

Appendix M

Dry Lake II Decommissioning Plan

I. Introduction

The Applicant has prepared the following “Decommissioning Plan” in consultation with Navajo County and per stipulations approved by the Navajo County Planning Commission on March 18th 2010 in advance of a determination by Navajo County Board of Supervisors of approval.

- A. This Decommissioning Plan applies to the land parcels within the project area boundary in Navajo County (collectively, the “Project”).
- B. All of the leases (including all rights-of way) within the Project (the “Leases”) entered into by Applicant shall include the requirements for decommissioning as set forth herein, which are acceptable and sufficient to Navajo County. In the event any Lease now or in the future does not contain the requirements for decommissioning as set forth herein, Applicant shall amend such Lease to incorporate same to ensure such sufficiency. All executed Leases for the Project (and any amendments thereto) shall be submitted to Navajo County prior to the issuance of any building permits.
- C. This Decommissioning Plan addresses Navajo County’s particular concern relating to the timing of the funding of a decommissioning bond and the requirement that Applicant (and any successor or assignee) keep such decommissioning bond in place during the life of the Project and for 12 months following the expiration or earlier termination of the Leases.
- D. As further detailed below, this Decommissioning Plan includes: (1) removal of all wind turbines components and collection transformers from the site; (2) partial removal of wind turbine foundations and overhead collection/transmission structures; (3) removal of all substation equipment from the site; and (4) restoration and re-vegetation of the areas of these improvements to a condition reasonably similar to its original condition. Access roads and road materials shall remain in place, except that additional widening and associated improvements to access roads that are needed to access and remove the equipment shall be removed and those widened portions of the access roads restored and re-vegetated to a condition reasonably similar to its condition prior to widening.
- E. This Decommissioning Plan includes removing all infrastructure to a depth of three feet (3’) below finished grade. Appropriate grading and seeding shall occur where subsurface infrastructure is removed.

II. Establishment of Decommissioning Bond

- A. Prior to the issuance of any building permits by Navajo County, Applicant shall obtain a bond from an issuer with an A.M. Best’s rating of not less than “A” (the “Bond”). A copy of the Bond shall be provided to Navajo County prior to issuance of any building permits.

- B. The amount of the Bond shall be the estimated cost of decommissioning the Project (net of project salvage value) which shall be established by a certified third party professional engineer registered in the State of Arizona.
- C. The amount of the Bond shall be reviewed at least every ten (10) years from the date of issuance. If such review indicates that decommissioning costs have increased since the date of issuance, then the amount of the Bond shall be increased consistent with such revised estimate. The revised estimate shall be obtained from an independent third party professional engineer registered in the State of Arizona.
- D. Navajo County and the underlying landowners of the parcels involved in the Project shall have the right to approve (i) the third party professional engineer's original and any revised decommissioning cost estimates for the Bond, (ii) the form of the Bond and (iii) the actual amount of the Bond. The Bond shall meet the criteria set forth in this Decommissioning Plan.
- E. The Bond shall remain in place for the life of the Project and for 12 months following the expiration or earlier termination of the Leases. If the Applicant does not satisfy its decommissioning obligations within 12 months following termination of a Lease, the applicable landowner may act against the Bond. If the Applicant satisfies its decommissioning obligations within 12 months after termination of a Lease, the Bond may be terminated by the Applicant (with respect to the terminated Lease).

III. Description of Decommissioning Process.

- A. In the event the Project requires decommissioning and, in any event, within 12 months after termination of a Lease, Applicant shall be required to remove all wind power facilities from the property as follows (which removal process is further detailed below):
 - Remove Wind Turbines
 - Remove Collection Transformers
 - Partially Remove Wind Turbine Foundations
 - Remove overhead collection/transmission structures
 - Remove Project substation equipment
 - Restoration and revegetation of the site for the improvements noted above to a condition reasonably similar to its condition prior to placement of the improvements
 - Access roads and road materials shall remain in place, except that additional widening and associated improvements needed to remove the equipment shall be removed and those widened portions of the access roads restored and revegetated to a condition reasonably similar to its condition prior to widening.
- B. After removal of all foundations to a minimum depth of three feet (3'), the disturbed areas will be re-graded. Topsoil will be restored to a condition reasonably similar to its condition prior to construction and seeding of vegetative groundcover consistent with vegetation existing in the immediate vicinity shall be placed.
- C. The process of removing structures involves evaluating and categorizing all components and materials into categories of recondition and reuse, recycling and disposal. In the interest of increased efficiency and minimal transportation impacts,

components and material may be stored on-site in a pre-approved location until the bulk of similar components or materials are ready for transport. The components and material will be transported to the appropriate facilities for reconditioning, reuse, recycling, or disposal.

- D. Decommissioning and restoration activities will adhere to the requirements of appropriate governing authorities and will be in accordance with applicable federal, state, and local permits, if any are required.

Wind Turbine removal. Access roads to turbines will be widened to a sufficient width to accommodate movement of appropriately sized cranes, trucks, and other machinery required for the disassembly and removal of the turbines. Control cabinets, electronic components, and internal cables will be removed. The rotor, nacelle and tower sections will be lowered to the ground where they may be transported whole for reconditioning and reuse, or disassembled/cut into more easily transportable sections for salvageable, recyclable, or disposable components.

Collection Transformers. The cables and conduits contain no materials known to be harmful to the environment. As part of the decommissioning, these items will be cut back to a depth of at least three feet (3'). All cable and conduit and other materials buried greater than three feet (3') will be left in place and abandoned.

Wind Turbine Foundation removal. Topsoil will be removed from an area surrounding the foundation and stored for later replacement, as applicable. Turbine foundations will be excavated to a depth sufficient to remove all anchor bolts, rebar, conduits, cable, and concrete to a depth no less than three feet (3') below grade. The remaining excavation will be filled with clean sub-grade material of quality comparable to the immediate surrounding area. The sub-grade material will be compacted to a density similar to surrounding sub-grade material. All unexcavated areas compacted by equipment used in decommissioning will be de-compacted to adequately restore the topsoil and sub-grade material to the proper density consistent and compatible with the surrounding area.

Overhead collection lines/structures: Overhead collection lines and poles will be removed.

Substation Equipment. Disassembly of the substation and interconnection facilities will include the areas owned by the Applicant. Components (including steel, conductors, switches, transformers, fencing, control houses, etc.) will be removed from the site and reconditioned and reused, sold as scrap, recycled, or disposed of appropriately at the Applicant sole discretion. To the extent possible to remove foundations and underground components without damaging or impacting adjacent facilities, such foundations and underground components will be removed to a depth of three feet (3') and the excavation filled, contoured, and re-seeded.

IV. Post-Construction Reclamation of Surface Disturbance.

- A. Within six (6) months after completion of construction of the wind power facilities on the property, the Applicant shall repair and restore any portions of the surface of the property that are not occupied by Applicant's wind power facilities and which are not being utilized by Applicant for construction of additional wind power facilities.

- B. The surface shall be repaired and restored to as near pre-existing grade and level as practicable to do so.
- C. The Applicant shall re-plant native grass seed on any portions of the property disturbed by Applicant's construction activities on the property which were in native grassland prior to construction and that are not occupied by the Applicant's wind power facilities.