
COUNTY OF SARATOGA INDUSTRIAL DEVELOPMENT AGENCY

AND

CHPE LLC

UNIFORM AGENCY PROJECT AGREEMENT

DATED AS OF OCTOBER 12, 2022

RELATING TO FINANCIAL ASSISTANCE GRANTED BY THE AGENCY WITH RESPECT TO A CERTAIN ELECTRIC TRANSMISSION LINE PROJECT LOCATED IN THE TOWNS OF MOREAU, NORTHUMBERLAND, WILTON, GREENFIELD, MILTON, BALLSTON AND CLIFTON PARK AND IN THE CITY OF SARATOGA SPRINGS, SARATOGA COUNTY, NEW YORK.

UNIFORM AGENCY PROJECT AGREEMENT

THIS UNIFORM AGENCY PROJECT AGREEMENT dated as of October 12, 2022 (this “Uniform Agency Project Agreement”) by and between COUNTY OF SARATOGA INDUSTRIAL DEVELOPMENT AGENCY, a public benefit corporation organized and existing under the laws of the State of New York having an office for the transaction of business located at Saratoga County Municipal Center, Ballston Spa, New York 12020 (the “Agency”) and CHPE LLC, a limited liability company organized and existing under the laws of the State of New York and having an address of 600 Broadway, Albany, New York 12207 (the “Company”);

WITNESSETH:

WHEREAS, Title 1 of Article 18-A of the General Municipal Law of the State of New York, Chapter 24 of the Consolidated Laws of New York (the “Enabling Act”) was duly enacted into law as Chapter 1030 of the Laws of 1969 of the State of New York, as amended; and

WHEREAS, the Enabling Act authorizes and provides for the creation of industrial development agencies for the benefit of the several counties, cities, villages and towns in the State of New York (the “State”) and empowers such agencies, among other things, to acquire, construct, reconstruct, lease, improve, maintain, equip and dispose of land and any building or other improvement, and all real and personal properties, including, but not limited to, machinery and equipment deemed necessary in connection therewith, whether or not now in existence or under construction, which shall be suitable for manufacturing, warehousing, research, commercial or industrial purposes, in order to advance the job opportunities, health, general prosperity and economic welfare of the people of the State and to improve their standard of living; and

WHEREAS, the Enabling Act further authorizes each such agency, for the purpose of carrying out any of its corporate purposes, to lease or sell any or all of its facilities, whether then owned or thereafter acquired; and

WHEREAS, the Agency was created, pursuant to and in accordance with the provisions of the Enabling Act, by Chapter 855 of the 1971 Laws of the State of New York, as amended, constituting Section 890-h of said General Municipal Law (collectively, with the Enabling Act, the “Act”) and is empowered under the Act to undertake the Project (as hereinafter defined) in order to so advance the job opportunities, health, general prosperity and economic welfare of the people of the State and improve their standard of living; and

WHEREAS, the Company has requested that the Agency undertake a project (the “Project”) consisting of (A) (1) the acquisition of an interest in certain parcels of land located in the Towns of Moreau, Northumberland, Wilton, Greenfield, Milton, Ballston and Clifton Park and in the City of Saratoga Springs, County of Saratoga, State of New York (collectively, the “Land”), (2) the acquisition of two five-inch diameter high-voltage direct current (“HVDC”) transmission cables (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 (the “Improvements”, and together with the Land and Equipment, the “Project Facility”) primarily in a rail right of way owned by Canadian Pacific Railway as well as in state and municipally-owned roads and streets, all of the foregoing for use by the Company as a portion of an electric transmission line from the U.S.-Canada border to New York City, (B) the lease 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 (C) the providing by the Agency of

certain “Financial Assistance” (as defined in the Act) in the form of exemptions from real property taxes, mortgage recording tax and state and local sales tax; and

WHEREAS, pursuant to the authorization contained in a resolution adopted by the members of the Agency on March 26, 2021 (the “Public Hearing Resolution”), the Agency (A) (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 April 12, 2021 to the chief executive officers of the county and of each city, town, village and school district in which the Project Facility is to be located (collectively, the “Affected Jurisdictions”), (B) caused notice of the Public Hearing to be published on April 14, 2021 in The Saratogian, on April 15, 2021 in The Daily Gazette and on April 15, 2021 in the Post-Star, each a newspaper of general circulation available to the residents of the Affected Jurisdictions, and (C) conducted the Public Hearing telephonically in accordance with the Governor’s Executive Order # 220.1 on April 29, 2021 at 8:35 o’clock a.m.; and

WHEREAS, pursuant to the authorization contained in a resolution adopted by the members of the Agency on July 12, 2022 (the “Supplemental Public Hearing Resolution”), the Agency (A) caused notice of a public hearing of the Agency (the “Supplemental Public Hearing”) pursuant to Section 859-a of the Act, to hear all persons interested in the Project and the financial assistance being contemplated by the Agency with respect to the Project, to be mailed on July 19, 2022 to the chief executive officers of the Affected Tax Jurisdictions, (B) caused notice of the Supplemental Public Hearing to be published on July 20, 2022 in The Saratogian, on July 20, 2022 in The Daily Gazette and on July 20, 2022 in The Post-Star, each a newspaper of general circulation available to the residents of the Affected Jurisdictions, and (C) conducted the Supplemental Public Hearing at the Saratoga County Board of Supervisors Meeting Room, 40 McMaster Street in Ballston Spa, New York on August 16, 2022 at 8:00 o’clock a.m.; and

WHEREAS, by further resolution adopted by the members of the Agency on August 16, 2022 (the “Approving Resolution”), the Agency determined to grant the Financial Assistance and to enter into a lease agreement of even date herewith (the “Lease Agreement”) between the Agency and the Company and certain other documents related thereto and to the Project (collectively with the Lease Agreement, the “Basic Documents”); and

WHEREAS, pursuant to the terms of the Lease Agreement, (A) the Company will agree (1) to cause the Project to be undertaken and completed, and (2) as agent of the Agency, to undertake and complete the Project and (B) the Agency has leased the Project Facility to the Company for a lease term ending on the earlier to occur of (1) December 31 of the calendar year in which the last HCBA Payment (as defined in the Lease Agreement) pursuant to the Host Community Benefit Agreement (as defined in the Lease Agreement) is due or (2) the date on which the Lease Agreement is terminated pursuant to the optional termination provisions thereof; and

WHEREAS, the Lease Agreement grants to the Company certain options to acquire the Project Facility from the Agency; and

WHEREAS, simultaneously with the execution and delivery of the Lease Agreement (the “Closing”), (A) the Company will execute and deliver to the Agency a certain underlying lease of even date herewith (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 Project Facility; (B) (C) the Agency will file with the assessor and mail to the chief executive officer of each “affected tax jurisdiction” (within the meaning of such quoted term in Section 854(16) of the Act) a copy of a New York State Board of Real Property Services Form 412-a (the form required to be filed by the Agency in order for the Agency to obtain a real property tax exemption with respect to the Project Facility under Section 412-a of

the Real Property Tax Law) (the “Real Property Tax Exemption Form”) relating to the Project Facility, (D) the Agency has executed, or will execute, and deliver to the Company 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 and (E) the Agency has filed or will file with the New York State Department of Taxation and Finance the form entitled “IDA Appointment of Project Operator or Agent 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

WHEREAS, the Company desires to receive certain Financial Assistance from the Agency with respect to the Project, and accordingly is willing to enter into this Uniform Agency Project Agreement in order to secure such Financial Assistance from the Agency: and

WHEREAS, all things necessary to constitute this Uniform Agency Project Agreement a valid and binding agreement by and between the parties hereto in accordance with the terms hereof have been done and performed, and the creation, execution and delivery of this Uniform Agency Project Agreement have in all respects been duly authorized by the Agency and the Company;

NOW, THEREFORE, FOR AND IN CONSIDERATION OF THE PREMISES AND THE MUTUAL COVENANTS HEREINAFTER CONTAINED, THE PARTIES HERETO HEREBY FORMALLY COVENANT, AGREE AND BIND THEMSELVES AS FOLLOWS TO WIT:

ARTICLE I

DEFINITIONS

SECTION 1.01. DEFINITIONS. All capitalized terms used herein and not otherwise defined herein shall have the same meanings as set forth in the Lease Agreement. The following words and terms used in this Uniform Agency Project Agreement shall have the respective meanings set forth below unless the context or use indicates another or different meaning or intent.

“Affected Tax Jurisdiction” shall have the meaning ascribed to such term in Section 854(16) of the Act.

“AER” is the Company’s Annual Status Report described in Section 3.02 (A) hereof.

“Application” means the application, as amended from time to time, submitted by the Company to the Agency with respect to the Project, a copy of which is attached as Schedule A, in which the Company (A) described the Project, (B) requested that the Agency grant certain Financial Assistance with respect to the Project, and (C) indicated the Public Benefits that would result from approval of the Project by the Agency.

“Authorized Representative” means the person or persons at the time designated to act on behalf of the Agency or the Company, as the case may be, by written certificate furnished to the Company and the Agency and signed on behalf of (A) the Agency by an officer thereof and (B) on behalf of the Company by an officer, member or manager thereof.

“Basic Documents” shall have the meaning set forth in the Lease Agreement, and includes this Uniform Agency Project Agreement.

“Commercial Operation Date” means the date on which the Company has completed construction and operational testing of the Project Facility and has established that the Project Facility is capable of continuous electrical transmission at its maximum capacity and has undergone line loss testing, as evidenced by the date stated in the Company’s notice to the New York Independent System Operator that the Project Facility has become or will become commercially operational.

“Completion Date” means the date which is certified by an Authorized Representative of the Company as the date of completion of the construction of the Improvements and the installation of the Equipment pursuant to this Lease Agreement.

“Equipment” shall have the meaning assigned to such term in the Whereas Clauses of this Uniform Agency Project Agreement.

“Host Community Benefit Agreement” means that certain host community benefit agreement dated as of August 16, 2022 by and between the Company and Saratoga County, New York, as said host community benefit agreement may be amended from time to time.

“Improvements” shall have the meaning assigned to such term in the Whereas Clauses of this Uniform Agency Project Agreement.

“Financial Assistance” means exemptions from certain sales and use taxes, mortgage recording tax and real property taxes as more particularly described in the Basic Documents.

“Land” shall have the meaning assigned to such term in the Whereas Clauses of this Uniform Agency Project Agreement and as more particularly described in the Lease Agreement.

“Lease Agreement” means the lease agreement of even date herewith by and between the Agency, as landlord, and the Company, as tenant, pursuant to which, among other things, the Agency has leased the Project Facility to the Company, as said lease agreement may be amended or supplemented from time to time.

“Project” shall have the meaning assigned to such term in the Whereas Clauses of this Uniform Agency Project Agreement.

“Project Facility” shall have the meaning assigned to such term in the Whereas Clauses of this Uniform Agency Project Agreement.

SECTION 1.2. INTERPRETATION. In this Uniform Agency Project Agreement, unless the context otherwise requires:

(A) the terms “hereby”, “hereof”, “herein”, “hereunder” and any similar terms as used in this Uniform Agency Project Agreement, refer to this Uniform Agency Project Agreement, and the term “heretofore” shall mean before, and the term “hereafter” shall mean after, the date of this Uniform Agency Project Agreement;

(B) words of masculine gender shall mean and include correlative words of feminine and neuter genders;

(C) words importing the singular number shall mean and include the plural number, and vice versa;

(D) any headings preceding the texts of the several Articles and Sections of this Uniform Agency Project Agreement, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall neither constitute a part of this Uniform Agency Project Agreement nor affect its meaning, construction or effect; and

(E) any certificates, letters or opinions required to be given pursuant to this Uniform Agency Project Agreement shall mean a signed document attesting to or acknowledging the circumstances, representations, opinions of law or other matters therein stated or set forth or setting forth matters to be determined pursuant to this Uniform Agency Project Agreement.

