

NOTICE OF PUBLIC HEARING
ON PROPOSED PILOT AMENDMENTS
AND FINANCIAL ASSISTANCE
RELATING THERETO

Notice is hereby given that a public hearing pursuant to Section 859-a(2) of the General Municipal Law of the State of New York (the "Act") will be held by Schoharie County Industrial Development Agency (the "Agency") on the 31st day of January, 2017 at 7:00 o'clock p.m., local time, at the Schoharie County Office Building, located at 284 Main Street, 3rd Floor Board Room in the Village of Schoharie, Schoharie County, New York in connection with the following matters:

On February 27, 2007, the Agency executed and delivered a lease agreement dated as of February 1, 2007 (the "Lease Agreement") with the Tennessee Gas Pipeline Company (the "Company") for the purpose of undertaking the following project (the "Original Project") consisting of the following: (A) (1) the acquisition of an interest in certain parcels of land located at 2840 U.S. Route 20, Carlisle, New York, commonly referred to as the Carlisle Compressor Station, along with an interest in the land underlying three natural gas pipelines, covering, in the aggregate, approximately fifty-five miles of land, and traversing the towns of Carlisle, Esperance, Schoharie, Sharon and Wright (the "Land"), (2) the renovation of a portion or portions of the existing buildings located at the Carlisle Compressor Station, consisting of two buildings comprising approximately 131,000 square feet of space (the "Existing Facility"), (3) the construction of an addition to the Existing Facility constituting of an additional 5,400 square feet of space (the "Addition") (the Existing Facility and the Addition hereinafter collectively referred to as the "Facility"), and (4) the acquisition and installation thereon and therein of various machinery and equipment (the "Equipment") (the Land, the Facility, the Equipment and the Pipeline hereinafter collectively referred to as the "Project Facility"), all of the foregoing to constitute an expansion and improvement of the existing natural gas supply facilities, such facility to be owned and operated by the Company as facilities for providing natural gas, related administrative support services and other directly and indirectly related activities; (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the "Financial Assistance"); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency.

The acquisition, construction and installation of the Original Project is complete.

In connection with the undertaking of the Project, the Agency and the Company entered into a payment in lieu of tax agreement dated as of February 1, 2007 (the "PILOT Agreement") pursuant to which the Company agreed to make certain payments in lieu of tax payments. The PILOT Agreement was originally scheduled to terminate on December 31, 2016.

The Company obtained the consents of Schoharie County, the Town of Carlisle, the Town of Esperance, the Town of Sharon, the Town of Schoharie, the Town of Wright, the Canajoharie Central School District, the Cobleskill-Richmondville Central School District, the Schoharie Central School District and the Sharon Springs Central School District (collectively, the "Affected Taxing Jurisdictions") for an extension of the PILOT Agreement to April 30, 2017 and said PILOT Agreement was so extended.

The Company has reached out to the Affected Taxing Jurisdictions to provide for an extension to the term of the PILOT Agreement (the "PILOT Amendments").

In connection with the request by the Affected Taxing Jurisdictions to make the PILOT Amendments, the Agency is considering whether to approve the PILOT Amendments, following the satisfaction by the Agency of its policies and applicable New York law. The Agency will also condition its approval of the PILOT Amendments on the receipt of the approval of the PILOT Amendments by the governing boards of the Affected Taxing Jurisdictions.

The PILOT Amendments constitute a deviation from the Agency's Uniform Tax Exemption Policy and the Agency will satisfy applicable New York law relating to such deviation.

The Agency has not yet made a determination pursuant to Article 8 of the Environmental Conservation Law (the "SEQR Act") regarding the potential environmental impact of the Project.

The Agency will at said time and place hear all persons with views on the proposed PILOT Amendments being contemplated by the Agency in connection with the Original Project. A copies of the applications filed by the Company with the Agency with respect to the Original Project and the PILOT Amendments are available for public inspection during normal business hours at the office of the Agency. A transcript or summary report of the hearing will be made available to the members of the Agency.

Additional information can be obtained from, and written comments may be addressed to: Ronald S. Filmer, Jr., Chief Executive Officer, Schoharie County Industrial Development Agency, 349 Mineral Springs Road, Cobleskill, New York 12043; Telephone: 518-234-7604.

Dated: January 13, 2017.

SCHOHARIE COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

BY: s/Ronald S. Filmer, Jr., Chief Executive Officer