

**THE STATE OF NEW HAMPSHIRE
SITE EVALUATION COMMITTEE**

_____)	
In the matter of the)	
Application for Certification)	Docket No. 2010-01
Pursuant to RSA 162-H of)	June 5, 2011
GROTON WIND LLC)	
_____)	

MOTION FOR REHEARING

The Intervenor Group Buttolph/Lewis/Spring (the "Intervenors") respectfully moves that the New Hampshire Site Evaluation Committee (the "Committee") rehear its May 6, 2011 Decision and Order pursuant to RSA 541:3 and Site Rule 202.29. The Intervenors submit the following memorandum in support of its motion.

Concerns with the Decision and Order are focused in the following areas:

1) Consideration of the applicability of the need to strike a balance that considers the extent to which this particular proposed Energy Facility contributes to state production and carbon mitigation goals pursuant to RSA 162-H:1, and the associated Committee conclusion that wind farms are exempt from this consideration pursuant to RSA 352-F. – error of law/judgment.

2) Conclusion that adverse impacts from this energy facility are "reasonable" pursuant to RSA 162-H:16. – error of judgment.

3) Allowing new testimony from the Applicant into the Docket, without providing an opportunity for Intervenors to Cross-Examine or dispute – an error of law.

4) Committee findings reached while members are apparently unclear about the power and responsibility of the Committee - error of law/reasoning.

5) Improper weighting of evidence and misstatements of fact – error of law/reasoning.

6) Inappropriate comparisons by the Committee to other NH Wind Farm certificates and other commercial projects.

1) Striking a balance pursuant to RSA 162-H:1

RSA 162-H:16 sets forth requirements against which the Site Evaluation Committee (Committee) shall evaluate the application. The Committee must find, in part, that:

The Site and Facility will not unduly interfere with the orderly development of the region with *due consideration* having been given to the views of municipal and regional planning commissions and municipal governing bodies. (RSA 162-H:16 IV, (b)). (Emphasis added).

The Site and Facility will not have an *unreasonable* adverse effect on aesthetics, historic sites, air and water quality, the natural environment, and public health and safety. (RSA 162-H:16 IV, (c)). (Emphasis added).

The legislation clearly vests with the Committee the responsibility to make a series of judgments in two key areas within the text of the above RSA excerpts, as noted by the terms “due consideration” and “unreasonable”. As the Committee has noted, guidance for the committee in making these judgments can be found in the RSA’s Declaration of Purpose which provides a context within which these judgments are to be made. (Deliberations Day 3, pg 26 line 20 – 23). This Declaration states in part “... the legislature finds that it is in the public interest to maintain a *balance* between the *environment* and the *need* for new energy facilities in New Hampshire; ...that full and timely *consideration of environmental consequences* be provided; ...that the state ensure that the construction and operation of energy facilities is treated as a significant aspect of land-use planning in

which all environmental, economic, and technical issues are resolved in an integrated fashion, all to assure that the state has an adequate and reliable supply of energy in conformance with sound environmental principles..." (Emphasis added).

As articulated in the Intervenor's final brief dated April 1, 2011, it is the Intervenor's position that, due to the small amount of energy produced, and the minimal carbon mitigation that was likely to be achieved as compared to the significant negative impacts associated with the construction and operation of this renewable energy facility, the Applicant failed to demonstrate that there are enough positive benefits from this facility to offset the obvious negatives. In assessing the alleged positive benefits, the Intervenor requested that the Committee place significant weight on the conclusions of Mr. Harrington because of his expertise, as a PUC engineer, in matters of production engineering analysis.¹ Mr. Harrington appeared to agree with the Intervenor's position regarding the overstatements by the applicant in the areas of energy production and carbon mitigation. (Deliberations Day 3, pg 12 line 14 – pg 14 line 14; pg 16 line 8 – pg 17 line 3). However, Mr. Harrington went on to opine that the output from this facility is irrelevant, so long as there is some level of contribution to state goals. He argued, apparently persuasively to the full Committee, that since this energy facility employs "Renewable energy generation technology" as defined in RSA 362-F:1, the construction of this particular facility is, by definition, automatically declared by the legislature to be "in the public interest" regardless of the extent to which the facility is judged to contribute positive benefits. (Deliberations Day 3, pg 28 line 5 –16). Underscoring this point, Mr. Harrington concluded that due to the classification of this energy facility as a renewable energy facility, the only basis for assessing balance pursuant to RSA 162-H:1 insofar as the generation capabilities are concerned, rests with the applicant's analysis of whether or not they will make enough money on the project to justify it (Deliberations Day 3, pg 24 lines 14 –18).

