

PROJECT SUMMARY

Elevate Renewables F7, LLC, a Delaware limited liability company and a national renewable energy development company (the “Company”), is a portfolio company of ArcLight Energy Partners Fund VII, L.P. (the “Fund”). The Fund is sponsored by ArcLight Capital Partners, LLC (“ArcLight”), an infrastructure-focused investment firm. The Company is seeking financial assistance in connection with the construction and equipping of an approximately 2,560 square foot battery energy storage system with an estimated capacity of 15.1 megawatts (“MW”) consisting of batteries and other equipment, metering 60.4 MW hours of energy storage capacity (the “Battery System”) to be co-located at the Arthur Kill Generating Station (“Generating Station”), which is owned by Arthur Kill Power LLC, a portfolio company of the Fund, and is a dual-fuel capable power plant that produces electrical power for the electrical grid serving Staten Island and Manhattan, located on an approximately 96-acre parcel of land at 4401 Victory Boulevard in Staten Island, New York. An approximately 43,560 square foot portion of such Generating System is leased to GB Arthur Kill Storage LLC, a subsidiary of the Applicant, which will be operated by the Company as a Battery System capable of charging from, and discharging into, the New York power grid (the “Project”).

Project Location

4401 Victory Boulevard
Staten Island, New York 10314

Actions Requested

- Inducement and Authorizing Resolution for an Industrial Program transaction.
- Adopt a negative SEQRA declaration for the Project. The proposed Project will not have a significant adverse effect on the environment.

Anticipated Closing

June 2024

Impact Summary

Employment	
Jobs at Application:	1.0
Jobs to be Created at Project Location (Year 3):	0.5
Total Jobs (full-time equivalents):	1.5
Projected Average Hourly Wage (Excluding Principals):	\$75.35
Highest/Lowest Hourly Wage:	\$95.00/\$60.00
Construction Jobs to be Created (Full-Time Equivalent):	30

Estimated City Tax Revenues	
Impact of Operations (NPV 10 years at 6.25%)	\$9,337,449
One-Time Impact of Renovation	\$1,335,846
Total Impact of Operations and Renovation	\$10,673,295
Additional Benefit from Jobs to be Created	\$117,211

Elevate Renewables F7, LLC

Estimated Cost of Benefits Requested: New York City	
Sales Tax Exemption	\$1,147,181
Agency Financing Fee	(\$431,675)
Total Value of Benefits provided by Agency	\$715,506
Agency Benefits in Excess of As-of-Right Benefits	\$715,506

Costs of Benefits Per Job	
Estimated Total Cost of Benefits per Job	\$477,004
Estimated City Tax Revenue per Job	\$7,193,671

Estimated Cost of Benefits Requested: New York State	
Sales Tax Exemption	\$1,115,314
Total Cost to NYS	\$1,115,314
Overall Total Cost to NYC and NYS	\$1,830,820

Sources and Uses

Sources	Total Amount	Percent of Total Financing
Fund Equity	\$31,650,000	100%
Total	\$31,650,000	100%

Uses	Total Amount	Percent of Total Costs
Hard Costs	\$5,697,000	18%
Soft Costs	\$2,215,500	7%
Machinery & Equipment	\$21,505,000	68%
Closing Fees	\$1,582,500	5%
Interconnection Costs	\$650,000	2%
Total	\$31,650,000	100%

Fees

	To be Paid at Closing	On-Going Fees (NPV, 10 Years)
Agency Fee	\$431,675	
Project Counsel	Hourly	
Annual Agency Fee	\$1,250	\$9,092
Total	\$432,925	\$9,092
Total Fees	\$442,017	

Financing and Benefits Summary

The Company is a respondent to Consolidated Edison Company of New York, Inc. ("ConEd")'s 2022 Bulk Energy Storage Request for Proposals ("RFP") in connection with the New York State Public Service Commission's order for ConEd to procure at least 300 MW of energy storage. Winning respondents to the RFP will be required to enter into an Energy Storage Services Agreement ("ESSA") with ConEd for a term of up to 15 years. Winning respondents will retain ownership of their energy storage project but ConEd will have the sole right and responsibility to bid and schedule the storage asset into the New York Independent System Operator Wholesale Market ("NYISO"), directing

the operation of the Battery System to maximize its usefulness to the New York City electrical grid. ConEd will compensate the Company at a fixed rate price on an annual basis for the duration of the 15-year ESSA, at the conclusion of which the Company will retain scheduling and dispatch rights for the remainder of the Battery System's useful life. The Company will finance the Project entirely with equity from the Fund. The financial assistance proposed to be conferred by the Agency will consist of an exemption from City and State sales and use taxes.

