

**Deerfield Wind Project Decommissioning Plan
(July 3, 2008)**

1. Introduction

Deerfield Wind, LLC has prepared the following Decommissioning Plan, consistent with the requirements outlined by the Public Service Board in Docket 7156 (UPC Sheffield Wind Project), Order of August 8, 2007, Condition 32. Condition 32 of the UPC Order provides:

[The Petitioner] shall file a decommissioning plan with the Board and parties prior to commencement of construction. 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. In addition, the decommissioning plan must include a description of how the fund would be secured and why that mechanism is appropriate; and if [the Petitioner] elects to utilize a corporate guarantee to secure the fund, it must demonstrate how such a guarantee would be bankruptcy remote. If actual production falls below 65% of projected production during any consecutive two-year period, a decommissioning review is initiated; however, if [the Petitioner] 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%.

The Board's Order for the Sheffield Wind Project also enumerated the following details of the Decommissioning Plan:

1. Decommissioning is to include: (1) removal of all turbine components and associated transformers from the site; (2) removal of the collector circuit components from the site, including cutting off all poles at grade; and (3) removal of all substation components from the site. Road materials would stay in place.
2. Decommissioning is to include removing all infrastructure at depths up to two feet below finished grade, including removing turbine foundations to a depth of two feet below finished grade. In the case of infrastructure at depths greater than two feet below finished grade, the top two feet of the infrastructure would be removed and the remainder would be abandoned in place. Appropriate grading and seeding would occur where subsurface infrastructure is removed.
3. The amount of the decommissioning fund should represent the full estimated costs of decommissioning without netting out estimated salvage value.
4. The decommissioning fund may be funded by cash, letter of credit, bond or corporate guarantee (provided it can be protected from bankruptcy).

See Order of August 8, 2007, at 107-108.

The Deerfield Wind Project Decommissioning Plan has been developed to satisfy each of the Board's requirements noted above. The Decommissioning Plan will also be subject to

review and approval by the U.S. Forest Service (USFS) in connection with any Special Use Permit issued for the Project.

2. Cost of Decommissioning

The Estimated Cost of Decommissioning the Project is reflected in the July 2007 cost estimate that is a part of the Board's record in this case (Ex. DFLD-JZ-Rev12). The cost estimate will be updated after Board approval of the Project to reflect any final changes in the project design. In addition, the Estimated Cost of Decommissioning shall be adjusted annually to account for price level changes in the preceding 12-month period. The adjustment shall be calculated no later than January 31 of each year by multiplying the Estimated Cost of Decommissioning by the percentage change in the "Other Heavy Construction" index of the Producer Price Index,¹ and adding that result to the current Estimated Cost of Decommissioning to arrive at the revised Estimated Cost of Decommissioning.

3. Establishment of Decommissioning Fund

The Decommissioning Fund will initially be funded with a Letter of Credit ("LC") (or other appropriate financial security) to be issued solely for the benefit of the Board by an A-rated institution. The Board will be entitled to make a draw on the LC (or other appropriate financial security) in the event that Deerfield (or its successor) is unable or unwilling to commence decommissioning activities within a reasonable period of time, not to exceed ninety days, following the issuance of a final order by the Board for the decommissioning of the Project, which order is no longer subject to appeal. No other parties will have the ability to demand payment under the LC (or other appropriate financial security).

Deerfield shall provide the LC (or other appropriate financial security) to the Board prior to the commencement of construction of the Project. Deerfield shall have the obligation either to amend the LC or post additional LCs or other security reasonably acceptable to the Board as construction progresses such that the funding level is commensurate with the costs of removing the infrastructure in place.

Upon commencement of commercial operations, Deerfield shall post an LC (or other appropriate financial security) equal to the Estimated Cost of Decommissioning, as adjusted under Section 2 above. On each annual anniversary thereafter, Deerfield shall adjust the Estimated Cost of Decommissioning as specified in Section 2 above. Within five (5) business days after each such adjustment, Deerfield shall post an LC (or other appropriate financial security) that reflects the revised Estimated Cost of Decommissioning.

¹ Available from the December PPI Detailed Report posted on the Department of Labor/Bureau of Labor Statistics website (<http://www.bls.gov>) on January 15 of the immediately succeeding year.

4. Description of Decommissioning Process

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.

The decommissioning and restoration process comprises removal of above-ground structures, removal of below-ground structures to a depth of 24 inches, restoration of topsoil, and seeding.

The process of removing structures involves evaluating and categorizing all components and materials into categories of recondition and reuse, salvage, 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, salvage, recycling, or disposal.

Above-ground structures include the turbines, transformers, overhead collection or transmission lines, substation(s), wind farm-owned portions of the interconnection facilities (if any), meteorological towers, and maintenance building(s). Below-ground structures include turbine, substation, and building foundations, collection system conduit and cable, fiber optic facilities, and subterranean drainage structures (if any).

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.

Turbine and substation 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 of 24 inches 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.

Underground collection cables. 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 24 inches. All cable and conduit and other materials buried greater than 24 inches will be left in place and abandoned.

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

Substation and interconnection facilities. Disassembly of the substation and interconnection facilities will include the areas owned by Deerfield Wind, LLC. 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 Deerfield Wind, LLC's 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 24 inches and the excavation filled, contoured, and re-seeded.

Access roads and construction pads. After decommissioning activities of a turbine site are completed, access gates shall remain operational until completion of decommissioning, at which time they will be removed unless required by the USFS that they remain. Ditch crossings connecting access roads to public roads will be removed unless required that they remain by the USFS.

Improvements to Town and State roads that were not removed after construction at the request of the Town or State will remain in place.

5. Description of Site Restoration Activities

Topsoil will be removed prior to the removal of structures from all work areas and stockpiled, clearly designated, and separated from other excavated material. The topsoil will be de-compacted to match the density and consistency of the immediate surrounding area. The topsoil will be replaced to original depth. Any topsoil deficiency and trench settling shall be mitigated with imported topsoil consistent with the quality of the affected site.

Following decommissioning activities, the sub-grade material and topsoil from affected areas will be de-compacted and restored to a density and depth consistent with the surrounding areas to a maximum depth of 18 inches. The affected areas will be inspected, thoroughly cleaned, and all construction-related debris removed.

Disturbed areas will be reseeded to promote re-vegetation of the area to a condition reasonably similar to original condition, reasonable wear and tear excepted. In all areas restoration shall include, as reasonably required, leveling, terracing, mulching, and other necessary steps to prevent soil erosion, to ensure establishment of suitable grasses and forbs, and to control noxious weeds and pests.