

**APPLICATION SUMMARY**  
**Replacement Power**

**Company:** Alita USA Holdings, Inc.

**Project Location:** Buffalo

**County:** Erie

**IOU:** National Grid

**Business Activity:** Production of steel piping for the oil and gas industry

**Project Description:** Plans to construct a 340,000-square-foot pipe mill at a vacant lot on Rittling Blvd. in Buffalo to manufacture oil country tubular goods. Operations would eventually include three daily shifts at four separate production centers within the mill with the goal of producing 150,000 tons of piping annually.

**Existing Allocation(s):** None

**Power Request:** 6,500 kW

**Power Recommended:** 4,000 kW

**Job Commitment:**  
**Existing:** 0 jobs  
**New:** 172 jobs (157 jobs in Buffalo + 15 in Buffalo or elsewhere in NYS)

**New Jobs/Power Ratio:** 39/ MW (based on 157 WNY job creation)

**New Jobs - Avg. Wage:** \$58,000 (excludes benefits)

**Capital Investment:** \$101.85 million

**Capital Investment/MW:** \$25.4 million/ MW

**Other ED Incentives:** About \$10.4 million in grants and tax credits from ESD, the Western New York Power Proceeds Allocation Board and the Erie County IDA. Alita has also applied for additional incentives.

**Summary:** Alita is a start-up company currently looking at one of two potential locations (Houston and Buffalo) to begin manufacturing electric resistance weld oil country tubular goods by the summer of 2015. While the majority of its customer base is located in Texas, Alita is considering Buffalo for its new facility based on the availability of low cost hydropower and other state and local incentives. If the Buffalo site is chosen, Alita's plans include developing a brownfield site with a new manufacturing facility, investing over \$100 million and creating 157 new jobs in Western NY.