Company Performance and Projections

The Project will include a battery energy storage system capable of charging from, and discharging into, the New York power grid. The battery system will have an estimated storage capacity of 15.1 MW and the per-day energy capacity is expected to be 60.4 MW hours, which is estimated to be enough energy to power 60,400 New York City households for four hours on a peak summer day. The Project will operate in the NYISO wholesale energy, capacity, and ancillary services markets. The Project will be co-located at the Generating Station and is part of both the Company's and ArcLight's goal to repurpose fossil-fuel-based power infrastructure and gradually replace it with battery storage as part of a transition towards a cleaner renewable grid. As part of the Project, the Company will retire an existing 15.1 MW gas turbine at the Generating Station and reutilize certain electrical infrastructure. Battery energy storage systems can purchase wholesale power from the market when the power is at a lower cost and sell the power into the wholesale market when prices are higher. In doing so, the Battery System is helping regulate the supply and demand for energy in New York and allowing for the phasing out of fossil-fuel dependent and polluting peaker plants.

Inducement

- I. The Project would not be financially viable without Agency benefits.
- II. The Project will expand energy storage capacity within New York City (the "City"), helping to facilitate the City's goal of reducing greenhouse gas emissions. Renewable energy sources provide power intermittently. Battery energy storage capacity allows the electricity to be captured during periods of excess generation and deployed during periods of peak demand and lower generation.

UTEP Considerations

The Agency finds that the Project meets one or more considerations from Section I-B of the Agency's Uniform Tax Exemption Policy ("UTEP"), including the following:

- I. Financial assistance is required to induce the Project.
- II. The Project will create or retain permanent private-sector jobs.

Applicant Summary

Founded in 2022, the Company is a national renewable energy development company focused on the deployment of battery energy storage systems co-located at existing energy generation facilities. The Company's battery storage projects support the growth of intermittent renewable energy while meeting the need for flexible and dispatchable energy. By prioritizing the strategic co-location of battery energy storage systems at existing brownfield sites, the Company seeks to reduce emissions, enhance grid reliability, and limit new transmission expenditures. The development footprint of the Company is geographically diverse representing development assets across eight states, although there is a significant focus on the northeast United States. The Company is owned by the Fund, which is managed by ArcLight. ArcLight has a 25-gigawatt ("GW") power infrastructure portfolio and an associated brownfield energy storage development pipeline of approximately 5 GW across 25 project locations. Through its managed funds, ArcLight is the largest owner of power generation in the City and owns some of the largest power generation facilities in the City, including power stations at Astoria, the Narrows, Gowanus, and Arthur Kill.

Eric Cherniss, Chief Executive Officer & Head of Development

Mr. Cherniss is the founder of the Company and has nearly two decades of energy development experience. Mr. Cherniss is responsible for developing and executing the Company’s long-term corporate strategy, including developing strategic growth opportunities across the country to support the Company’s vision and future growth. Prior to forming the Company, Mr. Cherniss was part of the Corporate Development and Strategy team of Vistra Energy Corp. (“Vistra”) where he was instrumental in the growth of the Vistra Zero platform and the redevelopment and hybridization of existing fossil assets with renewables and energy storage. Mr. Cherniss holds a B.S. in Electrical Engineering from the University of Southern California.

Gregory Esteban, Chief Financial Officer & Vice President of Finance

Mr. Esteban is Vice President of Finance at the Company, where he is responsible for the financial oversight and analysis of the Company’s battery storage portfolio, as well as the evaluation of capital structuring decisions on a project, portfolio, and corporate basis. Mr. Esteban maintains the Company’s point of view on key aspects of the storage business, including the near-to-long-term market value of storage participation. He also leads economic analysis supporting responses to revenue firming contract opportunities. Before joining the Company, Mr. Esteban worked in project finance and M&A at Recurrent Energy, where he led equity and debt transactions that enabled the buildout of more than a GW of utility-scale solar and battery storage. Mr. Esteban joined Recurrent after four years with Deloitte, where he helped Fortune 50 clients manage the financial, construction, and operational risks associated with their major capital projects. Mr. Esteban holds a B.S. in Civil Engineering from Gonzaga University

Corey Juhl, Vice President of Development

As Vice President of Project Development for the Company, Mr. Juhl is responsible for spearheading all battery storage project development activities including permitting, real estate, interconnection, and more. With over 20 years of experience in the renewable energy industry, Mr. Juhl has been directly involved with the origination, development, financing, construction, and operation of several thousand MW of utility scale wind, solar, and battery storage projects throughout the country, totaling over \$1B of capital deployment. Prior to joining the Company, Mr. Juhl served as the Vice President of Development & Corporate Strategy for Vistra. In this role he helped craft and implement a plan to accelerate Vistra’s transition to clean power generation and led the development efforts of over 30 utility scale renewable energy projects. Mr. Juhl has also previously served as the Senior Director of Project Development at ConEd, and as Vice President of Project Development at Juhl Energy, Inc. Mr. Juhl holds a B.S. in Liberal Studies with a focus on Entrepreneurial Studies from South Dakota State University.

