

APPLICATION SUMMARY
Expansion Power

Company: Yahoo! Inc.

Location: Lockport

County: Niagara

IOU: New York State Electric and Gas

Business Activity: Data Center and Contact Center Operations

Project Description: Yahoo proposes to construct a new data center on 14 acres adjacent to its existing Lockport location. Yahoo also plans to locate a 24/7 contact center operation in WNY. The total project investment would be \$170 million of which \$67.9 million is construction related. The remaining >\$100 million is for server, network and related equipment purchases.

Existing Allocations: 15,000 kW EP, 1,000 kW EP, 1,000 kW RNY

Power Request: 7,200 kW

Power Recommended: 7,200 kW

Job Commitment:

Existing: 0 (new call center and data center facilities) Note: currently 125 jobs under contract for 15 MW to existing data center; ~470 in NYS

New: 115 new jobs

New Jobs/Power Ratio: 16.0 new jobs/MW

New Jobs – Avg. Wage and Benefits: \$54,500

Capital Investment: \$170 million (\$67.9 million construction plus >\$100 million M&E)

Capital Investment/MW: \$23.6 million/MW

Other ED Incentives: Sales and Tax Incentives through Lockport IDA

Summary: Yahoo's East Coast data center footprint and user base are its largest worldwide. This plan accommodates continued migration of its East Coast footprint from other facilities to Lockport. The migration to and continued growth of Lockport depend on the availability of low cost power, with the data center's cost of electricity >25% of the cost of production, making a hydropower allocation critical to achieving the necessary operational cost structure. Yahoo's additional commitment to

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Exhibit "6-A-1"

relocate a 100 person contact center to WNY enhances its investment in New York State, and positions WNY for future growth opportunities.