



*Empowering Businesses. Inspiring Growth.*

# APPLICATION FOR FINANCIAL ASSISTANCE

Danskammer Energy, LLC

---

(Applicant Name)

01/08/2020

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(Date of Application)

Orange County Business Accelerator  
4 Crotty Lane, Suite 100  
New Windsor, NY 12553  
Phone: 845-234-4192 Fax: 845-220-2228  
[www.ocnyida.com](http://www.ocnyida.com)  
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Updated April 11, 2019



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Managing Director

**Kevin Dowd**  
IDA Attorney

**Harris Beach PLLC**  
IDA Bond Counsel

**Joel Kleiman**  
Chief Financial Officer

**Melanie Schouten**  
Chief Operating Officer (*Acting*),  
FOIL Officer

**Kelly Reilly**  
Project Manager

**Catherine Hunter**  
Compliance Administrator

**Marty Borrás**  
Executive Assistant



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## MISSION STATEMENT

“The mission of the Orange County Industrial Development Agency is to **promote economic growth** through a program of incentives-based allocations that assist in the construction, equipping and maintenance of specific types of projects and facilities. The IDA works to advance the health, prosperity and economic welfare of our County’s citizens by **retaining and creating jobs and attracting new businesses.**”



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The sections below make up the information and documents that must be completed and submitted to the OCIDA for a project application to be considered. Failure to provide the required information may cause a delay in the project being considered in a timely manner.

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Fill in all blanks, using “none” or “not applicable” or “N/A” where the question does not pertain to the applicant’s project.

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## APPLICATION FOR FINANCIAL ASSISTANCE

### I. APPLICANT INFORMATION

#### A) APPLICANT

Company Name: Danskammer Energy, LLC

Mailing Address: 717 Fifth Avenue, Floor 12A, New York, NY 10022

Phone No.: (646) 665-1067

Fax No.: (212) 201-2182

Fed Id. No.: 46-4106403

Contact Person: Thomas M. Gray

Title: Chief Financial Officer

Contact Phone No.: (646) 665-1067

Contact Email: tgray@danskammerholdco.com

IDA Management must be able to reach the Applicant's Contact throughout the duration of the Agreement. Should this information change at any time IDA Management should be notified Immediately. Please initial stating you understand and consent to the above TMG

#### B) INDIVIDUAL COMPLETING APPLICATION

Name: Thomas M. Gray

Company Name: Danskammer Energy, LLC

Title: Chief Financial Officer

Address: 717 Fifth Avenue, Floor 12A, New York, NY 10022

Phone No.: (646) 665-1067 Fax No.: (212) 201-2182

Email: tgray@danskammerholdco.com

C) **APPLICANT'S COUNSEL**

Name: John Furst  
Address: One Corwin Court P.O. Box 1479 Newburgh, New York 12550  
Phone No.: (845) 569-4377  
Fax No.: (845) 565-1999  
Email: jfurst@cmmrlegal.com

IDA Management must be able to reach the Applicant's Counsel throughout the duration of the Agreement. Should this information change at any time IDA Management should be notified Immediately. Please initial stating you understand and consent to the above TMG

D) **APPLICANT'S AUDIT CONTACT**

Name: Raymie Daroga, CPA  
Address: BDO - 2929 Allen Parkway 20th Floor Houston, TX 77019  
Phone No.: (713) 407-3807  
Fax No.: (713) 960-9549  
Contact Email: rdaroga@bdo.com

The IDA is legally required to submit an annual PARIS report to the state that requires information from each project. Applicant participation is **NOT OPTIONAL**. **ALL INFORMATION** must be submitted in a **COMPLETE** and **TIMELY** manner. Failure to comply with this request **WILL RESULT** in a **LOSS/RECAPTURE** of **ALL OR SOME** of your benefits. Please initial stating you understand and consent to the above TMG

E) **APPLICANT'S GENERAL CONTRACTOR/CONSTRUCTION MANAGER**

Name/Contact: N/A  
Address: N/A  
Phone No.: \_\_\_\_\_  
Fax No.: \_\_\_\_\_  
Email: N/A

F) Principal Owners/Officers/Directors (list owners with 15% or more in equity holdings with percentage ownership):

Name	Office Held	% of Ownership	% of Voting Rights
Please see Attachment A			

\*\*Please attach chart if space provided is not sufficient.

G) Corporate Structure (*attach schematic if applicant is a subsidiary or otherwise affiliated with another entity*)

Form of Entity

☐ Corporation

Date of Incorporation: \_\_\_\_\_

State of Incorporation: \_\_\_\_\_

☐ Partnership

General \_\_\_\_\_ or Limited \_\_\_\_\_

Number of general partners \_\_\_\_\_

If applicable, number of limited partners \_\_\_\_\_

Date of formation \_\_\_\_\_

Jurisdiction of Formation \_\_\_\_\_

☒ Limited Liability Company/Partnership (number of members 5)

Date of organization: November 8, 2013

State of Organization: Delaware

*Please See Attachment B for schematic of legal ownership structure.*

☐ Sole Proprietorship

H) If a foreign organization, is the applicant authorized to do business in the State of New York?

☒ Yes or ☐ No

If no, please explain below:

\*\*Please attach narrative if space provided is not sufficient.

I) If any of the above persons, or a group of them, owns more than a 50% interest in the company, list all other organizations which are related to the company by such persons having more than a 50% interest in such organizations.

Tiger Infrastructure Partners ("TIP") is the General Partner of the Tiger Infrastructure infrastructure funds. Please see TIP's website for a list of its investments.  
<http://tigerinfrastructure.com/cgi-bin/index.pl>, None of TIP's investments are affiliated with Danskammer.

\*\*Please attach chart if space provided is not sufficient.

J) Is the company related to any other organization by reason of more than 50% common ownership? If so, indicate name of related organization and relationship.

None. N/A

\*\*Please attach narrative if space provided is not sufficient.

K) Has the Applicant or any of its affiliated organizations ever received OCIDA benefits? ☒ **Yes** or ☐ **No**

If yes, please describe the assisted project below:

Danskammer Energy, LLC is currently under a 6 year PILOT granted by the OCIDA on December 1, 2014. The purpose of this application is in relation to a request for a 4 year extension of the current PILOT.

\*\*Please attach narrative if space provided is not sufficient.

