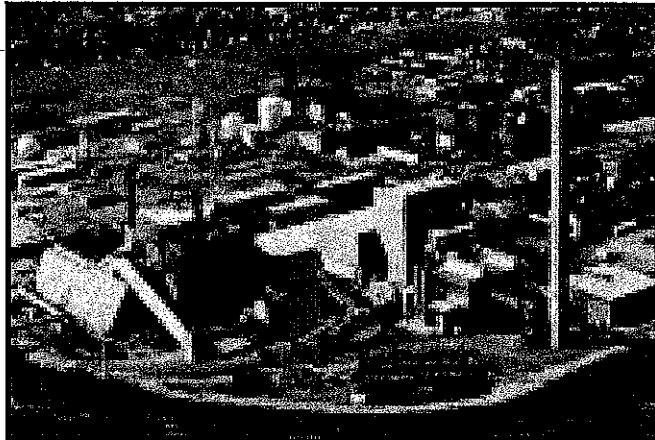


PROJECT SUMMARY
Covanta Niagara L.P.



Applicant:	Covanta Holding Corporation	
Project Location:	100 Energy Blvd. at 56 th Street Niagara Falls	
Assistance:	15 year PILOT Sales tax abatements Mortgage Recording Tax abatement	
Description:	<p>Covanta Niagara L.P. is a part of Covanta Energy, an international provider of state-of-the-art energy from waste facilities. Covanta acquired the Niagara facility in 2005 and continues to provide a wide array of services at the facility located off 56th Street in Niagara Falls. With the addition of Greenpac paper mill as an end user of steam, an expansion of the steam supply system is required. In addition, upgrades to logistical support systems for the facility provide an opportunity to expand the employment base at the facility while improving the customer service aspects of the business.</p> <p>Given the extent of capital spending and subsequent job creation of 160 construction jobs and 23 permanent jobs, Covanta is requesting a 15 year PILOT.</p>	
Project Costs:	Steam Line Steam Expansion Rail Transfer Special Waste	\$ 5,000,000 \$10,500,000 \$ 9,000,000 <u>\$ 5,600,000</u> \$30,100,000
Employment:	Currently at Facility: Total new jobs Total Annual Payroll: Construction Jobs:	86 23 \$10,921,560 160

REGIONAL ECONOMIC IMPACT ANALYSIS

Covanta Niagara L.P.

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

The impacts can be measured on an annual basis except for finite activities, such as economic activity occurring as a result of construction investment.

New Capital Investment:	\$30,100,000
Direct Employment:	
Retention	86 Full Time Equivalents
Annual Payroll for existing jobs	\$ 8,914,804
New Jobs Created	23 Full Time Equivalents
New Annual Payroll	\$ 2,006,746
Retained Jobs Impact: The 86 FTE jobs currently:	
<ul style="list-style-type: none"> ➤ Support an additional 38 indirect effect job in the county at an estimated value of \$2,000,000 ➤ Support an additional 47 induced effect jobs in the county at an estimated value of \$1,600,000 ➤ Generate \$550,000 in sales taxes annually 	
New Jobs Impact: The 23 FTE new jobs will:	
<ul style="list-style-type: none"> ➤ Support an additional 5 indirect effect job in the county at an estimated value of \$310,000 ➤ Support an additional 12 induced effect jobs in the county at an estimated value of \$420,000 ➤ Generate \$95,000 in sales taxes annually ➤ Average annual salary of new jobs to be created: \$83,614 	

COST BENEFIT ANALYSIS

Covanta Niagara L.P. 100 Energy Blvd. at 56 th Street Niagara Falls	Applicant Benefit	Community Benefit
PILOT savings (15 year total)	\$6,900,000	
Sales Tax savings	\$ 760,000	
Mortgage recording tax savings	\$ 310,000	
Project will help to retain 86 FTE jobs at an annual payroll of \$8,914,804		\$8,914,804
Project will create 23 FTE jobs at an annual payroll of \$2,006,746		\$2,006,746
Estimated annual labor income of total indirect and induced jobs		\$4,330,000
The new and retained jobs will generate estimated \$ 645,000 in annual sales tax		\$ 645,000
The new and retained jobs will have a value added effect on the community, including businesses such as restaurants, stores, entertainment, transportation, and professional service providers		\$22,000,000
Total	\$7,970,000	\$37,896,558

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APPLICATION FOR ASSISTANCE

NIAGARA COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

Each applicant seeking assistance must complete the accompanying application material which includes the Application for Assistance and Environmental Assessment form. A non-refundable application fee of \$1,000.00 must be included with this application, payable to the Niagara County Industrial Development Agency. Every project seeking NCIDA assistance must use best efforts to use local labor for the construction of new, expanded or renovated facilities.