¹ It is important to note that the Intervenor did not urge the committee to assess significant weight to Mr. Harrington's opinions on matters of legal interpretation. For the record, we recognize Mr. Harrington's expertise on matters of engineering analysis only.

While the Intervenors appreciate Mr. Harrington's Libertarian view that the Applicant's profit motive should be the singular determining factor in assessing a wind farm's positive contribution to state goals, it is important to note that RSA 162-H makes no exception for facilities that happen to be categorized as utilizing renewable technology pursuant to RSA 362-F. RSA 162-H applies to ALL energy facilities, regardless of categorization, assuming the facility meets the appropriate nameplate requirements mandating Committee jurisdiction. The wording in RSA 162-H:1's Declaration of Purpose makes it crystal clear that the legislature did not intend for a corporation's profit motive to be the only determining factor when assessing contributions to state goals. Such an interpretation leads to the logical conclusion that, when developing findings with respect to the orderly development of the region, adverse effect on aesthetics, historic sites, air and water quality, the natural environment, and public health and safety, all that is required insofar as the State of New Hampshire is concerned are infinitesimal contributions to state goals. Under this interpretation, it is difficult to imagine any scenario under which a wind farm certificate of site and facility would be denied because the entire Declaration of Purpose, with respect to the requirement to achieve "balance", would be rendered irrelevant when considering wind farm applications. Further, the Committee had already voted and determined most of the findings during deliberations before the Intervenors' position regarding balance was even discussed. It appears clear, by the record, that reasonableness of the adverse impacts of this wind farm was judged by committee members without any meaningful background analysis of the extent to which this wind farm actually will produce usable electricity and mitigate carbon, beyond that which was claimed by the Applicant.

In summary of this area of concern, the Intervenors respectfully request that the Committee rehear the arguments that led to the conclusion that wind farms are exempt from the key provision that provides context for the determination of the reasonableness of its findings due to RSA 362-F.

2) Conclusion that adverse impacts from this energy facility are "reasonable" pursuant to RSA 162:H-16.

With respect to Mr. Harrington's assessment of the extent to which this facility mitigates carbon in the atmosphere, he stated "people can draw their own conclusions... the one I personally drew was that they [the Applicant] were a little bit generous with themselves [regarding the extent to which carbon was likely to be mitigated] and, probably the Intervenors were probably more accurate." It appears that Mr. Harrington, and ultimately the Committee, considered this exaggeration to be merely "a little bit generous" (Deliberations Day 3, pg 13 lines 1-9). It is appropriate to remind the Committee that the Intervenors concluded, and Mr. Harrington apparently agreed, that the Applicant likely exaggerated the extent to which this facility would mitigate carbon by an overwhelming magnitude, in the order of a nearly 20:1 overstatement. (Intervenor's final brief dated April 1, 2011, pg 7, paragraph 1).

