

**PILOT DEVIATION APPROVAL RESOLUTION
CHPE LLC PROJECT**

A regular meeting of County of Clinton Industrial Development Agency (the "Agency") was convened in public session in the offices of the Agency located at 137 Margaret Street, Suite 208 in the City of Plattsburgh, Clinton County, New York on January 18, 2022 at 12:00 o'clock p.m., local time.

The meeting was called to order by the (Vice) Chairperson of the Agency and, upon roll being called, the following members of the Agency were:

PRESENT:

| | |
|------------------|------------------|
| Trent Trahan | Chairperson |
| David Hoover | Vice Chairperson |
| Michael E. Zurlo | Secretary |
| Keith Defayette | Treasurer |
| Mark Leta | Member |
| John VanNatten | Member |

Each of the members present participated in the meeting either in person or remotely pursuant to the signing into law on September 2, 2021 of Chapter 417 of the Laws of 2021.

ABSENT:

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

| | |
|-----------------------------|--------------------------|
| Molly F. Ryan | Executive Director |
| Toni Moffat | Executive Assistant |
| Dorothy Brunell | Administrative Assistant |
| Christopher C. Canada, Esq. | Agency Counsel |
| George W. Cregg, Jr., Esq. | Agency Counsel |

The following resolution was offered by M. Zurlo, seconded by D. Hoover, to wit:

Resolution No. 01-22-01

RESOLUTION AUTHORIZING A DEVIATION FROM THE AGENCY'S UNIFORM TAX EXEMPTION POLICY IN CONNECTION WITH THE PROPOSED PAYMENT IN LIEU OF TAX AGREEMENT TO BE ENTERED INTO BY THE AGENCY IN CONNECTION WITH THE PROPOSED CHPE LLC PROJECT.

WHEREAS, County of Clinton Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 225 of the 1971 Laws of New York, as amended, constituting Section 895-f of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of manufacturing, warehousing, research, commercial and industrial

facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more “projects” (as defined in the Act), or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, in October, 2020, CHPE LLC, a New York State limited liability company (the “Company”), submitted an application (the “Initial Application”) to the Agency, a copy of which Initial Application is on file at the office of the Agency, requesting that the Agency consider undertaking a project (the “Project”) for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest or interests in various parcels of land spanning across 335 miles of land in the Village of Rouses Point, Town of Champlain, Town of Chazy, Town of Beekmantown, Town of Plattsburgh, Town of Peru, and Town of Ausable, Clinton County, New York (collectively, the “Land”), (2) the construction, installation and equipping on or under the Land of a fully-buried, up to 1,250-megawatt (“MW”) HVDC electric transmission line and related infrastructure (collectively, the “Improvements”) and (3) the acquisition and installation thereon and therein of certain related machinery and equipment, including but not limited to, two (2) five-inch diameter high-voltage direct current (“HVDC”) transmission cables (collectively, the “Equipment”) (the Land, the Improvements and the Equipment hereinafter collectively referred to as the “Project Facility”), all of the foregoing to be used and operated by the Company as a portion of an electric power transmission line from the U.S.-Canada border to New York City; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, by resolution adopted by the members of the Agency on October 14, 2020 (the “Public Hearing Resolution”), the Agency authorized a public hearing to be held pursuant to Section 859-a of the Act with respect to the Project; and

WHEREAS, pursuant to the authorization contained in the Public Hearing Resolution, the Chairperson of the Agency (A) caused notice of a public hearing of the Agency (the “Public Hearing”) pursuant to Section 859-a of the Act, to hear all persons interested in the Project and the financial assistance being contemplated by the Agency with respect to the Project, to be mailed on October 26, 2021 to the chief executive officers of the county and of each city, town, village and school district in which the Project is or is to be located, (B) caused notice of the Public Hearing to be posted on a bulletin board located in the Towns of Champlain, Peru, Ausable, Plattsburgh, Chazy and Beekman and the Village of Rouses Point, respectively, Clinton County, New York and on the Agency’s website, (C) caused notice of the Public Hearing to be published in The Press Republican, a newspaper of general circulation available to the residents of the Towns of Champlain, Peru, Ausable, Plattsburgh, Chazy and Beekman and the Village of Rouses Point, respectively, Clinton County, New York on October 28, 2021, (D) conducted the Public Hearing on November 19, 2021 at 10:00 a.m., local time at the Town of Plattsburgh Town Hall located at 151 Banker Road in the Town of Plattsburgh, Clinton County, New York and (E) prepared a report of the Public Hearing (the “Hearing Report”) fairly summarizing the views presented at such Public Hearing and caused copies of said Hearing Report to be made available to the members of the Agency; and

