taxes, assessments, and charges levied, assessed or

imposed upon the Buyer Property or the NYSEG Property, as the case may be, in lieu of, or in addition to, the foregoing, under or by virtue of any present or future laws, rules, requirements, orders, directives, ordinances, or regulations of the United States of America, or of the State of New York, or of any subdivision thereof, or of any lawful governmental authority whatsoever, and any interest or penalties thereon, and (ii) all other taxes (excluding gains, sales, and income taxes but including occupancy taxes which are measured by income) measured by ownership of the Buyer Property or the NYSEG Property, as the case may be.

- 4.2 Personal Property Taxes. AEE and NYSEG shall each pay and discharge its respective portion of all of the following ("Personal Property Taxes") whether or not now within the contemplation of the Parties hereto: all taxes and assessments which shall or may be charged, levied, assessed, or imposed upon, or become a lien upon, the personal property of AEE or NYSEG, as the case may be, used in the operation of or in connection with its business conducted at the Buyer Property or the NYSEG Property, as the case may be.
- 4.3 <u>Timing of Payment</u>. Subject to the provisions of Section 4.5, AEE and NYSEG shall each comply with its covenant to pay and discharge all Real Estate Taxes and Personal Property Taxes by paying such Taxes directly to the appropriate taxing authorities prior to the expiration of the period within which payment is permitted without penalty or interest. AEE and NYSEG shall within twenty (20) days of written request of a Party, produce the most recent official receipts from the appropriate taxing authorities evidencing such payment certified by AEE or NYSEG, as the case may be, to the other Party hereto.
- 4.4 Cooperation with Respect to Tax Abatements. AEE and NYSEG will cooperate with each other in obtaining and/or retaining any tax abatement for which the Buyer Property or NYSEG Property may be eligible. Upon written request of the Party seeking an abatement, the other Party hereto will execute and file any and all documents and instruments reasonably necessary to obtain and retain such abatement, without the assumption of any liabilities or obligations, provided that the Party seeking such abatement shall reimburse the cooperating Party for any reasonable expense that such cooperating Party may incur in connection therewith.
- 4.5 <u>Tax Contests</u>. AEE, with respect to the Buyer Property, and NYSEG, with respect to the NYSEG Property:
 - (a) may contest in good faith by appropriate proceedings diligently and continuously conducted, at its sole cost and expense, any Real Estate Tax, Personal Property Tax, or charge or similar item and, where permitted by law, pay the same under protest;

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- (b) shall pay and discharge such contested items as finally adjudicated or settled, with interest and penalties, and all other charges directed to be paid in or by any such adjudication or settlement; and
- (c) may, in its sole discretion, consolidate any proceeding to obtain a reduction in the assessed valuation with any similar proceeding or proceedings brought by it and relating to any one or more other tax years.

Any refunds from any such contest shall belong wholly to the owner of the Property in question.

ARTICLE 5 - Mechanics' Liens

- 5.1 Notice Regarding Labor and Materials. Notice is hereby given that neither AEE nor NYSEG shall be liable for any work, labor, services, or materials furnished or to be furnished on credit to the other or to any other persons or entities claiming under the other, and that no mechanics' or other lien for any such work, labor, services, or materials furnished to the other or such other persons or entities shall attach to or affect any interest of AEE in and to the Buyer Property (including, without limitation, with respect to the Brine Concentrator) or NYSEG in and to the NYSEG Property.
- necessary to discharge, remove, or satisfy any lien filed against the Buyer Property or any portion thereof for any work, labor, services, or materials claimed to have been performed or furnished for or on behalf of NYSEG or any person or entity holding any portion thereof through or under NYSEG. AEE shall forthwith take such action necessary to discharge, remove, or satisfy any lien filed against the NYSEG Property or any portion thereof for any work, labor, services, or materials claimed to have been performed or furnished for or on behalf of AEE or any person or entity holding any portion thereof through or under AEE. If NYSEG or AEE shall fail to discharge, remove, or satisfy any such lien which it is obligated to discharge, remove, or satisfy hereunder within ten (10) days after notice of the existence of the lien has been given to it, the other Party may pay the amount of such lien, or discharge the same by deposit or bonding, and the amount so paid or deposited, or the premium paid for such bond, with interest at the rate set forth in Section 7.3, below, shall be paid by the defaulting Party upon demand to the Party who effected such cure.