In discussing Mr. Harrington's interpretation of the applicability of RSA 362-F, Chairman Getz attempted to rephrase Mr. Harrington's conclusions regarding profit motive as the sole determining factor in assessing acceptable levels of electricity production. According to Chairman Getz's interpretation, if "there is a slight differential about the output, about the capacity factor, etcetera, that that's not something that's in as much itself should be determinative of the outcome, I guess, if it's within a reasonable range." However, in agreeing with the Intervenor's assessment that capacity factors are likely overstated by the applicant, Mr. Harrington's words do not match the recharacterization of Chairman Getz. Mr. Harrington stated that it is of no concern to the committee if, for example, the Applicant claims that this facility will operate at 36 percent capacity factor when the reality might be 22 percent. (Deliberations Day 3, Pg 24 lines 14-18). Clearly, an overstatement of nearly 40%, as suggested by Mr. Harrington in his hypothetical example, is unreasonable. Considering the Committee deliberation regarding the balancing argument articulated by the Intervenors did not occur until after the committee had voted on reasonableness when determining most of its findings pursuant to (RSA 162-H:16 IV, (b and c)), this newly understood extent of overstatement on the part of the Applicant may well have shifted these findings from "reasonable" to "unreasonable" on any one of those findings.

Considering the above, the Intervenors respectfully request that the committee rehear discussions of reasonableness and due consideration in the context of large overstatements by the applicant in the areas of carbon mitigation and production.

3) Allowing new testimony from the Applicant into the Docket, without providing an opportunity for Intervenors to Cross-Examine or dispute.

The Committee allowed the Applicant to respond and provide explanations for the Intervenor's and Counsel for the Public's Final Brief and Proposed Conditions. In doing so, the Committee allowed new testimony to be introduced into the Docket without following **Site 202.21** (All testimony should be under oath or affirmation and shall be subject to cross-examination by parties or their representatives.) It is clear the SEC reviewed and considered these Responses by the Applicant throughout the Deliberations. For example, the Applicant responded to the **Buttolph Group Condition Request No.1**, a Property Value Guarantee, by finding it unacceptable. The Applicant's Explanation was, "There is no credible support in the record for the proposition that this Project will affect property values within a two mile radius, or even at all. Such a condition is unprecedented – neither of the other two wind energy facilities that have been certificated by the Site Evaluation Committee is subject to this type of condition – and is arguably beyond the Committee's authority to order. Lastly, the condition is unworkable as it raises more questions than it answers, and creates significant enforcement/implementation responsibilities for the Subcommittee."

The Applicant's arguments are untrue, as Property Value Guarantees have been issued in other States previously, as testified by Mr. Michael McCann. (See Hearings Day 5, Pg 50, lines 1-6, and Pg 51, lines 3-8). Although a property value guarantee has not previously been a Condition of a Certificate in NH, neither of the two previously certified wind projects had 200 homes within a 2 mile radius, in fact they had very few homes within a 2 mile radius, and should not be used as a comparison for appropriate requirements for Groton Wind. Lastly, a PVG is not "unworkable", nor has the Applicant provided any evidence of "significant enforcement/implementation responsibilities for the Subcommittee." This amounts to new testimony by the Applicant. The Intervenors were not provided

an opportunity to cross-examine or dispute, in apparent violation of Site 202.21. Had the Intervenors been provided the opportunity to cross examine or dispute, we may have provided further exhibits, and would have engaged in cross examination that would have further shown, among other things, that the primary author of the Applicant's own study encourages the use of property value guarantees.

Buttolph Group Condition Request No. 12D. – Applicant will file an emergency plan specific to Groton Hollow Road, of which the SEC must approve this plan prior to construction commencing. The Applicant found this condition to be unacceptable, and stated, "It is unnecessary for the SEC to review or approve the Project's plans for dealing with issues related to oversized vehicles. Oversized vehicles are strictly governed by the NH DOT...Police at the scene need discretion to address any issues that arise. The Applicant will adhere to the detailed requirements of NH DOT oversized vehicle permits." The Applicant knew or should have known the Oversized Vehicle Permit does not apply to Groton Hollow Road, as it is not a state road. Therefore the Applicant's insinuation that safety is being overseen on Groton Hollow Road by the State, is a serious inaccuracy in the Applicant's testimony. The safety of Groton Hollow Road residents is at risk due to the lack of an acceptable plan. As such, there is no room for misleading the SEC or minimizing the important role they should have in overseeing the safety of the residents during the construction of this project. If the Intervenors had been allowed to respond to the Applicant's significant inaccuracies, we would have brought forth evidence recognizing the need for the SEC to approve and oversee the emergency plan. For example, numerous problems have occurred throughout the country regarding the transportation of turbines to the project sites. In fact, on May 31, 2011, a truck carrying a 150ft turbine blade in Shelby, Ohio, got stuck in downtown. The traffic was blocked for more than 5 hours, as they finally repaired the trailer. These situations can happen on Groton Hollow Road, and therefore requires the supervision of the SEC in order to minimize the risks to the residents.

