

McCann Appraisal, LLC

August 31, 2010

New Hampshire Site Evaluation Committee

Re: Docket No. 2010 -
Application of Groton Wind, LLC for a Certificate of Site and Facility
Groton Wind Project;
Groton, New Hampshire

Dear Members of the New Hampshire Site evaluation Committee:

As requested by affected neighbors of the referenced Groton Wind Project, McCann Appraisal, LLC has prepared a response to certain claims made by the developer as part of their permit application. This letter is prepared and intended for your use in considering the reliability of those claims and the underlying support cited in the application. My opinions are expressed with a current effective date.

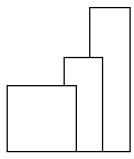
My written testimony has considered the Certificate Issuance requirements that are related to real estate valuation, and the relative contribution to value of adversely impacted aesthetics.

Pursuant to TITLE XII, PUBLIC SAFETY AND WELFARE CHAPTER 162-H ENERGY FACILITY EVALUATION, SITING, CONSTRUCTION AND OPERATION Section 162-H:16 IV.(c), a Certificate Issuance condition requires a finding that the facility "Will not have an **unreasonable adverse effect on aesthetics**, historic sites, air and water quality, the natural environment, and public health and safety. (emphasis added)

Further, pursuant to 162-H:16 VI. "A certificate of site and facility may contain such reasonable terms and conditions as the committee deems necessary and may provide for such reasonable monitoring procedures as may be necessary. Such certificates, when issued, shall be final and subject only to judicial review."

As the attached documents demonstrate, the evidence relied upon by the applicant does not support their claim that "multiple real estate studies found no evidence that the presence of wind farms has a negative effect on residential property values." In fact, the report cited by the applicant does not state the conclusion cited in the application, although the actual conclusion of the LBNL study is often mis-quoted in support of wind energy projects.

A thoughtful reading of the LBNL study executive summary and following report and exhibits makes it clear that there are isolated areas (i.e., nearby homes) where impacts are likely to occur. However, as the LBNL study did not focus on the home sales nearest turbine areas, within distances comparable to the nearest homes in the Groton project, the LBNL study is considered to be unreliable for the purpose of the Iberdola Siting application.



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Further, the LBNL study clearly demonstrates that impaired or less desirable views reflect measurably lower sale prices than homes with average or premium views. Thus, the applicant's documentary evidence actually demonstrates a probable significant impact to the aesthetics, views and market value of the most impacted views and homes, and a 25% or greater value reduction can be reasonably expected for many of the approximate 200 homes and structures located in close proximity to the proposed turbines.

A more detailed review of the LBNL study that I have previously prepared is enclosed, which illustrates many of the improperly supported conclusions reached by the authors of the U.S. Department of Energy funded LBNL study.

I also attach for your consideration an empirical study I previously prepared for a pending wind farm setback ordinance in Adams County, Illinois. Without any manipulation of raw sale data, the Mendota Hills wind project property value study contained in the appendix to the Adams County report demonstrates that **homes nearest turbines tend to sell for 25% less than comparable but more distant homes.**

As a result of my review of the application, the evidence cited by the applicant in support of the real estate related standards for a Siting Certificate, against the background of my familiarity with the LBNL study and my own independent study of property values near utility scale wind energy projects, I have formed the professional opinion that the Groton Wind Project application does not comply with the applicable aesthetic standard for a Siting Certificate, from a real estate valuation and land use perspective.

Further, as allowed for pursuant to 162-H:16 VI, conditional approval is an option of the Siting Committee. In the event that the Committee approves the application, I recommend that a Property Value Guarantee (PVG) of equal protective value to neighboring homeowners as the example included in the Adams County report appendix be required of the developer, to insure that the neighbors are not unduly forced to live with diminished use, enjoyment or value of their properties.

I anticipate providing further testimony during the appropriate phase of the hearing process, and I look forward to addressing any remaining questions or concerns the Committee may have that are related to my area of expertise.

Respectfully submitted,

McCANN APPRAISAL, LLC

Michael S. McCann, CRA

State Certified General Real Estate Appraiser

License No. 553.001252 (Expires 9/30/2011)

Owner & Manager

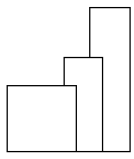


EXHIBIT A

CONTINGENT AND LIMITING CONDITIONS OF ASSIGNMENT

The following terms and conditions apply to this and any engagement of McCann appraisal, LLC (McCann), by the client. Written, electronic or oral authorization by the client or their attorney or agent to proceed with the assignment shall constitute acceptance of these terms by the client.

It is assumed that the title to this property is good and marketable. No title search has been made, nor have we attempted to determine ownership of the property. The value estimate is given without regard to any questions of title, boundaries, or encroachments. It is assumed that all assessments are paid. We assume the property to be free and clear of liens and encumbrances except as noted. No attempt has been made to render an opinion or determine the status of easements that may pre-exist.

The legal description, if included herein, should be verified by legal counsel before being relied upon or used in any conveyance or other document.

Any exhibits in the report are intended to assist the reader in visualizing the property and its surroundings. The drawings are not intended as surveys and no responsibility is assumed for their cartographic accuracy. Drawings are not intended to be exact in size, scale, or detail.

Areas and dimensions of the property have not been physically measured unless specifically stated by McCann in the written appraisal report. If data is furnished by the Client or from plot plans or surveys furnished by the Client, or from public records, we assume it to be reasonably accurate. In the absence of current surveys, land areas may be based upon representations made by the owner's agents or our client. No responsibility is assumed for discrepancies, which may become evident from a licensed survey of the property.

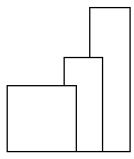
Our value estimate involves only the real estate and all normal building equipment, if any improvements are involved in this appraisal. No consideration was given to personal property (or special equipment), unless stated.

It is assumed that the property is subject to lawful, competent and informed ownership and management unless noted.

Information in this report concerning market data was obtained from buyers, sellers, brokers, and attorneys, trade publications or public records. This information is believed to be reliable. Dimensions, areas, or data obtained from others is believed correct; however, no guarantee is made in that the appraiser did not personally measure same.

Any information, in whatever form, furnished by others is believed to be reliable; however, no responsibility is assumed for its accuracy. The client specifically waives any claim of liability, which may result from reliance on information furnished by others.

The physical condition of any improvements described herein was based on visual inspection only. Electrical, heating, cooling, plumbing, sewer and/or septic system, mechanical equipment and water supply were not specifically tested but were assumed to be in good working order, and adequate, unless otherwise specified. No liability is assumed for the soundness of structural members, since no engineering tests were made of same. The roof(s) of structures described herein are assumed to be in good repair unless otherwise noted.



If the client has any concern regarding the structural, mechanical or protective components of the improvements described herein, or the adequacy or quality of sewer, water or other utilities, it is suggested that independent contractors or experts in these disciplines be retained and consulted before relying upon this appraisal, or a specific written disclosure of the defect or property condition must be made to the appraiser as part of the assignment.

We have not been provided, nor are we familiar with any engineering studies made to determine the bearing capacity of the land. It is therefore assumed that soil and subsoil conditions are stable unless specifically outlined in this report. We assume no responsibility for any such conditions, which may render the property more or less valuable. The client assumes responsibility for obtaining any engineering study necessary to determine soil and subsoil conditions. The client agrees to provide same in advance of execution of this agreement, or to waive any and all liability, which may result from undisclosed soil or subsoil conditions.

The existence of potentially hazardous material used in the construction or maintenance of the building, such as urea formaldehyde insulation and/or asbestos insulation, which may or may not be present on the property, has not been considered. In addition, no deposit of toxic wastes, unless specifically disclosed to the appraiser in advance of submittal of the appraisal report, has been considered. The appraiser is not qualified to detect such substances and suggests the client seek an expert opinion, if desired. Further, this report does not consider the potential ramifications due to the presence of Underground Storage Tanks (UST) or the possible environmental impact due to the leakage and/or soil contamination, if present.

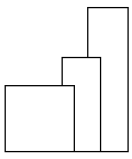
It is specifically noted that the appraiser(s) have not conducted tests to determine the presence of, or absence of, Radon. We are not qualified to detect the presence of Radon gas, which requires special tests and therefore must suggest that if the client is concerned as to the presence of Radon or any other potentially hazardous substances, he or she should take steps to have proper testing done by qualified firms who have the equipment and expertise to determine the presence of this substance in the property.

The separate allocation between land and improvements, if applicable, represents our judgment only under the existing utilization of the property. A re-evaluation should be made if the improvements are removed or substantially altered, and the land utilized for another purpose.

All information and comments concerning the location, neighborhood, trends, construction quality and costs, loss in value from whatever cause, condition, rents, or any other data for the property appraised herein, represents the estimates and opinions of the appraiser formed after an examination and study of the property.

Any valuation analysis of the income stream had been predicated upon financing conditions as specified in the appraisal report, which we have reason to believe are currently available for this property. Financing terms and conditions other than those indicated may alter the final value conclusions.

Expenses shown in the Income Capitalization Approach, if used, are estimates only, and are based on past operating history if available, and are stabilized as generally typical over a reasonable time period.



The appraiser is not required to give testimony or appear in court because of having made this appraisal, with reference to the property in question, unless arrangements have been made previously thereto. If the appraiser(s) is subpoenaed pursuant to court order, the Client will be required to compensate said appraiser(s) for their time at their regular hourly rates plus expenses.

All opinions, as to values stated, are presented as the appraiser's considered opinion based on the information set forth in the report. We assume no responsibility for changes in market conditions or for the inability of the Client or any other party to achieve their desired results based upon the appraised value. Further, some of the assumptions made can be subject to variation depending upon evolving events. We realize some assumptions may never occur and unanticipated events or circumstances may occur. Therefore, actual results achieved during the projection period may vary from those in our report.

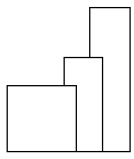
Appraisals made subject to satisfactory completion of construction, repairs, alterations, remodeling or rehabilitation, are contingent upon completion of such work in a timely manner using good quality materials and workmanship and in substantial conformity to plans or descriptions or attachments made hereto.

The Americans with Disability Act (ADA) of 1990, (effective January 2, 1992), as passed by the United States Congress, establishes a clear and comprehensive prohibition of discrimination on the basis of disability. This public law (Titles I-V) addresses employment (I); public services (II); public accommodations and services operated by private entities (III); telecommunications (IV); and miscellaneous provisions (V). The law covers all "commercial facilities" intended for non-residential use whose operations affect commerce. Most private manufacturing, industrial, and warehouse facilities, are neither considered public accommodations (even though their office area may be), nor are they generally subject to Title III of the law.

The appraiser has not made a specific compliance survey and analysis of the subject property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the subject property, along with a detailed analysis of the requirements of the ADA, could uncover that the subject property is not in compliance with one or more of the requirements of the Act. If this situation occurs, it could have an adverse effect upon the market value of the subject property.

Unless otherwise noted, it is assumed that the construction and use of the appraised property, if improved, complies with all public authorities having jurisdiction, including but not limited to the National Environmental Protection Act and any other applicable federal, state, municipal, and local environment impact or energy laws or regulations.

The appraisal services and appraisal report are intended and believed to be developed in compliance with the relevant requirements of the Uniform Standards of Professional Appraisal Practice (USPAP). A signatory of the appraisal report is licensed by the State of Illinois as a Certified General Real Estate Appraiser and is a Member or Associate Member of the Appraisal Institute. The Bylaws and Regulations of the Appraisal Institute require their members, candidates, or employers to control the use and distribution of each appraisal report signed by such member or candidate. Therefore, except as hereinafter provided, the party for whom the appraisal report was prepared may distribute copies of the appraisal report, in its entirety, to such third parties as may be selected by the party for whom the appraisal is prepared. Selected portions of this appraisal report, however, shall not be given to third parties without prior written



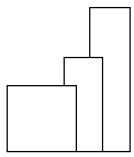
McCann Appraisal, LLC

consent of the signatories of this appraisal report. Further, neither all nor any part of this appraisal report shall be disseminated to the general public by the use of advertising media, public relations media, news media, sales media or other media for public communication without the prior written consent of the signatories of the appraisal report. This restriction applies particularly as to the valuation conclusions, the identity of the appraisers, or any reference to the Appraisal Institute. McCann will retain the control and confidentiality of the clients file unless legally required to release such file.

The Appraiser/ consultant responsibility is limited to the client, and use of this appraisal by third parties shall be solely at the risk of the client and/or third parties. This report should not be used or relied upon by any other party except the client to whom the report is addressed. Any party, who uses or relies upon any information in the report without the appraiser's written consent, does so at his own risk.

It is the intent of the appraiser(s) and those that retain their services, that the liability of McCann for any allegation of negligent acts, omissions, misrepresentations, or erroneous reliance upon information provided by others, is limited to and shall not exceed the cost of the services rendered. In the event of any disagreement between the parties regarding the services performed, fees and/or expenses to be paid, or any other clause in this document, it is agreed that such dispute shall be submitted to arbitration. The client waives any cause of action in the event of their failure to file such claim within one year.

McCann retains all copyrights to any work product developed by McCann on this assignment, and licenses use of the report exclusively to the client in exchange for the professional fees disclosed in the proposal. © Copyright 2010 McCann Appraisal, LLC



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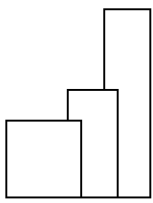
CERTIFICATION

The undersigned, representing McCANN APPRAISAL, LLC, do hereby certify to the best of our knowledge and belief that:

- FIRST: The statements of fact contained in this appraisal report are true and correct.
- SECOND: The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and represents the personal, impartial and unbiased professional analyses, opinions, and conclusions of the undersigned.
- THIRD: We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to any of the parties involved.
- FOURTH: We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- FIFTH: Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
- SIXTH: Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- SEVENTH: Our analysis, opinions, and conclusions were developed, and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice.
- EIGHTH: For preliminary valuation purposes only an exterior inspection was made by McCann Appraisal, LLC of the property that is the subject of this report:
- NINTH: No one other than the undersigned provided significant real property appraisal assistance to the person signing this certification.
- TENTH: Neither the undersigned nor McCann Appraisal, LLC has previously appraised the subject property.

IN WITNESS WHEREOF, THE UNDERSIGNED has caused these statements to be signed and attested to.

Michael S. McCann, CRA
State Certified General Real Estate Appraiser
License No. 553.001252 (Expires 9/30/2011)



McCann Appraisal, LLC

June 8, 2010

Mike McLaughlin, Chairman
Adams County Board
Adams County Courthouse
507 Vermont St
Quincy, IL 62301

Re: Wind Turbine setbacks

Dear Chairman McLaughlin
and Members of the Adams County Board:

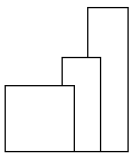
On behalf of my clients and as a real estate valuation advisor to the elected officials of Adams County, I am hereby submitting my written testimony as a professional real estate appraiser. Having been sworn in prior to expert testimony numerous times, I am quite familiar with the serious nature of giving my oath, and you may consider this written document to be a sworn affidavit. My opinions are also certified pursuant to Illinois Appraiser Licensing law and requirements.

I understand the County is considering a 1,000 foot residential setback requirement for wind turbines, and I have read that certain committee members are contemplating a recommendation increasing that to a 1,500 foot minimum. My testimony will address the adequacy of such setbacks, based upon a synopsis of widely known, reported and/or studied effects of living in close proximity to utility scale wind turbine projects. My testimony also includes results of my own independent study of property value impacts, and my professional opinions, recommendations and supporting illustrative comment are included along with supporting data I and other appraisers and researchers have developed as well.

Finally, I have projected the likely or probable impact to residential property values in Adams County, on the basis of what independent market research indicates. When considering an ordinance for setbacks from residential lots, as well as schools and other occupied dwellings or non-industrial land uses, I believe that my specialized expertise and experience as an appraiser familiar with wind farm issues is a relevant consideration for the policy-makers in Adams County.

Introduction

First and foremost, I understand very well that consideration of industrial scale wind energy projects is a unique situation for virtually every jurisdiction considering applications or requests from developers to build and operate such projects. They are intensive, large-scale projects with a decidedly industrial character, and most projects in



Illinois are proposed to “overlay” existing mixed-use residential and agricultural areas. This type of overlay is also sought in Adams County.

This is significant in the evaluation of land use compatibility or typical zoning standard compliance, since it is virtually impossible to introduce such a large scale project among existing low intensity residential uses without dramatically changing the character of the neighborhoods that will be encompassed by the turbine’s land use overlay.

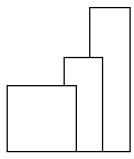
These large scale projects affect thousands of acres, and are far different than “typical” zoning variation or land use approval requests, such as a drive-through lane at a restaurant or bank, or a request to construct a gas station with a car wash. When the prudence of reviewing requests for smaller-scale, single uses is required to insure the new development does not adversely affect neighboring people or land uses, the immense scale and intensity of wind energy project development and operations demands even greater scrutiny and expert evaluation, which is often not financially feasible for smaller, rural counties.

My written testimony incorporates substantial experience with wind energy projects gained over the last 5 years, and 29 years experience as an appraiser. I have been qualified and testified in hundreds of contested and litigated land use matters, in zoning hearings, state and federal courts, and other public forums. I have been formally engaged to evaluate potential real estate impacts for 8 wind energy projects in Illinois, and have consulted with concerned citizens on a pro bono basis for several other projects throughout the United States. My qualifications and experience in this and numerous other impact studies, zoning compliance evaluations and property value damage claims is summarized within my professional biography included herein.

The **Appraisal Institute** has developed methodology and techniques for evaluating the effects of environmental contamination on the value of real property. The three potential effects that contamination can have on real property: cost effects, use effects, and risk (stigma) effects. All three effects are recognized as being present with utility-scale wind energy projects, as summarized in my written testimony.

Cost effects can include neighboring owner costs to attempt to mitigate against sound intrusion, shadow flicker, medical costs to deal with sleep deprivation related conditions, as well as, in some instances, the cost to rent substitute housing and potential legal costs incurred to protect individual owner’s property rights, etc. For Agricultural property, there can be increased costs due to the loss of ability to retain aerial spraying services, which can result in increased cost for ground spraying methods and/or decreased crop yields.

Use effects include the loss of peaceful use and enjoyment of their homesteads for many turbine neighbors, and there is evidence that livestock has been adversely impacted by the noise from turbines, ranging from death (*goats in Taiwan*) to reproductive disorders (*See Wirtz case in Wisconsin*) and behavioral changes and



irritability of horses and cattle. These may also represent cost effects, in some cases, or other forms of financial impact.

Stigma effects can range from loss of aesthetics, diminished views and character of neighborhoods, to fear of health issues and noise disturbance, etc. This effect is often manifest in the lack of marketability of homes in the “footprint” and nearby properties most impacted by active turbines, and to varying degrees the known and unknown cost and use effects are also contributing factors to stigma effects.

My opinions are also based on use of the recognized and generally accepted methods for valuing contaminated properties – paired sales analysis (*i.e. Appendix C*), environmental case studies analysis (*i.e. Appendices B, D, E and F*) and multiple-regression analysis. (*i.e. Appendix D*). I have also reviewed studies conducted by other appraisers, which yield similar indications of property value impacts.

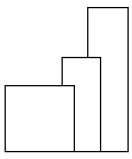
In the Adams County matter, my evaluation of the proposed wind turbine setbacks is conducted from a real estate valuation perspective with a land use impact focus, since every land use has some impact upon neighboring land uses and residents. The impact can be substantially positive, negative, or so minimal as to be immeasurable in terms of property values. As I understand it, governmental policies and land use decisions are intended to prevent “significant” negative impacts on property values and the peaceful use and enjoyment of existing property by area residents.

Further, I believe the majority of my written testimony, and supporting basis thereof, is applicable to other locations characterized by residential uses interspersed with historically compatible agricultural land uses.

In order to be perfectly clear, I must also state that I have developed no professional opinion or conclusions as to the validity of the need for, or effectiveness of, industrial-scale wind energy projects for their intended purpose: the creation of renewable energy. While my research has disclosed considerable controversy on these topics as well, I leave those conclusions, opinions and corporate or governmental decisions to experts on electric utility issues and those technical aspects of these projects.

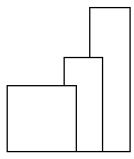
Thus, as a professional appraiser, I focus on the concept and reality of property value impacts. In order to understand the basis for any potential impacts, I have researched, collected, reviewed, studied and considered the same type of information available to anyone with an internet connected computer, which comprises the majority of the home-buying public in modern countries like the United States. I have also researched property values and value-related trends in larger wind energy project locations, to investigate whether industry claims are true or whether the neighboring citizens of such projects have valid claims regarding property value impacts.

Briefly stated, there is much to be concerned about as officials in Adams County whom are responsible for protecting the public health, safety and welfare, as well as the use and enjoyment of property and its underlying value.



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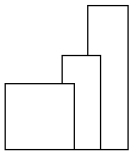
As the balance of my written testimony and the supporting documentation indicates, I have developed a summary of professional expert opinions and wind energy project impact mitigation recommendations, which includes nine (9) primary opinions and ten (10) recommendations, as follows:



SUMMARY OF OPINIONS & RECOMMENDATIONS

Opinions

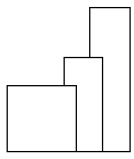
1. Residential property values are adversely and measurably impacted by close proximity of industrial-scale wind energy turbine projects to the residential properties, with value losses measured up to 2-miles from the nearest turbine(s), in some instances.
2. Impacts are most pronounced within “footprint” of such projects, and many ground-zero homes have been completely unmarketable, thus depriving many homeowners of reasonable market-based liquidity or pre-existing home equity.
3. Noise and sleep disturbance issues are mostly affecting people within 2-miles of the nearest turbines and 1-mile distances are commonplace, with many variables and fluctuating range of results occurring on a household by household basis.
4. Real estate sale data typically reveals a range of 25% to approximately 40% of value loss, with some instances of total loss as measured by abandonment and demolition of homes, some bought out by wind energy developers and others exhibiting nearly complete loss of marketability.
5. Serious impact to the “use & enjoyment” of many homes is an on-going occurrence, and many people are on record as confirming they have rented other dwellings, either individual families or as a homeowner group-funded mitigation response for use on nights when noise levels are increased well above ambient background noise and render their existing homes untenable.
6. Reports often cited by industry in support of claims that there is no property value, noise or health impacts are often mischaracterized, misquoted and/or are unreliable. The two most recent reports touted by wind developers and completed in December 2009 contain executive summaries that are so thoroughly cross-contingent that they are better described as “disclaimers” of the studies rather than solid, scientifically supported conclusions. Both reports ignore or fail to study very relevant and observable issues and trends.
7. If Adams County approves a setback of 1,000 feet, 1,500 feet, or any distance less than 2-miles, these types of property use and property value impacts are likely to occur to the detriment of Adams County residences and citizens for which the nearest turbines are proposed to be located.
8. The approval of wind energy projects within close proximity to occupied homes is tantamount to an inverse condemnation, or regulatory taking of private property rights, as the noise and impacts are in some respects a physical invasion, an



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easement in gross over neighboring properties, and the direct impacts reduce property values and the rights of nearby neighbors.

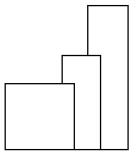
9. A market value reduction of **\$6.5 million** is projected for the residential property located in the footprint and within 2-miles of the pending Prairie Mills project located in east Adams County.



Recommendations

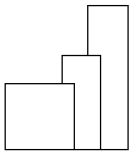
Therefore, if the County Board should choose to adopt the industry requested minimal setbacks, or some other setback of less than 2-miles from residential uses or occupied dwellings or structures such as schools, churches and nursing homes, I have developed a series of recommendations that would at least partially mitigate the widely experienced impacts prevalent with industrial scale wind turbines developments, as follows:

1. A Property Value Guarantee (PVG) should be required of the developer(s), significantly similar to the PVG attached hereto as **Appendix A**. A County-controlled fund or developer bond should be required to guarantee no undue delay in PVG payment(s) to legitimately affected homeowners, and/or to buy out homeowners located within 2-miles of any turbines if they elect to relocate away from the turbine project(s) and cannot sell for the pre-project market value of their properties. Such a guarantee is nominal in cost, relative to total project costs, and are used to condition high impact land use approvals such as landfills and even limestone quarries, as well as other wind energy developments (*i.e. DeKalb County, Illinois, etc.*)
2. An alternative to the bonding element of Recommendation # 1 would be to require that the developer(s) obtain a specialized insurance policy from a high-risk insurance carrier or legitimate insurer, such as Lloyds of London, if they will even insure against such impacts. If Lloyds was unwilling to provide such insurance, however, that should be compelling to the County that professional risk-management actuaries find such projects too risky for even them to insure. Under those possible circumstances the burden of risk is fairly placed with the developer, rather than the residential occupants who are being surrounded or otherwise directly impacted by close proximity of the projects.
3. If Adams County decides to permit projects, the limited evidence of impacts beyond a 2-mile setback would mitigate against the need for a PVG as cited in recommendation # 1.
4. If Adams County decides to permit projects, I recommend that the County require developer funding and a plan to constantly monitor not only sound levels in decibels, but also in low frequency noise emissions from the turbines utilizing the best available technology, or at least homeowner reports and logs. There is significant evidence and personal accounts confirming that low frequency sound/noise is “felt” by nearby occupants, and, as I understand it, cannot be measured by decibels as audible noise is typically measured. Disclosure of the owner’s actual experience to prospective buyers is necessary from both an ethical perspective and, I believe potentially under the Illinois Real Property Disclosure Act, as a “known” defect or detrimental condition. Thus,



documentation should be created at the cost of the developer(s), to insure that appropriate disclosures can be made to any prospective buyer(s) of homes within the 2-mile zone.