WHEREAS, the Agency subsequently received a letter from the Company dated December 15, 2021 (the “Company Letter”) providing for certain amendments to the Initial Application (the Initial Application, as amended by the Company Letter, is hereinafter referred to as the “Amended Application”) with respect to the Project from the Company, which Amended Application contains revised Project costs and amounts of Financial Assistance resulting in the need for the Agency, pursuant to Section 859-a of the Act, to hold a second public hearing with respect to the Project and the amount of the Financial Assistance as described in the Amended Application; and

WHEREAS, pursuant to the Amended Application, the Executive Director of the Agency (A) caused notice of a public hearing of the Agency (the “Supplemental Public Hearing”) pursuant to Section 859-a of the Act, to hear all persons interested in the Project and the financial assistance being contemplated by the Agency with respect to the Project, to be mailed on January 6, 2022 to the chief executive officers of the county and of each city, town, village and school district in which the Project is or is to be located, (B) caused notice of the Supplemental Public Hearing to be posted on a bulletin board located in the Towns of Champlain, Peru, Ausable, Plattsburgh, Chazy and Beekman and the Village of Rouses Point, respectively, Clinton County, New York and on the Agency’s website, (C) caused notice of the Supplemental Public Hearing to be published in The Press Republican, a newspaper of general circulation available to the residents of the Towns of Champlain, Peru, Ausable, Plattsburgh, Chazy and Beekman and the Village of Rouses Point, respectively, Clinton County, New York on January 7, 2022, (D) conducted the Supplemental Public Hearing on January 18, 2022 at 9:00 o’clock a.m., local time at the Town of Plattsburgh Town Hall located at 151 Banker Road in the Town of Plattsburgh, Clinton County, New York and (E) prepared a report of the Supplemental Public Hearing (the “Supplemental Hearing Report”) fairly summarizing the views presented at such Supplemental Public Hearing; and

WHEREAS, in connection with the Project, the Company has requested that the Agency deviate from its uniform tax exemption policy (the “Policy”) with respect to the terms of the proposed payment in lieu of tax agreement to be entered into by the Agency with respect to the Project Facility; and

WHEREAS, pursuant to Section 874(4) of the Act, prior to taking final action on such request for a deviation from the Policy, the Agency must give the chief executive officers of the County and each city, town, village and school district in which the Project Facility is located (collectively, the “Affected Tax Jurisdictions”) written notice of the proposed deviation from the Policy and the reasons therefor no fewer than thirty (30) days prior to the meeting of the Agency at which the members of the Agency shall consider whether to approve such proposed deviation; and

WHEREAS, on October 14, 2020, the members of the Agency adopted a resolution (the “Resolution Authorizing the Pilot Deviation Letter”) which authorized the Executive Director to notify the Affected Tax Jurisdictions of the proposed deviation from the Policy in connection with the Project, which proposed deviation is outlined in the letter dated December 15, 2021 (the “Pilot Deviation Letter”), a copy of which Pilot Deviation Letter is attached hereto as Exhibit A; and

WHEREAS, pursuant to the Pilot Deviation Letter, the Interim Executive Director notified the chief executive officers of the Affected Tax Jurisdictions of the proposed deviation from the Policy and further notified said chief executive officers that the members of the Agency would consider whether to approve such proposed deviation at this meeting;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF COUNTY OF CLINTON INDUSTRIAL DEVELOPMENT AGENCY, AS FOLLOWS:

Section 1. The Agency hereby finds and determines as follows:

(A) The Agency has considered any and all responses from the Affected Tax Jurisdictions to the Pilot Deviation Letter.

(B) The Agency has reviewed and responded to all written comments received from any Affected Tax Jurisdiction with respect to the proposed deviation.

(C) The Agency has given all representatives from an Affected Tax Jurisdictions in attendance at this meeting the opportunity to address the members of the Agency regarding the proposed deviation.