Another exhibit that would have been brought forward relates to an illegal fire that was recently located within the "private" part of Groton Hollow Road. Our information suggests that this structural fire was intentionally set in order to create space for a new building that would be necessary to facilitate the Groton Wind Farm Project. Setting aside the concern that it appears Iberdrola's business

partners have begun the process of working on this project before the appropriate lead times have passed relative to the SEC's process, clearly safety issues associated with this type of activity are a major concern. No burn permits had been issued in Rumney or Groton as required in the Applicant's Agreements with the Towns of Rumney and Groton. Further, the Rumney Fire Department did not have access to the locked gates at the base of the "private" part of Groton Hollow Road. Instead, the Rumney Fire Department had to cut the lock in order to access the property. The Applicant's Agreements with the Towns of Rumney and Groton clearly state that as the emergency responder, Rumney will have keys, combinations etc., to allow access on to private property in case of emergency. Lastly, illegal materials were being burned at this fire, potentially posing a hazard to those living on Groton Hollow Road. The State Fire Marshall has been notified of these issues, and presumably accountability for this apparently illegal act will be forthcoming. Nevertheless, this event underscores the need for supervision of emergency plans. The Committee is responsible to ensure that appropriate conditions, including an emergency plan with proper oversight, have been ordered such that the safety and well being of all the Groton Hollow Road residents will be assured.

Buttolph Group Condition Request No. 12E. – Each Groton Hollow Road property owner to be paid \$7800 by the Applicant to attempt to compensate for the delays, inconveniences and loss of enjoyment of their homes during the construction period. The Applicant found this condition to be unacceptable, and “the proposed condition is unwarranted, unjustified and unsupported by any evidence, and there is no precedent for such a condition.” If the Buttolph Group had been provided an opportunity to respond to this new testimony, we would have entered a new exhibit titled, “**Lempster Wind Farm Neighbor Agreement.**” (See Attached) On page 2 of this document, **Number 3. Construction Inconvenience**, clearly shows that Iberdrola recognizes the inconvenience the wind farm presents to its residential neighbors, including those projects in New Hampshire. In addition, Iberdrola recognizes that to address these inconveniences, mitigation is needed. However, unlike in Lempster, residents of Groton Hollow Road will not have an ability to “travel unaccustomed routes to avoid construction traffic.” Instead, they will be forced to endure approximately 18 months of major disruption to their lives, and at times will be “stranded” at their homes for periods of time throughout

the process. The Applicant was untruthful in stating this condition was unjustified and unsupported by any evidence in light of the fact they have paid neighboring residents of Lempster for far less inconvenience than those of Groton Hollow will endure.

Buttolph Group Condition Request No. 12 F. – The Applicant will not be allowed to widen Groton Hollow Road under any circumstance, including temporarily. The Applicant found this condition to be unacceptable as well, and states, “The Rumney Agreement was the result of extensive public consultations with the Town of Rumney Board of Selectmen.....” The Rumney Board of Selectmen publishes all meetings on its Town website. There are absolutely no minutes that reflect a change in the Town of Rumney Agreement to allow a temporary widening of Groton Hollow Road. In fact, the August 30, 2010 Board of Selectmen minutes reflect the exact opposite, during a discussion with the Foote’s of Groton Hollow Road. “The board assured the Foote’s that only the existing travel portion of the road would be used. **The road will not be widened nor will any trees be removed.**” Any consultation and or change of the Agreement to now allow a “temporary” widening, did not take place in public, and the Applicant’s explanation is therefore not accurate.

