

ORIGINAL

2 ORANGE COUNTY INDUSTRIAL AGENCY  
3 STATE OF NEW YORK

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4 IN THE MATTER OF

5 PCH ENERGY, LLC

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7 Town of Wallkill Town Hall  
8 99 Tower Hill Drive  
9 Middletown New York  
10 January 30, 2015  
11 11:30 a.m.

12  
13 B E F O R E: James Petro, Executive Director  
14 Orange County IDA  
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23 FRANCES ROTH  
24 COURT STENOGRAPHER  
25 168 North Drury Lane  
Newburgh, New York 12550  
(845) 566-1641

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## 4 A P P E A R A N C E S:

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6 LAW OFFICES OF KEVIN T. DOWD  
7 Attorneys for ORANGE COUNTY IDA  
8 96 Daisy Lane  
9 Montgomery, New York 12549

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Laurie Villasuso, Associate Executive Director, OCIDA

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10 HARRIS BEACH, PLLC  
11 IDA Bond Counsel  
12 99 Garnsey Road  
13 Pittsford, New York 14534  
14 BY: RUSSELL E. GAENZLE, ESQ.

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1 PCH ENERGY, LLC

2 MR. PETRO: We're going to call the public  
3 hearing for PCH Energy, LLC to order. Would  
4 everyone please stand for the Pledge of  
5 Allegiance?

6 (Whereupon, the Pledge of Allegiance was  
7 recited.)

8 MR. PETRO: Alright, once again, we have  
9 Russ Gaenzle from Harris Beach which is the bond  
10 counsel to the Orange County Industrial  
11 Development Agency, Kevin Dowd is our attorney,  
12 Laura Villasuso is Executive Director along with  
13 myself, I'm Jim Petro and Franny is our  
14 stenographer. There will be no action taken  
15 today as I said earlier, we're here for  
16 informational purposes only. We report back to  
17 the board and action will be taken at that time.  
18 So this is only for a sales tax exemption on the  
19 solar panels that the applicant is looking to  
20 purchase and put on the property. Estimated cost  
21 is 4,350,000, which would be estimated savings of  
22 sales tax of \$165,000. With that, I'll have the  
23 attorney read the Notice of Public Hearing.

24 MR. DOWD: Thank you, Mr. Executive  
25 Director. Notice is hereby given that a public

PCH ENERGY, LLC

hearing pursuant to Article 18-A of the New York General Municipal Law will be held by the Orange County Industrial Developmental Agency on Friday, January 30, 2015, at 11:30 am. local time, in the Board Room of the Wallkill Town Hall, Building A, 99 Tower Drive Middletown, New York 10941, in connection with the following matter. PCH Energy, LLC, for itself or on behalf of an entity formed or to be formed, has submitted an application to the Agency requesting the Agency's assistance with respect to a certain project consisting of the acquisition and installation of a 2MGW solar electric generation facility and related materials including, but not limited to, solar panels and the structure to hold the solar panels to be located at 290 Ballard Road in the Town of Wallkill, Orange County, New York. The Agency will acquire title to the Equipment and sell the Equipment back to the Company. The Agency contemplates that it will provide financial assistance to the Company in the form of sales and use tax exemptions consistent with the policies of the Agency. A representative of the Agency will be at the above-stated time and

1 PCH ENERGY, LLC

2 place to present a copy of the Company's Project  
3 Application and hear and accept written and oral  
4 comments from all persons with views in favor of  
5 or opposed to or otherwise relevant to the  
6 proposed Financial Assistance. Dated January 15,  
7 2015, by Orange County Industrial Development  
8 Agency.

9 MR. PETRO: This is a public hearing so  
10 obviously we're going to open it up to the public  
11 shortly. Is someone here to represent the  
12 company? Your name, sir?

13 MR. GOLDBERG: Richard Goldberg.

14 MR. PETRO: Also with you today the Town  
15 Supervisor Dan Depew is here. Do you want to say  
16 anything?

17 MR. DEPEW: I fully support the company.  
18 They have been great working with our school  
19 districts and everybody in education and being a  
20 great employer in the area, we think that this  
21 particular project is really trailblazing in the  
22 area of alternative energy sources, things like  
23 that. And so we think this project may be the  
24 catalyst for many that you will be looking at,  
25 not only in Wallkill but throughout the county.