5. Appropriate devices should be installed at the developers expense at all occupied dwellings and property lines within a 2-mile distance of any turbines, and the County should retain the ability to immediately enforce the shut-down of any turbines exceeding a level of 10 decibels or more above ambient background noise levels from any property/home experiencing that exceeded noise level. The proximity of constant or frequent noise sources is an adverse impact to the use and enjoyment of a residential property, and indicates a basis for loss of property value.
6. An alternative to recommendation # 5 would be to place a limit on hours of operation, requiring turbines within 2 miles of any occupied (non-participating) dwelling be shut off during normal sleeping hours (*i.e. 10 p.m. to 7 a.m.*).
7. If the County finds that the wind energy projects are desirable from a economic development goal or perspective, or for the “public good”, I recommend that “footprint” and 2-mile distant neighboring homeowners (measured to lot line from the furthest span of turbine blades) be afforded the opportunity to sell to either the developer or the County, with possible use of eminent domain powers employed by the County, on behalf of and at the expense of the developer(s).
8. The financial assurance for decommissioning and reclamation of wind turbine pad sites, *i.e.*, a bonding requirement, is also recommended as a County condition. To demonstrate solvency companies should pay the bond requirements before starting construction. It’s basically insurance in case the company goes bankrupt or otherwise abandons the wind project without taking down the turbines and reclaiming the land. Coal mines, quarries, landfills and drilling companies have similar bond or financial assurance requirements.
9. An aesthetic landscaping requirement for wind project developers to plant mature trees or groves to shield the view between residential properties and turbines. Evergreens planted along property lines and/or other types of trees strategically planted between residential windows and turbines would partially alleviate aesthetic impacts from turbines.
10. The County should consider a moratorium on wind energy project development(s) in Adams County, until such time as:
 - A thorough and complete Wind Energy Ordinance is developed and adopted by the County, which incorporates all the protection and authority of zoning, building and health codes.

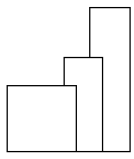


McCann Appraisal, LLC

- Appropriate Conditional or Special Use standards are developed and adopted, to insure wind developers carry the burden of their for-profit projects rather than the hosting jurisdiction(s) and/or neighboring property owners.
- The actual experiences of numerous existing turbine neighbors is documented thoroughly by an impartial group of professionals with appropriate qualifications in the various relevant fields of expertise, i.e., acoustic engineers, medical sciences, valuation professionals, etc.

The preceding recommendations are not intended to be all inclusive or to address all wind energy project issues and impacts. They are intended to address issues that affect the public health, safety and welfare of area residents, as well as their property values.

The following pages summarize portions of underlying support for the preceding opinions and recommendations.



General Impact Issues & Comment

Several Issues are relevant considerations to property value impacts. As the real estate market becomes more aware of complaints and problems attendant to living near turbines, a stigma is becoming common. Stigma issues are inextricably intertwined with property value trends, and the general public has varying but increasing levels of awareness of underlying issues and conflicts with wind energy projects.

The most measurable impact on home values is the distances from the industrial-scale turbines. The categories of impact that my research discloses as most typically related to distance include:

- Noise and “vibro-acoustic” effect.
- Aesthetics & compatibility.

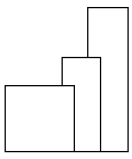
Wildlife impacts, i.e., bird & bat kills, road damage, tax & fiscal impacts are also issues attendant to wind farms, but have little or no identifiable correlation to property value impacts, and are only mentioned in passing.

The following comments, excerpts and attachments attempt to summarize a representative sample of these issues, industry claims, market reactions and responses by McCann Appraisal, LLC.

First, as a part time Florida resident and homeowner, I am quite concerned about the ultimate impacts of the ongoing and catastrophic oil spill in the Gulf of Mexico. I mention this man-made disaster because I note certain parallels between the goals, claims and realities between the Gulf situation and the wind energy development trend.

One might argue that man-made disasters like the Gulf oil spill are part of the justification for pushing full steam ahead on wind energy projects, yet the parallels remain between off-shore oil drilling and wind turbine projects:

- Both project types seek to provide independent energy needs for the United States.
- Both are extremely large scale types of projects, notwithstanding the invisible & noiseless infrastructure of oil rigs to most citizens, i.e., no neighbors at sea.
- Both industries have gone on record with claims that their projects are “safe”, will have very minimal impact on the environment, and include many “trust us” type statements, messages and public relations campaigns.
- Both have considerable evidence accumulated of “anecdotal”, but nevertheless serious negative impacts that are long-term and affect a relatively small percentage of the population.
- Both have historically had influence on political and legislative decision makers.
- Questionable “science” is cited and utilized by the energy industry to support their PR claims and approval requests, with respect to property values and health



issues emanating from noise, and primarily the sleep interruptions. As an example, Exxon was able to obtain a written opinion that the Valdez spill did not damage coastal property values, despite the nearly complete destruction of the local fishing-based economy and the extensive environmental degradation from the oil spill.

- With accidents like the Valdez spill and now the BP Gulf catastrophe, and against the growing anecdotal list of impacts from industrial-scale wind turbine projects, it is justifiable to enforce the assurances and responsibilities of the energy industry, overall, and to place the cost of mitigating their impacts on the corporations who develop, own and operate the energy projects.

Further, when the term “**Green Energy**” is used, I perceive an implicit claim by the wind energy industry and even governmental policy goals that creation of such energy is (*intended to be*) of low or no impact on the environment. I consider impacts on people and their property values to be included in the term “environment”.

There is however a considerable body of evidence that clearly shows there are in fact many circumstances where this intention does not match the reality, and is affecting many people, livestock, lifestyles, sleep and health issues, and the related underlying property values of wind turbine neighbors.

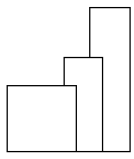
The Adams County consideration of a setback requirement is tantamount to a “zoning” ordinance, as it affects land use and compatibility with existing and neighboring land uses.

Zoning is defined in similar ways as:

- Dividing an area into zones or sections reserved for different purposes such as residence and business and manufacturing, etc.
- Legislative action for the purpose of regulating the use of property and the construction of buildings, facilities or structures within the area under the jurisdiction of the legislative body concerned.
- An exercise of police power by a municipality to regulate and control the character and use of property.
- Governmental authority over land use, intended to protect the public health, safety and welfare, while creating or preserving compatibility between land uses.

Most Zoning Ordinances require as a condition for approval of a special use, such as a wind energy generating project, that the “**proposed use will not be injurious to the value of neighboring property**” and/or “**will not prevent the use and enjoyment of neighboring property for uses to which it is already used or zoned**”.

Despite the consistently reported effects on neighboring people, a typical developer’s answer to this is: **There is no “scientific” evidence of health issues.**



My response to that is there has been no legitimate study by the wind industry to determine what, if any health effects are linked to proximity to turbines.

To my knowledge there are no scientific studies that prove bricks falling from a high rise scaffold will cause injury or worse to people walking below, but there is enough "anecdotal" evidence over time to warrant building codes and ordinances that require effective barriers to **protect the public health, safety & welfare** (*which is exactly what zoning and other ordinances are supposed to accomplish*)

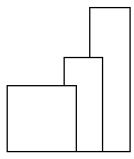
According to the website for Adams County, the Division of Health Protection's Environmental Health Section responsibilities include:

- reduction of food borne illnesses through restaurant and food stand inspection
- assurance of safe drinking water through private and non-community water well system permitting and inspection
- regulation of proper wastewater disposal through on-site wastewater system permitting and inspection
- permitting and annual inspection of tanning parlors
- investigation of nuisance complaints relating to the above-mentioned areas of responsibility as well as rodents and trash
- annual surveillance of mosquitoes and birds for the presence of West Nile Virus

From a land use policy perspective, which is directly related to the use and impact on homes from turbines, I anticipate the County may need to increase staff to deal with nuisance complaints from turbines located closer to homes than cited in recommendations #3, #4, #5 & #6.

To my knowledge, there are no scientific studies that prove there are *no* ill health effects either. The recent (December 2009) AWEA/CWEA report is merely a literature review that reads more like a "disclaimer", in its conclusions regarding review of other studies, and claims there is no scientific proof of adverse health effects. In fact, research has disclosed one of the Doctor/authors of that industry funded report has directly contradicted his prior sworn testimony regarding low frequency sound impacts so, to my mind, the report is wholly unreliable.

I may add that If citizens parked a vehicle in front of County Board member or developers homes with an audible or physically perceptible "thump-thump" low frequency beat emitted all night, with an occasional gear screeching or jet engine noise for good measure, there is little doubt that the local law enforcement department would be called with a disturbing the peace complaint. This complaint would also no doubt be enforceable, even if the vehicle was not actually parked on the complainant's property.



While the preceding remarks are perhaps as glib as industry claims that there are no adverse health, noise or property value effects, it is still an appropriate use of police powers of government bodies to **prevent** such disturbances.

But after the fact of a setback or other ordinance is approved, the noise generator has the authority of an ordinance approving the use to stand behind, and the local residents must either endure the disturbances, relocate or incur thousands of dollars in legal expenses just to be heard in a forum where the complaint is given new consideration, namely, in Court. This growing trend is costly for all involved, and can include the governmental body, participating land owners/lessors, as well as the developers and the innocent by-stander homeowners.

The alternative and, sadly, growing trend is for people to give up trying to deal with the problems of large turbines being developed in their midst, and abandon their homes (*See Wirtz family case in Wisconsin, etc*).

As a real estate appraiser with 25 years experience in evaluating zoning matters, I am unaware of any other land use in the 20 States in which I have worked that is permitted to cause such a nuisance that a property owner's rights are completely disregarded and protection of their property values marginalized to the point of meaningless and non-existent protection, via inadequate separation of incompatible uses based on industry-preferred setbacks.

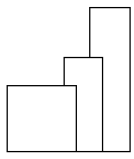
I also suggest that when the governmental goal is economic development and tax revenue as the foundation for approval of these large-scale projects, they would be well advised to build in to their equation not only the cost of attorney fees to protect governmental decisions, but also the lost tax revenue from abandoned houses, potentially higher medical costs and injury claims from neighbors, road damage, and other ancillary costs that developers do not advertise, much less typically admit.

See the Canadian Hydro case for a group of neighboring homes bought out by the developer to eliminate certain vocal noise/health complaints, and note that those are not the first or last homes demolished as a direct impact of a wind energy project. Much can be read on the internet, and a summary of buy-outs is attached in **Appendix B**.

Adams County Background

Per Wikipedia, as of the census of 2000, there were **68,277 people** (66,234 residents projected for 2010), 26,860 households, and **17,996 families** residing in the county. The population density was **80 people per square mile** (31/km²). There were 29,386 housing units at an **average density of 34 per square mile**.

The median income for a household in the county was \$34,784, and the median income for a family was \$44,133 (Median Household Income projected for 2010 was \$42,880). The per capita income for the county was \$17,894. About 7.40% of families and 10.00% of the population were below the poverty line including 12.00% of those under age 18



and 8.90% of those aged 65 or over. 78% of county households earn less than \$75,000 per year, leaving limited relocation options available to the majority of people in the Adams County.

Median Home Value for 2000 was \$73,090 rising in 2005 to \$106,059 and by 2010 had reached \$132,445.

Property Value Impacts

Several physical factors, perceptions, stigma issues and concerns are reflected in the market trends used to measure property value impacts. The market trends include increased marketing time, decreased marketability and lower values for homes in relatively close proximity to new wind turbine projects. The negative factors typically include:

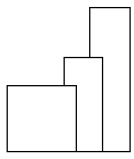
1. Audible sound and low frequency sound.
2. Health concerns and widely reported adverse affects at numerous project locations.
3. Sleep deprivation, which is sometimes also linked to health affects.
4. Aesthetic impacts due to introduction of large industrial-scale turbines into the immediate neighborhood, and which affects perceptions of compatibility and views from residential property.

The Appraiser has not attempted to isolate the level of value reduction related to each separate stigma issue, but has considered the sale price data to incorporate market awareness of these potential factors as a whole. Although the impacts vary from property to property, individual tolerances vary, and the distances between sale data and turbines also vary, adequate data exists to indicate that close proximity to turbines has a measureable and significant negative impact on residential property values.

I refer to **Appendix E** for a small sample of relevant sound and health concern research articles and reports, to assist the reader of this testimony in understanding the type of information still being developed regarding wind turbine noise. This sample is by no means complete or exhaustive as to the number of articles available to the general public on the internet, but it accurately reflects the trends and reported circumstances encountered by wind project neighbors.

Health concerns and impacts documented by Dr. Nina Piepont, the World Health Organization, and medical professionals from the United States, France, Canada, etc., link health impacts to noise issues primarily, and while not commonplace, there are reports of noise being heard or “felt” as far as 2-miles from the nearest turbine to residences.

Aesthetic impacts or amenity factors, while more subjective and personal, have a well established relationship to property values. An attempted objective measurement of



amenities represented by property sale data with vistas ranging from premium to poor is contained in **Appendix D, Figure ES-2**. This data was derived from the 2009 United States Department Of Energy (DOE) funded study, prepared by researchers affiliated with an acknowledged advocate of wind energy development, thus, it is not subject to being categorized as an “objector’s study”. Nevertheless, it is demonstrative that poor vistas (views) typically yield property sale prices **21% lower than homes with an average vista**, and approximately **34% lower than homes with a premium vista**.

Similarly, Figure **ES-4 in Appendix D** indicates measureable declines in property values over time, with reductions beginning after announcement of wind energy projects within a mile of home sales, and even steeper declines after the turbines have been operational for several years.

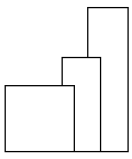
Finally, and despite the executive summary conclusions of the DOE funded study excerpted in **Appendix D, Figure ES-1** clearly shows a **5.3% to 5.5%** lower property value for homes within 1-mile of turbines, and a measured decline out to a 2 mile distance, as compared to the base-line home sales located more than 5-miles from turbines.

It is noted that this study analysis used regression analyses developed by the authors, and which has been subject to professional peer review criticism for the application of regression techniques and arguably incomplete or improper variables. Thus, this study may tend to minimize the actual impacts, as the carefully crafted language in the report’s executive summary appears to indicate is the case.

What is clear is that there is a simple correlation or appropriate comparison between the data represented by Extreme Views of turbines and the Poor Vista views, as shown in the photograph appendices (D & E) within **Appendix D**, and the Poor Vista data shows a **21% lower than average value** for homes.

Appendix C contains data derived from Lee County Illinois Assessor records, and has in fact been used by an appraiser in Illinois for several different wind project developer zoning applications in Illinois and Wisconsin. After performing statistical analysis of select data with certain data excluded from the analysis, the appraiser was able to conclude that there was no measurable and statistically significant difference between home sales in zones within 2 miles and more than 2 miles from the nearest turbines of the Mendota Hills project.

However, there was also a 10% deviation from the mean, which indicates the conclusions are only valid beyond that deviation. In my opinion, discounting effects that lie within a 10% deviation is not indicative of appropriate consideration of value losses, as a 10% loss of home value is a significant loss to most people in the marketplace, and goes well beyond typical price reductions of negotiated sales. Regardless, both the near and far data is presumably reflective of typical negotiations, yet only the pattern from the nearby property sales shows even further declines in average sale prices.



I have analyzed the same data, as shown in **Appendix C**, on the basis most similar to how the market views residential property. On its face, the data reflects a **25% lower average** sale price per square foot for homes located within 2-miles of turbines, as compared to homes outside the 2 mile zone.

My findings are consistent with other non-industry retained appraisal studies of property values near wind turbine projects, and I submit copies of those studies as supplemental documentation to this written testimony.

Appendix F contains a partial list of wind turbine neighbor complaints which are mostly unresolved. However, when combined with the sample of developer buyouts caused by noise/health effects shown in Appendix B as well as other reports of home abandonment, rental of replacement housing by neighbors, and the non-anecdotal data contained in Appendices C and D, there exists adequate data to indicate market support for Recommendation 1 (Appendix A) to Adams County.

Property Value Impact Projection – Adams County

The pending Prairie Mills (PM) project located in east Adams County has been disclosed to the degree that a number of turbine leases are known to exist in certain sections of Clayton, Concord, Columbus and Camp Point Townships.

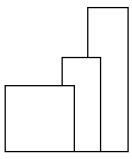
Via review of reported turbine lease location information and comparison with Farm Plat Maps for the preceding Townships, it has been estimated that approximately 143 homes are located within the “footprint” of the project, and Forty seven (47) Sections are identified as locations for at least one (1) turbine in each Section, which represents a 47 square mile or 30,000+ acre “footprint” for the PM project. This indicates an existing residential development density of just over 3 homes per square mile. Based on an additional 47 sections for each surrounding/abutting square mile, the 2 mile impact zone is estimated to contain approximately 94 square miles with 282 homes.

(94 square miles X 3 homes per square mile = 282 homes)

According to Adams County demographic data researched, the median home value was \$132,445 for 2010; say \$130,000. Thus, aggregate residential home values in the probable impact area for the PM project, prior to development of the project, is estimated as follows:

Footprint homes:	143 X \$130,000 = \$18,590,000
2-mile zone:	282 X \$130,000 = <u>\$36,660,000</u>
Aggregate value:	\$55,250,000

Further review and disclosure of locations may increase the number of homes within the 2-mile zone, as it may incorporate higher density communities. I also recognize that the most severe impacts are realized by homes in the footprint, and those with the shortest



setbacks from turbines outside the footprint. Those at the furthest points or with more effective screening afforded by topographic and landscaping features are not as likely to experience the maximum value impact. As a conservative check on the impact projections, I will utilize the 25% loss factor for homes in the footprint, and only a 5% value diminution factor as an average in the 2-mile zone. On this basis, property value losses projected due to the PM project are calculated as follows:

Footprint homes:	$\$18,590,000 \times 25\% = \$4,647,500$
2-mile zone:	$\$36,660,000 \times 5\% = \underline{\$1,830,000}$
Aggregate value reduction:	$\$6,477,500$ or \$6.5 million

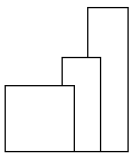
Thus, if each and every residential Property Owner within the footprint and the 2-mile zone elected to move and sold for the appraised value, and the developer in turn sold each home for the post-project reduced value, the developer would incur a cost or loss of about \$6.5 million. This is equal to the cost of 2 to 3 turbines, and is essentially a “contingency” category in their financial pro-forma, but clearly not a cost-prohibitive factor that warrants or requires abandonment of the project.

On balance, if the typical developer claims are true, then no homeowners will be disturbed to the degree that they will seek to move away from the project, and the value impact cost that is fairly absorbed by the project developer can be viewed as an unlikely worst-case scenario. However, if the market data supported basis for projecting value losses should materialize to the full extent of the projected estimate, then the developers gain should not be at the financial expense of existing homeowners and families.

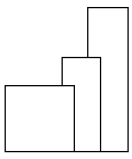
Further, at least one other wind energy project is proposed for Adams County, the Rock Creek project proposed for Ellington, Mendon South, Mendon North and Ursa Townships. Rumors of a third project have been discussed to some degree, but the Appraiser does not have adequate data to evaluate the level of impact probable in the latter two projects.

A somewhat meaningful projection of the impact of 2 or 3 projects, however, can be simply calculated by doubling or tripling the value losses projected for the Prairie Mills project, and refined at a later date on a pro-rata basis when the number of proposed turbines is known and the number of affected residential properties counted more accurately.

Further, based on the residential density of Adams County, overall, with an average density of 34 homes per square mile (also equal to 18.8 acres per home average), the number of homes in the footprint is estimated without projecting value losses into nearby towns or villages.



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Closing Comment

I trust that the preceding written testimony is useful to helping the Adams County Board in understanding better some of the issues that are commonplace with hosting wind energy project developments, and that complaints of neighbors are not just typical comment from people who don't want anything to ever change in their surroundings. There are real, tangible and discernible negative impacts and "stigma" associated with far too many wind projects to simply be an overly vocal minority.

When people react to the negative influences in ways that would normally seem extreme, such as filing lawsuits or selling their properties for steep discounts from what they should be worth on the open market, or give up on marketing attempts completely and end up abandoning homes, it is not a minor impact or "refrigerator noise" that triggers such market reactions. Those comparisons often made by wind energy representatives are disingenuous, based on virtually everything I have researched.

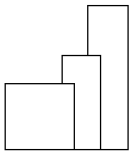
Market sale data analyzed not only by me, but also by proponents and highly paid consultants to the wind industry, can not hide the fact that these effects become measurably manifest in dollar terms, even if that is just one component of negative impacts.

To be sure, not every neighbor experiences the identical effects or has identical reactions, but the negative reactions are clearly widespread enough to warrant special measures, consideration and conditions to be placed on wind energy project developers, and use of setbacks that are well outside of industry preferences appears to be the single best way to avoid or minimize impacts.

I understand that my recommendation of a 2-mile setback exceeds most of the setbacks required by other communities, but then again it is not my goal to win favor with wind energy developers or to march in step with the typical community setback requirements. My setback recommendation also is fairly consistent with independent medical expert recommendations, which they have based on real-life experience in treating people suffering from closer proximity to turbines.

If it is Adams County's goal to avoid as much conflict as possible, the 2-mile setback, in my professional opinion, has the best chance of accomplishing this goal. However, if the County wants all the benefits promised by wind energy, developers will likely indicate that their projects are not feasible with that kind of requirement. I believe that my recommendations in the event of shorter setbacks are reasonable, economically justified and feasible, and will help to keep "whole" the residents who would be the real hosts to the turbines, by having them as neighbors day and night.

Wind developers are running against the clock to get the funding and tax benefits via expediting their projects as quickly as possible while it is still available, and it is reminiscent of the wild-west pioneering days of this country. Yet, we all know how that turned out for the natives of the land used for expanding the nation. It is my belief that



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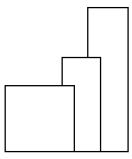
orderly and controlled growth will be better in the long run for the economic health of host communities and their residents, and Adams County is in a position to guide this trend in such a manner by adopting reasonable low or no impact setbacks, and/or adopting the recommendations that will reduce social and financial impacts of utility scale wind energy projects proposed in Adams County.

My best wishes to the County in this difficult decision making process.

Respectfully submitted,

McCANN APPRAISAL, LLC

Michael S. McCann, CRA
State Certified General Real Estate Appraiser
License No. 553.001252 (Expires 9/30/2009)



ADDENDUM

- Appraisal Testimony Certification
- Professional Biography of Appraiser
- Adams County Map
- Adams County Market Profile & Demographics
- Adams County Township Map
- **Appendix A** - Property Value Guarantee Agreement
- **Appendix B** - Canadian Hydro home buy out records
- **Appendix C** - Mendota Hills Property Value Impact Sale Data
- **Appendix D** - DOE funded Multiple Regression Analysis study of wind energy project impact on residential property values.
 - Figure ES-1
 - Figure ES-2
 - Figure ES-4
 - Appendix D - Vista rating photographs
 - Appendix E – View rating photographs
 - Cape Vincent Realtors Report on wind project impact on marketability of homes
- **Appendix E** - Case studies and articles regarding noise impact
- **Appendix F** - Representative sample of neighbor complaints

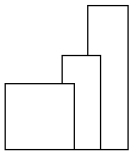


EXHIBIT A
CONTINGENT AND LIMITING CONDITIONS OF APPRAISAL AGREEMENT

The following terms and conditions apply to this and any engagement of McCann appraisal, LLC (McCann), by the client. Written, electronic or oral authorization by the client or their attorney or agent to proceed with the assignment shall constitute acceptance of these terms by the client.

It is assumed that the title to this property is good and marketable. No title search has been made, nor have we attempted to determine ownership of the property. The value estimate is given without regard to any questions of title, boundaries, or encroachments. It is assumed that all assessments are paid. We assume the property to be free and clear of liens and encumbrances except as noted. No attempt has been made to render an opinion or determine the status of easements that may pre-exist.

The legal description, if included herein, should be verified by legal counsel before being relied upon or used in any conveyance or other document.

Any exhibits in the report are intended to assist the reader in visualizing the property and its surroundings. The drawings are not intended as surveys and no responsibility is assumed for their cartographic accuracy. Drawings are not intended to be exact in size, scale, or detail.

Areas and dimensions of the property have not been physically measured unless specifically stated by McCann in the written appraisal report. If data is furnished by the Client or from plot plans or surveys furnished by the Client, or from public records, we assume it to be reasonably accurate. In the absence of current surveys, land areas may be based upon representations made by the owner's agents or our client. No responsibility is assumed for discrepancies, which may become evident from a licensed survey of the property.

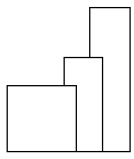
Our value estimate involves only the real estate and all normal building equipment, if any improvements are involved in this appraisal. No consideration was given to personal property (or special equipment), unless stated.

It is assumed that the property is subject to lawful, competent and informed ownership and management unless noted.

Information in this report concerning market data was obtained from buyers, sellers, brokers, and attorneys, trade publications or public records. This information is believed to be reliable. Dimensions, areas, or data obtained from others is believed correct; however, no guarantee is made in that the appraiser did not personally measure same.

Any information, in whatever form, furnished by others is believed to be reliable; however, no responsibility is assumed for its accuracy. The client specifically waives any claim of liability, which may result from reliance on information furnished by others.

The physical condition of any improvements described herein was based on visual inspection only. Electrical, heating, cooling, plumbing, sewer and/or septic system, mechanical equipment and water supply were not specifically tested but were assumed to be in good working order, and adequate, unless otherwise specified. No liability is assumed for the soundness of structural members, since no engineering tests were made of same. The roof(s) of structures described herein are assumed to be in good repair unless otherwise noted.



If the client has any concern regarding the structural, mechanical or protective components of the improvements described herein, or the adequacy or quality of sewer, water or other utilities, it is suggested that independent contractors or experts in these disciplines be retained and consulted before relying upon this appraisal, or a specific written disclosure of the defect or property condition must be made to the appraiser as part of the assignment.

We have not been provided, nor are we familiar with any engineering studies made to determine the bearing capacity of the land. It is therefore assumed that soil and subsoil conditions are stable unless specifically outlined in this report. We assume no responsibility for any such conditions, which may render the property more or less valuable. The client assumes responsibility for obtaining any engineering study necessary to determine soil and subsoil conditions. The client agrees to provide same in advance of execution of this agreement, or to waive any and all liability, which may result from undisclosed soil or subsoil conditions.

The existence of potentially hazardous material used in the construction or maintenance of the building, such as urea formaldehyde insulation and/or asbestos insulation, which may or may not be present on the property, has not been considered. In addition, no deposit of toxic wastes, unless specifically disclosed to the appraiser in advance of submittal of the appraisal report, has been considered. The appraiser is not qualified to detect such substances and suggests the client seek an expert opinion, if desired. Further, this report does not consider the potential ramifications due to the presence of Underground Storage Tanks (UST) or the possible environmental impact due to the leakage and/or soil contamination, if present.