Section 2. Based upon (A) the findings and determinations in Section 1 above, (B) any comments received at the Public Hearing and the Supplemental Public Hearing, (C) input received at this meeting from the Affected Tax Jurisdictions with respect to the proposed deviation, (D) the Agency's knowledge of the Project, (E) the recommendations of Agency staff, and (F) such further investigation of the Project and the effect of the proposed deviation as the Agency has deemed appropriate, the Agency hereby determines to deviate from the Policy with respect to the terms of the proposed payment in lieu of tax agreement to be entered into by the Agency with respect to the Project Facility for the reasons set forth in the Pilot Deviation Letter. Based upon the aforementioned, the Agency hereby approves a deviation from the Policy, the terms of the approved deviation to be as described in the attached Pilot Deviation Letter.

Section 3. Upon preparation by counsel to the Agency of a payment in lieu of tax agreement with respect to the Project Facility reflecting the terms of this resolution (the "Payment in Lieu of Tax Agreement") and approval of same by the Chairperson or Vice Chairperson of the Agency, the Chairperson or Vice Chairperson of the Agency is hereby authorized, on behalf of the Agency, to execute and deliver the Payment in Lieu of Tax Agreement, and, where appropriate, the Secretary or Assistant Secretary of the Agency is hereby authorized to affix the seal of the Agency thereto and to attest the same, all in such form as is approved by the Chairperson or Vice Chairperson, the execution thereof by the Chairperson or Vice Chairperson to constitute conclusive evidence of such approval.

Section 4. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Payment in Lieu of Tax Agreement, and to execute and deliver all such additional certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Payment in Lieu of Tax Agreement binding upon the Agency.

Section 5. This resolution shall take effect immediately.

The question of the adoption of the foregoing resolution was duly put to a vote on roll call, which resulted as follows:

| | | |
|------------------|--------|-----|
| Trent Trahan | VOTING | YES |
| David Hoover | VOTING | YES |
| Michael E. Zurlo | VOTING | YES |
| Keith Defayette | VOTING | YES |
| Mark Leta | VOTING | YES |
| John VanNatten | VOTING | YES |

The foregoing resolution was thereupon declared duly adopted.

[Remainder of page left blank intentionally]

STATE OF NEW YORK)
) SS.:
COUNTY OF CLINTON)

I, the undersigned (Assistant) Secretary of County of Clinton Industrial Development Agency (the "Agency"), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on January 18th, 2022 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the "Open Meetings Law") except as modified by Executive Order 202.1, as supplemented, said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present, either in-person or appearing telephonically in accordance with Executive Order 202.1, as supplemented, throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 18th day of January, 2022.


(Assistant) Secretary

(SEAL)

EXHIBIT A
PILOT DEVIATION LETTER

See attached.

AFFIDAVIT OF MAILING
OF PILOT DEVIATION NOTICE LETTER

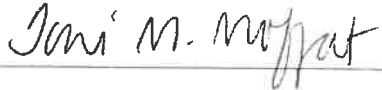
STATE OF NEW YORK)
) SS.:
COUNTY OF CLINTON)

The undersigned, being duly sworn, hereby states:

1. That on December 16, 2021, I mailed to the following individuals a copy of a letter (the "Pilot Deviation Notice Letter") informing said individuals listed on the next pages of (A) a proposed deviation (the "Deviation") by County of Clinton Industrial Development Agency (the "Agency") from the Agency's Uniform Tax Exemption Policy relating to the CHPE LLC Project to be undertaken by the Agency for the benefit of CHPE LLC (the "Company") and (B) the time and place of the meeting of the members of the Agency at which the question of whether to proceed with said Deviation is scheduled to be considered by the Agency:

2. That the letter attached hereto as Exhibit A is a duplicate copy of the Pilot Deviation Notice Letter which was mailed to the above individuals.

IN WITNESS WHEREOF, I have hereunto set my hand this 12th day of January, 2022.



Sworn to before me this
12th day of January, 2022.



Notary Public

KIMBERLY MARIE KINBLOM
Notary Public, State of New York
No. D1K16239203
Qualified in Clinton County
Commission Expires April 18, 2023

Distribution List of Taxing Entities for the
CHPE LLC Project

Clinton County Legislature

Honorable Mark R. Henry, Chairperson
Clinton County Legislature
Clinton County Government Center
137 Margaret Street, Suite 208
Plattsburgh, New York 12901

Village of Rouses Point
(Within the Town of Champlain)

Jedidiah F. Thome, Mayor
Village of Rouses Point
139 Lake Street, P.O. Box 185
Rouses Point, New York 12979

Robb J. Garrand, School Superintendent
Northeastern Clinton Central School District
103 Route 276
Champlain, New York 12919

