

STATE OF VERMONT
PUBLIC SERVICE BOARD

Docket No. 7628

Joint Petition of Green Mountain Power Corporation,)
Vermont Electric Cooperative, Inc., Vermont Electric)
Power Company, Inc., and Vermont Transco LLC for a)
certificate of public good, pursuant to 30 V.S.A. Section)
248, to construct up to a 63 MW wind electric)
generation facility and associated facilities on Lowell)
Mountain in Lowell, Vermont, and the installation or)
upgrade of approximately 16.9 miles of transmission line)
and associated substations in Lowell, Westfield and Jay,)
Vermont)

Entered: May 31, 2011

CERTIFICATE OF PUBLIC GOOD ISSUED
PURSUANT TO 30 V.S.A. § 248

IT IS HEREBY CERTIFIED that the Public Service Board of the State of Vermont ("Board") this day found and adjudged that the construction of the proposed Kingdom Community Wind project (the "Project") will promote the general good of the State of Vermont, and a Certificate of Public Good ("CPG") is hereby issued to Green Mountain Power Corporation ("GMP"), Vermont Electric Cooperative, Inc., Vermont Electric Power Company, Inc., and Vermont Transco LLC (collectively, the "Petitioners"), subject to the following conditions:

1. Construction, operation and maintenance of the Project shall be in accordance with the findings and requirements set forth in today's Order in this Docket .
2. The Petitioners shall file for Board approval design-detail plans with the parties and the Board for major project components, including access roads, the crane path, collector lines, turbines, the step-up substation, and the various elements of the Transmission Component. Parties will have two weeks, from the date each set of plans is filed with the Board, to comment on the plans. The Petitioners cannot commence construction until the plans are approved.

3. The Petitioners shall obtain all necessary permits and approvals for the project. Construction, operation, and maintenance of the project shall be in accordance with such permits and approvals.

4. The Petitioners shall perform a pre-construction survey to determine the quality of television signal reception in the area surrounding the site of the project, and will address any degradation in signal quality that might result post-construction.

5. The Petitioners shall not sell any renewable energy credits (RECs) or other environmental attributes directly attributable to the project's electrical production to more than one consumer, or make any claims regarding those disaggregated attributes in any marketing or advertising if they have sold those disaggregated attributes.

6. The Petitioners shall file a complete transportation plan for Board review and approval prior to the commencement of construction activities. Parties with standing on this issue will have two weeks to file comments on the plan once it is filed.

7. The Petitioners shall take measures to ensure that disruptions to traffic flows are minimized and will implement appropriate safety measures, as described in today's Order in this docket.

8. The Petitioners must receive the necessary state and local permits for any public road or public facility improvements required by the project, as well as receive the necessary permits from the Vermont Agency of Transportation ("VTrans") for oversized vehicles.

9. The Petitioners shall pay for any costs associated with road improvements or modifications necessary to transport the project components to the site.

10. The Petitioners shall pay to repair any damage to roads caused by construction or other oversized vehicles.

11. The Petitioners shall conduct a survey to document existing road conditions with VTrans and officials of each affected town prior to transport of project components. Any damage caused by the transport activities will be measured against the pre-transport survey, and GMP shall be responsible for paying to repair any damage identified.

12. The Petitioners shall organize and conduct any necessary training for the area's first responders, and shall provide any and all specialized equipment needed for first responders to effectively provide their services prior to the start of any significant construction activities.