Employee Benefits

Benefits include healthcare (including vision and dental), employer retirement contributions, and on-the-job training.

Recapture

Pursuant to UTEP, all benefits are subject to recapture for a 10-year period.

SEQRA Determination

Unlisted action which, if implemented, will not result in significant adverse environmental impacts. The completed Environmental Assessment Form for the Project has been reviewed and signed by Agency staff.

Due Diligence

The Agency conducted a background investigation of the Company, the Fund, and their respective principals and found no derogatory information.

Compliance Check: Not Applicable

Living Wage: Compliant

Elevate Renewables F7, LLC

Paid Sick Leave:	Compliant
Affordable Care Act:	Not Applicable
Bank Account:	Citibank, N.A.
Bank Check:	Relationships are reported to be satisfactory
Supplier Checks:	Relationships are reported to be satisfactory
Customer Checks:	Not Applicable
Unions:	Not Applicable
Background Check:	No derogatory information was found
M/W/DBE Participation:	25% goal (construction)
Attorney:	Steven Polivy, Esq. Ackerman LLP 1251 Avenue of the Americas, 37 th Floor New York, New York 10020
Accountant:	Brian Gohkle Consolidated Asset Management Services 910 Louisiana Street, Suite 2400 Houston, Texas 77002
Community Board:	Staten Island, CB #2

Project Pro Forma*Proforma: Construction Period and First Three Years of Operations*

Calendar Year	Total	2023	2024	2025	2026	2027	2028
Project Year		1	2	3	4	5	6
Operating %		–	–	30%	100%	100%	100%
Construction Costs							
Battery Costs	\$18,000	\$ –	\$4,500	\$13,500	\$ –	\$ –	\$ –
Interconnection Costs	650	–	650	–	–	–	–
Other FF&E and M&E	3,505	–	351	3,155	–	–	–
Construction Hard Costs	5,697	–	1,602	4,095	–	–	–
Construction Soft Costs	2,216	801	928	486	–	–	–
Other / Closing Fees	1,583	–	158	1,424	–	–	–
Total Construction Costs	\$31,650	\$801	\$8,189	\$22,660	\$ –	\$ –	\$ –
Revenue							
Full Battery Toll	\$12,600	\$ –	\$ –	\$3,150	\$3,150	\$3,150	\$3,150
Total Revenue	\$12,600	\$ –	\$ –	\$3,150	\$3,150	\$3,150	\$3,150
Operating Expenses							
Asset Management	(\$120)	\$ –	\$ –	(\$20)	(\$50)	(\$50)	\$ –
Operations and Maintenance	(360)	–	–	(50)	(150)	(160)	–
Performance Guaranty	(50)	–	–	(10)	(20)	(20)	–
Extended Warranty	(140)	–	–	(30)	(50)	(60)	–
Insurance	(750)	–	–	(90)	(330)	(330)	–
Auxillary Loads	(120)	–	–	(20)	(50)	(50)	–
Lease Rent	(100)	–	–	(20)	(40)	(40)	–
Letter of Credit Fees	(200)	–	–	(40)	(80)	(80)	–
NYC Unincorporated Business Tax	(140)	–	–	(80)	(30)	(30)	–
Total Operating Expenses	(\$1,980)	\$ –	\$ –	(\$360)	(\$800)	(\$820)	\$ –
Net Cash Flow							
Total Construction Costs	(\$31,650)	(\$801)	(\$8,189)	(\$22,660)	\$ –	\$ –	\$ –
Total Revenue	12,600	–	–	3,150	3,150	3,150	3,150
Total Operating Expenses	(1,980)	–	–	(360)	(800)	(820)	–
30% Investment Tax Credit	9,495	–	–	9,495	–	–	–
Net Cash Flow	(\$11,535)	(\$801)	(\$8,189)	(\$10,375)	\$2,350	\$2,330	\$3,150