ARTICLE 6 - Condemnation

6.1 Right to Participate. In the event that either the Buyer Property or the NYSEG Property, or any portion thereof, shall be taken in condemnation proceedings or by exercise of any right of eminent domain or any agreement with those authorized to exercise such right (any such matter being hereinafter referred to as a "Taking"), whether

such Taking be a permanent Taking or a temporary Taking, any person or entity having an interest in the award shall have the right to participate in any such condemnation proceedings or agreement for the purpose of protecting its interest. Each Party so participating shall pay its own expenses.

- 6.2 <u>Total Taking.</u> A "Total Taking" shall be deemed to have occurred as to the Property of either Party when the entire Property of such Party shall be Taken or a substantial part of such Property shall be Taken and the untaken portion of the Property would, following the completion of restoration, be unsuitable for the operation and the use thereof in the manner so operated and used prior to the Taking. Upon a Total Taking, this Agreement shall terminate with respect to the Property Taken except with respect to the disposition of the award.
- 6.3 <u>Disposition of Award</u>. In the event of a Taking each Party shall be entitled to share in the award to the extent of its interest therein, and to assert a claim for consequential damages to and diminution of the value of its Property not so Taken.

ARTICLE 7 - Defaults

- Events of Default. Each and every one of the following events shall constitute an "Event of Default" under this Agreement: (a) if a defaulting Party fails to make any payment due from the defaulting Party to the non-defaulting Party within twenty (20) days of receipt of a written demand in reasonable detail for such payment, (b) if a defaulting Party fails to make any payment due from the defaulting Party to any person or entity other than the non-defaulting Party within twenty (20) days of receipt of a written notice from the non-defaulting Party to the defaulting Party of such failure to pay, and such failure could result in the imposition of a lien on the Facilities, Property, or Improvements of the non-defaulting Party, and (c) if a defaulting Party fails to perform any non-monetary obligations hereunder, and said defaulting Party fails to cure such failure within thirty (30) days of receipt of written notice from the non-defaulting Party stating with particularity the nature of the default; provided, however, if such default is of a nature that it cannot be cured within thirty (30) days following receipt of such notice, an Event of Default shall not have occurred if the defaulting Party shall within such thirty (30) days commence the necessary cure and shall at all times thereafter diligently and continuously prosecute such cure to completion.
- 7.2 Right of Self Help. The non-defaulting Party may, at its election, following the occurrence of a non-monetary Event of Default, undertake the cure of such default on behalf of the defaulting Party. The non-defaulting Party is hereby granted an easement to enter upon, through or under the Facilities, Property, or Improvements of the defaulting Party to effect such cure. Following the occurrence of an Event of Default involving the non-payment of money to a person or entity not a party to this Agreement, the non-defaulting Party may make such payment on behalf of the defaulting Party. All

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reasonable costs and expenses incurred by the non-defaulting Party in effecting such cure or payment shall be paid by the defaulting Party upon written demand.

- 7.3 Interest. Following the occurrence of an Event of Default involving the non-payment of money by the defaulting Party or the expenditure of money by the non-defaulting Party, all money owed by the defaulting Party shall bear interest at the lesser of 1-1/2% per month or the highest maximum rate of interest permitted by law retroactively from the due date to and including the actual date of payment.
- 7.4 Enforcement Rights. In addition to any other rights set forth in this Agreement, but without limitation, enforcement of this Agreement may be had by legal or equitable proceedings against any defaulting Party either to specifically enforce, restrain, or enjoin the violation of any restriction, covenant, condition, agreement, term, representation, or warranty herein contained or to recover damages.
- 7.5 No Forfeiture. Except by the enforcement of a judgment lien against the property of the defaulting Party, nothing contained in this Agreement shall create any reversion, condition, or right of re-entry or other provisions for forfeiture under which either Party can be cut off, subordinated, or otherwise disturbed in the possession of its property.

