

**MODIFICATION NO. 2 TO ECONOMIC DEVELOPMENT INCENTIVE
AGREEMENT BETWEEN CENTRAL HUDSON GAS & ELECTRIC CORPORATION
AND ULSTER COUNTY ECONOMIC DEVELOPMENT ALLIANCE, INC.**

THIS MODIFICATION NO. 2 to Economic Development Incentive Agreement is entered into, effective this 21 day of March, 2018, by and between CENTRAL HUDSON GAS & ELECTRIC CORPORATION, with headquarters at 284 South Avenue, Poughkeepsie, New York 12601 (hereinafter referred to as "Central Hudson"), and ULSTER COUNTY ECONOMIC DEVELOPMENT ALLIANCE, INC., with offices at 244 Fair Street, Kingston, New York 12401 (hereinafter referred to as "UCEDA").

RECITALS

WHEREAS, Central Hudson entered into an Economic Development Incentive Agreement with the Ulster County Development Corporation (now known as, "UCEDA") on November 1, 2011, as amended by that certain modification effective April 2016 (as amended the "Agreement") wherein Central Hudson agreed to provide funding in the amount of One Hundred Forty-Eight Thousand and 00/100 (\$148,000.00) Dollars (hereinafter referred to as the "Central Hudson Funds") to generate jobs and create industrial development in the County of Ulster; and

WHEREAS, the Central Hudson Funds remaining as of April 2016 were to be spent on the Kings Highway Corridor Natural Gas Extension Project and any Central Hudson Funds remaining after the completion of that project were to be spent within a year on other projects or returned to Central Hudson; and

WHEREAS, the Kings Highway Corridor Natural Extension Project was completed over a year ago and Sixty-Six Thousand Five Hundred Seventy-Six and 00/100 (\$66,576.00) dollars in Central Hudson Funds have not been spent; and

WHEREAS, UCEDA and Central Hudson have agreed that the terms of the Agreement no longer apply for the best use of the Central Hudson Funds, and now wish to modify the terms and conditions of the Agreement to allow the remaining Central Hudson Funds to be used on another project.

NOW, THEREFORE, in consideration of the mutual promises set forth herein, the parties agree as follows:

AGREEMENT

- 1.) Paragraph 4 of the Agreement is hereby deleted in its entirety and amended and restated to read as follows:

“4. UCEDA further agrees to utilize the balance of the Central Hudson Funds remaining following completion of the Project on a coal to natural gas conversion project with Northeast Solite located on Kings Highway in Saugerties, New York (the “Solite Project”). UCEDA shall pay out such funds upon receipt of invoices, accompanied by documentation substantiating the invoice totals. If there are Central Hudson Funds remaining following completion of the Solite Project, UCEDA shall select an appropriate economic development project for which the funds will be used.”

- 2.) Except as expressly set forth herein, the terms and conditions of the Agreement shall continue in full force and effect.
- 3.) In the event of a conflict between the Agreement and this Modification No. 2 the terms and conditions of this Modification No. 2 shall control.

IN WITNESS THEREOF, the Parties hereto have executed this Modification No. 2, effective as of the date first set forth above.

ULSTER COUNTY ECONOMIC DEVELOPMENT ALLIANCE, INC.

By: Julie Lonstein
Title: Chairman of the Board of Directors

CENTRAL HUDSON GAS & ELECTRIC CORPORATION



By: Anthony Campagiorni
Title: Vice President of Regulatory & Governmental Affairs