Statement of Assets, Liabilities, and Members' Equity

Elevate Renewables F7, LLC Statement of Assets, Liabilities, and Members' Equity			
	November 30 2023	December 31 2022	YoY change FY23-FY22
Assets			
Current Assets:			
Unrestricted Cash	3,536,773	2,271,116	56%
Accounts Receivable	73,952	-	
Accounts Receivable - Related Parties	29,315	-	
Prepaid Expenses	-	-	
Total Current Assets	3,640,041	2,271,116	
Property, Plant, and Equipment	524,505	-	
Intangible	1,668,000	491,000	
Total Assets:	\$ 5,832,545	\$ 2,762,116	111%
Liabilities & Members' Equity			
Current Liabilities:			
Accounts Payable and Accrued Liabilities	282,633	1,236,760	
Accounts Payable Related Party	173,086	-	
Total Current Liabilities	455,719	1,236,760	
Total Liabilities	455,719	1,236,760	
Members' Equity	5,376,827	1,525,356	252%
Total Liabilities and Members' Equity	\$ 5,832,545	\$ 2,762,116	111%

**The Company is a development stage entity and has under two years of operating history. As such, financial information is only available for fiscal year end 2022 and up to month end November 2023. Financial backing for the Company is being provided by the Fund, which has demonstrated to NYCIDA staff that it has adequate resources to carry out the Project.*

Statement of Operations

Elevate Renewables F7, LLC			
Statement of Operations			
	November 30	December 31	YoY change
	2023	2022	FY23-FY22
Revenue:	\$ -	\$ -	
Development Expenses:			
Interconnection Studies	2,003,900	250,000	
Engineering Services	1,036,110	-	
Option Fees	211,870	-	
Total Development Expense	3,251,880	250,000	
General & Administrative Expense:			
Corporate Overhead	1,737,180	126,605	
Back Office	441,780	22,800	
Legal Fee	1,076,928	879,585	
Other G&A	1,585,518	186,653	
Total General & Administrative Expenses	4,841,406	1,215,643	
Total Expenses	8,093,286	1,465,643	452%
Interest Income	2,530	-	
Other Income	82,921	-	
Net Loss	\$ (8,007,835)	\$ (1,465,643)	-446%

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Statement of Cash Flows

Elevate Renewables F7, LLC Statement of Cash Flows			
	November 30 <u>2023</u>	December 31 <u>2022</u>	YoY change <u>FY23-FY22</u>
Cash flows from operating activities			
Net loss	\$ (8,007,835)	\$ (1,465,644)	
Adjustments to reconcile net loss to net cash used in operating activities			
Accounts receivable	(73,952)	-	
Prepaid expenses and other assets	(29,315)	-	
Accounts payable and accrued expenses	<u>(781,041)</u>	<u>1,236,760</u>	
Net cash used in operating activities	(8,892,144)	(228,884)	-3,785%
Cash flows from investing activities			
Asset acquisition	(1,177,000)	-	
Capital expenditures	<u>(524,505)</u>	-	
Net cash used in investing activities	(1,701,505)	-	
Cash flows from financing activities			
Contributions from member	14,050,000	2,500,000	
Distributions to member	<u>(2,190,694)</u>	-	
Net cash provided by financing activities	11,859,306	2,500,000	
Net decrease in cash, cash equivalents and restricted cash	1,265,657	2,271,116	
Cash, cash equivalents and restricted cash, beginning of period	2,271,116	-	
Cash, cash equivalents and restricted cash, end of period	<u>\$ 3,536,773</u>	<u>\$ 2,271,116</u>	56%

**The Company is a development stage entity and has under two years of operating history. As such, financial information is only available for fiscal year end 2022 and up to month end November 2023. Financial backing for the Company is being provided by the Fund, which has demonstrated to NYCIDA staff that it has adequate resources to carry out the Project.*



Elevate Renewables F7, LLC
200 Clarendon Street, FL 55
Boston, MA 02116

April 9, 2024

Emily Marcus Falda
Executive Director
New York City Industrial Development Agency ("NYC IDA")
1 Liberty Plaza
New York, NY 10006

Dear Emily Marcus Falda,

Elevate Renewables F7, LLC (the "Company"), is developing the GB Arthur Kill Storage 15.1 MW, 4-hour battery energy storage system (the "Project"), which is co-located at the Arthur Kill Generating Station at 4401 Victory Blvd in Staten Island. The Arthur Kill Generating Station and the Company are owned by an investment fund of ArcLight Capital Partners. By co-locating with the existing plant, the Company hopes to take advantage of pre-existing interconnection infrastructure and has been able to accelerate and complete several development-stage activities, including brownfields review, wetlands delineation, federal permitting evaluations, and rigorous fire safety evaluations.

The Project has executed an interconnection agreement with the Consolidated Edison Company of New York, Inc. ("Con Edison"). The Project has also executed a site lease agreement with the co-located Arthur Generating Station that includes termination rights prior to the commercial operations date.

The Company is negotiating with Con Edison to secure full offtake under an energy storage services agreement ("ESSA") associated with Con Edison's 2022 Bulk Storage RFP. Given the importance to the Project of the straight lease financial assistance from NYC IDA, the Company will not proceed to execution of the ESSA before the application for the Project is heard at the NYC IDA board meeting on April 23, 2024. This will allow the Company to conduct a comprehensive financial evaluation of the Project before accepting substantial long-term obligations under the ESSA.

