



GARNET ENERGY CENTER

Case No. 20-F-0043

1001.29 Exhibit 29

Site Restoration and Decommissioning

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Appendices

Appendix 29-1 Decommissioning and Restoration Plan

Exhibit 29: Site Restoration and Decommissioning

This Exhibit will track the requirements of Final Stipulation 29, dated March 5, 2021, and therefore, the requirements of 16 New York Codes, Rules and Regulations (NYCRR) § 1001.29.

The Applicant has prepared a Decommissioning and Restoration Plan (the Plan), which is included in Appendix 29-1 of this Application, that outlines the methods and means to decommission the Project at the end of the Project's useful life. The purpose of the Plan is to identify the methodology to be used to mitigate potential impacts resulting from the termination of operation of the Facility.

Utility-scale solar panels available on the market today, like the panels proposed for this Project, are typically designed to last for at least 30 years. The Applicant will continually maintain the solar arrays for the life of the Project. The Project Area has been identified as an area with superior solar resources, willing landowners, and access to transmission facilities. While the Plan outlines the standard procedures for decommissioning the Project, the Applicant plans to have the Project in this area for several decades.

In the event that the Project permanently ceases operations, the Plan will be implemented to remove, reuse, and/or recycle, to the maximum extent practicable, equipment and related materials to essentially return the Project Area to its substantially pre-construction condition so that it is available for agriculture and other open space usage as determined by the landowner. The solar arrays will be placed on driven posts, therefore minimal ground disturbance will occur during construction of the Project, allowing for simple restoration of the Project Area following decommissioning. Garnet Energy Center is required to post security in order to cover the full cost of the decommissioning efforts. The local community will not be at risk of paying for the removal of the solar facility.

The decommissioning of the Project is, in many ways, the reverse of its construction. Much of the same equipment that was used in the construction of the Project, such as trucks, backhoes, etc., will again be used in the decommissioning and removal of the components. Steel, cable, and concrete will be removed and transported off site for recycling and/or disposal at approved facilities. Licensed off-site disposal facilities will be identified at the time of decommissioning, as availability of facilities is likely to change in the decades during the Project's useful economic life.

In general, the decommissioning of the Project will begin with the disconnection of the collection cables from each solar array. Collection cables will be removed, reused and/or recycled, while underground sections may be abandoned in place to mitigate environmental impacts or may be pulled up and recycled, as will be determined in consultation with the landowner and in accordance with such requirements as may be applicable as determined by the Siting Board. Garnet Energy Center is contractually obligated with the landowners to remove improvements, including solar arrays, foundations, and other facilities to a depth of at least three feet below the surface and restore the property to substantially the same condition that existed immediately prior to construction.

Each solar array would then be deconstructed with the removal of panels, supports, and posts in that order. Energy storage components would be removed completely. Storage cabinet components, including racking and foundation, would be removed and recycled to the extent possible, and any remaining items would be disposed of at an appropriate facility. Any cabled or connection facilities to the battery cabinets would be removed as discussed in prior paragraphs above. Security fencing will be removed and recycled and/or disposed. Access roads will be left in place for the use of the landowners or removed at the landowners' discretion if they do not intend to make use of the access roads. Disturbed areas will be regraded, top soiled, and seeded to the extent necessary. It is anticipated that the decommissioning of the Project would take up to one year to complete.

29(a) Performance Criteria for Site Restoration

The list below includes site restoration performance criteria proposed for Project decommissioning (in the highly unlikely event that construction of the Project begins, but cannot be completed, the same performance criteria would apply).

(1) Safety and the Removal of Hazardous Conditions

As discussed in Exhibit 18, safety is one of the Applicant's most important performance metrics. As such, the goal is zero safety incidents. The removal of all hazardous conditions is an extension of that safety goal. Meeting that goal includes the removal of all above-ground facilities and any Project-related hazardous conditions upon decommissioning.

