

WILLIAM M. CLAY  
CHAIRMAN  
ANTON DRESLIN  
PAUL M. ENGEL, JR.  
TRAVON T. JACKSON  
MARLENE MCTIGUE  
MICHAEL PAPARIAN  
DOUGLAS ROETHER



ALBANY COUNTY  
INDUSTRIAL DEVELOPMENT AGENCY

2  
COUNTY OFFICE BUILDING  
112 STATE STREET  
SUITE 740  
ALBANY, NEW YORK 12207-2021  
(518) 447-7707

## AGENDA

Meeting: Wednesday, February 9, 2022

5:30 P.M.

1. Roll Call.
2. Public Comment.
3. Reading and approval of the minutes of the previous meeting.
4. Financial Report.
5. Unfinished business.
  - a. **CHPE/TDI Project:** PILOT Deviation Approval Resolution  
Approving Resolution
6. New business.
  - a. **125 Vista Boulevard Project:** SEQR Resolution  
PILOT Deviation Approval Resolution  
Approving Resolution
7. Adjournment.

## Microsoft Teams meeting

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Phone Conference ID: 419 822 682#

**INDUSTRIAL DEVELOPMENT AGENCY  
 AGENDA WORKSHEET FOR BOARD MEETING  
 FEBRUARY 9, 2022  
 5:30 PM  
 112 STATE STREET  
 ROOM 730  
 ALBANY, NEW YORK 12207**

*Debra Lambeck  
 Rick Chase TDI  
 Todd Singer TDI  
 Pete Swartz  
 Kevin O'Connell*

**ATTENDING:**

Hon. William H. Clay ✓  
 Michael Papanian, Treasurer ✓  
 Marlene McTigue, Secretary ✓  
 X Paul Enget  
 Anton Dreslin ✓  
~~Marlene McTigue~~  
 X Douglas Roether  
 Travon Jackson ✓

Present

X  
 X  
 X  
 X  
 X  
 X

Absent

Excused

X

**Also Present:**

Walter J. Forman, Esq., Agency Counsel ✓  
 William F. Murphy, Jr., CFO  
 Allen Maikels, Agency Accountant  
 Joseph Scott, Esq., Bond/Special Counsel ✓  
 Leslie Butcher, Executive Assistant ✓

X  
 X  
 X  
 X  
 X

INDUSTRIAL DEVELOPMENT AGENCY			
AGENDA	MOTION	2 <sup>ND</sup>	VOTE
1. CALL TO ORDER TIME: 5:35 ROLL CALL: 5:35			
2. Public comment None			
3. APPROVE MINUTES	Marlene	Travon	5-1
4. APPROVE FINANCIALS	Marlene	Travon	5-1
5. <del>APPROVE BUDGET</del>			
6. UNFINISHED BUSINESS			
7. CHPE/TDI PROJECT PILOT DEVIATION APPROVAL RESOLUTION →	Anton	Travon	5-1
<del>Resolution to Financial</del>			

Report on Public Hearings  
 Wait  
 Report on Resolutions  
 Joe

Approving Resolution

Mike Marlene 5-1

(plug power)			
8. 125 Vista Boulevard PROJECT SEQR RESOLUTION	mika	Travon	5-1
PILOT Deviation APPROVAL RESOLUTION	mike	Marlene	5-1
Approving RESolution	Marlene	Travon <del>Anton</del>	5-1
9. ADJOURNMENT	6:14	mike	Anton 5-1

Report on resolutions  
JOE

Debra  
Lambert  
Depart by  
Joe Scott

10

by

**APPROVING RESOLUTION  
CHPE LLC PROJECT**

A special meeting of the Albany County Industrial Development Agency (the "Agency") was convened in public session at the offices of the Agency located in Room 740 at 112 State Street in the City of Albany, Albany County, New York on February 9, 2022 at 5:30 p.m., local time.

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

**PRESENT:**

Hon. William M. Clay	Chairman
Michael Paparian	Treasurer
Marlene McTigue	Secretary
Anton Dreslin	Member
Travon T. Jackson	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, as amended on January 14, 2022.

**ABSENT:**

Paul M. Engel, Jr.	Member
Douglas Roether	Member

**AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:**

William Murphy	CEO
Allen F. Maikels	CFO
Leslie Butcher	Executive Assistant
Walter J. Forman, Esq.	Corporation Counsel
A. Joseph Scott, III, Esq.	Bond Counsel

The following resolution was offered by Michael Paparian, seconded by Marlene McTigue, to wit:

Resolution No. 0222-\_\_

**RESOLUTION AUTHORIZING EXECUTION OF DOCUMENTS IN CONNECTION WITH A LEASE/LEASEBACK TRANSACTION FOR A PROJECT FOR CHPE LLC (THE "COMPANY").**

WHEREAS, Albany County 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 178 of the 1975 Laws of New York, as amended, constituting Section 903-b 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 April, 2021, CHPE LLC (the “Company”), a limited liability company duly organized and validly existing under the laws of the State of New York, presented an application (the “Application”) to the Agency, a copy of which Application is on file at the office of the Agency, which Application requested that the Agency consider undertaking a project (the “Original Project”) for the benefit of the Company, said Project to include the following: (A) (1) the acquisition of an interest or interests in various parcels of land spanning across 24.2 miles of land located in the Towns of Guilderland, New Scotland, Bethlehem, and Coeymans, and the Villages of Voorheesville and Ravena, Albany County, New York (collectively, the “Land”), (2) the acquisition and installation of two five-inch diameter high-voltage direct current (“HVDC”) transmission cables and the acquisition and installation of inverters and related equipment for a potential converter station to be located in the Town of New Scotland (the “New Scotland Converter Station”) and associated substation and interconnection equipment (collectively, the “Equipment”), and (3) 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 and the construction, installation and equipping on the Land of the New Scotland Converter Station and associated substation and interconnection facilities (collectively, the “Improvements”) (the Land, the Equipment and the Improvements 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 property 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, resolution adopted by the members of the Agency on July 14, 2021 (the “Public Hearing Resolution”), the Agency authorized a public hearing or public hearings 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 Chairman of the Agency (A) caused notice of a public hearing of the Agency (the “First 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 21, 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 Guilderland, New Scotland, Bethlehem, and Coeymans, and the Villages of Voorheesville and Ravena, Albany County, New York, (C) caused notice of the Public Hearing to be published in the Albany Times Union, a newspaper of general circulation available to the residents of the Towns of Guilderland, New Scotland, Bethlehem, and Coeymans, and the Villages of Voorheesville and Ravena, Albany County, New York, (D) conducted the Public Hearing on November 3, 2021 at 7:00 p.m., local time at the Town Halls located at the Towns of Guilderland, New Scotland, Bethlehem, and Coeymans, 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, on November 3, 2021, the Agency conducted the First Public Hearing and subsequently considered whether to grant the Financial Assistance at a special meeting of the Agency on December 15, 2021 (the “First Consideration Meeting”); and

WHEREAS, following the First Public Hearing, the Agency received a letter dated November 10, 2021 requesting that the Agency delete the New Scotland Converter Station from the description of the Original Project; and

WHEREAS, the Original Project is now described as the follows (the “Project”): (A) (1) the acquisition of an interest or interests in various parcels of land spanning across 24.2 miles of land located in the Towns of Guilderland, New Scotland, Bethlehem, and Coeymans, and the Villages of Voorheesville and Ravena, Albany County, New York (collectively, the “Land”), (2) the acquisition and installation therein and thereon of two five-inch diameter high-voltage direct current (“HVDC”) transmission cables (collectively, the “Equipment”), and (3) 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”) (the Land, the Equipment and the Improvements 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 property 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, following the First Consideration Meeting, the Agency received additional information from the Company relating to the Project (the “Additional Information”), which describes revised Project costs resulting in the need for the Agency, pursuant to Section 859-a of the Act, to hold a supplemental public hearing with respect to the Project and the amount of the Financial Assistance; and

