

Coös County Commissioners' Office

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April 14, 2009

Mr. Thomas S. Burack, Chairman
NH Site Evaluation Committee
NH Department of Environmental Services
29 Hazen Drive
Concord, NH 03301

**Re: Application of Granite Reliable Power, LLC
Docket No. 2008-04**


Dear Commissioner Burack:

On April 10, 2009 the Coös County Commissioners unanimously approved the enclosed Agreement with Granite Reliable Power, LLC regarding operation and potential decommissioning of the proposed wind park.

Item 12. of the Agreement addresses the plan for decommissioning work if circumstances should trigger decommissioning of the wind park and restoration of the project site.

It is my understanding that Granite Reliable Power, LLC will also be filing this Agreement with the NH Site Evaluation Committee.

Sincerely,


Suzanne L. Collins
Coös County Administrator

Enclosure

COMMISSIONERS

BURNHAM A. JUDD, PITTSBURG • PAUL R. GRENIER, Berlin • THOMAS M. BRADY, JEFFERSON

**AGREEMENT BETWEEN
County of Coös and Granite Reliable Power, LLC**

WHEREAS, Granite Reliable Power, LLC (GRP) is proposing to construct and operate a 99 MW wind energy facility ("Project") in Coös County, New Hampshire, and

WHEREAS, GRP has submitted an application for Certificate of Site and Facility for the Project to the New Hampshire Site Evaluation Committee (NHSEC), and

WHEREAS, the County of Coös ("County") desires that GRP comply with the following provisions regarding operation and potential decommissioning of the Project, and

WHEREAS, the County and GRP desire that the NHSEC adopt these provisions as conditions and incorporate them into any certificate it may grant GRP for the Project,

NOW THEREFORE on the tenth day of April 2009, Granite Reliable Power, LLC (GRP) and the Board of Commissioners of Coös County's Unincorporated Places on behalf of Coös County (County) hereby agree as follows:

1. Warnings. A clearly visible warning sign identifying danger from voltage shall be placed at all electrical collection facilities, switching or interconnection facilities, and substations.

Visible, reflective, colored objects, such as flags, reflectors, or tape shall be placed on all anchor points of guy wires, if any, and along the guy wires up to a height of ten feet from the ground.

A clearly visible warning sign concerning safety risks related to winter or storm conditions shall be placed no less than 300 feet from each wind turbine tower base on access roads.

2. Access. The County or its designee(s) shall have access to the Project Site for the purpose of emergency response. GRP shall provide access to the Project Site, Wind Turbines or other facilities upon request of the County to ensure compliance with the provisions of this agreement.

3. Liability Insurance. GRP or its successor(s) shall maintain a current general liability policy covering bodily injury and property damage with limits of at least \$10 million in the aggregate. Certificates shall be made available to the County upon request. Proof of insurance to be provided by GRP or its successors annually on or about March 15th of each calendar year. Any deductibles to above

insurance must be covered by adequate reserves. Proof of such reserves will be provided to the County annually or about March 15.

4. Indemnification. GRP specifically and expressly agrees to indemnify, defend, and hold harmless the County and its officers, elected officials, employees and agents (hereinafter collectively "Indemnitees") against and from any and all claims, demands, suits, losses, costs and damages of every kind and description, including attorneys' fees and/or litigation expenses, brought or made against or incurred by any of the Indemnitees resulting from or arising out of any negligence or wrongful acts of the GRP, its employees, agents, representatives or Subcontractors of any tier, their employees, agents or representatives in the connection with the Project. The indemnity obligations under this Article shall include without limitation:

- a. Loss of or damage to any property of the County, GRP or any third party;
- b. Bodily or personal injury to, or death of any person(s), including without limitation, employees of the County, or of GRP or its Subcontractors of any tier.

The GRPs indemnity obligation under this Article shall not extend to any liability caused by the sole willful negligence of any of the Indemnitees.