ARTICLE 8 - Miscellaneous

- 8.1 Exhibits. Exhibits attached to this Agreement are part of this Agreement and the material contained in such Exhibits shall be construed and interpreted as if contained within the text of the Agreement.
- 8.2 <u>Headings</u>. The Article and Section headings of this Agreement and the Table of Contents preceding this Agreement are for convenience and reference only and in no way define, limit, or describe the scope and intent of this Agreement, nor in any way affect this Agreement.
- 8.3 <u>Interpretation.</u> Words of any gender in this Agreement shall be held to include any other gender and words in the singular number shall be held to include the plural when the sense requires.
- 8.4 Governing Law. This Agreement shall be governed by and construed in accordance with the law of the State of New York, exclusive of its choice of law rules.
- 8.5 Entire Agreement. This Agreement, read with the APA and ICA, constitutes the entire Agreement between the parties hereto and supersedes all prior agreements and undertakings relating to the subject matter hereof.

- 8.6 Modifications, Waivers, Consents. This Agreement may not be modified, amended or discharged except by an instrument in writing signed by AEE and NYSEG. No waiver or consent may be enforced unless such waiver or consent shall be in writing and signed by the Party against whom enforcement thereof is sought.
- 8.7 Binding Effect. This Agreement, and the covenants, conditions, restrictions, encumbrances, licenses, rights, rights of way, and easements set forth in this Agreement, shall attach to, burden, and run with the Buyer Property and the NYSEG Property, as applicable, and shall be appurtenant to the Property of the other, i.e., the Buyer Property and the NYSEG Property, or one of the subparcels of such Property as shall be appropriate, and shall be binding upon the Parties hereto and their respective successors, assigns, grantees, transferees, and tenants and shall inure to the benefit and use of the Parties hereto and their respective heirs, successors, assigns, grantees, transferees, and tenants. Each Grantee of any portion of or interest in the Property and each mortgagee which succeeds to the ownership of any portion of the Property, shall be deemed, by the acceptance of a deed, to have agreed to perform each and every undertaking created hereunder attributable to the portion of the Property in which such Grantee or mortgagee has acquired an interest.
- 8.8 <u>Covenants Not Conditions</u>. The provisions of this Agreement shall be construed as covenants and not as conditions.
- 8.9 Severability of Void Provisions. If any provision of this Agreement, or the application thereof to any Party, shall be held to be invalid or illegal, or otherwise unenforceable, the remaining provisions hereof or the application of such provision to any Party or any person or entity or any circumstance other than that as to which it is held to be invalid, illegal, or unenforceable, nevertheless shall remain in full force and effect and not be affected by such invalidity, illegality, or unenforceability.
- 8.10 Estoppel Certificates. AEE and NYSEG shall, upon not less than twenty (20) days prior written notice from the other, deliver a statement in writing certifying (a) that this Agreement is unmodified and in full force and effect (or if there have been modifications that the Agreement is in full force and effect as modified, and identifying the modifications), and (b) whether or not any Party is known to be in default under any provision under this Agreement, and if such a default is known, the nature of such default.
- 8.11 Notices. Any notice required or permitted to be given under this Agreement shall be given in the manner specified in the ICA, which provisions are incorporated herein by reference and shall survive the termination of the ICA for any reason.

