



EIGHT POINT WIND ENERGY CENTER

Case No. 16-F-0062

1001.29 Exhibit 29

Site Restoration and Decommissioning

Contents

Exhibit 29: Site Restoration and Decommissioning	1
29(a) Performance Criteria for Site Restoration	1
(1) Safety and the Removal of Hazardous Conditions.....	1
(2) Environmental Impacts	2
(3) Aesthetics	2
(4) Salvage and Recycling	2
(5) Potential Future Uses for the Site	2
(6) Useful Life.....	2
(7) Restoration Monitoring.....	2
29 (b) Decommissioning & Restoration Plan.....	3
(1) Preliminary Per-Turbine Decommissioning and Per-Foot of Access Road Restoration Estimates	3
(2) Plan for Decommissioning and Restoration.....	3
29(c) Site Restoration, Decommissioning, and Guaranty/Security Agreements	4

Appendices

Appendix 29-1. Decommissioning Plan

Exhibit 29: Site Restoration and Decommissioning

The Applicant has prepared a Decommissioning Plan (the Plan) that outlines the methods and means to decommission the Project at the end of the Project's useful life, which is included in this Application as Appendix 29-1. The purpose of the Plan is to identify the methodology to be used to mitigate potential impacts resulting from the cessation of operation of the Facility.

Utility-scale wind turbines available on the market today and like the turbines proposed for this Project are typically designed to last for approximately 20 - 30 years. Some replacement of parts might be needed in this period, but the main structure is likely to be in place for that time period. The turbines will be continually maintained throughout the life of the Project. As one of the first utility-scale renewable energy companies in North America, NextEra is uniquely qualified in all four phases of a wind projects life – development, construction, operations and decommissioning. NextEra is one of the few wind energy companies that has successfully decommissioned projects, including projects in California and Texas, which were constructed in the early 1990s.

While the Plan outlines the standard procedure for decommissioning the Project, the Applicant hopes that Steuben County, the Towns of Greenwood and West Union, and the landowners will consider having a wind farm in this area for several decades. Generally, when NextEra finds an area with great wind resources, a community willing to host a wind project and access to available transmission facilities, the goal is to utilize the site as long as possible. In California for example, some of NextEra's first generation of wind projects have reached the end of their useful lives. At those projects, we are removing the old wind turbines and replacing them with today's technology, which is much more efficient and effective. In 2004, at NextEra's Altamont Power wind site, the company removed 169 small turbines and replaced them with 31 new turbines which produce the same amount of energy. More recently, NextEra replaced 700 wind turbines at a California site with 48 wind turbines that produce the same amount of energy. At other wind projects in Texas and the upper Midwest, NextEra is "repowering" older wind projects by replacing internal components and blades on existing turbines, thereby increasing their useful lives by at least ten years.

29(a) Performance Criteria for Site Restoration

The list below includes site restoration performance criteria proposed for Project decommissioning (in the highly unlikely event that construction on the Project begins but cannot be completed, the same performance criteria would apply).

(1) Safety and the Removal of Hazardous Conditions

As discussed in Exhibit 18, safety is one of the Applicant's most important performance metrics. As such, zero safety incidents is the goal. The removal of all hazardous conditions is an extension of that safety goal. Meeting that goal includes the removal of all above ground facilities and any hazardous waste materials upon decommissioning.

(2) Environmental Impacts

As discussed in the Plan, the goal of decommissioning is the safe and efficient removal of all wind energy facility components and reclamation of the site to conditions as close to pre-construction characteristics as possible including restoration of native vegetation, habitat and/or land use. Erosion control and storm water management measures are utilized to maintain downstream water quality and prevent soil erosion and water runoff. All turbine and transformer fluids and any other hazardous materials will be removed in accordance with OSHA standards. All above ground facilities will be removed and reseeding and revegetation of the Facility Site will take place. During decommissioning environmental impacts are minimized and upon completion of reclamation, the Project Area will be in as close to pre-construction condition as possible.

(3) Aesthetics

Aesthetically, after decommissioning, the Facility Site should be in as close to pre-construction condition as possible. That will be accomplished by removing all above ground facilities and restoring the areas where facilities have been removed, including removing access roads (unless the landowner requests the access road not to be removed), and reseeding and revegetating the affected areas.

(4) Salvage and Recycling

To the extent possible, all Project materials will be salvaged and/or recycled. If possible, facilities will be removed, relocated and reused. Metal facilities (steel, copper, aluminum), including most of the wind turbine and transmission poles, if not reused, will be salvaged and sold for scrap metal that can be recycled for use for other manufacturing purposes. Gravel from access roads that are removed can be reused.