The Company has provided a financial proforma with its application that demonstrates the importance of the NYC IDA incentive to the Project. In short, netting the NYC IDA's fees and other related costs, the NYC IDA incentive is worth approximately \$1.9 million to the Project and will increase the project's current enterprise value from negative \$737,000 to a positive \$444,000, significantly increasing the viability of the Project for our third-party investors.

Alternatives without NYC IDA straight lease financial assistance are limited. While the Company is in a growing industry and has a well-developed business plan, it is a reality that infrastructure development in NYC and on brownfield sites is costly and frequently impedes carbon-reducing projects like this.

Development of the Project continues to involve substantial risk, and the Company has yet to execute agreements for the purchase of equipment or for construction services, areas which represent significant unknowns for our estimate of capital expenditures. By reducing sales tax expenses and supporting returns that meet our minimum thresholds, the NYC IDA will materially de-risk underwriting of capital commitments for our investors.

Battery energy storage provides a unique opportunity for the City of New York to help fund a forward-looking industry that will benefit New York City and enable the growth of renewable energy resources and a transition to a cleaner grid. We look forward to discussing this project further with the NYC IDA and are available to address any questions that may arise.

Sincerely,

DocuSigned by:

A handwritten signature in black ink that reads "Eric Cherniss".

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Eric Cherniss,
Head of Development
Elevate Renewables F7, LLC

RESOLUTION INDUCING THE FINANCING OF AN INDUSTRIAL FACILITY FOR ELEVATE RENEWABLES F7, LLC, AS A STRAIGHT-LEASE TRANSACTION AND AUTHORIZING AND APPROVING THE EXECUTION AND DELIVERY OF VARIOUS AGREEMENTS IN CONNECTION THEREWITH

WHEREAS, New York City Industrial Development Agency (the “Agency”) is authorized under the laws of the State of New York, and in particular the New York State Industrial Development Agency Act, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended, and Chapter 1082 of the 1974 Laws of New York, as amended (collectively, the “Act”), to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial and research facilities and thereby advance the job opportunities, general prosperity and economic welfare of the people of the State of New York and to improve their prosperity and standard of living; and

WHEREAS, Elevate Renewables F7, LLC, a Delaware limited liability company and a national renewable energy development company (the “Applicant”), is a portfolio company of ArcLight Energy Partners Fund VII, L.P. (the “Fund”) which Fund is sponsored by ArcLight Capital Partners, LLC (“ArcLight”) an infrastructure-focused investment firm which serves as the investment adviser to the Fund; and

WHEREAS, the Applicant, has entered into negotiations with officials of the Agency for the construction, and equipping of an approximately 2,560 square foot battery energy storage system with an estimated capacity of 15.1 megawatts (“MW”) consisting of batteries and other equipment, metering 60.4 MW hours of energy storage capacity (the “Battery System”) to be co-located at the Arthur Kill Generating Station (“Generating Station”), which is owned by Arthur Kill Power LLC, a portfolio company of the Fund, and is a dual-fuel capable power plant that produces electrical power for the electrical grid serving Staten Island and Manhattan, located on an approximately 96-acre parcel of land at 4401 Victory Boulevard in Staten Island, New York and an approximately 43,560 square foot portion of such Generating System is leased to GB Arthur Kill Storage LLC, a subsidiary of the Applicant (“Arthur Kill”), which will be operated by the Applicant as a Battery System capable of charging from, and discharging into, the New York power grid (the “Project”), and having a total project cost of approximately \$31,650,000; and

WHEREAS, the Applicant has submitted a Project Application (the “Application”) to the Agency to initiate the accomplishment of the above; and

WHEREAS, the Application sets forth certain information with respect to the Applicant and the Project, including the following: that the Applicant, is a developer of energy storage power projects; that approximately 1.5 full time equivalent employees will be employed and/or retained within three years following the completion of the Project; that the Applicant must obtain Agency financial assistance in the form of a straight-lease transaction to enable the Applicant to proceed with the Project and thereby expand its operations in the City; that without the Agency’s financial assistance the Applicant would not be able to complete the Project, and that, based upon the financial assistance provided through the Agency, the Applicant desires to proceed with the Project and expand its operations in the City; and

WHEREAS, based upon the Application, the Agency hereby determines that Agency financial assistance and related benefits in the form of a straight-lease transaction between the Agency and the Applicant is necessary to induce the Applicant to expand its operations in the City; and