L) Legal Questions:

1. Is the Company presently the subject of any litigation, or is any litigation threatened, which would have a material adverse effect on the Company's financial condition?

☐ **Yes** or ☒ **No**

2. Has the company or any of its affiliates ever been involved in bankruptcy, a creditor's rights or receivership proceeding, or sought protection from creditors?

☐ **Yes** or ☒ **No**

3. Has the Company ever settled a debt with a lending institution for less than the full amount outstanding?

☐ **Yes** or ☒ **No**

4. Has any senior manager or principal of the Company ever been convicted of any felony or misdemeanor, other than a minor traffic violation, or are any such charges pending?

☐ **Yes** or ☒ **No**



5. Has the Company or any of its affiliates, been cited for a violation of federal, State or local laws or regulations with respect to labor practices, hazardous wastes, environmental pollution or operating practices?

☒ **Yes** or ☐ **No**

6. Are there any outstanding judgments or liens pending against the Company other than liens in the normal course of business?

☐ **Yes** or ☒ **No**

7. Is the Company delinquent on any New York State, federal or local tax obligations?

☐ **Yes** or ☒ **No**

If your answer is "YES" for any of the above questions, please provide an explanation:

Danskammer is currently in receipt of two Notice of Violations from the NYSDEC, dated November 4, 2019. Danskammer is actively working with NYSDEC to remediate the issues identified.

**\*\*Please attach narrative if space provided is not sufficient.**

M) Has the company (or any related corporation or person) made a public offering or private placement of its stock within the last year? ☐ **Yes** or ☒ **No**

If yes, please attach offering statement used.

N) Brief description of Company History (formation, growth, transitions, location):

Please see Attachment C

**\*\*Please attach narrative if space provided is not sufficient.**

Estimated % of sales within the County:

0.0%

*Danskammer transfer title of its generated electricity to the NYISO at the substation owned by Central Hudson Gas & Electric Corp. ("CHG&E") on property owned by CHG&E outside the facility.*

Estimated % of sales outside the County but within NYS:

100.0%

Estimated % of sales outside NYS but within the U.S.:

0.0%

Estimated % of sales outside the U.S.:

0.0%

P) Sales and income projection or a project pro forma for proposed project for the next 3 to 5 years.

Please see Attachment D.

\*\*Please attach chart if space provided is not sufficient

O) Is the applicant (Company) party in compliance with local, state, and federal taxes, workers' protection, and environmental laws? ☒ **Yes** or ☐ **No**

If no, please describe below:

\*\*Please attach narrative if space provided is not sufficient

## **FINANCIAL INFORMATION OF THE COMPANY**

**A. For existing businesses:**

- The Applicant must submit three (3) years of accountant prepared financial statements.
- The Applicant must submit a current Certificate of Good Standing from the Department of State for the business.

**B. For new businesses:**

- The Applicant must submit three (3) years of personal tax returns for the owner(s).
- The Applicant must submit three (3) years of tax returns for the related businesses as well as Certificates of Good Standing from the Department of State.

*The requested Financial Information of the Company is to be kept confidential and is not subject to the Freedom of Information Law (FOIL).*

## II. PROJECT INFORMATION

- A) Project Address: 994 River Road, Newburgh, NY 12550
- Tax Map Number 8-1-78.2.1 and 8-1-80  
(Section/Block/Lot)
- Located in City of \_\_\_\_\_
- Located in Town of Newburgh
- Located in Village of \_\_\_\_\_
- School District of Marlboro Central School District
- B) Are utilities on site?
- Water Yes Electric Yes
- Gas Yes Sanitary/Storm Sewer Yes
- C) Present legal owner of the site Danskammer Energy, LLC
- If other than from applicant, by what means will the site be acquired for this project?  
N/A
- D) Zoning of Project Site: Current: X Proposed: \_\_\_\_\_
- E) Are any variances needed? No

F) Furnish a copy of any environmental application presently in process of completion concerning this project, providing name and address of the agency, and copy all pending or completed documentation and determinations. *Not applicable, current existing facility.*

G) Attach copies of preliminary plans or sketches of proposed construction or rehabilitation or both.

*Not applicable, current existing facility.*

H) Statement describing project (i.e. land acquisition, construction of manufacturing facility, etc.):

Existing facility. Please see Attachment C.

**\*\*Please attach narrative if space provided is not sufficient.**

I) Statement describing the impact of incentives on this project, should they be granted:

Continued operation of Danskammer facility as a financial contributor to its local host communities.

**\*\*Please attach narrative if space provided is not sufficient.**

J) Statement describing the economic benefit to the surrounding community resulting from this project:

The Danskammer generating facility currently employs 42 local employees. Annual labor and fringe benefits costs of approximately \$6 million. Local expenditures of approximately \$5 million annually (excluding PILOT and property taxes) to vendors and contractors within NYS and surrounding areas.

\*\*Please attach narrative if space provided is not sufficient.

K) Anticipated Date of Operation: \_\_\_\_\_

L) Principal use of project upon completion:

- |  |                                       |   |                                      |
|--|---------------------------------------|---|--------------------------------------|
| <input type="checkbox"/> manufacturing | <input type="checkbox"/> warehousing  | <input type="checkbox"/> research         | <input type="checkbox"/> offices     |
| <input type="checkbox"/> industrial    | <input type="checkbox"/> recreation   | <input type="checkbox"/> retail           | <input type="checkbox"/> residential |
| <input type="checkbox"/> training      | <input type="checkbox"/> data process | <input checked="" type="checkbox"/> other |                                      |

If other, explain: Electric power generation

M) NAICS Code: 221112

N) Estimated Project Costs, including:

Value of property to be acquired: \$ N/A

Value of improvements: \$ N/A

Value of equipment to be purchased: \$ N/A

Estimated cost of engineering/architectural services: \$ N/A

Other: \$ N/A

Total Capital Costs: \$ N/A

Project refinancing; estimated amount  
(for refinancing of existing debt only) \$ N/A

*Sources of Funds for Project Costs:*

Bank Financing: \$ N/A

Equity (excluding equity that is attributed to grants/tax credits) \$ N/A

Tax Exempt Bond Issuance (if applicable) \$ N/A

Taxable Bond Issuance (if applicable) \$ N/A

Public Sources (Include sum total of all state and federal  
grants and tax credits) \$ N/A

Identify each state and federal grant/credit:

N/A

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\$ N/A

\$ \_\_\_\_\_

\$ \_\_\_\_\_

\$ \_\_\_\_\_

\$ \_\_\_\_\_

Total Sources of Funds for Project Costs:

\$ \_\_\_\_\_

O) Inter-Municipal Move Determination

Will the project result in the removal of a plant or facility of the applicant from one area of the State of New York to another?