Stephen Southwick, School Board President
Northeastern Clinton Central School District
103 Route 276
Champlain, New York 12919

Town of Champlain

Larry Barcomb, Town Supervisor
Town of Champlain
P.O. Box 3144
10729 Route 9
Champlain, New York 12919

Robb J. Garrand, School Superintendent
Northeastern Clinton Central School District
103 Route 276
Champlain, New York 12919

Stephen Southwick, School Board President
Northeastern Clinton Central School District
103 Route 276
Champlain, New York 12919

Town of Chazy

William Arthur, Town Supervisor
Town of Chazy
Chazy Town Hall
9631 State Route 9
Chazy, New York 12921

Scott Osborne, Superintendent of Schools
Chazy Central Rural School
609 Miner Farm Road
Chazy, New York 12921

Joey Trombley, School Board President
Chazy Central Rural School
609 Miner Farm Road
Chazy, New York 12921

Town of Beekmantown

Samuel R. Dyer, Town Supervisor
Town of Beekmantown
Town of Beekmantown Town Hall
571 Spellman Road
West Chazy, New York 12992

Daniel Mannix, Superintendent of Schools
Beekmantown Central School District
37 Eagle Way
West Chazy, New York 12992

Ed Marin, School Board President
Beekmantown Central School District
37 Eagle Way
West Chazy, New York 12992

Town of Plattsburgh

(schools: Peru, Saranac, and Beekmantown)

Michael S. Cashman, Town Supervisor
Town of Plattsburgh
151 Banker Road
Plattsburgh, New York 12901

Javier Perez, Superintendent of Schools
Saranac Central School District
32 Emmons Street
Dannemora, New York 12929

Tracy Allen-Waite, School Board President
Saranac Central School District
32 Emmons Street
Dannemora, New York 12929

Town of Peru
(schools: Peru and AuSable)

Brandy McDonald, Town Supervisor
Town of Peru
3036 Main Street
Peru, New York 12972

Scott Storms, Superintendent of Schools
Peru Central School District
17 School Street
Peru, New York 12972

Bonnie Berry, School Board President
Peru Central School District
17 School Street
Peru, New York 12972

Town AuSable
(schools: Peru and AuSable)

Sandy Senecal, Town Supervisor
Town of AuSable
111 AuSable Street
Keeseville, New York 12944

Paul D. Savage, II, Superintendent of Schools
AuSable Valley Central School District
1273 Route 9N
Clintonville, New York 12924

Scott Bombard, School Board President
AuSable Valley Central School District
1273 Route 9N
Clintonville, New York 12924

EXHIBIT A
COPY OF PILOT DEVIATION LETTER
- SEE ATTACHED -

A-1

A-6

COUNTY OF CLINTON INDUSTRIAL DEVELOPMENT AGENCY
137 Margaret Street, Suite 209
Plattsburgh, New York 12901
Tel: 518-565-4627
Fax: 518-565-4616

December 15, 2021

SEE ATTACHED TAXING ENTITY
DISTRIBUTION LIST

RE: Proposed Deviation from Uniform Tax Exemption Policy by
County of Clinton Industrial Development Agency
in connection with its Proposed CHPE LLC Project

Ladies and Gentlemen:

This letter is delivered in you pursuant to Section 874(4)(c) of the General Municipal Law.

In October, 2020, County of Clinton Industrial Development Agency (the "Agency") received an application (the "Application") from CHPE LLC (the "Company"), which Application requested that the Agency consider undertaking a project (the "Project") for the benefit of the Company, said Project to consist of the following: (A) (1) the acquisition of an interest or interests in various parcels of land spanning across 335 miles of land in the Village of Rouses Point, Town of Champlain, Town of Chazy, Town of Beekmantown, Town of Plattsburgh, Town of Peru, and Town of Ausable, Clinton County, New York (collectively, the "Land"), (2) the construction, installation and equipping on or under the Land of a fully-buried, up to 1,250-megawatt ("MW") HVDC electric transmission line and related infrastructure (collectively, the "Improvements") and (3) the acquisition and installation thereon and therein of certain related machinery and equipment, including but not limited to, two (2) five-inch diameter high-voltage direct current ("HVDC") transmission cables (collectively, the "Equipment") (the Land, the Improvements and the Equipment hereinafter collectively referred to as the "Project Facility"), all of the foregoing to be used and operated by the Company as a portion of an electric power transmission line from the U.S.-Canada border to New York City; (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the "Financial Assistance"); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency.