WHEREAS, in order to provide financial assistance to the Applicant for the Project, the Agency intends to grant the Applicant financial assistance through a straight-lease transaction in the form of sales and use tax exemptions, all pursuant to the Act;

NOW, THEREFORE, NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY HEREBY RESOLVES AS FOLLOWS:

Section 1. The Agency hereby determines that the Project and the provision by the Agency of financial assistance to the Applicant pursuant to the Act in the form of a straight-lease transaction will promote and is authorized by and will be in furtherance of the policy of the State of New York as set forth in the Act and hereby authorizes the Applicant to proceed with the Project. The Agency further determines that:

(a) the Project shall not result in the removal of any facility or plant of the Applicant or any other occupant or user of the Facility from outside of the City (but within the State of New York) to within the City or in the abandonment of one or more facilities or plants of the Applicant or any other occupant or user of the Facility located within the State of New York (but outside of the City);

(b) no funds of the Agency shall be used in connection with the Project for the purpose of preventing the establishment of an industrial or manufacturing plant or for the purpose of advertising or promotional materials which depict elected or appointed government officials in either print or electronic media, nor shall any funds of the Agency be given in connection with the Project to any group or organization which is attempting to prevent the establishment of an industrial or manufacturing plant within the State of New York; and

(c) not more than one-third of the total Project cost is in respect of facilities or property primarily used in making retail sales of goods or services to customers who personally visit such facilities within the meaning of Section 862 of the New York General Municipal Law.

Section 2. To accomplish the purposes of the Act and to provide financial assistance to the Applicant for the Project, a straight-lease transaction is hereby authorized subject to the provisions of this Resolution.

Section 3. The Agency hereby authorizes the Applicant to proceed with the Project as herein authorized. The Applicant is authorized to proceed with the Project on behalf of the Agency as set forth in this Resolution; provided, however, that it is acknowledged and agreed by the Applicant that (i) nominal leasehold title to or other interest of the Agency in the Facility shall be in the Agency for purposes of granting financial assistance, and (ii) the Applicant is hereby constituted the agent for the Agency solely for the purpose of effecting the Project, and the Agency shall have no personal liability for any such action taken by the Applicant for such purpose.

Section 4. The execution and delivery of an Agency Lease Agreement between the Agency and the Applicant, a Uniform Project Agreement between the Agency and the Applicant and, if applicable, between the Agency and Arthur Kill, a Sales Tax Agent Authorization Letter from the Agency to the Applicant, and, if applicable, a Guaranty Agreement from the Applicant, and/or the members of the Applicant and affiliates thereof to the Agency (the "Guaranty Agreement") (each document referenced in this Section 4 being, collectively, the "Agency Documents"), each being substantively the same as approved by the Agency for prior transactions, is hereby authorized. The Chairperson, Vice Chairperson, Executive Director, Deputy Executive Director and General Counsel of the Agency are each hereby authorized to

execute, acknowledge and deliver each such Agency Document. The execution and delivery of each such agreement by one of said officers shall be conclusive evidence of due authorization and approval.

Section 5. The officers of the Agency and other appropriate officials of the Agency and its agents and employees are hereby authorized and directed to take whatever steps may be necessary to cooperate with the Applicant to assist in the Project.

Section 6. All covenants, stipulations, obligations and agreements of the Agency contained in this Resolution and contained in the Agency Documents shall be deemed to be the covenants, stipulations, obligations and agreements of the Agency to the full extent authorized or permitted by law, and such covenants, stipulations, obligations and agreements shall be binding upon the Agency and its successors from time to time and upon any board or body to which any powers or duties affecting such covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law. Except as otherwise provided in this Resolution, all rights, powers and privileges conferred and duties and liabilities imposed upon the Agency or the members thereof by the provisions of this Resolution or the Agency Documents shall be exercised or performed by the Agency or by such members, officers, board or body as may be required by law to exercise such powers and to perform such duties.

No covenant, stipulation, obligation or agreement herein contained or contained in the Agency Documents shall be deemed to be a covenant, stipulation, obligation or agreement of any member, director, officer, agent or employee of the Agency in his or her individual capacity and neither the members nor the directors of the Agency nor any officer executing any Agency Document shall be liable personally for any amounts payable thereunder or arising from claims thereon or be subject to any personal liability or accountability by reason of the execution and delivery or acceptance thereof.

Section 7. The officers of the Agency are hereby designated the authorized representatives of the Agency, and each of them is hereby authorized and directed to execute and deliver any and all papers, instruments, opinions, certificates, affidavits and other documents and to do and cause to be done any and all acts and things necessary or proper for carrying out this Resolution. The Agency recognizes that due to the unusual complexities of the transaction it may become necessary that certain of the terms approved hereby may require modifications which will not affect the intent and substance of the authorizations and approvals by the Agency herein. The Agency hereby authorizes the Chairperson, Vice Chairperson, Executive Director, Deputy Executive Director or General Counsel to approve modifications to the terms approved hereby which do not affect the intent and substance of this Resolution. The approval of such modifications shall be evidenced by a certificate of determination of an Agency officer.