ARTICLE II

REPRESENTATIONS AND WARRANTIES

SECTION 2.01. REPRESENTATIONS OF AND WARRANTIES BY THE AGENCY. The Agency does hereby represent, warrant and covenant as follows:

(A) Power. The Agency is a public benefit corporation of the State, has been duly established under the provisions of the Act, is validly existing under the provisions of the Act and has the power under the laws of the State of New York to enter into this Uniform Agency Project Agreement and to carry out the transactions contemplated hereby and to perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Uniform Agency Project Agreement.

(B) Authorization. The Agency is authorized and has the corporate power under the Act, its by-laws and the laws of the State to enter into this Uniform Agency Project Agreement and the transactions contemplated hereby and to perform and carry out all the covenants and obligations on its part to be performed under and pursuant to this Uniform Agency Project Agreement. By proper corporate action on the part of its members, the Agency has duly authorized the execution, delivery and performance of this Uniform Agency Project Agreement and the consummation of the transactions herein contemplated.

(C) Conflicts. The Agency is not prohibited from entering into this Uniform Agency Project Agreement and discharging and performing all covenants and obligations on its part to be performed under and pursuant to this Uniform Agency Project Agreement by the terms, conditions or provisions of any order, judgment, decree, law, ordinance, rule or regulation of any court or other agency or authority of government, or any agreement or instrument to which the Agency is a party or by which the Agency is bound.

SECTION 2.02. REPRESENTATIONS OF AND WARRANTIES BY THE COMPANY. The Company does hereby represent, warrant and covenant as follows:

(A) Power. The Company is a limited liability company duly organized and validly existing under the laws of the State of New York and has the power under the laws of the State of New York to enter into this Uniform Agency Project Agreement and to perform and carry out the transactions contemplated hereby and to perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Uniform Agency Project Agreement.

(B) Authorization. The Company is authorized and has the power under its articles of organization, operating agreement and the laws of the State of New York to enter into this Uniform Agency Project Agreement and the transactions contemplated hereby and to perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Uniform Agency Project Agreement. By proper member action, the Company has duly authorized the execution, delivery and performance of this Uniform Agency Project Agreement and the consummation of the transactions herein contemplated.

(C) Conflicts. The Company is not prohibited from entering into this Uniform Agency Project Agreement and discharging and performing all covenants and obligations on its part to be performed under and pursuant to this Uniform Agency Project Agreement by (and the execution, delivery and performance of this Uniform Agency Project Agreement, the consummation of the transactions contemplated hereby and the fulfillment of and compliance with the provisions of this Uniform Agency Project Agreement will not conflict with or violate or constitute a breach of or a default under) the terms,

conditions or provisions of its articles of organization, operating agreement or any other restriction, law, rule, regulation or order of any court or other agency or authority of government, or any contractual limitation, restriction or outstanding indenture, deed of trust, mortgage, loan agreement, other evidence of indebtedness or any other agreement or instrument to which the Company is a party or by which it or any of its property is bound, and neither the Company's entering into this Uniform Agency Project Agreement nor the Company's discharging and performing all covenants and obligations on its part to be performed under and pursuant to this Uniform Agency Project Agreement will be in conflict with or result in a breach of or constitute (with due notice and/or lapse of time) a default under any of the foregoing, or result in the creation or imposition of any lien of any nature upon any of the property of the Company under the terms of any of the foregoing, and this Uniform Agency Project Agreement is the legal, valid and binding obligation of the Company enforceable in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium and other laws relating to or affecting creditors' rights generally and by general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law).

(D) Governmental Consent. No consent, approval or authorization (which has not been heretofore obtained or which is not likely to be obtained in the ordinary course of business after the Closing Date) of, or filing, registration or qualification with, any governmental or public authority on the part of the Company is required as a condition to the execution, delivery or performance of this Uniform Agency Project Agreement by the Company or as a condition to the validity of this Uniform Agency Project Agreement.

ARTICLE III

COVENANTS AND AGREEMENTS

SECTION 3.01. FINANCIAL ASSISTANCE. (A) Financial Assistance. In the Application, the Company certified to the Agency employment information with respect to the Project Facility, and the operations of the Company. In reliance on the certifications provided by the Company in the Application, the Agency agrees to provide the Company with the following Financial Assistance related to the Project:

- | | |
|--|--------------------|
| (1) sales and use tax exemptions: | Up to \$21,726,436 |
| (2) a real property tax exemption (estimated): | \$36,471,683 |
| (3) a mortgage recording tax exemption: | Up to \$2,327,832 |

(B) Description of Project and Public Purpose of Granting Financial Assistance to the Project. In the Application and in the discussions had between the Company and the Agency with respect to the Company's request for Financial Assistance from the Agency with respect to the Project, the Company has represented to the Agency as follows:

(1) That the Project is described as follows: (A) (1) the acquisition of an interest in certain parcels of land located in the Towns of Moreau, Northumberland, Wilton, Greenfield, Milton, Ballston and Clifton Park and in the City of Saratoga Springs, County of Saratoga, State of New York (collectively, the "Land"), (2) the acquisition of two five-inch diameter high-voltage direct current ("HVDC") transmission cables (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 (the "Improvements", and together with the Land and Equipment, the "Project Facility") primarily in a rail right of way owned by Canadian Pacific Railway as well as in state and municipally-owned roads and streets, all of the foregoing for use by the Company as a portion of an electric transmission line from the U.S.-Canada border to New York City, (B) the lease 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 (C) the providing by the Agency of certain "Financial Assistance" (as defined in the Act) in the form of exemptions from real property taxes, mortgage recording tax and state and local sales tax.

(2) That the Project will furnish the following benefits to the residents of New York (the "Public Benefits"): the providing of electric power in the metropolitan New York City area, consistent with New York State's Green Energy Initiative.

(C) Contingent Nature of the Financial Assistance. Notwithstanding the provisions of Section 3.01(A) of this Uniform Agency Project Agreement, the Agency and the Company agree that the amount of Financial Assistance to be received by the Company with respect to the Project shall be contingent upon, and shall bear a direct relationship to, the success or lack of success of the Project in delivering the promised Public Benefits.

SECTION 3.02. COMPANY AGREEMENTS. The Agency and the Company agree and acknowledge that the Company has not agreed to maintain or create any permanent employees in connection with the undertaking of the Project. In the event that the Company does create any permanent employees in Saratoga County in connection with undertaking the Project, the Company agrees to comply with the following:

(A) Filing – Annual. To file with the Agency, by January 10th of each year this Uniform Agency Project Agreement is in effect, the AER in the form provided by the Agency detailing the number of full and part time positions for the most recently concluded calendar year. Failure to report within thirty (30) days of such date shall constitute an Event of Default hereunder without the necessity of a notice from the Agency.

(B) Employment Listing. To list new employment opportunities created as a result of the Project with the following entities (hereinafter, the “JTPA Entities”): (1) the New York State Department of Labor Community Services Division and (2) the administrative entity of the service delivery area created by the Federal Job Training Partnership Act (P.L. No. 97-300) in which the Project Facility is located (while currently cited in Section 858-b of the Act, the Federal Job Training Partnership Act was repealed effective August 1, 2000, and has been supplanted by the Workplace Investment Act of 1998 (P.L. No. 105-220)).

(C) Employment Consideration. Except as otherwise provided by collective bargaining agreement, the Company agrees, where practicable, to first consider for such new employment opportunities persons eligible to participate in federal job training partnership programs who may be referred by the JTPA Entities.

ARTICLE IV

EVENTS OF DEFAULT AND REMEDIES

SECTION 4.01. EVENTS OF DEFAULT DEFINED. (A) The following shall be “Events of Default” under this Uniform Agency Project Agreement, and the terms “Event of Default” or “default” shall mean, whenever they are used in this Uniform Agency Project Agreement, any one or more of the following events:

(1) A default in the performance or observance of any of the covenants, conditions or agreements on the part of the Company in this Uniform Agency Project Agreement and the continuance thereof for a period of sixty (60) days after written notice thereof is given by the Agency to the Company, provided that, if such default is capable of cure but cannot be cured within such sixty (60) day period, the failure of the Company to commence to cure within such sixty (60) day period and to prosecute the same with due diligence.

(2) The occurrence of an “Event of Default” under any other Basic Document after giving effect to any applicable grace or cure periods.

(3) Any material representation or warranty made by the Company herein or in any other Basic Document proves to have been false at the time it was made.

SECTION 4.02. REMEDIES ON DEFAULT. (A) Whenever any Event of Default hereunder shall have occurred, the Agency may, to the extent permitted by law, take any one or more of the following remedial steps:

(1) declare, by written notice to the Company, to be immediately due and payable, whereupon the same shall become immediately due and payable, (a) all amounts payable pursuant to Section 5.4 of the Lease Agreement, and (b) all other payments due under this Uniform Agency Project Agreement or any of the other Basic Documents; or

(2) terminate the Lease Agreement and convey to the Company all the Agency’s right, title and interest in and to the Project Facility (The conveyance of the Agency’s right, title and interest in and to the Project Facility shall be effected by the delivery by the Agency of the Termination of Underlying Lease . The Company hereby agrees to pay all expenses and taxes, if any, applicable to or arising from any such termination); or

(3) take any other action at law or in equity which may appear necessary or desirable to collect any amounts then due or thereafter to become due hereunder and to enforce the obligations, agreements or covenants of the Company under this Uniform Agency Project Agreement.

(B) No action taken pursuant to this Section 4.02 shall relieve the Company from its obligations to make any due and owing payments required by this Uniform Agency Project Agreement and the other Basic Documents.

(C) No Acceleration: Upon the occurrence and during the continuation of an Event of Default hereunder, the Agency shall not have the right to accelerate any payment under the Basic Documents not yet due and payable as of the date of such exercise of remedies.

(D) Right to Cure: Prior to the exercise of any remedy by the Agency hereunder following an Event of Default, the Company and any Lender (as defined in the Lease Agreement) shall have an absolute right to cure such Event of Default during the time period allowed for curing same. If the Company at any time during the Term (as defined below) prior to the occurrence of an Event of Default provides a written request to the Agency that notices hereunder be provided to a Lender, any such Lender shall be afforded an additional sixty (60) days (beyond the time period allowed for the Company to cure) within which to cure an Event of Default on behalf of the Company.

ARTICLE V

MISCELLANEOUS

SECTION 5.01. TERM. This Uniform Agency Project Agreement shall become effective and the obligations of the Company shall arise absolutely and unconditionally upon the execution and delivery of this Uniform Agency Project Agreement by the Company and the Agency. Unless otherwise provided by amendment hereof, this Uniform Agency Project Agreement shall continue to remain in effect until the termination of the Lease Agreement.

SECTION 5.02. FORM OF PAYMENTS. The amounts payable under this Uniform Agency Project Agreement shall be payable in such coin and currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts.

SECTION 5.03. COMPANY ACTS. Where the Company is required to do or accomplish any act or thing hereunder, the Company may cause the same to be done or accomplished with the same force and effect as if done or accomplished by the Company.