4) SEC Unclear of its own powers

The SEC was unclear of their legal powers and jurisdiction during the deliberations. If they did not clearly recognize what they had the legal authority to do, their decisions should be nullified. For example, Deliberations, Day 1 am pg 55 lines 8 – pg 62 line 14. Mr. Harrington clearly did not understand that the Committee has the ability to impose a Property Value Guarantee as a condition on the Applicant, yet he voted not to condition the Certificate with a PVG. Again during Deliberations, Day 3, am. pg 34, lines 16-21, Mr. Harrington asked specifically if the SEC has the legal right to impose a PVG, yet he had already voted on it. It is clearly inappropriate for any member of the SEC to vote on a finding while being unclear about the resulting effect of that vote, especially in light of the significant amount of time, money, and energy spent by the Intervenors on presenting Mr. McCann’s recommendation for a Property Value Guarantee. The entire Committee should have known clearly, prior to this testimony, given the significant exhibits which had previously been entered into the

Docket, that a Property Value Guarantee was a legal binding document and could be entered as a Certificate Condition.

5) Improper weighting of evidence and misstatements of fact.

There are a number of examples in the record whereby members of the Committee indicate a lack of understanding of the proper weighting of evidence. For example, Mr. Seltzer indicated that he places greater weight on a report regarding Property Values, presented by the Applicant, without the opportunity to cross examine the primary author of this report than he does to a recognized expert, Michael McCann, who underwent extensive cross examination. (Deliberations Day 1, AM, Pg 63 line 20-24, pg 64, line 1-12).

In the Committee's Decision and Order, page 35, the Committee states that "The Applicant has the support of Grafton County Commissioner from District 3, Martha B. Richards."² This is not accurate. Omer Ahern Jr. is the current Grafton County Commissioner from District 3, having soundly defeated Ms. Richards at the ballot box during the general election last year. Mr. Ahern is firmly opposed to the project. (See SEC Docket 2010-01 document entered into the record as "Letter from Omer C. Ahern, Jr., dated April 4, 2011" at <http://www.nhsec.nh.gov/2010-01/index.htm>). The impact of this failure of the Committee to consider up-to-date information in consideration of its duty to give "due consideration ... [to the current] ... views of municipal and regional planning commissions and municipal governing bodies." (RSA 162-H:16 IV, (b).) requires that the committee reassess the views of not only the Grafton County Commissioners, but also of other applicable planning commissions and municipal governing bodies given the dramatic changes in the political realities that have occurred in the wake of the November 2010 elections.

6) Inappropriate comparisons to other NH Wind Farm Certificates and other commercial projects.

² Grafton County District 3 is made up of the geographic area that includes the proposed Groton Wind Farm.

The Committee repeatedly questioned how the SEC had addressed various circumstances at other New Hampshire wind farms projects, and expressed a desire to ensure that consistency exists. However, each of these projects is unique, with different physical environments and different potential adverse impacts, necessitating that each project should be treated as a unique, stand alone projects throughout the decision-making process. For example, Day 2 Deliberations, pg 97, lines 2-12, regarding maximum sound levels, Mr. Hood states, “conditions that were put on for Lempster seemed to be working...” However, the SEC has no knowledge of the number of “Wind Farm Neighbor Agreements” that were signed in Lempster, which paid property owners for their inconvenience in dealing with sound issues. Therefore, no complaints does not necessarily mean there is no issue, and certainly should not be used as a basis in the decision making for Groton Wind conditions. No complaints does not create a fact of no issue, rather it is creating an assumption. In addition, the number of turbines, the layout of the turbines and the fact that Groton Wind Project overlooks the Baker River Valley which often has an echoing effect, creates a totally different and incomparable setting to Lempster Wind. (See Application 1, Figure 3) On the other hand, the SEC spoke of conditions placed on Iberdrola’s Deerfield Wind, VT, as if the wind farm was irrelevant to Groton Wind. (See Deliberations Day 2, am, pg 96, lines 15-20.) Perhaps other states that have more experience with wind farms, and have learned valuable lessons. The Committee should at least consider some of the various conditions placed on wind farms outside of the State, such as Property Value Guarantees, noise conditions as well as safety conditions.