WHEREAS, pursuant to the authorization contained in the Public Hearing Resolution, the Chairman of the Agency (A) caused notice of a second public hearing of the Agency (the “Second 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 7, 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 Public Hearing to be posted on January 14, 2022 on a bulletin board located at Coeymans Town Hall located at 18 Russell Avenue in the Town of Coeymans, Albany County, New York and on the Agency’s website, (C) caused notice of the Public Hearing to be published on January 13, 2022 in the Albany Times Union, a newspaper of general circulation available to the residents of the Towns of Guilderland, New Scotland, Bethlehem, and Coeymans, and the Villages of Voorheesville and Ravena, Albany County, New York, (D) conducted the Public Hearing on January 25, 2022 at 6:00 p.m., local time at the Town of Coeymans Town Hall located at 18 Russell Avenue in the Village of Ravena, Town of Coeymans, Albany 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, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”), and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York, being 6 NYCRR Part 617, as amended (the “Regulations”, and collectively with the SEQR Act, “SEQRA”), the Agency must satisfy the requirements contained in SEQRA prior to making a final determination whether to undertake the Project; and

WHEREAS, Sections 617.5(a) and 617.5(c)(44) of the Regulations provide that actions requiring a certificate of environmental compatibility and public need under Article VII of the Public Service Law constitute “Type II” actions and are not subject to review under the Regulations, and Section 8-0111 of the SEQR Act further provides that the requirements of the SEQR Act do not apply to actions subject to the provisions requiring a certificate of environmental compatibility and public need in Article VII of the Public Service Law; and

WHEREAS, pursuant to the Regulations, the Agency has examined the Application, the Regulations, the SEQR Act, and other relevant materials, in order to classify the Project for purposes of SEQRA review; and

WHEREAS, the Application provides that the Project has been issued a Certificate of Environmental Compatibility and Public Need under Article VII of the Public Service Law by the Public Service Commission of the State of New York; and

WHEREAS, pursuant to Section 874(4) of the Act: (A) the Agency’s Uniform Tax Exemption Policy (the “UTEP Policy”) provides a standardized method for the determination of payments in lieu of taxes for a facility similar to the Project Facility, (B) in connection with the Application, the Company made a request to the Agency (the “Pilot Request”) that the Agency deviate from the UTEP Policy with respect to Project Facility, (C) the Chairman of the Agency caused a letter dated October 15, 2021 (the “Initial Pilot Deviation Notice Letter”) to be mailed to the chief executive officers of the “affected tax jurisdictions” (within the meaning of such quoted term in Section 854(16) of the Act) (the “Affected Tax Jurisdictions”) pursuant to Section 874(4) of the Act, informing said individuals that the Agency would, at its special meeting on December 15, 2021, consider a proposed deviation from the Policy with respect to the payment in lieu of tax agreement to be entered into by the Agency with respect to the Project Facility (the “Payment in Lieu of Tax Agreement”), with respect to requiring the Company to obtain the consents of each of the Affected Tax Jurisdictions, and the reasons for said proposed deviation; (D) further pursuant to the Additional Information, the Chairman of the Agency caused a letter dated January 7, 2022 (the “Second Pilot Deviation Notice Letter”) to be mailed to the Affected Tax Jurisdictions, informing said individuals that the Agency would, at its regular meeting on February 9, 2022, re-consider the proposed deviation from the Policy and the Payment in Lieu of Tax Agreement; and (E) by resolution adopted by the members of the Agency on February 9, 2022 (the “Pilot Deviation Approval Resolution”), the members of the Agency determined to deviate from the Policy with respect to the Project and approved a proposed deviation from the Policy with respect to the terms of the Payment in Lieu of Tax Agreement to be entered into by the Agency with respect to the Project Facility; and

WHEREAS, the Agency has a general operating policy (the “Operating Policy”) with respect to the undertaking of its projects, under which the Agency generally defers to local industrial development agencies in Albany County if a project is located within the local industrial development agency’s borders, and (A) in the case of the Project, portions of the Project are located in the Towns of Bethlehem and Guilderland, and such towns each have their own industrial development agency (collectively the “Town Agencies”), and (B) in connection with the Application, the Company made a request to the Agency (the “Town Agency Request”) that the Agency deviate from the Operating Policy with respect to the Project Facility; and

WHEREAS, the Agency has given due consideration to the Application, and to representations by the Company that (A) the granting by the Agency of the Financial Assistance with respect to the Project will be an inducement to the Company to undertake the Project in Albany County, New York, (B) the completion of the Project will not result in the removal of a plant or facility of any proposed occupant of the Project Facility from one area of the State of New York to another area in the State of New York and

will not result in the abandonment of one or more plants or facilities of any occupant of the Project Facility located in the State of New York, (C) that requiring the local approval of the Proposed Pilot Agreement (as such term was defined in the Initial PILOT Deviation Notice Letter) would significantly impact the timetable of the Project, and potentially impact the approvals the Company is seeking in the other New York counties, and (D) that given the fact that the Project spans Albany County for a number of miles and is located within multiple towns, two of which have their own industrial development agency (collectively, the "Local Agencies"), that requiring the Company to divide the Project among the Local Agencies and the Agency would cause significant inefficiencies and time delays; and

WHEREAS, the Agency desires to encourage the Company to preserve and advance the job opportunities, health, general prosperity and economic welfare of the people of Albany County, New York by undertaking the Project in Albany County, New York; and

WHEREAS, in order to consummate the Project and the granting of the Financial Assistance described in the notice of the Public Hearing, the Agency proposes to enter into the following documents (hereinafter collectively referred to as the "Agency Documents"): (A) a certain lease to agency (the "Lease to Agency" or the "Underlying Lease") by and between the Company, as landlord, and the Agency, as tenant, pursuant to which the Company will lease to the Agency the Land and all improvements now or hereafter located on the Land (collectively, the "Leased Premises"); (B) a certain license agreement (the "License to Agency" or the "License Agreement") by and between the Company, as licensor, and the Agency, as licensee, pursuant to which the Company will grant to the Agency (1) a license to enter upon the balance of the Land (the "Licensed Premises") for the purpose of undertaking and completing the Project and (2) in the event of an occurrence of an Event of Default by the Company, an additional license to enter upon the Licensed Premises for the purpose of pursuing its remedies under the Lease Agreement (as hereinafter defined); (C) a lease agreement (and a memorandum thereof) (the "Lease Agreement") by and between the Agency and the Company, pursuant to which, among other things, the Company agrees to undertake the Project as agent of the Agency and the Company further agrees to lease the Project Facility from the Agency and, as rental thereunder, to pay the Agency's administrative fee relating to the Project and to pay all expenses incurred by the Agency with respect to the Project; (D) a payment in lieu of tax agreement (the "Payment in Lieu of Tax Agreement") by and between the Agency and the Company, pursuant to which the Company will agree to pay certain payments in lieu of taxes with respect to the Project Facility; (E) a uniform agency project agreement (the "Uniform Agency Project Agreement") by and between the Agency and the Company regarding the granting of the financial assistance and the potential recapture of such assistance; (F) a certain recapture agreement (the "Section 875 GML Recapture Agreement") by and between the Company and the Agency, required by the Act, regarding the recovery or recapture of certain sales and use taxes; (G) a sales tax exemption letter (the "Sales Tax Exemption Letter") to ensure the granting of the sales tax exemption which forms a part of the Financial Assistance; (H) a New York State Department of Taxation and Finance form entitled "IDA Appointment of Project Operator or Agency for Sales Tax Purposes" (the form required to be filed pursuant to Section 874(9) of the Act) (the "Thirty-Day Sales Tax Report") and any additional report to the Commissioner of the State Department of Taxation and Finance concerning the amount of sales tax exemption benefit for the Project (the "Additional Thirty-Day Project Report"); (I) if the Company intends to finance the Project with borrowed money, a mortgage and any other security documents and related documents (collectively, the "Mortgage") from the Agency and the Company to the Company's lender with respect to the Project ("the "Lender"), which Mortgage will grant a lien on and security interest in the Project Facility to secure a loan from the Lender to the Company with respect to the Project (the "Loan"); (J) if the Company requests the Agency to appoint a contractor or contractors, as agent(s) of the Agency (each, a "Contractor") (1) a certain agency indemnification agreement (the "Contractor Agency and Indemnification Agreement") by and between the Agency and the Contractor, (2) a certain recapture agreement (the "Contractor Section 875 GML Recapture Agreement") by and between the Agency and the Contractor, (3) a sales tax exemption letter (the "Contractor Sales Tax Exemption Letter"), and (4) a Thirty-Day Sales Tax Report (the "Contractor Thirty-