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- 8.12 Independent Covenants. None of the licenses, rights, rights of way, and easements granted by this Agreement and none of the performances required by this Agreement shall be dependent on the performance of any other term, promise, or condition of this Agreement or any documents executed concurrently or in connection with this Agreement, and such licenses, rights, rights of way, easements, and requirements of performance shall continue in effect irrespective of whether anything else in this Agreement or such other documents has been breached or has been terminated. The separateness and independent survival of the licenses, rights, rights of way, easements, and requirements of performance under this Agreement are essential terms hereof without which this Agreement would not have been made.
- 8.13 Recording. The Parties agree to record this Agreement in the Office of the County Clerk in the county where the Property is located. The cost of recording this Agreement shall be shared equally by the Parties.
- 8.14 <u>Counterparts</u>. This Agreement may be executed in one or more counterparts, each of which will be an original, but all of which together will constitute one and the same instrument.
- 8.15 <u>Amendments</u>. This Agreement may be modified, amended, or canceled only by a written instrument executed by the Parties in interest at the time of such modification, amendment, or cancellation.
- 8.16 No Joint Venture. Nothing in this Agreement is intended to create an association, trust, partnership, or joint venture between the Parties, or impose a trust, partnership, or fiduciary duty, obligation, or liability on or with respect to either Party.
- Remedies Cumulative. No delay or omission by either Party hereto in exercising any right, power, or remedy accruing upon any non-compliance or failure of performance by the other Party under the provisions of this Agreement shall impair any such right, power, or remedy or be construed to be a waiver thereof. Except as the rights, powers, and remedies of the Parties may be expressly limited by the terms of this Agreement, the failure herein to specify a right, power, or remedy accruing upon any noncompliance or failure of performance by either Party hereto shall not be construed to be a waiver thereof or as impairing the right of the Party thereby aggrieved to all remedies then available to it at law or in equity by reason of such non-compliance or failure of performance. A waiver by either of the Parties hereto of any of the covenants, conditions, or agreements hereof to be performed by the other Party shall not be construed to be a waiver of any succeeding breach thereof or of any other covenant, condition, or agreement herein contained.

- 8.18 <u>Location of Easements</u>. If necessary or desirable, the location any easement granted hereunder shall be fixed with greater specificity by a correction deed or other instrument in recordable form executed by the parties hereto. All costs and expenses of recording such correction deed shall be borne by the party requesting such correction.
- 8.19 <u>Financing Provisions</u>. (a) NYSEG consents to the collateral assignment, mortgage and/or leasing by AEE of its rights under this Agreement to any lender, trust or financial institution providing financing for the Milliken Station and/or the Buyer Property and any subsequent collateral assignment, mortgage and/or leasing in connection with any such financing (together with their successors and assigns, the "Financing Parties"). AEE shall provide the name and address of the Financing Parties to NYSEG and NYSEG shall thereafter send copies to such Financing Parties of any notices of default sent to AEE under this Agreement.
- (b) The Financing Parties shall be entitled to exercise any and all rights of AEE under this Agreement and shall have the right, but not the obligation, to pay any sums due hereunder and to perform any other act, duty or obligation required of AEE hereunder or to cure or cause to be cured any default of AEE hereunder. The Financing Parties shall have a period of sixty (60) days after the receipt of written notice of AEE's default under this Agreement to cure any such default, or such longer period of time as is necessary to effect such cure, provided that the Financing Parties shall have commenced such cure within such sixty (60) day period and are diligently pursuing such cure.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first above written.

NEW YORK STATE ELECTRIC & GAS CORPORATION

By: Some Fax

Name: Daniel Farley Title: Vice President

AES EASTERN ENERGY, L.P.

By: Lincil & Rothup

Title: Goveral Horage

STATE OF NEW YORK)
) ss.:

COUNTY OF NEW YORK)

On the ______ day of May 1999 before me personally came Daniel Farley to me known, who, being by me duly sworn, did depose and say that he resides at Grandview Place, Endwell, New York; that he is a Vice President of the NEW YORK STATE ELECTRIC & GAS CORPORATION, the corporation described in and which executed the above instrument; and that he signed his name thereto by authority of the board of directors of said corporation.

Notary Public

LEWIS A. ELDRIDGE
Notary Public, State of New York
No. 4880397
Chalified in Nassau County
Certificate Filed in New York County

(AATO)

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STATE OF NEW YORK)
COUNTY OF NEW YORK)

On this 18th day of May in the year 1999, before me, the undersigned, personally appeared Daniel J. Rothaupt, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

LEWIS A ELDRIDGE
Notary Public, Start of Itym York
No. 4880397

Oualified in Nussau County 1 C Certificate Filed in New York County Commission Expires February 17,

Tompkins County 18:

Recorded on the Day
of May 19 99 at 11:39
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and examined.

Russia R. Valenti