



January 25, 2021

Village of Warwick Planning Board
77 Main Street
Warwick, NY 10990

Re: Convergent Energy + Power – Battery Energy Storage Facility
28 Church Street
Decommissioning Costs Support Letter

Dear Planning Board Members:

At the December 8, 2020 Planning Board Meeting members of the Board requested information on the decommissioning costs provided by Convergent Energy + Power (Convergent) with regards to our energy storage asset planned at 28 Church Street.

In order to provide some helpful context, the removal and recycling the battery cabinets and modules upon decommissioning of the facility is factored into Convergent’s purchase agreement with our battery suppliers for this project which is General Electric/LG-Chem. This essentially means that the bulk of the decommissioning cost associated with battery removal and recycling is already contracted and financed when the facility is commissioned. More details on the process of removal and recycling of the batteries are provided in Section 2.1 of the Decommissioning Plan.

Therefore, with an understanding that the cost to decommission the cabinets and modules is accounted for ahead of time, the itemized cost for decommissioning the facility (given in Section 6 of the Decommissioning Plan) is not inclusive of the batteries and, thus, the final cost of decommissioning shown may appear to be underestimated. The costs provided were determined only based on the current estimated costs for removal of all other ancillary equipment at the site (such as described in the Decommissioning plan Sections 2.2, 2.3, 2.4) by a contractor, and for the site restoration. It should also be noted that upon decommissioning, the ancillary equipment may return some residual/second-hand/scrap value that is not currently reported.

Convergent has submitted supplemental information and comparable bonds held on other Convergent projects to the Planning Board in support of this request for information.

Kind regards,

A handwritten signature in blue ink, appearing to read "F. Genova III".

Frank J. Genova III
Chief Operating and Financial Officer
Convergent Energy and Power LP