

**APPROVING RESOLUTION  
CHPE LLC PROJECT**

A special meeting of Albany County Industrial Development Agency (the “Agency”) was convened in public session in Room 740 at 112 State Street in the City of Albany, Albany County, New York on December 15, 2021 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:**

Hon. William M. Clay	Chairman
Michael Paparian	Treasurer
Marlene McTigue	Secretary
Anton Dreslin	Member
Paul M. Engel, Jr.	Member
Travon T. Jackson	Member
Douglas Roether	Member

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

**ABSENT:**

**AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:**

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 \_\_\_\_\_, seconded by \_\_\_\_\_, to wit:

Resolution No. 1221-\_\_\_\_

**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 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 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, 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 “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 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, 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, the Company has submitted 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, 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 the letter dated October 15, 2021 (the “First Pilot Deviation Letter”), a copy of which Pilot Deviation Letter is attached hereto as Exhibit A; 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 the City 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 First 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 1, 2021, the Chairman of the Agency sent a copy of a supplemental letter dated December 1, 2021 (the "Supplemental Pilot Deviation Letter") (the First Pilot Deviation Letter and the Supplemental Pilot Deviation Letter hereinafter collectively referred to as the "Pilot Deviation Letter"), which letter addressed certain issues raised by Affected Tax Jurisdictions with respect to the Project and a copy of which is attached hereto as Exhibit B; and

WHEREAS, through the Pilot Deviation Letter, 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 Letter.

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

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

Section 2. Based upon (A) the findings and determinations in Section 1 above, (B) any comments received at the Public Hearing, (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 Letter. 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 Letter attached hereto as Exhibit A and Exhibit B.

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 Chair (or Vice Chair) of the Agency, the Chair (or Vice

Chair) 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 Chair (or Vice Chair), the execution thereof by the Chair (or Vice Chair) 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:

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

The foregoing Resolution was thereupon declared duly adopted.

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

I, the undersigned (Assistant) 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 December 15, 2021 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the “Open Meetings Law”), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present 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 15<sup>th</sup> day of December, 2021.

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(Assistant) Secretary

(SEAL)

**EXHIBIT A**  
**FIRST 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>			\$128,322,038

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 Guilderland, 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 Guilderland, 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 LETTER**

- SEE ATTACHED –

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

December 1, 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 the 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 several of the affected taxing jurisdictions (as defined in Section 854 of the General Municipal Law).

The comments and the responses by the Agency are described as follows:

1. ***Amount of Pilot Payments to be paid by CHPE LLC, a New York State limited liability company (the "Company") pursuant to the Proposed Pilot Agreement.***

Attached as Schedule C is a table which describes the total estimated amount of Pilot Payments to be paid by the Company. Several affected taxing jurisdictions requested information about the estimated amount of Pilot Payments to be paid to each taxing jurisdiction.

Attached as Schedule D to this letter is a table describing the estimated amount of Pilot Payments to be paid to each taxing jurisdiction. As described in Schedule D, the amount of Pilot Payment payable to a taxing jurisdiction is based on the amount of the Project (i.e., the transmission line) that is located in the taxing jurisdiction.

2. ***The description of the Project contained in the Deviation Letter includes a converter station to be constructed in the Town of New Scotland. Since the mailing of the Deviation Letter there have been questions raised as to whether the Company will undertake the portion of the Project consisting of the construction of the converter station in the Town of New Scotland.***

Attached as Schedule E is an executed letter from the Company requesting the Agency to modify the description of the Project to be considered by the Agency by deleting any reference to the converter station to be constructed in the Town of New Scotland. The Agency will modify the description of the Project at the request of the Company by deleting the converter station.

**3. *The Company should enter into a Host Community Benefit Agreement with any municipality or municipalities that is incurring particular local costs related to the undertaking of the Project.***

The Agency certainly would support the efforts of any municipality in securing a Host Community Benefit Agreement with the Company in connection with the undertaking of the Project.