Day Sales Tax Report”) and any additional report to the Commissioner of the State Department of Taxation and Finance concerning the amount of sales tax exemption benefit for the Project (the “Additional Thirty-Day Project Report”) (collectively, the “Contractor Documents”); (K) if the Company intends to request the Agency to appoint (1) the Company, as agent of the Agency and (2) a Contractor, as agent of the Agency prior to closing on the Project and the Lease Agreement; agency and indemnification agreements, interim Section 875 GML recapture agreements, interim sales tax exemption letters and interim thirty-day sales tax reports (collectively, the “Interim Documents”); and (L) various certificates relating to the Project (the “Closing Documents”);

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

Section 1. All action taken by the Chairman, Chief Executive Officer of the Agency, Agency Counsel, and Special Agency Counsel with respect to the Public Hearing with respect to the Project is hereby ratified and confirmed.

Section 2. Based upon an examination of the Application, the Regulations, the SEQR Act, and other relevant materials, the Agency determines that the Project constitutes a “Type II” action within the meaning of SEQRA and is therefore not subject to review under SEQRA.

Section 3. The law firm of Hodgson Russ LLP is hereby appointed Special Agency Counsel to the Agency with respect to all matters in connection with the Project. Special Agency Counsel for the Agency is hereby authorized, at the expense of the Company, to work with Agency Counsel, the Company, counsel to the Company, and others to prepare, for submission to the Agency, all documents necessary to effect the transactions contemplated by this Resolution.

Section 4. The Agency hereby finds and determines that:

(A) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act;

(B) The Project constitutes a “project,” as such term is defined in the Act;

(C) The Project site is located entirely within the boundaries of Albany County, New York;

(D) It is estimated at the present time that the costs of the planning, development, acquisition, construction and installation of the Project Facility (collectively, the “Project Costs”) will be approximately \$229,000,000;

(E) The completion of the Project will not result in the removal of a plant or facility of any proposed occupant of the Project Facility from one area of the State of New York to another area in the State of New York and will not result in the abandonment of one or more plants or facilities of any occupant of the Project Facility located in the State of New York;

(F) (1) The Project Facility does not constitute a project where facilities or property that are primarily used in making retail sales of goods and/or services to customers who personally visit such facilities constitute more than one-third of the total cost of the Project, and accordingly the Project is not prohibited by the provisions of Section 862(2)(a) of the Act, and (2) accordingly

the Agency is authorized to provide financial assistance in respect of the Project pursuant to Section 862(2)(a) of the Act;

(G) The granting of the Financial Assistance by the Agency with respect to the Project will promote and maintain the job opportunities, general prosperity and economic welfare of the citizens of Albany County, New York and the State of New York and improve their standard of living, and thereby serve the public purposes of the Act;

(H) The Agency has reviewed the Public Hearing Reports and has fully considered all comments contained therein;

(I) The Agency has considered the deviation from the UTEP Policy and has determined not to require the Company to obtain the consents of each of the Affected Tax Jurisdictions;

(J) The Agency has considered the deviation from the Operating Policy and has determined to undertake the Project in the Towns of Bethlehem and Guilderland;

(K) The Project should receive the Financial Assistance in the form of exemptions from sales tax, mortgage recording tax and a real property tax abatement based on an evaluation of the Project based on the Agency's Uniform Criteria for the Evaluation of Projects Policy and the description of expected public benefits to occur as a result of this Project, as described on Exhibit A attached hereto; and

(L) It is desirable and in the public interest for the Agency to enter into the Agency Documents.

Section 5. In consequence of the foregoing, the Agency hereby determines to: (A) accept the License Agreement; (B) lease the Project Facility to the Company pursuant to the Lease Agreement; (C) acquire, construct and install the Project Facility, or cause the Project Facility to be acquired, installed and constructed; (D) enter into the Payment in Lieu of Tax Agreement; (E) enter into the Uniform Agency Project Agreement; (F) enter into the Section 875 GML Recapture Agreement; (G) secure the Loan by entering into the Mortgage; (H) enter into the Contractor Documents; (I) enter into the Interim Documents; and (J) grant the Financial Assistance with respect to the Project.

Section 6. The Agency is hereby authorized (A) to acquire a license in the Licensed Premises pursuant to the License Agreement, (B) to acquire a leasehold interest in the Leased Premises pursuant to the Underlying Lease, (C) to acquire title to the Equipment pursuant to a bill of sale (the "Bill of Sale to Agency") from the Company to the Agency, and (D) to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisitions are hereby approved, ratified and confirmed.

Section 7. The Agency is hereby authorized to acquire, construct and install the Project Facility as described in the Lease Agreement and to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisition, construction and installation are hereby ratified, confirmed and approved.

Section 8. The Chairman (or Vice Chairman) of the Agency, with the assistance of Agency Counsel and/or Special Agency Counsel, is authorized to negotiate and approve the form and substance of the Agency Documents.

Section 9. (A) The Chairman (or Vice Chairman) of the Agency is hereby authorized, on behalf of the Agency, to execute and deliver the Agency Documents, 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 the forms thereof as the Chairman (or Vice Chairman) shall approve, the execution thereof by the Chairman (or Vice Chairman) to constitute conclusive evidence of such approval.

(B) The Chairman (or Vice Chairman) of the Agency is hereby further authorized, on behalf of the Agency, to designate any additional Authorized Representatives of the Agency (as defined in and pursuant to the Lease Agreement).

Section 10. The Chairman (or Vice Chairman) of the Agency is hereby further authorized, on behalf of the Agency, to negotiate and arrange with the Local Agencies for the of a portion of the administrative fee that the Agency will collect from the Company in connection with the undertaking of the Project.

Section 11. 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 Agency Documents, 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 Agency Documents binding upon the Agency.

Section 12. 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:

Hon. William M. Clay	VOTING	YES
Michael Paparian	VOTING	YES
Marlene McTigue	VOTING	YES
Anton Dreslin	VOTING	YES
Paul M. Engel, Jr.	VOTING	ABSENT
Travon T. Jackson	VOTING	YES
Douglas Roether	VOTING	ABSENT

The foregoing Resolution was thereupon declared duly adopted.


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

I, the undersigned Secretary of Albany County 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 February 9, 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 Issuer had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Chapter 417 of the Laws of 2021, as amended (the "2022 Laws"), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given; and (D) there was a quorum of the members of the Issuer, either in person or attending remotely in accordance with the 2022 Laws, 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 28th day of February, 2022.