☐ Yes or ☒ No

Will the project result in the removal of a plant or facility of another proposed occupant of the project from one area of the State of New York to another area of the State of New York?

☐ Yes or ☒ No

Will the project result in the abandonment of one or more plants or facilities located in the State of New York?

☐ Yes or ☒ No

If Yes to any of the questions above, 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:

## Project Data

1. Project site (land)

- (a) Indicate approximate size (in acres or square feet) of project site.

\_\_\_\_\_

- (b) Are there buildings now on the project site? ☒ Yes ☐ No

- (c) Indicate the present use of the project site.

Electric Power Generation

\_\_\_\_\_

- (d) Indicate relationship to present user of project.

Self

\_\_\_\_\_

2. Does the project involve acquisition of an existing building or buildings?  
If yes, indicate number, size and approximate age of buildings:

No

\_\_\_\_\_

3. Does the project consist of the construction of a new building or buildings?  
If yes, indicate number and size of new buildings:

No

\_\_\_\_\_

4. Does the project consist of additions and/or renovations to existing buildings?  
If yes, indicate nature of expansion and/or renovation:

No

\_\_\_\_\_

5. Estimated Start Date of Construction: \_\_\_\_\_

6. Estimated End Date of Construction: \_\_\_\_\_

7. What will the building or buildings to be acquired, constructed or expanded be used for by the company?  
(Include description of products to be manufactured, assembled or processed, and services to be rendered. . .

Not Applicable

\_\_\_\_\_

. . . *including* the percentage of building(s) to be used for office space and an estimate of the percentage of the functions to be performed at such office not related to the day-to-day operations of the facilities being financed.)

Not Applicable

\_\_\_\_\_

8. If any space in the project is to be leased to third parties, indicate total square footage of the project amount to be leased to each tenant and proposed use by each tenant.

None

---

9. List principal items or categories of equipment to be acquired as part of the project.

Not Applicable

---

Not Applicable

---

10. Has construction work on this project begun? ☐ Yes or ☒ No

Complete the following

(a) site clearance	<input type="checkbox"/> Yes	<input type="checkbox"/> No	_____ % complete
(b) foundation	<input type="checkbox"/> Yes	<input type="checkbox"/> No	_____ % complete
(c) footings	<input type="checkbox"/> Yes	<input type="checkbox"/> No	_____ % complete
(d) steel	<input type="checkbox"/> Yes	<input type="checkbox"/> No	_____ % complete
(e) masonry work	<input type="checkbox"/> Yes	<input type="checkbox"/> No	_____ % complete
(f) other (describe below)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	_____ % complete

### III. FINANCIAL ASSISTANCE REQUESTED

A) Benefits Requested:

- ☐ Sales Tax Exemption    ☐ Tax-Exempt/ Taxable Revenue Bond
- ☐ Mortgage Recording Tax Exemption    ☒ Real Property Tax Agreement

B.) Value of Incentives:

IDA PILOT Benefit: Agency staff will 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 under the heading "Real Property Tax Benefit (Detailed)" of the Application.

#### Sales and Use Tax:

Estimated value of Sales Tax exemption for facility construction:

\$ \_\_\_\_\_ X .08125 = \$ \_\_\_\_\_

(Amount of Project Cost Subject to Tax X Sales Tax Rate = Total)

Estimated Sales Tax exemption for fixtures and equipment:

\$ \_\_\_\_\_ X .08125 = \$ \_\_\_\_\_

(Amount of Project Cost Subject to Tax X Sales Tax Rate = Total)

Estimated duration of Sales Tax exemption: \_\_\_\_\_

*\*\*Should coincide with construction timeline.*

#### Mortgage Recording Tax Exemption Benefit:

Estimated value of Mortgage: \$ \_\_\_\_\_

Estimated value of Mortgage Recording Tax exemption:

\$ \_\_\_\_\_ X .0075 = \$ \_\_\_\_\_

(Projected Amount of Mortgage X Mortgage Recording Tax = Total)

#### Tax-Exempt/ Taxable Revenue Bond Benefit:

☐ Amount of Bonds, if requested: \$ \_\_\_\_\_

Is a purchaser for the Bonds in place?

☐ Yes or ☐ No



Percentage of Project Costs financed from Public Sector sources:

Agency staff will calculate the percentage of Project Costs financed from Public Sector sources based upon Sources of Funds for Project Costs as depicted above under the heading "Estimated Project Costs" (Section II(I)) of the Application.

C.) Likelihood of Undertaking Project without Receiving Financial Assistance

Please confirm by checking the box below, will this project move forward without the requested incentives?

☐ **Yes** or ☐ **No**

If the Project will be undertaken without Financial Assistance provided by the Agency, then provide a statement in the space provided below indicating why the Project should be given economic incentives by the Agency:

## IV. EMPLOYMENT PLAN

### A) Current Employee Headcount:

	Current # of jobs at proposed project location or to be relocated to project location	IF FINANCIAL ASSISTANCE IS GRANTED – project the number of FTE and PTE jobs to be RETAINED	IF FINANCIAL ASSISTANCE IS GRANTED – project the number of FTE and PTE jobs to be CREATED upon THREE Years after Project completion	Estimate number of residents of the Labor Market Area in which the Project is located that will fill the FTE and PTE jobs to be created upon THREE Years after Project Completion **
Full time (FTE)	36	36	0	0
Part Time (PTE)	6	6	0	0
Total	42	42	0	0

Full-time Employee Definition: (i) a full-time, permanent, private-sector employee on the Company's payroll, who has worked at the Project Location for a minimum of 35 hours per week for more than six months of a year and who is entitled to receive the usual and customary fringe benefits extended by Recipient to other employees with comparable rank and duties; or (ii) two part-time, permanent, private sector employees on Recipient's payroll, who have worked at the Project Location for a combined minimum of 35 hours per week for more than six months of a year and who are entitled to receive the usual and customary fringe benefits extended by Recipient to other employees with comparable rank and duties.