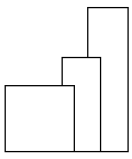
It is specifically noted that the appraiser(s) have not conducted tests to determine the presence of, or absence of, Radon. We are not qualified to detect the presence of Radon gas, which requires special tests and therefore must suggest that if the client is concerned as to the presence of Radon or any other potentially hazardous substances, he or she should take steps to have proper testing done by qualified firms who have the equipment and expertise to determine the presence of this substance in the property.

The separate allocation between land and improvements, if applicable, represents our judgment only under the existing utilization of the property. A re-evaluation should be made if the improvements are removed or substantially altered, and the land utilized for another purpose.

All information and comments concerning the location, neighborhood, trends, construction quality and costs, loss in value from whatever cause, condition, rents, or any other data for the property appraised herein, represents the estimates and opinions of the appraiser formed after an examination and study of the property.

Any valuation analysis of the income stream had been predicated upon financing conditions as specified in the appraisal report, which we have reason to believe are currently available for this property. Financing terms and conditions other than those indicated may alter the final value conclusions.

Expenses shown in the Income Capitalization Approach, if used, are estimates only, and are based on past operating history if available, and are stabilized as generally typical over a reasonable time period.



The appraiser is not required to give testimony or appear in court because of having made this appraisal, with reference to the property in question, unless arrangements have been made previously thereto. If the appraiser(s) is subpoenaed pursuant to court order, the Client will be required to compensate said appraiser(s) for their time at their regular hourly rates plus expenses.

All opinions, as to values stated, are presented as the appraiser's considered opinion based on the information set forth in the report. We assume no responsibility for changes in market conditions or for the inability of the Client or any other party to achieve their desired results based upon the appraised value. Further, some of the assumptions made can be subject to variation depending upon evolving events. We realize some assumptions may never occur and unanticipated events or circumstances may occur. Therefore, actual results achieved during the projection period may vary from those in our report.

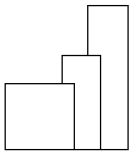
Appraisals made subject to satisfactory completion of construction, repairs, alterations, remodeling or rehabilitation, are contingent upon completion of such work in a timely manner using good quality materials and workmanship and in substantial conformity to plans or descriptions or attachments made hereto.

The Americans with Disability Act (ADA) of 1990, (effective January 2, 1992), as passed by the United States Congress, establishes a clear and comprehensive prohibition of discrimination on the basis of disability. This public law (Titles I-V) addresses employment (I); public services (II); public accommodations and services operated by private entities (III); telecommunications (IV); and miscellaneous provisions (V). The law covers all "commercial facilities" intended for non-residential use whose operations affect commerce. Most private manufacturing, industrial, and warehouse facilities, are neither considered public accommodations (even though their office area may be), nor are they generally subject to Title III of the law.

The appraiser has not made a specific compliance survey and analysis of the subject property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the subject property, along with a detailed analysis of the requirements of the ADA, could uncover that the subject property is not in compliance with one or more of the requirements of the Act. If this situation occurs, it could have an adverse effect upon the market value of the subject property.

Unless otherwise noted, it is assumed that the construction and use of the appraised property, if improved, complies with all public authorities having jurisdiction, including but not limited to the National Environmental Protection Act and any other applicable federal, state, municipal, and local environment impact or energy laws or regulations.

The appraisal services and appraisal report are intended and believed to be developed in compliance with the relevant requirements of the Uniform Standards of Professional Appraisal Practice (USPAP). A signatory of the appraisal report is licensed by the State of Illinois as a Certified General Real Estate Appraiser and is a Member or Associate Member of the Appraisal Institute. The Bylaws and Regulations of the Appraisal Institute require their members, candidates, or employers to control the use and distribution of each appraisal report signed by such member or candidate. Therefore, except as hereinafter provided, the party for whom the appraisal report was prepared may distribute copies of the appraisal report, in its entirety, to such third parties as may be selected by the party for whom the appraisal is prepared. Selected portions of this appraisal report, however, shall not be given to third parties without prior written



McCann Appraisal, LLC

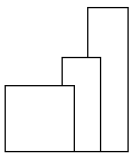
consent of the signatories of this appraisal report. Further, neither all nor any part of this appraisal report shall be disseminated to the general public by the use of advertising media, public relations media, news media, sales media or other media for public communication without the prior written consent of the signatories of the appraisal report. This restriction applies particularly as to the valuation conclusions, the identity of the appraisers, or any reference to the Appraisal Institute. McCann will retain the control and confidentiality of the clients file unless legally required to release such file.

The Appraiser/ consultant responsibility is limited to the client, and use of this appraisal by third parties shall be solely at the risk of the client and/or third parties. This report should not be used or relied upon by any other party except the client to whom the report is addressed. Any party, who uses or relies upon any information in the report without the appraiser's written consent, does so at his own risk.

It is the intent of the appraiser(s) and those that retain their services, that the liability of McCann for any allegation of negligent acts, omissions, misrepresentations, or erroneous reliance upon information provided by others, is limited to and shall not exceed the cost of the services rendered. In the event of any disagreement between the parties regarding the services performed, fees and/or expenses to be paid, or any other clause in this document, it is agreed that such dispute shall be submitted to arbitration. The client waives any cause of action in the event of their failure to file such claim within one year.

McCann retains all copyrights to any work product developed by McCann on this assignment, and licenses use of the report exclusively to the client in exchange for the professional fees disclosed in the proposal.

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CERTIFICATION

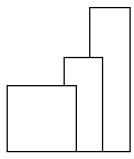
PROPERTY LOCATION: Adams County, Illinois
Wind Turbine Setback written testimony

The undersigned, representing McCANN APPRAISAL, LLC, do hereby certify to the best of our knowledge and belief that:

- FIRST: The statements of fact contained in this written consulting testimony report are true and correct.
- SECOND: The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and represents the personal, impartial and unbiased professional analyses, opinions, and conclusions of the undersigned.
- THIRD: We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to any of the parties involved.
- FOURTH: We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- FIFTH: Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
- SIXTH: Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- SEVENTH: Our analysis, opinions, and conclusions were developed, and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice.
- EIGHTH: No inspection was made by McCann Appraisal, LLC of the property that is the subject of this report.
- NINTH: No one other than the undersigned provided significant real property appraisal assistance to the person signing this certification.
- TENTH: Neither the undersigned nor McCann Appraisal, LLC has previously appraised the subject property.

IN WITNESS WHEREOF, THE UNDERSIGNED has caused these statements to be signed and attested to.


 Michael S. McCann, CRA
 State Certified General Real Estate Appraiser
 Illinois License No. 553.001252
 (Expires 9/30/2011)



PROFESSIONAL BIOGRAPHY

MICHAEL S. MCCANN, CRA

Michael S. McCann has been exclusively engaged in the real estate appraisal profession since 1980, and is the owner of McCann Appraisal, LLC.

EXPERIENCE

His appraisal experience has included market value appraisals in 20 states of virtually all types of commercial, office, residential, retail, industrial and vacant property, along with a wide variety of unique or special purpose real estate, such as limestone quarries, hotels, contaminated properties, etc. Appraisals have been prepared for purposes including condemnation, litigation, purchase, sale, estate planning, fractional interest valuation, leasehold and leased fee analysis, financing, divorce, damages and construction defects, easements, highway extension and widening, foreclosure, and numerous other purposes.

He has gained extensive experience in real estate zoning evaluations and property value impact studies, including analysis of gas-fired electric generating plants, shopping centers, industrial facilities, limestone quarries, sanitary landfills, transfer station, cell tower and wind farm projects. He has been retained as an independent consultant to municipalities, government agencies, corporations, attorneys, developers lending institutions and individual and private owners associations, and has completed appraisals for the States Attorney of Cook County, Illinois, for numerous downtown office buildings, major retail, hotel and commercial properties.

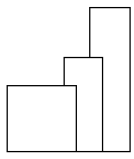
In addition to evaluation of eminent domain real estate acquisitions for both property owners & governmental condemning authorities, Mr. McCann has served as a Condemnation Commissioner (2000-2002) appointed by the United States District Court - Northern District, for the purpose of determining just compensation to property owners, under a federal condemnation matter for a natural gas pipeline project in Will County, Illinois.

He has been a speaker at seminars for the Appraisal Institute, the Illinois State Bar Association and Lorman Education Services on topics including the vacation of public right of ways (1986), and Property Taxation in the New Millennium (2000), Zoning and Land Use in Illinois (2005, 2006).

Related real estate expertise has been gained through negotiating transactions with a total in excess of \$65 million for purchase and sales of acreage and smaller sites, commercial and residential properties, both as agent on behalf of private and governmental clients and personally.

EXPERT TESTIMONY

Deposition, trial and public hearing testimony has been given for assignments that include appraisals, studies and consultation regarding real estate located throughout the United States. He has qualified and testified as an expert witness in Federal Court and numerous State Circuit Courts for condemnation, property tax appeal, foreclosure, divorce, and property damage proceedings and zoning matters in the Counties of Cook, Will, DuPage, Boone, Lake, Madison, St. Clair, Iroquois, Fulton, McHenry, Ogle, Marshall, & Kendall, as well as the Chicago and Cook County Zoning Boards of Appeal, the Property Tax Appeal Board (PTAB) and tax court &



McCann Appraisal, LLC

Commissions of Illinois, Wisconsin, and Ohio, Circuit Courts in New Jersey and Indiana, as well as zoning, planning, and land use and County Boards in Texas, Missouri, Idaho, Michigan, New Mexico and various metropolitan Chicago area locales. He has been certified as an expert on the Uniform Standards of Professional Appraisal Practice (USPAP) by the Cook County, Illinois Circuit Court.

PROJECT EXPERIENCE

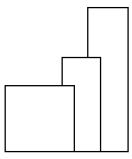
Mr. McCann has substantial experience in large-scale condemnation and acquisition projects and project coordination at the request of various governmental agencies and departments. These include appraisals for land acquisition projects such as the Chicago White Sox Stadium project, the Southwest Transit (Orange Line) CTA rail extension to Chicago's Midway Airport, the United Center Stadium for the Chicago Bulls and Blackhawks, the minor league baseball league, Silver Cross Field stadium in Joliet, Illinois, I-355 tollway and numerous highway acquisition and improvement projects, railway ROW transactions, as well as many other urban renewal, acquisition and neighborhood revitalization projects.

REAL ESTATE EDUCATION

Specialized appraisal education includes successful completion of Real Estate Appraisal Principles, Appraisal Procedures, Residential Valuation, Capitalization Theory and Techniques Part A, Uniform Standards of Professional Appraisal Practice and USPAP update courses, Case Studies in Real Estate Valuation, Highest and Best Use and Market Analysis, Advanced Income Capitalization, Subdivision Analysis and Special Purpose Properties, Eminent Domain and Condemnation, and Valuation of Detrimental Conditions in Real Estate offered by the Appraisal Institute. In addition, he has completed the Society of Real Estate Appraisers' Marketability and Market Analysis course, the Executive Enterprises - Environmental Regulation course, and a variety of continuing education real estate classes and seminars offered by other appraisal education providers, such as Litigation Valuation, Appraising in a Changing Economy, etc. Real estate courses from state licensed appraisal education providers were all subsequent to two years of associate study at the College of DuPage for marketing and real estate, and exceed the requirements for the Illinois Certified General Real Estate Appraiser license. Michael McCann is current with all continuing education requirements.

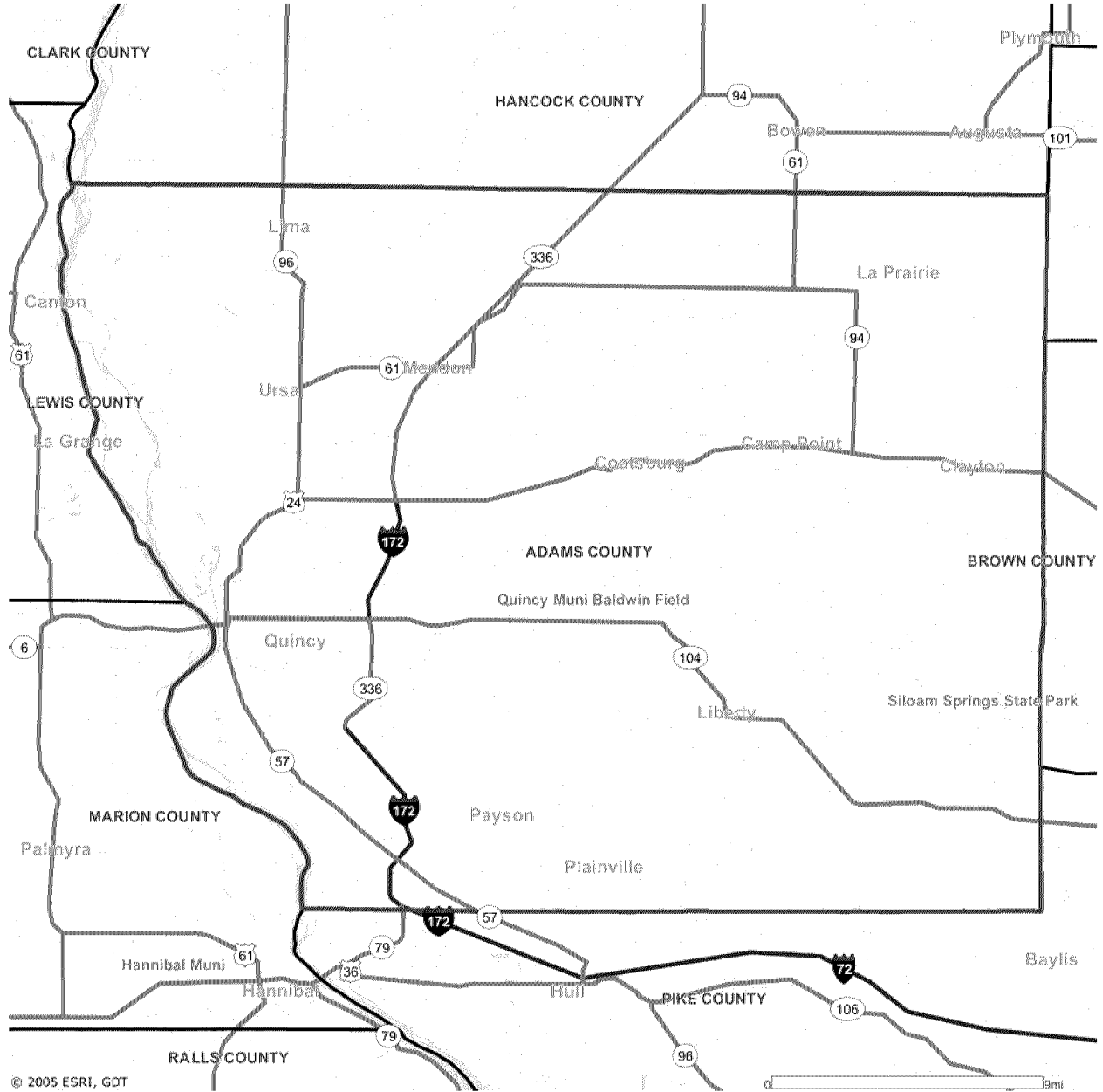
DESIGNATIONS, PROFESSIONAL AFFILIATIONS & LICENSES

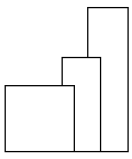
Mr. McCann is a State Certified Associate Member of the Appraisal Institute, and the National Association of Review Appraisers & Mortgage Underwriters designated him as a Certified Review Appraiser (CRA). He was elected in 2003 as a member of Lambda Alpha International, an honorary land economics society, and he served several years as a member of the Appraiser's Council of the Chicago Board of Realtors. He has held appraisal and sales licenses in several states, and is a State Certified General Real Estate Appraiser in the State of Illinois. *(License No. 533.001252, expiration September 30, 2011)*



Adams County Standard Map

January 10, 2006





Adams County Market Profile

2010 Housing Units	29,633
Owner Occupied Housing Units	68.9%
Renter Occupied Housing Units	20.1%
Vacant Housing Units	11.0%

2000 Total Population	68,277
2005 Total Population	67,488
2010 Total Population	66,234

Median Household Income

2000	\$34,800
2005	\$38,723
2010	\$42,880

Median Home Value

2000	\$73,090
2005	\$106,059

2010 \$132,445

Per Capita Income

2000	\$17,894
2005	\$20,584
2010	\$23,864

Median Age

2000	38.2
2005	39.4
2010	40.5

2010 Households by Income

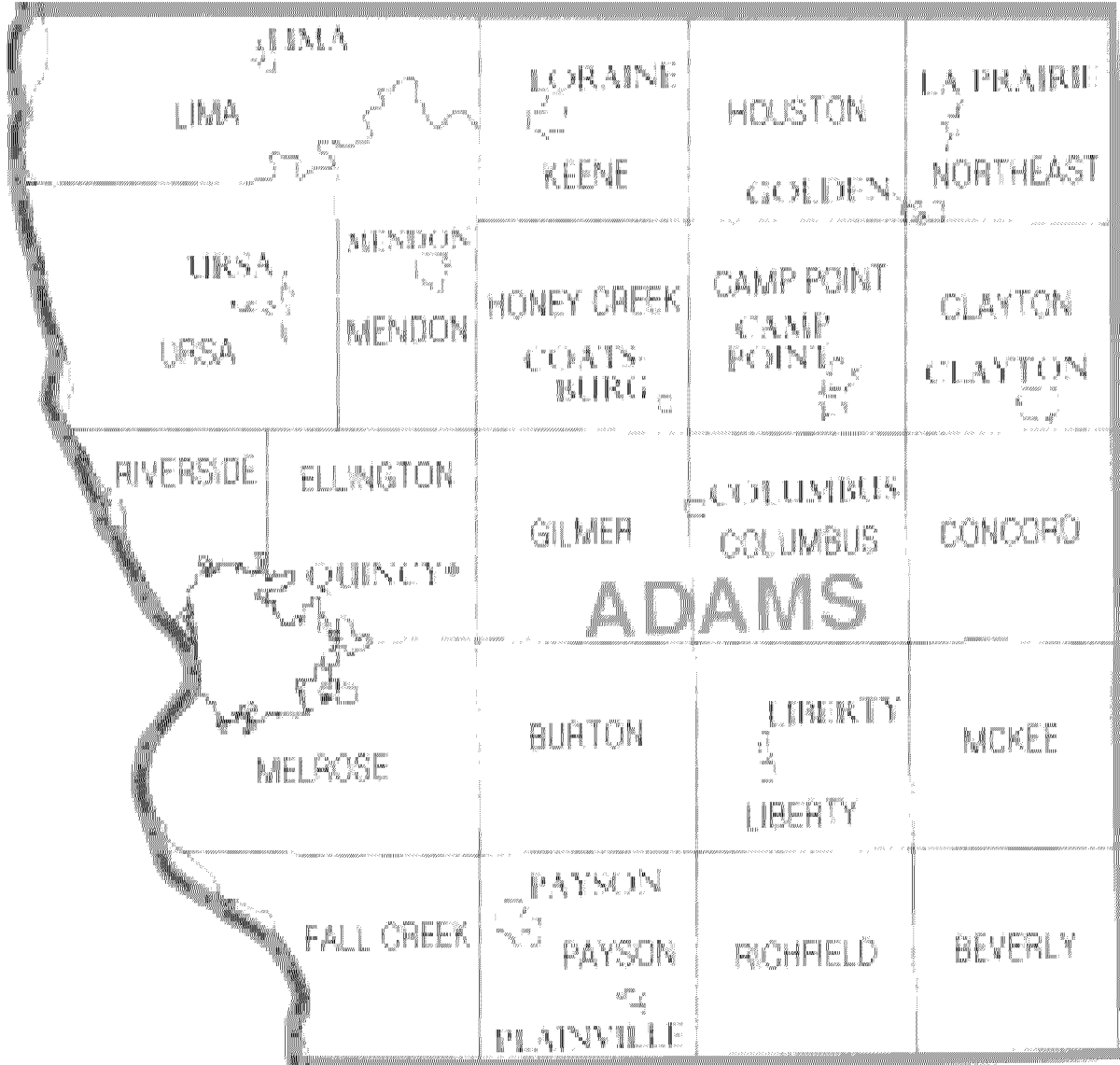
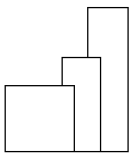
Household Income Base

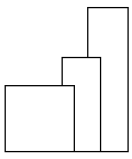
< \$15,000	13.8%
\$15,000 - \$24,999	13.0%
\$25,000 - \$34,999	13.7%
\$35,000 - \$49,999	16.9%
\$50,000 - \$74,999	20.7%
\$75,000 - \$99,999	9.3%
\$100,000 - \$149,999	1.8%
\$150,000 - \$199,999	2.2%
\$200,000+	2.5%

Average Household Income \$58,213

Source:

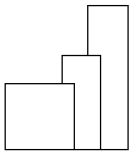
U.S. Bureau of the Census, 2000 Census of Population and Housing. ESRI forecasts for 2005 and 2010.





McCann Appraisal, LLC

Appendix A



Property Value Guarantee Agreement

This Property Value Guarantee Agreement (Agreement”) made and entered into on this ___ day of _____, by and between (Insert Developer Corp. Name) _____, having its principal offices at _____ (“Guarantor”) and _____, residing at (Insert address) _____, IL (zip) _____, (“Property Owners”).

RECITALS

WHEREAS, Property Owners own eligible Property as described herein (“Property”), that Property having the legal description as follows:

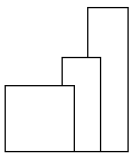
_____ Adams County, Illinois.

WHEREAS, Guarantor has been granted approvals by Adams County Ordinance No. _____ for the construction and operation of a wind energy center consisting of up to # _____ turbines on properties located in unincorporated _____ Townships in Adams County, Illinois [“Wind Energy Center”];

WHEREAS, Guarantor desires to alleviate concerns and guarantee preservation of Property values of all Property located in proximity to the Wind Energy Center, specifically within two (2) miles of any wind turbine (measured from furthest reach of turbine blades to the Property); and WHEREAS, Guarantor is desires to provide for either continued occupancy of existing residences by Property Owners or otherwise not financially impacting neighboring Property Owners as a result of the Wind Energy project; and WHEREAS Property Owners are desirous of preserving equity in the Property, by ensuring that if the Property described herein is either diminished in value or sold at a price less than the ASKING PRICE as a result of proximity to the Wind Energy Center, as determined by the procedures contained herein, the Guarantor will guarantee payment to the Property Owners of such difference; or if Property owner is unable to sell the Property following a reasonable marketing period, as defined herein, the Guarantor will guarantee payment to the Property Owners of the full Appraised value and purchase the Property, as defined herein.

IT IS HEREBY AGREED AS FOLLOWS:

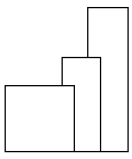
1. EFFECTIVE DATE OF AGREEMENT. This Agreement shall become effective and binding on Guarantor when signed by both parties. Notwithstanding the foregoing, if an administrative agency or court of competent jurisdiction rules or holds that the approvals



or permits issued by Adams County for the Wind Energy Center has been in excess of or in violation of said governmental body's authority or otherwise unlawful, and Guarantor has not constructed any of the wind turbines, then Guarantor's obligations under this Agreement shall be null and void. However, the construction of any or all of the proposed turbines shall render this agreement in full force and effect, and constitute the requirement of the Guarantor to fulfill all obligations to the Property owner, as defined herein.

2. ELIGIBILITY: EXERCISE OF GUARANTEE. (a) Property that is within two (2) miles of the tip of a turbine blade that is part of the Wind Energy Center is covered by this guarantee, to the extent the property is developed or approved for development on _____, the date Adams County voted to approve Ordinance No. _____ approving the Wind Energy Center ("Ordinance Date"). Owners of such Property who were owners of record as of the Ordinance Date ("Property Owners"), or their legitimate heirs or assigns as described in Paragraph 14, are eligible to exercise this guarantee. In the event that the Property Owners wish to sell their eligible Property, and exercise the guarantee set out in this Agreement, they shall notify Guarantor of same in writing by certified mail and thereafter they shall make a good faith effort to sell said Property by entering into a listing contract with a licensed real estate broker pursuant to the terms herein. (b) Property Owners shall have a period of ten (10) years to execute this agreement from the Ordinance date cited in paragraph 2.

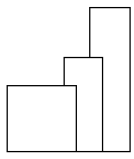
3. QUALIFIED PROFESSIONAL APPRAISER. For the purposes of this Agreement, a "qualified professional appraiser" shall mean a person who is licensed by the State of Illinois as a Certified General Appraiser or Licensed Residential Appraiser who (a) holds a valid Illinois license, (b) has not been subject to any suspension or revocation of license for any prior disciplinary action regarding their Illinois License by Illinois licensing authorities or from any professional association to which Appraiser is a member or affiliated with, and (c) has not been previously retained by either the wind energy industry or any citizens or citizens groups to opine in writing or in testimony as to wind energy projects effects on property values, hereafter deemed a "Qualified Professional Appraiser" (Appraiser), (d) is not related to the Property Owners, is not an employee or prior contractor of Guarantor or its affiliates and does not otherwise have a business relationship with Guarantor or Property Owners, and (e) who is a member of at least one national appraisal association that subscribes to the requirements of USPAP, (f) has at least 5 years experience in appraising and has worked within Adams County and/or any surrounding Counties during that period. (g) All appraisal reports shall conform to the Uniform Standards of Professional Appraisal Practice (USPAP), as required by current Illinois law. (h) The appraisal fee shall be paid in advance by the Guarantor to the County, for retention of the Appraiser by the County Attorney, who shall include a copy of this agreement to the Appraiser with the required fee, and a retention letter advising the Appraiser that the County, as a neutral party, is retaining the Appraiser and they are instructed to be independent of any influence from either party to this agreement. Guarantor agrees to reimburse the County for any services required of the Appraiser subsequent to delivery of the Appraisal Report, including but not limited to time expended responding to subpoena for testimony at deposition or trial.



4. **AGREED TO ASKING PRICE.** The ASKING PRICE is the value of the Property at the time the Property Owner decides to sell, with Property Owner discretion to either increase or decrease the asking price by no more than 5% difference with the Appraised Value. The ASKING PRICE of the Property may, however, be mutually agreed to by the Property Owners and the Guarantor. The ASKING PRICE may be mutually amended by agreement of the Property Owners and Guarantor at any time, subject to agreement.

