

COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

March 28, 2017

The Board of Directors
Niagara Power Coalition, Inc.

We have audited the financial statements of Niagara Power Coalition, Inc. (the Coalition), a nonprofit organization, for the year ended December 31, 2016, and have issued our report thereon dated March 28, 2017. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information to you in our engagement letter dated January 20, 2017. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Coalition are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2016. We noted no transactions entered into by the Coalition during the year for which there is a lack of authoritative guidance or consensus.

Footnote Disclosures

Certain financial statement disclosures are particularly important because of their significance to financial statement users. The most important disclosures affecting the financial statements are reflected in Note 1 – Summary of Significant Accounting Policies and Note 2 – Amounts Held for the Host Community Standing Committee, which reflects the Coalition's fiduciary responsibility in connection with Greenway funds controlled by the Host Committee.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. As part of the audit, we take the Coalition's receipts and disbursements summary and prepare the working trial balance and the financial statements from this source data.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated March 28, 2017.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Coalition's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Coalition's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of the Coalition's management and Board of Directors. It is not intended to be, and should not be, used by anyone other than these specified parties.

Arnold & McCormick LLP