1 PCH ENERGY, LLC

2 Thank you for doing this, Rich, and G.E. and  
3 thank you for working with them. And I'd assess  
4 this as really just a continuation of their  
5 growth there so they support the sales tax on  
6 that.

7 MR. PETRO: Very good. And the sales tax  
8 exemption as you know again is eight and  
9 8 percent is the whole thing.

10 MR. DEPEW: Whichever you decide to go with  
11 as a board.

12 MR. GAENZLE: They're already federally  
13 exempt so it's just the local and state so it's  
14 just the local municipality.

15 MR. PETRO: The 3.75, that's what we're  
16 looking at that number on 4 million is kind of --

17 MR. GAENZLE: Might be easier to derive the  
18 exemption through the IDA versus the federal.

19 MR. PETRO: I think we'll do the whole  
20 thing.

21 MR. GAENZLE: We can figure that out.

22 MR. PETRO: We'll do the whole thing.

23 MR. GOLDBERG: Whatever you prefer.

24 MR. GAENZLE: I think probably for you from  
25 an accounting and administrative standpoint it

1 PCH ENERGY, LLC

2 might be easier to do it through the IDA, I can  
3 speak to your attorney about it.

4 MR. PETRO: I'm just thinking out loud on  
5 the, if he got the state the project cost would  
6 still be the 4 million plus.

7 MR. GAENZLE: Right.

8 MR. PETRO: Wouldn't change anything. Okay,  
9 alright, at this time, I'll open it up to the  
10 public for any comment, come forward, state your  
11 name and your concerns. If anyone wants to  
12 speak? Rich, do you want to go over real quick I  
13 guess and then we'll close it up?

14 MR. GOLDBERG: I did bring if it's okay,  
15 Brian Baxter from G.E. with me, he's considered  
16 to be the expert in the solar side of the  
17 project, also very familiar with the layout.

18 MR. PETRO: Just remember now also we're not  
19 a planning board so just basically quick overview  
20 of what you're doing. We don't need to know like  
21 drainage, stuff like that.

22 MR. GOLDBERG: Of course, yeah, keep it a  
23 simple one, yeah. Of course the project is  
24 11 acres, in the rear of the property shown on  
25 the drawing here which would encompass let's say

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a round number of 19,000 solar panels. They're all ground mounted approximately four feet off the ground. You can only in one sort of small area see the roof of the cars that may go by. And in the local planning board meeting for the Town of Wallkill resolution was granted to proceed with the project and encompassing the need to put in comes out to be half a football field, about 50 yards shrubs or hedges about four or five feet tall. Outside of that, it's not visible let's say from the motorways from 84 or any of that. Generate approximately two megawatts of power which represents 20 percent of our energy. The project was based on that number and taking that number to generate jobs we went to a 24 by 7 operation, we started in July, we started hiring people in September but once we knew this was on board it allowed me to start planning in hopes of this occurring now to generate additional 15 jobs because this would allow me through those savings and other budgetary means. So at the end of the day here it's 20 percent energy savings and through this approval I would be prepared to grant 15



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2 additional jobs in the facility. As Mr. Depew  
3 mentioned a few minutes ago, we do what it takes  
4 in this neighborhood, we like being here, we  
5 employ 300 and some odd people now, it changes a  
6 little bit here and there. But the bottom line  
7 is we have structured a program with SUNY and  
8 with BOCES to train locally unemployed how to use  
9 a tape measure in Math class. In addition to  
10 working with the high schools in ensuring they  
11 understand what manufacturing means, engaging  
12 those children, whether they go to college or not  
13 because not everybody goes to college for various  
14 reasons, we're looking to bring them in, that's  
15 involved with the high school from all aspects  
16 that want to be a part of the community. We will  
17 continue to make this effort and this allows us  
18 to further entrench ourselves in the community.

19 MR. BAXTER: Well done, Richard. But from  
20 the technical side if there's any questions on  
21 the system or how it works.

22 MR. GOLDBERG: There's one thing, it's just  
23 a quickie, there was a discussion in regards to  
24 tree removal on the east side of the storm water  
25 retention and we were able to prove and show to

1 PCH ENERGY, LLC

2 the Town of Wallkill Planning Board that the  
3 carbon savings if you want to just briefly  
4 mention that.

