

Cassadaga Draft Decommissioning Plan

Decommissioning

Megawatt-scale wind turbine generators typically have a life expectancy of 20 to 25 years. The current trend in the wind energy industry has been to replace or “re-power” older wind energy projects by upgrading older equipment with more efficient turbines. However, if not upgraded, or if the turbines are non-operational for an extended period of time (such that there is no expectation of their returning to operation), they will be decommissioned. For this Project, if a turbine is non-operational for over two years, the requirement to decommission the turbine and other Project components that solely serve that turbine will be triggered, unless otherwise agreed to with the Town and DPS Staff. The performance criteria that will be applied to the decommissioning and restoration of the Facility will include the following:

- Typical Life Expectancy of the Facility (Industry Standard)
- Compliance with the SPEDES permit during restoration
- Implementation of the Spill Prevention Control and Containment Plan during decommissioning
- Salvaging and recycling materials to the greatest extent practicable
- Removing underground facilities to a depth appropriate for existing farming practices to continue
- Aesthetic restoration will be accomplished by removing all above-ground facilities except for the POI substation.

Removal of Facility Improvements

The Applicant will dismantle and remove Project components on property owned or leased by the Applicant during decommissioning activities. Decommissioning would consist of the following activities: all turbines, including the blades, nacelles, and towers will be disassembled, and transported off site for reclamation and sale. All of the transformers will also be transported off-site for reuse, recycling or reclamation. Above ground collection cables and associated poles will be removed and permanent met towers will be taken down and scrapped or re-furbished. The collection substation will be removed, however the interconnection substation shall remain as it is planned that the substation will be owned and operated by National Grid following its construction. Any above ground poles required for the interconnection substation's operation shall remain. Foundations and collection lines buried at depths less than 36 inches below grade in non-agricultural land and 48 inches below grade in active agricultural land will be removed. At depths greater than described

above, Project components will be left in place. However, the Applicant will not be obligated to leave any components in place, and will only consider such action so long as it does not violate any permits or legal requirements. Upon request of the landowner, the Applicant may consider allowing access roads to remain in place. Written approval by the landowner will be obtained for any access roads to remain in place. Final removal of all machinery, equipment, and all other materials related to decommissioning activities is to be completed within one year of decommissioning initiation, unless otherwise agreed to by the Town(s) and DPS Staff.

Restoration

The Applicant shall provide written notification to the Towns two weeks prior to the commencement of site restoration following decommissioning activities. In that notification the Applicant shall provide a timetable for approval by the Town(s) prior to site restoration activities commencing. The decommissioning timetable will be approved by all Towns within which the Facilities to be decommissioned are located. The Applicant will obtain any federal, state or local permits required for site restoration prior to decommissioning activities commencing. Ground disturbance will be minimized to the extent practical and the site will be restored to its original ground contours to the extent practical. Soils stockpiled during site restoration will be used in the restoration and not transported off site. Vegetation will be re-established using a native seed mix or, in agricultural areas, in coordination with the landowner to allow desired crop to be planted. The Applicant will not be responsible for planting crops following site restoration but may plant a temporary seed mix in agricultural areas to be planted with crops.

Financial Assurance

The Applicant will post and maintain financial assurance in the amount of the net decommissioning costs. After the first year of operation, an independent and registered engineer, licensed to practice engineering in the state of New York, will estimate both the total cost of decommissioning and the net decommissioning costs. The net decommissioning costs is the total cost of decommissioning less the salvage value of the equipment and/or re-sale value. This per-turbine estimate (the net decommissioning costs divided by the total number of turbines) will be submitted for DPS Staff and for Town review before construction, after one year of Facility operation and every fifth year thereafter. If the total cost of decommissioning exceeds the salvage value of the equipment and/or re-sale value, the Applicant will post and maintain financial assurance in an amount equal to the net decommissioning cost within 2 months. Financial assurance may be in the form of a letter of credit, a bond, escrow account, a parent guarantee or other form as agreed to by the Towns and DPS Staff. When the Applicant posts the financial assurance, it will provide the Towns with clear instructions as to how they can access the financial assurance should the Applicant violate the provisions of this

Decommissioning Plan. For example, if the financial assurance was in the form of a letter of credit, the Applicant would make the Towns a beneficiary of the letter of credit and provide instructions as to how they can access the funds in the letter of credit if needed.

Decommissioning Estimate

The decommissioning estimate will be prepared by a qualified independent engineer licensed to practice engineering in the state of New York. The decommissioning estimate will be prepared on a per-turbine basis and submitted for DPS Staff and Town review to ensure consistency with the methodology approved in the Article 10 Application. The first decommissioning estimate shall be provided prior to Project construction, the second estimate after one year of Project operation and every fifth year thereafter. The estimate will be based on the turbines selected for the Project and the exact number of turbines as well as the length/number of other Project components (access road, collection line, etc.). To estimate scrap values, the engineer shall review and use current scrap commodity prices and disposal service rates. For resale value, the most recent estimate readily obtained of turbine components value shall be considered. The resale value shall also consider the age of components. Those components that are considered for resale shall be subtracted from any scrap value calculations included in the decommissioning estimate. To estimate the total cost of decommissioning, mobilization costs to complete site decommissioning shall be estimated. This would include hard costs such as crane mobilizations and other equipment to be used as well as soft costs such as project management and obtaining the necessary permits to complete decommissioning and site restoration. The total cost of decommissioning shall also account for an estimate of the time to disassemble each turbine and the collection substation as well as other associated Project components. In order to be conservative, it will be assumed that all Project components that could remain at landowner discretion (i.e. access roads) will be removed. However, Project components lower than 36 inches in non-agricultural lands and 48 inches in agricultural lands will not be included in the total decommissioning cost. Decommissioning removal and transport costs shall also be taken into account. Lastly, the decommissioning cost shall include the costs to complete site restoration, which should take into account the total area that must be restored and seed mix costs to re-vegetate the disturbed ground. Inflation shall be considered when updated the decommissioning costs after one year of Project operation and every fifth year thereafter.

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[REDACTED]

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Other Decommissioning Provisions

The Applicant plans to enter into Road Use Agreements with the Towns in which it plans to use Town roads for delivery of turbine components. The provisions of the Road Use Agreements will also apply to the decommissioning of the Project in order to ensure that roads are adequately restored to their original condition following decommissioning activities. The Decommissioning Plan will be binding upon the Applicant, or any of its successors, assigns, or heirs. The Towns in which decommissioning activities have occurred will have access to the Project, pursuant to reasonable notice to the Applicant, to inspect the completed decommissioning activities.