  
\_\_\_\_\_  
Secretary

(SEAL)

**EXHIBIT A**

**DESCRIPTION OF THE EXPECTED PUBLIC BENEFITS**

In the discussions had between the Project Beneficiary and the Agency with respect to the Project Beneficiary's request for Financial Assistance from the Agency with respect to the Project, the Project Beneficiary has represented to the Agency that the Project is expected to provide the following benefits to the Agency and/or to the residents of Albany County, New York (the "Public Benefits"):

Description of Benefit		Applicable to Project (indicate Yes or NO)		Expected Benefit
1.	Retention of existing jobs	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	N/A
2.	Creation of new permanent jobs	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Although no permanent employment at the Project site, the Project will create construction and secondary jobs.
3.	Estimated value of tax exemptions	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	As described in the Application and related schedules.
4.	Private sector investment	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Estimate \$229,000,000.
5.	Likelihood of project being accomplished in a timely fashion	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	High likelihood of project being completed in a timely manner.
6.	Extent of new revenue provided to local taxing jurisdictions	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	The Project will provide a revenue source to the "affected tax jurisdictions" in the form of PILOT payments and host community benefit payments.
7.	Any additional public benefits	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	The Transmission System will play a key role in New York's energy transformation, lowering greenhouse gas emissions, creating jobs, and generating billions of dollars in new investment in New York's economy while delivering low-cost renewable energy to New York State.
8.	Local labor construction jobs	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	The Company will endeavor to use local labor for the construction jobs.
9.	Regional wealth creation (% of sales/customers outside of the County)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	N/A
10.	Located in a highly distressed census tract	<input type="checkbox"/> Yes	<input type="checkbox"/> No	N/A
11.	Alignment with local planning and development efforts	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	The Project is consistent with local planning and development efforts.
12.	Promotes walkable community areas	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	The Project site is not located in an urban setting with sidewalks.

13.	Elimination or reduction of blight	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	The Project site is not located in a blighted area.
14.	Proximity/support of regional tourism attractions/facilities	<input type="checkbox"/> Yes	<input type="checkbox"/> No	N/A
15.	Local or County official support	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	The Project has local and County support.
16.	Building or site has historic designation	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	There is no historic designation.
17.	Provides brownfield remediation	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	No brownfields present.

**PILOT DEVIATION APPROVAL RESOLUTION  
CHPE LLC PROJECT**

A special meeting of Albany County Industrial Development Agency (the "Agency") was convened in public session at the offices of the Agency located in Room 740 located at 112 State Street in the City of Albany, Albany County, New York on February 9, 2022 at 5:30 o'clock p.m., local time.

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

**PRESENT:**

Honorable William M. Clay	Chairman
Michael Paparian	Treasurer
Marlene McTigue	Secretary
Anton Dreslin	Member
Travon T. Jackson	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, as amended on January 14, 2022.

**ABSENT:**

Paul M. Engel, Jr.	Member
Douglas Roether	Member

**AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:**

William Murphy	Chief Executive Officer
Leslie Butcher	Executive Assistant
Walter J. Forman, Esq.	Agency Counsel
A. Joseph Scott, III, Esq.	Special Agency Counsel

The following resolution was offered by Anton Dreslin, seconded by Travon T. Jackson, to wit:

Resolution No. 0222-\_\_

**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 PROJECT FOR CHPE LLC (THE "COMPANY").**

WHEREAS, Albany County 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 178 of the 1975 Laws of New York, as amended, constituting Section 903-b 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 commercial, manufacturing 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 and install one or more “projects” (as defined in the Act) or to cause said projects to be acquired, constructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, in April, 2021, CHPE LLC (the “Company”), a limited liability company duly organized and validly existing under the laws of the State of New York, presented an application (the “Application”) to the Agency, a copy of which Application is on file at the office of the Agency, which Application requested that the Agency consider undertaking a project (the “Original Project”) for the benefit of the Company, said Project to include the following: (A) (1) the acquisition of an interest or interests in various parcels of land spanning across 24.2 miles of land located in the Towns of Guilderland, New Scotland, Bethlehem, and Coeymans, and the Villages of Voorheesville and Ravena, Albany County, New York (collectively, the “Land”), (2) the acquisition and installation of two five-inch diameter high-voltage direct current (“HVDC”) transmission cables and the acquisition and installation of inverters and related equipment for a potential converter station to be located in the Town of New Scotland (the “New Scotland Converter Station”) and associated substation and interconnection equipment (collectively, the “Equipment”), and (3) 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 and the construction, installation and equipping on the Land of the New Scotland Converter Station and associated substation and interconnection facilities (collectively, the “Improvements”) (the Land, the Equipment and the Improvements 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 property 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 July 14, 2021 (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 Chairman of the Agency (A) caused notice of a public hearing of the Agency (the “First 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 21, 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 Guilderland, New Scotland, Bethlehem, and Coeymans, and the Villages of Voorheesville and Ravena, Albany County, New York, (C) caused notice of the Public Hearing to be published in the Albany Times Union, a newspaper of general circulation available to the residents of the Towns of Guilderland, New Scotland, Bethlehem, and Coeymans, and the Villages of Voorheesville and Ravena, Albany County, New York, (D) conducted the Public Hearing on November 3, 2021 at 7:00 p.m., local time at the Town Halls located at the Towns of Guilderland, New Scotland, Bethlehem, and Coeymans, 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, on November 3, 2021, the Agency conducted the First Public Hearing and subsequently considered whether to grant the Financial Assistance at a special meeting of the Agency on December 15, 2021 (the “First Consideration Meeting”); and

WHEREAS, following the First Public Hearing, the Agency received a letter dated November 10, 2021 requesting that the Agency delete the New Scotland Converter Station from the description of the Original Project; and

WHEREAS, the Original Project is now described as the follows (the “Project”): (A) (1) the acquisition of an interest or interests in various parcels of land spanning across 24.2 miles of land located in the Towns of Guilderland, New Scotland, Bethlehem, and Coeymans, and the Villages of Voorheesville and Ravena, Albany County, New York (collectively, the “Land”), (2) the acquisition and installation therein and thereon of two five-inch diameter high-voltage direct current (“HVDC”) transmission cables (collectively, the “Equipment”), and (3) 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”) (the Land, the Equipment and the Improvements 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 property 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, following the First Consideration Meeting, the Agency received additional information from the Company relating to the Project (the “Additional Information”), which describes revised Project costs resulting in the need for the Agency, pursuant to Section 859-a of the Act, to hold a supplemental public hearing with respect to the Project and the amount of the Financial Assistance; and

WHEREAS, pursuant to the authorization contained in the Public Hearing Resolution, the Chairman of the Agency (A) caused notice of a second public hearing of the Agency (the “Second Public Hearing,” and collectively with the First Public Hearing, the “Public Hearings”) 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 7, 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 Public Hearing to be posted on January 14, 2022 on a bulletin board located at Coeymans Town Hall located at 18 Russell Avenue in the Town of Coeymans, Albany County, New York and on the Agency’s website, (C) caused notice of the Public Hearing to be published on January 13, 2022 in the Albany Times Union, a newspaper of general circulation available to the residents of the Towns of Guilderland, New Scotland, Bethlehem, and Coeymans, and the Villages of Voorheesville and Ravena, Albany County, New York, (D) conducted the Public Hearing on January 25, 2022 at 6:00 p.m., local time at the Town of Coeymans Town Hall located at 18 Russell Avenue in the Village of Ravena, Town of Coeymans, Albany 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, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”), and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York, being 6 NYCRR Part 617, as amended (the “Regulations”, and collectively with the SEQR Act, “SEQRA”), the Agency must

satisfy the requirements contained in SEQRA prior to making a final determination whether to undertake the Project; and

WHEREAS, Sections 617.5(a) and 617.5(c)(44) of the Regulations provide that actions requiring a certificate of environmental compatibility and public need under Article VII of the Public Service Law constitute “Type II” actions and are not subject to review under the Regulations, and Section 8-0111 of the SEQR Act further provides that the requirements of the SEQR Act do not apply to actions subject to the provisions requiring a certificate of environmental compatibility and public need in Article VII of the Public Service Law; and

WHEREAS, pursuant to the Regulations, the Agency has examined the Application, the Regulations, the SEQR Act, and other relevant materials, in order to classify the Project for purposes of SEQRA review; and

WHEREAS, the Application provides that the Project has been issued a Certificate of Environmental Compatibility and Public Need under Article VII of the Public Service Law by the Public Service Commission of the State of New York; and

