



May 3, 2021

Heather McDaniel  
Administrative Director, Tompkins County IDA  
President, Ithaca Area Economic Development  
401 East State/MLK Jr. Street, Suite 402B  
Ithaca, NY 14850  
*Sent via [heatherm@ithacaareaED.org](mailto:heatherm@ithacaareaED.org)*

**Re: PILOT Applications For Proposed Solar Projects NSF Enfield Site 1, LLC;  
NSF Enfield Site 2, LLC; and NSF Enfield Site 3, LLC**

Dear Ms. McDaniel:

We wanted to add some additional explanations regarding our PILOT request. We have reviewed the Tompkins County Industrial Development Agency (the “**TCIDA**”) Off-Site Commercial Solar Photovoltaic Policy (the “**Policy**”), which requires an annual PILOT payment from \$4,200 to \$4,800 per megawatt, with a 2% escalator.

We think that our proposal in the application meets the requirements of the TCIDA, while also providing additional funds to the Town of Enfield (the “**Town**”). In our application for financial assistance, we have requested a 30-year PILOT with a 2% escalator beginning at \$3,000 per MW (the “**IDA PILOT**”), along with a 30-year host community benefit agreement with the Town with a value of \$1,200 per MW (the “**Town HCA**”), for a total of \$4,200 per MW.

When taken together, the IDA PILOT and the Town HCA equal the minimum requirements in the TCIDA’s Policy. As we have done in other communities where our solar projects are located, we like to offer a host community benefit agreement that provides additional funds to the Town where the project is located, which is the affected taxing jurisdiction that is most impacted by the proposed project.

Additionally, the cash flow from the proposed project does not support higher payments to the TCIDA or the Town of Enfield due to the reduction in New York State incentives and the increase in construction costs due to the COVID-19 global pandemic. In the last two years, the Commercial MW Block Grant (the “**Block Grant**”) has decreased from 0.25 cents per Watt to its current level of 0.11 cents per Watt.

The Community Credit Tranche 2 Incentive of 0.02 cents per kilowatt hour became available in NYSEG territory in June 2020. It was quickly allocated and replaced by the Community Adders (the “**Community Adder**”) of 0.18 and 0.16 per Watt.

Ms. H. McDaniel

Page 2

May 3, 2021

The Community Adder Incentive”) of 0.16 cents per Watt was fully-allocated in January 2021 and NYSERDA announced in its [Technical Conference](#) on April 21, 2021 that the program will not receive any additional funds.

The total impact of the reduction in the Block Grant and the elimination of the Community Adder has resulted in an estimated \$4,310,899 loss of funding for each of the Company’s proposed 5 MW projects (or \$12,932,697 total for all three projects), which has the result of the Company not being able to support IDA PILOT payments and Town HCA payments above \$4,200 per MW total.

Lastly, commodity prices have increased during the last year due to supply chain issues caused by the COVID-19 global pandemic which have also negatively impacted the proposed projects by raising the cost to build each project.

Even with all of the above, the Company remains committed to these projects and we thank you for considering our request. We look forward to working with you on this project.

Sincerely,



David Norbut

Manager

NSF Enfield Site 1, LLC

NSF Enfield Site 2, LLC

NSF Enfield Site 3, LLC

cc: Barry Carrigan, Esq.