SECTION 5.04. AMENDMENTS. This Uniform Agency Project Agreement may not be effectively amended, changed, modified, altered or terminated except by an instrument in writing executed by the parties hereto.

SECTION 5.05. NOTICES. (A) General. All notices, certificates or other communications hereunder shall be in writing and may be personally served, telecopied or sent by courier service or United States mail and shall be sufficiently given and shall be deemed given when (1) delivered in person or by courier to the applicable address stated below, (2) when received by telecopy or (3) three business days after deposit in the United States, by United States mail (registered or certified mail, postage prepaid, return receipt requested, properly addressed), or (4) when delivered by such other means as shall provide the sender with documentary evidence of such delivery, or when delivery is refused by the addressee, as evidenced by the affidavit of the Person who attempted to effect such delivery.

(B) Addresses. The addresses to which notices, certificates and other communications hereunder shall be delivered are as follows:

IF TO THE COMPANY:

CHPE LLC
600 Broadway
Albany, New York 12207
Attention: Jeremiah Sheehan, Esq.

CHPE LLC
600 Broadway
Albany, New York 12207
Attention: Todd Singer, CFO

WITH A COPY TO:

Swartz Moses PLLC
1583 East Genesee Street
Skaneateles, New York 13152
Attention: Peter Swartz, Esq.

IF TO THE AGENCY:

County of Saratoga Industrial Development Agency
Saratoga County Municipal Center
50 West High Street
Ballston Spa, New York 12020
Attention: Chairman

WITH A COPY TO:

Lemery Greisler LLC
60 Railroad Place
Saratoga Springs, New York 12866
Attention: James A. Carminucci, Esq.

(C) Change of Address. The Agency and the Company may, by notice given hereunder, designate any further or different addresses to which, or the manner by which, subsequent notices, certificates and other communications shall be sent. A copy of all notices to the Company hereunder shall also be served on any Lender identified pursuant to Section 4.02(D) hereof, and no such notice or other communication to the Company shall be deemed received unless a copy is so served upon any such Lender in the manner provided herein for the giving of notice.

SECTION 5.06. BINDING EFFECT. This Uniform Agency Project Agreement shall inure to the benefit of, and shall be binding upon, the Agency, the Company and their respective successors and assigns. The provisions of this Uniform Agency Project Agreement are intended to be for the benefit of the Agency.

SECTION 5.07. SEVERABILITY. If any article, section, subdivision, paragraph, sentence, clause, phrase, provision or portion of this Uniform Agency Project Agreement shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction, such article, section, subdivision, paragraph, sentence, clause, phrase, provision or portion so adjudged invalid, illegal or unenforceable shall be deemed separate, distinct and independent and the remainder of this Uniform Agency Project Agreement shall be and remain in full force and effect and shall not be invalidated or rendered illegal or unenforceable or otherwise affected by such holding or adjudication.

SECTION 5.08. COUNTERPARTS. This Uniform Agency Project Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 5.09. APPLICABLE LAW. This Uniform Agency Project Agreement shall be governed by and construed in accordance with the laws of the State of New York.

SECTION 5.10. SURVIVAL OF OBLIGATIONS. The obligations of the Company to make the filings and listings required by Section 3.02 hereof shall survive the termination of this Uniform Agency Project

Agreement, and all such filings and reports after such termination shall be made upon demand of the party to whom such filings and reports are due.

IN WITNESS WHEREOF, the Agency and the Company have caused this Uniform Agency Project Agreement to be executed in their respective names by duly authorized officers thereof, all being done as of the date first above written.

COUNTY OF SARATOGA INDUSTRIAL
DEVELOPMENT AGENCY

By: 
Philip Klein, Vice Chairman

CHPE LLC

By: _____
Todd Singer, Chief Financial Officer

IN WITNESS WHEREOF, the Agency and the Company have caused this Agreement to be executed in their respective names, all being done the date first above written.

COUNTY OF SARATOGA INDUSTRIAL
DEVELOPMENT AGENCY

By: _____
Philip Klein, Vice Chairman

CHPE LLC

By: _____
Todd Singer, Chief Financial Officer

SCHEDULE A

APPLICATION

Adopted: March 21, 2001
As Amended: May 14, 2012
As Amended: January 14, 2013
As Amended: August 8, 2013
As Amended: June 13, 2016

TO APPLICANTS

(Project Sponsor)

The County of Saratoga Industrial Development Agency was established by special act of the New York State Legislature in 1971.

Industrial Development Agencies were first legally authorized in 1969 when the New York State Legislature added a new Article 18-A to the General Municipal Law to provide for the establishment, by special act of the legislature, of local industrial development agencies as public benefit corporations.

Once established, a local industrial development agency is authorized to issue “taxable” industrial revenue bonds for the purposes of acquiring machinery, equipment, and other facilities deemed necessary or desirable in connection therewith, or incidental thereto, whether or not now in existence or under construction, which shall be suitable for manufacturing, warehousing, research, commercial or industrial purposes. Projects may also be financed through a “Straight Lease” transaction which may entail a conventional mortgage or other form of private financing.

Industrial Development Agencies offer attractive incentives to industry seeking new locations or expansion of existing facilities. The advantages to a business in financing a project through the Agency are substantial in providing the following:

- The project is exempt from real property taxes during the term of the bond issue and lease agreement. However, each project shall be required to enter into an agreement to pay a negotiated sum in lieu of taxes.
- Project related construction purchases and rentals as well as equipment purchases are exempt from state and local sales tax.
- A mortgage given by the Agency to secure project-related indebtedness is exempt from the state mortgage recording tax.

APPLICATION PROCEDURES

1. Completed application submitted to Agency with a check of \$250 for application fee.
2. Agency subcommittee meeting scheduled for initial project review.
3. A meeting will be scheduled between project applicant and representatives of the Agency to review supporting financial data relating to the applicant and the Project.
4. If the application is deemed appropriate for Agency financial assistance, a public hearing to be held in the host municipality is scheduled.
5. At least 10 days prior to the public hearing, notice of the hearing is published in a suitable newspaper and notice is given by mail to the chief executive officer of each affected taxing jurisdiction.
6. Following the close of the public hearing, the Agency will consider adoption of an inducement resolution which (1) grants preliminary authorization for the extension by the Agency of financial assistance for a project, (2) describes the financial assistance to be rendered, and (3) sets forth the conditions for final approval including, but not limited to, compliance by the Agency with the provisions of the new York State Environmental Quality Review Act.
7. Following drafting of the necessary financing documents and prior to the issuance of bonds or closing on conventional financing, the Agency will meet to adopt a bond resolution or financing resolution.
8. An administration fee will be due the Agency at closing.

It is the responsibility of the applicant to arrange for financing with respect to a given Agency project. Taxable bonds issued by the Agency are non-recourse to the Agency and the County of Saratoga and thus the credit-worthiness of a project is a factor solely of the applicant and the project itself.

The providing of financial assistance by the Agency triggers certain filing and/or reporting requirements with respect to employment and tax benefits received.

REQUIRED SUBMISSIONS

1. An original and eleven (11) fully completed and executed copies of the Application.
2. Non-refundable application fee in the amount of Two Hundred and Fifty Dollars (\$250.00) payable to: COUNTY OF SARATOGA INDUSTRIAL DEVELOPMENT AGENCY.
3. One copy of the audited (if available) financial statements of the applicant for the immediately preceding three (3) years together with pro-forma relating to the project (if project relates to new business operation).
4. If available, four (4) copies of a letter of intent or commitment letter from proposed lender for the Project.
5. Two (2) copies of a site plan or building plan with respect to the project.
6. An original and eleven (11) copies of fully completed and executed Environmental Assessment Questionnaire. (Attachment "A").
7. An original and eleven (11) copies of fully completed and executed Employment Reporting Agreement and Plan. (Attachment "B").
9. An original and eleven (11) copies of fully completed and executed Sales Tax Reporting Agreement. (Attachment "C").
10. An original and eleven (11) copies of a fully executed Labor Policy Form. (Attachment ""D").
11. An original and eleven (11) copies of a fully executed Construction Employment Agreement. (Attachment ""D-1").

PURSUANT TO THE PROVISIONS OF ARTICLE SIX OF THE NEW YORK STATE PUBLIC OFFICERS LAW, ALL SUBMISSIONS TO THE AGENCY ARE SUBJECT TO PUBLIC INSPECTION SUBJECT TO THE PROVISIONS OF SECTION 87(2) THEREOF.

Section I: Applicant Information

Please answer all questions. Use "None" or "Not Applicable" where necessary.

A) Applicant Information-company receiving benefit:

Applicant Name: CHPE LLC
Applicant Address: 600 Broadway, Albany, NY 12207
Phone: (802) 477-3830 Fax: _____
Website: chpexpress.com E-mail: josh.bagnato@transmissiondevelopers.com
Federal ID#: 84-5075255 NAICS: 221121
State and Year of Incorporation/Organization: New York, 2020
List of stockholders, members, or partners of Applicant: See Project Supplement

Will a Real Estate Holding Company be utilized to own the Project property/facility? Yes or No

What is the name of the Real Estate Holding Company: _____

Federal ID# of Real Estate Holding Company: _____

State and Year of Incorporation/Organization: _____

List of stockholders, members, or partners of Real Estate Holding Company: _____

Agency assisting in application (SCPP or SEDC): none

B) Individual Completing Application:

Name: Todd Singer
Title: Executive Vice President & Chief Financial Officer
Address: 1301 Avenue of the Americas, 26th Floor; New York, NY 10019
Phone: (212) 408-5467 Fax: _____
E-Mail: todd.singer@transmissiondevelopers.com

C) Company Contact (if different from individual completing application):

Name: Josh Bagnato
Title: Vice President, Project Development
Address: 600 Broadway, Albany, NY 12207
Phone: (802) 477-3830 Fax: _____
E-Mail: josh.bagnato@transmissiondevelopers.com

D) Company Counsel:

Name of Attorney: Peter Swartz
Firm Name: Swartz Moses PLLC
Address: 1583 East Genesee Street, Skaneateles, NY 13152
Phone: (315) 554-8166 Fax: _____
E-mail: pms@swartzmoses.com

E) Identify the assistance being requested of the Agency (select all that apply):

- 1. Exemption from Sales Tax Yes or No
 - 2. Exemption from Mortgage Recording Tax Yes or No
 - 3. Exemption from Real Property Tax Yes or No
 - 4. Tax Exempt Financing * Yes or No
- * (typically small qualified manufacturers)

F) Business Organization (check appropriate category):

S Corporation
Corporation Partnership
Public Corporation Joint Venture
Sole Proprietorship Limited Liability Company
Other (please specify) _____
Year Established: 2020
State in which Organization is established: New York

G) List all stockholders, members, or partners with % of ownership greater than 20%:

<u>Name</u>	<u>% of ownership</u>
<u>TDI-USA Holdings LLC</u>	<u>100%</u>
<u>See Section 1A of Project Supplement for more detail</u>	_____
_____	_____

H) Applicant Business Description:

Describe in detail company background, products, customers, goods and services. Description is critical in determining eligibility: See Project Supplement

Estimated % of sales within Saratoga County: 0%

Estimated % of sales outside Saratoga County but within New York State: 100%

Estimated % of sales outside New York State but within the U.S.: 0%

Estimated % of sales outside the U.S. 0%

(*Percentage to equal 100%)

I) What percentage of your total annual supplies, raw materials and vendor services are purchased from firms in Saratoga County. Include list of vendors, raw material suppliers and percentages for each. Provide supporting documentation including estimated percentage of local purchases.

