

NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that a public hearing pursuant to Article 18-A of the New York General Municipal Law will be held by the Niagara County Industrial Development Agency (the "Agency") on the **11th day of January, 2010, at 4:00 p.m.**, local time, at the Somerset Town Hall, 8700 Haight Road, Barker, New York 14012, in connection with the following matter:

AES EASTERN ENERGY, L.P., for itself or on behalf of an entity formed or to be formed (the "Company"), has submitted an application (the "Application") to the Agency, a copy of which is on file at the office of the Agency, requesting that the Agency consider undertaking a project (the "Project") for the benefit of the Company consisting of: (A) the acquisition or retention by the Agency of fee title to or a leasehold interest in an approximately 1,800-acre parcel of land located at 7725 Lake Road in the Town of Somerset, Niagara County, New York (the "Land"), together with the existing 9 buildings thereon (the "Existing Improvements" and, together with the Land, the "Facility"); (B) the leasing of the Facility to the Company; (C) the granting of certain other "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to a payment-in-lieu-of-tax agreement (the "PILOT Agreement") and a mortgage with the Company, relating to the PILOT Agreement (the "PILOT Mortgage").

The Agency will acquire or retain title to, or a leasehold interest in, the Facility and lease the Facility back to the Company. The Company will operate the Facility during the term of the lease. At the end of the lease term, the Company will purchase the Facility from the Agency, or if the Agency holds a leasehold interest, the leasehold interest will be terminated. The Agency contemplates that it will provide financial assistance (the "Financial Assistance") to the Company for qualifying portions of the Project, consisting of partial real property tax abatement in the form of a certain payment-in-lieu-of-tax agreement and a mortgage recording tax exemption with respect to a certain payment-in-lieu-of-tax mortgage.

A representative of the Agency will be at the above-stated time and place to present a copy of the Company's project application and hear and accept written and oral comments from all persons with views in favor of or opposed to or otherwise relevant to the proposed Financial Assistance.

This public hearing is being conducted in accordance with Subdivision 2 of Section 859-a of the New York General Municipal Law.

DATED: December 9, 2009

NIAGARA COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

By: _____
Samuel M. Ferraro
Executive Director