(5) Potential Future Uses for the Site

The Facility Site has multiple future potential uses. As noted above, when and where possible, the Applicant prefers to re-develop or repower wind projects in areas that have great wind resources, a community willing to host a wind project and access to available transmission facilities, which this site would have, thus it would be an ideal site for future wind projects. The site is currently used for agriculture, livestock and hunting. Those all would also be productive future uses for the site.

(6) Useful Life

The useful life of the Project is 20 – 30 years.

(7) Restoration Monitoring

Restoration monitoring will be implemented at the site so that native vegetation, habitats and/ or land use are re-established in the areas disturbed during decommissioning of the Project to the extent practicable and that the site has successfully been restored to pre-construction conditions to the extent practicable. Reseeded areas will be routinely monitored and inspected to ensure storm water controls remain effective while vegetation is re-established for slope stability and erosion control. Invasive

species and noxious weeds will be managed during site reclamation to control and/or prevent the establishment of invasive species and noxious weeds within reclaimed areas. To prevent the establishment and spread of noxious and invasive weeds in reseeded areas, routine monitoring and control of weeds will be implemented at the site following completion of decommissioning activities. Vegetation control may include manual, mechanical, biological or chemical treatment methods and if herbicides are deemed necessary, the application and use will comply with applicable federal, state, and county guidelines.

29 (b) Decommissioning & Restoration Plan

(1) Preliminary Per-Turbine Decommissioning and Per-Foot of Access Road Restoration Estimates

The Plan included in Appendix 29-1 includes preliminary per-turbine and per-foot access road restoration estimates. The estimated decommissioning costs were prepared using available information from NextEra's experience decommissioning other wind projects and from information and input from NextEra's general contractors and consulting engineers.

(2) Plan for Decommissioning and Restoration

The Plan for decommissioning and restoration of the Project is included as Appendix 29-1. The Applicant has prepared the Plan to outline the methods and means to decommission the Project at the end of the Project's useful life. The purpose of the Plan is to identify the methodology to be used to mitigate potential impacts resulting from the cessation of operation of the Facility. All decommissioning and restoration activities will adhere to the applicable requirements of the Article 10 Certificate, and any effective decommissioning agreements.

The Project will have an economical and technological lifetime of approximately 20 – 30 years. At the end of its life the Project will be decommissioned and wind turbines, ancillary equipment, buildings and infrastructure subsequently removed. Decommissioning would commence if the Project has not generated electricity for a period of 12 continuous months, unless the 12 month period of no energy output is the result of (a) a repair, restoration or improvement to an integral part of the Project that affects the generation of electricity and that repair, restoration or improvement is being diligently pursued by the Developer, or (b) a Force Majeure event.

In general, facility decommissioning is in the reverse order of facility construction and the general sequence of decommissioning activities is outlined below:

- Dismantling of wind turbines including the blades, nacelle and tower;
- Removal of electrical systems and collection substation;
- Dismantling and removal of the operations and maintenance (O&M) building;
- Removal of wind turbine pads;
- Removal of generation tie line;
- Removal of access/ service roads; and
- Site reclamation.

Prior to commencing decommissioning, the Project will be shut down, de-energized and disconnected from the generation tie line at the Project collection substation. The Applicant will coordinate de-energization with NYSEG and NYISO to ensure no disruption to the overall electrical system. Additionally, the Applicant will give landowners and the Towns of Greenwood and West Union at least six weeks advance notice prior to commencing decommissioning activity.

All aboveground components including buildings, structures and equipment will be removed during decommissioning. In addition, all foundations will be removed to a depth of at least three feet below ground surface (bgs), backfilled and then covered with topsoil. Based on discussions with landowners, access roads no longer needed will be removed and the disturbed land areas subsequently graded and reseeded.

The wind turbines including towers will be dismantled and either reused at other wind energy facilities, recycled as scrap metal or transported to an approved facility for disposal. Concrete pads and foundations can be fragmented and crushed into aggregate for potential reuse as road base material. After fluid removal, transformers and electrical control devices will be reused at other facilities or recycled as scrap metal while electrical equipment will either be recycled or transported to an approved facility for disposal. Underground electrical and fiber optic control cables will be de-energized and cables that were installed at depths greater than three feet bgs will be left intact at the site.

The goal of decommissioning is the safe and efficient removal of all wind energy facility components and reclamation of the site to conditions as close to pre-construction characteristics as practicable including restoration of native vegetation, habitat and/ or land use. The same safety protocols that are used during construction will be used during decommissioning.