5. **DETERMINATION OF ASKING PRICE BY APPRAISAL** If the parties are unable to agree on the ASKING PRICE of the Property prior to the Property Owner listing the Property for sale, then the Guarantor shall hire, at its expense, a second Appraiser and shall notify Property Owner of such Appraiser in writing with a resume or qualification summary for the Appraiser for review by the Property Owner. If the Property Owner objects to the Guarantor's choice of appraisers, it shall state those objections to Guarantor in writing within thirty (30) days of the notification of the choice of Appraiser. In the event Property Owner reasonably objects, the Guarantor shall choose another Appraiser, and proceed as described below. When a qualified professional appraiser is hired pursuant to this Paragraph 5, he or she shall be instructed to determine the market value which will become the ASKING PRICE, subject to Property Owner 5% discretion, of the Property as follows:

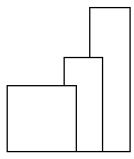
- a. Assume that no wind energy center or utility scale wind turbine(s) are located within two (2) miles of the Property;
- b. Utilize comparable sale data of property, developed as the Property was developed as of the Ordinance Date and located a minimum of two (2) miles distance away from the Wind Energy Center, or further so that in the opinion of the appraiser the selling price of that comparable property was not influenced by the presence of the Wind Energy Center or any other wind energy project;
- c. Utilize a minimum of three (3) comparable sale property, located approximately the same distance from major population centers (such as Quincy) so that in the opinion of the appraiser the selling price of the comparable property was not influenced by its closer or more distant proximity to new or existing population or employment centers.
- d. Establish the market value which is based upon the Property as developed on the Appraisal inspection date, with consideration of any normal or typical maintenance, repairs or additions made during the effective term of this agreement;
- e. Prepare a written narrative appraisal or residential form report supplemented as needed with written descriptions, analysis or comments, and which conforms to the requirements of USPAP;
- f. Prepare the appraisal in full compliance with any and all state standards and state regulations which pertain to the preparation of an appraisal of the Property except those standards and regulations which conflict with these instructions; and
- g. The appraiser shall note the condition of the premises, both interior and exterior, at the time of the appraisal.



If Property Owner and Guarantor accept the appraised value, then such value shall constitute the ASKING PRICE, and the Property Owners shall offer the above-described Property for sale at no less or more than a 5% difference with that price. If either the Property Owner or the Guarantor does not accept the appraised value, the non-accepting party may retain a second qualified professional Appraiser, of its choice, who shall not be made aware of the first appraised value and who shall determine the market value of the above-described Property on the basis of Paragraph 5(a) through (g) above. If both parties do not accept the original appraisal, they shall agree to the second qualified professional Appraiser and Guarantor shall pay the costs. In the event a second Appraisal is obtained pursuant to this paragraph and is within ten percent (10%) of the first Appraisal, the ASKING PRICE shall be the arithmetic average of the original appraised value and the second appraised value, unless the Guarantor or the Property Owner is unsatisfied with such Appraisal with specific reason(s) given in writing for disagreement with the Appraised value. In such event, the first two appraisers shall be instructed to agree on a third qualified professional Appraiser, at the sole expense of the Guarantor or the Property Owner, whichever is unsatisfied, unless both parties are unsatisfied in which case the expense shall be equally shared, and who shall not be made aware of either the first or second appraised values, and who shall determine the market value of the Property on the basis of Paragraph 4 (a) through (g) above. The ASKING PRICE will then be the arithmetic average of the three appraised values if the lowest value is no more than fifteen percent (15%) lower than the highest appraised value. If the fifteen percent (15%) range is exceeded the third Appraisal shall conclusively determine the ASKING PRICE for the purpose of this Agreement.

6. LISTING WITH BROKER. Property Owners shall utilize the services of a real estate broker/agent who shall be licensed in Illinois, is not financially affiliated with or related to the Appraiser, shall not be immediately related to the Property Owners or Guarantor as determined by being related no closer than second cousins and/or any history of sharing the same residence, and shall be a member of the Board of Realtors Multiple Listing Service or Exchange (Broker), unless these requirements are waived by the Guarantor upon the request of a Property Owner. Property Owners shall give Guarantor notice of the Broker with whom they wish to contract and shall obtain Guarantor's approval of said Broker within five (5) business days of written notice to Guarantor that Broker meets the no-relation requirement. Guarantor will not unreasonably withhold such approval and will confirm no relationship with Broker to the Property Owner. If the Guarantor objects to the Property Owners' choice of Broker, it shall state those objections, in writing to Property Owners. In the event Guarantor reasonably objects, the Property Owners shall choose another Broker, and proceed as described above. As sellers of the Property, Property Owners shall be responsible for the Brokerage commission or fee UNLESS the Property is purchased by Guarantor pursuant to Guarantor purchase of the Property after 180 days as provided for herein. Nothing herein shall prevent the Property Owner from selling the Property at a value higher than the ASKING PRICE as determined herein.

7. TERM OF LISTING. Property Owners shall list the Property, at the ASKING PRICE as determined in Paragraphs 4, 5 and 6, or at a higher value if agreed by Guarantor.



During the listing term, Property Owners shall accept any offer to purchase for the ASKING PRICE that is a bona-fide offer to purchase by a qualified buyer with a valid loan commitment or buyer otherwise acceptable to the Guarantor, provided that normal mortgage contingencies have been met or satisfied by buyer or waived by Property Owner and any home inspection contingency has been satisfied or waived by Property Owner. Said listing contract shall provide: (a) that the Broker shall list the Property in the multiple listing exchange; (b) that the Property will be so listed until the occurrence of either the (i) closed sale of the Property or (ii) expiration of a period of 180 days; (c) that the broker shall not be entitled to any commission after the expiration of the listing contract. The Property Owners shall cooperate with the Broker in obtaining a purchaser pursuant to the terms set forth in the listing agreement and shall make, in good faith, all reasonable efforts necessary to conclude a sale pursuant to the said terms. However, this shall not be construed as a requirement that Property Owner conceals their own experience with living in the Property, inclusive of any audible or inaudible noise effect emanating from the wind turbines.

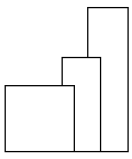
8. OFFERS TO PURCHASE. Property Owners shall provide the Guarantor with written notification of every written contract or Offer to Purchase that they receive for the Property and agree, for a period of 180 days, not to accept any offer below the ASKING PRICE without the express and written approval of the Guarantor, provided that Guarantor responds within twenty four 24 hours of Notice from Property Owner. In no event shall the Property Owners entertain anything other than good faith, bona fide offers of purchase.

9. GUARANTOR'S CONSENT TO PURCHASE. Guarantor shall have the right to make a non-contingent counter offer(s) on any offers of purchase which are more than 5% below the ASKING PRICE, said counter offer to be tendered to the purchaser within twenty four (24) hours of notification by the Property Owner of the offer of purchase. In the event the buyer accepts or meets any such counteroffer made or requested by the Guarantor, or in the event the Guarantor otherwise consents to a sale of the Property more than 5% below the ASKING PRICE, the Guarantor shall pay the Property Owners, at closing, the difference between the ASKING PRICE and the sale price so established.

10. SALE WITHOUT GUARANTOR CONSENT. If the Property Owners have not received an offer of purchase at the ASKING PRICE within 180 days of listing the Property for sale, or the Guarantor has not consented to the sale of the Property below the ASKING PRICE, the Property Owners may sell the Property at the highest offer of purchase still pending or at the next good faith bona fide offer to purchase. It shall notify the Guarantor, in writing, of its intention to accept such offer.

11. PROPERTY OWNER'S CLAIM.

(a) If the Property has sold for less than the ASKING PRICE, as determined herein, and Property Owner believes that the reason for such lowered value is because of the Wind Energy Center's proximity to the Property, Property Owner shall make a claim to the Guarantor, requesting payment for the difference between the ASKING PRICE and the



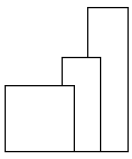
sales price. Within thirty (30) days of such request, Guarantor shall pay the Property Owner the difference unless Guarantor, within that time, has demonstrated that the sale is not a bona-fide transaction.

(b) If the Property Owner has not received an offer of purchase at the ASKING PRICE after 180 days of listing the Property for sale, Guarantor shall, within thirty (30) days of notification in writing purchase the Property for the ASKING PRICE, unless Guarantor, within that time, has demonstrated conclusively that Property Owner did not reasonably cooperate with the terms of a bona-fide sale contract.

© If the Property has not sold within 180 days of the Listing agreement, and Guarantor provides Multiple Listing Service statistics that demonstrate a median Marketing Time for all unincorporated Adams County residential properties is in excess of 180 days, as of the original Listing date, then Guarantor has the option of notifying the Property Owner that they must extend the Listing or enter into a separate listing agreement with a new Broker for a period of 180 days. If the extended Listing option pursuant to paragraph 11 © does not result in a bona-fide sale agreement within the second (2nd) 180 day Listing term, then Guarantor must abide by the terms of paragraph 11 (b) and buy the Property for an increased price as determined by the Appraised Value plus the most recent Consumer Price Index (CPI) multiplied by 50%.

12. AGRICULTURAL LAND. This agreement requires payment by the Guarantor to any non-participating agricultural land owners with Property located within 2 miles of the Wind Turbines, on the basis of increased costs, if any, resulting from AG property owners loss of aerial spraying services, provided that (a) Ag Property owner has utilized aerial spraying services for at least 1 of the last 3 years during crop seasons; (b) aerial spraying services either decline to continue service to the Ag Property in question as a direct result of pilot safety concerns from wind turbine structures or increase the cost of services to the Ag Property in question; (c) lower lease rates are agreed between Ag Property owner and tenant farmer as a result of tenant farmers increased costs described in paragraph 12 (a) and/or (b). Cost increases and Ag Property Owner compensation shall be based on either the actual cost increase for continued use of aerial spraying services active in Adams County or the actual contracted 3rd party cost of alternative application of AG chemicals minus the last documented cost for aerial application of AG chemicals. Guarantor shall be provided documented cost differences as soon as practical after costs are incurred by the Ag Property Owner, and shall submit payment to Ag Property Owner within 60 days of notice by Ag property Owner. However, Guarantor shall have the right to have cost information reviewed by and independent auditor during the 60 day period, and if payment due the Ag Property Owner is disputed by Guarantor, they shall have the right to submit the payment claims to arbitration in Adams County, Illinois.

13. TERMINATION OF GUARANTOR'S OBLIGATIONS. This Agreement shall terminate and Guarantor shall have no obligation to guarantee the Property value or purchase price once any wind turbines located within two (2) miles of the Property are decommissioned and demolished and operations at the Wind Energy Center have been permanently terminated as the result of any corporate decision, order, judgment, or



decree issued by a federal, state, or local agency, court, or unit of government having jurisdiction under administrative code, statute, law, or ordinances.

14. PROPERTY OWNER OPTION AND ALTERNATIVE TO RELOCATION. In the event that any Property Owner elects to remain in their home and not relocate pursuant to the preceding terms and conditions of the Property Value Guarantee, Property Owners located in the footprint or within one (1) mile of the perimeter of the footprint shall notify Guarantor within 3 years of commencement of operations of the Wind Energy Project that they are exercising their option under paragraph 14, and shall be compensated by the developer in a cash amount equal to 25% of the Appraised Value, as set forth in paragraph 5 of this agreement. Property Owners located between one (1) mile and two (2) miles of said footprint perimeter shall have 2 years to exercise the paragraph 14 option, and compensation shall be equal to 5% of the Appraised Value, as set forth in paragraph 5 of this agreement. Any exercise of the paragraph 14 Property Owner Option and payment to Property Owner by Guarantor shall constitute a full waiver and release of any future property value diminution claim or right to sell to the Guarantor as otherwise provided for in this agreement.

15. ASSIGNMENT OR TRANSFER. Neither this Agreement nor the rights under it may be assigned, conveyed, or otherwise transferred by Property Owners. The guarantee given by Guarantor to guarantee the Property value and to purchase the Property is personal, and does not run with the land; however, said Agreement shall inure to the benefit of the Property Owners, their personal representatives, trustees, guardians, custodians or their heirs; but, in all events, shall terminate after any closed sale of the Property.

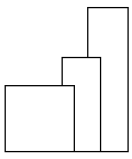
16. APPLICATION OF LAW DISPUTES. This Agreement shall be construed consistent with law in the State of Illinois. Disputes concerning the application or terms of this Agreement shall be subject to the circuit court jurisdiction of Adams County.

GUARANTOR:

By _____
Name Title Date

PROPERTY OWNERS:

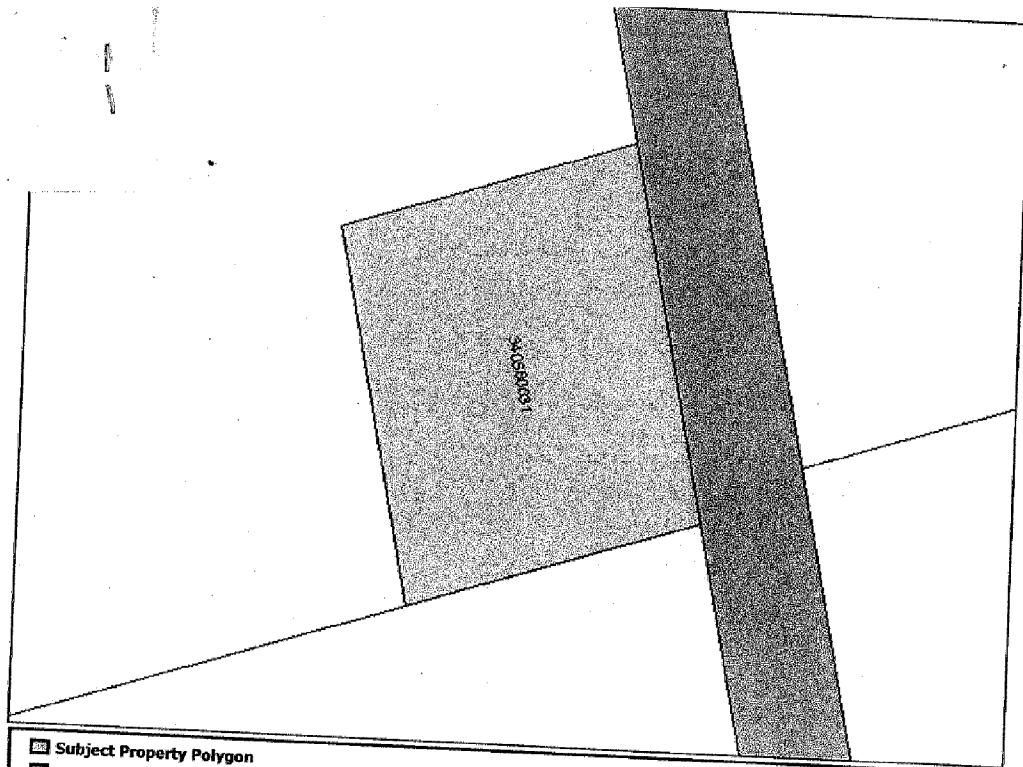
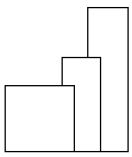
By _____
Name Date



McCann Appraisal, LLC

Notary _____

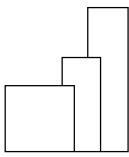
Appendix B



Subject Property Polygon
 Parcel Polygons
 Roads
 Railways
 Water Limits
 Easement Limits
 Subject Property Point
 Neighbourhood Sales Points

0 10 m.
 This map was compiled using plans and documents recorded in the Land Registry System and has been prepared for property indexing purposes only. This is not a Plan of Survey. For actual dimensions of property boundaries, see recorded plans and documents. Only major easements are shown.

SUBJECT PROPERTY IDENTIFICATION INFORMATION	
LRO	07
PIN	340560031
ASSESSMENT ROLL NUMBER	220800000409590
REGISTRATION TYPE	LT
LAND REGISTRY STATUS	ACTIVE
MUNICIPALITY	N/A
ADDRESS	N/A
AREA	4052 m2
PERIMETER	258 m



DESCRIPTION		PT LT 29 CON 7, PT 1 7R742 ; AMARANTH		
PARTY TO:		ASHBEE, BARBARA JOAN		
SALES HISTORY				
INSTRUMENT NUMBER	REGISTRATION DATE	CONSIDERATION VALUE	INSTRUMENT TYPE	PARTY TO
DC43624	01/31/2005	204750	T	ASHBEE, BARBARA JOAN
MF212464	06/30/1994	[REDACTED]	T	[REDACTED]

Reports Not the Official Record. Reports, other than the Parcel Register, obtained through Geowarehouse are not the official government record and will not necessarily reflect the current status of interests in land.

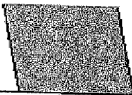
Currency of Information. Data contained in the Geowarehouse reports are not maintained real-time. Data contained in reports, other than the Parcel Register, may be out of date ten business days or more from data contained in POLARIS.

Coverage. Data, information and other products and services accessed through the Land Registry Information Services are limited to land registry offices in the areas identified on the coverage map.

Completeness of the Sales History Report. Some Sales History Reports may be incomplete due to the amount of data collected during POLARIS title automation. Subject properties may also show nominal consideration or sales price (e.g. \$2) in cases such as transfers between spouses or in tax exempt transfers.

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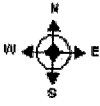
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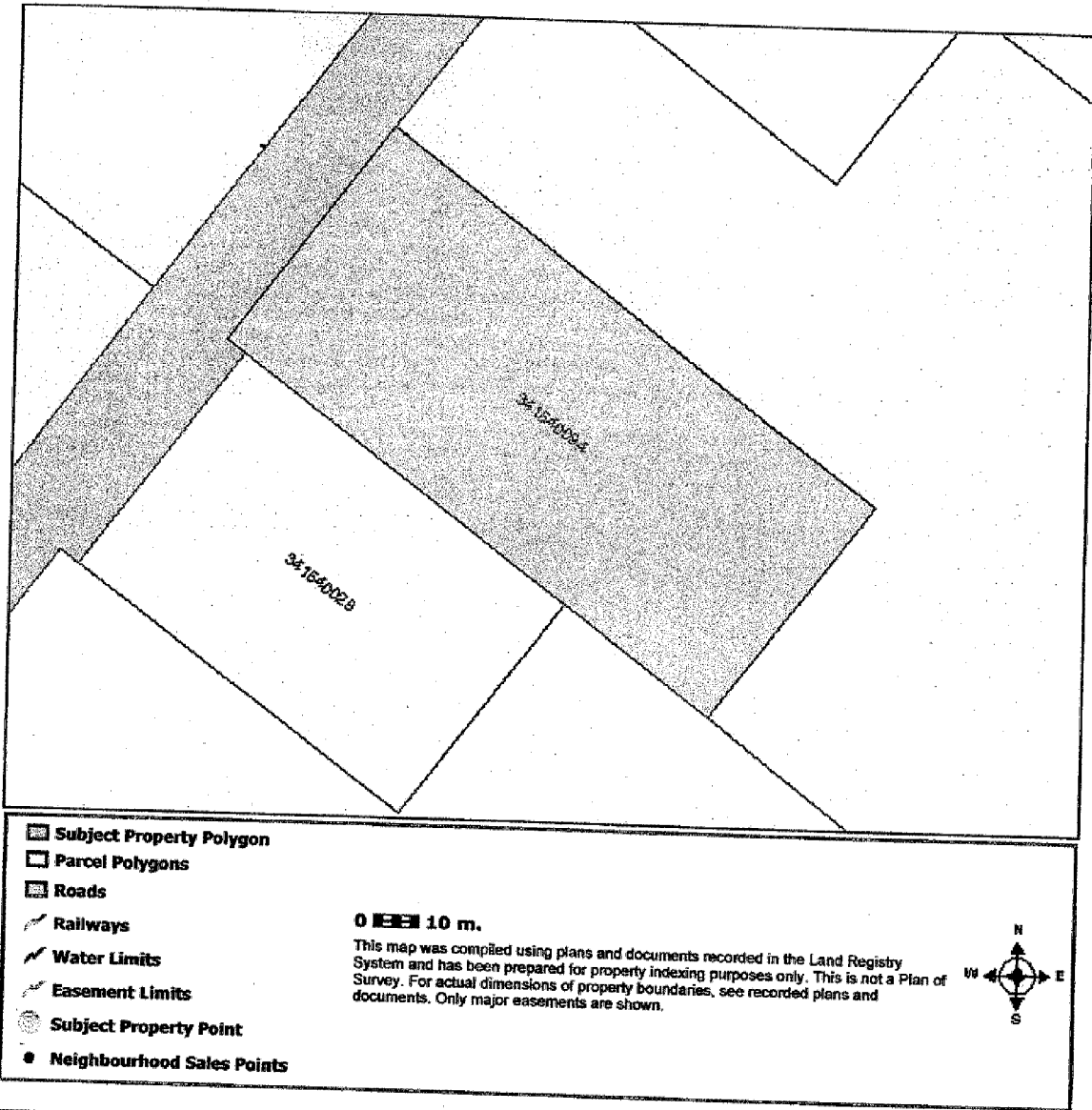
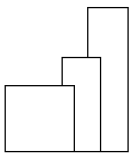
- Subject Property Polygon
- Parcel Polygons
- Roads
- Railways
- Water Limits
- Easement Limits
- Subject Property Point
- Neighbourhood Sales Points

0 10 m.

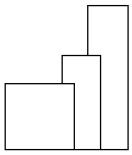
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SUBJECT PROPERTY IDENTIFICATION INFORMATION	
LRO	07
PIN	340560031
ASSESSMENT ROLL NUMBER	220800000409590
REGISTRATION TYPE	LT
LAND REGISTRY STATUS	ACTIVE
MUNICIPALITY	N/A
ADDRESS	N/A
AREA	4052 m2
PERIMETER	258 m



SUBJECT PROPERTY IDENTIFICATION INFORMATION	
LRO	07
PIN	341540094
ASSESSMENT ROLL NUMBER	N/A
REGISTRATION TYPE	LT
LAND REGISTRY STATUS	ACTIVE
MUNICIPALITY	N/A
ADDRESS	58232 COUNTY ROAD, R.R. 6
AREA	8408 m ²
PERIMETER	398 m
DESCRIPTION	PT LT 291, CON 2 SWTS, PT 2, 7R4396 ; MELANCTHON
PARTY TO:	CANADIAN HYDRO DEVELOPERS INC.



SALES HISTORY

INSTRUMENT NUMBER	REGISTRATION DATE	CONSIDERATION VALUE	INSTRUMENT TYPE	PARTY TO
DC48597	06/30/2005	299000	T	CANADIAN HYDRO DEVELOPERS INC.
LTD33017	01/12/2001	[REDACTED]	T	WILLIAMS, SANDRA MARIE BLANCHE; WILLIAMS, STEPHEN ROGER BLAINE
LTD11538	07/31/1998	[REDACTED]	T	[REDACTED]
MF229782	08/08/1997	[REDACTED]	T	[REDACTED]

Reports Not the Official Record. Reports, other than the Parcel Register, obtained through Geowarehouse are not the official government record and will not necessarily reflect the current status of interests in land.

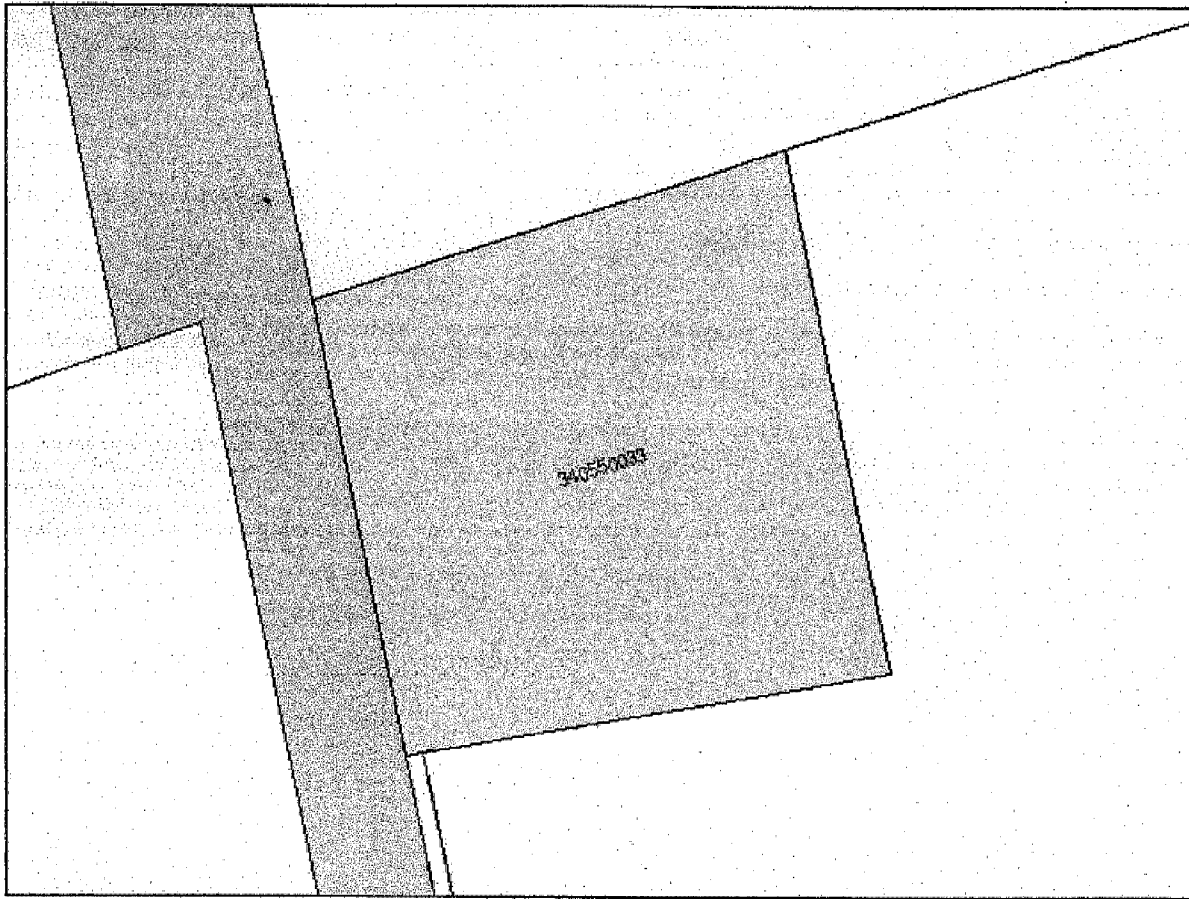
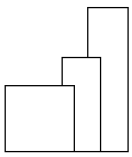
Currency of Information. Data contained in the Geowarehouse reports are not maintained real-time. Data contained in reports, other than the Parcel Register, may be out of date ten business days or more from data contained in POLARIS.