\*\*For the purposes of this question, please estimate the number of FTE and PTE jobs that will be filled, as indicated in the third column, by residents of the Labor Market Area, in the fourth column. The Labor Market Area includes Orange County and the surrounding region (or six other contiguous counties, including Orange County, chosen at the Agency's discretion).

### B) Salary and Fringe Benefits for Jobs to be Created:

Category of Jobs to be Created	Number of Jobs Year 1	Number of Jobs Year 2	Number of Jobs Year 3	Average Salary or Salary Range	Average Fringe Benefit or Range of Fringe Benefits
Management	0	0	0	0	0
Professional	0	0	0	0	0
Administrative	0	0	0	0	0
Sales	0	0	0	0	0
Production/ Manufacturing	0	0	0	0	0
Independent Contractor	0	0	0	0	0
Other (specify)	0	0	0	0	0

If there is a salary range larger than \$20,000 in a category above please provide additional breakdown information below:

\*\*Please attach breakdown if space provided is not sufficient.

**C) Salary and Fringe Benefits for Jobs to be Retained:**

Category of Jobs to be Retained	Current Number of Jobs	Average Salary or Salary Range	Average Fringe Benefit or Range of Fringe Benefits
Management	3	Avg. \$167,000	Avg. \$40,300
Professional	0	0	0
Administrative	2	Avg. \$71,870	Avg. \$18,750
Sales	0	0	0
Production/ Manufacturing	31	Avg. \$94,300	Avg. \$21,300
Independent Contractor	0	0	0
Other (specify)	6	Avg. \$97,900	Avg. \$14,750

If there is a salary range larger than \$20,000 in a category above please provide additional breakdown information below:

\*\*Please attach breakdown if space provided is not sufficient.

D) Please attach a projected hiring plan if conducted on a monthly time frame and not conducted on an annual basis as broken down in the charts above.

*Not applicable to project.*

E) Describe the benefits or benefits package offered to employees:

Employees receive health care (defined contribution), 401k matching and profit sharing.

**\*\*Please attach narrative if space provided is not sufficient.**

F) Describe internal training and advancement opportunities offered to employees:

Operational, mechanical, technical and regulatory training for plant staff pursuant to FERC, NERC and NYISO requirements.

**\*\*Please attach narrative if space provided is not sufficient.**

## V. REPRESENTATIONS BY THE APPLICANT

The Applicant understands and agrees with the Agency 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 proposed 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 proposed project must 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 Entitle") 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 General Municipal Law, the applicant understands and agrees that, if the proposed project receives any Financial Assistance from the Agency, except as otherwise provided by collective bargaining agreements, where practicable, the applicant must 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 proposed project.
- C. A liability and contract liability policy for a minimum of three million dollars will be furnished by the Applicant insuring the Agency.
- D. Annual Sales Tax Fillings In accordance with Section 874(8) of the General Municipal Law, the Applicant understands and agrees that, if the proposed 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.
- E. Annual Employment Reports: The applicant understands and agrees that, if the proposed project receives any Financial Assistance from the Agency, the applicant agrees to file, or cause to be filed, with the Agency, on an annual basis, reports regarding the number of people employed at the project site. The applicant will receive a request for information in the fourth quarter of each year that Financial Assistance is utilized and agrees to return the information by the end of January the following year.
- F. Compliance with N.Y. GML Sec. 862(1): 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.
- G. Compliance with Applicable Laws: 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.
- H. False and Misleading Information: 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.

- I. Recapture: Should the Applicant not expend, hire as presented, or violates Sales Tax Exemption regulations, the Agency may view such information/status as failing to meet the established standards of economic performance. In such events, some or all of the benefits taken by the Applicant will be subject to recapture.
- J. Rescission of Benefits Conferred: Applicant understands and agrees that in the event that (a) the Applicant does not proceed to final Agency approval within six (6) months of the date the Agency adopts its initial approval resolution and/or (b) close with the Agency on the requested financial assistance within twelve (12) months of the date the Agency adopts its initial resolution, the Agency reserves its right to rescind and cancel all prior approvals. In the event the Agency rescinds its approvals and the Applicant re-applies to the Agency, the Applicant understands and agrees that its re-application will be subject to any and all changes in law, Agency policies or fees imposed by the Agency that are in effect as of the date of re-application.
- K. Absence of Conflicts of Interest: The applicant has received from the Agency a list of the members, officers, and employees of the Agency. No member, officers or employee of the Agency has an interest, whether direct or indirect, in any transaction contemplated by this Application, except as hereinafter described:
- L. Freedom of Information Law (FOIL): The applicant acknowledges that the OCIDA is subject to New York State's Freedom of Information Law (FOIL). Applicants understand that all project information and records related to this application are potentially subject to disclosure under FOIL subject to limited statutory exclusions.

The Applicant and the individual executing this Application on behalf of applicant acknowledge that the Agency and its counsel will rely on the representations 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 ORANGE

NOTARY PUBLIC-STATE OF NEW YORK

No 01KA6300205

Qualified in New York County

My Commission Expires 03-31-2022

being first duly sworn, deposes and says:

Thomas M. Gray

1. That I am the Chief Financial Officer (Corporate Office) of Danskammer Energy, 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 8 day of January, 2020

Jason Scott Kaslow  
(Notary Public)

This Application should be submitted to:

Orange County Industrial Development Agency  
c/o Mary Ellen Rogulski, Chairman  
Orange County Business Accelerator  
4 Crotty Lane, Suite 100  
New Windsor, NY 12553.

The Agency will collect an administrative fee at the time of closing.

**SEE ATTACHED FEE SCHEDULE**

Transaction Counsel  
RUSSELL GAENZLE, ESQ.  
Harris Beach PLLC  
99 Garnsey Road  
Pittsford, New York 14534  
Tel: (585) 419-8633  
Fax: (585) 419-8817



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## HOLD HARMLESS AGREEMENT

Applicant hereby releases the ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY and the members, officers, servants, agents and employees thereof (the "Agency") from, 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 (A) the Agency's examination and processing of, and action pursuant to or upon, the attached Application, regardless of whether or not the Application or the Project described therein or the tax exemptions and other assistance requested therein are favorably acted upon by the Agency, (B) the Agency's acquisition, construction and/or installation of the Project described therein and (C) any further action taken by the Agency with respect to the Project; including without limiting the generality of the foregoing, all causes of action and attorneys' fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing. If, for any reason, the Applicant fails to conclude or consummate 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 Agency or the Applicant are unable to reach final agreement with respect to the Project, then, and in the event, upon presentation of an invoice itemizing the same, the Applicant shall pay to the Agency, its agents or assigns, all costs incurred by the Agency in processing of the Application, including attorneys' fees, if any.