Section 8. Any expenses incurred by the Agency with respect to the Project shall be paid by the Applicant. By acceptance hereof, the Applicant agrees to pay such expenses and further agrees to indemnify the Agency, its members, directors, employees and agents and hold the Agency and such persons harmless against claims for losses, damage or injury or any expenses or damages incurred as a result of action taken by or on behalf of the Agency in good faith with respect to the Project.

Section 9. This Resolution is subject to approval based on an investigative report with respect to the Applicant. The provisions of this Resolution shall continue to be effective for one year from the date hereof, whereupon the Agency may, at its option, terminate the effectiveness of this Resolution (except with respect to the matters contained in Section 8 hereof).

Section 10. The Agency, as lead agency (“Lead Agency”), issued its determination pursuant to the State Environmental Quality Review Act (“SEQRA”) (Article 8 of the Environmental Conservation Law) and implementing regulations contained in 6 N.Y.C.R.R. Part 617. The determination is based upon the Agency’s review of information provided by the Applicant and such other information as the Agency has deemed necessary and appropriate to make its determination.

The Agency has determined that the proposed project, an Unlisted Action in accordance with Article 8 of the Environmental Conservation Law, the State Environmental Quality Review Act (“SEQRA”) and the implementing regulations, would not have a significant effect on the environment and that a Draft Environmental Impact Statement will not be prepared. The reasons supporting this determination are as follows:

1. The proposed project would not result in a substantial adverse change in existing traffic, air quality, or noise levels.
2. The proposed project would not result in significant adverse impacts on cultural, archaeological, architectural, or aesthetic resources or the existing neighborhood. The proposed project is located within an area of archaeological sensitivity. However, for development of the project, there would be limited soil regrading and excavation. In addition, a Phase IB Archaeological Survey conducted in connection to the proposed Arthur Kill Power Plant Lateral concluded that soils in this area are extensively disturbed and no further archaeological study was considered necessary.
3. The proposed project would not result in significant adverse impacts to natural resources, critical habitats, or water quality. The proposed project site is located within New York City’s Coastal Zone Boundary. Having reviewed the materials submitted by the applicant regarding this action, the Agency finds that the proposed action is consistent with the policies comprising New York City’s Waterfront Revitalization Program (“WRP”) and that the proposed action would not hinder the achievement of the WRP.

The proposed project is also located within a State regulated wetland check zone. The Applicant will request a project-specific jurisdictional determination from the New York State Department of Environmental Conservation (“NYSDEC”) and, should NYSDEC determine that the proposed project is located within a wetland or a regulated 100-foot buffer zone, the Applicant will follow all appropriate permitting procedures. If the actions outlined above are followed, we do not anticipate any significant adverse impacts resulting from the proposed project due to wetlands.

4. The proposed project would not result in a change in existing zoning or land use. The existing uses would be continuing to be as-of-right under zoning.
5. A Phase I Environmental Site Assessment and a subsurface soil investigation via a Soil Characterization Report (“SCR”) were completed for the site in February and April 2024, respectively. The Phase I identified a Controlled Recognized Environmental Condition (“CREC”) associated with past operations on the site. Building on the Phase I, the subsurface soil investigation identified a semi-volatile organic compound (“SVOC”), as phenanthrene, and the polychlorinated biphenyl (“PCB”), Aroclor 1260, in the 4-to-5-foot sample at concentrations above the Unrestricted Use Soil Cleanup Objectives (“USCOs”) but well below the Industrial Use Soil Cleanup Objectives (“ISCOs”). Three metals (copper, nickel, and zinc) were detected above the USCOs, but below ISCOs, in the shallow sample. These exceedances are most likely due to the fill material at the site.

For development of the project, there would be limited soil regrading and excavation. Soil would be properly tested, reused on site if found to meet NYSDEC regulations, and removed if found to be hazardous. Transportation of material leaving the site for disposal must be in accordance with applicable regulatory requirements. If groundwater dewatering of the site is needed, this would be performed in accordance with applicable regulations, including possibly obtaining a NYSDEC SPDES permit or NYC Department of Environmental Protection sewer discharge permit, as necessary. As part of the closing of the transaction, the Applicant will provide the Soil Management Plan and associated Construction Health and Safety Plan (“CHASP”) to the Agency to ensure there are no impacts from the project. If the actions outlined above are followed, we do not anticipate any significant adverse impacts resulting from the proposed project due to hazardous materials.