13. Prior to commencement of construction, GMP shall file a proposed decommissioning plan that incorporates the decommissioning requirements of the Vermont Agency of Natural Resource's ("ANR") Memorandum of Understanding ("MOU") in addition to the details contained in its original proposed plan. The plan shall contain a detailed estimate of the costs of decommissioning, covering all of the activities specified in the decommissioning plan. The plan shall certify that the cost estimate has been prepared by a person(s) with appropriate knowledge and experience in wind generation projects and cost estimating. The decommissioning plan may allow GMP to contribute to the decommissioning fund as the construction process proceeds such that the funding level is commensurate with the costs of removing infrastructure in place. The amount of the fund may not net out the projected salvage value of the infrastructure. GMP may utilize a letter of credit to secure the full amount of the fund, and must demonstrate that the fund will be managed independently and be creditor and bankruptcy remote in the event of GMP's insolvency or business failure. The letter of credit shall be issued by an A-rated financial institution, shall name the Board as the designated beneficiary, and shall be an "irrevocable standby" letter that includes an auto-extension provision (i.e., "evergreen clause"). The decommissioning plan shall also include a decommissioning review trigger whereby if actual production falls below 50% of projected production during any consecutive two-year period, a decommissioning review is initiated. GMP, at its option, may establish a separate fund, which also must be creditor and bankruptcy remote, in which it may place the funds from the accumulated depreciation charges associated with the proposed project. As the amount in this fund grows, GMP may reduce the balance of the letter of credit in like amount such that the letter of credit secures the amount of decommissioning costs that is not secured by the balance in this fund. Both the letter of credit, and the accumulated depreciation fund, should GMP opt to establish it, shall account for inflation over time. Parties with standing on this issue shall have two weeks from the date GMP files its decommissioning plan to file any comments in response.

GMP may not commence construction of the proposed project until it has received Board approval of its decommissioning plan.

14. GMP shall submit to the Board, for review and approval, any executed lease agreements with involved private landowners. Any such lease agreements may be redacted to protect confidential business information. At a minimum, such lease agreements shall contain provisions which ensure that decommissioning can effectively occur in the event of GMP's insolvency or dissolution, the revocation of any permit issued to GMP, GMP's breach of any lease, or an order of the Board requiring decommissioning, and allow access to the impacted land for purposes of fulfilling any CPG condition, including access by representatives of the Vermont Department of Public Service ("Department"), the Board, and ANR. Upon approval by the Board, a notice of leasehold interest for each lease agreement shall be recorded in the land records of the relevant municipality.

15. GMP shall comply with all conditions and requirements set forth in the following agreements:

- (a) The Memorandum of Understanding, dated February 24, 2011, between GMP and ANR ("Natural Resource MOU"), subject to the modifications described in today's Order in this docket.
- (b) The Memorandum of Understanding, dated October 22, 2010, between GMP and ANR.
- (c) The Memorandum of Understanding, dated February 22, 2011, between GMP and the Department, subject to the modifications described in today's Order in this docket.
- (d) The Memorandum of Understanding, dated January 14, 2011, between GMP and Central Vermont Public Service Corporation ("CVPS MOU").

16. GMP shall file its site restoration plan, non-native invasive species monitoring plan, ridgeline restoration monitoring and management plan, site access plan, management plans for Parcels 1, 2, 3 and 4, decommissioning revegetation plan, post-construction revegetation plan, stormwater features plan, and the invasive species management plan for review and approval by the Board. Parties with standing on the relevant issues shall have two weeks from the date GMP

files each plan to file any comments in response. GMP may not commence construction until it has received Board approval of these plans.

17. GMP shall secure prudent fragmentation-connectivity easements of adequate size and location, pursuant to the requirements of paragraph 3.2 of the Natural Resource MOU, and file them for Board approval, prior to commencing construction. Parties with standing on the issue shall have two weeks to file comments from the time any easements are filed.

18. GMP shall file the revised management plan for the West Farman Hill Serpentine Outcrop for Board approval prior to commencing construction of the Transmission Component.

19. Prior to construction, the Petitioners shall submit to the Board and parties, the final System Impact Study ("SIS") for a final determination by the Board regarding whether the SIS fully satisfies any remaining issues associated with system stability and reliability. Parties with standing on the issue will have two weeks to comment on the SIS and any required upgrades at that time. GMP, except as identified in the CVPS MOU, shall be responsible for all costs of system upgrades or changes necessary to ensure that the project does not cause adverse impacts to the transmission system. In addition, the Petitioners must obtain Board approval for any necessary upgrades identified in the SIS prior to construction of the project, including any Section 248 CPGs that may be required for the upgrades.

