

[Print Article](#)[Close Window](#)

Windmill pitch

By BRITTANY BOMBARD, Enterprise Staff Writer

MALONE — The Franklin County Legislature heard a proposal for two wind energy parks in Chateaugay and Belmont Thursday from members of the Noble Environmental Power Corporation.

"This is a unique economic development opportunity with little environmental impact," said Mark Lyons, vice-president and senior legal counsel for Noble. "When you consider the benefits that will come out of the project, I think we'd really be lifting up the community."

The Chateaugay Windpark would include 72 wind turbines spread over 5,700 acres while the Belmont Windpark would be much smaller with only 14 wind turbines spread over 800 acres, according to Lyons, who added each turbine encompasses about 50 acres with an undisclosed amount of acres in between.

Lyons and Noble project Manager Dan Boyd came before the Legislature to request entering into a payment in lieu of taxes (PILOT) program with the Franklin County Industrial Development Agency, which would allow Noble to partially compensate the county, the townships of Belmont and Chateaugay and the local school districts for the tax revenue they would lose because of the nature of the ownership of the windpark property.

"This is an essential part of funding an energy project like this," Lyons said. "We're competing against oil and gas plants to sell our electricity to the power pool. Under no circumstances would we be looking for a total tax exemption. We're looking for a PILOT agreement. We don't want a free ride."

Lyons said an average New York state wind park pays anywhere from \$2,600 to \$8,000 per megawatt of electricity to PILOT programs and said Noble is proposing the Belmont and Chateaugay wind parks to pay the max of \$8,000 per megawatt, which Franklin County, the townships and the school districts would have to determine among each other how to split.

"It not only benefits the project," Lyons said. "It provides that same security to the taxing jurisdictions. It says, 'Here's exactly what you're getting from this project each year.' It really minimizes the variables."

The Clinton and Ellenburg wind parks in Clinton County, which are currently under construction, are part of a PILOT program with the Clinton County Industrial Development Agency, according to Lyons.

Lyons added that the townships and the school districts have already voted to opt out of the Real Property Tax Exemption for wind energy, as the Legislature did during its regular meeting later Thursday afternoon.

Noble is also asking for a sales tax exemption from the county, which Lyons said would be partially offset by an increase in sales revenues from the salaries generated by the wind park project. The project is also requesting a mortgage recording tax exemption.

According to Lyons, the Belmont and Chateaugay wind parks would provide host community payments of approximately \$1,032,000 per year to the county, towns of Chateaugay and Belmont and the school districts. He estimated easement payments of about \$1,000,000 per year, depending on energy revenues. The estimated number of jobs the projects would bring to the area is about 540 during construction and 38 during operations. The countywide economic impact from the wind park projects, according to Lyons, is up to \$76.2 million during construction and up to \$3.8 million annually during operations.

"There would be a significant influx of economic activity with minimal impact on local services," Lyons said.

Town of Belmont Supervisor Kip Cassavaw was on hand at the Thursday meeting and told Legislators that although there are still some issues to work out with Noble, the corporation is working with the towns to fix them.

"Noble's been very good to work with," Cassavaw said.

Kent Gardner, the president and chief economist for the Center of Government Research out of Rochester and Albany, reviewed Noble's plans for the two wind parks and was on hand to provide the costs and benefits of the project to the Legislature. According to Gardner, the PILOT payments received from the wind parks could be a windfall for the communities.

"It's not that they're compensating for the cost of the project," Gardner said. "What they're doing is paying you for

something that you already own that now has value. I think it's a fair statement that if this project was fully taxed as a regular property owner, (Noble) probably wouldn't do the project."

He recommended that if the county IDA were to go ahead with the PILOT program that the payments be used to add a community investment fund to develop the future of the local areas.

Lyons said if everything goes as planned, Noble would like to begin construction for the Bellmont and Chateaugay wind parks in October.

Contact Brittany Bombard at 891-2600 ext. 26 or bbombard@adirondackdailyenterprise.com.

Section: News Date Posted: 7/24/2007