Please answer all questions. Use "none" or "not applicable" where necessary. Information in this application may be subject to public review under New York State Law, except for information that is considered deniable by the Freedom of Information Law. This form is available online at our web page at www.nccdev.com.

I. APPLICANT DATA

A. **APPLICANT NAME** Covanta Niagara L.P.

ADDRESS 100 Energy Blvd. @ 56th St

CITY/STATE/ZIP Niagara Falls, NY 14304

B. **APPLICANT'S OFFICER RESPONSIBLE FOR COMPLETING THIS APPLICATION**

NAME Kevin O'Neil

TITLE Business Manager

MAILING ADDRESS 100 Energy Blvd @ 56th St

CITY/STATE/ZIP Niagara Falls, NY

TELEPHONE 716-278-8548

FAX 716-284-9272

E-MAIL koneil@covantaenergy.com

APPLICANT'S TAX
ID NUMBER 76-0403319

6311 Inducon Corporate Drive, Suite One, Sanborn, New York 14132
(716) 278-8760 Fax (716) 278-8769

- C. **BUSINESS TYPE**
- Sole Proprietorship
 - Partnership
 - Privately-held Corporation
 - Public Corporation
 - Not-for-Profit Corporation
 - LLC
 - Other _____

D. **STATE OF INCORPORATION:**

Deleware

E. **IS APPLICANT AUTHORIZED TO DO BUSINESS IN NEW YORK STATE?**

Yes No

F. **PRINCIPAL STOCKHOLDERS** (Owners of 20% or more of Stock Outstanding)

Name	%	Corporate Title
<u>Covanta Holding Corporation</u>	<u>100%</u>	<u>Limited Partnership</u>
_____	_____	_____
_____	_____	_____

G. **Has the Applicant (or any related entity) received previous NCIDA assistance?**

Yes No.

If yes, please give year(s) and project location

Niagara Falls Facility in 2001

H. **APPLICANT'S LEGAL COUNSEL**

FIRM NAME Jaeckle Fleischmann & Mugal, LLP

ADDRESS Avant Building Suite 900 200 Deleware Ave

CITY/STATE/ZIP Buffalo, NY 14202-2107

TELEPHONE 716-843-3846

ATTORNEY'S NAME Ralph I. Halpern

E-MAIL RHalpern@jaeckle.com

II. PROJECT & OCCUPANCY DATA

A. LOCATION OF PROPOSED PROJECT FACILITY

ADDRESS 100 Energy Blvd. @ 56th Street, Niagara Falls, NY 14304

PRINCIPAL USE Energy from Waste Plant

SBL # 160.09-1-7.2: 160.09-1-17: 160.09-1-7.112: 160.09-1-19: 160.09-1-7.12: 160.09-1-18: 160.09-1-20: 160.09-1-1.2: 160.09-1-7.111: 160.06-3-3

ZONING Heavy Industrial

B. INDICATE MUNICIPAL JURISDICTION

TOWN _____

VILLAGE _____

CITY Niagara Falls, NY

SCHOOL DISTRICT Niagara Falls, NY

C. CURRENT OWNERSHIP OF PROPERTY

CURRENT OWNER Covanta Niagara L.P.

CURRENT ASSESSMENT \$44,378,200.00

CURRENT TAXES (ANNUAL) \$887,245.99

D. Who are the principal user(s) of the facility (the "Company")? If there are multiple users, please indicate on attached sheet. If same as Applicant indicate the "same" below.