See Project Supplement

Section II: Project Description & Details

A) Project Location:

Municipality or Municipalities of current operations: N/A

Will the Proposed Project be located within the Municipality, or within a Municipality, identified above?

Yes or No

If Yes, in which Municipality will the proposed project be located? _____

If No, in which Municipality will the proposed project be located? See Project Supplement

Provide the Property Address of the proposed Project:

N/A

SBL (Section, Block, Lot) # for Property upon which proposed Project will be located: N/A

What are the current real estate taxes on the proposed Project Site? N/A

If amount of current taxes is not available, provide assessed value for each:

Land: \$ _____

Buildings(s): \$ _____

**** If available please include a copy of current tax bill.**

Are Real Property Taxes current? Yes or No. If no, please explain N/A

Town/City/Village: N/A School District: N/A

Does the Applicant or any related entity currently hold fee title to the Project site? Yes or No

If No, indicate name of present owner of the Project Site: See Project Supplement

Does Applicant or related entity have an option/contract to purchase the Project site? Yes or No

Describe the present use of the proposed Project site: Transportation - railroad tracks and state, county, town, or city streets

B) Please provide narrative of project, the purpose of the project (new build, renovations, and/or equipment purchases), and the type of project (educational, recreational, historic preservation, etc.). Identify specific uses occurring within the project. Describe any and all tenants and any/all end users: (This information is critical in determining project eligibility – Attach additional pages if necessary): The Champlain Hudson Power Express ("CHPE") is a proposed ~335 mile, fully-buried high voltage direct current ("HVDC") electric power transmission line sized up to 1250MW and designed to help New York state meet its green energy goals. The Project will play a key role in the state'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. Please see Project Supplement for more detail.

Describe the reasons why the Agency's financial assistance is necessary, and the effect the Project will have on the Applicant's business or operations. Focus on competitiveness issues, project shortfalls, etc... Your eligibility determination will be based in part on your answer (attach additional pages if necessary): _____

See Project Supplement

Please confirm by checking the box below if there is likelihood that the Project would not be undertaken but for the Financial Assistance provided by the Agency?

Yes or No

If the Project could be undertaken without Financial Assistance provided by the Agency, then provide a statement in the space provided below indicating why the Project should be undertaken by the Agency: _____

If the Applicant is unable to obtain Financial Assistance for the Project, what will be the impact on the Applicant and County/City/Town/Village? _____

See Project Supplement

C) Will Project include the leasing of any equipment? Yes or No

If Yes, please describe: _____

D) Site Characteristics:

Will the Project meet zoning/land use requirements at the proposed location? Yes or No

Describe the present zoning/land use: Transportation

Describe required zoning/land use, if different: _____

If a change in zoning/land use is required, please provide details/status/timeline of any request for change of zoning/land use requirements: _____

1. Utilities serving project site:

a. Water - Municipal: N/A

Other (Describe): _____

b. Sewer - Municipal: N/A

Other (Describe): _____

c. Electric – Utility: N/A
Other (Describe): _____

d. Heat – Utility: N/A
Other (Describe): _____

e. Gas – Utility: N/A
Other (describe): _____

2. Are there public infrastructure improvements required or proposed? Yes No
If yes, please describe:

Is the proposed project located on a site where the known or potential presence of contaminants is complicating the development/use of the property? If yes, please explain: No

E) Has a Phase I Environmental Assessment been prepared or will one be prepared with respect to the proposed project site? Yes or No If yes, please provide a copy.

F) Have any other studies or assessments been undertaken with respect to the proposed project site that indicate the known or suspected presence of contamination that would complicate the site's development?

Yes or No. If yes, please provide copies of the study

G) Provide any additional information or details: none

H) Select Project Type for all end users at project site (you may check more than one):

** Please check any and all end users as identified below.

** Will customers personally visit the Project site for either of the following economic activities? If yes with respect to either economic activity indicated below, complete the Retail Questionnaire contained in **Section IV** of the Application.

Retail Sales: Yes or No

Services: Yes or No

For purposes of this question, the term “retail sales” means (i) sales by a registered vendor under Article 28 of the Tax Law of the State of New York (the “Tax Law”) primarily engaged in the retail sale of tangible personal property (as defined in Section 1101(b)(4)(i) of the Tax Law), or (ii) sales of a service to customers who personally visit the Project.

- | | | | |
|----------------------------------|-------------------------------------|--------------------|--------------------------|
| Industrial | <input checked="" type="checkbox"/> | Back Office | <input type="checkbox"/> |
| Acquisition of Existing Facility | <input type="checkbox"/> | Mixed Use | <input type="checkbox"/> |
| Housing | <input type="checkbox"/> | Facility for Aging | <input type="checkbox"/> |
| Equipment Purchase | <input type="checkbox"/> | Other _____ | <input type="checkbox"/> |
| Multi-Tenant | <input type="checkbox"/> | | |
| Commercial | <input type="checkbox"/> | | |

I) Project Information:

Estimated costs in connection with Project:

1. Land and/or Building Acquisition: \$ _____
 _____ acres _____ square feet
2. New Building Construction: _____ square feet \$ _____
3. New Building Addition(s): _____ square feet \$ _____
4. Infrastructure Work \$ _____
5. Reconstruction/Renovation: _____ square feet \$ _____
6. Manufacturing Equipment: \$ _____
7. Non-Manufacturing Equipment (furniture, fixtures, etc.): \$ _____
8. Soft Costs: (professional services, etc.): \$ _____
9. Other, Specify: _____ \$ _____

TOTAL Capital Costs: \$ See Project Supplement

Project refinancing: estimated amount
 (for refinancing of existing debt only) \$ _____

Sources of Funds for Project Costs:

Bank Financing: \$ _____

Equity (excluding equity that is attributed to grants/tax credits): \$ _____

Tax-Exempt Bond Issuance (if applicable): \$ _____

Taxable Bond Issuance (if applicable): \$ _____

Public Sources (Include sum total of all state and federal grants and tax credits): \$ _____

Identify each state and federal grant/credit:

_____ \$ _____

_____ \$ _____

_____ \$ _____

_____ \$ _____

Other: _____ \$ _____

Total Sources of Funds for Project Costs: \$ See Project Supplement _____

Total Investment by applicant: \$ **TBD** _____

Total Amount being financed: \$ **TBD** _____

Percent of total costs be financed through the public sector **0** _____ %

Percent of total costs be financed through the private sector **100** _____ %

Have any of the above costs been paid or incurred as of the date of this Application? Yes or No

If Yes, describe particulars: **See Project Supplement** _____

Mortgage Recording Tax Exemption Benefit: Amount of mortgage that would be subject to mortgage recording tax:

Mortgage Amount (include sum total of construction/permanent/bridge financing): \$ **TBD** _____

Estimated Mortgage Recording Tax Exemption Benefit (product of mortgage amount as indicated above multiplied by current mortgage recording tax in Saratoga County):

\$ **TBD** _____

Construction Cost Breakdown:

Total Cost of Construction (sum of 2,3,4,5, and/or 7 in Question I, above)	See Proj. Supplement \$ _____
Cost for materials	\$ _____
% sourced in Saratoga County:	_____ %
% sourced in New York State:	_____ %
Cost for labor:	\$ _____

Sales and Use Tax: Gross amount of costs for goods and services that are subject to State and local Sales and Use tax - said amount to benefit from the Agency's Sales and Use Tax exemption benefit:

\$ TBD

Estimated State and local Sales and Use Tax Benefit (product of 7 % multiplied by the figure, above):

\$ TBD

*** Note that the estimate provided above will be provided to the New York State Department of Taxation and Finance. The Applicant acknowledges that the transaction documents may include a covenant by the Applicant to undertake the total amount of investment as proposed within this Application, and that the estimate above represents the maximum amount of sales and use tax benefit that the Agency may authorize with respect to this Application. The Agency may utilize the estimate above as well as the proposed total Project Costs as contained within this Application, to determine the Financial Assistance that will be offered.*

Real Property Tax Benefit:

Identify and describe if the Project will utilize a real property tax exemption benefit OTHER THAN the Agency's PILOT benefit: _____

IDA PILOT Benefit: Indicate the amount of PILOT Benefit based on estimated Project Costs as contained herein and anticipated tax rates and assessed valuation, including the annual PILOT Benefit abatement amount for each year of the PILOT benefit year and the sum total of PILOT Benefit abatement amount for the term of the PILOT as depicted in Section V of the Application.

Percentage of Project Costs financed from Public Sector sources: Calculate the percentage of Project Costs financed from Public Sector sources based upon Sources of Funds for Project Costs as depicted above in Section II(I) of the Application.

J) For the proposed facility, please indicate the square footage for each of the uses outlined below:

*If company is paying for FFE for tenants, please include in cost breakdown

	Square Footage	Cost	% of Total Cost of Project
Manufacturing/Processing	N/A		
Warehouse	N/A		
Research & Development	N/A		
Commercial	N/A		
Retail (see section K)	N/A		
Office	N/A		
Specify Other			

K) What is your project timetable (Provide dates):

1. Start date: acquisition of equipment or construction of facilities: 9/30/2021
2. Estimated completion date of project: 12/31/2025
3. Project occupancy – estimated starting date of operations: 1/1/2026
4. Have construction contracts been signed? Yes or No
5. Has financing been finalized? Yes or No
6. Indicate number of full-time construction jobs to be created by the project TBD.

*** If construction contracts have been signed, please provide copies of executed construction contracts and a complete project budget. The complete project budget should include all related construction costs totaling the amount of the new building construction, and/or new building addition(s), and/or renovation.*

L) Have site plans been submitted to the appropriate Planning Department?

Yes or No

****** If yes, provide the Agency with a copy of the related State Environmental Quality Review Act (“SEQR”) Environmental Assessment Form.

Has the Project received site plan approval from the Local Planning Board? Yes or No.

If No, What is the anticipated approval date? TBD

If Yes, provide the Agency with a copy of the Planning Board’s approval resolution along with the related SEQR determination. [NOTE: SEQR Determination is required for final approval and sales tax agency appointment].

M) Is the project necessary to expand project employment: Yes or No

Is project necessary to retain existing employment: Yes or No

N) Employment Plan (Specific to the proposed project location):

Indicate below the number of people presently employed at the site of the project and the number that will be employed at the site at the end of the first and second years after the project has been completed. (Do not include construction workers.)

		TYPE OF EMPLOYMENT			
		Professional Managerial Technical	Skilled	Unskilled or Semi – Skilled	Totals
PRESENT:	Full Time	See Project Supplement			
	Part Time				
	Seasonal				
FIRST YEAR:	Full Time				
	Part Time				
	Seasonal				
SECOND YEAR:	Full Time				
	Part Time				
	Seasonal				

Indicate number of construction jobs expected to be generated by the project and the expected duration of such jobs:

Number of Jobs _____ Length of Employment _____

*** By statute, project the number of FTE jobs that would be retained and created if the request for Financial Assistance is granted. Project such jobs over the TWO-Year time period following Project completion. Convert PTE jobs into FTE jobs by dividing the number of PTE jobs by two (2).

Note: Agency Staff will review and verify all projections.