(Applicant Signature)

By: Thomas M. Gray on behalf of Danskammer Energy, LLC

Name: Thomas M. Gray

Title: Chief Financial Officer

  
(Notary Public)

Sworn to before me this 8 day  
of January, 2020

JASON SCOTT KASLOW  
NOTARY PUBLIC-STATE OF NEW YORK  
No. 01KA6300205  
Qualified in New York County  
My Commission Expires 03-31-2022







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**To be completed/calculated by AGENCY**

**Real Property Tax Benefits (Detailed):**

\*\* This section of this Application will be: (i) completed 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 (Town/City/Village)/1000	School Tax Rate/1000

\*Apply equalization rate to value

PILOT Year	% Payment	County PILOT Amount	Local PILOT Amount	School PILOT Amount	Total PILOT	Full Tax Payment w/o PILOT	Net Exemption
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
TOTAL							

\*Estimates provided are based on current property tax rates and assessment values

## Cost Benefit Analysis:

**To be completed/calculated by AGENCY**

	<u>Costs =</u> <u>Financial Assistance</u>	<u>Benefits =</u> <u>Economic Development</u>
*Estimated Sales Tax Exemption	\$ _____	New Jobs Created Permanent _____ Temporary _____  Existing Jobs Retained Permanent _____ Temporary _____
Estimated Mortgage Tax Exemption	\$ _____	Expected Yearly Payroll \$ _____
Estimated Property Tax Abatement	\$ _____	Expected Gross Receipts \$ _____  Additional Revenues to School Districts _____ _____ _____  Additional Revenues to Municipalities _____ _____ _____  Other Benefits _____
Estimated Interest Savings IRB Issue	\$ _____	Private Funds invested \$ _____  Likelihood of accomplishing proposed project within three (3) years  <input type="checkbox"/> Likely or <input type="checkbox"/> Unlikely

\* Estimated Value of Goods and Services to be exempt from sales and use tax as a result of the Agency's involvement in the Project. PLEASE NOTE: These amounts will be verified and there is a potential for a recapture of sales tax exemptions (see "Recapture" on page 10).

\$ \_\_\_\_\_ (to be used on the NYS ST-60)



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**Fill out when instructed by Agency**

## 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 purchase services.*

- A) Will any portion of the Project consist of facilities or property that will be primarily used in making sales of goods or services to customers who personally visit the Project site? ☐ Yes ☐ No
- 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? \_\_\_\_\_ %
- C) Is the Project location or facility likely to attract a significant number of visitors from outside the Mid-Hudson Economic Development Region (i.e.: Orange, Dutchess, Putnam, Rockland, Sullivan, Ulster, and Westchester counties)? ☐ Yes ☐ No
- D) Will the Project make available goods or services which are not currently reasonably accessible to the residents of the municipality within which the proposed Project would be located? ☐ Yes ☐ No
- E) 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 ☐ No

If yes, explain:

**\*\*Please attach narrative if space provided is not sufficient.**

- F) Will the Project be located in an area designated as an economic development zone pursuant to Article 18-B of the General Municipal Law (Source: <https://esd.ny.gov/empire-zones-program>)? ☐ Yes ☐ No

If yes, explain:

\*\*Please attach narrative if space provided is not sufficient.

- G) Will the Project be in a census tract or block numbering area (or census tract or block numbering area contiguous thereto) which, according to the most recent census data, has (i) a poverty rate of at least 20% for the year in which the data relates, or at least 20% 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? (Source: United States Census Bureau <https://factfinder.census.gov/>)

☐ Yes ☐ No

If yes, explain:

\*\*Please attach narrative if space provided is not sufficient.



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## FEE SCHEDULE

### Application Fee:

**\$5,000 non-refundable, due at application, broken down as follows:**

IDA Administrative Fee: \$2,500

IDA Transaction Counsel Fee: \$2,500

### Labor Policy Monitoring Fee (based on project cost):

This fee will be deposited into a non-interest bearing escrow account and will fund the ongoing audit of Labor Policy compliance throughout construction. Any unused funds on deposit with the IDA will be returned to the company upon project completion.

Projects less than \$5M:	\$5,000.00
Projects greater than \$5M but less than \$15M:	\$10,000.00
Projects greater than \$15M but less than \$25M:	\$20,000.00
Projects greater than \$25M but less than \$50M:	\$30,000.00
Projects greater than \$50M but less than \$100M:	\$45,000.00
Projects greater than \$100M but less than \$500M:	\$55,000.00
Projects greater than \$500M:	To be determined

### Closing Fee:

#### **IDA Fee**

*\*\*Per OCIDA scoring criteria. See Attached.*

#### **Manufacturing Sector**

1% of the first \$2,000,000 of the project cost (as identified on page 12 of this application), plus .5% of amount above that, due at closing (total project cost includes land acquisition costs).\*

#### **Distribution/Warehouse Sector**

1% of the project cost (as identified on page 12 of this application), due at closing (total project cost includes land acquisition costs).\*

**Retail Sector - Stores**

485B: 2% of the first \$2,000,000 of the project cost (as identified on page 12 of this application), plus 1% of amount above that, due at closing (total project cost includes land acquisition costs).\*

**Retail Sector – Back Office/Medical**

10 year PILOT: 1% of the project cost (as identified on page 12 of this application), due at closing (total project cost includes land acquisition costs).\*

**Hotel Sector (Per Scoring Criteria)**

10 year PILOT: 1% of the project cost (as identified on page 12 of this application), due at closing (total project cost includes land acquisition costs).\*

4 year PILOT: 1% of the project cost (as identified on page 12 of this application), due at closing (total project cost includes land acquisition costs).\*

**Tourism Sector**

\$0-\$30M Capital Cost: 1% of the project cost (as identified on page 12 of this application), due at closing (total project cost includes land acquisition costs).\*

\$30-\$100M Capital Cost: .75% of the project cost (as identified on page 12 of this application), due at closing (total project cost includes land acquisition costs).\*

Over \$100M Capital Cost: .50% of the project cost (as identified on page 12 of this application), due at closing (total project cost includes land acquisition costs).\*

**“Special Projects”**

TBD per project

**IDA Transaction Counsel Fee:**

One-third (1/3) of IDA fee (minimum of \$30,000 – to be reduced for smaller projects on case by case basis - plus out of pocket expenditures).

