



Applicant:	Somerset Operating Company, LLC	
Project Location:	7725 Lake Road Town of Somerset	
Assistance:	Assumption/Granting of Project benefits	
Description:	<p>Somerset Operating Company, LLC (“Somerset”) is the current owner and operator of the coal generation facility located in the Town of Somerset, New York. Presently, the sole shareholder of Somerset is Upstate New York Power Producers, Inc. (as successor in interest to AES Eastern Energy, L.P., “Upstate”). Riesling Power, LLC (“Riesling”) has entered into a stock purchase agreement with Upstate whereby Upstate would sell its full interest in Somerset to Riesling.</p> <p>The sale transaction is currently awaiting regulatory approvals from the New York State Public Service Commission and the Federal Communications Commission, which are expected as soon as February 2016. Following receipt of the regulatory approvals, Riesling anticipates closing the stock sale within 60 days. Upon closing, Somerset would continue to operate the facility under the new ownership of Riesling.</p> <p>Riesling is requesting consent of the Agency to become the new owner of Somerset in place of Upstate. Consent would include the assumption, continuation and grant of project benefits running to Somerset, including the assumption of the PILOT, along with sales tax and mortgage tax benefits. Riesling believes that under its ownership, Somerset would be successful in continuing the coal generation operations, along with maintaining the current employment levels at the facility.</p>	
Project Costs:	N/A	
Employment:	Jobs retained:	99
	Total payroll:	\$11,076,000

REGIONAL ECONOMIC IMPACT ANALYSIS
Somerset Operating Company, LLC

Estimated State & Regional Benefits / Estimated Project Incentives Analysis		
Total State and Regional Benefits	\$2,464,727	
Total Project Incentives	\$2,250,000	
Benefit to Cost Ratio	1.1:1	
Projected Employment	State	Region
Total Employment	259	259
Direct*	99	99
Indirect**	47	47
Induced***	113	113
Temporary Construction (Direct and Indirect)	0	0

Estimated State and Regional Benefits	
Total State and Regional Benefits	\$2,464,727
Income Tax Revenue	\$ 1,640,259
Sales Tax Revenue	\$ 824,468

Estimated Project Incentives	
Total Project Incentives	\$2,250,000
Mortgage Recording Tax	\$1,250,000
Property Tax	\$1,000,000

** Direct - The recipient of IDA assistance adds new jobs to the regional economy and/or retains jobs at risk of being lost to another region. Investments that result in displacing existing jobs (e.g., most retail and many service sector industries) do not fall under this definition.

** Indirect - The recipient of IDA assistance makes purchases from regional firms, which stimulates suppliers to add jobs and payroll that are new to the regional economy or are saved from being lost to competitors outside the region.

*** Induced - The recipient of IDA assistance by adding to and/or retaining payroll stimulates household spending that is new to the regional economy and/or saved from being lost to competitors outside the region.

Utilizing informANALYTICS modeling software, an economic impact analysis was conducted to measure new investment and employment for the project. This software is a widely accepted and an industry standard for economic impact modeling measuring employment and salary impacts and facility output on the community for a given project.