5. Wind Turbine Equipment and Facilities

a. Visual Appearance

- Wind turbines shall be a non-obtrusive color such as white, off-white, or gray.
- Wind turbines shall not be artificially lighted, except to the extent required by the Federal Aviation Administration or other applicable authority that regulates air safety.
- Wind turbines shall not display advertising, except for reasonable identification of the turbine manufacturer and/or GRP or its successors.

b. Controls and Brakes

- All wind turbines shall be equipped with a redundant braking system. This includes both aerodynamic over-speed controls (including variable pitch, tip, and other similar systems) and mechanical brakes. Mechanical brakes shall be operated in a fail-safe mode. Stall regulation shall not be considered a sufficient braking system for over-speed protection.

c. Electrical Components

- All electrical components of the Project shall conform to relevant and applicable local, state, and national codes, and relevant and applicable international standards.

6. Project Security.

- a. The exterior of wind turbine towers shall not be climbable up to fifteen (15) feet above ground surface.
- b. All access doors to wind turbines and electrical equipment shall be locked or fenced, as appropriate, to prevent entry by non-authorized persons.

7. Public Information, Communication and Complaints.

- a. Public Inquiries and Complaints. During construction and operation of the Project, GRP shall maintain a phone number and identify a responsible person for the public to contact with inquiries and complaints through completion of decommissioning. GRP shall make reasonable efforts to respond to the public's inquiries and complaints.
- b. Complaint Resolution. GRP shall develop and submit to the County a process to resolve complaints concerning the construction or operation of the Project. The process shall not preclude the local government from acting on a complaint.
- c. Signs. Signs shall be reasonably sized and limited to those necessary to identify the Project Site and provide warnings or liability information, construction information, or identification of private property. There will be no signs placed in the public right of way.

8. Emergency Response

- a. Upon request, GRP shall cooperate with the County's first responders and any emergency services that may be called upon to deal with a fire or other emergency at the Project. GRP will develop and coordinate implementation of an emergency response plan for the Project. GRP and County will establish protocols to provide emergency response access to the Project Site within a reasonable time following an alarm or other request for emergency response.
- b. GRP shall cooperate with the County's emergency services to determine the need for the purchase of any equipment required to provide an adequate response to an emergency at the Project that would not otherwise need to be purchased by the County. If agreed between the County and GRP, GRP shall purchase any specialized equipment for storage at a mutually agreeable location. The

County and GRP shall review together on an annual basis the equipment requirements for emergency response at the Project.

- c. GRP shall provide and maintain protocols for direct notification of emergency response personnel designated by the County.
- d. GRP shall provide the County with contact information of personnel available at every hour of the day.
- e. GRP shall provide training to emergency response personnel identified by the County. Those identified for training will include First Alarm mutual aid responders. Training shall be conducted at times agreed to by the County and GRP prior to the commencement of construction and on an annual basis during operation of the Project. The training shall include, but not be limited to, the location and operation of on-site fire suppression equipment, Project Site and Wind Turbine access, and communication protocols.
- f. GRP shall maintain smoke and/or fire alarm systems that are installed in all Wind Turbines and facilities. The County or its designee(s) and GRP shall work to identify sources of water on or around the Project Site that may be utilized in the event of a fire at the Project Site outside the Wind Turbines, and collaborate on a process for utilizing the identified sources. The cost of identifying these water sources, if any, shall be borne by GRP.

9. Public Roads.

- a. GRP shall identify all state and local public roads to be used within the County to transport equipment and parts for construction, operation or maintenance of the facility.
- b. GRP shall hire a qualified professional engineer, approved by County, to document road conditions prior to construction and again thirty days after construction is completed or as weather permits.
- c. Any road damage caused by GRP or its contractors at any time shall be promptly repaired at the GRP's expense.
- d. GRP will reimburse the County for costs associated with special details caused directly by a need to direct or monitor traffic within the County limits during construction.