WHEREAS, in connection with the Project, the Company has requested that the Agency deviate from its uniform tax exemption 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, which proposed deviation is outlined in (A) a letter dated October 15, 2021 (the “Initial Pilot Deviation Letter”), a copy of which Pilot Deviation Letter is attached hereto as Exhibit A, (B) a supplemental letter dated December 2, 2021 (the “Supplemental Pilot Deviation Letter”), a copy of which Supplemental Pilot Deviation Letter is attached hereto as Exhibit B, and (C) a second supplemental letter dated January 7, 2022 (the “Second Supplemental Pilot Deviation Letter”), a copy of which Second Supplemental Pilot Deviation Letter is attached hereto as Exhibit C (all of the foregoing collectively referred to as the “Pilot Deviation Letters”); and

WHEREAS, pursuant to Section 874(4) of the Act, prior to taking final action on such request for a deviation from the Agency’s uniform tax exemption policy, the Agency must give the chief executive officers of Albany 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 Agency’s uniform tax exemption policy and the reasons therefor 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 15, 2021, the Chairman of the Agency sent a copy of the Initial Pilot Deviation Letter to the Affected Tax Jurisdictions to notify the Affected Tax Jurisdictions of the proposed deviation from the Agency’s uniform tax exemption policy in connection with the Project; and

WHEREAS, on December 2, 2021, after receiving comments from representatives of the Town of Guilderland Industrial Development Agency and the Town of Bethlehem Industrial Development Agency (collectively, the “Town Agencies”), the Chairman of the Agency sent a copy of the Supplemental Pilot Deviation Letter to the Affected Tax Jurisdictions to notify the Affected Tax Jurisdictions of the comments received and the Agency’s response to such comments, which would be considered along with the proposed deviation from the Agency’s uniform tax exemption policy in connection with the Project; and

WHEREAS, on January 7, 2022, after receiving the Additional Information, the Chairman of the Agency sent a copy of the Second Supplemental Pilot Deviation Letter to the Affected Tax Jurisdictions to notify the Affected Tax Jurisdictions of the revised costs of the Project and the impact on the proposed deviation from the Agency’s uniform tax exemption policy in connection with the Project; and

WHEREAS, through the Pilot Deviation Letters, the Chairman of the Agency notified the chief executive officers of the Affected Tax Jurisdictions of the proposed deviation from the Agency's uniform tax exemption 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 ALBANY COUNTY 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 Letters.

(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 Hearings, (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 Agency's uniform tax exemption 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 Letters. Based upon the aforementioned, the Agency hereby approves a deviation from the Agency's uniform tax exemption policy, the terms of the approved deviation to be as described in the Pilot Deviation Letters attached hereto as Exhibits A, B, and C.

Section 3. Upon preparation by special 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 Chairman (or Vice Chairman) of the Agency, the Chairman (or Vice Chairman) 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 Chairman (or Vice Chairman), the execution thereof by the Chairman (or Vice Chairman) 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:

Honorable William M. Clay	VOTING	YES
Michael Paparian	VOTING	YES
Marlene McTigue	VOTING	YES
Anton Dreslin	VOTING	YES
Paul M. Engel, Jr.	VOTING	ABSENT
Travon T. Jackson	VOTING	YES
Douglas Roether	VOTING	ABSENT

The foregoing Resolution was thereupon declared duly adopted.

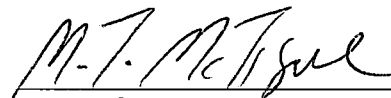
STATE OF NEW YORK                    )  
  ) SS.:  
COUNTY OF ALBANY                    )

I, the undersigned Secretary of Albany County 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 February 9, 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 Issuer had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Chapter 417 of the Laws of 2021, as amended (the "2022 Laws"), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given; and (D) there was a quorum of the members of the Issuer, either in person or attending remotely in accordance with the 2022 Laws, 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 28th day of February, 2022.

  
\_\_\_\_\_  
Secretary

(SEAL)

**EXHIBIT A**  
**PILOT DEVIATION LETTER**

- SEE ATTACHED -

ALBANY COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
112 State Street  
Albany, New York 12207  
Tel: 518-447-7117

October 15, 2021

SEE ATTACHED SCHEDULE A OF  
AFFECTED TAXING ENTITIES

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

Dear Ladies and Gentlemen:

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

Albany County 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 24.2 miles of land located in the Towns of Guilderland, New Scotland, Bethlehem, and Coeymans, and the Villages of Voorheesville and Ravena, Albany County, New York (collectively, the "Land"), (2) the acquisition and installation of two five-inch diameter high-voltage direct current ("HVDC") transmission cables and the acquisition and installation of inverters and related equipment for a potential converter station to be located in the Town of New Scotland (the "New Scotland Converter Station") and associated substation and interconnection equipment (collectively, the "Equipment"), and (3) the construction, installation and equipping on or under the Land of a fully-buried, up to 1,250-megawatt ("MW") high voltage direct current HVDC electric transmission line and related infrastructure and the construction, installation and equipping on the Land of the New Scotland Converter Station and associated substation and interconnection facilities (collectively, the "Improvements") (the Land, the Equipment and the Improvements 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 30 years, with the Company making fixed payments in each year as a Pilot Payment to each Affected Tax Jurisdiction as follows:

Pilot Year	Potential Taxes	Abatement Percentage	Total Pilot Payment
Construction Period	0	0	0
1	\$4,434,893	40%	\$2,660,936
2	\$4,499,198	40%	\$2,699,519
3	\$4,564,437	40%	\$2,738,662
4	\$4,630,621	40%	\$2,778,373
5	\$4,697,765	35%	\$3,053,547
6	\$4,765,883	35%	\$3,097,824
7	\$4,834,988	35%	\$3,142,742
8	\$4,905,095	35%	\$3,188,312
9	\$4,976,219	30%	\$3,483,353
10	\$5,048,374	30%	\$3,533,862
11	\$5,121,576	30%	\$3,585,103
12	\$5,195,839	30%	\$3,637,087
13	\$5,271,178	25%	\$3,953,384
14	\$5,347,610	25%	\$4,010,708
15	\$5,425,151	25%	\$4,068,863
16	\$5,503,816	25%	\$4,127,862
17	\$5,583,621	20%	\$4,466,897
18	\$5,664,583	20%	\$4,531,667
19	\$5,746,720	20%	\$4,597,376
20	\$5,830,047	20%	\$4,664,038
21	\$5,914,583	15%	\$5,027,395
22	\$6,000,344	15%	\$5,100,293
23	\$6,087,349	15%	\$5,174,247
24	\$6,175,616	15%	\$5,249,274
25	\$6,265,162	10%	\$5,638,646
26	\$6,356,007	10%	\$5,720,406
27	\$6,448,169	10%	\$5,803,352
28	\$6,541,668	10%	\$5,887,501
29	\$6,636,522	5%	\$6,304,696
30	\$6,732,752	5%	\$6,396,114
<b>Total</b>			<b>\$128,322,038</b>

Each annual Pilot Payment will be allocated to the affected tax jurisdictions pro rata based on their respective tax rates.

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.

In addition, under the Policy, the Agency requires project applicants to obtain the approval of any Proposed Pilot Agreement by each of the affected tax jurisdictions. In the case of the Project, that would require the Company to obtain the approval of approximately eleven governmental entities and school districts. The Project is part of a large, approximately 335 mile transmission line that starts in Clinton County at the Canadian border, travels along the eastern border of New York State and ends in New York City. Requiring the local approval of the Proposed Pilot Agreement would significantly impact the



timetable of the Project, and potentially impact the approvals the Company is seeking in the other New York counties. Accordingly, the Agency is considering whether to deviate from its Policy and not require the Company to obtain the consents of each of the affected tax jurisdictions to the Proposed Pilot Agreement.

