

STATE OF VERMONT
PUBLIC SERVICE BOARD

Docket No. 7250

Amended Petition of Deerfield Wind, LLC, for a)
certificate of public good authorizing it to construct and)
operate a 15-turbine, 30 MW wind generation facility,)
and associated transmission and interconnection)
facilities, on approximately 80 acres in the Green)
Mountain National Forest, located in Searsburg and)
Readsboro, Vermont, with 7 turbines to be placed on the)
east side of Route 8 on the same ridgeline as the existing)
GMP Searsburg wind facility (Eastern Project Area), and)
8 turbines along the ridgeline to the west of Route 8 in)
the northwesterly orientation (Western Project Area))

Entered: 4/16/2009

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 Deerfield Wind Generation Facility Project (the "Project") will promote the general good of the State of Vermont, and a Certificate of Public Good is hereby issued to Deerfield Wind, LLC ("Deerfield"), 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 the Order.
2. Prior to proceeding with construction, Deerfield shall file, for Board approval, final construction plans for the turbines, access roads, collector lines, and substation. Deerfield shall note any changes in the final plans from the plans approved by this Order.
3. Deerfield 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. Deerfield shall enter into long-term, stably-priced power contracts with Vermont utilities for a substantial portion of the Project's power output. Deerfield shall provide an update of any negotiations with Vermont utilities 90 days after the date of this Order.

5. Prior to commencement of construction, Deerfield Wind shall file any such contracts entered into with Vermont utilities for Board review to determine if the contracts contain appropriate terms and conditions, including price stability and prices favorable to market purchases, to promote the general good of the State of Vermont. Along with the contracts, Deerfield Wind must also file an explanation as to how the contracts promote the general good of the state. If, after good-faith efforts on the part of Deerfield Wind and the utilities, Deerfield Wind cannot obtain in-state power contracts as specified above for the Project for a substantial portion of the output, it shall file a statement explaining why an agreement cannot be reached and why the Board should modify or remove this requirement.

6. Access roads will be gated and access to facility roads will be limited to authorized personnel only. The east-side access road will be double-gated with the existing gate at the end of the current Green Mountain Power Corporation access road (at the beginning of the Deerfield access road). The west-side access road will be gated at the beginning of the Deerfield access road and again after the transmission corridor. Deerfield will include measures to prohibit and deter illegal ATV access and other unauthorized access.

7. Deerfield will prohibit major scheduled repairs and maintenance activities during fall periods when bears may be using beech trees.

8. Deerfield personnel will be restricted from the site during the nighttime hours and during the crepuscular periods that have been shown to be important periods for bear activity (one hour before and after sunrise and sunset), except in emergency situations and during necessary wildlife study periods not otherwise avoidable.

9. On the ground lighting at the facility will be limited to motion sensor lights at the substation.

10. Deerfield will evaluate each access road after construction to determine whether there are any specific bear crossings, and if identified, will take actions to preserve those crossing areas.

11. Deerfield shall file a proposal, for approval by the Board, for the land it proposes to conserve as a mitigation measure for the impact of the Project on bears. The proposal shall conserve at least 144 acres of land that is comparable to the remote, high elevation area of concentrated beech stands impacted by the Project.

12. Deerfield shall conduct a multi-year study on the impact of the Project on bears. Deerfield shall file a proposed study protocol for approval by the Board.

13. Deerfield shall file a detailed proposal describing how it will minimize indirect impacts to bears. Such a proposal shall address, at a minimum, gating the access roads, utilizing remote cameras to deter illegal entry, patrols by law enforcement, limiting activity at the Project during certain time periods, and preserving bear crossing areas along the access roads.

14. Deerfield shall not undertake construction activities during May and June to protect breeding birds. If Deerfield anticipates that construction will occur over the course of two seasons, Deerfield may propose that construction be allowed during May and June, but shall demonstrate that such permission will lessen the impact on breeding birds.

15. Deerfield Wind shall submit a post-construction bird and bat mortality study to the Board for review and approval, and shall obtain such approval prior to commencing commercial operation of the Project. Prior to submission to the Board, Deerfield Wind shall first submit a draft of the plan to Vermont Agency of Natural Resources ("ANR") for its review and concurrence. If after good faith discussions, Deerfield Wind is unable to obtain ANR's approval of the plan, it may submit the plan to the Board for resolution of any outstanding issues and final approval. The bird and bat mortality study plan shall at a minimum include the following elements:

- a) The study will be conducted for up to three years, with a minimum of two years.
- b) The studies will be performed by a qualified third party consultant;
- c) The study periods will cover both spring and fall migration;
- d) Scavenging rates and searcher efficiency controls will be established for each period of study;
- e) Scientifically and statistically valid survey protocols will be employed based on the best available scientific information;

- f) Use of dogs on the project site will be limited to the extent absolutely necessary to design and test valid survey methods;
- g) The methodology will be designed to minimize impacts on other natural resources within the project area including bear and moose habitat; and
- h) The Board and parties will have the opportunity to review the study results at the end of each study year.