COMPANY NAME "Same"

ADDRESS _____

CITY/STATE/ZIP _____

CONTACT _____

TELEPHONE _____

TAX ID NO. _____

% OF FACILITY TO BE OCCUPIED BY COMPANY _____

E. Are other facilities or related companies located within New York State:

Yes No

LOCATION Westbury, Jamesville, East Northport,
West Babylon, Ronkokoma, Poughkeepsie

If there are other company facilities within the State, will any of these close or be subject to reduced activity?

Yes No

F. Has the company actively sought sites and/or facilities in another country or state?

Yes No

If yes, please describe on separate sheet.

G. Description of project (check one or more)

- New Construction Sq. Footage 74400
- Addition to existing facility Sq. Footage 2000
- Renovation and modernization of existing facility
- Acquisition and modernization of existing facility
- New machinery and equipment Production Non-Production
- Other (specify) Demolition of improvements having ~12,000 sq ft

H. Provide a general narrative description of the project, including history and background on user(s) of the facility. Provide information on (Appendix A) for user(s) of the facility. Describe reasons why this project is necessary and its effect it will have on Applicant. Include site plans, renderings, photos, etc.

See Attached

III. COMPANY EMPLOYMENT INFORMATION

A. **Total current employment within Niagara County is**

84 Full-Time 1 Part-Time

**Current Annual Payroll
Including benefits** \$8,914,804

B. **Projected Employment:** 108

Applicant or principal user(s) must complete Appendix A.

IV. EMPLOYMENT IMPACT

Every project seeking NCIDA assistance must use best efforts to use Niagara County labor for the construction of new, expanded or renovated facilities. This requirement includes all project employees of the General Contractor, Subcontractor or sub to a Subcontractor, working on the project. Applicant agrees and understands the obligations herein, and agrees to transmit and convey in a timely fashion this requirement to all applicable contractors, subcontractors, suppliers and materialmen.

A. Will Niagara County contractors and/or subcontractors be utilized for the construction project?

Yes No

B. What is the estimated number of construction jobs to be created at the project site from

Niagara County: 80 Erie County: 50 Other Areas 30

V. APPLICANT PROJECT COSTS AND FINANCING

~~Steam Line~~

A. Estimate the costs necessary for the construction, acquisition, rehabilitation, improvement and/or equipping of the project by the applicant.

Estimated Costs Eligible for Sales Tax Exemption Benefit

a.	Building Construction or Renovation Costs	a.	\$ <u>4,000,000</u>
b.	Sitework	b.	\$ <u>500,000</u>
c.	Non-manufacturing Equipment	c.	\$ _____
d.	Furniture, Fixtures	d.	\$ _____
e.	Other (specify)	e.	\$ _____
f.	Subtotal	f.	\$ <u>4,500,000</u>

Estimated Costs Not Subject to Sales Tax

g.	Land and/or Building Purchase	g.	\$ _____
h.	Manufacturing Equipment	h.	\$ _____
i.	Soft Costs (Legal, Architect, Engineering)	i.	\$ <u>500,000</u>
j.	Other (specify)	j.	\$ _____
k.	Subtotal	k.	\$ <u>500,000</u>

Total Project Costs **f + k** \$ 5,000,000

B. Indicate how the project will be financed

a.	Tax-Exempt IRB	a.	\$ _____
b.	Tax-Exempt Bond	b.	\$ _____
c.	Taxable Industrial Revenue Bond	c.	\$ _____
d.	Bank Financing	d.	\$ _____
e.	Public Financing	e.	\$ _____
f.	Equity	f.	\$ <u>5,000,000</u>

TOTAL SOURCES \$ 5,000,000

Estimated Amount of Mortgage \$ 0

V. APPLICANT PROJECT COSTS AND FINANCING

Special Waste Handling Facility

- A. Estimate the costs necessary for the construction, acquisition, rehabilitation, improvement and/or equipping of the project by the applicant.

