



c/o Northland Power, Inc.
30 St. Clair Ave W, 12th Floor
Toronto, Ontario, Canada M4V 3A1

Kerri Green, Director
15 South Broad Street
Norwich, NY 13815

RE: APPLICATION FOR BENEFITS

October 19, 2021

Dear Ms. Green,

We wanted to thank the Chenango County IDA Board for voting on Sept 15, 2021 to accept and consider High Bridge Wind, LLC's ("High Bridge") Application for Incentives/Benefits submitted on August 10, 2021, which includes a request for sales tax exemption, a mortgage recording tax exemption and a request to enter into payment in lieu of taxes agreement (PILOT).

As an authorized signatory for High Bridge, I submit this letter as a supplement to our application.

1. Property Tax Analysis

At the Sept 15 meeting, one board member asked us to provide additional information on how our proposed payments to local taxing jurisdictions compare to current taxes paid on these properties. To complete this analysis, we pulled county tax data for a total of 143 parcels that hold wind energy leases or easements with the project, or have entered into good neighbor agreements and are adjacent or near the project. We calculated the aggregate property taxes paid for the underlying land, which is the total tax paid less the amount attributable to dwellings and other structures. If the project is constructed, all taxes currently levied on these properties will continue to be paid, plus the additional revenue from the PILOT and Host Community Agreement. **In the first full year of wind farm operations, 2024, this represents an increase of 447%.**

	2020	2024
Current Land Taxes	\$233,506.43	\$233,506.43
Host Community Agreement	N/A	\$416,160.00*
PILOT	N/A	\$396,000.00
TOTAL	\$233,506.43	\$1,045,666.43

*Host Community Agreement proposal contemplates 2% annual escalator from first payment in 2022.

2. Source of Supplies, Services and Raw Materials

We would like to clarify our response to Section I, Question I (“Sources of Supplies, Services and Raw Materials” and Section II Question I (“% Sourced in County/City/Town/Village”).

High Bridge will select an EPC contractor to construct the project and procure all supplies, equipment and subcontractors except for the turbines and portions of the electrical interconnection scope, which we will procure directly. The EPC contractor will make its selections based on price, subcontractor and supplier experience, and what is available in the county at the time of construction, now anticipated for the period between early 2022 and late 2023. The contractor is also subject to New York State requirements from our sales agreement with the New York State Energy and Research Development Authority (NYSERDA) and labor agreements High Bridge signed with Laborers Local 785 and IBEW Local 325.

At this time, we can only speak to our experience at Bluestone Wind, in neighboring Broome County. We think this project offers a valuable example for the construction of the High Bridge project. At Bluestone, we have procured 100% of aggregate from within a few miles of the project, and 100% of public road upgrades and repairs have been completed by companies based within a few miles of the project area. In total, the project has awarded contracts worth millions of dollars to those local suppliers and companies with offices or a significant local presence in Broome and Chenango counties. In addition, the majority of workers on site have been members of unions from the 10 NY counties that comprise the local labor area, an area that includes Broome and Chenango counties. Our EPC contractor on that project is headquartered in Johnstown, NY, and their project site supervisor lives in Chenango County, in Afton.

3. Project Location

At the time of our application, we left Exhibit B, the list of real property interests, unfilled as has been customary on other wind projects across the state. In our experience, IDAs have not needed the exact list of real property interests to complete their cost-benefit analysis, and we did not wish to exclude the possibility of adding additional parcels to the project between August 2021 and closing (please note that any additional parcel that is included in the project has been included in the application before the Siting Board). However, in the interest of moving forward, we have updated Exhibit B to include the parcels and agreements that will be part of the IDA transaction as of October 2021.

We would like to reserve a right to add additional parcels to the project prior to closing.

4. Environmental Site Assessment

Section II, Question E asks whether a Phase I Environmental Assessment has been completed. As I’m sure you’re aware, the Phase I is completed to look for evidence of environmental contamination by prior owners, lessees, and users of the land. It is completed to protect the interests of debt and equity investors, and co-investors in the project, such as the IDA. In other words, the Phase I is limited to reviewing the past historical uses of the property. It has no relationship to the SEQRA or Article 10 process assessing the suitability of the site for wind energy and is not a public document. It does not in any way assess the impact of project infrastructure on the environment or on the project’s neighbors.

Lenders require that a Phase I ESA be completed no earlier than 3 months prior to the debt financial close. Given that we do not anticipate a debt financial close on this project until Q2 2022, we do not expect to complete the Phase I ESA until Q1 2022.

5. Cost for Labor

For the reasons detailed in Section 2 of this letter, above, it is difficult to offer a precise estimate project labor cost. The EPC contractor will manage to a schedule and budget, and it is up to the contractor to decide how much manpower to deploy to site to meet the schedule. For that reason, we can only offer a conservative estimate of total labor costs for Section II, Question I “Cost for Labor”. Our current estimate for that figure is \$21 million.

6. Adaptive Reuse

Our August application made clear that we were not and are not seeking a tax incentive under the Adaptive Reuse Program. However, we selected “Yes” on Question B, “Has the structure been vacant or underutilized for a minimum of 3 years?” as the project area contains numerous parcels with derelict structures.

Rereading the instructions, we would like to maintain our answer of “No” to Question A, and leave blank all other questions on the page.