20. The Petitioners shall implement all network upgrades recommended by the Feasibility Study for the project.

21. Any revisions required to Attachment A of the MOU between the Department and GMP shall be filed with the Board and the Department for final determination that the interconnection option for the proposed project remains the least-cost option among alternatives.

22. The construction of the proposed project shall not begin prior to Board issuance of a CPG approving the proposed VELCO Jay Tap Substation and an amended CPG approving the VEC Jay Tap Switching Station.

23. The turbines shall be set back a distance of at least 60 meters from the nearest property line, measured from the base of the wind turbine(s).

24. Signage shall be posted around the wind turbines to alert members of the public who are present in close proximity to the wind turbines to the potential danger from ice during winter operating conditions.

25. Turbines for the proposed project shall meet IEC 61400-1 or IEC WT01:2001 certification requirements, including periodic testing of the turbines and blades.

26. Prior to commencement of construction, Petitioners shall prepare a winter operating protocol, subject to review by the parties and approval by the Board, which shall require that the proposed turbines be placed in pause mode under any of the following circumstances: (a) installed ice monitoring device(s) or heated wind sensors (installation subject to reliability testing) detect if unsafe conditions are present due to icing conditions; (b) ice accretion is recognized by the remote or on-site operator; (c) air temperature, relative humidity and other meteorological conditions at the site are conducive to ice formation; (d) air temperature is several degrees above 0 degrees Celsius after icing conditions; and, (e) any other weather conditions that may result in the unsafe operation of the turbines. The winter operating protocol shall include periodic testing to document protocol performance. Parties with standing on the issue will have two weeks to comment on the winter operating protocol from the time it is filed.

27. GMP shall submit a plan for Board approval prior to commencing turbine installation, that details how GMP will employ best management practices related to the installation, maintenance, and eventual disposal of the SF6-containing circuit breakers in order to avoid or minimize SF6 emissions.

28. When the Petitioners file the final design plans for the proposed project, they must demonstrate that remaining archeological studies are completed in accordance with the results of the Phase I studies and any needed Phase II study.

29. The Petitioners must obtain the INDC and INDS permits. Petitioners shall file the INDC permit with the Board prior to commencing any earth-disturbing activity, and file the INDS permit prior to creating any impervious surface. If the construction measures and design plans approved in the INDC and INDS permits represent a substantial change from the plans and material representations previously submitted to the Board, parties will be given the opportunity

to review the permits, file comments and to request a hearing. If a party requests the opportunity for a hearing, it must demonstrate why a hearing is necessary.

30. The Petitioners shall file the new EPSC and construction-phase stormwater permit prior to commencing the deep-ripping and scarifying phase of decommissioning. Parties with standing on this issue will be provided an opportunity to comment and request a hearing. If a party requests the opportunity for a hearing, it must demonstrate why a hearing is necessary.

31. The Petitioners must provide sufficient mitigation for impacts to high-elevation wetlands. The Petitioners must file their proposed mitigation for impacts to high-elevation wetlands with the Board for approval prior to commencement of construction. Parties with standing will have two weeks, from the time the mitigation proposal is filed, to file comments and request a hearing. If a party requests the opportunity for a hearing, it must demonstrate why a hearing is necessary.

32. The Petitioners must obtain and file with the Board their Army Corps of Engineers Section 404 permit and state Section 401 Water Quality Certification, and the State Conditional Use Determination.

33. The Petitioners shall develop erosion prevention and sediment control plans for the entire proposed project, including the Transmission Component, for approval by ANR and the Board. The plans must include plans specific to any shoreline crossings to ensure that shoreline banks will be stabilized.

34. The Petitioners shall apply for and take all reasonable steps to obtain approval of the Object Collision Avoidance System ("OCAS"), and shall install the OCAS promptly should it obtain approval. If the Petitioners are unable to obtain approval of the OCAS, they shall submit for review by the Department and approval by the Board an alternative Lighting Mitigation Plan, within 3 months of notification of disapproval of the OCAS. Parties with standing on the issue shall have two weeks to file comments from the time any alternative Lighting Mitigation Plan is filed.