Estimated Costs Eligible for Sales Tax Exemption Benefit

a.	Building Construction or Renovation Costs	a.	\$ <u>1,200,000</u>
b.	Sitework	b.	\$ <u>750,000</u>
c.	Non-manufacturing Equipment	c.	\$ <u>1,500,000</u>
d.	Furniture, Fixtures	d.	\$ <u>400,000</u>
e.	Other (specify)	e.	\$ _____
f.	Subtotal	f.	\$ <u>3,850,000</u>

Estimated Costs Not Subject to Sales Tax

g.	Land and/or Building Purchase	g.	\$ _____
h.	Manufacturing Equipment	h.	\$ <u>1,500,000</u>
i.	Soft Costs (Legal, Architect, Engineering)	i.	\$ <u>250,000</u>
j.	Other (specify)	j.	\$ _____
k.	Subtotal	k.	\$ <u>1,750,000</u>

Total Project Costs **f + k** \$ 5,600,000

- B. Indicate how the project will be financed

a.	Tax-Exempt IRB	a.	\$ _____
b.	Tax-Exempt Bond	b.	\$ _____
c.	Taxable Industrial Revenue Bond	c.	\$ _____
d.	Bank Financing	d.	\$ _____
e.	Public Financing	e.	\$ _____
f.	Equity	f.	\$ <u>5,600,000</u>

TOTAL SOURCES \$ 5,600,000

Estimated Amount of Mortgage \$ 0

V. APPLICANT PROJECT COSTS AND FINANCING

Rail to Truck Intermodal Facility (RTIF)

A. **Estimate the costs necessary for the construction, acquisition, rehabilitation, improvement and/or equipping of the project by the applicant.**

Estimated Costs Eligible for Sales Tax Exemption Benefit

a.	Building Construction or Renovation Costs	a.	\$ <u>1,500,000</u>
b.	Sitework	b.	\$ <u>2,500,000</u>
c.	Non-manufacturing Equipment	c.	\$ <u>1,000,000</u>
d.	Furniture, Fixtures	d.	\$ _____
e.	Other (specify)	e.	\$ _____
f.	Subtotal	f.	\$ <u>5,000,000</u>

Estimated Costs Not Subject to Sales Tax

g.	Land and/or Building Purchase	g.	\$ <u>2,500,000</u>
h.	Manufacturing Equipment	h.	\$ <u>1,000,000</u>
i.	Soft Costs (Legal, Architect, Engineering)	i.	\$ <u>500,000</u>
j.	Other (specify)	j.	\$ _____
k.	Subtotal	k.	\$ <u>4,000,000</u>

Total Project Costs f + k \$ 9,000,000

B. **Indicate how the project will be financed**

a.	Tax-Exempt IRB	a.	\$ _____
b.	Tax-Exempt Bond	b.	\$ _____
c.	Taxable Industrial Revenue Bond	c.	\$ _____
d.	Bank Financing	d.	\$ _____
e.	Public Financing	e.	\$ _____
f.	Equity	f.	\$ <u>9,000,000</u>

TOTAL SOURCES \$ 9,000,000

Estimated Amount of Mortgage \$ 0

C. If applicant expects the Tax-Exempt IRB to exceed \$1,000,000, what is the dollar value of “capital expenditures” that the applicant and company, or any related company or person, has expended within the last three years in the municipality in which the proposed project is to be located and expects to expend in that municipality three years after the bond issue?

D. Has the applicant made any arrangements for the financing of the project?

Yes No

If so, please specify bank, underwriter, etc.

Corporate capital spending

VI. PROJECT CONSTRUCTION INFORMATION

A. What is the proposed commencement date of construction or acquisition of the project?

See attached

B. Outline the timetable for the project, indicating when project will be in full use.

See attached

VII. 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 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 Project will 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 Entities") 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 New York General Municipal Law, the Applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, except as otherwise provided by collective bargaining agreements, where practicable, the Applicant will 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 Project.
- C. Annual Sales Tax Filings: In accordance with Section 874(8) of the New York General Municipal Law, the Applicant understands and agrees that, if the 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.
- D. Annual Employment Reports: The Applicant understands and agrees that, if the 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.
- E. 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, officer or employee of the Agency has an interest, whether direct or indirect, in any transaction contemplated by this Application, except as hereinafter described: none.
- F. Local Labor: The Applicant understands that the residents of Niagara County will be providing assistance to the project. The Applicant further understands that every project seeking NCIDA assistance must use best efforts to use Niagara County labor for the construction of new, expanded or renovated facilities. This requirement includes all project employees of the General Contractor, Subcontractor or sub to a Subcontractor, working on the project. Applicant agrees and understands the obligations herein, and agrees to transmit and convey in a timely fashion this requirement to all applicable contractors, subcontractors, suppliers and materialmen.