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 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 as 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 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)  
Thomas P. Connolly, 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 VanLuyen, 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

## SCHEDULE B

ORIGINAL 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 Guilderland, 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 Guilderland, 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  
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**Town of Coeymans**

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Coeymans Town Hall  
18 Russell Avenue  
Ravena, New York 12143

**Town of Guilderland**

Attention: Peter G. Barber, Supervisor  
Guilderland Town Hall – 2nd Floor  
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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**

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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  
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



SCHEDULE C  
TOTAL PILOT PAYMENTS  
- SEE ATTACHED -

### PILOT Schedule – Base Project

(\$ 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>			\$7,125,385
Est. Cost for Portion of Line in Albany County			\$172,724,749
Avg. Applicable Combined Tax Rate in Albany County <sup>(2)</sup>			2.56%
Potential Initial Year Tax			\$4,420,673
Tax Payment Escalation <sup>(3)</sup>			1.45%

(1) Current TDI estimate. Figure to be updated.

(2) Based on recent full value property tax rates for all involved tax jurisdictions. Figure to be updated as tax jurisdiction-level mileage is refined and will be a weighted average

(3) Avg escalation in NY State for FY2016 through FY 2020 (per NY State Comptroller).

Option 1: PILOT Abatement Schedule			
PILOT Agreement Year <sup>(4)</sup>	Potential Annual Taxes Otherwise Due <sup>(5)</sup>	Underground Abatement	PILOT Payment
Construction Years	\$0		\$0
1	\$4,420,673	40%	\$2,652,404
2	\$4,484,773	40%	\$2,690,864
3	\$4,549,802	40%	\$2,729,881
4	\$4,615,774	40%	\$2,769,464
5	\$4,682,703	35%	\$3,043,757
6	\$4,750,602	35%	\$3,087,891
7	\$4,819,486	35%	\$3,132,666
8	\$4,889,368	35%	\$3,178,089
9	\$4,960,264	30%	\$3,472,185
10	\$5,032,188	30%	\$3,522,531
11	\$5,105,154	30%	\$3,573,608
12	\$5,179,179	30%	\$3,625,425
13	\$5,254,277	25%	\$3,940,708
14	\$5,330,464	25%	\$3,997,848
15	\$5,407,756	25%	\$4,055,817
16	\$5,486,169	25%	\$4,114,626
17	\$5,565,718	20%	\$4,452,574
18	\$5,646,421	20%	\$4,517,137
19	\$5,728,294	20%	\$4,582,635
20	\$5,811,354	20%	\$4,649,083
21	\$5,895,619	15%	\$5,011,276
22	\$5,981,105	15%	\$5,083,940
23	\$6,067,831	15%	\$5,157,657
24	\$6,155,815	15%	\$5,232,443
25	\$6,245,074	10%	\$5,620,567
26	\$6,335,628	10%	\$5,702,065
27	\$6,427,494	10%	\$5,784,745
28	\$6,520,693	10%	\$5,868,624
29	\$6,615,243	5%	\$6,284,481
30	\$6,711,164	5%	\$6,375,606
<b>Total PILOT Payments - 30 Year Term</b>			<b>\$127,910,597</b>

Note: Although the total PILOT payments for each option are different on a nominal basis, they are equivalent on an NPV basis

(4) 1st PILOT payment would be due in the 1st year of commercial operation for the Project (i.e., 2025). Construction currently estimated to take ~4 yrs. During this time, no tax would be due.

(5) Does not account for any form of depreciation initially or over time, non-taxable elements of the project, or arguments regarding the taxability of project assets.

SCHEDULE D

PILOT PAYMENTS ALLOCATED AMONG  
TAX JURISDICTIONS

- SEE ATTACHED –

CHAMPLAIN HUDSON POWER EXPRESS - Base Project - PILOT Payment Shares  
 Albany County - PILOT Payment Shares by Jurisdiction - Option 1: Underground Abatement  
 (figures in actual \$)

