March 23, 2015

Dear Mr. Wiesner,
Thank you for the opportunity to comment on the draft rulemaking for the New Hampshire Site Evaluation Committee, Docket No. 2014-04. Please find below comments from Wagner Forest Management, Ltd.

Wagner has been dedicated to responsible and sustainable timberland management for over 50 years. We believe that the natural resources of New Hampshire provide an exemplary opportunity for sustainable jobs, economic development, and recreation. Over the past decade, we have come to recognize that renewable energy development, when done properly, adds to each of these facets of New Hampshire life. Because of our deep commitment to the environment and maintaining timberlands as a driver for rural New Hampshire life, we have been active participants in all facets for this Docket to date, including serving on all four subcommittees in the pre-rulemaking process.

IN general, I believe you are to be commended for your commitment to balance environmental protection with the state's clean energy and sustainability goals. There are a few areas, however, where we believe the draft rulemaking can be strengthened – particularly in the areas of not unintentionally prohibiting renewable energy development, and of favoring large multi-national developers over smaller New Hampshire projects.

One matter which may seem trivial is the information required in 303.03 (f) (1) and (2). Given the lengthy periods involved in SEC review and the inevitable appeals of the Committee's decisions, it is easy for almost 3 years to pass between the preparation of permit applications and the start of construction. Given the rapid pace of innovation in renewable energy generation technology, new equipment models for solar and wind generators are being produced every year. This pace of innovation has clear advantages – new models tend to be more efficient and less impactful than the models that are being replaced. However, we have witnessed first hand projects where the wind turbine specified in the permit was no longer being manufactured by the time the appeals process had run its course.

We suggest as an alternative to specifying specific equipment specifications within the permit that the applicant provide an illustrative example of turbine and generator within the application. If the Certificate is granted, alternate equipment could be substituted, so long as the replacement equipment has equal or less impact than previously specified for each of the major criteria being reviewed (sound, visual impact, shadow flicker, etc). In particular, it seems that it would be a distortion of the Committee's objectives if an applicant could not substitute equipment that was both more efficient and less impactful for fear of triggering additional avenues for Certificate appeal and thus year-long delays.

Perhaps because recent discussions about the SEC have been dominated by wind energy facilities sited in controversial locations, the current proposal targets wind energy facilities disproportionately, ironically applying stricter standards to wind energy than the polluting facilities they seek to replace. For example, in the public safety section (301.08) we believe it would be appropriate for all requirements of wind generators save shadow flicker to be applicable to polluting facilities as well – setbacks, structure collapse, lightning protection, and FAA compliance should be applicable to all generators. We also believe that polluting facilities should include in their visual impact analysis (301.05) smokestacks and visible plumes emanating from the facility.

We disagree with the proposal that salvage value not be considered as part of a decommissioning plan (301.08(a)(7)). This seems to be a solution in search of a problem. In the modern era of wind energy development in New England, there has never been a situation where the existing decommissioning fund mechanisms have been insufficient. Salvage value is traditionally including in decommissioning mechanisms for a simple reason – the value of equipment (in the case of newer equipment) or the scrap value of materials (in the case of older equipment) is a valid and reliable mechanism for offsetting some of the expenses. Since this requirement does not convey any additional protections it appears to have the sole purpose of increasing costs to the developer. As such it imposes unnecessary costs on the ratepayers who ultimately pay for energy. This requirement also tilts the scales in favor of large companies who can better establish funding mechanisms for the unnecessary securities, rather than fostering in state project developers. At a minimum, we would ask that the decommissioning fund be allowed to be built up over time, such that it is fully funded at least 5 years before the end of equipment life. Such a compromise would allow smaller developers to build up the decommissioning fund with operating revenues, rather than add to the upfront costs of construction. As a landowner, I value the idea of not imposing removal costs on our communities. However, for wind projects we are comfortable that the existing mechanisms for decommissioning funds has been proven to be sufficient – if it isn't broken, why fix it?

While most of the controversy surrounding wind energy projects over the past years has focused on areas close to residences, it is important to remember that some places in the state offer extremely large setbacks, and concerns over neighbor impacts are nearly non-existent. The Granite Reliable Power wind farm is a prime example of such a well-sited project. In remote areas, sound and shadow flicker studies do not offer useful information and serve only to increase development costs and move focus away from topics that are more relevant. We suggest that the requirements of 3.08 be modified to reflect that concerns such as sound and shadow flicker are alleviated by substantial setback distances. For 301.08 (a)(1) and (2) we suggest that these studies not be required if no wind turbine is to be located within a very large distance from a potential receptor (residence, school, etc). Based on the

testimony and evidence in the record, 2 miles seems to be a sufficiently large distance.

As currently written, 302.03(d) could be interpreted that a suspension proceeding must be initiated if a violation is not cured within 15 days. With large generating facilities it is easy to conceive of a violation that could not be cured within 15 days . We suggest that the Committee not be required to commence a suspension proceeding if the certificate holder has provided a cure plan that the Committee deems to be sufficient, even if that plan will take longer than 15 days to execute to completion.

In general, the aesthetic rules as drafted represent thresholds that are among the toughest in the region (for example, Maine uses an 8 mile distance). Although some commenters have urged additional restrictions and distances, we note that every single square inch of the state is already within 10 miles of conserved land. We urge you not to make the rules even more restrictive than currently proposed, which could have the unintended consequence of effectively banning the most cost effective clean energy source available today.

As a small, New Hampshire based company, we appreciate the efforts that have been made to ensure that the revised rules do not exclude all but the largest multi-national companies from developing projects within the state. For example, 301.13(a) requires the committee to consider the applicant's experience in securing funding, but does not establish a standard that only developers with certain levels of experience qualify. We appreciate the attention paid to balance the need for experience with the benefits to the state's economy that are afforded by allowing newer companies to participate under non-rigid minimum threshold.

Finally, we agree with many other commentators that stronger language could be adopted relative to a public interest standard. In particular, the public benefits identified in RSA 362-F:1 and RSA 378:37 seems to be a good source of state identified public interest standards.

Thank you for your consideration, and the dedication you have shown to this process.

Sincerely,

Mike Novello
Renewable Energy Analyst
Wagner Forest Management, Ltd.