Coverage. Data, information and other products and services accessed through the Land Registry Information Services are limited to land registry offices in the areas identified on the [coverage map](#).


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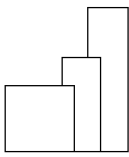


Subject Property Polygon
 Parcel Polygons
 Roads
 Railways
 Water Limits
 Easement Limits
 Subject Property Point
 Neighbourhood Sales Points

0  10 m.
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SUBJECT PROPERTY IDENTIFICATION INFORMATION	
LRO	07
PIN	340550033
ASSESSMENT ROLL NUMBER	220800000321580
REGISTRATION TYPE	LT
LAND REGISTRY STATUS	ACTIVE
MUNICIPALITY	N/A
ADDRESS	N/A
AREA	7622 m2
PERIMETER	350 m
DESCRIPTION	PT LT 29, CON 5, PT 1, 7R787 ; AMARANTH
PARTY TO:	CANADIAN HYDRO DEVELOPERS, INC.



SALES HISTORY

INSTRUMENT NUMBER	REGISTRATION DATE	CONSIDERATION VALUE	INSTRUMENT TYPE	PARTY TO
DC81185	11/15/2007	500000	T	CANADIAN HYDRO DEVELOPERS, INC.
LTD11172	07/20/1998	[REDACTED]	T	BROWNELL, ROY; BROWNELL, TERESA
MF124008	05/15/1984	[REDACTED]	T	[REDACTED]

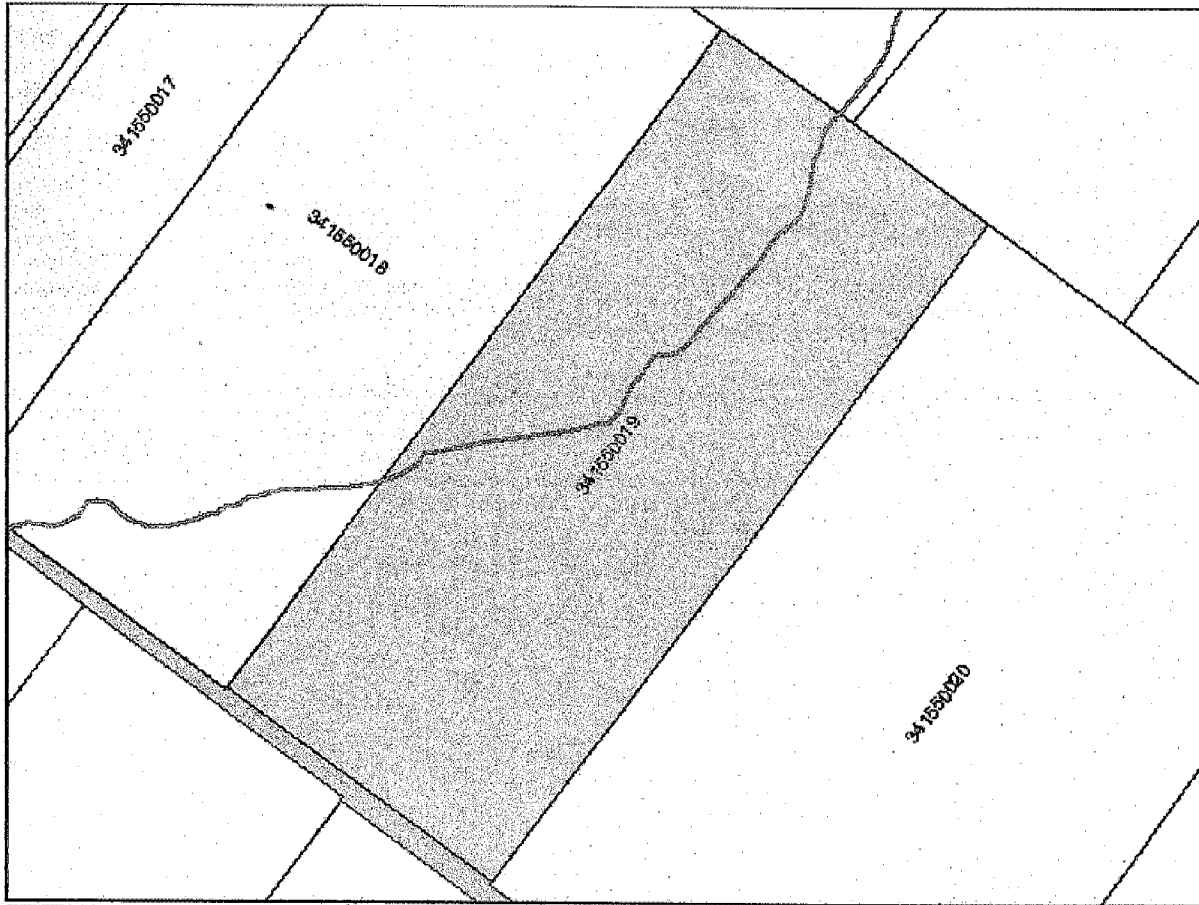
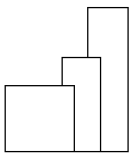
Reports Not the Official Record. Reports, other than the Parcel Register, obtained through Geowarehouse are not the official government record and will not necessarily reflect the current status of interests in land.

Currency of Information. Data contained in the Geowarehouse reports are not maintained real-time. Data contained in reports, other than the Parcel Register, may be out of date ten business days or more from data contained in POLARIS.

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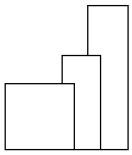
Completeness of the Sales History Report. Some Sales History Reports may be incomplete due to the amount of data collected during POLARIS title automation. Subject properties may also show nominal consideration or sales price (e.g. \$2) in cases such as transfers between spouses or in tax exempt transfers.

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Subject Property Polygon	<p>0 100 m.</p> <p>This map was compiled using plans and documents recorded in the Land Registry System and has been prepared for property indexing purposes only. This is not a Plan of Survey. For actual dimensions of property boundaries, see recorded plans and documents. Only major easements are shown.</p>	
Parcel Polygons		
Roads		
Railways		
Water Limits		
Easement Limits		
Subject Property Point		
Neighbourhood Sales Points		

SUBJECT PROPERTY IDENTIFICATION INFORMATION	
LRO	07
PIN	341550019
ASSESSMENT ROLL NUMBER	221900000521900
REGISTRATION TYPE	LT
LAND REGISTRY STATUS	ACTIVE
MUNICIPALITY	N/A
ADDRESS	N/A
AREA	409793 m2
PERIMETER	2836 m
DESCRIPTION	PT LTS 284 & 285, CON 4 SWTS AS IN MF163913 ; MELANCTHON
PARTY TO:	CANADIAN HYDRO DEVELOPERS, INC.



SALLES HISTORY

INSTRUMENT NUMBER	REGISTRATION DATE	CONSIDERATION VALUE	INSTRUMENT TYPE	PARTY TO
DC80536	10/30/2007	350000	T	CANADIAN HYDRO DEVELOPERS, INC.
MF163913	12/09/1988		T	BENVENETE, WALTER MARK

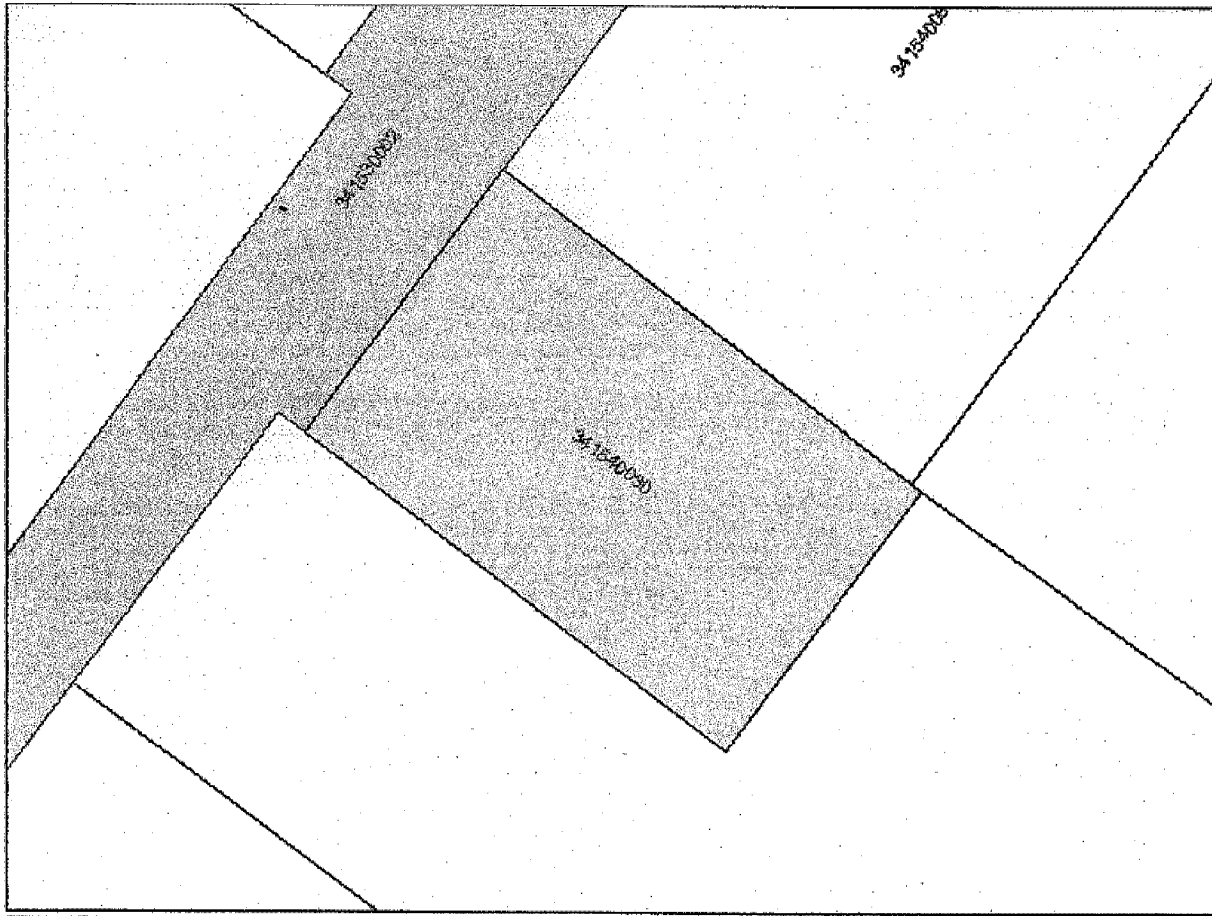
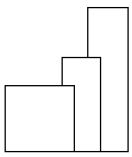
Reports Not the Official Record. Reports, other than the Parcel Register, obtained through Geowarehouse are not the official government record and will not necessarily reflect the current status of interests in land.

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Coverage. Data, information and other products and services accessed through the Land Registry Information Services are limited to land registry offices in the areas identified on the [coverage map](#).

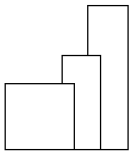
Completeness of the Sales History Report. Some Sales History Reports may be incomplete due to the amount of data collected during POLARIS title automation. Subject properties may also show nominal consideration or sales price (e.g. \$2) in cases such as transfers between spouses or in tax exempt transfers.

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<ul style="list-style-type: none"> Subject Property Polygon Parcel Polygons Roads Railways Water Limits Easement Limits Subject Property Point Neighbourhood Sales Points 	<p>0 10 m.</p> <p>This map was compiled using plans and documents recorded in the Land Registry System and has been prepared for property indexing purposes only. This is not a Plan of Survey. For actual dimensions of property boundaries, see recorded plans and documents. Only major easements are shown.</p>	
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SUBJECT PROPERTY IDENTIFICATION INFORMATION	
LRO	07
PIN	341540030
ASSESSMENT ROLL NUMBER	221900000613850
REGISTRATION TYPE	LT
LAND REGISTRY STATUS	ACTIVE
MUNICIPALITY	SHELBURNE
ADDRESS	58234 COUNTRY ROAD 17
AREA	4048 m2
PERIMETER	262 m
DESCRIPTION	PT LT 291, CON 2 SWTS, PT 2, 7R924 ; MELANCTHON
PARTY TO:	CANADIAN HYDRO DEVELOPERS, INC.



SALES HISTORY

INSTRUMENT NUMBER	REGISTRATION DATE	CONSIDERATION VALUE	INSTRUMENT TYPE	PARTY TO
DC77599	08/17/2007	302670	T	CANADIAN HYDRO DEVELOPERS, INC.
MF68694	03/11/1975		T	FRASER, BRUCE; FRASER HELEN

Reports Not the Official Record. Reports, other than the Parcel Register, obtained through Geowarehouse are not the official government record and will not necessarily reflect the current status of interests in land.

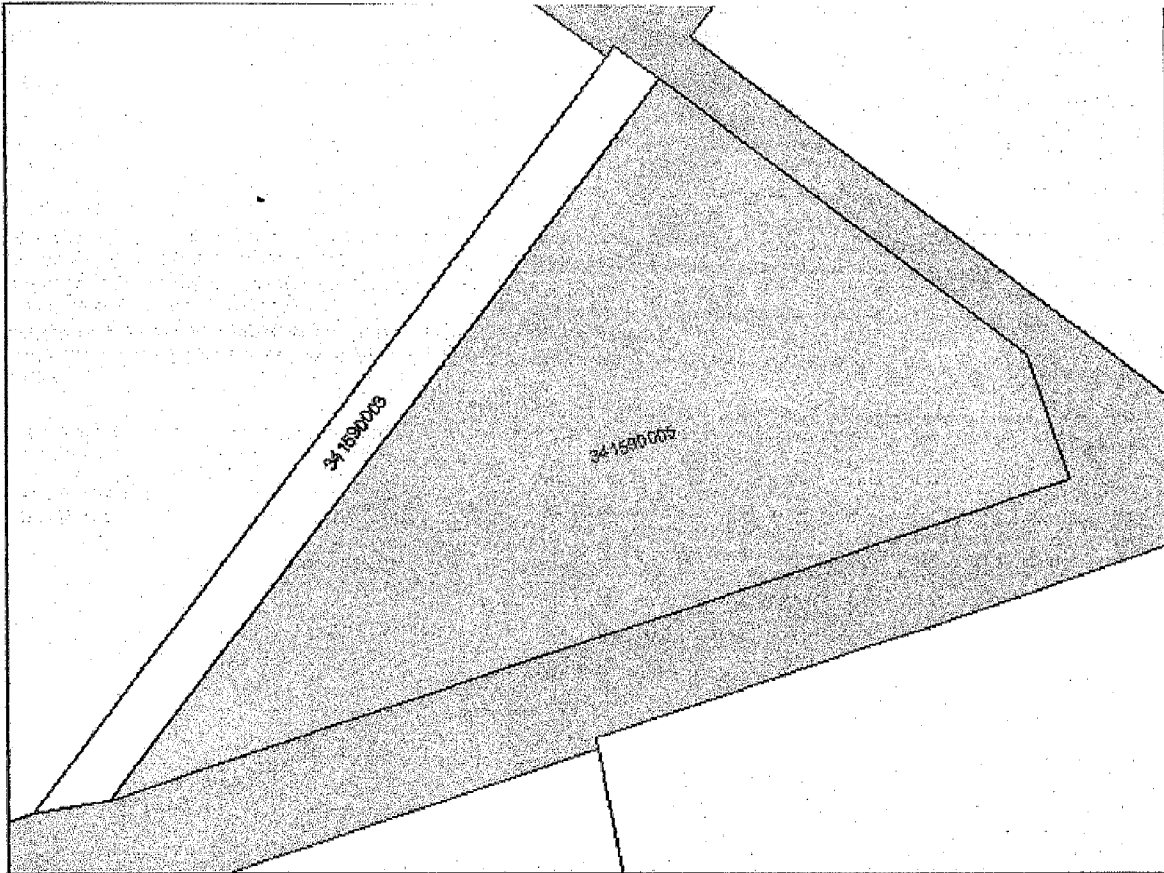
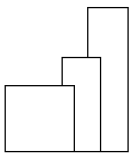
Currency of Information. Data contained in the Geowarehouse reports are not maintained real-time. Data contained in reports, other than the Parcel Register, may be out of date ten business days or more from data contained in POLARIS.










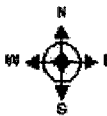
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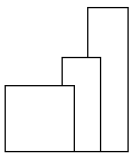
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<ul style="list-style-type: none">  Subject Property Polygon  Parcel Polygons  Roads  Railways  Water Limits  Easement Limits  Subject Property Point  Neighbourhood Sales Points 	<p>0  100 m.</p> <p>This map was compiled using plans and documents recorded in the Land Registry System and has been prepared for property indexing purposes only. This is not a Plan of Survey. For actual dimensions of property boundaries, see recorded plans and documents. Only major easements are shown.</p>	
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SUBJECT PROPERTY IDENTIFICATION INFORMATION	
LRO	07
PIN	341590005
ASSESSMENT ROLL NUMBER	221900000401800
REGISTRATION TYPE	LT
LAND REGISTRY STATUS	ACTIVE
MUNICIPALITY	N/A
ADDRESS	N/A
AREA	40515 m2
PERIMETER	965 m
DESCRIPTION	PT LT 1, CON 5 SWTS AS IN MF157736 ; MELANCTHON
PARTY TO:	CANADIAN HYDRO DEVELOPERS, INC.



SALES HISTORY				
INSTRUMENT NUMBER	REGISTRATION DATE	CONSIDERATION VALUE	INSTRUMENT TYPE	PARTY TO
DC70069	01/31/2007	305000	T	CANADIAN HYDRO DEVELOPERS, INC.
LTD9504	05/15/1998	[REDACTED]	T	BARLOW, DAVID CHARLES; BARLOW, SHERYL ANN
MF157736	06/15/1988	[REDACTED]	T	[REDACTED]

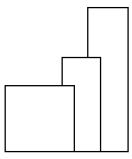
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Currency of Information. Data contained in the Geowarehouse reports are not maintained real-time. Data contained in reports, other than the Parcel Register, may be out of date ten business days or more from data contained in POLARIS.

Coverage. Data, information and other products and services accessed through the Land Registry Information Services are limited to land registry offices in the areas identified on the [coverage map](#).

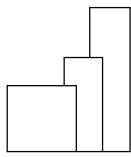
Completeness of the Sales History Report. Some Sales History Reports may be incomplete due to the amount of data collected during POLARIS title automation. Subject properties may also show nominal consideration or sales price (e.g. \$2) in cases such as transfers between spouses or in tax exempt transfers.

The Property Information Services, reports and information are provided "as is" and your use is subject to the applicable Legal Terms and Conditions. Some information obtained from the Land Registry Information Services is not the official government record and will not reflect the current status of interests in land. Use of personal information contained herein shall relate directly to the purpose for which the data appears in land registry records and is subject to all applicable privacy legislation in respect of personal information. Such information shall not be used for marketing to a named individual.
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Appendix C



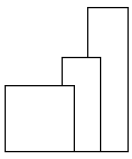
Mendota Hills Wind Energy Project

Sale #	Address	Sale Date	Price	Grantor	Grantee	Style	Size SF	\$/SF
1	629 W. Chestnut	Oct 2003	\$37,000	Estes	Lipe	1.5	1,161	\$31.87
2	323 W. Chestnut	Oct 2004	\$40,000	Reed	Hovious	1.5	1,425	\$28.07
3	1019 Steward Rd.	May 2003	\$40,000	Houle-Ward	Reyns	2	1,408	\$28.41
4	91143 Paw Paw	Mar 2005	\$187,000	Zaylik	Pachero	2	1,571	\$119.03
5	1224 IL Rte. 251	Jun 2003	\$138,000	Gittleson	Kowalski	2	1,272	\$108.49
6	339 Chestnut St.	Jan 2003	\$72,000	White	Flynn	2	1,684	\$42.76
7	630 W. Chestnut	Sep 2003	\$126,000	Eddy	Morath, Sr.	1.5	1,728	\$72.92
8	427 Chestnut St.	Oct 2003	\$87,000	Hesik	Rourke, Jr.	1.5	1,380	\$63.04
9	138 Cherry St.	Sep 2004	\$80,000	Hammond	Alexander	1.5	1,326	\$60.33
10	536 W. Cherry	Oct 2004	\$63,500	Johnson	Fitzpatrick	1.5	999	\$63.56
11	885 Compton Rd.	Oct 2004	\$68,900	Boysen	Gellings	1	480	\$143.54
12	518 W. Cherry St.	Apr 2003	\$87,500	Allen	Beckman	1	927	\$94.39
13	222 Maple St.	Dec 2004	\$150,000	Clark	Cummings	1	1,852	\$80.99
14	444 W. Main St.	Mar 2005	\$109,900	Miller	Michaels	1	1,402	\$78.39
15	2874 Beemerville	Jul 2003	\$367,000	Finkboner	DGNB TRT	1	2,201	<u>\$166.74</u>
Average sale price								\$78.84
16	1310 Melugins Grove	Apr 2004	\$179,000	Lyons	Overton	2	1,952	\$91.70
17	2612 Shady Oaks Rd.	Apr 2003	\$131,000	Smith	Papiech	1.5	1,208	\$108.44
18	3448 Cyclone Rd.	Mar 2003	\$105,900	Munyon	Pippenger	2	1,456	\$72.73
19	2524 Johnson St.	Aug 2004	\$61,800	Copeland	Lampson	1.5	948	\$65.19
20	741 Third St.	Feb 2004	\$63,500	Eckhardt	Rosales	1.5	868	\$73.16
21	613 Church Rd.	May 2003	\$115,000	Merkel	Parpart	1.5	1,458	\$78.88
22	3435 Willow Creek	Jun 2003	\$118,000	Swiatek	Brydun	2	884	\$133.48
23	3021 Cottage Hill	Mar 2005	\$182,000	Russ	Curtis	1.5	1,239	\$146.89
24	3385 Willow Creek	Mar 2003	\$180,000	McCoy	Carver	2	2,840	\$63.38
25	745 Second St.	Dec 2004	\$59,000	Wilson	Calderon	1.5	1,161	\$50.82
26	761 4th St.	Mar 2003	\$68,000	Stewart	Elsinger	1	724	\$93.92
27	2774 Welland Rd.	Apr 2003	\$93,000	Batha	Crumpton	1.5	1,104	\$84.24
28	558 Earlville Rd.	Jan 2003	\$145,000	Hodge	Ikeler	2	1,280	\$113.28
29	2505 Wood St.	Aug 2004	\$105,000	Janiak	Bullock	2	1,812	\$57.95
30	385 Earlville Rd.	Aug 2004	\$280,000	Rago	Diehl	2	2,142	\$130.72
31	3095 Cyclone Rd.	Dec 2004	\$169,900	Summerhill	Rainbolt	2	2,048	\$82.96
32	742 Second St.	Jan 2003	\$103,000	Delhotel	Stewart	2	1,876	\$54.90
33	395 Angling Rd.	Mar 2005	\$119,000	BMW Prop.	Herendeen	1	680	\$175.00
34	2515 Wood St.	Apr 2004	\$80,000	Jones	Sarver	1	912	\$87.72
35	1218 Locust Rd.	Jan 2005	\$169,000	Wachowski	Gembeck	1	1,040	\$162.50
36	901 Melugens Grove	Aug 2003	\$228,000	Kidd	Rajan	1	2,000	\$114.00
37	1490 German Rd.	Aug 2004	\$85,000	Firlit	Challand	2	2,144	\$39.65
38	603 Ogee Rd.	Apr 2004	\$285,000	Anderson	Miller	1	1,920	\$148.44
39	546 Camahan Rd.	Jan 2005	\$110,000	Coley	Sarabia	1	1,296	\$84.88
40	1353 County Line	Nov 2003	\$185,000	Vallejo	Bozaeth	1.5	1,338	\$138.27
41	2512 Johnson St.	Feb 2005	\$123,000	Montavon	Sutton	2	2,232	\$55.11
42	2509 Herman Rd.	Apr 2004	\$142,900	Bresson	Arjes	1	1,404	\$101.78
43	955 Woodlawn	Jul 2003	\$265,000	Swan	LaRosa	1.5	1,918	\$138.16
44	1279 Locust Rd.	Mar 2003	\$270,000	Witte	olin	1	2,156	\$125.23
45	648 Ogee	Nov 2003	\$225,000	Fickenscher	Rojas	1	1,768	\$127.26
46	1339 Woodlawn Rd.	Sep 2003	\$230,000	Howell	Barnhill	1	1,701	\$135.21
47	1349 Woodlawn Rd.	May 2003	\$207,500	Howell	Wiskari	1	1,809	\$114.70
48	711 O'Gee Rd.	Aug 2004	\$185,000	Groevengoed	Carabal	1	1,352	\$136.83
49	1295 Locust Rd.	May 2004	\$300,000	Hagan	Lowe	1	2,672	\$112.28
50	860 Paw Paw Rd.	May 2004	\$185,000	Wiskur	Pogreba	1	1,148	\$161.15
51	3011 Honeysuckle	Mar 2005	\$355,000	Abbott	Brandt	2	3,655	\$97.13
52	489 Earlville Rd.	Nov 2004	\$165,000	Schlaflke	Fromhertz	2	1,400	\$127.86
53	2512 Shaw Rd.	Jun 2004	\$153,500	Hlavin	Kapinski	2	1,638	<u>\$93.71</u>
Average sale price								\$104.72

Sales 17 - 53 located > 2 miles from turbines \$104.72 sq ft
 Sales 1 - 16 located within 2 miles of turbines \$78.84 sq ft

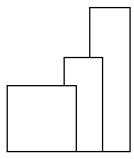
Difference in sale price per square foot \$25.89 sq ft

Average Value diminution within 2 miles of turbines 25%



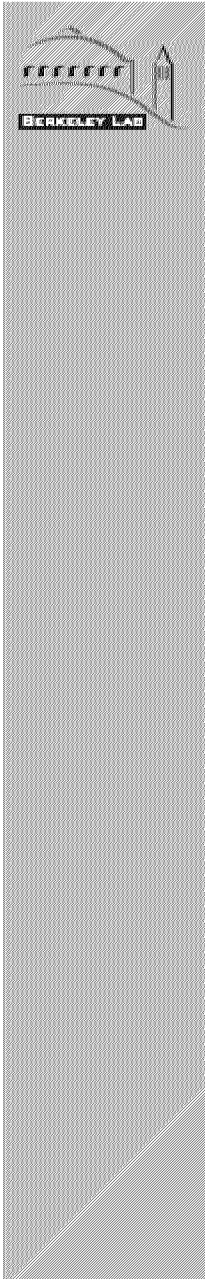
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Appendix D



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LBNL-2829E



**ERNEST ORLANDO LAWRENCE
BERKELEY NATIONAL LABORATORY**

**The Impact of Wind Power Projects
on Residential Property Values in
the United States:
A Multi-Site Hedonic Analysis**

**Ben Hoen, Ryan Wiser, Peter Cappers,
Mark Thayer, and Gautam Sethi**

**Environmental Energy
Technologies Division**

December 2009

Download from <http://eetd.lbl.gov/EA/EMP>

The work described in this report was funded by the Office of Energy Efficiency and Renewable Energy (Wind & Hydropower Technologies Program) of the U.S. Department of Energy under Contract No. DE-AC02-05CH1123.