County	Town	School District	Village/City	Length (miles)	Tax Rates based on 2019 Roll				Share of Payment (%)				Share of Payment (\$)				Total Payment		
					Town	County	School District	Village / City	Combined	Town	County	School District	Village / City	Town	County	School District		Village / City	
Albany	Guilderland	Guilderland CSD		4.793233	0.11%	0.35%	1.76%		2.23%	5.16%	15.69%	79.16%		\$23,515	\$71,547	\$561,070	\$0	\$456,133	
Albany	Guilderland	Voorheesville CSD		1.957888	0.11%	0.35%	1.90%		2.37%	4.85%	14.75%	80.40%		\$9,605	\$29,225	\$159,286	\$0	\$198,117	
Albany	New Scotland	Voorheesville CSD		1.960394	0.17%	0.35%	1.91%		2.43%	7.12%	14.52%	78.36%		\$14,528	\$29,619	\$159,833	\$0	\$203,980	
Albany	New Scotland	Voorheesville CSD			0.17%	0.35%	1.91%		2.43%	7.12%	14.52%	78.36%		\$0	\$0	\$0	\$0	\$0	
Albany	New Scotland	Voorheesville CSD			0.17%	0.35%	1.91%		2.43%	7.12%	14.52%	78.36%		\$0	\$0	\$0	\$0	\$0	
Albany	New Scotland	Voorheesville CSD	Voorheesville	1.781245	0.17%	0.35%	2.17%	0.62%	3.06%	6.43%	13.10%	80.47%	20.39%	\$13,201	\$26,912	\$145,227	\$47,481	\$232,820	
Albany	New Scotland	Bethlehem CSD		2.139179	0.17%	0.35%	1.89%		2.70%	6.43%	13.10%	80.47%		\$15,853	\$32,320	\$198,504	\$0	\$246,677	
Albany	New Scotland	Ravena-Coymans-Spek CSD		0.485552	0.17%	0.35%	1.89%		2.42%	7.18%	14.63%	78.19%		\$3,397	\$7,333	\$39,190	\$0	\$50,120	
Albany	Bethlehem	Ravena-Coymans-Spek CSD		6.511894	0.25%	0.35%	1.89%		2.49%	10.06%	14.13%	74.95%		\$69,758	\$98,009	\$525,820	\$0	\$693,587	
Albany	Coeysmans	Ravena-Coymans-Spek CSD	Ravena	3.805336	0.28%	0.35%	1.89%		2.52%	10.09%	14.05%	74.95%		\$42,704	\$54,583	\$291,135	\$0	\$388,422	
Albany	Coeysmans	Ravena-Coymans-Spek CSD		1.065118	0.28%	0.35%	1.89%	1.72%	4.24%	6.53%	8.34%	44.50%	40.62%	\$11,917	\$15,232	\$81,243	\$74,157	\$182,548	
				24.20735														\$2,652,404	
Total Est. Project Cost in County															\$172,724,749				
Total Project Length (miles) in County															24.24				
Est. Avg. Cost per Mile															\$7,125,385				
PILOT Payment Year 1 Abatement (Underground & Converter)															400%				
PILOT Payment Year 1 Abatement (Land)															100%				

Notes:  
 1) All town and county tax rates based on 2019 assessment roll. All school district tax rates based on 2020 assessment roll. Village tax rates estimated based on 2019 assessment roll.  
 2) All tax rates equalized to full value.  
 3) Special district taxes not included and, to the extent applicable, would be owed in addition to PILOT payments.  
 4) Length of project assets based on mileage provided by JTC Companies, GIS Developer/Analyst on 9-16-20.  
 5) All figures are estimates and subject to change. All figures are based on the Company's June 30, 2021 PILOT proposal.  
 6) Year 1 abatement based on the Company's June 30, 2021 PILOT proposal.