5 MR. BAXTER: The carbon offsets are more  
6 substantial with the PV installation, they far  
7 and away offset the amount of trees that we have  
8 to knock down in order to clear the space and  
9 they're small shrubs, not huge, they're old, for  
10 example, so the net benefit for it is a plus,  
11 yeah.

12 MR. GOLDBERG: I'm looking to achieve a gold  
13 standard when it comes to sustainability. I deal  
14 with brown paper, every single clipping that I  
15 generate as waste goes back to make paper again.  
16 My water is treated in a proper way. We have  
17 recently, I have a meeting scheduled for next  
18 week with Lou Ingrassia, another quarter of a  
19 million dollars to ensure that our water though  
20 it's dirty with water based ink we're going to  
21 use it to make the glue. So what exits my  
22 facility not only is it okay or let's say  
23 non-environmentally a problem, it's not a problem  
24 to the environment. We're striving to always be  
25 sustainable, keep everything inside. And this

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2 whole solar project lends itself towards that as  
3 well.

4 MR. PETRO: This project is going to handle  
5 20 percent of your electric needs?

6 MR. GOLDBERG: Correct. Well, there's no  
7 batteries, when there's a big sun we get what we  
8 can, little sun you still get a little, just a  
9 matter of nighttime.

10 MR. PETRO: Really no selling back to the  
11 utility on any unused?

12 MR. BAXTER: It's a net meter system so  
13 basically if in the middle of the day peak sun if  
14 Rich's weekend he wasn't running full load and we  
15 were generating full operating it can actually  
16 feed the local grid, go to the next door  
17 neighbors. But at the end of the day, you get  
18 net is what you're billing for.

19 MR. PETRO: You're gaining from energy that  
20 you don't use to offset the electric bill that  
21 you have, that's what I was getting at, even  
22 though it's only 20 percent.

23 MR. GOLDBERG: Twenty percent is an annual  
24 number, my Saturdays and Sundays I don't run  
25 every machine hence the jobs.

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2 MR. PETRO: You're going to build up credit.

3 MR. GOLDBERG: But those people are coming  
4 so when they show up then I'll start looking at,  
5 we'll still be 20 percent, but how does the  
6 20 percent fray itself across the year may not  
7 need it as often as we think so to the same  
8 degree all going to be a balance when it's sunny  
9 and when it's raining.

10 MR. PETRO: Very good. Any questions from  
11 the board? Anybody sitting here? We also have  
12 representation from the Orange County  
13 Partnership, Amanda Dana, do you have anything  
14 you'd like to add?

15 MS. DANA: Just a completely supportive  
16 statement because I've been working with them for  
17 so long, Press Container itself has been just a,  
18 such a wonderful job creator in our county as  
19 well as thinking outside of the box so it's a  
20 win-win for Orange County.

21 MR. PETRO: Thinking outside the box,  
22 there's a little joke there.

23 MS. DANA: You picked up on it?

24 MR. PETRO: Very good. Okay, thank you,  
25 Rich. If there's no one else to speak, so with

1 PCH ENERGY, LLC

2 that, we don't have any questions up here from  
3 anybody?

4 MR. GAENZLE: Only one thing I would ask--I  
5 can talk about it afterwards.

6 MR. PETRO: Okay, I think that's it. Thank  
7 you for coming.

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10 (Proceedings concluded at 11:40 a.m.)

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## C-E-R-T-I-F-I-C-A-T-I-O-N

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I, FRANCES ROTH, a Stenographic Reporter and Notary Public

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of the State of New York, do hereby certify:

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That the foregoing is an accurate record of the testimony,

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as given, to the best of my knowledge and belief, the same

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having been stenographically recorded by me and transcribed

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under my supervision.

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That I am not related to any of the parties involved in

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this matter, and that I have no personal interest

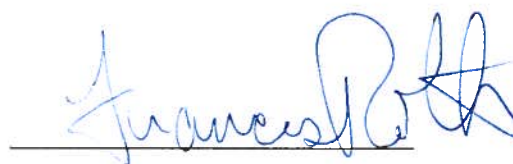
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whatsoever in the outcome thereof.

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