In connection with the Application, the Company has made a request to the Agency enter into a payment in lieu of tax agreement (the "Proposed PILOT Agreement") which terms would deviate from the Agency's Uniform Tax Exemption Policy (the "Policy"). Capitalized terms not otherwise defined herein are defined in the Policy.

The Proposed PILOT Agreement would not provide any abatements for any special assessments levied on the Project Facility. The Proposed PILOT Agreement would be for a term of thirty (30) years, with the Company making the payments in each year (collectively referred to hereinafter as "PILOT Payments") as a payment to each affected tax jurisdiction (the "Affected Tax Jurisdictions") as follows:

-1-

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A-2

A-7

**PILOT Abatement Schedule
(ESTIMATED)**

| PILOT Agreement Year | Annual Taxes Otherwise Due | Abatement | PILOT Payment |
|-----------------------------|-----------------------------------|------------------|----------------------|
| Construction Years | \$0 | | \$ |
| 1 | \$4,603,321 | 75% | \$1,150,830 |
| 2 | \$4,670,069 | 75% | \$1,167,517 |
| 3 | \$4,737,785 | 75% | \$1,184,446 |
| 4 | \$4,806,483 | 75% | \$1,201,621 |
| 5 | \$4,876,177 | 75% | \$1,219,044 |
| 6 | \$4,946,881 | 70% | \$1,484,064 |
| 7 | \$5,018,611 | 70% | \$1,503,583 |
| 8 | \$5,091,381 | 70% | \$1,527,414 |
| 9 | \$5,165,206 | 70% | \$1,549,562 |
| 10 | \$5,240,102 | 70% | \$1,572,030 |
| 11 | \$5,316,083 | 65% | \$1,860,629 |
| 12 | \$5,393,166 | 65% | \$1,887,608 |
| 13 | \$5,471,367 | 65% | \$1,914,979 |
| 14 | \$5,550,702 | 65% | \$1,942,746 |
| 15 | \$5,631,187 | 65% | \$1,970,916 |
| 16 | \$5,712,839 | 60% | \$2,285,136 |
| 17 | \$5,795,676 | 60% | \$2,318,270 |
| 18 | \$5,879,713 | 60% | \$2,351,885 |
| 19 | \$5,964,969 | 60% | \$2,385,987 |
| 20 | \$6,051,461 | 60% | \$2,420,584 |
| 21 | \$6,139,207 | 50% | \$3,069,603 |
| 22 | \$6,228,225 | 50% | \$3,114,113 |
| 23 | \$6,318,535 | 50% | \$3,159,267 |
| 24 | \$6,410,153 | 40% | \$3,846,092 |
| 25 | \$6,503,101 | 40% | \$3,901,860 |
| 26 | \$6,597,396 | 40% | \$3,958,437 |
| 27 | \$6,693,058 | 30% | \$4,685,140 |
| 28 | \$6,790,107 | 20% | \$5,432,086 |
| 29 | \$6,888,564 | 10% | \$6,199,707 |
| 30 | \$6,988,448 | 5% | \$6,639,026 |
| TOTAL | | | \$78,906,185 |

The Policy provides that, for a facility similar to the Project Facility, payments in lieu of taxes will normally be determined as follows: the Company would have the benefit of a 50% abatement in real property taxes on the Facility and any portion of the Equipment assessable as real property pursuant to the New York Real Property Tax Law (collectively with the Facility, the "Improvements") in year one of the payment in lieu of tax agreement with a five percent per year increase over the term of the ten year payment in lieu of tax agreement.

The purpose of this letter is to inform you of such PILOT Request and that the Agency is considering whether to grant the PILOT Request and to approve a Proposed PILOT Agreement conforming to the terms of the PILOT Request.

In connection with the Agency's review and consideration of the PILOT Request and its review of any comments received pursuant to this letter and the Public Hearing described in the next paragraph, the actual amount of the PILOT Payments may be larger or smaller.

The Agency expects to consider whether to approve the terms of the Proposed PILOT Agreement at its meeting scheduled for January 18, 2021 at 12:00 p.m., local time at the offices of the Agency located at 137 Margaret Street, Suite 209 in the City of Plattsburgh, Clinton County, New York (the "Meeting"). This letter is forwarded to you for purposes of complying with Section 874 of the General Municipal Law of the State of New York, which requires a thirty (30) day notice prior to the Agency taking final action with respect to the Proposed PILOT Agreement (if said Proposed PILOT Agreement may deviate from the provisions of the Agency's Uniform Tax Exemption Policy).

