

## Questions and Answers

### County of Cattaraugus Industrial Development Agency (“CCIDA”) Alle-Catt Wind Energy LLC Project (the “Project”)

(1) **QUESTION:** Briefly describe the project.

**ANSWER:** Alle-Catt Wind Energy LLC (“Alle-Catt”) has proposed to construct and operate a wind energy generating facility and related infrastructure consisting of up to 83 wind turbines producing up to 340 MW within the counties of Cattaraugus, Allegany, and Wyoming. Within Cattaraugus County, the project will consist of 38 wind turbines averaging 4.5MW each with an aggregate generating capacity of approximately 171 MW (the “Project”). There will be 25 turbines in the Town of Freedom and 13 in the Town of Farmersville. Project costs are approximately \$618,874,498.

(2) **QUESTION:** What Financial Assistance has Alle-Catt applied for?

**ANSWER:** Alle-Catt has applied for a sales tax, mortgage recording tax, and real property tax abatement benefit in the form of a 20-year PILOT Agreement with an annual payment in lieu of tax of \$5,000 per megawatt (“MW”) of installed capacity, with an annual increase of 2%.

(3) **QUESTION:** What is the estimated value of the Financial Assistance?

**ANSWER:** Alle-Catt estimates it will spend approximately \$81,000,000 on goods and services subject to sales tax. If approved, the CCIDA sales tax benefit will exempt up to \$6,480,000 in sales tax related to these expenditures. Alle-Catt anticipate placing a mortgage on the Project in the amount of approximately \$605,000,000. If approved, the CCIDA mortgage recording tax benefit will exempt up to \$7,562,000 in mortgage tax. If approved, the estimated 20-year total PILOT payments would be \$20,774,251. If the Project is not undertaken, the estimated taxes would continue as is, with no new assessed value otherwise created/installed. If the Project is undertaken but no CCIDA PILOT Agreement is implemented, such that real property taxes are collected under the provisions of Section 575-b of the New York Real Property Tax Law, the estimated 20-year total of real property taxes would be \$58,657,000.

(4) **QUESTION:** What are the economic impacts of the project?

**ANSWER:** The Project will produce approximately 400 construction jobs, and up to ten full time new positions. New PILOT revenues of approximately \$20,774,251 will be submitted to the Affected Tax Jurisdictions over the 20-year term of the PILOT. The Town of Freedom and Farmersville will receive approximately \$14,738,791 and \$7,664,265 in addition to their portion of PILOT payments, respectively, over the 20-year term of their Host Community Agreements, entered by and between the Town of Freedom and the Town of Farmersville and Alle-Catt. The Town of Yorkshire will receive approximately \$95,000 under the terms of its Host Community Agreement by and between the Town of Yorkshire and Alle-Catt, in addition to their portion of PILOT payments.

(5) **QUESTION:** What approvals have been obtained thus permitting the CCIDA to consider Alle-Catt’s application for financial assistance?

**ANSWER:** On June 2, 2020, the New York State Board on Electric Generation Siting and the Environment (“Siting Board”) granted a Certificate of Environmental Compatibility and Public Need, With Conditions to Alle-Catt Wind Energy LLC pursuant to Public Servies Law Section 168 (the “Certificate”). The Certificate contained several conditions required to be complied with at a later point

in time. This Certificate confirms the Siting Board's determination that the project will meet all statutory requirements for certification under Article 10 of the New York Public Service Law regarding the nature of the probable environmental impacts including impacts on ecology, air, ground, surface water, wildlife, habitat, public health and safety, cultural, historic and recreations resources including aesthetics and scenic values, and transportation, communication, utilities and other infrastructure. In sum, the Siting Board has determined that the project is a beneficial addition the electric generation capacity of the state, the project will serve the public interest, and that the adverse environmental effects of the construction and operation of the project will be minimized or avoided to the maximum extent practicable including any significant disproportionate impacts on the community. On June 20, 2024, the Public Service Commission issued its order approving of the conditional compliance filings as required by the Certificate. It is important to understand, as a matter of law, major electric generating facility projects, such as this one, are precluded from environmental review by the CCIDA under the New York State Environmental Quality Review Act ("SEQRA") because the Siting Board's administrative review process, as described above, is "SEQRA-like" pursuant to the applicable provisions of Articles VIII, X, or 10 of the New York State Public Service Law, which preempt local environmental regulation of the siting of such projects.

Pursuant to the CCIDA's Eligible Project Policy ("Eligibility Policy"), the CCIDA has received letters of support for the project from the Town of Freedom, the Town of Farmersville, and the Town of Yorkshire, and a request from the County of Cattaraugus Legislature to hold a public hearing with respect to the project. With respect to the Eligibility Policy "Decommissioning Fund" requirements, the Certificate establishes procedures substantially like those required by the Eligibility Policy, in that Alle-Catt is required to submit a final decommissioning plan, prior to commencement of construction, for approval by the Siting Board and requires that letters of credit be established by Alle-Catt to be held by each town hosting a Project component. Each Town is also required to submit its approval of the form of letter of credit as a component part of the final decommission plan to be submitted to the Siting Board. Based upon the foregoing, and in compliance with the Eligibility Policy or with its procedures to deviate from same, the CCIDA can now timely entertain the Alle-Catt application for financial assistance.

**(6) QUESTION:** How does Alle-Catt's proposal compare to PILOT agreements related to the portion of the overall project located within Allegany County and Wyoming County?

**ANSWER:** The Wyoming County IDA and the Allegany County IDA have already approved the project as it will be constructed and operated within the respective borders of those counties and have also approved of the same PILOT Agreement proposal.

**(6) QUESTION:** Will there be special district charges?

**ANSWER:** Yes. The CCIDA does not exempt special district charges.

**(7) QUESTION:** What is the CCIDA's involvement with the Host Community Agreements ("HCA") as so entered by and between the Town of Farmersville, the Town of Freedom, and the Town of Yorkshire, respectively, and Alle-Catt?

**ANSWER:** The CCIDA played no role in, nor was it involved with, the HCA negotiations with the respective Towns or Alle-Catt.