**Local Labor Policy Monitoring:**

The IDA will use a third-party firm or firms to monitor compliance with the Local Labor Policy (attached hereto). All costs incurred by the IDA in connection with such monitoring, should they exceed the amount collected at application, shall be the responsibility of the Company.

**NOTE:** IDA reserves the right to seek additional IDA and Transaction Counsel fees for exceptionally complex/large transactions.

**Please make all Checks payable to:**

*Orange County Industrial Development Agency*

**Mail to:**

*4 Crotty Lane  
New Windsor, NY 12553*

\*In the event that an applicant does not seek or does not qualify for an OCIDA PILOT or the equivalent of the State's 485-b program, the fee will be a straight one-half percent (0.5%) of the project cost.

The OCIDA Fee Schedule is the standard used when calculating all project fees. These fees are not open for negotiation. Please initial stating you understand and consent to the above TMG

**Closing Fee:**

Please be advised should the Orange County IDA act to adopt the Final Resolution for your project a fee will be due at closing.

If at any time the project costs change prior to the Final Resolution, please inform management immediately for closing fee recalculation purposes.

Please initial stating you understand the foregoing, have provided accurate project costs, and consent to the estimated closing fee provided above TMG



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## PROJECT SCORING CRITERIA

*To be completed/calculated by AGENCY*

Project Name:

Score:

### 1. Strategic Vision (0 OR 5)\*:

- a. Does the project fit into preferred industry categories (manufacturing, industrial, medical, office, tourism)?
- b. Capitalizes upon un-or-under-employed, available talent pool?

### 2. Ratable Value (Capital Expenditure) (0 – 5):

- a. Investment in property resulting in increased ratables in municipality.
- b. Utilizes brownfield or otherwise “undesirable” parcel
- c. Return non-taxable property tax rolls
- d. “Brownfield remediation” would receive a 5

### 3. Number of Jobs (1 – 5):

- a. NOT sliding scale; relative to industry

### 4. Quality of Jobs (0 – 5):

- a. Defined as

0 = ANY jobs at minimum wage

1 = ALL jobs over \$15/hour

2 = 25% over \$25/hr plus benefits

3 = 50% over \$25/hr plus benefits

4 = 75% over \$25/hr plus benefits

5 = ALL jobs over \$25/hr plus benefits

### 5. Location (1 OR 5):

- a. 1 = In Orange County
- b. 5 = Designated growth zone, as identified by IDA (ex. Port Jervis, Highland Falls)



## 6. Desirability (0 – 5)\*:

- a. Does the project have local political support?
  - i. Support letter from Supervisor/Mayor
- b. Is there favor, locally, for the project?
- c. Is the project remediating a brownfield or repurposing a zombie property?
- d. Is the parcel located in federally distressed area?
- e. Has project construction already begun?

## TOTAL

*\* Speculative Buildings - identified as a project built with no end-user committed - results in an automatic 0 in these categories*

2-10 - Low/No PILOT

11-20 - Medium/Sector-based PILOT

21-30 - High/Qualifies for "Goliath" PILOT



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## **LABOR POLICY**

*Adopted 01-12-17*

The Orange County Industrial Development Agency (IDA) was established for the purpose of creating employment opportunities for, and to promote the general prosperity and economic welfare of the residents of Orange County. The IDA offers economic incentives and benefits to qualified applicants who wish to locate or expand their businesses or facilities in Orange County. When the IDA approves a project, it enters into agreements to extend these incentives and benefits to the applicant.

Construction jobs, though limited in time duration, are vital to the overall employment opportunities and economic growth in Orange County. The IDA believes that companies benefiting from its incentive programs should employ local laborers, mechanics, craft persons, journey workers, equipment operators, truck drivers and apprentices (hereinafter “construction workers”), including those who have returned from military service, during the construction phase of projects. In this way, the IDA can generate significant benefits to advance the County’s general prosperity. It is, therefore, the policy of the IDA that firms benefiting from its programs shall employ workers from Orange County and the “local labor” market during all project phases, including the construction phase.

For the purpose of this policy, the “local labor” market for construction workers shall be defined as those individuals living in Orange, Ulster, Sullivan, Dutchess, Putnam, Rockland and Westchester Counties. Applicants receiving IDA benefits shall ensure the contractor/developer hire at least 85% from the “local labor” market for their approved projects. The 85% shall be by contractor and in total at the time of completion of the project. The contractor/developer is mandated to keep daily log sheets of all field workers, commencing on the date of application. Any work performed after application shall be included in the determination of overall compliance with the 85% hiring requirements of this policy. A third-party auditing firm will be engaged to monitor construction work commencing on the date benefits are granted by resolution of the IDA Board.

However, the IDA recognizes that the use of local labor may not be possible for the following reasons and the applicant may request an exemption on a particular contract or trade scope for the following reasons:

1. Warranty issues related to installation of specialized equipment whereby the manufacturer requires installation by only approved installers;
2. Specialized construction is required and no local contractors or local construction workers have the required skills, certifications or training to perform the work;
3. Cost Differentials:
  - a. For projects whose project cost exceeds \$15M, significant cost differentials in bid prices whereby the use of local labor and materials significantly increases the sub contract or contract of a particular trade or work scope by at least 20%. Every reasonable effort should be made by the applicant and or the applicant’s contractor to get below the 20% cost differential including, but not limited to, communicating and meeting with local construction

- trade organizations, such as the Hudson Valley Building and Construction Trades Council and other local Contractor Associations;
  - b. For projects whose project cost is less than \$15M, significant cost differentials in bid prices whereby the use of local labor and materials significantly increases the sub contract or contract of a particular trade or work scope by 10% or more. Every reasonable effort should be made by the applicant and or the applicant's contractor to get below the 10% cost differential including, but not limited to, communicating and meeting with local construction trade organizations, such as the Hudson Valley Building and Construction Trades Council and other local Contractor Associations;
4. No labor is available for the project; and
  5. The contractor requires key or core persons such as supervisors, foreman or "construction workers" having special skills that are not available in the "local labor" market.