Salary and Fringe Benefits for Jobs to be Retained and Created:

Category of Jobs to be Retained and Created	Average Salary or Range of Salary	Average Fringe Benefits or Range of Fringe Benefits
Management	See Project Supplement	
Professional		
Administrative		
Production		
Independent Contractor		
Other		

Annual Payroll Current: \$ _____
 Annual Payroll, Yr. 1 (after project completion) \$ _____
 Annual Payroll, Yr. 2 \$ _____

Employment at other locations in Saratoga County: (provide address and number of employees at each location):

	Address	Address	Address
Full time			
Part Time			
Total			

O) Will any of the facilities described above be closed or subject to reduced activity? Yes or No

*** If any of the facilities described above are located within the State of New York, and you answered Yes to the question, above, you must complete Section IV of this Application.*

*** Please note that the Agency may utilize the foregoing employment projections, among other items, to determine the Financial Assistance that will be offered by the Agency to the Applicant. The Applicant acknowledges that the transaction documents may include a covenant by the Applicant to retain the number of jobs and create the number of jobs with respect to the Project as set forth in this Application.*

P) Is the project reasonably necessary to prevent the project occupant from moving out of New York State? Yes or No.

If yes, please explain and identify out-of-state locations investigated, type of assistance offered and provide supporting documentation if available: _____

Q) What competitive factors led you to inquire about sites outside of New York State? N/A

R) Have you contacted or been contacted by other Local, State and/or Federal Economic Development Agencies? Yes or No.

If yes, please identify which agencies and what other Local, State and/or Federal assistance and the assistance sought and dollar amount that is anticipated to be received: _____

Section III Retail Questionnaire

To ensure compliance with Section 862 of the New York General Municipal Law, the Agency requires additional information if the proposed Project is one where customers personally visit the Project site to undertake either a retail sale transaction or to purchase services.

Please answer the following:

- A. Will any portion of the project (including that portion of the cost to be financed from equity or other sources) consist of facilities or property that are or will be primarily used in making sales of goods or services to customers who personally visit the project site?

Yes or No. If the answer is yes, please continue. If no, proceed to section V

For purposes of Question A, the term "retail sales" means (i) sales by a registered vendor under Article 28 of the Tax Law of the State of New York (the "Tax Law") primarily engaged in the retail sale of tangible personal property (as defined in Section 1101(b)(4)(i) of the Tax Law), or (ii) sales of a service to customers who personally visit the Project.

- B. What percentage of the cost of the Project will be expended on such facilities or property primarily used in making sales of goods or services to customers who personally visit the project? _____%. **If the answer is less than 33% do not complete the remainder of the retail determination and proceed to section V.**

If the answer to A is Yes AND the answer to Question B is greater than 33.33%, indicate which of the following questions below apply to the project:

1. Is the Project location or facility likely to attract a significant number of visitors from outside the (8) county economic development region (Albany, Columbia, Greene, Rensselaer, Saratoga, Schenectady, Washington, Warren Counties) in which the project will be located?

Yes or No

If yes, please provide a third party market analysis or other documentation supporting your response.

2. Is the predominant purpose of the project to make available goods or services which would not, but for the project, be reasonably accessible to the residents of the municipality within which the proposed project would be located because of a lack of reasonably accessible retail trade facilities offering such goods or services?

Yes or No

If yes, please provide a third party market analysis or other documentation supporting your response.

3. Will the project preserve permanent, private sector jobs or increase the overall number of permanent, private sector jobs in the State of New York?

Yes or No.

If yes, explain _____

4. Is the project located in a Highly Distressed Area? Yes or

“Highly distressed area” – As defined in NY General Municipal Law § 854 (18)

(a) a census tract or tracts or block numbering areas or areas or such census tract or block numbering area contiguous thereto which, according to the most recent census data available, has:

(i) a poverty rate of at least twenty percent for the year to which the data relates or at least twenty percent of households receiving public assistance; and

(ii) an unemployment rate of at least 1.25 times the statewide unemployment rate for the year to which the data relates; or

(b) a city, town, village or county within a city with a population of one million or more for which:

(i) the ratio of the full value property wealth, as determined by the comptroller for the year nineteen hundred ninety, per resident to the statewide average full value property wealth per resident; and

(ii) the ratio of the income per resident; as shown in the nineteen hundred ninety census to the statewide average income per resident; are each fifty-five percent or less of the statewide average; or

(c) an area which was designated an empire zone pursuant to article eighteen-B of this chapter

Section IV Inter-Municipal Move Determination

The Agency is required by state law to make a determination that, if completion of a Project benefiting from Agency Financial Assistance results in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state or in the abandonment of one or more plants or facilities of the project occupant located within the state, Agency Financial Assistance is required to prevent the project occupant from relocating out of the state, or is reasonably necessary to preserve the project occupant's competitive position in its respective industry.

Will the Project result in the removal of an industrial or manufacturing plant of the Project occupant from one area of the state to another area of the state?

Yes or No

Will the Project result in the abandonment of one or more plants or facilities of the Project occupant located within the state?

Yes or No

If Yes to either question, explain how, notwithstanding the aforementioned closing or activity reduction, the Agency's Financial Assistance is required to prevent the Project from relocating out of the State, or is reasonably necessary to preserve the Project occupant's competitive position in its respective industry: ____

Does the Project involve relocation or consolidation of a project occupant from another municipality?

Within New York State

Yes or No

Within Saratoga County/City/Town/Village

Yes or No

If Yes to either question, please, explain: _____

Section V: Estimate of Real Property Tax Abatement Benefits* and Percentage of Project Costs financed from Public Sector sources**

**** Section V of this Application will be: (i) reviewed & verified by IDA staff based upon information contained within the Application, and (ii) provided to the Applicant for ultimate inclusion as part of this completed Application.**

PILOT Estimate Table Worksheet

Dollar Value of New Construction and Renovation Costs	Estimated New Assessed Value of Property Subject to IDA*	County Tax Rate/1000	Local Tax Rate(s) (Town/City/Village)/1000	School Tax Rate/1000
TBD				

*Apply equalization rate to value

1	2	3	4	5	6	7	8
PILOT Year	% Payment	County PILOT Amount	Local PILOT Amount	School PILOT Amount	Total PILOT (3+4+5)	Full Tax Payment w/o PILOT	Net Exemption (7-6)
1st	TBD						
2nd							
3rd							
4th							
5th							
6th							
7th							
8th							
9th							
10th							
TOTAL							

***** Estimates provided are based on current property tax rates and assessment value (current as of date of application submission) and will be reviewed and verified by IDA staff**

Percentage of Project Costs financed from Public Sector Table Worksheet:

Total Project Cost	Estimated Value of Property Tax Exemptions	Estimated Value of Sales Tax Exemptions	Estimated Value of Mortgage Tax Exemptions	Total of Other Public Incentives (Tax Credits, Grants, ESD Incentives, etc.)
TBD	TBD	TBD	TBD	

Percentage of Project Costs financed from Public Sector (Est. Property Tax + Est. Sales Tax+ Est. Mortgage Tax+ Other) / Total Project Cost): TBD %

Section VI Representations, Certifications and Indemnification

**** This Section of the Application can only be completed upon the Applicant receiving, and must be completed after the Applicant receives, IDA staff confirmation that Section I through Section V of the Application are complete.**

Gene Martin (name of CEO or other authorized representative of Applicant) confirms and says that he/she is the President & COO (title) of CHPE LLC (name of corporation or other entity) named in the attached Application (the "Applicant"), that he/she has read the foregoing Application and knows the contents thereof, and hereby represents, understands, and otherwise agrees with the Agency and as follows:

- A. Job Listings: In accordance with Section 858-b(2) of the New York General Municipal Law, the Applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, except as otherwise provided by collective bargaining agreements, new employment opportunities created as a result of the Project will be listed with the New York State Department of Labor Community Services Division (the "DOL") and with the administrative entity (collectively with the DOL, the "JTPA Entities") of the service delivery area created by the federal job training partnership act (Public Law 97-300) ("JTPA") in which the Project is located.
- B. First Consideration for Employment: In accordance with Section 858-b(2) of the New York General Municipal Law, the Applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, except as otherwise provided by collective bargaining agreements, where practicable, the Applicant will first consider persons eligible to participate in JTPA programs who shall be referred by the JTPA Entities for new employment opportunities created as a result of the Project.

- C. Annual Sales Tax Filings: In accordance with Section 874(8) of the New York General Municipal Law, the Applicant understands and agrees that, if the Project receives any sales tax exemptions as part of the Financial Assistance from the Agency, in accordance with Section 874(8) of the General Municipal Law, the Applicant agrees to file, or cause to be filed, with the New York State Department of Taxation and Finance, the annual form prescribed by the Department of Taxation and Finance, describing the value of all sales tax exemptions claimed by the Applicant and all consultants or subcontractors retained by the Applicant. Copies of all filings shall be provided to the Agency.
- D. Employment Reports: The Applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, the Applicant agrees to file, or cause to be filed, with the Agency, at least annually or as otherwise required by the Agency, reports regarding the number of people employed at the project site, salary levels, contractor utilization and such other information (collectively, "Employment Reports") that may be required from time to time on such appropriate forms as designated by the Agency. Failure to provide Employment Reports within 30 days of an Agency request shall be an Event of Default under the PILOT Agreement between the Agency and Applicant and, if applicable, an Event of Default under the Agent Agreement between the Agency and Applicant. In addition, a Notice of Failure to provide the Agency with an Employment Report may be reported to Agency board members, said report being an agenda item subject to the Open Meetings Law.
- E. The Applicant acknowledges that certain environmental representations will be required at closing. The Applicant shall provide with this Representation, Certification and Indemnification Form copies of any known environmental reports, including any existing Phase I Environmental Site Assessment Report(s) and/or Phase II Environmental Investigations. The Agency may require the Company and/or owner of the premises to prepare and submit an environmental assessment and audit report, including but not necessarily limited to, a Phase I Environmental Site Assessment Report and a Phase II Environmental Investigation, with respect to the Premises at the sole cost and expense of the owner and/or the Applicant. All environmental assessment and audit reports shall be completed in accordance with ASTM Standard Practice E1527-05, and shall be conformed over to the Agency so that the Agency is authorized to use and rely on the reports. The Agency, however, does not adopt, ratify, confirm or assume any representation made within reports required herein.
- F. The Applicant and/or the owner, and their successors and assigns, hereby release, defend and indemnify the Agency from any and all suits, causes of action, litigations, damages, losses, liabilities, obligations, penalties, claims, demands, judgments, costs, disbursements, fees or expenses of any kind or nature whatsoever (including, without limitation, attorneys', consultants' and experts' fees) which may at any time be imposed upon, incurred by or asserted or awarded against the Agency, resulting from or arising out of any inquiries and/or environmental assessments, investigations and audits performed on behalf of the Applicant and/or the owner pursuant hereto, including the scope, level of detail, contents or accuracy of any environmental assessment, audit, inspection or investigation report completed hereunder and/or the selection of the environmental consultant, engineer or other qualified person to perform such assessments, investigations, and audits.
- G. Hold Harmless Provision: The Applicant acknowledges and agrees that the Applicant shall be and is responsible for all costs of the Agency incurred in connection with any actions required to be taken by the Agency in furtherance of the Application including the Agency's costs of general counsel and/or the Agency's bond/transaction counsel whether or not the Application, the proposed Project it describes, the attendant negotiations, or the issue of bonds or other

transaction or agreement are ultimately ever carried to successful conclusion and agrees that the Agency shall not be liable for and agrees to indemnify, defend, and hold the Agency harmless from and against any and all liability arising from or expense incurred by: (i) the Agency's examination and processing of, and action pursuant to or upon, the Application, regardless of whether or not the Application or the proposed Project described herein or the tax exemptions and other assistance requested herein are favorably acted upon by the Agency; (ii) the Agency's acquisition, construction and/or installation of the proposed Project described herein; and (iii) any further action taken by the Agency with respect to the proposed Project including, without limiting the generality of the foregoing, all causes of action and attorney's fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing. Applicant hereby understands and agrees, in accordance with Section 875(3) of the New York General Municipal Law and the policies of the Agency that any New York State and local sales and use tax exemption claimed by the Applicant and approved by the Agency, any mortgage recording tax exemption claimed by the Applicant and approved by the Agency, and/or any real property tax abatement claimed by the Applicant and approved by the Agency, in connection with the Project, may be subject to recapture and/or termination by the Agency under such terms and conditions as will be established by the Agency and set forth in transaction documents to be entered into by and between the Agency and the Applicant. The Applicant further represents and warrants that the information contained in this Application, including without limitation information regarding the amount of the New York State and local sales and use tax exemption benefit, the amount of the mortgage recording tax exemption benefit, and the amount of the real property tax abatement, if and as applicable, to the best of the Applicant's knowledge, is true, accurate and complete.