In connection with the Project, the Agency is also considering a deviation from its general operating policy with respect to the undertaking of projects. Under such operating policy, the Agency generally defers to local industrial development agencies in Albany County if a project is located within the local industrial development agency's borders. For example, if a proposed project is located in the City of Cohoes, the Agency would not consider granting any "financial assistance" to such project and instead direct the project applicant to apply to the City of Cohoes Industrial Development Agency. In the case of the Project, portions of the Project are located in the Towns of Bethlehem and Guiderland, and such towns have their own industrial development agency. However, given that the Project spans Albany County for over 24 miles and is located in a number of towns and villages, the Agency has preliminarily determined that requiring the Company to divide the Project among three industrial development agencies would cause significant inefficiencies and time delays.

The purpose of this letter is to inform you of such Pilot Request and that the Agency is considering whether to (A) deviate from its Policy regarding the Pilot Request, (B) deviate from its general operating policy with respect to the Agency's consideration of the Project, and (C) 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 plans on scheduling a public hearing (the "Public Hearing") pursuant to Section 859-a of the General Municipal Law to solicit public comments on the Project and the proposed Financial Assistance, including the Proposed Pilot Agreement. The Public Hearing is currently scheduled for November 3, 2021 at 7:00 p.m., local time, at a location to be determined. The Agency will send you a notice of the Public Hearing.

The Agency expects to consider whether to approve the terms of the Proposed Pilot Agreement at its meeting currently scheduled for November 17, 2021 at 5:30 p.m., local time at the offices of the Agency located Room 740 located at 112 State Street in the City of Albany, Albany 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 underground electric power transmission line to be located in the Towns of Guiderland, New Scotland, Bethlehem, and Coeymans, and the Villages of Voorheesville and Ravena, Albany County, New York. The Project may include a converter station to be constructed in the Town of New Scotland.
- 2. The present use of the property:** vacant land along the CSX railway and vacant land in the Town of New Scotland.

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 in the CSX railroad right of way. 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 Pilot payments.

7. **The impact of the Proposed Pilot Agreement on existing and proposed businesses and economic development projects in the vicinity:** Approximately \$254 million of new capital investment in Albany County. Substantial and sustained increase in revenue for involved tax jurisdictions which at a minimum would be approximately \$128 million in new revenue for involved Albany 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:** \$254 million. The Company has estimated that the undertaking of the transmission line portion of the Project will cost approximately \$173 million, and the undertaking of the converter station portion of the Project will cost approximately \$81 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 underground in Albany County along the CSX railroad right of way. Therefore the Project is intended to be minimally invasive, with natural views are preserved, and a minimal, short-term impact on the environment and community during construction.

10. **Project Timing:** The Project is due to start construction in calendar year 2021 and be 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:** Based on the Pilot Payment schedule, the Company is expected to pay approximately \$128 million over a 30-year period on property that was not generating any significant tax revenues.

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 Albany 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 874(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,

/s/Hon. William Clay  
Honorable William Clay  
Chairman

cc: William N. Young, Jr., Esq., Chair, Town of Guilderland IDA (certified mail/return receipt)  
Donald Csaposs, CEO, Town of Guilderland IDA (certified mail/return receipt)  
Victoria Storrs, Chair, Town of Bethlehem IDA (certified mail/return receipt)  
Thomas P. Connolly, Esq., Executive Director, Town of Bethlehem IDA (certified mail/return receipt)

SCHEDULE A

LIST OF AFFECTED TAXING ENTITIES

**Albany County**

Attention: Honorable Daniel P. McCoy,  
Albany County Executive  
112 State Street, Room 1200  
Albany, New York 12207

**Town of New Scotland**

Attention: Douglas LaGrange, Supervisor  
New Scotland Town Hall  
2029 New Scotland Road  
Slingerlands, New York 12159

**Town of Coeymans**

Attention: George D. McHugh, Supervisor  
Coeymans Town Hall  
18 Russell Avenue  
Ravena, New York 12143

**Town of Guilderland**

Attention: Peter G. Barber, Supervisor  
Guilderland Town Hall – 2nd Floor  
5209 Western Turnpike  
P.O. Box 339  
Guilderland, New York 12084

**Town of Bethlehem**

Attention: David VanLuven, Supervisor  
Bethlehem Town Hall  
445 Delaware Avenue  
Delmar, New York 12054

**Village of Voorheesville**

Attention: Richard Straut, Mayor  
Village Hall  
29 Voorheesville Avenue  
Voorheesville, New York 12186

**Village of Ravena**

Attention: Honorable William J. Misuraca, Mayor  
Village Hall  
15 Mountain Road  
Ravena, New York 12143

**Voorheesville Central School District**

Attention: Frank Macri, Superintendent  
Voorheesville Central School District  
432 New Salem Road  
Voorheesville, New York 12186

Attention: Cynthia M. Monaghan, President

Voorheesville Central School District  
432 New Salem Road  
Voorheesville, New York 12186

**Guilderland Central School District**

Attention: Dr. Marie Wiles, Superintendent  
Guilderland Central School District  
8 School Road, P.O. Box 18  
Guilderland Center, New York 12085-0018

Attention: Seema Rivera, President

Guilderland Central School District  
8 School Road, P.O. Box 18  
Guilderland Center, New York 12085-0018

**Bethlehem Central School District**

Attention: Jody Monroe, Superintendent  
Bethlehem Central School District  
700 Delaware Avenue  
Delmar, New York 12054

Attention: Holly Dellenbaugh, President

Bethlehem Central School District  
700 Delaware Avenue  
Delmar, New York 12054

**Ravena-Coeymans-Selkirk Central School District**

Attention: Brian Bailey, Superintendent  
Ravena-Coeymans-Selkirk Central School District  
P.O. Box 100, 15 Mountain Road  
Ravena, New York 12143

Attention: Edward Reville, President

Ravena-Coeymans-Selkirk Central School District  
P.O. Box 100, 15 Mountain Road  
Ravena, New York 12143

**EXHIBIT B**

**SUPPLEMENTAL PILOT DEVIATION NOTICE LETTER**

**- SEE ATTACHED -**

ALBANY COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
112 State Street  
Albany, New York 12207  
Tel: 518-447-7117

December 2, 2021

SEE ATTACHED SCHEDULE A OF  
INDUSTRIAL DEVELOPMENT AGENCIES

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

Dear Ladies and Gentlemen:

This letter is delivered to you as a follow-up to the letter sent to you and dated October 15, 2021 (the "Deviation Letter") and the public hearing held on November 3, 2021 (the "Public Hearing") by the Albany County Industrial Development Agency (the "Agency"), each with respect to the Proposed CHPE LLC Project. Any initial capitalized terms used herein shall have the meaning ascribed to such terms in the Deviation Letter (a copy of which is attached as Schedule B to this letter).

In connection with the sending of the Deviation Letter and the holding of the Public Hearing, the Agency received comments from representatives of the Town of Guilderland Industrial Development Agency and the Town of Bethlehem Industrial Development Agency (collectively, the "Town Agencies").

The comments focused on the Agency undertaking the Project in a local municipality which is served by a local industrial development agency. And, in particular, whether the Agency should consider sharing a portion of its administrative fee with the Town Agencies that the Agency will collect from the Company in connection with undertaking the Project.

The Agency has considered this comment from the Town Agencies and is willing to provide the Town Agencies with a portion of the administrative fee it is collecting with respect to the Project. The manner it will be calculated is described as follows (based on current Project cost estimates):

1. Determine the percentage of the Project located in the Town of Guilderland and the Town of Bethlehem, respectively.
2. Based on the percentage determined in #1 above, multiply that percentage times the total cost of the Project
3. Calculate the administrative fee for the Town Agencies by multiplying the cost of the Project located in the Town of Guilderland and the Town of Bethlehem, respectively, times a local administrative fee of 0.0025%.

