

# Niagara County Industrial Development Agency

## Project Summary Sheet

AES Eastern Energy, L.P. - December, 2009

Project No. 09-13

**Applicant:** AES Eastern Energy, L.P.

**Project Location:** 7725 Lake Road  
Barker, NY

**Assistance:** Deviated PILOT

**Description:** AES Eastern Energy, L.P. was established on November 18, 1998 in the State of Delaware for the purpose of acquiring the former NYSE&G Kintigh power plant. This 650 megawatt coal fired electric power generating station facility occupies 1800 acres in the Town of Somerset and employs approximately 135 people.

AES Eastern Energy, L.P. is asking the NCIDA. to consider the establishment of a long term Payment In Lieu of Tax Agreement for the Somerset facility to help preserve jobs in Niagara County and stabilize costs consistent with other power plants in New York State. Niagara County, Town of Somerset, Barker School District and AES Eastern Energy, L.P. have come to a preliminary agreement on a Payment in Lieu of Tax schedule and distribution of funds. This request is supported by Niagara County, Town of Somerset and the Barker School District.

**Economic Impacts:** The proposed PILOT Agreement for the AES Eastern Energy, L.P. Facility will have a limited impact on the current and short term future property tax base and tax revenues. Under the terms of the PILOT the project facility would pay an annual PILOT of \$15,800,000, to be distributed by an Agreement among the Taxing Jurisdictions, for a term of 5 years, 2011 through the year 2015.

**Other Impacts:** There are other impacts that have not had a value placed on them but could have a substantial impact, such as:

- Preservation of permanent, high paying jobs Niagara County.
- No further litigation between AES and the municipalities.  
(over-payments estimated to be \$37,100,000 over 6 years)
- Encouraging AES to make additional Capital investments.