H. This obligation includes an obligation to submit an Agency Fee Payment to the Agency in accordance with the Agency Fee policy effective as of the date of this Application

I. By executing and submitting this Application, the Applicant covenants and agrees to pay the following fees to the Agency and the Agency's general counsel and/or the Agency's bond/transaction counsel, the same to be paid at the times indicated:

(i) a non-refundable \$ 250 application and publication fee (the "Application Fee");

(ii) a \$ N/A expense deposit for the Agency's Counsel Fee Deposit. .

(iii) Unless otherwise agreed to by the Agency, an amount equal to N/A percent (N/A %) of the total project costs.

(iv) All fees, costs and expenses incurred by the Agency for (1) legal services, including but not limited to those provided by the Agency's general counsel and/or the Agency's bond/transaction counsel, thus note that the Applicant is entitled to receive a written estimate of fees and costs of the Agency's general counsel and the Agency's bond/transaction counsel; and (2) other consultants retained by the Agency in connection with the proposed project, with all such charges to be paid by the Applicant at the closing.

J. If the Applicant fails to conclude or consummate the necessary negotiations, or fails, within a reasonable or specified period of time, to take reasonable proper or requested action, or withdraws, abandons, cancels, or neglects the Application, or if the Applicant is unable to find buyers willing to purchase the bond issue requested, or if the Applicant is unable to facilitate the sale/leaseback or lease/leaseback transaction, then, upon the presentation of an invoice, Applicant shall pay to the Agency, its agents, or assigns all actual costs incurred by

the Agency in furtherance of the Application, up to that date and time, including but not necessarily limited to, fees of the Agency's general counsel and/or the Agency's bond/transaction counsel.

- K. The Applicant acknowledges and agrees that all payment liabilities to the Agency and the Agency's general counsel and/or the Agency's bond and/or transaction counsel as expressed in Sections H and I are obligations that are not dependent on final documentation of the transaction contemplated by this Application.
- L. The cost incurred by the Agency and paid by the Applicant, the Agency's general counsel and/or bond/transaction counsel fees and the processing fees, may be considered as a cost of the Project and included in the financing of costs of the proposed Project, except as limited by the applicable provisions of the Internal Revenue Code with respect to tax-exempt bond financing.
- M. The Applicant acknowledges that the Agency is subject to New York State's Freedom of Information Law (FOIL). **Applicant understands that all Project information and records related to this application are potentially subject to disclosure under FOIL subject to limited statutory exclusions.**
- N. The Applicant acknowledges that it has been provided with a copy of the Uniform Tax Exemption Policy, Attachment A, being the Uniform Modification of Real Property Tax Abatement AND Claw Back Penalty for Failure to Meet Employment Levels. The Applicant covenants and agrees that it fully understands that the Termination and Recapture Policy is applicable to the Project that is the subject of this Application, and that the Agency will implement the Termination and Recapture Policy if and when it is so required to do so. The Applicant further covenants and agrees that its Project is potentially subject to termination of Agency financial assistance and/or recapture of Agency financial assistance so provided and/or previously granted.
- O. The Applicant understands and agrees that the provisions of Section 862(1) of the New York General Municipal Law, as provided below, will not be violated if Financial Assistance is provided for the proposed Project:

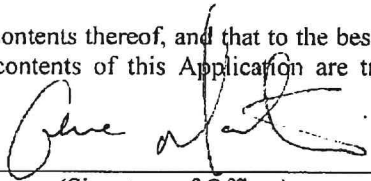
§ 862. Restrictions on funds of the agency. (1) No funds of the agency shall be used in respect of any project if the completion thereof would result in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state or in the abandonment of one or more plants or facilities of the project occupant located within the state, provided, however, that neither restriction shall apply if the agency shall determine on the basis of the application before it that the project is reasonably necessary to discourage the project occupant from removing such other plant or facility to a location outside the state or is reasonably necessary to preserve the competitive position of the project occupant in its respective industry.
- P. The Applicant confirms and acknowledges that the owner, occupant, or operator receiving Financial Assistance for the proposed Project is in substantial compliance with applicable local, state and federal tax, worker protection and environmental laws, rules and regulations.
- Q. The Applicant confirms and acknowledges that the submission of any knowingly false or knowingly misleading information may lead to the immediate termination of any Financial Assistance and the reimbursement of an amount equal to all or part of any tax exemption claimed by reason of the Agency's involvement the Project.

- R. The Applicant confirms and hereby acknowledges that as of the date of this Application, the Applicant is in substantial compliance with all provisions of Article 18-A of the New York General Municipal Law, including, but not limited to, the provision of Section 859-a and Section 862(1) of the New York General Municipal Law.
- S. The Applicant and the individual executing this Application on behalf of Applicant acknowledge that the Agency and its counsel will rely on the representations and covenants made in this Application when acting hereon and hereby represents that the statements made herein do not contain any untrue statement of a material fact and do not omit to state a material fact necessary to make the statements contained herein not misleading.

STATE OF NEW YORK)
 COUNTY OF SARATOGA) ss.:

Gene Martin _____, being first duly sworn, deposes and says:

1. That I am the President & COO (Corporate Office) of CHPE LLC (Applicant) and that I am duly authorized on behalf of the Applicant to bind the Applicant.
2. That I have read the attached Application, I know the contents thereof, and that to the best of my knowledge and belief, this Application and the contents of this Application are true, accurate and complete.



 (Signature of Officer)

Subscribed and affirmed to me under penalties of perjury
 this 4th day of December, 2020



 (Notary Public)

MATTHEW S. MOSES
 Notary Public in the State of New York
 Qualified in Onondaga Co. No. 02MOR020563
 My Commission Expires March 2, 2023

PROJECTED EMPLOYMENT PLAN

COMPANY: CHPE LLC

ADDRESS: 600 Broadway, Albany, NY 12207

TYPE OF BUSINESS: Energy Transmission Project Development

CONTACT PERSON: Todd Singer

TELEPHONE NUMBER: (212) 408-5467

Please complete the following chart describing your projected employment plan following receipt of financing.

Current and Planned Full Time Occupations in Company	Current Number Full Time Jobs Per Occupation	Estimated Number of Full Time Jobs After Completion of the Project		
		1 Year	2 Year	3 Year
TBD	TBD			

Please indicate the estimated hiring dates for new jobs shown above and any special recruitment or training that will be required.

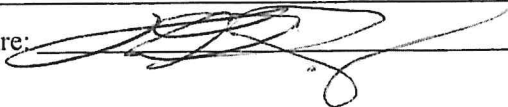
TBD

Are the employees of your firm currently covered by a collective bargaining agreement? Yes No

If Yes, provide Trade's Name and Local Number: _____

Prepared by: Todd Singer

Title: Executive Vice President & Chief Financial Officer

Signature: 

ENVIRONMENTAL ASSESSMENT QUESTIONNAIRE

NAME OF APPLICANT: CHPE LLC

Are approvals, consents, permits,
funding or other actions required
from any other governmental agency
(including municipal Planning Boards,
State agencies, etc.)

YES NO

If "NO," skip the rest of this
form and request a "long form
environmental assessment form"
from the Agency.

If "YES," list below the names of
the other agency and the type of
action required.

<u>Name of Agency</u>	<u>Type of Action</u>
Public Service Commission	Public Service Law Article VII*

Attach copies of all Environmental Assessment Forms or Environmental Impact Statements submitted to any of the agencies you have listed.

*The Project is permitted under Public Service Law Article VII and as such is a Type II action under SEQR requiring no further review.

ATTACHMENT "B"

EMPLOYMENT REPORTING AGREEMENT AND PLAN

In consideration of the extension of financial assistance by COUNTY OF SARATOGA INDUSTRIAL DEVELOPMENT AGENCY, CHPE LLC (Project Beneficiary), agrees to cause any new employment opportunities created in connection with projects financed by the proceeds of such obligations to be listed with the New York State Department of Labor Community Services Division and with the Saratoga County Dept. of Employment & Training. CHPE LLC (Project Beneficiary) also agrees to report to the County of Saratoga Industrial Development Agency on or before January 10 of each year on the status of employment plans filed with the Department of Economic Development, including the number of new employment opportunities created, the number listed and the number filled. CHPE LLC (Project Beneficiary) further agrees, subject to the requirements of any existing collective bargaining agreement, to first consider for new employment opportunities those persons eligible for service under the Job Training Partnership Act.

DATED: 12/2/00

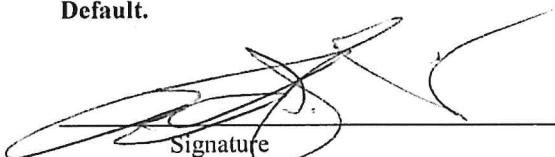
CHPE LLC
Name of Applicant
By: Todd J. Singer
Its: EVP & CFO

ATTACHMENT "C"

Report to Agency added 09/14/09
Abatement requires Cert.05/14/12
Recapture language in bold 08/12/13

SALES TAX REPORTING AGREEMENT

Upon being designated as an agent of the County of Saratoga Industrial Development Agency in conjunction with the issuance of Industrial Revenue Bonds or the provision of other forms of financial assistance by the Agency, CHPE LLC
(Project Beneficiary) agrees to annually file a statement with the New York State Department of Taxation and Finance on a form and in such manner as is prescribed by the Commissioner, describing the value of all sales tax exemptions claimed by CHPE LLC (Project Beneficiary) as agent for the County of Saratoga Industrial Development Agency, including but not limited to, consultants and subcontractors. The CHPE LLC
(Project Beneficiary) recognizes that failure to file such statement will result in its removal of authority to act as an agent of the Agency. CHPE LLC (Project Beneficiary) further agrees that it will provide the Agency a report of all sales tax abated during any applicable calendar year. Such report shall include the name, city and state of any company providing materials or a service which was subject to New York State and local sales tax; a description of the materials purchased or service provided the cost of those materials or services and the amount of sales tax abated in each case. The report shall be submitted by the last day in February following the close of the calendar year in which sales tax abatement occurred. **The Company acknowledges and agrees to the extent it (i) utilizes the exemption from New York State and local sales and use tax in a manner inconsistent with the intent of this application and/or (ii) attempts to obtain an exemption from New York State and/or local sales and/or use tax which exceeds the scope of the exemption provided in this application it will be subject to a recapture of such inconsistent or excessive exemption benefits by the Agency in accordance with the provisions of Section 875 of the General Municipal Law of the State, the provisions of which are hereby incorporated herein by reference. The Company agrees to cooperate with the efforts of the Agency to recapture such inconsistent or excessive exemption benefits and shall pay said amounts to the Agency or the State of New York as required and any failure to do so shall constitute an Event of Default.**


Signature
12/3/10
Date

EVP & CFO
Title

NOTE: Abatement of NYS Sales Tax on eligible purchases of goods and services by approved companies is subject to the issuance of a valid sales tax exemption certificate by the Agency.