Sincerely,

Jeffrey Nemeth
Director, Project Development

Cc: Chris Stanton, Project Development Manager

**Exhibit B – Updated
List of Real Property Interests**

[Additional interests may be added to project prior to closing with the IDA]

Parcel ID	Agreement Type	Landowner Name
174.-1-26	Lease	ACFR Realty Enterprises LLC
174.00-1-9.1	Lease	Tracie J. Barnes
186.00-1-5.1	Lease	Alexander K. Batyr
210.00-1-28	Lease	Michael F. Blincoe and Christine E. Blincoe
210.00-1-29	Lease	Michael F. Blincoe and Christine E. Blincoe, Phyllis E Blincoe
199.00-1-24	Lease	Neil A. Bonner and Mary P. Bonner, Patrick Bonner, Michael A. Bonner
198.00-1-10	Lease	Joseph R. Bosan Jr., Steven Bosan, Paul Bosan
173.00-1-11.1	Lease	Philip Butt
186.00-1-9.3	Lease	Donald H. Carney Jr., Connie A. Carney
186.-1-17.1	Lease	CWK LBK Holdings Corp.
187.-1-1.11	Lease	CWK LBK Holdings Corp.
187.-1-3	Lease	CWK LBK Holdings Corp.
174.00-1-27.321	Lease	Stephen G. Dannenfelser and Theresa L.M. Dannenfelser
174.00-1-27.325	Lease	Stephen G. Dannenfelser and Theresa L.M. Dannenfelser
174.00-1-28.1	Lease	Stephen G. Dannenfelser and Theresa L.M. Dannenfelser
186.00-1-18	Lease	DH Hunt Club LLC
199.00-1-7	Lease	DH Hunt Club LLC
174.00-1-4.21	Lease	Michael J. Elliott Sr. and Jennifer S. Elliott
186.00-1-6	Lease	Farm East LLC
174.00-1-27.31	Lease	Jean Forte
199.00-1-38.1	Lease	Herman C. Frank and Charlotte Frank
199.00-1-41	Lease	Herman C. Frank and Charlotte Frank
199.00-1-46	Lease	Herman C. Frank and Charlotte Frank
185.00-1-2.1	Lease	Franklin J. Freer
186.00-1-5.2	Lease	Peter and Anka Glavin, Valentina Sango
198.00-1-8.4	Lease	Wendall S. Haggerty, Harold W. Haggerty
186.00-1-24	Lease	Dennis J. Haynes and Bonie S. Haynes
186.00-1-25	Lease	Geraldine Haynes, Kenneth L. Haynes III
185.00-1-8	Lease	Kenneth L. Haynes Jr. and Jennifer A. Haynes
211.-1-2	Lease	Hooknee Holdings LLC
199.00-1-36	Lease	Stephen P. Hull
185.00-1-6.1	Lease	In Soo Kim, Mi By Kim
210.00-1-11.3	Lease	Charles P. Kinsman

210.00-1-12.5	Lease	Charles P. Kinsman
185.00-1-11.1	Lease & Purchase Option	Mark E. Knowles and Martha L. Knowles
185.00-1-11.2	Lease	Mark E. Knowles and Martha L. Knowles
185.00-1-12.1	Lease	Mark E. Knowles and Martha L. Knowles
185.00-1-2.4	Lease & Purchase Option	Paul A. Knowles
186.-1-17.2	Lease	Martha A. Kozielski
186.00-1-9.1	Lease	W. John Maxey, Merle Maxey
174.00-1-25	Lease	Timothy L. Miller and Hope M. Miller
174.00-1-1.1	Lease	Barbara J. Morgan
198.00-1-8.11	Lease	Michael E. Mulhair and Kathleen H. Mulhair
210.00-1-8	Lease	William C. Albright, Lori A. Albright, Linda M. Albright-Seneck
210.00-1-26	Lease	William C. Albright, Lori A. Albright, Linda M. Albright-Seneck
186.00-1-7.1	Lease	John P. Noon and Patricia J. Noon
174.00-1-24	Lease	Nowanna LLC
186.00-1-19	Lease	David M. Odell and Barbara E. Odell
185.00-1-7	Lease	Richard G. Pancoe and Rhonda L. Pancoe
185.00-1-10.1	Lease	Matthew J. Pikul
198.00-1-11.3	Lease	Charles Seminario
173.00-1-12	Lease	Paul K. Steffens, Dale S. Steffens
174.00-1-17	Lease	Randy D. and My Taylor
174.00-1-17	Lease	Randy D. and My Taylor
186.-1-8	Lease	Thomas F. Thomas and Mildred Thomas
174.00-1-11.43	Lease	Michael Wildenstein, Kristen Wildenstein
199.00-1-55	Lease	Willowemoc Valley Sportsmen's Club Inc.
211.00-1-1	Lease	Willowemoc Valley Sportsmen's Club Inc.
210.00-1-14.1	Easement	Charles P. Kinsman
199.00-1-8.2	Easement	Peter Marks and Teresa Marks
199.00-1-3.1	Easement	Michael E. Mulhair and Kathleen H. Mulhair
173.00-1-13.3	Easement	Thomas G. Wales
199.00-1-60.1	Easement	Joseph E. Zaczek and Linda E. Zaczek