The decommissioning process is expected to take approximately four months. This time includes two week site mobilization and preparation; six to eight week period to disassemble wind turbines and pad-mount transformers; an additional four weeks is allowed for after the last wind turbine is removed to remove and reclaim turbine foundations and access roads; and two weeks to remove and reclaim the project laydown area/project office and demobilize from the site. During disassembly and removal and for up to four weeks thereafter, reclamation work including grading, backfilling, erosion control activity, reseeding and revegetation will take place. Reclamation monitoring would take place for several months thereafter and additional restoration work would be conducted on an “as needed” basis.

29(c) Site Restoration, Decommissioning, and Guaranty/Security Agreements

The Applicant’s Wind Farm Easement Agreements with participating landowners include a provision for site restoration and decommissioning as described below:

Operator (Eight Point Wind, LLC) shall remove all physical material pertaining to the Facility from the affected Property to a depth of thirty six inches (36”) beneath the soil surface in non-agricultural lands and forty eight (48”) in agricultural lands, and restore the area formerly occupied by the facilities to substantially the same physical condition that existed immediately before the construction of the Facilities. The “Facilities” include, but are not limited to, the

turbines, collection facilities, telecommunication facilities, met towers and roadway improvements

As discussed in more detail in Exhibit 31 – Local Laws and Ordinances, the Towns of Greenwood and West Union have local laws which are applicable to the development of wind energy facilities in their respective municipalities:

- Wind Energy Facility Law of the Town of Greenwood, New York,
- Wind Energy Law of the Town of West Union, New York.

Included in these town local wind laws are provisions for a decommissioning plan, wind turbine removal and remediation and funding for decommissioning. The Applicant will establish a fund for decommissioning with whichever entity is deemed appropriate by law. Greenwood and West Union have the same terms and conditions for these provisions as provided below.

Decommissioning Plan: The applicant shall submit a decommissioning plan, which shall include: (i) the anticipated life of the wind turbine; (ii) the estimated decommissioning costs in current dollars; (iii) how said estimate was determined; (iv) the method of ensuring that funds will be available for decommissioning and restoration; (v) the method that the decommissioning cost will be kept current; and (vi) the manner in which the wind turbine will be decommissioned and the Site restored.

Wind Turbine Removal and Remediation: Wind Turbine Generator removal shall include removal of all above-ground equipment, removal of foundations to a depth of three (3) feet below grade, restoration of soil conditions, and restoration of vegetation to be consistent and compatible with surrounding vegetation.

Decommissioning Fund: The applicant, or successors, shall continuously maintain a fund or bond payable to the Town, in a form approved by the Town for the removal of inoperative wind turbines, in an amount to be determined by the Town, for the period of the life of the Facility. This fund may consist of a letter of credit from a State of New York licensed-financial institution. All costs of the financial security shall be borne by the applicant. All decommissioning fund requirements shall be fully funded before a building permit is issued.

The Plan for decommissioning, wind turbine removal, and remediation is included as Appendix 29-1. Potential financial assurance instruments to support decommissioning include parent guaranties, bonds, and letters of credit.

A parent guaranty is a form of guaranty whereby a parent, as guarantor, assumes the responsibility for the payment or performance of an action or obligation of its subsidiary by agreeing to compensate the beneficiary in the event of non-payment or non-performance. A bond is a promise by a guarantor (usually a bank or similar financial institution) to pay one party an amount if a second party fails to meet an obligation, such as fulfilling the terms of a contract. The bond protects against losses resulting from a party's failure to meet the obligation. Similar to a bond, a letter of credit is a commitment, usually by a

bank or financial institution, to pay one party a specified amount if another party fails to meet its obligations.

Ordinarily for wind generation facilities, financial assurance for decommissioning is in the form of a bond. Federal, state and local governmental agencies including the Bureau of Land Management, the State Land Board of Colorado, Pratt County, KS and Grant County, WV, to name a few, all require a bond for decommissioning financial assurance. Based on experience and transactions with the above listed entities and several others, the Applicant believes that a bond is the appropriate type of financial assurance for this Project and provides sufficient insurance for the unlikely event that the Applicant does not fulfill its decommissioning obligations. A parent guaranty would be the Applicant's preferred form of assurance because it is less costly than other forms. A letter of credit is the least preferred form of assurance because it is the most costly of the three forms discussed herein and it provides no better assurance than a bond. In all instances, whether a parent guaranty, a bond or a letter of credit, the creditworthiness of the entity providing the assurance is an important factor to take into consideration.