Anticipated PILOT Payment Year 1				Payment Shares	
				Underground	Land
		%	Convert	%	
Albany County	\$364,779	13.8%	\$0		
Town of Guilderland	\$33,121	1.2%	\$0		
Town of New Scotland	\$40,179	1.8%			
Town of Bethlehem	\$89,758	2.6%			
Town of Coeymans	\$47,481	2.4%			
Town of Voorheesville	\$47,481	1.8%			
Village of Ravena	\$74,157	2.8%			
Guilderland CSD	\$361,070	13.6%			
Voorheesville CSD	\$464,347	17.5%	\$0		
Bethlehem CSD	\$198,504	7.5%			
Ravena-Coymans-Spek CSD	\$97,388	35.3%			
Total - PILOT Payment Year 1				\$2,652,404	\$0

CHAMPLAIN HUDSON POWER EXPRESS - Base Project  
 Albany County - PILOT Payments by Jurisdiction - Option 1: Underground Abatement  
*(all figures in nominal \$)*

Pilot Agmt Yr	Albany County	Town of Guilderland	Town of New Scotland	Town of Bethlehem	Town of Coeymans	Affected Jurisdictions				Total		
						Village of Voorheesville	Village of Ravena	Guilderland CSD	Voorheesville CSD			
Initial Yr of Ops	PILOT Payments by Jurisdiction										Total	
2	\$364,779	\$33,121	\$47,179	\$69,758	\$54,621	\$47,481	\$74,157	\$361,070	\$464,347	\$198,504	\$937,388	\$2,652,404
3	\$370,068	\$33,601	\$47,863	\$70,770	\$55,413	\$48,169	\$75,332	\$366,305	\$471,080	\$201,382	\$950,980	\$2,690,864
4	\$375,434	\$34,088	\$48,557	\$71,796	\$56,217	\$48,867	\$76,323	\$371,617	\$477,910	\$204,302	\$964,769	\$2,729,881
5	\$380,878	\$34,583	\$49,261	\$72,837	\$57,032	\$49,576	\$77,430	\$377,005	\$484,840	\$207,265	\$978,759	\$2,769,464
6	\$418,601	\$38,008	\$54,140	\$80,051	\$62,680	\$54,486	\$85,098	\$414,344	\$532,859	\$227,792	\$1,075,696	\$3,043,757
7	\$424,671	\$38,559	\$54,925	\$81,212	\$63,589	\$55,276	\$86,332	\$420,352	\$540,586	\$231,095	\$1,091,294	\$3,087,891
8	\$430,828	\$39,118	\$55,721	\$82,389	\$64,511	\$56,078	\$87,584	\$426,447	\$548,424	\$234,446	\$1,107,118	\$3,132,666
9	\$437,075	\$39,685	\$56,529	\$83,584	\$65,447	\$56,891	\$88,854	\$432,631	\$556,376	\$237,846	\$1,123,171	\$3,178,089
10	\$477,522	\$43,357	\$61,760	\$91,319	\$71,503	\$62,155	\$97,077	\$472,666	\$607,863	\$259,856	\$1,227,108	\$3,472,185
11	\$484,446	\$43,986	\$62,656	\$92,643	\$72,540	\$63,057	\$98,484	\$479,519	\$616,677	\$263,624	\$1,244,901	\$3,522,531
12	\$491,470	\$44,624	\$63,564	\$93,986	\$73,592	\$63,971	\$99,912	\$486,472	\$625,618	\$267,446	\$1,262,952	\$3,573,608
13	\$498,596	\$45,271	\$64,486	\$95,349	\$74,659	\$64,899	\$101,361	\$493,526	\$634,690	\$271,324	\$1,281,264	\$3,625,425
14	\$541,956	\$49,208	\$70,094	\$103,641	\$81,151	\$70,542	\$110,176	\$536,445	\$689,885	\$294,920	\$1,392,689	\$3,940,708
15	\$549,815	\$49,921	\$71,111	\$105,144	\$82,328	\$71,565	\$111,773	\$544,224	\$699,889	\$299,196	\$1,412,883	\$3,997,848
16	\$557,787	\$50,645	\$72,142	\$106,668	\$83,522	\$72,603	\$113,394	\$552,115	\$710,037	\$303,534	\$1,454,153	\$4,055,817
17	\$565,875	\$51,380	\$73,188	\$108,215	\$84,733	\$73,656	\$115,038	\$560,121	\$720,332	\$307,936	\$1,474,370	\$4,114,626
18	\$612,352	\$55,600	\$79,199	\$117,103	\$91,692	\$79,705	\$124,487	\$606,125	\$779,496	\$339,227	\$1,573,588	\$4,452,574
19	\$621,231	\$56,406	\$80,347	\$118,801	\$93,022	\$80,861	\$126,292	\$614,914	\$790,798	\$338,059	\$1,596,405	\$4,517,137
20	\$630,239	\$57,224	\$81,512	\$120,524	\$94,371	\$82,034	\$128,123	\$623,830	\$802,265	\$342,961	\$1,619,553	\$4,582,635
21	\$639,378	\$58,054	\$82,694	\$122,271	\$95,739	\$83,223	\$129,981	\$632,876	\$813,898	\$347,934	\$1,643,036	\$4,649,083
22	\$689,189	\$62,576	\$89,137	\$131,797	\$103,198	\$89,707	\$140,107	\$682,181	\$877,306	\$375,040	\$1,771,039	\$5,011,276
23	\$699,182	\$63,484	\$90,429	\$133,708	\$104,694	\$91,007	\$142,139	\$692,073	\$890,027	\$380,478	\$1,796,719	\$5,083,940
24	\$709,321	\$64,404	\$91,740	\$135,647	\$106,212	\$92,327	\$144,200	\$702,108	\$902,932	\$385,995	\$1,822,772	\$5,157,657
25	\$719,606	\$65,338	\$93,070	\$137,614	\$107,752	\$93,666	\$146,291	\$712,288	\$916,024	\$391,592	\$1,849,202	\$5,232,443
26	\$772,984	\$70,185	\$99,974	\$149,821	\$117,423	\$107,613	\$157,142	\$765,123	\$983,972	\$420,639	\$1,986,369	\$5,620,065
27	\$784,192	\$71,202	\$101,424	\$149,865	\$117,423	\$107,613	\$157,142	\$765,123	\$983,972	\$420,639	\$1,986,369	\$5,620,065
28	\$795,563	\$72,235	\$102,894	\$152,139	\$119,126	\$103,552	\$161,732	\$787,473	\$1,012,714	\$432,926	\$2,044,391	\$5,784,745
29	\$807,098	\$73,282	\$104,386	\$154,345	\$120,853	\$105,054	\$164,077	\$798,891	\$1,027,398	\$439,203	\$2,074,035	\$5,868,624
30	\$864,290	\$78,475	\$111,783	\$165,282	\$129,417	\$112,498	\$175,704	\$865,501	\$1,100,201	\$470,326	\$2,221,003	\$6,284,481
PILOT Payments	\$17,591,248	\$1,597,231	\$2,275,171	\$3,364,057	\$2,634,074	\$2,289,721	\$3,576,171	\$17,412,368	\$22,392,837	\$9,572,732	\$45,204,986	\$127,910,597
Total												