**The request to secure an exemption for the use of non-local labor must be received from the applicant on the exemption form provided by the IDA or the 3<sup>rd</sup> party monitor and received in advance of work commencing.** The request will be reviewed by the 3<sup>rd</sup> party monitor and forwarded to the IDA, at which time the IDA's Audit Committee shall have the authority to approve or disapprove the exemption. The 3<sup>rd</sup> party monitor shall report each authorized exemption to the Board of Directors at its monthly meeting.

In addition, applicants receiving IDA benefits and Contractors on the project shall make every reasonable effort to utilize vendors, material suppliers, subcontractors and professional services from Orange County and the surrounding counties. Applicants and contractors shall be required to keep records of those local vendors, material suppliers, contractors and professional services whom they have solicited and with whom they have contracted with or awarded. This shall be stored in a binder on site and shall be easily available for review by an authorized representative of the IDA, such as the IDA's 3<sup>rd</sup> party monitor. It shall include any documents for solicitation and contracts. It is the goal of the County of Orange and the IDA to promote the use of local veterans on projects receiving IDA benefits. By partnering with local contractors, local contractor groups, local trade unions and contractors awarded work on IDA projects, there are opportunities for veterans to gain both short-term and long-term careers in the construction industry.

Once approved for IDA benefits, all applicants will be required to provide to IDA staff the following information:

1. Contact information for the applicant's representative who will be responsible and accountable for providing information about the bidding and awarding of construction contracts relative to the applicant's project;
2. Description of the nature of construction jobs created by the project, including in as much detail as possible, the number, type and duration of construction positions;
3. The names, contact information, certificate of authorization to do business in the State of New York and copies of current Certificates of NYS Workers' Compensation Insurance, NYS Disability Insurance, General Liability Insurance and proof of current OSHA training certification from all contractors' employees performing work on the site; and
4. A Construction Completion Report listing the names and business locations of prime contractors, subcontractors and vendors who have been engaged in the construction phase of the project.

All Orange County IDA projects are subject to local monitoring by the IDA and any 3<sup>rd</sup> party monitor. The applicant and/or the Construction Manager or General Contractor acting as agent for the applicant on the project, shall keep a log book on site detailing the number of workers, hours worked and counties and states in which they reside. Proof of residency or copy of drivers' license shall be included in the log book, along with evidence of necessary OSHA certifications. Reports will be on forms provided by the IDA or weekly payroll reports which contain the same information as required on the IDA issued form. The applicant and contractors are subject to periodic inspection or monitoring by the IDA or 3<sup>rd</sup> party monitor.

The 3<sup>rd</sup> party monitor shall issue a report to the IDA staff immediately when an applicant or applicant's contractor is not in compliance with this labor policy. IDA staff shall advise the Audit Committee and/or IDA Board of non-compliance by email or at the next scheduled meeting. If a violation of policy has occurred, IDA staff shall notify the applicant and contractor in writing of non-compliance and give applicant a warning of violation and 72 hours in which to correct such violation. Upon evidence of continued non-compliance or additional violations, the IDA and/or its 3<sup>rd</sup> party monitor shall notify the applicant that the project is in violation of the Orange County IDA Labor Policy and is subject to IDA Board action which may result in the revocation, termination and/or recapture of any or all benefits conferred by the IDA.

**The IDA will use a third party firm or firms to monitor and audit compliance with this local labor policy, the cost of which shall be paid for by the Company in advance of the audits and held in a non-interest bearing escrow account until audits are complete.**

The applicant of an IDA approved project shall be required to maintain a 4' X 8' bulletin board on the project site containing the following information:

1. Contact information of the applicant;
2. Summary of the IDA benefits received;
3. Contractors names and contact information on IDA provided form;
4. Copies of proof of exemption from labor policy;
5. Copies of any warnings or violations of policy;
6. Copy of the Executed Labor Policy.

The bulletin board shall be located in an area that is accessible to onsite workers and visitors, which should be clear and legible at least 10 feet from said board.

The applicant has read the OCIDA Labor Policy and agrees to adhere to it without changes and shall require its construction manager, general contractor and sub-contractors who are not exempt to acknowledge the same. The Applicant understands and agrees that it is responsible for all third-party auditing and monitoring costs.

\_\_\_\_\_  
Applicant Signature

\_\_\_\_\_  
Signature of CM, GC or SC

\_\_\_\_\_  
Company Name

\_\_\_\_\_  
Company Name

\_\_\_\_\_  
Print Name of above signer

\_\_\_\_\_  
Print Name of above signer

\_\_\_\_\_  
Email/phone of Applicant

\_\_\_\_\_  
Email/phone of CM/GC/SC

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**Attachment A:****Section F: Principal Owners/Officers/Directors (list owners with 15% or more in equity holdings with percentage ownership):**