10. Construction Period Requirements

- a. Site Plan. Prior to the commencement of construction, GRP shall provide the County with a copy of the final Soil Erosion and Sediment Control site plans showing the construction layout of the Project.
- b. Construction Schedule. Prior to the commencement of construction activities at the Project, GRP shall provide the County and if required, the State of New Hampshire Department of Transportation and/or Department of Safety, with a schedule for construction activities, including anticipated use of public roads for the transport of oversize and overweight vehicles. GRP shall provide updated information and schedules regarding construction activities to the County on a monthly basis, or upon request of the County.
- c. Disposal of Construction Debris. Tree stumps, slash and brush will be disposed of onsite or removed consistent with state law. Construction debris shall not be disposed of at County facilities.
- d. Blasting. The handling, storage, sale, transportation and use of explosive materials shall conform to all state and federal rules and regulations.
- e. Storm Water Pollution Control. GRP shall obtain a New Hampshire Site-Specific Permit and conform to all of its requirements including the Storm Water Pollution Prevention Plan and requirements for inspections as included or referenced therein. GRP shall provide the County with a copy of all state and federal storm water, wetlands, or water quality permits and related conditions.
- f. Construction Vehicles
 - Construction vehicles shall only use a route approved by the New Hampshire Department of Transportation (NHDOT). There shall be no staging or idling of vehicles on public roads. The NHDOT shall be notified at least 24 hours before each construction vehicle with a Gross Vertical Weight greater than 88,000 pounds is to use a State road. Acceptance by the State of vehicles exceeding this level is not a waiver of the GRP's obligation to repair all damage to roadways caused by vehicles used during construction or during any other time through the completion of decommissioning.
 - The start-up and idling of trucks and equipment will conform to all applicable Department of Transportation or Department of Safety regulations.

11. Operating Period Requirements

a. Spill Protection

GRP shall take reasonable and prudent steps to prevent spills of hazardous substances, including but not limited to oil and oil-based products, used during the construction and operation of the Project. This includes oil, gasoline, and other hazardous substances from construction related vehicles and machinery, permanently stored oil, and oil used for operation of permanent equipment. GRP shall provide the County with a copy of the Spill Prevention, Control and Countermeasure (SPCC) Plan for the Project as required by state or federal agencies.

- ### b. Signal Interference.
- GRP shall make reasonable efforts to avoid any disruption or loss of radio, telephone, television, or similar signals, and shall mitigate any harm caused by the Project, subject to the Complaint Resolution process.

12. Decommissioning.

Anticipated Life of Wind Turbines

Megawatt-scale wind turbines are designed and certified by independent agencies for a minimum expected operational life of 20 years.

As the wind turbines approach the end of their expected life, it is expected that technological advances will make available more efficient and cost-effective generators that will economically drive the replacement of the existing generators.

a. Trigger for Implementing Decommissioning Plan.

Decommissioning will be required if the Project has not generated electricity for a period of three hundred and sixty-five (365) consecutive days, unless GRP or its successor produces evidence of mitigating circumstances, including delays surrounding long lead time for spare part procurement or an act or condition outside of GRP's control. Decommissioning and restoration activities will adhere to the requirements of appropriate governing authorities and will be in accordance with applicable federal, state and local permits and/or conditions.

b. Description of Decommissioning Work

i. Wind Turbine Removal.

Turbine and tower removal will be dismantled and removed in the reverse of the erection sequence, as follows:

- Assemble and stage crane on pad at turbine;
- Install erosion control measures as required;
- Disconnect electrical connections;
- Remove rotor and block on ground;
- Disassemble rotor;
- Remove nacelle and set on ground;
- Remove turbine tower sections and stage on ground;
- Remove electrical down tower assembly;
- Haul off turbine components;
- Remove foundation to 2 feet below grade;
- Backfill foundation;
- Rehabilitate disturbed areas.
- Leaks of petroleum, oils, or other hazardous materials will be remediated.

Wind turbines will be dismantled using standard best management practices. Critical lift plans will be developed specifically for each major turbine component. The components will be removed from the site and transported to appropriate facilities for reconditioning, salvage, recycling, or disposal. Depending on the ultimate destination, some components may need to be disassembled on-site to maximize reuse or ensure compliance with applicable disposal regulations.

ii. Other facilities.

Foundations, anchor bolts, rebar, conduit, and other subsurface components will be removed to a minimum 2 feet below grade. Items not known to be harmful to the environment buried greater than 2 feet below grade may be left in place or removed, at GRP's sole discretion. Once removal is complete the excavation will be backfilled with material of quality comparable to the immediate surrounding area. The disturbed soils of the site will be rehabilitated, including appropriately regrading and reseeding the area.

The Project collector system, substation, and interconnection facilities will be removed and salvaged, recycled, or repurposed to the maximum extent economically practicable, providing that applicable regulations and permit conditions are followed. Any other components will be hauled to approved disposal sites. Any trenches or holes that remain after removal will be backfilled, and the surface areas will be rehabilitated.