VIII. ENVIRONMENTAL ASSESSMENT

New York State law requires that an Environmental Assessment Form (EAF) must be completed and submitted along with this application. Attach the EAF which was submitted to the municipality.

Name of Applicant's Officer Responsible for Completing Application:

(Please Print)

Kevin O'Neil

Signature

Kevin M O'Neil

Date of Application

11/9/12

CERTIFICATION

Daniel J. Caraccio

Name of chief executive of the company submitting application

Deposes and says that he/she is the Vice President of Business, the corporation named in the attached application; that he/she has read the foregoing application and knows the contents thereof; that the same is true to his/her knowledge. Deponent further says the reason this verification is made by the deponent and not by Covanta Energy, (company name) is because the said company is a corporation. The grounds of deponent's belief relative to all matters in the said application which are not stated upon his/her own personal knowledge are investigations which deponent has caused to be made concerning the subject matter of this application as well as information acquired by deponent in the course of his/her duties as an officer of and from the books and papers of said corporation.

As officer of said corporation (hereinafter referred to as the "applicant") deponent acknowledges and agrees that applicant shall be and is responsible for all costs incurred by the nonprofit Niagara County Industrial Development Agency (hereinafter referred to as the "Agency") acting on behalf of the attached application whether or not the application, the project it describes, the attendant negotiations and ultimately the necessary issue of bonds and/or completion of the lease/leaseback transaction are ever carried to successful conclusion. If, for any reason whatsoever, the applicant fails to act within a reasonable or specified period of time to take reasonable, proper, or requested actions or withdraws, abandons, cancels, or neglects the application or if the Agency or applicant are unable to identify buyers willing to purchase the total bond issue required or facilitate the lease/leaseback transaction, then upon presentation of invoice, applicant shall pay to the Agency, its agents, or assigns all actual costs involved in conduct of the application, up to that date and time, including but not necessarily limited to fees of bond counsel for the Agency and fees of general counsel for the Agency. Upon successful conclusion and sale of the required bond issue or completion of the lease/leaseback transaction, the applicant shall pay to the Agency an administrative fee set by the Agency. The cost incurred by the Agency and paid by the applicant, including bond counsel and the Agency's general counsel's fees and the administrative fee, may be considered as a cost of the project and included as part of the resultant bond issue or lease/leaseback transaction.

Print Name of Chief Executive

Signature

CERTIFICATION

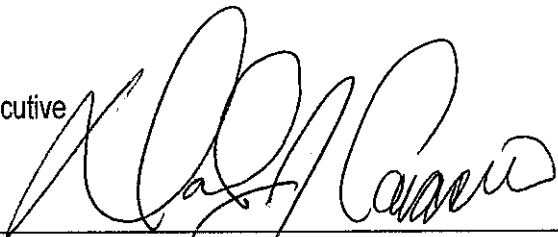
Name of chief executive of the company submitting application

Deposes and says that he/she is the _____ of _____, the corporation named in the attached application; that he/she has read the foregoing application and knows the contents thereof; that the same is true to his/her knowledge. Deponent further says the reason this verification is made by the deponent and not by _____, (company name) is because the said company is a corporation. The grounds of deponent's belief relative to all matters in the said application which are not stated upon his/her own personal knowledge are investigations which deponent has caused to be made concerning the subject matter of this application as well as information acquired by deponent in the course of his/her duties as an officer of and from the books and papers of said corporation.