This report was prepared by the above authors for the U.S. Department of Energy under Contract No. DE-AC02-05CH1123.

It has been reported that the contractors payment for the report was \$500,0000.

The following Figures ES-1, ES-2, ES-4 and photograph Appendix D & E were copied from this report without any editing by McCann Appraisal, LLC.

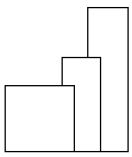


Figure ES-1: Base Model Results: Area and Nuisance Stigma

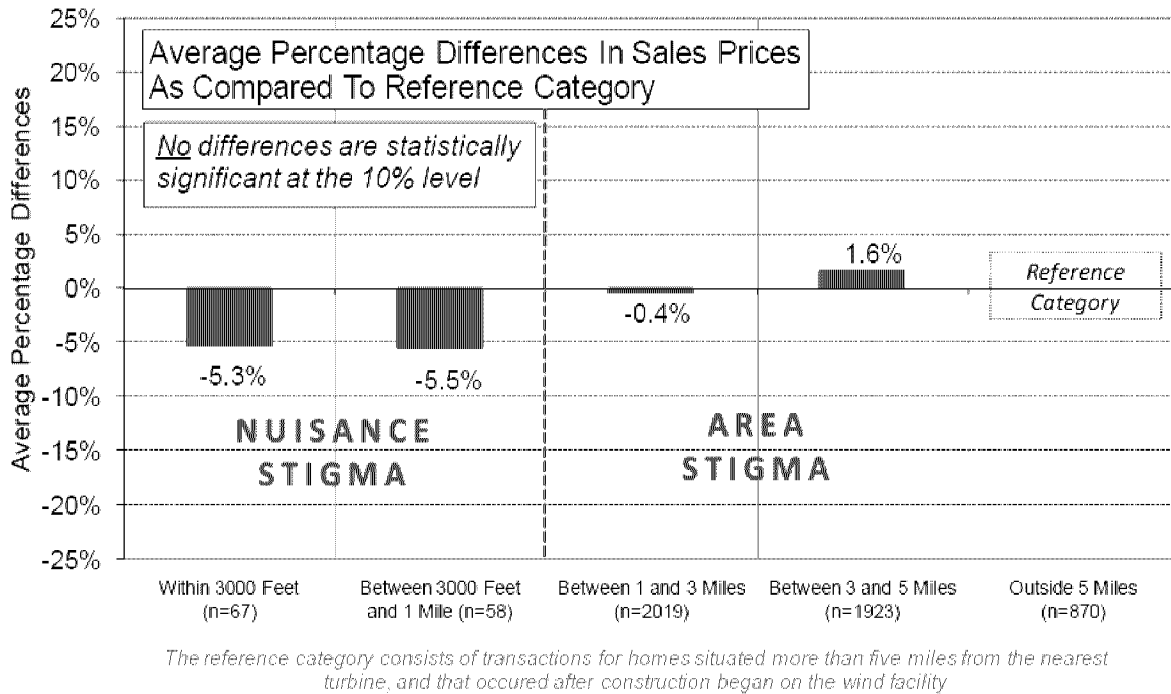
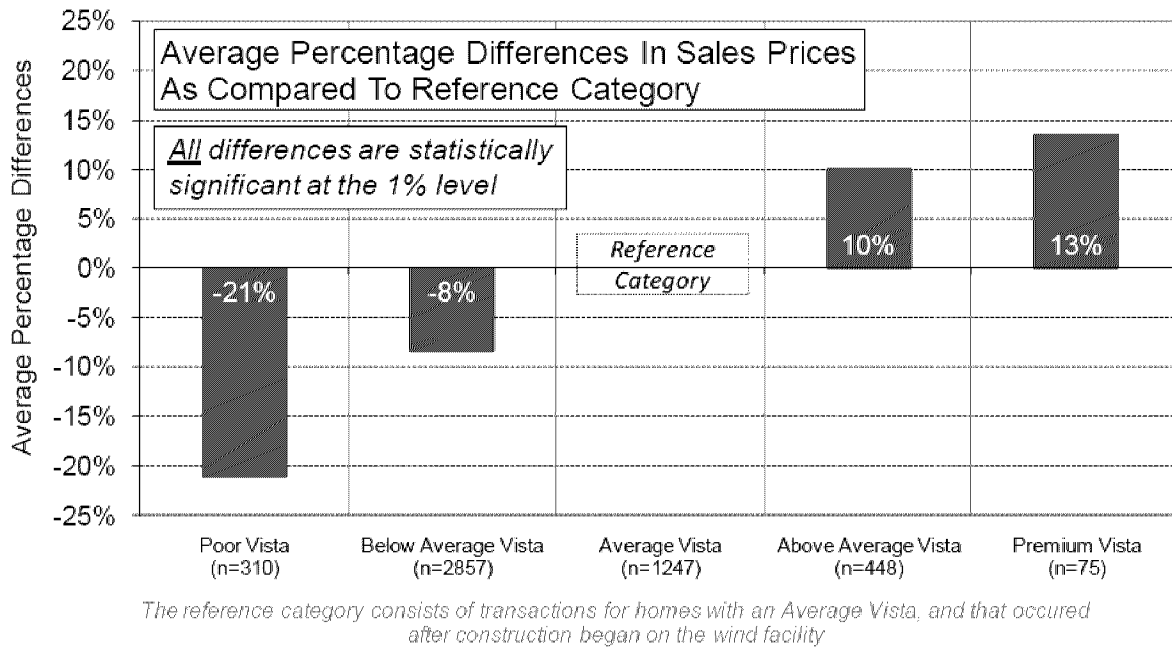
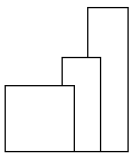


Figure ES-2: Base Model Results: Scenic Vista



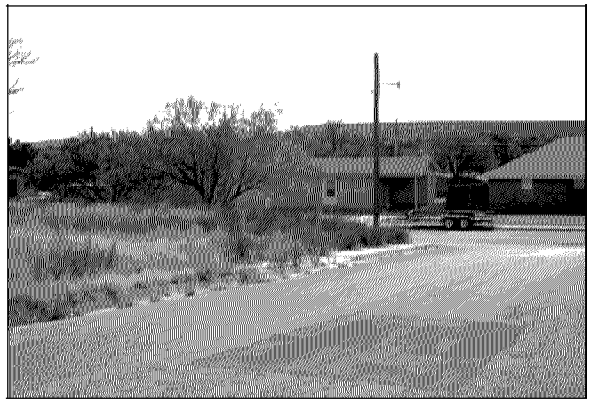


Appendix D: Vista Ratings with Photos

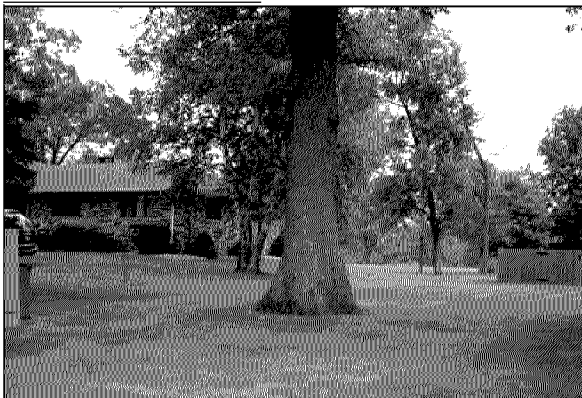
POOR VISTA

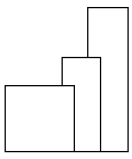


BELOW AVERAGE VISTA



AVERAGE VISTA

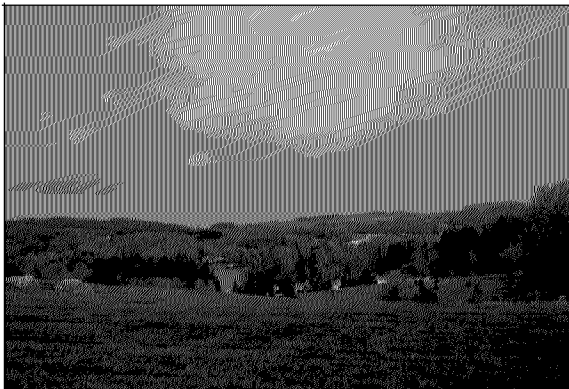


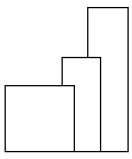


ABOVE AVERAGE VISTA



PREMIUM VISTA





Appendix E: View Ratings with Photos

MINOR VIEW

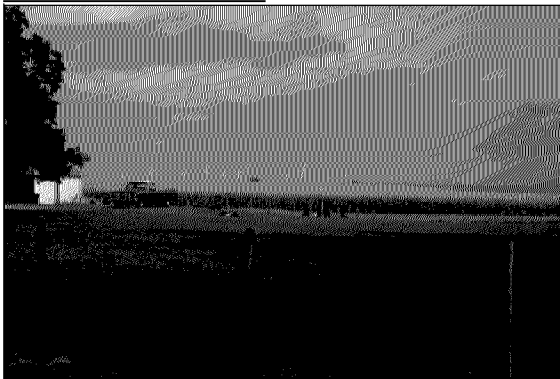


3 turbines visible from front orientation, nearest 1.4 miles (TXHC)

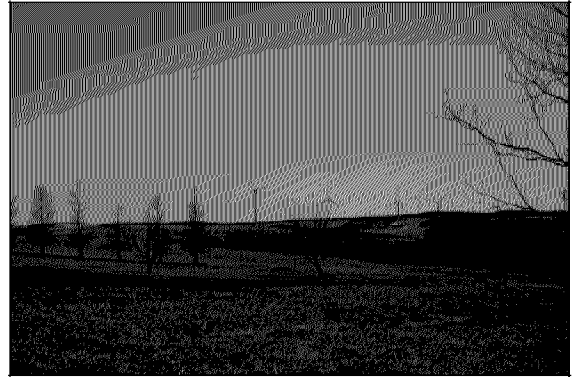


5 turbines visible from front orientation, nearest 0.9 miles (NYMC)

MODERATE VIEW

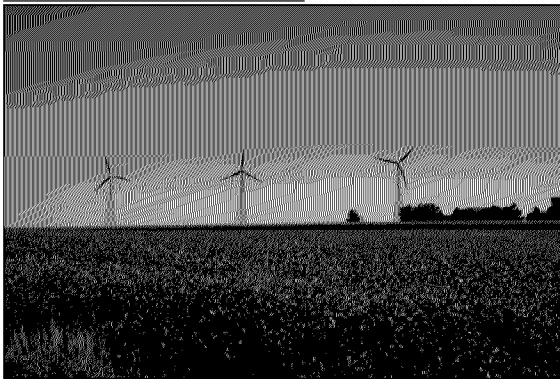


18 turbines visible from back orientation, nearest 1.6 miles (ILLC)



6 turbines visible from back orientation, nearest 0.8 miles (PASC)

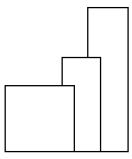
SUBSTANTIAL VIEW



90 turbines visible from all orientations, nearest 0.6 miles (LABV)



27 turbines visible from multiple orientations, nearest 0.6 miles (TXHC)



EXTREME VIEW



6 turbines visible from multiple orientations, nearest 0.2 miles (WIKCDC)



212 turbines visible from all orientations, nearest 0.4 miles (LABV)

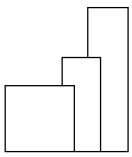
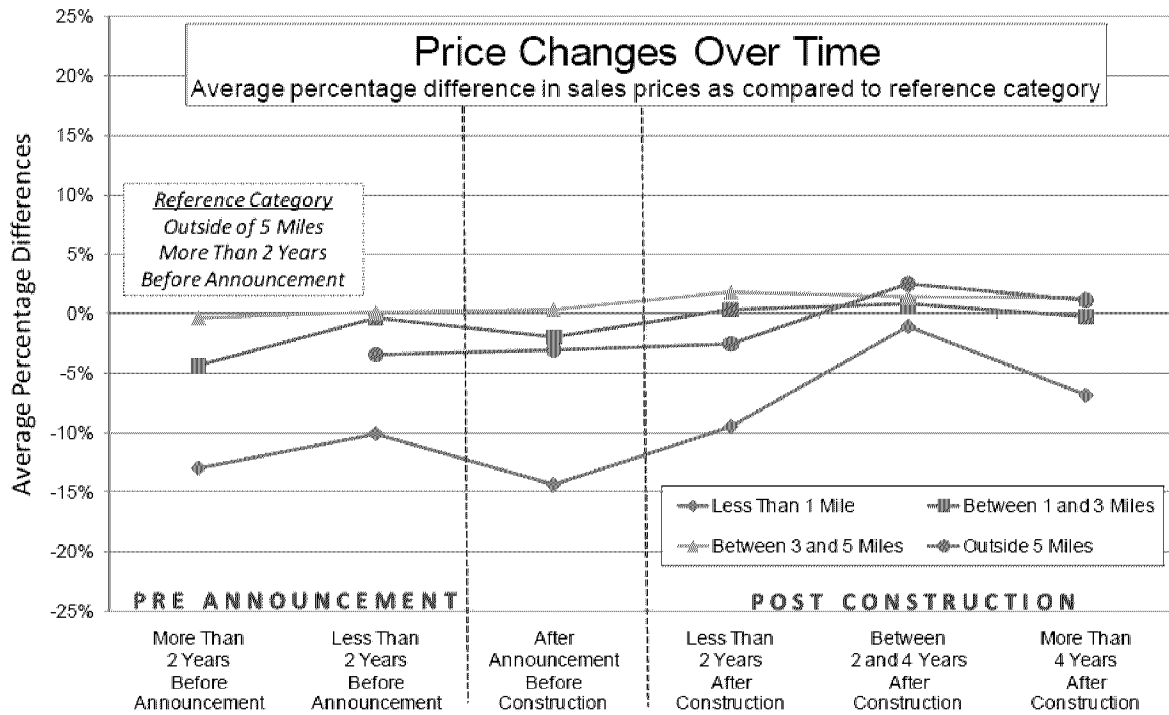
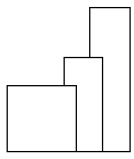


Figure ES - 4: Temporal Aspects Model Results: Area and Nuisance Stigma



The reference category consists of transactions of homes situated more than five miles from where the nearest turbine would eventually be located and that occurred more than two years before announcement of the facility



Property values blowing in the wind

REALTOR'S REPORT: Proposed turbine projects put damper on residential property sales in Cape Vincent

By NANCY MADSEN

TIMES STAFF WRITER

WEDNESDAY, APRIL 7, 2010

Sales records show that Cape Vincent has had a steeper decline in residential property sales than its neighbors and real estate professionals are starting to blame proposed wind power developments.

"People do not want to buy near windmills," said Amanda J. Miller, owner of Lake Ontario Realty, Dexter, who specializes in waterfront property sales. "They avoid purchasing in towns like Cape Vincent."

She presented her views and a report on property values to the Jefferson County Board of Legislators on Tuesday night.

In other countries that have had wind power development for a while, they have seen 40 percent to 60 percent drops in resale values, she said. Closer to home, she's had clients pull out of deals and refuse to consider areas that are possible sites for wind turbines.

"Even if people don't mind looking at it, they're not going to put their investment in an area where they're going to have turbines depreciate it," Ms. Miller said in a phone interview on Monday. "They don't want to look at them, see them, and others don't want to buy because they don't know what the wind turbines will do for property values."

National studies have gone both ways, some saying that wind turbines have no effect on property values and others saying the projects hurt property values.

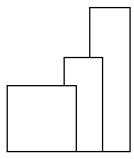
Data on the local real estate trends were compiled by Clifford J. Schneider, a Cape Vincent resident and former fisheries biologist with the state Department of Environmental Conservation.

The analysis compared Cape Vincent sales, closing prices and days on market to those in Alexandria Bay, Brownville, Clayton and Lyme from 2000 through 2009. The analysis included houses of more than 1,000 square feet on the Jefferson-Lewis Board of Realtors Multiple Listing Service.

Both overall residential sales and a subset of waterfront residential sales were analyzed.

Closings for the 2006-09 period declined 8.4 percent in the other four towns and 15.4 percent in Cape Vincent, though that was not statistically significant.

In waterfront properties over the last decade, closings fell 12 percent in Cape Vincent and 4.6 percent in the four-town average. In the more recent 2006-09 period, closings fell 10 percent per



year for the four-town average and 25 percent in Cape Vincent. The difference in the decline was statistically significant.

Cape Vincent had 10 residential property closings in 2009, three of which were waterfront.

"This should be a good wake-up call to people," Ms. Miller said.

Average days on market declined for the four towns by 9.5 percent per year through the decade. Through the decade, the trend was a drop by 7.3 percent per year in Cape Vincent, but in 2006-09 the days on market increased 58.5 percent per year, while the four-town average increased 10 percent.

"There is some evidence that the Cape Vincent housing market is in a slump, more so than what would normally be credited to the decline in the general economy," the report said.

The economy is playing some role in the decreased number of sales.

"Things are slow partly because the overall economy is so bad," said Brooks J. Bragdon, a real estate sales agent and Cape Vincent councilman. "But things are even slower in areas overdeveloped by wind turbines."

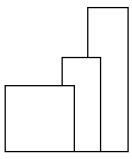
Some local wind farm opponents are pushing for a property value assurance agreement, in which a developer would pay the difference between a property's sale price and the value of comparable property outside of a wind power development if the property loses value.

The two real estate professionals said that won't be enough.

"I don't put too much stock into it because the aesthetics of the area are so valuable that you can't put a dollar figure onto it," Mr. Bragdon said. "We should address the setbacks and make them reasonable according to the zoning law and comprehensive plan and state and federal rules without getting into compensating people for lost value."

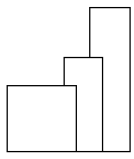
Ms. Miller agreed.

"It doesn't take care of the tourism economy," she said. "There's no way to solve that."



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Appendix E



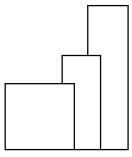
On ABC's Stateline, Lane Crockett of the wind industry said, "There is no evidence whatsoever in any peer-reviewed article or medical assessment that says there's any health effect from wind farms."

Worldwide, people are experiencing noise problems from wind farms, Nina Pierpont's research has been published with peer review, and the wind industry's story that people are not affected by noise from wind turbine noise is far from the truth.

The noise problem was experienced by residents near the Toora wind farm more than 4 years ago.



Early in 2007, Stanwell, Queensland Government, owners of the Toora wind farm, bought Les Osbourne's house which was about 600 metres or so from the nearest turbine and then bulldozed the house. Les was originally in favour of Stanwell building turbines all around him, believing the spin about there not being any noise problems. In fact he signed the petition in favour of the windfarm 5 times. Once the wind farm was built he started to suffer from the noise.

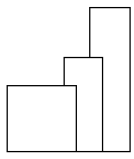


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The house, being demolished in the photos, is just across the road from Jayne & Steve's place who also suffered from the low frequency noise so much it affected their health and the company was required to institute temporary shutdowns of turbines.

And why is it the Brumby government does not want to use current noise standards and the wind industry is reacting so strongly against a national code for wind farm development?



Acoustic Ecology Institute

Wind Farm Noise: 2009 in Review

In the most extreme cases, families are forced to move from their homes to escape the effects of the ongoing noise disturbances. These are not necessarily people living extremely close to turbines; such unlivable situations have occurred from 1000 feet to over a half-mile from the closest turbines. Some wind farm developers have actually bought out neighbors that were especially impacted⁷, though most are left to make the best they can with a piece of property that will be difficult, if not impossible⁸, to sell. I have not seen any comprehensive listing of residents who had to move, but such reports are becoming more common in the US, Canada, and the UK, totaling perhaps three to six per year.

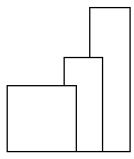
Oregon wind farm ruled too loud: six months to find fix

[Human impacts](#), [News](#), [Wind turbines](#) [No Comments](#) »

The Morrow County Planning Board ruled this week that the Willow Creek Energy Center, an 80-turbine wind farm, is producing noise levels that violate Oregon's noise limits, and gave Invenergy, the wind farm's owner, [six months to get the turbines into compliance](#). The wind farm began operating in January 2009, and by March, several neighbors within a half mile had raised serious concerns about the noise ([see this article for details](#)), including regularly having difficulty sleeping. Noise monitoring then took place, and in January of this year, the Planning Board received the results, which showed that noise levels at four homes sometimes exceeded the limit of 37dB. There was [some contention at that meeting](#), as neighbors had hired independent noise monitoring consultants, whose records showed more consistent violations than those of the Invenergy-hired consultant; the differences were pegged to the fact that the Invenergy consultant did not record in high wind speeds, contending that the noise gets no louder above wind speeds of 9m/s. It is unclear from initial news reports whether the wind farm will be required to comply with the noise limits based on the Invenergy sound monitoring protocol, which found excess noise just 10% of the time at one house, and less frequent slight violations at three others, or whether they'll use the more comprehensive techniques used by the local citizens, which found violations more consistently at two homes (one just over the limit, the other often over 40dB), with one home experiencing excess noise on 22 out of 37 nights.

Carla McLane, Planning Director for Morrow County, noted that while the commission did rule the wind farm was violating state regulations, it found the turbines only crossed the noise threshold at certain times of day and under certain conditions. "Some would want to view it in black and white and if it's a violation then you have to shut them down," McLane said. "Others would want to view it in terms of shade of gray and say it's not an ongoing and continuous violation. It's an intermittent violation."

"I'm not sure how someone can say this is an unusual, infrequent event," said Kerrie Standlee, one of the neighbors' noise consultants. "To me, 59 percent (of nights with excess noise) is not occasional or unusual." Standlee's noise study also went beyond Invenergy's in that he gave the residents a sheet of paper to log their experiences with time and date. He then overlaid those comments on the data and showed that when the residents reported high noise, the wind was blowing from a particular direction or at a particular speed. This last bit of information may offer Invenergy some direction about when they might shut down turbines if they want to avoid the worst of the noise issues, during the six months they have to get into compliance.



The Planning Board struggled with the conflicting approaches, according to the the East Oregonian ([article archived here](#)). "I have a very hard time coming to a concrete conclusion on which study I feel is accurate," Commissioner Pamela Schmidt said. "I'm not a licensed engineer in acoustics myself and there's been so much information I can't make a decision." Invenergy claimed that the background ambient noise varies, so that in higher wind periods, it should be allowed to exceed 36dB; yet, in its permit, it used the 26dB ambient standard, which is the state's default if measurements are not made ahead of time. Complicating matters more is the fact that, as the [East Oregonian noted](#), "the rule does not direct agencies on how to administer the rule or decide conflicts such as the one between Invenergy and its neighbors. The agency that originally enforced the rule, the Oregon Department of Environmental Quality, has since defunded and destaffed its noise program."

It's worth noting that the noise issues seem to be quite pronounced even at sound levels of 40dB. Oregon's 36dB limit is among the most conservative in the country; it's based on being 10dB above average night time ambient noise levels, which have been measured at 26dB. It appears that noise issues may well be present even when the measured sound levels are at or very near 36dB; this is in synch with reports from elsewhere, which suggest that people accustomed to quiet rural night time soundscapes are quite easily disturbed when turbine noise becomes one of the loudest local sounds, even when absolute noise levels are not extreme. In general, acousticians consider a sound to become readily audible when it is 5dB above ambient, with disturbance considered likely when it reaches 10dB above ambient.

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Clifton Maine considers 4000 foot setbacks for wind turbines

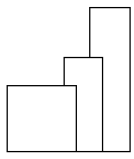
[Human impacts](#), [News](#), [Wind turbines](#) [No Comments](#) »

A private landowner in Clifton, Maine, is hoping to erect four commercial wind turbines on a small ridge known as Pisgah Mountain, and sell the energy to the local utility, Bangor Hydro. Hearing of negative experiences in other Maine towns, including Mars Hill and Vinalhaven, some local residents are concerned about noise impacts and effects on wildlife. The town of Clifton has drafted a new ordinance that sets 4000 feet as the minimum distance between a turbine and a neighboring house; this ordinance will go before voters on June 8. In both other towns, affected families live within 3500 feet of the local turbines.

"What we have on this site is setbacks to the closest residence of a little over 4,300 feet," says Paul Fuller, who owns the 240 acres where the turbines would be built. "I think we could boast that that is the farthest setback of any wind farm in the state of Maine at this point." Several other homes are within a mile to mile and a half of the location.

If this project moves ahead, it would be one of the first to do so with regulatory setbacks of over 1500-1700 feet, which are commonly used in Maine and elsewhere in the US, as developers aim to reach a 45dB limit at homes.

The ordinance allows sound levels of up to 50dB during the day and 40dB at night; past experience would suggest that at this distance, these sound levels are unlikely to be reached, though it is entirely possible that the turbines will be somewhat audible up to a mile or so away at times (night time noise levels in rural areas can be as low as 20-25db). Some community advocates urge setbacks of a mile or mile and a quarter, to more surely eliminate



audible noise issues; this project would be a valuable “guinea pig” for the helping answer the crucial question of where the proper balance lies between wind development and respecting the rural soundscape of small towns.