Construction pads will be rehabilitated and reseeded. Road shoulders will be revegetated to a width of 12 feet. Culverts will remain in place.

Site restoration will include, as reasonably required, leveling, terracing, mulching, and other steps necessary to prevent soil erosion to ensure establishment of suitable vegetation.

c. Estimate of Decommissioning Costs.

Detailed site-specific estimates of the following decommissioning costs and salvage values (Total Estimated Net Decommissioning Cost) will be provided to the County prior to commencement of Project construction, and updated every five (5) years thereafter. GRP agrees that submittal of its initial estimate of net decommissioning costs hereunder shall be a precondition to the commencement of construction of the Project. Decommissioning cost estimates provided prior to construction and at five (5) year intervals will be subject to review and approval by the County, and such approval will not be unreasonably withheld, conditioned and/or delayed. Decommissioning cost estimates agreed to by the County will be signed by both parties to this Agreement and attached as an Amendment at any such times that the costs are revised.

Turbine equipment removal (per turbine)

- Remove blades and hub
- Remove nacelle
- Dismantle and remove tower
- Foundation removal
- Backfill and restoration
- Total per turbine
- Collection, substation and roads
 - Overhead collection removal
 - Underground collection removal

- Substation removal
- Road shoulder revegetation
- Meteorological tower and maintenance building removal

d. Ensuring Decommissioning and Site Restoration Funds

The project will ensure that financial assurance (in a form acceptable to the County) for Total Estimated Net Decommissioning Cost ("Decommissioning Fund") will be fully established within the first ten (10) years following completion of construction of the Project. At the discretion of the County, an additional study may be commissioned to update the Total Estimated Net Decommissioning Cost in any five year period, which will replace the then current cost estimate. The cost of the study shall be borne by GRP or its successors. On or prior to December 31 of each year, in years 1-10 of the project's operation, ten percent of the Total Estimated Net Decommissioning Cost will be secured in a form acceptable to the County. The Year 10 payment shall be adjusted as may be necessary to ensure that the total amount in the Decommissioning Fund at the end of year 10 is equal to the most recent estimate of total net decommissioning costs. Prior to the establishment of the full Decommissioning Fund at the end of year 10, GRP shall on an annual basis provide the County with proof (through insurance or other means) of its financial ability to carry out decommissioning should it be required prior to year 10.

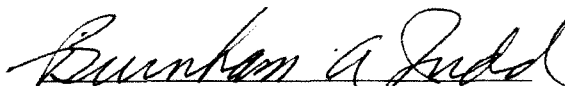
Upon complete decommissioning of the site, any remaining balance in the Decommissioning Fund shall be returned to GRP or its successor.

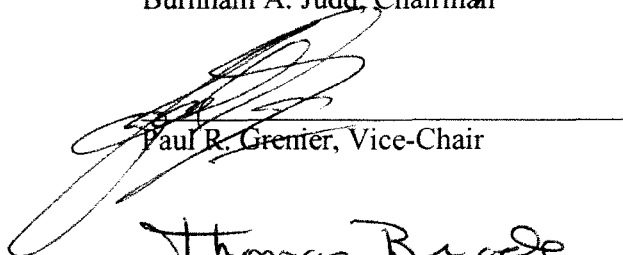
These decommissioning cost security provisions shall be binding upon any successor to GRP.

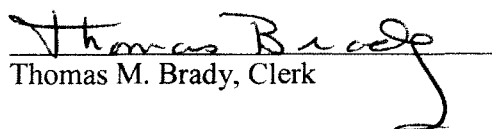
This is agreement is subject to GRP or its successors providing to the County the detailed estimate of costs for decommissioning, found on page eight (8) of this agreement prior to the commencement of any phase of Project Construction.

IN WITNESS WHEREOF, the parties have caused this agreement to be executed.

COÖS COUNTY, NEW HAMPSHIRE


Burnham A. Judd, Chairman


Paul R. Grenier, Vice-Chair


Thomas M. Brady, Clerk

Granite Reliable Power, LLC

By: 

Title: **Vice President**

Date: 4/13/09