In summary, we respectfully ask that this honorable Committee rehear pertinent testimony that will address the specific parameters indicated above.

Respectfully submitted,

The Intervenors

By their spokesperson

A handwritten signature in black ink, appearing to read "James Buttolph", is written over a horizontal line.

James Buttolph

I, James Buttolph, do hereby certify that I caused the foregoing to be sent by electronic mail or U.S. mail to the persons on the currently active service list for docket 2010-01. An original plus 9 copies has also been provided via US mail to the SEC.

WIND FARM NEIGHBOR AGREEMENT

This **WIND FARM NEIGHBOR AGREEMENT** dated _____, 2007 (the "Agreement") is entered into between _____, whose address is _____ ("Owner"), and **LEMPSTER WIND, LLC**, a Delaware limited liability company, its successors and assigns, whose address for purposes of this Agreement is c/o Iberdrola Renewable Energies USA, Ltd., 201 King of Prussia, Suite 500, Radnor, PA 19087 ("Lempster").

BACKGROUND

A. Lempster has entered into lease agreements with certain landowners in the Town of Lempster, Sullivan County, New Hampshire, which allow Lempster to construct, operate and maintain a wind power generation project consisting of wind turbine generating units (each a "Turbine"), meteorological towers ("Towers"), an electrical substation ("Substation"), electrical collection system facilities ("Collection Facilities"), roads and other improvements (collectively, the "Wind Farm Improvements") comprising an 24MW wind farm sometimes referred to as the Lempster Wind Farm ("Wind Farm").

B. The Wind Farm Improvements are located on property adjacent to the Owner's property, as legally described in the attached **Exhibit A** ("Owner's Property"), and from time-to-time will generate sounds that can be heard, and may be seen on Owner's Property.

C. In order to limit the extent of such possible burdens on Owner's Property, Owner and Lempster wish to enter into this Agreement, to provide for a grant of noise and set back waivers and other matters and establish the rights of the parties and their duties to each other with regard to the Wind Farm (collectively, "Rights").

D. Additionally, Lempster recognizes and desires to compensate Owner according to the terms of this Agreement for inconveniences Owner may encounter associated with the Wind Farm Improvements.

IN WITNESS WHEREOF, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto hereby agree as follows:

GRANT OF RIGHTS

1. **NOISE WAIVERS.** Owner hereby grants to Lempster the right and privilege to generate and maintain audible noise levels in excess of fifty five (55) db(A) on and above the Owner's Property at any or all times of the day or night ("Noise Rights") within 300 feet of the outer wall of each presently existing occupied residence or the property line of Owner's Property (whichever is less).

2. **SETBACK WAIVERS.** To the extent that (a) Owner now or in the future owns or leases any land adjacent to the Wind Farm or (b) Lempster or any affiliate of Lempster owns, leases or holds an easement over land adjacent to Owner's Property and has installed or constructed or desires to install or construct Wind Power Facilities on said land at and/or near the common boundary between Owner's Property and said adjacent land, then Owner hereby waives any and all setbacks and setback requirements, whether imposed now or in the future by applicable law or by any person or entity, including, without limitation, any setback requirements described in current or future zoning ordinances of the municipality or in any governmental entitlement or permit heretofore or hereafter issued to Lempster or such affiliate. Further, if so requested by Lempster or an affiliate, Owner shall, without demanding additional consideration therefor, (i) execute (and if appropriate cause to be acknowledged) any setback waiver, setback elimination or other document or instrument reasonably requested by

Lempster, the Town of Lempster, Sullivan County or the State of New Hampshire or any applicable governmental authorities in connection therewith, (ii) return the same thereto within ten (10) days after such request, and (iii) provide such public support as Lempster may reasonably request in connection with any related zoning variance or other government applications by Lempster.