[Read more and see a news clip at WLBZ2.com](#)

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UK addresses challenges in assessing wind farm noise

[Human impacts](#), [News](#), [Wind turbines](#) [No Comments](#) »

England’s primary environmental agency, the Department for Environment, Food, and Rural Affairs (DEFRA), has commissioned a study to improve techniques for assessing wind farm noise. “There is a possibility that local authorities are not currently investigating complaints about noise from wind farms due to the absence of any formal technical guidance,” an internal document reads. “Defra wishes to let a contract to provide local authorities with a methodology by which to investigate noise from wind farms, to support local authority enforcement of statutory nuisance legislation.” [According to the Telegraph](#), the report is due out later this year, and should make it easier for local councils to respond to noise complaints. [A recent survey](#) suggests that about one in seven UK wind farms have spurred noise complaints; noise campaigners contend that many people who are bothered do not file formal complaints, since they are rarely acted upon.

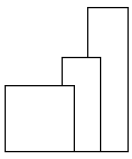
Meanwhile, also in the UK, the [Bradford Planning Inspector upheld a ruling by the city Council to deny a permit](#) for building a single large turbine at a factory in town. The applicant had appealed the denial, since its noise studies showed that that the turbine would be in compliance with the federal noise code ETSU-R-97, which is the only code named in the statutes. However, the investigating Bradford Council Environmental Health officer used several other noise level methodologies when he visited a similar turbine in Norfolk. Using World Health Organisation and British Standard guidelines and codes of practice, as well as ETSU-R-97, he came to the conclusion that the Princes Soft Drinks turbine would cause a noise nuisance for nearby residents. The [Planning ruling noted](#) that even according to the company’s modeling, “for some dwellings under certain conditions, the emitted turbine noise is likely to lead to complaints. Furthermore, according to WHO standards, there would be times when this noise could result in sleep disturbance, or prove to be a serious annoyance to residents. I find this to be unacceptable.”

Councillor John Ruding said: “I am delighted that the inspector agreed with the local community and their voices have been heard. “These proposals were an experiment on people’s lives which was not acceptable.” Earlier, [at the time that the company appealed the initial denial](#), another Councillor, James Cairns, had noted, “The Council has done its best. Its officers didn’t believe it was feasible in the area. Bradford is not against wind turbines - if you go up onto the moors, you will see them. But turbines of this size have not been tried and tested in urban areas.”

14

Third of a mile setback doesn’t prevent wind turbine noise issues in Falmouth

[Human impacts](#), [News](#), [Wind turbines](#) [No Comments](#) »



When the town-owned wind turbine began operating at the Falmouth, MA wastewater treatment facility in March, most townspeople saw it as the most striking example of the town's far-reaching commitment to sustainability.

Since then, it's generated about a third of the town's electricity needs, and a second turbine is being readied for installation nearby this summer. As noted at a [forum on the town's many energy-savings initiatives](#), in discussing the second turbine: "The special thing about the site is it's remote. The nearest home is about 1/3 mile away, which is important in terms of noise and appearance." (This is just under 1800 feet, or 600 yards.)

But over the few weeks since the first turbine began operating, residents are finding the noise much more disruptive than they'd imagined. [According to the Cape Cod Times](#), some neighbors who live in the sparsely populated, wooded area around the treatment facility were horrified when they heard the noise. "It's destroyed our capacity to enjoy our homes," Kathy Elder said. Elder said the noise surrounds her residence, alternating between a jet's whine, thunder and a thumping that sometimes can be felt.

The town has received formal complaints from six residents, one of whom, Annie Hart Cool, has gathered over 40 names of people within a mile or so who say they are affected. She notes that her husband enjoys working in their yard after work, "but when he comes back inside and his head is hurting, you know something's wrong."

Assistant Town Manager Heather Harper says that the town has asked Vestas, the turbine manufacturer, to come check whether there are any mechanical issues that may be causing elevated noise levels, and is asking residents to compile records of when the sound is worst, to help the town figure out how to respond. "This has been a community project from the beginning," Harper said. "We're genuinely concerned and we take the complaints very seriously." At the same time, Harper noted that "We didn't expect no sound, but it should meet all governmental standards." This is, indeed, often the issue: governmental noise standards, which tend to range from 40-50dB, are not always sufficient to avoid negative impacts on the nearest neighbors.

UPDATE: [Another local newspaper covers the brewing controversy.](#)

03

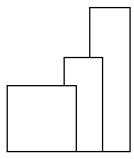
South Dakota residents fail to get half-mile wind farm setbacks

[Human impacts](#), [News](#), [Wind turbines](#) [1 Comment](#) »

An excellent [3-part series on wind farm development](#) ran [this week](#) in the Bismark Tribune. It has a good balance of the excitement and economic benefits that attract farmers to the industry, and well-stated concerns from those who want larger setbacks in order to protect neighbors from noise. The grey area around health impacts is navigated quite well, with a well-grounded emphasis on sleep disruption; and most strikingly, the piece includes acknowledgement that there is individual variability in how easily people can adapt to a new and potentially intrusive noise source.

Interestingly, there are repeated indications that in this community, as in others, a half mile setback was seen as the "sweet spot" that could accommodate both industry and neighbors; in initial community meetings, there was significant support for a one-mile setback, while a general consensus emerged that a half mile would be tolerable to most people. Nonetheless, the county decided to go with a third of a mile (1750-foot) setback, which has some community members concerned that the turbines will be audible enough to be disruptive at times.

25



Maine towns keep wind farms at arm's length as state looks to far offshore sites

[Human impacts](#), [News](#), [Ocean](#), [Wind turbines](#) [No Comments](#) »

“As goes Maine, so goes the Nation?” While this old political truism has faded in recent decades, the State of Maine is currently blazing trails in carefully considered wind power development. At the local level, small towns continue to pass moratoriums and strict setback standards. Most recently, [Thorndike became the third town to set a one-mile setback](#), with the neighboring town of Dixmont taking up a similar ordinance at this week's town meeting. Meanwhile, two more towns, Avon and New Vineyard, joined four others who have hit the pause button on any wind farm developments by [adopting moratoriums on any permits](#). These actions come in the wake of three projects that have [generated significant noise](#) issues for [neighbors](#) out to as far as 3000-3500 feet; thus, half-mile setbacks are being seen as not enough to avoid risk of disrupting rural lifestyles.

While these towns see the state as being overly aggressive in supporting ridgetop wind farms (abetted by the fact that a former Governor is one of the state's leading wind developers), when it comes to offshore wind development, the state's goals will be much more welcome for most coastal communities. Instead of opening Maine state waters to windfarm leasing, the legislature's Committee on Utilities and Energy is [redrafting controversial ocean windfarm bill LD 1810 to do the very opposite](#). Under changes to be finalized today at the committee's 2nd worksession on the bill, “An Act To Implement the Recommendations of the Governor's Ocean Energy Task Force” will focus Maine instead on constructing floating deepwater windmills on land, and then deploying them at locations ten miles offshore and further, where wind speeds are higher and more consistent and fisheries are less impacted.

The plan received an enthusiastic response from the Maine Lobstermen's Association, which has been very concerned about the impacts of any traditional bottom-mounted wind turbines on their activities near shore.

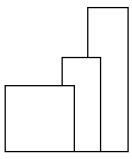
Habib Dagher, who leads the [University of Maine's offshore wind project](#), offered a timeline for getting deepwater wind energy going off Maine. “Our goal is build our first demonstration floating turbine - a third-scale turbine about 120 feet above the water - next year, and place it in the water the year after in the Monhegan site,” Dagher said. “In 2013 we would build the first 4 or 5 megawatt unit, In 2014 and 2015, a 25 megawatt farm.” He predicted that offshore wind would keep growing: “The next phase is development of a large scale 500 to 1,000 megawatt farm. We have at least one developer interested to do that and have it operational in 2020”

22

UK: Noise complaints at 37 of 255 wind farms

[Human impacts](#), [News](#), [Wind turbines](#) [1 Comment](#) »

Here's a bit of news that might be spun either way, depending on your predilection. Jane Davis, who was driven from her home by wind farm noise, has been compiling information on English wind farms and noise complaints; she has found that 37 wind farms have spurred some sort of noise complaints nationwide. This amounts to about 1 in 7 UK wind farms, in contrast to an oft-repeated mantra that “only four” UK wind farms had noise issues, and they'd been “resolved.” The new numbers could support those cautioning that wind farm noise issues are more widespread than generally acknowledged, AND those who claim that noise issues are the exception rather than the



rule; it certainly reinforces AEI's theme that we need to acknowledge that a minority of people are affected by noise around wind farms, and that we must come to grips with how to address this.

[This article in the Telegraph](#) details some of the information shared at a gathering of wind farm noise campaigners, WindCon2010. Gillian Haythornthwaite, who lives near the wind farm in Askam with her partner Barry Moon, said it has been a "devastating" experience. "It is a dreadfully irritating whoosh, whoosh noise," she said. "It is unbearable to be outside in the garden when there is the noise."

[Read the rest of this entry »](#)

23

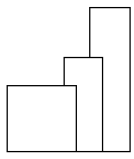
Ontario wind tech and health research chair named-background is solid in tech, weak on health

[Health](#), [Wind turbines](#) [No Comments »](#)

Electrical engineer [Siva Sivoththaman](#) has been named to the newly-created Ontario provincial Research Chair in Renewable Energy Technologies and Health. Local activist groups that have raised concerns about the effects of wind farm noise on neighbors had hoped that this position, created as part of Ontario's new Green Energy Act, would take the lead in formally investigating the negative health effects some neighbors of wind farms have reported. However, the choice appears to be more oriented toward the technology aspect of the Chair's responsibilities. As noted in the [request for proposals](#): "The Chair in Renewable Energy Technologies and Health will focus first on emerging science and technology related to wind turbines, and then will explore the potential health effects from renewable energy."

According to a [news release](#), "Dr. Sivoththaman will bring focus to multi-disciplinary activities in renewable energy technologies and health, ensuring that health and safety are top priorities in the induction of new technologies. His research program will develop new technical approaches and will provide guidelines in setting standards to ensure health and safety in the manufacturing, use, and end-of-life phases of renewable energy technologies." [Sivoththaman's research](#) centres on silicon-based crystalline and thin-film photovoltaic devices, and he serves as director of the Centre for Photovoltaic Systems and Devices, which occupies much of the photovoltaic research building beside Matthews Hall. His interest extends to nanocrystalline semiconductors, and he was the first director of the University of Waterloo's nanotechnology engineering program when it was launched in 2004. Two leading Ontario wind activist groups expressed their disappointment with the choice; [Wind Concerns Ontario](#) said "We have no faith in any meaningful body of evidence being produced on health effects from wind turbines by this government-funded non expert and Ontarians will suffer for it," while the [Society for Wind Vigilance](#) chair Dr. Robert McMurtry said the choice missed the mark in that "the lead and expertise of this Research Chair would more appropriately have been a clinician scientist. We strongly encourage the new Chair to seek the appropriate collaborators as the research program is established."

It is as yet unclear what the Chair's timeline will be in addressing the dual (and quite distinct) topics he is charged with overseeing. Given the widespread concern about health effects, and the role this concern is playing in the wind development process in Ontario and elsewhere, we hope that the two topics will be pursued simultaneously. And indeed, as McMurtry suggests, it is clear that the Chair will need to bring in some experts in health and



acoustics to effectively address the health aspects; in the spirit of collaboration and inclusiveness, we can also hope that his research/investigative team draws from qualified experts who have expressed concerns about wind noise, as well as those who have previously worked on reports that found few health effects.

11

Vinalhaven begins month-long “experiment” in reducing noise issues

[Human impacts](#), [News](#), [Wind turbines](#) [4 Comments](#) »

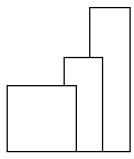
The Fox Islands Electrical Cooperative on Vinalhaven, an island off the coast of Maine, has begun a month-long experiment as a first step in trying to come up with a local solution to noise issues from three wind turbines that began operating in November. About two dozen people within a half-mile of the turbines have reported annoying levels of noise, with six property owners claiming that their lives are severely impacted. Others in the same area who can hear the turbines are not particularly bothered by the noise.

Shortly after the turbines started operating, and some residents (including some who were excited about the wind farm, and some who had been skeptical) reported unexpected noise issues, neighbors began noting the times that the sound was most troublesome, in an effort to identify what wind directions or atmospheric conditions might be most to blame. At its January meeting the Board of the electric coop decided to conduct a month-long “experiment” during February, in which the turbines would be slowed down in random patterns. Sound measurements will be made throughout the month, and the 38 households within a half-mile are being asked to log their sense of the noise on a regular basis (half these households are summer people, so are unlikely to be participating). In a letter to coop members, the board said the experiment “will enable us, as a community, to figure out what to do and come to a solution that works, as well as possible, for everyone.”

A [very detailed article in The Working Waterfront](#), a local paper, features a variety of comments from a locals about the process that is underway to find a community-based solution to the noise problems. Some find that the noise is moderate enough to be tolerable, easily drowned out by other sounds such as the TV or a car passing by, or being no more bothersome than a dishwasher running in another room; one person remembers the noisy generator that used to provide power to the town in the 60s and 70s, which people got used to. Some who have been disturbed share their perceptions, as well; Ethan Hall notes that “I’ve never heard anything in my life that sounds like it.” Both he and Lindgren (another neighbor being affected) believe that current sound measurement standards do not take into account the complexity of turbine noise and its true impact. “The nature of the sound is so unique, that to try and quantify or qualify it with a strict dBa [decibel] measurement is an entirely inadequate way of describing the effect on people and surroundings,” Hall feels. An hour-long radio interview with Hall and others being affected, recorded this past December, is [available on the WERU website](#).

The Acoustic Ecology Institute

May 31, 2010



Lawsuits begin to crop up, challenging nearby wind farms

In recent months, several lawsuits and formal complaints have been filed, claiming unlawful nuisance and/or impacts on property values and quality of life near wind farms. Most recently, sixteen residents sued the Michigan Wind I wind farm and its developers, laying out a series of complaints, including (as [detailed in the Huron Daily Tribune](#)):

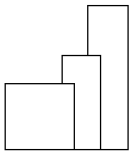
- Private nuisance from, among other things, sustained and highly annoying audible noise and amplitude modulation in both audible and sub-audible frequencies
- Negligent design of a wind farm, including a noise assessment that estimated only audible noise levels within the dBA range, and did not consider low frequency noise or impulse noise
- Negligent misrepresentation, claiming the wind companies made false representations in board of commissioner and planning commissioner meetings and public hearings when company representatives said the wind farm's operations would not result in a noise nuisance or cause adverse health effects to adjacent landowners. "(The defendants) were negligent in making these misrepresentations because, as the parties seeking approval to construct a wind turbine farm in Huron County, they had a duty to use reasonable care to provide Huron County and its citizens with both accurate and complete information," the lawsuit states. The plaintiffs claim the wind companies provided inaccurate and/or incomplete information about the audible turbine noise levels, and no information about low frequency noise, infrasound and/or impulse noise emitted from the turbines.

In Pennsylvania, the Allegheny Ridge Wind Farm [settled out of court this](#) week as a lawsuit brought by Todd and Jill Stull was moving toward a jury trial in July. The suit alleged that the company misrepresented the noise levels that would be generated by assuring residents the noise would be minimal. The agreement is bound by confidentiality, so no details are available. See [earlier coverage of the lawsuit here](#).

Meanwhile, in neighboring Wisconsin, a family that abandoned their home near the Forward Energy Wind Center, is assessing their options after the state Public Service Commission dismissed a complaint they filed, seeking compensation from the wind developer for business losses from their alpaca farm, health impacts and property value losses. The PSC determined that they did not have jurisdiction to consider the complaint, and recommended the family seek relief in circuit court. [Read more on this in the Milwaukee Daily Reporter](#).

In Maine, neighbors of the Mars Hill wind farm [filed suit in August](#), seeking compensation for what they say is a resulting drop in their property values along with emotional and physical distress.

In 2006, residents near a Texas wind farm were [rebuffed by courts in their region](#), which ruled that [noise issues were aesthetic claims](#), and did not qualify for relief under nuisance laws. There, turbine noise averaged 28 dBA at



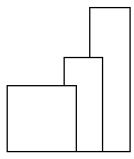
McCann Appraisal, LLC

a distance of 1.7 miles from the wind turbines, and 44 dBA at 1,700 feet; it's worth noting that night time ambient sound levels are likely between 20 and 30dB in this ranch land.

Across the pond, a court in France responded to a noise complaint by ordering 8 wind turbines shut down from 10pm to 7am.

And, while not a court challenge, residents in Massachusetts have asked the state public health commissioner to assess the health and well-being effects of living near wind farms. Since a single turbine began operating in Falmouth, over forty nearby residents have struggled with noise issues; one, an air traffic controller, is concerned that sleep disruptions he's experiencing will affect his job performance.

<http://aeinews.org/archives/926>



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Interview with Ann and Jason Wirtz
N1157 Hwy YY
Oakfield, WI 53065
902 960 5246
Dodge County, Wisconsin
Conducted on the evening of May 2, 2009 by Lynda Barry

WIND TURBINE NOISE FORCES WISCONSIN FAMILY TO ABANDON HOME

TOWN OF OAKFIELD- While lawmakers in Madison consider a bill which will override local government and give the Public Service Commission of Wisconsin siting authority for wind farms throughout the state, one Dodge County family already living in a wind farm approved by the PSC has decided to abandon their home due to turbine noise.

Ann and Jason Wirtz have a pretty Wisconsin farmhouse near the Town of Oakfield. It's the kind of place that had people stopping by to ask if the family would consider selling it.

"They'd just pull into our driveway," says Ann. "There were people who said if we ever decided to sell it, we should call them."

Although turn-of-the-century house needed a lot of work when they bought it, they didn't mind. The Wirtz family planned to stay. They both grew up in the area and wanted to raise their children there.

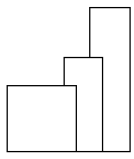
"I thought we were going to live here for the rest of our lives," says Ann, a mother of four. "I thought one of our kids was going to live here after us."

This was before 86 industrial wind turbines went up around their home as part of the Forward Energy wind project which began operation in March of 2008. The closest turbine is to the Wirtz home is less than 1300 feet from their door.

"Last night it was whining," said Ann. "It wasn't just the whoosh whoosh whoosh or the roaring. It was a high pitched whine. And I don't just hear them, I can feel them." She describes a feeling like a beat in her head, a pulse that matches the turbine's rhythm.

"Last night was really bad," she said.

She says she knows which nights are going to be loud by which way the turbine blades are facing, and her family dreads the nights when the wind is out of the west. "That's when they are the loudest."



Jason said he found out there was a wind farm planned for his area from a neighbor he ran into at the post office. “He asked me if I knew anything about the turbines coming in. I didn’t.” Jason came home and mentioned it to Ann.

“When I first heard about it I wasn’t that alarmed.” says Ann, “People were saying how bad they could be, but I just didn’t believe them at first.”

She assumed the turbines would be sited much further away from her home, unaware of the controversy over the setbacks approved by the Public Service Commission of Wisconsin which allows turbines to be sited close as 1000 feet to the homes of people like the Wirtzes.

“All those orange flags they put in were way back there. I was thinking it wouldn’t be too bad. And then when that access road started coming in so close I said, ‘what the heck is going on?’

Meanwhile, Jason had been attending town meetings and learning more about the project. The more he learned, the more worried he became. Five months before the turbines went up, the Wirtz family decided to sell their house.

They called people who had let them know they’d be interested in buying it. “When they found out about the turbines,” said Ann, “They weren’t interested anymore.”

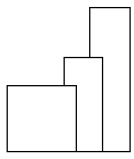
Wirtz family prepared the house to put on the market. In November of 2007, the home, sitting on eight acres, was appraised for \$320,000. But this once sought-after property could find no buyers. “As soon as people found out about the wind farm coming in,” says Ann. “That was it. And once they started building the roads to the turbines, forget it. They’d ask what that road was for, we’d tell them and we’d never hear from them again.”

After the turbines went up, interested buyers stopped showing up altogether.

“We tried to find another realtor,” said Ann, “They’d ask ‘is it near the wind turbines?’ and when they found out it was, they wouldn’t even bother to come out to the house to look at it. One realtor told me it wasn’t worth her marketing dollars to even list it because if it was in the wind farm she knew she couldn’t sell it. I mean have you ever heard of a real estate agent turning down a chance to sell a house?”

Another realtor said they would have to price it well under \$200,000 to get anyone to even look at it. “At that price we were going to be \$50,000 worse than when we started,” said Ann. “And that didn’t include the 12 years of work we put into the place.”

But the Wirtzes were increasingly anxious to get away from the turbines. While Jason, who works nights, wasn’t having much trouble with the turbine noise, it was keeping Ann and her children from sleeping well at night. They were tired all the time. They were also getting frequent headaches.



And there was trouble with their animals as well. The Wirtz family raise alpaca and have a breeding herd. Ann says the Alpaca became jumpy the first day the turbines went on line. “Normally they are so calm. But the day the towers started up, they seemed to panic. They were on their back legs right away.”

Ann says the herd had always been docile and healthy, with no breeding problems. Since the wind farm started up, their temperament has changed and none of the females have been able to carry a pregnancy to full term. “ They’re nervous all the time now. I can’t prove anything but I do know my animals. And I really felt something was wrong. All the years we’ve had them we’ve never had a problem.”

At night herd shelters in the large metal shed behind the Wirtz home. When the turbines are loud, Ann says the sound echoes inside the shed and the metal vibrates and hums. “The noise in here gets just unbelievable. When the tin starts to vibrate in here, they can’t stand it. I have to find them a better home. This is torture for them.”

The same turbine noise has driven Ann out of her own bedroom “I can’t stand to be in that room anymore. I don’t sleep at all. My sleep has been terrible.” Instead she sleeps on the couch where a fan on their pellet stove helps counter the turbine noise. “My number one complaint is how tired I am all the time,” says Ann, “I never had that before, ever.”

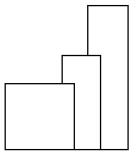
Says Jason, “We don’t have air conditioning, we didn’t want it and we didn’t need it. In the summer we just opened the windows and let cross breezes cool the house. But the first summer with the turbine noise we had to shut the windows and turn on the fan. We couldn’t stand it.”

After one of the children was recently diagnosed with a severe stress-related illness, the Wirtzes decided they’d had enough. They decided the health of their family was more important than keeping their home, and they are abandoning it.

“Now, after all the trouble we’ve had living here” said Ann, “ If a family showed up and wanted to buy the place and they had kids, I don’t think I could sell it to them. Knowing what I know about living here, I just don’t think I could put another family through this.”

They are now looking for a place in a nearby village. “We were born and raised in the country but we’re thinking of moving to Oakfield because they aren’t going to plop a 400 foot turbine in the middle of the village, says Jason. “And I know I’m going to have to drive by this place every day on my way to work. It’s going to make me sick to see it, but I can’t stay here anymore.”

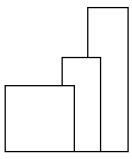
Ann adds, “I say we move near whoever it is that decides on the setbacks because you know they’ll never have a turbine by their place”



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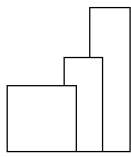
Jason and Ann sit at the dining room table and point out the elaborate woodwork they'd stripped and re-finished by hand. Jason holds a picture of the farmhouse from happier times. Earlier that day they'd met with the people at the bank to let them know they were giving up their home.

Jason says, "At least we're young enough to start over. My mom, she doesn't have much money and now she has turbines around her house. She said, 'This house was my retirement,' Her and my dad put everything into that house. Now I don't know what she's going to do." Jason says, " The quality of life we had here is just gone. I grew up here and I loved it here. But I don't anymore. "



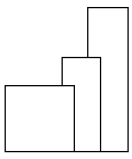
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Appendix F



Representative Sample of Neighbor Complaints

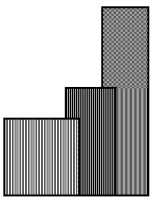
Name	State	Project	MW	Turbine Setback	Notes
Rene Taylor	IL	Twin Grove	396	1500	sued over substation near home; suit dropped but can be brought again
David & Stephanie Hulthen	IL	Illinois Wind		1500	complained
Patty Spalding	MA	Newburyport			complained; worked to get ordinance changed
Sharon Eddy	MA	Falmouth			complained
Todd Family	ME	Mars Hill	42	2500	sued town and company
Carol Cowperthwaith	ME	Mars Hill	42	2500	sued town and company
Phil Bloomstein	ME	Freedom		1000	no action
Ethan Hall	ME	Vinalhaven		2500	threatening suit. Wind company claims they are trying to fix the problem
David and Sally Wylie	ME	Vinalhaven		2500	threatening suit. Wind company claims they are trying to fix the problem
Art and Cheryl Lindgren	ME	Vinalhaven	42	2500	threatening suit. Wind company claims they are trying to fix the problem
Fletcher Family	ME	Mars Hill	42	2500	sued town and company
Boyd Family	ME	Mars Hill	42	2500	sued town and company
Harris Family	ME	Mars Hill	42	2500	sued town and company
Burtchell Family	ME	Mars Hill	42	2500	sued town and company
Gene Champagne	MI	Harvest Wind Farm			registered complaint
Charlie Porter	MO				sued wind company; case dropped
Daniel & Carolyn d'Entremont	Nova Scotia	Pubnico Point		1000	abandoned home
Tim Yancey	NY	Maple Ridge			filed complaints
Jessica	NY	Sheldon Wind			no action
Jim and Judi Hall	NY	Cohocton Wind			filed complaints
Hai Graham	NY	Cohocton Wind		1000	has turbine on land; came out against wind company
Colette McLean	Ont			1000	developer purchased her home
Barbara Ashbee-Lormand	Ont.			1000	abandoned home
Dale Rankin	TX	Horse Hollow			sued but lost in court
John Ruggiero	TX	Barton Chapel		2500	complained to county
Tom Shea	VT	Searburg		1000	complained; asked for property value reduction
Larry Wausch	WI			1500	complained
Gerry Meyer	WI	Forward Wind		1100	complained
Ann and Jason Wirtz	WI	Forward Wind		1000	abandoned home; filed suit
Tony S. Moyer	WI	Cedar Ridge		1320	complained
Barbara Aper	IL	Rail Splitter		1500	sued; settled; sold at reduced price. Horizon wind guaranteed property value
Todd and Jill Stules	PA	Allegheny Ridge		2000	sued over noise; case accepted in court and pending



Why did the people who once lived in this house have to abandon it?