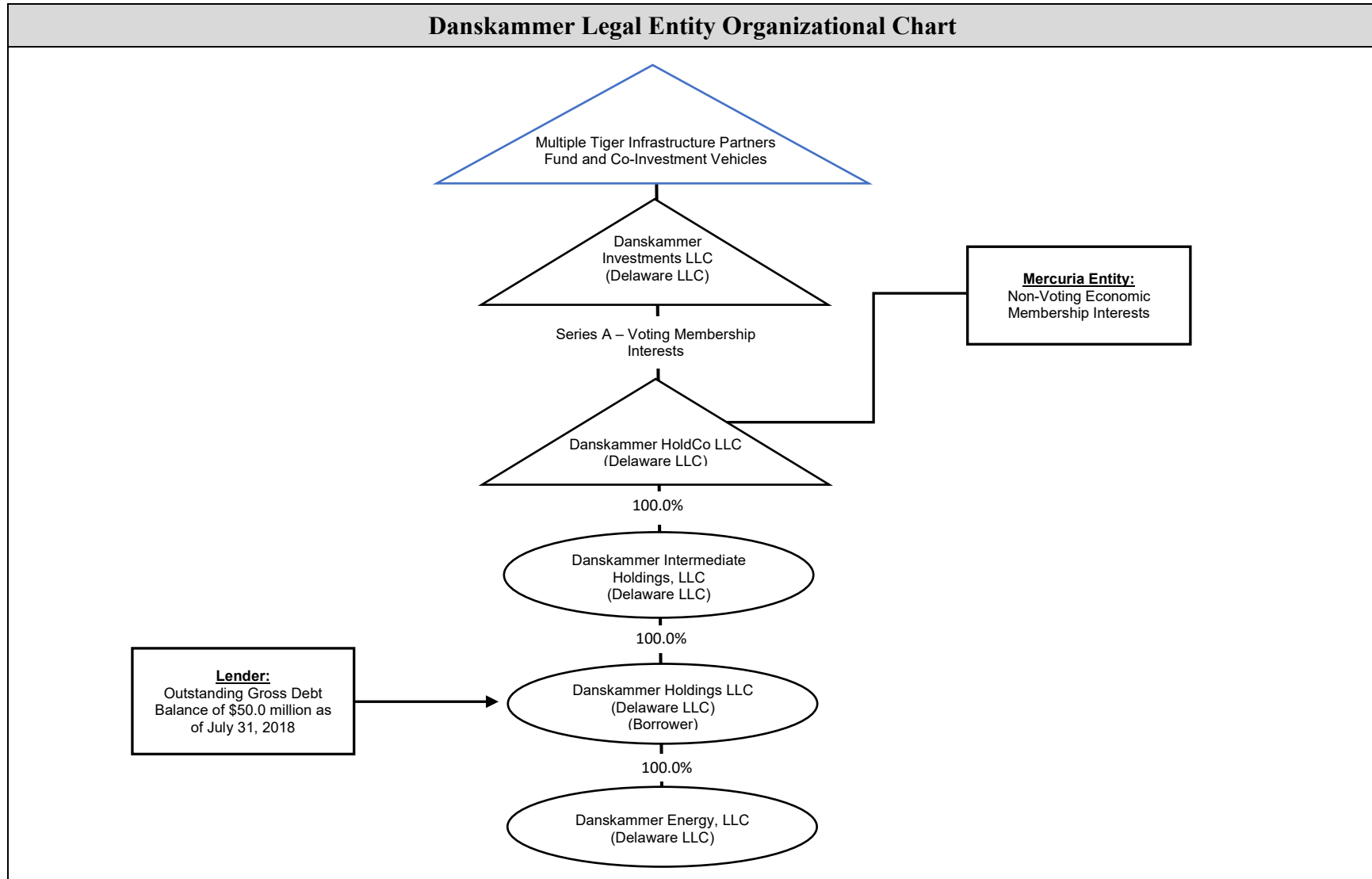
<b>Name</b>	<b>Office Held</b>	<b>% of Ownership</b>	<b>% of Voting Rights</b>
Tiger Infrastructure Partners Fund II Danskammer AIV LP	Owner	81.39% <sup>1</sup>	81.39%
TIP Co-Invest B Danskammer Feeder Blocker LP	Owner	17.98% <sup>1</sup>	17.98%
Agate Power, LLC <sup>2</sup>	Owner	0.45% <sup>1</sup>	0.45%
Emil Henry	Director / Member	N/A	N/A
Adam Emmert	Director / Member	N/A	N/A
Marc Blair	Director / Member	N/A	N/A
Howard Taylor	Director / Member / Chief Operating Officer	N/A	N/A
William Reid	Director / Member / Chief Executive Officer	N/A	N/A
Thomas M. Gray	Chief Financial Officer	0.18% <sup>1</sup>	0.18%

**Notes:**

1. Fully diluted ownership % of Danskammer Investments, LLC – Please see Attachment B for schematic of legal ownership structure.
2. Agate Power, LLC is a direct owner of Danskammer Energy, LLC and is wholly owned by William Reid. Agate Power, LLC also provides managerial services to Danskammer Energy, LLC.

## Attachment B:

### Section G: Corporate Structure (attach schematic if applicant is a subsidiary or otherwise affiliated with another entity):



## **Attachment C:**

### **Section N: Brief description of Company History (formation, growth, transitions, location):**

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#### **Ownership History:**

The Danskammer facility was originally built by Central Hudson and the units began commercial operations in the 1950s and 1960s. Dynegy Holdings, LLC (“Dynegy”) acquired Danskammer from Central Hudson in 2001. The Facility and surrounding property was sold by Dynegy out of Chapter 11 bankruptcy on November, 2013 to Helios Power Capital, LLC (“Helios”). Helios sold Danskammer to Mercuria Investments US, Inc. (“Mercuria”) on June 16, 2017. On December 27, 2017, Mercuria sold Danskammer to Tiger Infrastructure Partners, LLP, which is the current owner.

#### **Asset Description:**

The Danskammer power plant is located on the western shore of the Hudson River, in the town of Newburgh, New York, approximately 10 miles from the city of Poughkeepsie and 50 miles north of New York City. The 180 acre site has road and rail access, as well as electrical interconnections with the Central Hudson 115 kV transmission system. Apart from the main structure housing the generation units, the property also includes two wastewater treatment buildings, a landfill, a fuel oil storage tank, rail spur (capable of holding a unit train), a locomotive, storage pit and other coal handling equipment.

The Facility comprises of four tangentially fired boiler units that produce approximately 500 MW of total capacity. Units 1, 2 and 3 were designed and built by Burns and Roe, and went into commercial operation in 1951, 1954, and 1959, respectively. Unit 4 was designed and built by Stone and Webster, and commenced commercial operation in 1967. All units originally burned coal, and over the course of Central Hudson’s ownership, the Facility was converted to multi-fuel by adding natural gas and fuel oil burning capabilities. Under Dynegy’s ownership (2001 through 2013), Units 1 and 2 were natural gas and fuel oil dual-fuel units and Units 3 and 4 were coal fired and backed up with natural gas. Historically, Units 3 and 4 operated as baseload plants, while Units 1 and 2 operated in a cycling mode. Since acquisition of the asset from Dynegy in 2013 Units 3 and 4 are exclusively fired with natural gas. While the coal handling equipment and storage area still exists on-site, there is no longer any coal-fired power generation at the Facility.

#### **Key Events:**

In October 2012, the Facility was flooded due to a combination of factors including: extreme storm surge by Super Storm Sandy; a full moon and high tide. The Facility was idled after the subsequent damage. In 2013, the NYISO proposed the creation of the Lower Hudson Valley capacity zone, and Helios and Mercuria entered into a strategic partnership to begin restoration of the Facility. Throughout 2014, Mercuria directly financed and oversaw the restoration process at the Facility and, in September 2014, the first of the generation units and switchyard infrastructure were put back in service. All four Units and the entire Facility were back to fully operational status in December 2014.