(2) Environmental Impacts

As discussed in the Plan, the goal of decommissioning is the safe and efficient removal of all solar energy and energy storage facility components and reclamation of the site to conditions as close to pre-construction characteristics as practicable, including restoration of native vegetation, habitat, and/or land use. Erosion control and stormwater management measures are utilized to maintain downstream water quality and prevent soil erosion and adverse impacts as a result of stormwater runoff. Any hazardous fluids and materials will be removed in accordance with Occupations Safety and Health Administration (OSHA) standards. All above-ground facilities will be removed, and reseeded and revegetation of the Project Area will take place. During decommissioning, environmental impacts are minimized and upon completion of reclamation, the Project Area will be as close to pre-construction conditions as practicable.

(3) Aesthetics

Aesthetically, after decommissioning, the Project Area will be restored to as close to pre-construction conditions as practicable. Aboveground facilities will be removed, and the site will be regraded to achieve level ground surface at areas where Project Components such as equipment pads, access roads, and substation yards have been removed. Access roads will be removed unless the landowner requests the access roads remain. Regraded and disturbed areas shall be revegetated to restore the Project Area.

(4) Salvage and Recycling

Project materials will be salvaged and/or recycled to the maximum extent practicable. Project Components and facilities may be relocated or reused if feasible. Metal components (steel, copper, and aluminum), including the solar array racking, will be salvaged and sold for scrap metal if not reused. Gravel removed from the access roads may be removed and reused.

(5) Potential Future Uses for the Site

The Project Area has multiple potential future uses. The Applicant prefers to redevelop or repower solar projects in areas with superior solar resources, willing landowners, and access to transmission facilities when and where possible.

The Project Area is primarily active agricultural land. Agricultural land use may resume upon decommissioning of the Project. A smaller portion of the Project Area is forested lands and wetlands. Previously forested lands may be restored as a young-growth forested area or converted to alternate land uses as appropriate, to be determined in consultation with the landowner. Wetlands that have been temporarily disturbed during construction shall be restored.

(6) The Useful Life of the Project

The Project has an estimated useful economic life of at least 30 years.

29(b) Decommissioning and Restoration Plan

Once the Project has reached its useful life, it will be decommissioned and the solar arrays, energy storage components, ancillary equipment, and associated infrastructure will be removed. The following sections detail the costs associated with decommissioning and restoration activities, procedures and scheduling of notifications for the activities, and the proposed agricultural restoration techniques. Refer to the Decommissioning and Restoration Plan, provided as Appendix 29-1 of this Application, for additional information.

(1) Cost Estimate for Restoration and Decommissioning

A cost estimate has been provided in the Decommissioning and Restoration Plan, estimating the anticipated cost associated with each Project Component of the decommissioning and restoration activities. Financial assurance in the form of a surety bond, performance bond, or letter of credit will be provided by the Applicant to cover the cost of decommissioning and restoration activities. Consistent with Siting Board precedent, the Applicant at this time is proposing the use of a letter of credit as discussed below. The following provides information regarding each financial assurance and justification:

Surety Bond: A Surety Bond is a form of collateral/credit support backed by a three-party agreement whereby a surety company assures the obligee (recipient of an obligation) that the principal (in this case, the Applicant) will perform a contract obligation or responsibility. Surety Bonds are typically used when a customer requires support for decommissioning and restoration, performance of a task to a certain requirement, and other requirements.

Performance Bond: A Performance Bond is a type of Surety Bond, where the obligee requires security that a task is completed in a satisfactory manner, typically applying to construction activities. A Performance Bond could also apply to a decommissioning obligation of the Applicant's contractor; however, a Decommissioning Bond is more applicable for the purposes of this section of the Application. A Decommissioning Bond is another type of Surety Bond. It is a financial guarantee that ensures proper removal of equipment and restoration of the environment to its pre-existing state. A decommission bond relieves the burden from landowners and taxpayers and puts the responsibility of proper decommission on the project owner.