The home in the photo above was made uninhabitable by wind turbine noise and vibration. The family who once lived here were forced to abandon their home in 2006. Three years later, it remains empty and unsold. [To read more about this story, http://www.windaction.org/news/3003](http://www.windaction.org/news/3003)



McCann Appraisal, LLC

December 14, 2009

Mr. Ben Hoen
Ernest Orlando Lawrence
Berkeley National Laboratory

Re: The Impact of Wind Power Projects on Residential Property
Values in the United States: A Multi-Site Hedonic Analysis

Dear Mr. Hoen:

I have prepared this follow up Certified Review letter after reading your group's published study (Report). Perhaps the LBNL research team will be doing supplemental or ongoing work that will incorporate corrections, additions and shift the focus to reflect proportionate relevance, and these review comments and concerns can be given due consideration.

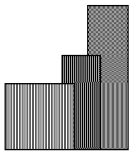
With all due respect, the final Report falls short of being a truly objective and reliable real estate value study of the issue at hand, in my professional opinion, the reasons for which I will begin to describe in this follow up review.

Intended Users of Report

As I predicted in a prior communication with you, your final Report would get a lot of exposure and probably be cited as justification for zoning and land use application approval requests for wind energy projects, on a far reaching scale.

For that reason, an abundance of caution should have been utilized to emphasize any reasonable and logical interpretation of the "nearby property" study data, even when that is contrary to, or significantly differs from, the thrust of the general conclusion that is based on the 5-mile and beyond data.

In this day and age of questionable "science" being applied regarding predictions of global warming, any appearance of omitting relevant data or painting "targets around bullet holes" does little to solve controversies or facilitate sound, well informed planning and decision making. With that preface, my review comments are, as follows:



Turbine Height

First, I direct your attention to Report *Table 2*, which cites study locations and the “hub” height of turbines. This is misleading to a typical reader, as zoning standards usually include the height as fully extended by the turbine blades. The height of the structures does not peak at the “hub” and there is obviously a greater height, often approximately 400 feet and current projects proposed up to 500 feet; by any objective measure more significant than the lower hub height.

First McCann Review of LBNL Draft report

The Report omitted the fact that in the written review of the Draft Report, I cited to you in particular as my opinion basis for value impact 40 sales that demonstrate on their face a 25% lower value of homes in close proximity to the Mendota Hills turbines.

The two (2) “sales” you DO attribute to McCann (*Report Table 1, page 9*) as my opinion basis are, in reality, (pre-draft Report) examples I provided of inordinately long and on-going marketing times, at otherwise market-based asking prices.

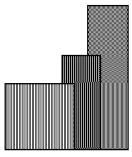
The deterrent to sale of the homes directly attributable to the wind farm project is well understood by the local Realtor who had the listings and who, at the time of my communication with you, had reported to me the consistent rejection rationale of over 100 otherwise interested would-be buyers and their agents. Interest that evaporated once potential buyers visited the properties and saw the nearby and surrounding turbines.

The Report also misstated an important fact: The two (2) homes never actually sold, although the text of the Report implies it was just a long marketing time BEFORE they sold. (*See Report page 7, 2nd paragraph*) Clearly, this error distorts the market reaction indicated by the actual facts.

Such a stigma deterrent to the sale of homes, while not perhaps statistically significant or measurable via the methodology employed and data utilized in your study, is entirely significant to an owner unable to reasonably convert their home equity to cash. That real-world experience is virtually mute and is mischaracterized in the Report.

As demonstrated by the two (2) homes, if one was unable to sell their home or even elicit an offer at any price, despite reducing the asking price by 10%, 20% or more from the going in basis and/or current market rates, and if the reason for the loss of reasonable liquidity is isolated as a single factor or influence, then that impact is many things, but “insignificant” is not the phrase that comes to mind.

And while marketing experience for the two (2) homes is only *part* of the basis for opinions I have developed thus far, the Report is inaccurate since I disclosed the 40 recorded, closed sale basis to you (*see McCann review letter*) and that is not mentioned in the Report on *Table 1*, where other such outside input is shown.



I suspect I will need to go on the record at some point to clarify that Report mistake, given the opposite direction of the indication of both the Mendota Hills sale and separate unsold listing data to the Report findings.

On balance, I acknowledge that the Report gave some limited comment to the “possibility” that some properties “may” have had negative effects from proximity to turbines.

However, based on the size of the < 1 mile data sample, I am surprised that the Report does not unequivocally state that nearby properties “**have shown a discernible and measurably lower**” sale price than the base line data located > 5 miles from the projects studied.

While the qualifying words in the Report may have been intended by the authors to reflect the somewhat lower mathematical certainty of drawing the indicated adverse conclusion, vis a vis the much larger database of sales in the 5+ mile distance, the framing of the comments minimizes the real and significant impacts shown in the Report for the nearest properties sold.

In fact, the Report Executive Summary states: “...neither the view of the wind facilities **nor the distance** of the home to those facilities is found to have any consistent, measurable, and statistically significant effect on home sales prices”. This claim simply does not comport with the data results.

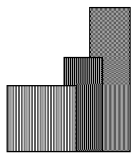
Report Results – Actual Impact

Contrary to the study conclusions, the Report charts and data are in fact supportive of a distinctly MEASUREABLE reduction in value, on the order of **5.3% to 5.5%**, for homes up to 1 mile away from the nearest turbine(s) (*Report Figure ES-1*).

The data within the 1 mile distance included 125 sales, compared to 870 baseline sales that were greater than 5 miles in distance. As I understand basic statistical analysis, data in excess of 50 measuring points is generally accepted and deemed statistically “significant”.

In the Report, however, this difference is dismissed as “statistically insignificant”. The minimization and dismissal of these facts leads the reader to the incorrect belief that wind farms do not reduce nearby property values. Further, the Report Executive Summary (*page ix*) emphasizes the word “possible”, rather than draw attention to the factual basis of actual negative impact measured at the nearest properties.

Similarly, your report (*Figure ES-2*) reveals that 310 sales with a vista rated as poor compared to 2,857 sales with an average vista, sold for 21% lower than the average view properties.



The poor vista measurement in the Report, however, is perfectly consistent with the Mendota Hills data I cited to you and the 25% value loss indicated. It follows then, under circumstance whereby the property in question possesses an above average vista and attendant higher than average value (*>10%, per Report*), and will end up with a below average or poor vista post-turbine development, a value loss of 25% may very well understate the damages in those instances.

While the rating of any vista has some subjective elements to it, it is well established that the subjective rating of turbine views is disproportionately negative by residents of immediate project areas who have no turbine lease agreement or financial interest in the project(s). Again, the Report conclusions are contrary to data contained within.

While the vista or view from a given property is a well recognized value influencing factor, the Report conclusions fail to proportionately reflect the findings contained in Figures ES-1 and ES-2.

Literature Review – Hedonic Analysis

A true peer reviewed article (*supporting data available for peer review*) written by Dr. Sandy Bond, (*acknowledged in the Report*), found an even lower impact on residential property value from cell towers in Florida than the 5% indicated in the Report, and the Appraisal Journal indeed published those findings as being statistically significant. A different determinant standard of significance must be the explanation for these contrary conclusions.

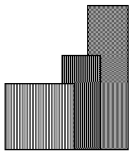
I would also suggest that a single cell tower with a height of 80 to 150 feet is far less likely to impact neighboring property use, enjoyment and value than dozens of 400 foot tall turbines with spinning blades, noise, flicker effect, etc.

Thus, the Report conclusions are completely inconsistent with an existing published study, and which was peer reviewed by the leading real estate valuation journal. At a minimum, this important conclusion difference establishes that there was some subjective determination as to what constitutes statistical significance.

Again, with all due respect, the leading real estate valuation journal must be considered as more reliable regarding property value issues than an academic study conducted by researchers untrained in professional real estate evaluation issues. At any level, an appraisal must accurately reflect the market, and any opinion related to value constitutes an appraisal opinion.

Report Findings – Applied

In this review, I have applied the measured proximate Report study area loss of (*rounded*) 5% into a generic (Illinois) project area, encompassing thousands of acres of



land. Using simple projections, Report conclusions may not stand a reasonable test of what is or isn't significant, in the context of a zoning standard being met or failing to satisfy the legal requirement of *no substantial impact on "neighboring" property value*.

Please note that neighboring values are the relevant baseline in all zoning standards addressing this issue....not the value of homes 5 or 10 miles distant from a proposed project. Simply put, the homes located in the footprints of these projects are the real "ground zero" on this issue, and what is mathematically measured at distances beyond 1 mile, etc, is inapplicable as a basis for determining ground zero impacts.

Applying a (rounded) 5% reduction of value to a "typical" residential market value of \$175,000 to homes within one (1) mile of a project footprint, and 25% impact within the project footprint, and projecting the rural housing density on the basis of 1 house per 40 acres and a 6,000 acre footprint, (10,240 acres within 1 mile) **value loss of \$8.8 million** is indicated for a typical Illinois project. (*See attached McCann illustration; PROJECTED TYPICAL IMPACT*)

The actual Report measured loss of 5% includes data up to 1 mile distant but appears to be silent as far as measured value loss for the typical ground zero (footprint) residence. The direction of impact must be logically concluded as greater than 5% in the footprint.

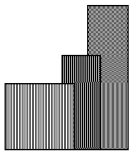
Thus, if the Mendota data indication of 25% value loss is applied to the preceding example (*as also supported by poor vista lower values in Report Figure ES-2*), the impact is **\$8.8 million** of diminished home equity. If this is repeated for 10 new projects in rural residential areas, \$88 million in losses can be reasonably forecast.

I suggest that no one could reasonably conclude the collapse of an \$88 million office tower or shopping mall and complete destruction of its value would be "insignificant", even with no loss of life. I also suggest that rural residential property is no less deserving of a fair characterization of actual value loss.

As a professional appraiser, it boggles the mind to consider the total property value losses that will result if the renewable energy policy goals are completed via development of utility scale wind energy projects, in rural residential areas.

This magnitude of loss is significant on so many levels that the term "statistically insignificant" is misleading because it ignores the harsh, localized reality, when the projects are developed surrounding and interspersed with homes in rural residential areas.

In these "overlaid" locations, turbine views are not just on the distant horizon, as with the greatest majority of Report data locations and distant proximity to turbines upon which the Report conclusions focus.



Hole in the Doughnut

The most impacted properties are simply not proportionately reflected in the Report, the importance of which is contrary to the Report claim that the number is again, “statistically insignificant”. The “hole in the doughnut”⁽¹⁾ of the Report database and stated conclusions is, in my opinion, the most important indication, and it is disproportionately minimized or even misleading via the terminology used.

Any reduction of equity (value) beyond normal negotiation of price and sale commissions must be considered significant, from a land use and zoning standard perspective. Further, since the Report will be utilized for **exactly that purpose** rather than as an academic exercise in statistical analysis techniques, I do firmly believe more care should have been given to understanding the members of the public that the Report would be advising, influencing and affecting.

Property Value Guarantee (PVG)

Given the actual value loss to nearby properties shown in the Report, I must question why the Report did not even mention the prudence of Property Value Guarantees.

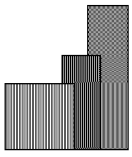
Such guarantees are used sometimes in high profile and controversial zoning matters such as landfills, quarries and indeed, other wind farms (*See DeKalb, Illinois record, et al*) and are certainly appropriate when value impacts are measurable and predictable with a high degree of certainty, as shown in the Report.

The Report modestly mentions homes bought out by wind farm owners/developers. And while this may be driven by health impact liability reasons, health issues are beyond the scope of the Report, this review and the reviewer’s expertise. This area of neighboring owners reported experience, concern and the publicized controversy, however, has a stigma effect that is an appropriate property value issue to be considered even if the stigma effect is not measurably isolated between view and health concerns, or other nuisance-type issues.

With all the other policy and non-mathematical commentary and background cited in the Report, the “statistically insignificant” cost of implementing a property value guarantee, as measured against the huge cost of these projects, would have been a balanced and objective recommendation.

Industry may not embrace that idea nor the funding sponsor of the Report. However, there is no down-side to either of them if the “*no measurable impact on value*” Report conclusion proves out to be applicable at ground zero properties.

⁽¹⁾ A graphic depiction of this type of data “doughnut hole” is contained in the 2006 Impacts of Windmill Visibility on Property Values in Madison County, New York and attached to this review. The Lee County, Illinois study Area Map contained in the Report (Figure A-6) is another such example.



PVG Costs are Insignificant

In the generic Illinois project example, value loss of homes located in the project footprint and within one (1) mile equates to \$8.8 million in property value loss compensation, via a legitimate PVG. In proportion to a cost for a 100 turbine development at \$3 million per turbine, a cost of 2.9% could easily be absorbed as a cost of doing business, or a simple contingency line item on the development financial proforma.

If 5% value loss experienced by nearby homes can be concluded in the Report as “statistically insignificant”, then certainly 2.3% additional project costs is far from onerous as to the financial feasibility of wind farm development.

From a policy and planning perspective, which is apparently the intended advisory purpose of the Report, an insignificant PVG cost of that magnitude to protect property values should not have been ignored, since residential values are the fundamental issue and question at hand. The report conclusions within 1 mile and the “doughnut hole” lack of data fully warrant such a recommendation.

Marketing Time

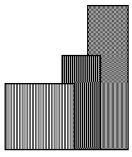
Finally, and with some limited acknowledgement by Report authors of further study being needed, the Report is completely irrelevant to the issue of marketing times. This “variable” is well understood in all real estate professions as a value-related and value-influencing issue, and the opportunity to collect such data was apparently missed during the multi-year research period while LBNL was conducting the study.

The Report also does not state data I provided regarding 800+ day marketing time of a ground zero home, which commenced in the most dynamic residential market of the modern era. Other examples of ongoing marketing times beyond 2 years were omitted as well.

Beyond a property getting “stale” on the market thereby motivating inordinate price reductions, the time-value of money is easily understood, i.e., one dollar (\$1) to be received in 3 months has a higher present worth (value) than \$1 to be received in 3 years.

The adverse impact on marketability is only mentioned in passing in the Report as a “possibility” rather than a historic fact or trend, notwithstanding that such experience is clear and documented. Future potential research of this issue is suggested as an apparent afterthought.

The report data is not accepted under objective appraisal review as being “rich”, since it is incomplete on such an important point.



Focus of Report

In closing, and if you will forgive my analogy, if one wishes to learn the “price of tea in China”, then that is where one must look. To apply the analogy, it follows that one is not likely to find the true answer to the question of ground zero impacts if focusing on greater distances.

I suggest that the Report reflects exactly that imbalanced focus, yet leads the reader to apply the findings pretty generically to all properties, whether or not located at “ground zero”.

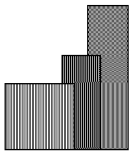
As a statistical analyst and researcher, I hope you find the focused real estate review useful to any updated Report you may ultimately prepare, and which I believe is still warranted.

I trust that you will take my review comments in the intended spirit; that of seeking the truth for this important issue, regardless of the position or agenda of concerned parties on either side of this issue.

Respectfully submitted,

McCANN APPRAISAL, LLC

Michael S. McCann, CRA
<i>State Certified General Real Estate Appraiser</i>
<i>License No. 553.001252 (Expires 9/30/2011)</i>



PROJECTED TYPICAL IMPACT

Combined Nearby Impact Zone

1	2	3	4	5
16	1	2	3	6
15	4	5	6	7
14	7	8	9	8
13	12	11	10	9

9 = square miles in 6000 acre footprint

16 = square miles or 10,240 acres within 1 mile of footprint

Generic Wind Farm Land Area Impacted

Footprint: 6,000-acres / 640 acres per square mile = 9.375 square miles
(Rounded to 9 square miles)

Within 1 Mile: 16 square miles X 640 acres per square mile = 10,240 acres

Wind Farm Neighboring Homes

Footprint = 150 homes at 40 acres per home rural density (6,000 / 40 = 150)

Within 1 Mile = 256 homes at 40 acres per home rural density (10,240 / 40 = 256)

Value Baseline

Footprint = 150 homes X average value of \$175,000 = \$26,250,000

Within 1 Mile = 256 homes X average value of \$175,000 = \$44,800,000

Projected Value Impact

Footprint: \$26,250,000 X ⁽¹⁾ 25% value loss = \$6,562,500

Within 1 Mile: \$44,800,000 X ⁽²⁾ 5% value loss = \$2,240,000

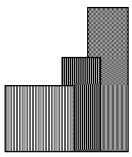
Neighboring Properties; Total Impact = **\$8,802,500**

(1) Per Mendota Hills data & as supported by Poor View Vista, Report figure ES-2

(2) Per Report Figure ES-1

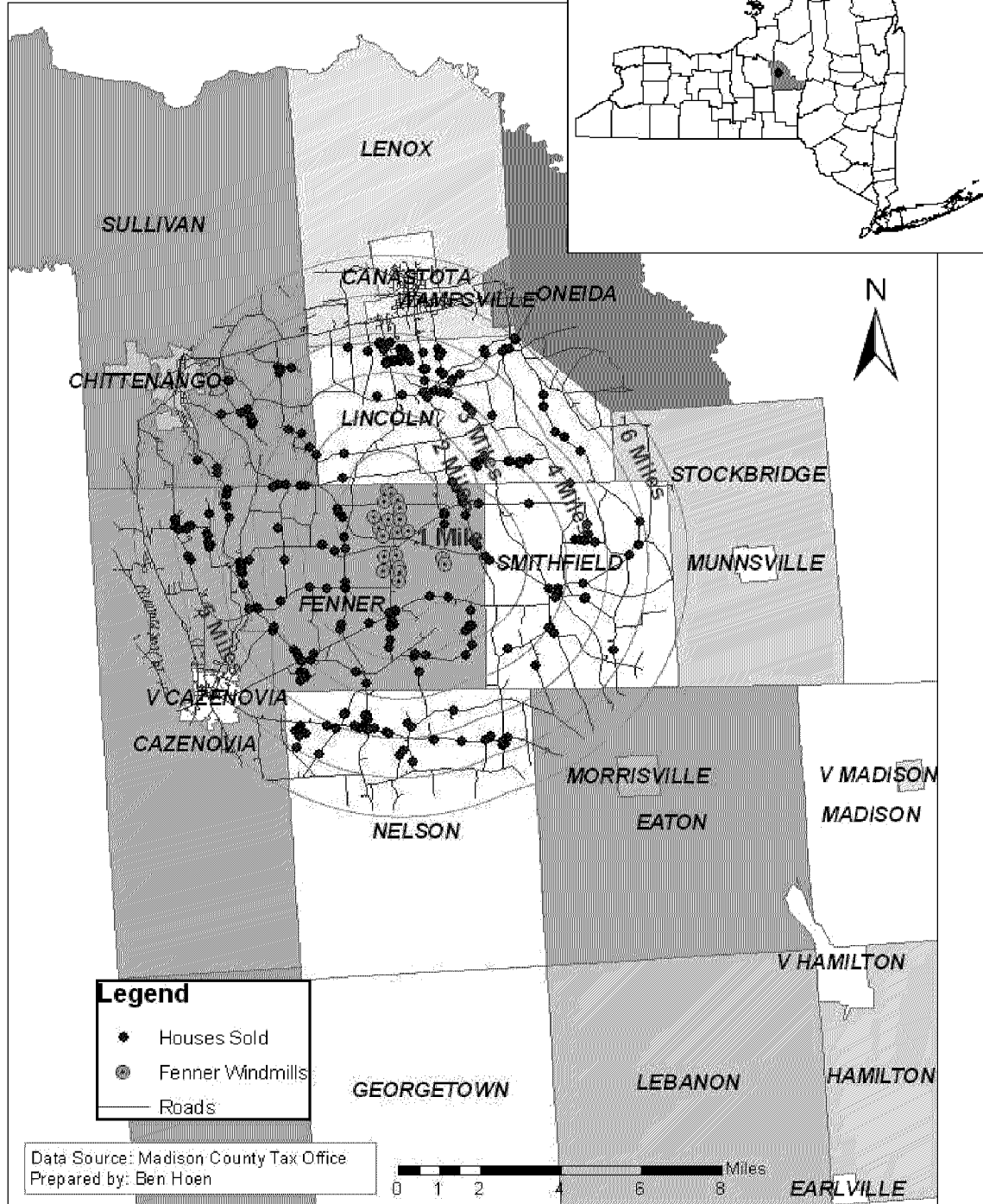
Property Value Guarantee - Significance to Wind Farm Project Costs

Thus, if a typical 6,000 acre wind farm project with 100 turbines at cost of \$3 million each, and has total project cost of \$300 million, the collateral damage impact to property values of \$8.8 million is equal to 2.9% of total project costs.

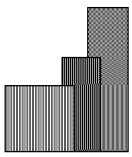


Fenner Windfarm Study Area

Arm's Length Residential Sales Between January 1996 - June 2005

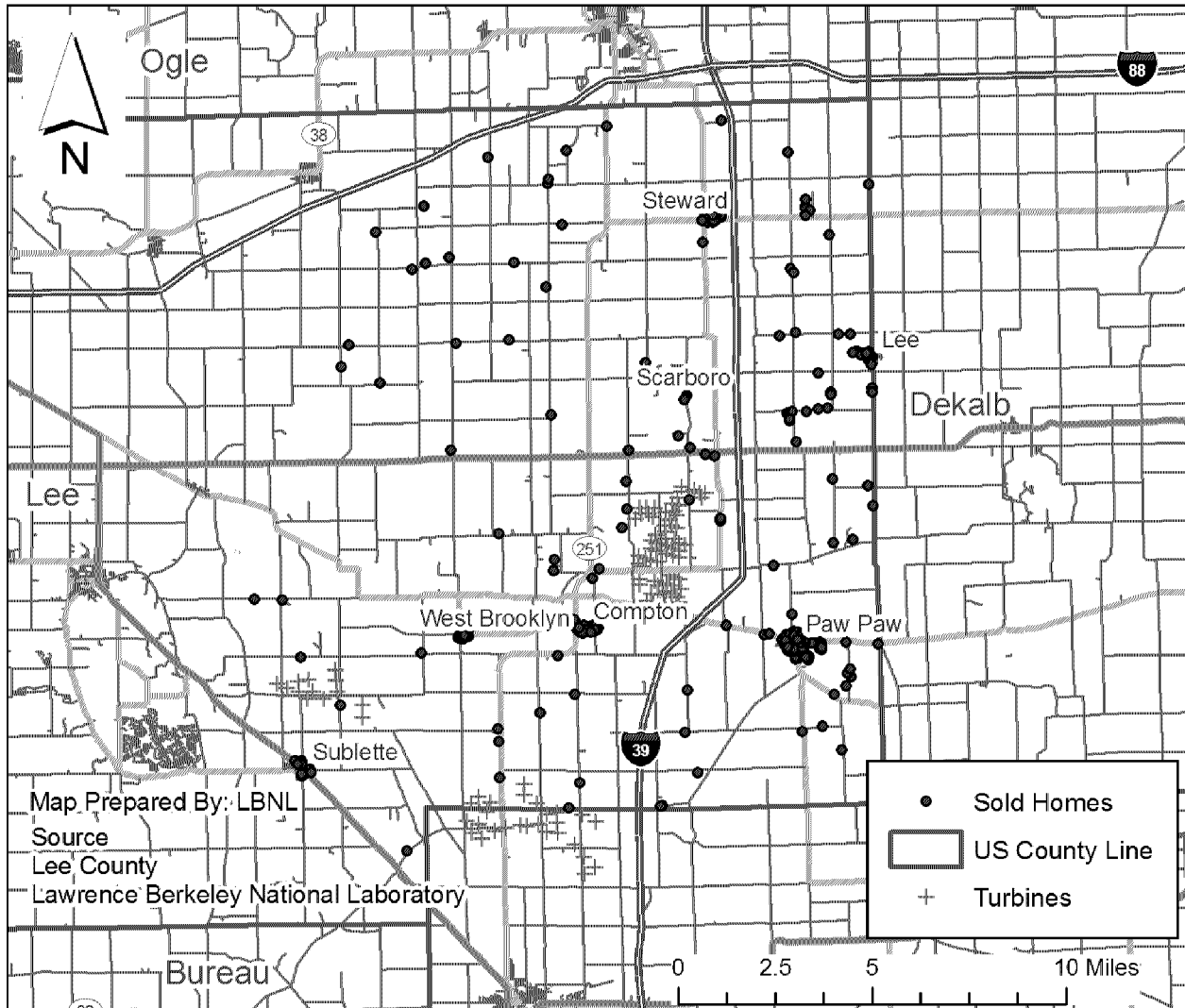


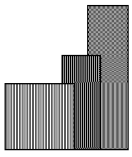
Data Source: Madison County Tax Office
Prepared by: Ben Hoen



A.5 ILLC Study Area: Lee County (Illinois)

Figure A - 6: Map of ILLC Study Area





REVIEW CERTIFICATION


PROJECT DESCRIPTION: Wind Farm Developments in general
EFFECTIVE DATE OF REVIEW: December 14, 2009

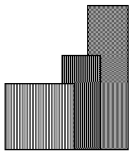
The undersigned, representing McCANN APPRAISAL, LLC, do hereby certify to the best of my knowledge and belief that:

- FIRST: The statements of fact contained in this review report are true and correct.
- SECOND: The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and represents the personal, impartial and unbiased professional analyses, opinions, and conclusions of the undersigned.
- THIRD: I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to any of the parties involved.
- FOURTH: I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- FIFTH: My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- SIXTH: My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this review report.
- SEVENTH: My analysis, opinions, and conclusions were developed, and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice.
- EIGHTH: The following person has made an exterior inspection of the public areas of the Mendota Hills project that is part of the basis for the opinions expressed in this report:

**Michael S. McCann has inspected the Mendota Hills wind farm,
Twin Groves, and other wind farm projects
on various dates beginning in 2005**
- NINTH: No one other than the undersigned provided significant real property appraisal review assistance to the persons signing this certification.

IN WITNESS WHEREOF, THE UNDERSIGNED has caused these statements to be signed and attested to.


Michael S. McCann, CRA
State Certified General Real Estate Appraiser
License No. 553.001252 (Expires 9/30/2011)



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