35. Blasting associated with construction of the proposed project shall be minimized to the extent practicable and performed only during the hours of 9:00 A.M.-5:00 P.M., Monday-Friday, with the exception of State holidays.

36. All blasting shall be carried out by licensed and certified blasting technicians. All blasting will be performed in accordance with any and all applicable laws and regulations, including, but not limited to, U.S. Department of Interior Rules 816.61-68 and 817.61-68 and the Blasting Guidance Manual, Office of Surface Mining, Reclamation and Enforcement, U.S. Department of Interior to limit peak particle velocity and ground vibration to safe levels. Noise and air blast effects shall be limited through application of proper techniques and blasting mats will be used where needed to limit the occurrence of flyrock.

37. Prior to performing any blasting for the proposed project, the Petitioners shall develop and file for Board approval, a blasting plan that includes a pre-construction survey of any residential or agricultural water sources within one-half mile of any proposed blasting site, and will arrange for a public information session with surrounding landowners to address concerns related to blasting. Parties with standing on this issue will have two weeks, from the date this plan is filed with the Board, to comment on the plan. The Petitioners cannot commence any blasting activities until the plan is approved.

38. In the event surrounding landowners express concern regarding the impacts of blasting on wells or other structures on their property, the Petitioners shall perform evaluations to determine if any damage has occurred as a result of blasting activities and, if so, remediate any such damage.

39. The Petitioners shall construct and operate the proposed project so that the turbines emit no prominent discrete tones pursuant to ANSI standards at the receptor locations, and project-related sound levels at any existing surrounding residences do not exceed 45 dBA(exterior)(Leq)(1 hr) or 30 dBA (interior bedrooms)(Leq)(1 hr).

40. In the event noise from operation of the proposed project exceeds the maximum allowable levels, the Petitioners shall take all remedial steps necessary to bring the sound levels produced by the turbine(s) into compliance with allowable levels, including modification or cessation of turbine(s) operation.

41. Prior to commencement of construction, Petitioners shall prepare a Noise Monitoring Plan, subject to review by the parties and approval by the Board, which is consistent with the Plan recently approved by the Board in Docket 7156, but which extends from construction

through the first two years of operations and includes: (a) monitoring for low frequency sound with the same regularity as monitoring for all frequencies; (b) a monitoring program to confirm under a variety of seasonal and climactic conditions compliance with the maximum allowable sound levels described above; (c) a means for ensuring that noise monitoring events shall be timed to coincide with those time periods when Petitioners' modeling indicates the likelihood that the noise reduced operation ("NRO") mode will be triggered; (d) monitoring reports that document every instance when NRO mode is triggered, with a description of how NRO affected operations; (e) at the request of a homeowner, monitoring to ensure compliance with the interior noise standard; and, (f) a process for complaint resolution shall be established for the entire life of the project.

42. For proposed project substations, new power transformers shall comply with sound emissions at least 5 dBA below NEMA TR-1 standards, unless the Petitioners can demonstrate, subject to Board review and approval, that these transformers are not cost-effective.

43. GMP shall fulfill its obligations under its agreement with the Town of Lowell.

44. This Certificate of Public Good shall not be transferred without prior approval of the Board.

Dated at Montpelier, Vermont, this 31st day of May, 2011.

<u>s/ James Volz</u>)	PUBLIC SERVICE
)	
)	BOARD
<u>s/ David C. Coen</u>)	
)	OF VERMONT
)	
<u>s/ John D. Burke</u>)	

OFFICE OF THE CLERK

FILED: May 31, 2011

ATTEST: s/ Susan M. Hudson
Clerk of the Board

NOTICE TO READERS: This decision is subject to revision of technical errors. Readers are requested to notify the Clerk of the Board (by e-mail, telephone, or in writing) of any apparent errors, in order that any necessary corrections may be made. (E-mail address: psb.clerk@state.vt.us)