ATTACHMENT “D”

LABOR POLICY

**Saratoga County Industrial Development Agency
Declaration of Motivation
For the Employment of Local Tradespeople
During the Construction Phase of IDA-Benefited Projects**

The County of Saratoga Industrial Development Agency (IDA), formed pursuant to Section 856 of the New York State Industrial Development Act (the “Act”), was created for the purpose of promoting employment opportunities for and the general prosperity and economic welfare of Saratoga County residents. The IDA is authorized by Section 858 of the Act to enter into agreements requiring payments in lieu of taxes (“PILOT Agreements”) with private companies in order to facilitate the location or the expansion of their businesses in Saratoga County. A PILOT Agreement essentially extends, either in whole or in part, an IDA’s exemption from real property and other taxes to private companies participating in IDA programs.

Construction jobs, although limited in time duration, are vital to the overall employment opportunities within Saratoga County since construction wages earned by local residents are reinvested in the local economy, adding greatly to its vitality. It is the IDA’s strong conviction that companies benefiting from its programs should employ New York State residents during the construction phase of projects. Only in that way can the public benefits accruing from the IDA’s efforts be maximally distributed to the residents and taxpayers of Saratoga County. It is, therefore, the request of the IDA that firms benefiting from its programs be fully cognizant of the IDA’s mission to promote employment opportunities during all project phases, including the construction phase.

The IDA hereby declares its right to request companies benefiting from its programs to engage Saratoga County residents in and during the project construction phase through the addition of an amendment to the IDA project application requiring applicants, prior to and during the construction phase of the development project, to:

1. Identify the name, title, mailing address, phone/FAX/E-Mail of the project contact person who will be responsible and accountable for providing information about the bidding for and awarding of future construction contracts relative to the application and project.
2. Describe, in the best way possible, the nature of construction jobs created by the project. The description should provide as much detail as possible, including the number, type and duration of construction positions.
3. Submit to the IDA a “Construction Completion Report” listing the names and business locations of prime contractors, subcontractors and vendors who have been engaged for the construction phase of the project by companies benefiting from IDA programs.

In turn the IDA will:

1. Post all applications approved for a public hearing to its web site (www.saratogacountyida.org) within two business days of such authorization.
2. Following the public hearing and after Agency approval has been granted for an inducement resolution, the website will be promptly updated for all current data.
3. Reserve the right to modify and/or rescind benefits granted to any company under the IDA’s Uniform Tax Exemption Policy for the failure to comply with any of the provision listed herein.

CONSTRUCTION EMPLOYMENT AGREEMENT

Recognizing the mission of the Industrial Development Agency of Saratoga County (IDA) to promote construction employment opportunities for residents of Saratoga County and in consideration of the extension of financial assistance by the IDA, CHPE LLC (Project Beneficiary) understands that it is the Agency's policy that benefiting companies should employ New York State residents and agrees to provide the information requested below as a way to provide local construction opportunities. CHPE LLC (Project Beneficiary) also agrees to provide an estimate of the number, type and duration of construction jobs to be created through IDA financial assistance, whether employment is gained directly through the Company, its general contractor, or individual vendors.

Upon project completion CHPE LLC (Project Beneficiary) shall, if requested by the Agency, submit to the IDA a Construction Completion Report in which is identified names and business addresses of the prime contractor, sub-contractors and vendors engaged in the construction of the facility.

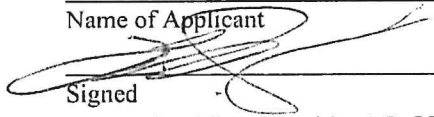
Company: <u>CHPE LLC</u> Company Representative for Contract Bids and Awards: <u>Josh Bagnato</u> Mailing Address: _____ <u>600 Broadway, Albany, NY 12207</u> Phone: <u>518-465-0710</u> Fax: _____ Email: <u>josh.bagnato@transmissiondevelopers.com</u>	<u>General Contractor, if determined</u> Company: _____ Representative: _____ Mailing Address: _____ Phone: _____ Fax: _____ Email: _____
--	--

Construction start date is estimated to be September 2021 with occupancy to be taken on January 2026

Construction Phase or Process	Duration of Construction Phase	# to be Employed
TBD	TBD	TBD

Construction Phase or Process	Duration of Construction Phase	# to be Employed

12/2/20
Dated

CHPE LLC
Name of Applicant

 Signed
Executive Vice President & CFO
 Company Position

CHPE LLC, or its designee (the "Company")
Project Supplement to Application for Financial Assistance to
Saratoga County Industrial Development Agency (the "Agency")

Section I: Applicant Information

A. Applicant Information – company receiving benefit:

List of stockholders, members, or partners of Applicant: CHPE LLC, a New York State entity, is 100% owned by TDI-USA Holdings LLC, a Delaware entity. TDI-USA Holdings LLC is ~87% owned by New York Clean Power Holdings LLC, which is 100% owned by the Blackstone Group; ~11% owned by Transmission Developers, Inc., a Canadian corporation; and ~2% owned by National Resources Energy LLC. New York-based Blackstone is a global leader in alternative asset management with over \$584 billion of assets under management as of September 30, 2020.

H. Applicant Business Description:

CHPE LLC develops unique energy transmission projects in an environmentally responsible manner. We use proven high-voltage direct current ("HVDC") cable technology to link trapped generation resources such as wind, hydro and other renewables with markets that are experiencing acute power shortages. Our approach to HVDC avoids the visual impacts of overhead transmission. We install our projects either underwater or underground. These buried lines increase the electric grid's safety and reliability, while providing hardened infrastructure that is less susceptible to damage from natural disasters.

I. What percentage of your total annual supplies, raw materials and vendor services are purchased from firms in Saratoga County? Include list of vendors, raw material suppliers and percentages for each. Provide supporting documentation including estimated percentage of local purchases.

Given the complex technical nature of the HVDC cables to be installed underground, there are only a few suppliers worldwide. Likewise, installation requires specific technical expertise. While recognizing the Agency's policies as reflected in the Labor Policy and Construction Employee Agreement, for specialized construction reasons, the Company does not anticipate sourcing the majority of its construction supplies, raw materials, or vendor services from firms in Saratoga County. It is likely that the construction contractor will source locally for smaller and less specialized supplies and services. However, CHPE has not yet projected supply logistics at such a granular level and therefore cannot state a specific percentage to be supplied locally.

Section II: Project Description & Details

A. Project Location

In Saratoga County, the Project will be located in the Towns of Moreau, Northumberland, Wilton, Greenfield, Milton, Ballston, and Clifton Park, and the City of Saratoga Springs.

Indicate the present owner of the Project Site: Cables in Saratoga County will be installed primarily in rights of way owned by Canadian Pacific Railway. Cables will also be located under state, county, town and city roads/streets.

B. Please provide narrative of project, the purpose of the project (new build, renovations, and/or equipment purchases), and the type of project (educational, recreational, historic preservation, etc.). Identify specific uses occurring within the project. Describe any and all tenants and any/all end users:

CHPE LLC, or its designee (the "Company")
Project Supplement to Application for Financial Assistance to
Saratoga County Industrial Development Agency (the "Agency")

The project covered by this Application (the "Project") will consist of: (a)(1) the acquisition of an interest in the Company's interest in certain parcels of land located in the Towns of Moreau, Northumberland, Wilton, Greenfield, Milton, Ballston, and Clifton Park as well as the City of Saratoga Springs, Saratoga County, New York (collectively, the "Land"), (2) the acquisition of two five-inch diameter high-voltage direct current ("HVDC") transmission cables (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 (the "Improvements"), and together with the Land and Equipment, the "Project Facility"), all of the foregoing for use by the Company as a portion of an electric 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 General Municipal Law) with respect to the foregoing, including exemptions from sales and use taxes, mortgage recording taxes, and real property taxes for the Project Facility (but not including special district taxes) (collectively, the "Financial Assistance"); and (c) the lease of the Project Facility by the Agency back to the Company; all as contemplated by and in furtherance of the purposes of the General Municipal Law.

The Project is the Saratoga County portion of a fully-buried, HVDC electric transmission line from the U.S.-Canada border to New York City (the "Transmission System") that will be up to 1,250-MW. 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.

Describe the reasons why the Agency's financial assistance is necessary, and the effect the Project will have on the Applicant's business or operations. Focus on competitiveness issues, project shortfalls, etc. Your eligibility determination will be based in part on your answer (attach additional pages if necessary).

The value proposition of CHPE to its customers is largely based on a guaranteed, predictable, price over a 30-year period. Consequently, CHPE's annual operating costs, including its tax responsibilities, must be predictable over the 30-year term of its financing for the Project to be viable and financeable. CHPE is a merchant transmission line, and consequently, cannot rely on captive ratepayers to absorb its costs. Key considerations for the Project include:

- Need for broad-based cost certainty, including:
 - Operating expenses: Property taxes will be significant and would be uncertain, and long-term certainty is required for Project viability and financing.
 - High and increasing transmission cable costs.
 - High and unpredictable installation costs due to fluctuating labor and commodity markets, and cost risks associated with underground installation.
 - Financing costs: Project difficult to finance with uncertain operating expenses; risk of rising interest rates and future financial market uncertainty.
- Because of the high number of tax jurisdictions along the route (including in Saratoga County), if PILOTs are not utilized, uniformity of treatment and long-term certainty associated with the tax obligations of the Project cannot be achieved.

CHPE LLC, or its designee (the "Company")
Project Supplement to Application for Financial Assistance to
Saratoga County Industrial Development Agency (the "Agency")

- Saratoga County: 15 tax jurisdictions (one county, seven towns, one city, and six school districts)¹
- Entire route: Nearly 150 tax jurisdictions (15 counties, 5 cities, 60 towns, 11 villages, and 60 school districts)

- CHPE must offer fixed, market-competitive pricing to execute commercial agreements required to finance and construct the Project.
- PILOT facilitates the Project's viability and financing, which helps achieve NY State environmental mandates and goals.
- Project provides long-term and predictable SCIDA and tax jurisdiction benefits for the region from an "invisible" Project with no use of public infrastructure or services.
- Helps provide uniformity of treatment across all affected tax jurisdictions in NY State (i.e., creates a fair, efficient, streamlined process which enables CHPE to reach agreements benefitting the multitude of tax jurisdictions). The only anticipated variability will be to account for the lower construction impacts in counties where the cable will be installed underwater.

If the Applicant is unable to obtain Financial Assistance for the Project, what will be the impact on the Applicant and County/City/Town/Village?