3. **CONSTRUCTION INCONVENIENCE.** Despite Lempster's efforts to control dust and noise during construction of the Wind Farm Improvements, Owner recognizes that due to the location of Owner's Property near gravel roads or construction areas Owner may be inconvenienced by construction noise and dust. Additionally, Owner recognizes that construction traffic in some areas may inconvenience Owner or require Owner to travel by unaccustomed routes to avoid construction traffic.

4. **CONSIDERATION.** As consideration related to these expected inconveniences to Owner associated with the construction, development and operation of the Wind Farm and the other rights granted in this agreement, Owner agrees to accept the annual installment payments from Lempster, as shown on **Exhibit B**.

5. **MORTGAGES, TRANSFERS AND ASSIGNMENT.**

(a) Lempster may without need to obtain Owner's consent or approval: (1) mortgage, collaterally assign, or otherwise encumber and grant security interests in all or any part of its interest in this Agreement and the Rights; and (2) assign or otherwise convey all or part of its interest in this Agreement and the Rights to third parties. Lempster will provide Owner with notice of such mortgage, collateral assignment, encumbrance, or conveyance.

(b) Owner may without need to obtain Lempster's consent or approval, sell, mortgage, assign or convey away all or a part of Owner's interest in Owner's Property, but any conveyance shall be subject to the terms of this Agreement. Owner will provide Lempster with reasonable notice of such mortgage, collateral assignment, encumbrance, or conveyance. If there is a change in ownership of Owner's Property, Owner agrees to promptly notify Lempster of name and mailing address of the new Owner. Unless otherwise agreed, after receipt of a written notice of change of ownership of Owner's Property, Lempster shall make any remaining payments due under this Agreement to the new owner identified in the notice of change of ownership.

6. **MEMORANDUM.** The parties agree to sign and record in the public records a Memorandum of Wind Farm Neighbor Agreement. The Memorandum shall not reveal any financial terms. This Wind Farm Neighbor Agreement shall not be recorded.

7. **TERM AND TERMINATION.** The Rights and other benefits and burdens of this agreement run with the land. The term of this Agreement and of the Rights shall commence upon the signing of this document, and shall continue for an initial term of thirty (30) years after the Wind Farm begins Commercial Operation (the "Initial Term"). Lempster shall have the right to extend the Term hereof for two (2) additional periods of ten (10) years each (the "Extension Term" and collectively, with the Initial term, the "Term") by written notice to Owner delivered prior to expiration of the Initial Term. "Commercial Operation" for purposes of this Agreement shall mean the date the Wind Farm Improvements are constructed, tested, interconnected with the transmission provider's transmission and distribution system, staffed and operational, as determined by Lempster. Lempster shall have the right to terminate this Agreement effective upon thirty (30) days prior written notice to Owner. The Rights and this Agreement shall not be terminable by Owner under any circumstances. Upon termination of the Rights and this Agreement, Lempster shall file a termination of this Agreement in the local public real estate records.

8. **MISCELLANEOUS.** This Agreement shall not and cannot be modified or amended except by a writing signed by both Parties. Whenever in this Agreement the approval or consent of a