Letter of Credit: A standby Letter of Credit (LC) is a form of collateral/credit support issued by a bank (issuer) to guaranty timely payment to a creditor (LC beneficiary) on behalf of an obligor (LC applicant). The LC is evidenced by a letter provided by the issuer and has a maximum dollar value. In the event the obligor becomes unable to satisfy its obligation or perform under a contract the creditor has the right to present the letter to the bank which will satisfy the obligation up to an amount that does not exceed the maximum dollar value. The Applicant then becomes obligated to pay the bank for the amount of the draw. LCs are used when payment can satisfy decommissioning and restoration obligations.

The Applicant agrees to work with New York State Department of Public Service (DPS) Staff and the Town on an acceptable form of surety bond, performance bond or letter of credit. The bond or letter of credit will remain active for the life of the Facility, until it is decommissioned.

The decommissioning process is anticipated to take approximately 12 months to complete. Phases of work include: site mobilization and preparation, disassembly of the solar arrays and associated infrastructure, removal of energy storage system components, removal and reclamation of access roads, removal and reclamation of the decommissioning laydown area, and complete demobilization for the site.

(2) Notification Procedure and Schedule

Prior to the commencement of decommissioning activities, the Project will be shut down, de-energized, and disconnected from the generation tie line at the collection substation. The Applicant will coordinate with New York Power Authority (NYPA) for de-energization efforts to ensure disruption to the overall electric system does not occur. The Applicant will provide notice

by mail to the participating landowners and the Town of Conquest at least 60 days prior to the commencement of decommissioning and restoration activities.

(3) Agricultural Restoration Techniques

Lease agreements between the Applicant and participating landowner will include provisions for site restoration and decommissioning in accordance with the applicable guidelines by the New York State Department of Agriculture and Markets (NYSAGM), dated October 18, 2019.

The Applicant shall remove all physical material pertaining to the Facility from the affected Property to a depth of 36 inches beneath the soil surface in non-agricultural lands and 48 inches in agricultural lands. The Project Area formerly occupied by the Project Components shall be restored to substantially the same physical condition that existed immediately before the construction of the Project. The "Project Components" include, but are not limited to, the solar arrays, collection facilities, energy storage, utility infrastructure, and roadway improvements. As indicated above, underground collection lines may be abandoned in place to mitigate environmental impacts or may be pulled up and recycled. Decommissioning of the underground collection lines will be determined during consultations with the landowner and in accordance with such requirements as may be applicable as determined by the Siting Board. The site shall be restored to as natural a condition as possible within six months from the decommissioning and removal of the Project.

(4) Site Restoration, Decommissioning and Guaranty/Security Agreements for Lands Owned by Another

Per 16 NYCRR § 1001.29(c), the Project will be located on lands owned by another; therefore, site restoration, decommissioning, and guarantee/security agreements between the Applicant and landowner, municipality, or other entity, including provisions for Project components, foundations, and electrical collection, transmission, and interconnection facilities are required. The Decommissioning and Restoration Plan, provided as Appendix 29-1, details the site restoration, decommissioning, and security agreements for the Project Area and lands owned by others.

As noted above, the Applicant agrees to work with the DPS Staff and the Town of Conquest on an acceptable form of bond or letter of credit. The bond or letter of credit will remain active for the life of the Project until decommissioning occurs. The Town or DPS may hold the letter of credit (if

selected as the type of financial surety) and the Applicant would execute a decommissioning agreement with the Town or DPS to establish a right for them to draw on the letter of credit, as provided in any Certificate Condition adopted by the Siting Board.

29(c) Proposed Wind Power Facilities

There are no wind power facilities proposed as part of the Project; therefore, this section of the Exhibit 29 regulations is not applicable.

29(d) Proposed Nuclear Power Facilities

No nuclear power facilities are proposed as part of the Project; therefore, this section of the Exhibit 29 regulations is not applicable.