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4. Calculation of the administrative fee for the Town Agencies:

	Total Project Mileage	Mileage in the Town	Percentage of Project in the Town	Total Project Cost	Project Cost in the Town
Town of Guilderland	24.24	6.751141	27.85%	\$173,000,000	\$48,180,500
Town of Bethlehem	24.24	6.511854	26.86%	\$173,000,000	\$46,467,800

	Amount of Town Agency Admin Fee
Town of Guilderland	\$120,451.25
Town of Bethlehem	\$116,169.50

The above calculation is an estimate and is provided to illustrate the Agency's proposal to the Town Agencies.

In the Deviation Letter, the Agency indicated that it would respond to comments received regarding the Proposed Project. The above information is the Agency's response.

The Agency now expects to consider whether to approve the terms of the Proposed Pilot Agreement at its meeting currently scheduled for December 15, 2021 at 5:30 p.m., local time at the offices of the Agency located Room 740 located at 112 State Street in the City of Albany, Albany County, New York (the "Meeting"). The Meeting will be conducted via remote access are permitted under New York law.

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 additional written comments that you might have on this proposed deviation from the Agency's Uniform Tax Exemption Policy. 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 (518) \_\_\_\_\_.

Sincerely yours,

/s/Hon. William Clay  
 Honorable William Clay  
 Chairman

SCHEDULE A  
LIST OF INDUSTRIAL DEVELOPMENT AGENCIES

cc:

William N. Young, Jr., Esq., Chair  
Town of Guilderland IDA  
5209 Western Turnpike  
PO Box 339  
Guilderland, NY 112084  
(certified mail/return receipt).

Donald Csaposs, CEO  
Town of Guilderland IDA  
5209 Western Turnpike  
PO Box 339  
Guilderland, NY 112084  
(certified mail/return receipt)

Victoria Storrs, Chair  
Town of Bethlehem IDA  
445 Delaware Avenue  
Delmar, NY 12054  
(certified mail/return receipt)

Thomas P. Connolly, Esq.  
Executive Director  
Town of Bethlehem IDA  
445 Delaware Avenue  
Delmar, NY 12054  
(certified mail/return receipt)

SchA-1

012014.00044 Business 21795473v1

B-4

012014.00044 Business 22062030v2



SCHEDULE B  
ORIGINAL PILOT DEVIATION LETTER  
- SEE ATTACHED -

SchB-1

012014.00044 Business 21795473v1

B-5

012014.00044 Business 22062030v2

**EXHIBIT C**

**SECOND SUPPLEMENTAL  
PILOT DEVIATION NOTICE LETTER**

**- SEE ATTACHED -**

ALBANY COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
112 State Street  
Albany, New York 12207

January 7, 2022

SEE ATTACHED SCHEDULE A OF  
AFFECTED TAXING ENTITIES

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

Dear Ladies and Gentlemen:

This letter is delivered to you pursuant to Section 874(4)(c) of the General Municipal Law and as a follow-up to the letter sent to you and dated October 15, 2021 (the "Original Deviation Letter") by the Albany County Industrial Development Agency (the "Agency"), with respect to the Proposed CHPE LLC Project. Any initial capitalized terms used herein shall have the meaning ascribed to such terms in the Original Deviation Letter (a copy of which is attached as Schedule B to this letter).

The Agency is holding a second public hearing (the "Second Public Hearing") on Tuesday, January 25, 2022 at the Town Hall in the Town of Coeymans, New York with respect to the Project because the Agency has been advised by CHPE LLC (the "Company") that the costs of the Project have increased. A copy of the notice for the Second Public Hearing is attached hereto as Schedule C.

The original estimates submitted by the Company of the cost of the Project equaled \$172,724,749,000. The new estimate submitted by the Company of the cost of the Project is equal to \$228,623,520.

The impact of this increase in the cost of the Project is to increase the amount of payments in lieu of taxes (the "PILOT Payments") payable by the Company with respect to the Project.

Attached as Schedule D is a table describing the total amount of PILOT Payments payable by the Company over the term of the proposed payment in lieu of tax agreement (the "Proposed PILOT Agreement"). We have previously distributed a table showing the allocation of the PILOT Payments among the various taxing jurisdictions. The impact of the increase in the cost of the Project and the increase in the total amount of PILOT Payments is to increase the amount allocable to each taxing jurisdiction.

The Agency now expects to consider whether to approve the terms of the Proposed PILOT Agreement at its meeting currently scheduled for February 9, 2022 at 5:30 p.m., local time at the offices of the Agency located in Room 740 located at 112 State Street in the City of Albany, Albany County, New York (the "Meeting"). The Meeting will be conducted via remote access if permitted under New York law.

The Agency will consider the Proposed PILOT Agreement (and the proposed deviations from the Agency's Uniform Tax Exemption Policy described in the Original Deviation Letter (see attached Schedule B)) at the Meeting. The Agency would welcome any additional written comments that you might have on the Proposed PILOT Agreement and the proposed deviations from the Agency's Uniform Tax Exemption

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Policy. 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 (518) 447-4841.

Sincerely yours,

/s/Hon. William Clay  
Chairman

cc: William N. Young, Jr., Esq., Chair, Town of Guilderland IDA (certified mail/return receipt)  
Donald Csaposs, CEO, Town of Guilderland IDA (certified mail/return receipt)  
Victoria Storrs, Chair, Town of Bethlehem IDA (certified mail/return receipt)  
Catherine M. Hedgeman, Esq., Executive Director, Town of Bethlehem IDA (certified mail/return receipt)

SCHEDULE A

LIST OF AFFECTED TAXING JURISDICTIONS

**Albany County**

Attention: Honorable Daniel P. McCoy,  
Albany County Executive  
112 State Street, Room 1200  
Albany, New York 12207

**Town of New Scotland**

Attention: Douglas LaGrange, Supervisor  
New Scotland Town Hall  
2029 New Scotland Road  
Slingerlands, New York 12159

**Town of Coeymans**

Attention: George D. McHugh, Supervisor  
Coeymans Town Hall  
18 Russell Avenue  
Ravena, New York 12143

**Town of Guilderland**

Attention: Peter G. Barber, Supervisor  
Guilderland Town Hall – 2nd Floor  
5209 Western Turnpike  
P.O. Box 339  
Guilderland, New York 12084

**Town of Bethlehem**

Attention: David VanLuven, Supervisor  
Bethlehem Town Hall  
445 Delaware Avenue  
Delmar, New York 12054

**Village of Voorheesville**

Attention: Richard Straut, Mayor  
Village Hall  
29 Voorheesville Avenue  
Voorheesville, New York 12186

**Village of Ravena**

Attention: Honorable William J. Misuraca, Mayor  
Village Hall  
15 Mountain Road  
Ravena, New York 12143

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Attention: Frank Macri, Superintendent  
Voorheesville Central School District  
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Voorheesville, New York 12186

Attention: Cynthia M. Monaghan, President

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Guilderland Central School District  
8 School Road, P.O. Box 18  
Guilderland Center, New York 12085-0018

Attention: Seema Rivera, President

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8 School Road, P.O. Box 18  
Guilderland Center, New York 12085-0018

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Attention: Jody Monroe, Superintendent  
Bethlehem Central School District  
700 Delaware Avenue  
Delmar, New York 12054

Attention: Holly Dellenbaugh, President

Bethlehem Central School District  
700 Delaware Avenue  
Delmar, New York 12054

**Ravena-Coeymans-Selkirk Central School District**

Attention: Brian Bailey, Superintendent  
Ravena-Coeymans-Selkirk Central School District  
P.O. Box 100, 15 Mountain Road  
Ravena, New York 12143

Attention: Edward Reville, President

Ravena-Coeymans-Selkirk Central School District  
P.O. Box 100, 15 Mountain Road  
Ravena, New York 12143