Party is specifically required or mentioned, unless otherwise specified, such approval or consent shall not be unreasonably withheld, conditioned or delayed. If the Parties are unable to amicably resolve any dispute arising out of or in connection with this Agreement, then such dispute shall be resolved in the courts located in Sullivan County, New Hampshire, which shall be considered the proper forum and jurisdiction for any disputes arising in connection with this Agreement. If Owner consists of more than one person or entity, then (a) each reference herein to "Owner" shall include each person and entity signing this Agreement as or on behalf of Owner and (b) the liability of each such person and entity shall be joint and several. In the event that this Agreement is not executed by one or more of the persons or entities comprising the Owner herein, or by one or more persons or entities holding an interest in Owner's Property, then this Agreement shall nonetheless be effective, and shall bind all those persons and entities who have signed this Agreement. Owner acknowledges that Lempster has made no representations or warranties to Owner, including regarding development of, or the likelihood of power generation from, Owner's Property. Each of the signatories hereto represents and warrants that he/she has the authority to execute this Agreement on behalf of the Party for which he/she is signing. This Agreement may be executed in multiple counterparts.

[Signatures are on the following page.]

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement as of the day and year first above written.

LEMPSTER WIND, LLC,
a Delaware limited liability company

By: _____
Martin Mugica, Manager

By: _____
Pablo Canales, Manager

OWNER:

EXHIBIT A
TO WINDFARM NEIGHBOR AGREEMENT
LEGAL DESCRIPTION OF OWNER'S PROPERTY

EXHIBIT B

PAYMENTS TO OWNER

- 1. Initial Payment: \$1,000 within thirty (30) days of the date of execution hereof.**
- 2. Annual Payments: \$1,000 per year (in accordance with Payment Schedule below).**

Payment Schedule

Annual payments shall be paid as follows:

- The first annual payment will be made within thirty (30) days after Commercial Operation.
- All subsequent annual payments for each year of the term will be made annually on or before each anniversary of Commercial Operation, each as payment in advance for the following one-year period.

MEMORANDUM OF WIND FARM NEIGHBOR AGREEMENT

This is a memorandum ("Memorandum") of a Wind Farm Neighbor Agreement, dated _____, 2007 ("Neighbor Agreement") relating to the Lempster Wind Farm in Lempster, New Hampshire ("Wind Farm").

1. **PARTIES.** The parties to the Neighbor Agreement are Lempster Wind, LLC, a Delaware limited liability company, its successors and assigns, whose address for purposes of this Memorandum whose address for purposes of this agreement is c/o Iberdrola Renewable Energies USA, Ltd., 201 King of Prussia, Suite 500, Radnor, PA 19087 ("Lempster"), and _____, whose address is _____ ("Owner").
2. **PROPERTY AFFECTED.** The Agreement affects the property of Owner legally described on attached **Exhibit A** ("Owner's Property").
3. **SUMMARY OF TERMS OF NEIGHBOR AGREEMENT.** The Neighbor Agreement includes a grant of noise, setback and other waivers and rights ("Rights") and establishes the rights of the parties and their duties to each other with regard to the Wind Farm.
4. **TERM OF NEIGHBOR AGREEMENT.** The term of the Neighbor Agreement ("Term") shall begin upon signing of the Neighbor Agreement, and shall end thirty (30) years after the Wind Farm begins Commercial Operation, subject to two (2) ten (10) year extension terms. "Commercial Operation" means the date the Wind Farm improvements are constructed, tested, interconnected with the transmission provider's transmission and distribution system, staffed and operational as determined by Lempster.
5. **TERMINATION.** The Rights and this Neighbor Agreement shall not be terminable by Owner under any circumstances. Upon expiration of the Rights and the Neighbor Agreement, Lempster shall file a termination of the Rights and the Neighbor Agreement in the public records.
6. **NOTICE.** This Memorandum is only intended to provide notice of the Neighbor Agreement, and is not intended to alter or amend the terms of the Neighbor Agreement. In the event of a conflict between the terms and conditions of this Memorandum, and the terms and conditions of the Neighbor Agreement, the terms and conditions of the Neighbor Agreement shall govern and prevail.

[SIGNATURES BEGIN ON NEXT PAGE]

**EXHIBIT A
TO MEMORANDUM
OF WIND FARM NEIGHBOR AGREEMENT
LEGAL DESCRIPTION OF OWNER'S PROPERTY**