The Agency considered the following factors in considering the proposed deviation:

1. **The nature of the Project:** A buried underwater electric power transmission line to be located within Lake Champlain.
2. **The present use of the property:** All improvements to be made as part of the Project in Clinton County will be buried underwater in those portions of Lake Champlain located within Clinton County.
3. **The economic condition of the area at the time of the request of the Company and the economic multiplying effect that the Project will have on the area:** The majority of the project is to be located under Lake Champlain. The primary purpose of the Project is to assist New York State in achieving its Green Energy goals, including 70% renewable energy by 2030 and to reduce CO2 emissions by 40% in 2030 and 80% by 2050.
4. **The extent to which the Project will create or retain permanent, private sector jobs and the number of jobs to be created or retained and the salary range of such jobs:** The Company has estimate the following as the employment impact of the Project:
 - More than 1,100 direct full-time jobs in New York State over the 4-year construction period
 - Induce more than 800 long-term jobs in New York State once operational
 - \$0.6 billion in wages during the approximately 4-year construction period
 - \$5.6 billion in wages during the first 30 years of operations on a statewide basis
5. **The estimated value of new tax exemptions to be provided:** The estimated value of the tax exemptions is provided in the Application prepared by the Company.
6. **The economic impact of the Proposed PILOT Agreement on Affected Tax Jurisdictions:** The economic impact of the Proposed PILOT Agreement is positive, since the underlying value of the parcels will likely be largely unaffected and additional revenue will be generated through the Proposed PILOT Agreement. Special district taxes will be paid in addition to payments under the proposed PILOT Agreement.

7. **The impact of the Proposed PILOT Agreement on existing and proposed businesses and economic development projects in the vicinity:** Approximately \$172.3 million of new capital investment in Clinton County. Substantial and sustained increase in revenue for involved tax jurisdictions which at a minimum would be approximately \$78.9 million in new revenue for involved Clinton County tax jurisdictions during the first 30 years of operation.

8. **The amount of private sector investment generated or likely to be generated by the Proposed PILOT Agreement:** The Company has estimated that the undertaking of the transmission line portion of the Project will cost approximately \$172.3 million.

9. **The effect of the Proposed PILOT Agreement on the environment:** The vast majority of the Project improvements are "invisible" due to installation of the transmission line underwater in Lake Champlain in Clinton County. Therefore the Project is intended to be minimally invasive and a minimal, short-term impact on the environment and community during construction.

10. **Project Timing:** The Project is due to start in March, 2021 and completed in 2025.

11. **The extent to which the Proposed PILOT Agreement will require the provision of additional services including, but not limited to, additional educational, transportation, police, emergency medical or fire services:** None anticipated.

12. **Anticipated tax revenues/Host Community Benefit Agreements:** Based on the PILOT Payment schedule, the Company is expected to pay approximately \$78.9 million over a 30-year period on property that was not generating any significant tax revenues.

The Company may enter into a host community benefit agreement or agreements (the "HCBAs") with any Affected Tax Jurisdiction, pursuant to which annual payments, in addition to or in lieu of PILOT Payments, would be made to such Affected Tax Jurisdiction incurring particular local costs related to the undertaking of the Project.

13. **The extent to which the Proposed Pilot Agreement will provide a benefit (economic or otherwise) not otherwise available within the municipality in which the Project Facility is located:** The Project will provide significant benefits to the municipalities in which the Project is located in the form of increased tax/PILOT revenues and the development of alternative energy alternatives in Clinton County. Further, the Project will provide significant New York State benefits by contributing to New York State goals regarding the development of renewable energy and the reduction of CO2 emissions.

The Agency will consider the Proposed PILOT Agreement (and the proposed deviation from the Agency's Uniform Tax Exemption Policy) at the Meeting. The Agency would welcome any written comments that you might have on this proposed deviation from the Agency's Uniform Tax Exemption Policy. In accordance with Section 374(4)(c) of the General Municipal Law, prior to taking final action at the Meeting, the Agency will review and respond to any written comments received from any Affected Tax Jurisdiction with respect to the proposed deviation. The Agency will also allow any representative of any affected tax jurisdiction present at the Meeting to address the Agency regarding the proposed deviation.

If you have any questions or comments regarding the foregoing, please do not hesitate to contact me at the above telephone number.

Sincerely yours,



Trent Trahan
Chairperson