SchA-1

012014.00044 Business 21967384v2

SCHEDULE B  
ORIGINAL PILOT DEVIATION LETTER

- SEE ATTACHED -

SchB-1

012014.00044 Business 21967384v2

C-5

012014.00044 Business 22062030v2

SCHEDULE C  
NOTICE OF SECOND PUBLIC HEARING  
- SEE ATTACHED -

SchC-1

012014.00044 Business 21967384v2

C-6

012014.00044 Business 22062030v2

NOTICE OF PUBLIC HEARING  
ON PROPOSED PROJECT  
AND FINANCIAL ASSISTANCE  
RELATING THERETO

SUPPLEMENTAL HEARING

Notice is hereby given by the Albany County Industrial Development Agency (the "Agency") that a public hearing (the "Public Hearing") pursuant to Section 859-a of the General Municipal Law of the State of New York will be held by the Agency on the 25<sup>th</sup> day of January, 2022 at 6:00 o'clock p.m., local time, at the Town of Coeymans Town Hall located at 18 Russell Avenue in the Village of Ravena, Town of Coeymans, New York in connection with the following matters:

On November 3, 2021, the Agency conducted a public hearing for the benefit of CHPE LLC, a New York State limited liability company (the "Company"), with respect to a project (the "Project") outlined in an application, as subsequently amended by the Company (the "Application") submitted to the Agency, a copy of which Application is on file at the office of the Agency, said Project currently consisting of the following: (A) (1) the acquisition of an interest or interests in various parcels of land spanning across 24.2 miles of land located in the Towns of Guilderland, New Scotland, Bethlehem, and Coeymans, and the Villages of Voorheesville and Ravena, Albany County, New York (collectively, the "Land"); (2) the acquisition and installation therein and thereon of two five-inch diameter high-voltage direct current ("HVDC") transmission cables (collectively, the "Equipment"), and (3) 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") (the Land, the Equipment and the Improvements 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.

Subsequently, the Agency received additional information from the Company relating to the Project (the "Additional Information"), which describes revised Project costs resulting in the need for the Agency, pursuant to Section 859-a of the Act, to hold a supplemental public hearing with respect to the Project and the amount of the Financial Assistance.

The Agency is considering whether (A) to undertake the Project, and (B) to provide certain exemptions from taxation with respect to the Project, including (1) exemption from mortgage recording taxes with respect to any documents, if any, recorded by the Agency with respect to the Project in the office of the County Clerk of Albany County, New York or elsewhere, (2) exemption from transfer taxes on any real estate transfers, if any, with respect to the Project, (3) exemption from sales taxes relating to the acquisition, construction, equipping and installation of the Project Facility, and (4) in the event that the Project Facility would be subject to real property taxation if owned by the Company but shall be deemed exempt from real property taxation due to the involvement of the Agency therewith, exemption from real property taxes (but not including special assessments and special ad valorem levies), if any, with respect to the Project Facility, subject to the obligation of the Company to make payments in lieu of taxes with respect to the Project Facility. If any portion of the Financial Assistance to be granted by the Agency with respect to the Project is not consistent with the Agency's uniform tax exemption policy, the Agency will follow the procedures for deviation from such policy set forth in Section 874(4) of the Act prior to granting such portion of the Financial Assistance.

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SchC-2

012014.00044 Business 21967384v2

C-7

012014.00044 Business 22062030v2



If the Agency determines to proceed with the Project, the Project Facility will be acquired, constructed, equipped and installed by the Agency and will be leased by the Agency to the Company or its designee pursuant to a lease agreement requiring the Company or its designee to make certain payments to the Agency (the "Lease Agreement") and consistent with a project agreement (the "Project Agreement") regarding the terms of the granting by the Agency of the Financial Assistance to the Company.

The Agency has made a determination pursuant to Article 8 of the Environmental Conservation Law (the "SEQR Act") that the Project constitutes a "Type II" action within the meaning of the SEQR Act.

The Agency will at said time and place hear all persons with views on either the location and nature of the proposed Project, or the Financial Assistance being contemplated by the Agency in connection with the proposed Project. A copy of the Application filed by the Company with the Agency with respect to the Project, including an analysis of the costs and benefits of the Project, is available for public inspection during business hours at the offices of the Agency. A transcript or summary report of the hearing will be made available to the members of the Agency.

Additional information can be obtained from, and written comments may be addressed to: Honorable William M. Clay, Chairman, Albany County Industrial Development Agency, 112 State Street, Albany, New York 12207; Telephone: 518-447-4841.

Dated: January 7, 2022.

ALBANY COUNTY INDUSTRIAL DEVELOPMENT  
AGENCY

BY: s/Hon. William M. Clay  
Chairman

- 2 -

012014.00044 Business 21952617v2

SchC-3

012014.00044 Business 21967384v2

C-8

012014.00044 Business 22062030v2

SCHEDULE D  
TOTAL PILOT PAYMENTS  
BASED ON NEW PROJECT COSTS

- SEE ATTACHED -

012014.00044 Business 21967384v2

SchD-1

012014.00044 Business 22062030v2

C-9

**Exhibit B  
PILOT Schedule**

*(S actuals, unless noted otherwise)*

	Assumptions		
	Submarine	Underground	Total
Length in Albany County (miles)	0.0	24.2	24.2
Est. Avg Cost per Mile <sup>(1)</sup>			\$9,431,368
Est. Cost for Portion of Line in Albany County			\$228,623,520
Avg. Applicable Combined Tax Rate in Albany County <sup>(2)</sup>			2.477%
Potential Initial Year Tax			\$5,658,335
Tax Payment Escalation <sup>(3)</sup>			1.45%

(1) Current TD estimate. Figure to be updated.  
 (2) Based on recent full value property tax rates for all involved tax jurisdictions. Figure is a weighted average and will be updated as tax jurisdiction level mileage is refined.  
 (3) Avg escalation in NY State for FY2016 through FY2020 (per NY State Comptroller).

PILOT Agreement Year <sup>(1)</sup>	PILOT Abatement Schedule		PILOT Payment
	Annual Taxes Otherwise Due <sup>(2)</sup>	Abatement	
Construction Years	\$0		\$0
1	\$5,658,335	40%	\$3,395,001
2	\$5,740,381	40%	\$3,444,229
3	\$5,823,617	40%	\$3,494,170
4	\$5,908,059	40%	\$3,544,835
5	\$5,993,726	35%	\$3,895,922
6	\$6,080,635	35%	\$3,952,413
7	\$6,168,804	35%	\$4,009,723
8	\$6,258,252	35%	\$4,067,864
9	\$6,348,996	30%	\$4,444,298
10	\$6,441,057	30%	\$4,508,740
11	\$6,534,452	30%	\$4,574,117
12	\$6,629,202	30%	\$4,640,441
13	\$6,725,325	25%	\$5,043,994
14	\$6,822,842	25%	\$5,117,132
15	\$6,921,774	25%	\$5,191,330
16	\$7,022,139	25%	\$5,266,605
17	\$7,123,960	20%	\$5,699,168
18	\$7,227,258	20%	\$5,781,806
19	\$7,332,053	20%	\$5,865,642
20	\$7,438,368	20%	\$5,950,694
21	\$7,546,224	15%	\$6,414,391
22	\$7,655,644	15%	\$6,507,298
23	\$7,766,651	15%	\$6,601,654
24	\$7,879,268	15%	\$6,697,378
25	\$7,993,517	10%	\$7,194,165
26	\$8,109,423	10%	\$7,298,481
27	\$8,227,010	10%	\$7,404,309
28	\$8,346,301	10%	\$7,511,671
29	\$8,467,323	5%	\$8,043,957
30	\$8,590,099	5%	\$8,160,594
<b>Total PILOT Payments - 30 Year Term</b>			<b>\$163,721,918</b>

(1) All PILOT payments would be due in the 1st year of commercial operation for the Project (i.e., 2023). Construction currently estimated to take ~4 yrs. During this time, no tax would be due.  
 (2) Does not account for any form of depreciation liability or over time, non-taxable elements of the project, or arguments regarding the usability of project assets.