6. No other significant effects upon the environment that would require the preparation of an Environmental Impact Statement are foreseeable.

Section 11. In connection with the Project, the Applicant and the covenants and agrees to comply, and to cause each of its contractors, subcontractors, agents, persons or entities to comply, with the requirements of General Municipal Law Sections 875(1) and (3), as such provisions may be amended from time to time.

(1) The Applicant acknowledges and agrees that pursuant to General Municipal Law Section 875(3) the Agency shall have the right to recover, recapture, receive, or otherwise obtain from the Applicant New York State sales or use tax savings taken or purported to be taken by the Applicant, and any agent or any other person or entity acting on behalf of the Applicant, to which the Applicant is not entitled or which are in excess of the maximum sales or use tax exemption amount authorized in Section 12 of this Resolution or which are for property or services not authorized or taken in cases where the Applicant, or any agent or any other person or entity acting on behalf of the Applicant, failed to comply with a material term or condition to use property or services in the manner required by this Resolution or any agreements entered into among the Agency, the Applicant and/or any agent or any other person or entity acting on behalf of the Applicant. The Applicant shall, and shall require each agent and any other person or entity acting on behalf of the Applicant, to cooperate with the Agency in its efforts to recover, recapture, receive, or otherwise obtain such New York State sales or use tax savings and shall promptly pay over any such amounts to the Agency that it requests. The failure to pay over such amounts to the Agency shall be grounds for the Commissioner of the New York State Department of Taxation and Finance (the “Commissioner”) to assess and determine New York State sales or use taxes due from the Applicant under Article Twenty-Eight of the New York State Tax Law, together with any relevant penalties and interest due on such amounts.

(2) The Applicant is hereby notified (provided that such notification is not a covenant or obligation and does not create a duty on the part of the Agency to the Applicant or any other party) that the Agency is subject to certain requirements under the General Municipal Law, including the following:

(i) In accordance with General Municipal Law Section 875(3)(c), if the Agency recovers, recaptures, receives, or otherwise obtains, any amount of New York State sales or use tax savings from the Applicant, any agent or other person or entity, the Agency shall, within thirty days of coming into possession of such amount, remit it to the Commissioner, together with such information and report that the Commissioner deems necessary to administer payment over of such amount. The Agency shall join the Commissioner as a party in any action or proceeding that the Agency commences to recover, recapture, obtain, or otherwise seek the return of, New York State sales or use tax savings from Applicant or any other agent, person or entity.

(ii) In accordance with General Municipal Law Section 875(3)(d), the Agency shall prepare an annual compliance report detailing its terms and conditions described in General Municipal Law Section 875(3)(a) and its activities and efforts to recover, recapture, receive, or otherwise obtain State sales or user tax savings described in General Municipal Law Section 875(3)(b), together with such other information as the Commissioner and the New York State Commissioner of Economic Development may require. Such report shall be filed with the Commissioner, the Director of the Division of the Budget of The State of New York, the New York State Commissioner of Economic Development, the New York State Comptroller, the Council of the City of New York, and may be included with the annual financial statement required by General Municipal Law Section 859(1)(b). Such report shall be filed regardless of whether the Agency is required to file such financial statement described by General Municipal Law Section 859(1)(b). The failure to file or substantially complete such report shall be deemed to be the failure to file or substantially complete the statement required by such General Municipal Law Section 859(1)(b), and the consequences shall be the same as provided in General Municipal Law Section 859(1)(e).

(3) The foregoing requirements of this Section 11 shall apply to any amounts of New York State sales or use tax savings that the Agency recovers, recaptures, receives, or otherwise obtains, regardless of whether the Agency, the Applicant, or any agent or other person or entity acting on behalf of the Applicant characterizes such benefits recovered, recaptured, received, or otherwise obtained, as a penalty or liquidated or contract damages or otherwise. The foregoing requirements shall also apply to any interest or penalty that the Agency imposes on any such amounts or that are imposed on such amounts by operation of law or by judicial order or otherwise. Any such amounts or payments that the Agency recovers, recaptures, receives, or otherwise obtains, together with any interest or penalties thereon, shall be deemed to be New York State sales or use taxes and the Agency shall receive any such amounts or payments, whether as a result of court action or otherwise, as trustee for and on account of New York State.

Section 12. In connection with the Project, the Agency intends to grant the Applicant sales and use tax exemptions in a total amount not to exceed \$2,262,495.

Section 13. This Resolution shall take effect immediately.

Adopted: April 23, 2024

Accepted: _____, 2024

ELEVATE RENEWABLES F7, LLC

By: _____
Name:
Title:

GB ARTHUR KILL STORAGE LLC

By: _____
Name:
Title: