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NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
PUBLIC HEARING FOR SOMERSET OPERATING COMPANY, LLC.

March 03, 2016  
4:00 P.M.

Taken at: SOMERSET TOWN HALL  
8700 Haight Road  
Barker, New York 14012

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1 PRESENT: SUSAN LANGDON,  
2 As Hearing Officer.  
3 Niagara County Industrial  
4 Development Agency,  
5 Director of Project Development.

6 REPORTED BY: DAWN M. SITERS,  
7 Court Reporter.

8 ATTENDANCE NOTED ON ATTACHED SIGN-IN SHEET

9 MS. LANGDON: Good afternoon.

10 My name is Susan Langdon, Director of Project  
11 Development for the Niagara County Industrial  
12 Development Agency. I will be serving as hearing  
13 officer for this public hearing. It is now 4:05 P.M.

14 The purpose of this hearing is to solicit  
15 comments, both written and oral, on the Somerset  
16 Operating Company, LLC project in the Town of  
17 Somerset.

18 Somerset Operating Company, LLC is the  
19 current owner and operator of the coal generation  
20 facility located in the Town. Presently, the sole  
21 shareholder of Somerset is Upstate New York Power  
22 Producers, Inc. Riesling Power, LLC has entered  
23 into a stock purchase agreement with Upstate whereby

1 Upstate would sell its full interest in Somerset to  
2 Riesling.

3 Riesling is requesting consent of the  
4 Agency to become the new owner of Somerset in place  
5 of Upstate. Consent would include the assumption of  
6 the PILOT, along with sales and mortgage tax benefits.

7 I have made copies available of the  
8 project's cost/benefit analysis, project summary and  
9 project application.

10 Comments can be in support of, or in  
11 opposition to, or on the nature or location of the  
12 project.

13 Notice of Public Hearing: Notice is  
14 hereby given that a public hearing pursuant to  
15 Article 18-A of the New York General Municipal Law  
16 will be held by the Niagara County Industrial  
17 Development Agency on the 12th day of January 2016  
18 (sic) at 4:00 local time at the Somerset Town Hall,  
19 8700 Haight Road, Barker, New York 14012, in  
20 connection with the following matter.

21 Somerset Operating Company, LLC, for  
22 itself or on behalf of an entity formed, or to be  
23 formed, (the "Company"), has requested the Agency's

1 assistance with respect to a certain project,  
2 consisting of: (A) the acquisition or retention by  
3 the Agency of fee title to, or a leasehold interest  
4 in, an approximately 1800-acre parcel of land  
5 located at 7725 Lake Road in the Town of Somerset,  
6 Niagara County, New York, together with the existing  
7 nine buildings thereon. The Agency has previously  
8 provided financial assistance to the Company for  
9 qualifying portions of the Project, consisting of a  
10 partial real property tax abatement in the form of a  
11 certain Payment-in-Lieu-of-Tax agreement.

12 Pursuant to the Company's request, the  
13 Agency will consider acquiring or retaining title  
14 to, or a leasehold interest in, the Facility and  
15 lease the Facility back to the Company. The Company  
16 will operate the Facility during the term of the  
17 lease. At the end of the lease term, the Company  
18 will purchase the Facility from the Agency, or if  
19 the Agency holds a leasehold interest, the leasehold  
20 interest will be terminated. The Agency  
21 contemplates that it will provide financial  
22 assistance to the Company for qualifying portions of  
23 the Project, consisting of an extension of the

1 existing PILOT between the Agency and the Company.

2 A representative of the Agency will be at  
3 the above-stated time and place to present a copy of  
4 the Company's application, and hear and accept  
5 written and oral comments from all persons with  
6 views in favor of, or opposed to, or otherwise  
7 relevant to the proposed changes to the Existing  
8 PILOT Agreement.

9 It occurs to me that I've just read the  
10 Public Hearing Notice for the previous project.  
11 So I will say, that being said, the project summary  
12 is correct, and the application is correct.

13 So that Public Hearing Notice is online.  
14 I pulled the wrong one off; January 12th should be  
15 March 3rd, and that is online. If anybody needs a  
16 copy, I can provide it to them right away.

17 Now I will open the public hearing for  
18 comments. Does anyone wish to comment on the  
19 project?

20 Okay. There being no comments, it's now  
21 4:09 P.M. and I'll close the hearing. Thank you  
22 very much for coming.

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**NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY**

**NOTICE OF PUBLIC HEARING**

NOTICE IS HEREBY GIVEN that a public hearing pursuant to Article 18-A of the New York General Municipal Law will be held by the Niagara County Industrial Development Agency (the "Agency") on the **3<sup>th</sup> day of March, 2016, at 4 p.m.** local time, at the *Somerset Town Hall, 8700 Haight Road, Barker, New York 14012*, in connection with the following matter:

**SOMERSET OPERATING COMPANY, LLC**, for itself or on behalf of an entity formed or to be formed (the "Company"), has requested the Agency's assistance with respect to a certain project (the "Project") consisting of: (A) the acquisition or retention by the Agency of fee title to or a leasehold interest in an approximately 1,800-acre parcel of land located at 7725 Lake Road in the Town of Somerset, Niagara County, New York (the "Land"), together with the existing 9 buildings thereon (the "Existing Improvements" and, together with the Land, the "Facility"). The Agency has previously provided financial assistance (the "Financial Assistance") to the Company for qualifying portions of the Project, consisting of mortgage recording tax exemption and partial real property tax abatement in the form of a certain payment-in-lieu-of-tax agreement (the "Existing PILOT").

Pursuant to the Company's request, the Agency will consider acquiring or retaining title to, or a leasehold interest in, the Facility and lease the Facility back to the Company. The Company will continue operating the Facility during the term of the lease. At the end of the lease term, the Company will purchase the Facility from the Agency, or if the Agency hold a leasehold interest, the leasehold interest will be terminated. The Agency contemplates that it will provide financial assistance (the "Financial Assistance") to the Company for qualifying portions of the Project, consisting of mortgage recording tax exemption and the continuation of the Existing PILOT between the Agency and the Company.

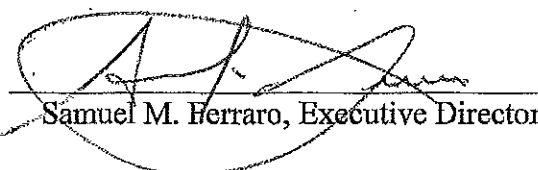
A representative of the Agency will be at the above-stated time and place to present a copy of the Company's application and hear and accept written and oral comments from all persons with views in favor of or opposed to or otherwise relevant to the proposed Financial Assistance.

This public hearing is being conducted in accordance with Subdivision 2 of Section 859-a of the New York General Municipal Law.

Dated: **February 11, 2016**

**NIAGARA COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY**

By: \_\_\_\_\_

  
Samuel M. Ferraro, Executive Director