SCHEDULE E

COMPANY LETTER REGARDING NEW SCOTLAND CONVERTER STATION

- SEE ATTACHED -



November 10, 2021

Hon. William M. Clay  
Chairman  
Albany County Industrial Development Agency  
112 State Street, Room 740  
Albany, New York 12207

**Re: Albany County IDA – Champlain Hudson Power Express Project**

Dear Chairman,

CHPE LLC (the “Company”) has decided to scale back its request for assistance to the original ‘base’ project (for which the Company, in its original Application, sought assistance from the IDA). The original Application was amended in April of 2021, to include reference to the potential for the addition of a New Scotland converter station, an alternative required by a solicitation from the New York State Energy Research and Development Authority (“NYSERDA”) to promote upstate renewable energy projects’ provision of power to the New York City market. As you know, NYSERDA did not ultimately select the proposal that contained the New Scotland converter station and the Company was clear that it would not proceed with adding a converter station in New Scotland without this award. By way of this letter, the Company seeks to further amend its Application to delete references to the New Scotland improvements as part of the requested assistance, effectively dropping the modifications made in the April 2021 amendment.

Very truly yours,

Todd Singer  
EVP & CFO

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Transmission Developers, Inc. | 600 Broadway, Albany, NY 12207 | Phone: 518-465-0710 | [www.transmissiondevelopers.com](http://www.transmissiondevelopers.com)