If CHPE is unable to obtain Financial Assistance for the Project, it is likely that New York state will encounter difficulty meeting its green energy goals. CHPE will comprise a significant portion of the renewable energy needed to meet New York state's 70x30 green energy goal. CHPE is expected to induce creation of significant jobs and economic activity on a project-wide basis including more than 1,100 direct full-time jobs in New York State over the 4-year construction period, more than 800 long-term jobs in New York state once operational, \$0.6 billion in wages during the approximately 4-year construction period, and \$5.6 billion in wages during the first 30 years of operations on a statewide basis. The majority of workforce will be sourced with union labor. Furthermore, it is expected that CHPE will induce \$1.5 billion in higher economic output during the approximately 4-year construction period and \$14.8 billion during the first 30 years of operations on a statewide basis. Without CHPE, this statewide economic impact would not occur.

I. Project Information

Estimated costs in connection with Project

The Company does not have estimated costs per mile for the portion of the Transmission System to be located within each county. However, based on estimated average costs of the Transmission System, the cost of acquiring the Land and Equipment and of constructing, installing, and equipping the Improvements can be estimated to be approximately \$235 million².

¹ Towns of Moreau, Northumberland, Wilton, Greenfield, Milton, Ballston, Clifton Park; City of Saratoga Springs; School districts: South Glen Falls CSD, Saratoga Springs City School District, Schuylerville CSD, Ballston Spa CSD, Burnt Hills-Ballston Lake CSD, Niskayuna CSD. Involved tax jurisdictions subject to change based on final construction plans.

² Figures to be revised as capital cost estimates are further refined.

CHPE LLC, or its designee (the "Company")
Project Supplement to Application for Financial Assistance to
Saratoga County Industrial Development Agency (the "Agency")

Sources of Funds for Project Costs:

The Project will be financed through a combination of private sector financing and Applicant equity. Amounts and terms of each source of financing have not yet been determined. The details of the lender security program also have yet to be decided, but it may include a mortgage on the Project Facility in Saratoga County and on Transmission System land and improvements in other counties; a mortgage on the Transmission System converter station site located in New York City; an assignment of contracts, such as the Transmission Services Agreement and construction contracts; an assignment of options on real estate; UCC filings; and a pledge of the equity interest in CHPE LLC held by TDI.

Private sector financing will be sought for the entire Transmission System and not on a county-by-county basis. Accordingly, the total amount to be borrowed to finance the Project has not yet been determined. For purposes of this Application, the Company estimates that the portion of the total borrowing to be allocated to the Saratoga County portion of the Transmission System is up to 100% of the \$235 million in capital costs, for which mortgage recording tax exemption is sought.

The Company has pursued development of the Transmission System for over 10 years and has spent millions of dollars on design, environmental review, and permitting efforts.

IDA PILOT Benefit

TBD

Percentage of Project Costs financed from Public Sector sources: 0%

N. Employment Plan (Specific to the proposed project location)

As a buried transmission line with no moving parts, the Project will not require day-to-day operations and maintenance efforts. Accordingly, the Project will not create permanent employment at the Project site. However, the Transmission System is anticipated to induce the creation of more than 800 long-term jobs in New York State once operational. Those induced jobs are anticipated to generate approximately \$5.6 billion in wages during the first 30 years of operation on a statewide basis.³

³ See "Analysis of Economic, Environmental, and Reliability Impacts to the State of New York," PA Consulting, a copy of which is available for review at https://chpeexpress.com/wp-content/uploads/2020/03/PA_Analysis_Report_on_Champlain_Hudson_Power_Express_Benefits.pdf



A Blackstone Portfolio Company

January 11, 2022

Scott Duffy, Chief Executive Officer
Saratoga County Industrial Development Agency
50 West High Street
Ballston Spa, NY 12020

Re: Champlain Hudson Power Express Project (the "Project")

Dear Mr. Duffy,

CHPE LLC (the "Company") submitted an application for financial assistance which included a project supplement attached thereto (collectively, the "Application") on or around December 4, 2020 to the Saratoga County Industrial Development Agency (the "Agency") regarding the Project, which is the Saratoga County portion of a proposed up to 1,250-megawatt, fully-buried, HVDC transmission line from the U.S.-Canada border to New York City (the "Transmission System").

Table with 2 columns: Type of Tax, Estimated Benefit. Rows include Sales Tax (Up to \$21,726,436) and Mortgage Recording Tax (Up to \$2,327,832).

Based on the payment in lieu of tax ("PILOT") payment schedule approved by the Agency and related materials presented by the Company to the Agency in connection therewith, but recognizing that assessments on the Project improvements have not yet been set, the Agency could use an estimated real property tax exemption benefit associated with the Project of \$36,471,683.

Construction activities associated with the Project, including procurement of cable, are anticipated to commence in 2022, subject to financing, and the Company is currently targeting commencing commercial operation of the Project in Q4 2025.

Construction labor and employment figures have not been determined per county. However, the Transmission System is anticipated to create more than 1,400 unique jobs in New York State over the 4-year construction period, with total wages of approximately \$0.6 billion during that period.

1 Other exemptions, such as the capital improvement exemption, may apply and be used, which could diminish the estimated benefit.

2 Excludes additional mortgage recording tax (0.25%) to which the Agency's exemption would not apply due to Saratoga County's location within the jurisdiction of the Capital District Transportation Authority.

3 See "Analysis of Economic, Environmental, Resiliency and Reliability Benefits to the State of New York." PA Consulting, a copy of which is available for review at https://chpexpress.com/wp-content/uploads/2021/05/PA-Consulting-Tier-4-REC-Bid-Report_05-10-2021.pdf

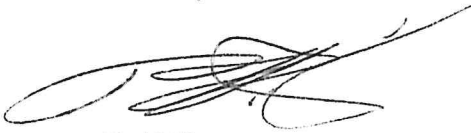
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and induced) as well as \$1.6 billion in new economic output during construction focused on materials providers, trucking, hospitality, food service, transportation, fuel and clothing, among other sectors.⁴

As a submerged and buried transmission line with no moving parts, the Project will not require day-to-day operations and maintenance efforts. Accordingly, the Project will not create permanent employment at the Project site. However, the Transmission System is anticipated to induce the creation of an annual average of 40 direct, full-time jobs and 3,219 secondary jobs in New York State during the first 25 years of operations. Those induced jobs are anticipated to generate approximately \$7.3 billion in wages during the first 25 years of operation on a statewide basis.⁵

This letter is intended to amend the Application and Project Supplement incorporated therein by reference and provide specific responses concerning the calculated exemption benefit and jobs information. The Company appreciates the Agency's consideration of financial assistance for the Project and looks forward to finalizing the approval process and closing the straight-lease transaction as soon as possible.

Sincerely,



Todd Singer
Chief Financial Officer

cc: James A. Carminucci, Esq. (via electronic mail)

⁴ See "Analysis of Economic, Environmental, Resiliency and Reliability Benefits to the State of New York," PA Consulting, a copy of which is available for review at https://chpexpress.com/wp-content/uploads/2021/05/PA-Consulting-Tier-4-REC-Bid-Report_05-10-2021.pdf

⁵ Id.



VIA ELECTRONIC MAIL

July 8, 2022

Scott Duffy, Chief Executive Officer
Saratoga County Industrial Development Agency
50 West High Street
Ballston Spa, NY 12020
scduffy3@gmail.com

Re: Champlain Hudson Power Express Project (the “Project”) – Amendment to Application for Financial Assistance

Dear Mr. Duffy,

Saratoga County has recently requested that the Company make the payments approved by the Agency and set forth in Exhibit A directly to the County pursuant to a host community agreement between the County and the Company, to be used or distributed in the County’s discretion. The Company is willing to enter into such an agreement provided that no PILOT payments or general ad valorem property taxes would be owed with respect to the Project during the term of the host community benefit agreement, with those conditions given effect by a PILOT Agreement between the Agency and the Company.

By way of further update, construction activities associated with the Project, including procurement of cable, are still anticipated to commence in 2022, subject to financing, and the Company is currently targeting commencing commercial operation of the Project in approximately Q4 2025. Commencement of commercial operation of the Project may be delayed for a variety of reasons relating to a project of this scope, including financing and construction delays.

This letter is intended to amend the Application and Project Supplement incorporated therein by reference.

Sincerely,

Todd Singer
Chief Financial Officer

cc: James A. Carminucci, Esq. (via electronic mail)

EXHIBIT A

HOST COMMUNITY AGREEMENT PAYMENTS

<u>Payment Year¹</u>	<u>Host Community Agreement Payment Amount</u>
Construction Years	\$0
1	\$2,631,207
2	\$2,669,360
3	\$2,708,066
4	\$2,747,333
5	\$3,019,433
6	\$3,063,215
7	\$3,107,631
8	\$3,152,692
9	\$3,444,437
10	\$3,494,382
11	\$3,545,050
12	\$3,596,453
13	\$3,909,216
14	\$3,965,900
15	\$4,023,406
16	\$4,081,745
17	\$4,416,992
18	\$4,481,039
19	\$4,546,014
20	\$4,611,931
21	\$4,971,229
22	\$5,043,312
23	\$5,116,440
24	\$5,190,628
25	\$5,575,651
26	\$5,656,498
27	\$5,738,517
28	\$5,821,726
29	\$6,234,260
30	\$6,324,656
Total	\$126,888,420

¹ The host community agreement would cover the period of construction of the Project and thirty (30) payment years for the assessment roll years following the date on which the Project commences commercial operation (the "Commercial Operation Date"). Host community payments would be due at the same time property tax payments would otherwise be due in the absence of the Agency exemption, with no payments owed during the construction period. The first host community payment would be due on the date that property taxes would be due to Saratoga County for the assessment roll year associated with the first taxable status date occurring after the Commercial Operation Date. The Project would become subject to property taxation by all affected tax jurisdictions following the assessment roll year associated with the thirtieth (30th) host community payment to Saratoga County.



Transmission
Developers Inc.

A **Blackstone** Portfolio Company

September 30, 2022

VIA ELECTRONIC MAIL

Scott Duffy, Chief Executive Officer
Saratoga County Industrial Development Agency
50 West High Street
Ballston Spa, NY 12020

Re: Champlain Hudson Power Express Project (the "Project")

Dear Mr. Duffy:

Counsel for the Saratoga County Industrial Development Agency (the "Agency") requested that CHPE LLC (the "Company") clarify the estimated cost of the Project. As you know, on August 16 the Agency conducted a public hearing regarding financial assistance for the Project including an exemption from sales tax in the amount of \$21,726,436 and an exemption from mortgage recording tax in the amount of \$2,327,832. Those exemption amounts were referenced in the Company's January 11, 2022 letter amendment of the IDA Application and were based on a project cost of \$310,377,664.¹ The Company entered into construction contracts for the Project since the August public hearing (the most recent of which was executed on September 9), which resulted in an updated allocation of costs to all counties involved with the CHPE transmission system, including a refined project cost in Saratoga County in the amount of \$354,405,297. The Company is not seeking increased benefits (beyond those approved in August) relating to the increased allocation but understands that the increase requires an increased Agency Fee in connection with the transaction.

We look forward to working with you and your counsel to close the transaction in mid-October.

Sincerely,

Todd Singer
Chief Financial Officer

cc: James A. Carminucci, Esq. (via electronic mail)
Rick Chase (via electronic mail)

¹ Using a sales tax rate of 7% and a mortgage recording tax rate of 0.75% (excluding the additional mortgage recording tax rate of 0.25% for the Capital District Transportation Authority).