16. Deerfield Wind will engage with ANR in a cooperative, team-based process to review bird and bat mortality data. If post-construction fatality monitoring demonstrates that the Project is having an undue adverse impact, i.e., avian or bat fatality estimates over the two-year period exceed the most current established threshold ranges for mortality at wind projects on northern forested ridges, Deerfield Wind shall submit an adaptive management plan to ANR and the Board. The adaptive management plan will incorporate reasonable scientifically-proven measures to reduce fatality rates of the affected bird or bat species, and perform monitoring to evaluate the efficacy of the adaptive management measures. Actual measures to be taken will depend on the type and severity of impacts, cost benefit considerations, likelihood of accomplishing the desired outcome, and practicality. In the event that Deerfield Wind is unable to reach consensus with ANR during this review process, either entity may bring the matter to the Board for resolution. The Board shall retain final review and approval authority regarding the implementation of any adaptive management plan, and the need for a third year of mortality studies.

17. Deerfield shall submit to the Board and parties its NPDES Permit for Construction Sites for the Project prior to the commencement of earth-disturbing construction activities.

18. Deerfield shall submit to the Board and parties its Vermont operational phase stormwater permit prior to the creation of any impervious surfaces at the site.

19. Deerfield shall implement the Decommissioning Plan submitted as Exh. DFLD-HGC-2. The Decommissioning Plan may allow the fund to grow 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.

20. If actual power production falls below 65% of projected production during any consecutive two-year period, a decommissioning review is initiated; however, if Deerfield can

demonstrate that it has entered into stably-priced power contracts with Vermont utilities through which a substantial amount of power is to be sold at stable prices, the Board may reduce the decommissioning trigger to as low as 50%.

21. Prior to commencement of construction, Deerfield shall prepare a revised 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 cost estimate shall be submitted to the Board for review and approval. Parties shall have two weeks to file any comments.

22. Deerfield shall submit to the Board, for review and approval, any permits, or 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 Deerfield's insolvency or dissolution, the revocation of any permit issued to Deerfield, Deerfield'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 Department of Public Service, 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. Deerfield may not begin significant construction activities prior to investigations, surveys, light construction, and other similar activities.

23. Deerfield shall submit to the Board the United States Forest Service special use permit and lease covering the federal lands on the site. Parties may file comments on whether the federal permit and lease contain terms that effectively meet the same objectives as detailed in the prior paragraph.

24. Blasting associated with construction of the Project shall be minimized to the extent practicable and performed only during the hours of 9:00 AM-5:00 PM Monday-Friday, except that no blasting may occur on state holidays.

25. 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.

26. Prior to performing any blasting for the Project, Deerfield will develop a blasting plan that includes pre-blast surveys of wells and structures in the surrounding area and will arrange for a public information session with surrounding landowners to address concerns related to blasting.

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

28. Deerfield shall construct and operate the 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).

29. In the event noise from operation of the Project exceeds the maximum allowable levels, Deerfield 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.

30. Deerfield shall submit to the Board for review and approval a noise monitoring plan to implemented during the first full year of operation. The Plan shall establish a monitoring program to confirm under a variety of seasonal and climactic conditions compliance with the maximum allowable sound levels described above.

31. Deerfield shall submit the final System Impact Study ("SIS") and interconnection and substation plans to the Board, parties, and owners of the facilities to which the Project will interconnect prior to construction. Parties shall have two weeks to file comments on the SIS study. Deerfield shall implement any changes determined necessary by the Board or ISO-New England to ensure system stability and reliability, and shall pay for any costs associated with such measures.

32. All turbine towers shall be painted white or off white.

33. Deerfield shall obtain and submit the final Federal Aviation Administration determination prior to the erection of the turbine towers. Parties shall have two weeks to comment on the filing.

34. Deerfield shall submit a re-vegetation and landscape plan for disturbed areas created by the access road, substation, and transmission line infrastructure.

35. Deerfield shall take measures to ensure that disruptions to traffic flows are minimized and will implement appropriate safety measures, as described in this Order.

36. Deerfield must receive the necessary permits from the Vermont Agency of Transportation for oversized vehicles.

37. Deerfield shall pay to repair any damage to town roads caused by construction or other oversized vehicles.

38. Deerfield shall comply with the terms and conditions of the agreements between Deerfield and the Towns of Searsburg and Readsboro.

Dated at Montpelier, Vermont, this 16th day of April, 2009.

<u>s/James Volz</u>	)	PUBLIC SERVICE
	)	
	)	BOARD
<u>s/David C. Coen</u>	)	
	)	OF VERMONT
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OFFICE OF THE CLERK

FILED: April 16, 2009

ATTEST: s/Judith C. Whitney
Deputy 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)