As officer of said corporation (hereinafter referred to as the "applicant") deponent acknowledges and agrees that applicant shall be and is responsible for all costs incurred by the nonprofit Niagara County Industrial Development Agency (hereinafter referred to as the "Agency") acting on behalf of the attached application whether or not the application, the project it describes, the attendant negotiations and ultimately the necessary issue of bonds and/or completion of the lease/leaseback transaction are ever carried to successful conclusion. If, for any reason whatsoever, the applicant fails to act within a reasonable or specified period of time to take reasonable, proper, or requested actions or withdraws, abandons, cancels, or neglects the application or if the Agency or applicant are unable to identify buyers willing to purchase the total bond issue required or facilitate the lease/leaseback transaction, then upon presentation of invoice, applicant shall pay to the Agency, its agents, or assigns all actual costs involved in conduct of the application, up to that date and time, including but not necessarily limited to fees of bond counsel for the Agency and fees of general counsel for the Agency. Upon successful conclusion and sale of the required bond issue or completion of the lease/leaseback transaction, the applicant shall pay to the Agency an administrative fee set by the Agency. The cost incurred by the Agency and paid by the applicant, including bond counsel and the Agency's general counsel's fees and the administrative fee, may be considered as a cost of the project and included as part of the resultant bond issue or lease/leaseback transaction.

Print Name of Chief Executive

Signature


DANIEL J. CARACCIO
Vice President
COURTNA MAYER LP

NCIDA Application Additional Information

- **Appendix A: All dollar values are in 2012 dollars**
- **All salaries include benefits at standard Covanta rates**
- **Positions created in Year 1 after completion include 11 jobs in support of Rail project and 1 job in support of Special Waste project**
- **Positions created in Year 2 after completion include 6 jobs in support of the Rail project and 6 jobs in support of the special Waste project**
- **The completion dates for these projects could differ by 6-12 months**
- **Positions created will include Managers, Supervisors, Mechanics, Operators, Drivers, Laborers and Scale Attendant**

NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

PROJECTED EMPLOYMENT*

	Full-Time		Part-Time		Total	Total Payroll*
Total number of employees within Niagara County at the date of application	<u>85</u>	+	<u>1</u>	=	<u>86</u>	<u>\$8,914,814.00</u>
Total number of employees to be directly <u>IMPACTED</u> by the project:	<u>85</u>	+	<u>1</u>	=	<u>86</u>	<u>\$8,914,814.00</u>
ADD: Number of new jobs to be created During the first year after completion:	<u>12</u>	+	<u>0</u>	=	<u>12</u>	<u>\$1,130,484.00</u>
Total end of first year:	<u>97</u>	+	<u>1</u>	=	<u>98</u>	<u>\$10,045,298.00</u>
ADD: Number of new jobs to be created During the second year after completion:	<u>12</u>	+	<u>0</u>	=	<u>12</u>	<u>\$876,262.00</u>
Total end of second year:	<u>109</u>	+	<u>1</u>	=	<u>110</u>	<u>\$10,921,560.00</u>
ADD: Number of new jobs to be created During the third year after completion:	<u>0</u>	+	<u>0</u>	=	<u>0</u>	<u>\$0.00</u>
Total end of third year:	<u>109</u>	+	<u>1</u>	=	<u>110</u>	<u>10,921,560.00</u>

Estimated average annual salary of new jobs to be created: \$83,614.00

Expected high salary of new jobs to be created: \$100,000.00

Expected low salary of new jobs to be created: \$60,000.00

List types of jobs (i.e. production, managerial, clinical, engineering, etc.) to be created.

*Applicant or principal user(s) as noted in Section III B of application (includes benefits)

Kevin O'Neil

Print Name

Kevin O'Neil

Signature

Kevin M. O'Neil 12/10/12

Date

Niagara PILOT Extension Justification

Covanta provides process steam for several Niagara Falls businesses including Occidental Chemical, Goodyear, Niacet, Praxair and Norampac. This support is in the form of providing high volume, low priced steam for plant process and heating needs. In order to control production cost it is imperative that the most economical fuel supply coupled with efficient operational methodology is utilized to produce steam. Production steam from Covanta is critical, directly supporting several hundred jobs in Niagara Falls. Covanta is currently undertaking a number of projects that will provide process steam for the new Greenpac paper mill project, maintain capacity for existing businesses and stabilize the fuel supply. These improvements include:

- **Steam Line:** Construction commenced 1 Oct 2012 on a 24" steam supply line and condensate return lines that will tie-in the Greenpac mill. Covanta is providing up to \$7.5 million in capital funding to support this project. While this project will not add permanent jobs at the Niagara facility it will provide up to 30 construction jobs in addition to directly supporting all of the 87 new jobs at the Greenpac facility
- **Steam Boiler:** Covanta is providing \$10.5 million in capital funding to build additional steam production equipment. While this work will not add permanent jobs at the Niagara facility it will provide up to 40 construction jobs in addition to directly supporting the Greenpac facility. These facilities will also be available to support additional development of the adjacent brownfield property.
- **Rail Transfer Facility:** Covanta is in final negotiations with New York to accept MSW via rail to fuel the Niagara facility for the next 30 years. This facility will reduce truck traffic on local roads, remediate 15 acres of NYS certified brownfield property, and improve local rail infrastructure. Covanta will invest upwards of \$10 million in capital to remediate property and construct the facility. The construction project will provide 40 temporary construction jobs and upon completion the facility will add ~8 permanent jobs. Development of additional rail projects is ongoing.
- **Special Waste Handling Facility:** Covanta is developing the capability to provide additional handling for the non-hazardous waste materials that the facility currently receives. Current business climate now requires that additional recycling and processing is required to meet the security, environmental and sustainability goals of our customers. Covanta is prepared to deploy \$5.5 million in capital to design and construct a processing facility on our existing Niagara Falls site due to the favorable business climate in this locale. This would provide up to 50 temporary construction jobs in the near term and 6-10 permanent positions in the long term.

Summary:

PROJECT	CAPITAL SPEND	CONSTRUCTION JOBS	PERMANENT JOBS	OTHER
Steam Line	\$5 million	30	0	Start 10/1/12
Steam Expansion	\$10.5 million	40	0	Start 9/1/12
Rail Transfer	\$9 million	40	11-19 17 Likely*	Start mid 2013
Special Waste	\$5.6 million	50	6 - 8 7 Likely*	Design

*Total permanent jobs will vary depending on the utilization of newly installed equipment. The minimums are indicative of the minimum head count necessary to run the project, "likely" is the headcount for the expected utilization rates. The "likely" headcounts have been utilized on the NCIDA Appendix A worksheet.

Covanta Niagara L.P. is a part of Covanta Energy an international provider of state of the art energy from waste facilities. Covanta acquired the Niagara facility in 2005 and continues to provide a wide array of services at the facility located off of 56th Street in Niagara Falls. With the addition of the Greenpac paper mill as an end user of steam an expansion of the steam supply system has been necessitated. In addition the upgrades to logistical support systems for the facility provide an opportunity to expand the employment base at the facility while improving the customer service aspects of our business.

Given the extent of capital spending and construction and permanent job creation resulting from these projects, Covanta is seeking: (i) an extension of the existing PILOT Agreement or a new PILOT agreement for a {15} fifteen year term at a blended rate equal to 50% of the combined assessed value of the lands with new improvements and existing improvements, (ii) sales tax exemption benefits for any eligible costs which would otherwise be subject to sales tax, and (iii) mortgage tax exemption benefits in the event that during the term of the PILOT, the Applicant elects to mortgage any portion of the project sites.

Site Management

1. Provide facility name and address, including corporate structure, EPA ID number, any State or Federal permits and ID numbers.

Facility Name and Address
Covanta Niagara
100 Energy Blvd @ 56th Street
Niagara Falls, New York 14304
Tel: (716) 284-0031

EPA ID Number

NYD986930543 (only for use in accepting used oil contaminated material)

NYSDEC Facility Number

32 E 01

Title	Permit No.	Effective	Expiration
New York State Department of Environmental Conservation (NYSDEC)			
Air Title V	9-2911-00113/00023	6/5/07	6/4/2012
Solid Waste	9-2911-00113/00023	4/1/2005	3/31/2015
SPDES Discharge	NY-010 6259 NYSDEC 9-2911- 00113/00007	12/1/2010	11/30/2015
Hazardous Substance Bulk Storage Certification	9-000239 (NYSDEC)	6/14/2011	7/20/2013
Petroleum Bulk Storage	9-221279	5/19/2008	6/1/2013
City of Niagara Falls			
Sanitary Sewer Discharge	32 (City of Niagara Falls POTW)	9/30/2010	9/30/2015