

NOVUS 242 SOLAR PROJECT DECOMMISSIONING PLAN

1. Introduction

Novus 242 Solar LLC (“N2S” or “Petitioner”) submits this plan for the eventual decommissioning of the proposed 3.75 MW (AC) photovoltaic electric generation facility to be located off Vermont Route 242 in Jay, Vermont (the “Project”) and the establishment of a decommissioning fund, pursuant to Vermont Public Utility Commission (“Commission”) Rule 5.900 and the Section 248 Certificate of Public Good to be issued for the Project.

2. Decommissioning Activities

At the time the Project permanently ceases to operate, Petitioner will perform decommissioning activities to restore the Project site to its condition prior to installation of the Project to the greatest extent practicable. The decommissioning activities will include: dismantling and off-site removal of the solar panels, support structures, underground electrical lines, inverters, transformers, concrete pads, fencing/fence posts, and any other ancillary project-related infrastructure. Also included will be reclamation of primary agricultural soils (“PAS”), if any, and reseeded the array areas prescribed by acceptable restoration practices.

3. Cost of Decommissioning

The Estimated Cost of Decommissioning the Project is \$120,650 as provided in Attachment A and includes all costs associated with the dismantlement and off-site removal of the Project components and site restoration activities pursuant to Rule 5.904(B)(1). The Estimated Cost of Decommissioning shall be adjusted for inflation every three years based upon the net positive change in the annual average of the U.S. Bureau of Labor Statistics’ Northeast Urban Consumer Price Index for the preceding three-year period (“Revised Estimate Cost of Decommissioning”). The decommissioning fund amount shall not be reduced in periods when the NECPI reports a net negative change for the preceding three-year period.

4. The Decommissioning Fund

Establishment. The Decommissioning Fund will initially be funded with an irrevocable standby Letter of Credit (“LC”), escrow account, bond, or other appropriate financial security that: (i) is bankruptcy remote; (ii) includes an auto-extension provision (i.e., “evergreen clause”); and (iii) is issued solely for the benefit of the Commission. No other entity, including Petitioner, shall have the ability to demand payment under the LC (or other appropriate financial security). A draft Letter of Credit is attached to this Plan as Attachment B. An executed Letter of Credit, or other Commission-approved financial security, shall be in place and filed with the Commission prior to site preparation or construction.

If the Revised Estimated Cost of Decommissioning exceeds the then-current Estimated Cost of Decommissioning, Petitioner shall cause a new or amended LC (or other appropriate financial security) to be issued to reflect the Revised Estimated Cost of Decommissioning. In

the event the NECPI has a negative value at the time the annual adjustment is calculated, the value of the LC (or other appropriate financial security) shall not be reduced. Revisions to the LC will be made no later than February 28 of the given year, in conjunction with the report required pursuant to the next paragraph.

Reporting. Every three years, a non-utility CPG holder shall file a report with the Commission, the Vermont Department of Public Service, and each party to the proceeding in which the facility's CPG was granted, describing any adjustments and changes to the decommissioning fund in the previous three-year period. This report shall be filed no later than February 28 of the third year following the issuance of the CPG and every subsequent third year.

Decommissioning. At the time the Project permanently ceases to operate, and in the event the Petitioner does not seek Commission approval to repower the Project, Petitioner will decommission the Project as required under the Commission's Order and CPG issued in this docket. Upon completion of decommissioning, Petitioner shall seek a certification of completion from the Commission. The certification will be provided to the issuing bank with instructions to terminate the LC (or another appropriate financial security).

The Commission shall have the right to draw on the LC (or other appropriate financial security) to pay the costs of decommissioning in the event that the CPG holder has not commenced decommissioning activities within 90 days of a Commission order directing decommissioning.

Release of excess funds upon completion of decommissioning activities. Upon completion of all decommissioning and site restoration activities, Petitioner will request a determination from the Commission that its decommissioning obligations have been satisfied. Upon the Commission's determination that the decommissioning obligations have been satisfied, the Commission will terminate the facility's letter of credit.

ATTACHMENT A

DECOMMISSIONING ESTIMATE

Estimated quantities and associated costs, inclusive of labor, equipment, transportation, disposal, federal/state/local permits or fees, decommissioning activity management, site supervision, and site safety costs, in present-day dollars to decommission the improvements shown on the Site Plan (Exh. N2S-AB-2) and described in the attached Decommissioning Plan and restore the Project site to its condition prior to installation of the facility to the greatest extent practicable. This estimate was prepared by Alex Bravakis of Novus Energy Development and Seth Goddard of Krebs & Lansing.

TASK	COST*
Remove Solar Modules	\$3,200
Remove Racking Wiring	\$3,200
Dismantle Racks	\$16,140
Remove Electrical Equipment	\$2,420
Remove Concrete Pads	\$1,670
Remove Racks	\$10,190
Remove Cables	\$7,220
Racking Ground Mount Support System	\$15,390
Remove Fence	\$5,500
Grading	\$4,440
Temporary Erosion Control***	\$2,580
Seed Disturbed Areas with Native Seed Mix at Seeding Rate of 15-20 lb per Acre	\$490
Truck to Recycling Center	\$2,940
Solar Module Disposal (\$4.59 Per Module) **	\$36,270
Engineering / Consulting	\$3,000
Contractor Mobilization	\$3,000
Contractor Demobilization	\$3,000
TOTAL ESTIMATED DECOMMISSIONING COSTS	\$120,650
<p>* NYSERDA decommissioning solar panel systems method adjusted for regional labor costs and disposal facility. **Module disposal fee based on tipping fee for Cassella Transfer Station in Williston of \$130/ton, 70.55 lbs per module and 7,200 solar modules (assuming modules are not recycled) plus 25 tons of miscellaneous refuse that cannot be recycled. ***Temporary erosion control cost is integrated into the NYSERDA method. A separate line item has been created for clarity.</p>	

ATTACHMENT B
Form of Letter of Credit

[NAME OF BANK]
IRREVOCABLE STANDBY LETTER OF CREDIT

Beneficiary

Vermont Public Utility Commission
112 State Street
Montpelier, VT 05620-2701
Attn: Contract Administration

Effective Date: [_____]
Letter of Credit No.: [_____]
Expiry Date: [_____]

Re: Novus 242 Solar LLC
PUC Case No. _____
CPG Issued on: _____

At the request of Novus 242 Solar LLC (the “Applicant” (the “Applicant”), [NAME OF BANK] (the “Issuer”), hereby issues this irrevocable Letter of Credit No. [_____] in the favor of the Vermont Public Utility Commission (the “Beneficiary”) available for an aggregate amount up to the maximum amount of \$120,650 (One hundred thousand six hundred and fifty United States Dollars), effective as of the date first set forth above and expiring at our office located at (or at any other office which may be designated by us by written notice delivered to you) on the earliest to occur of (i) [Expiration Date] (the “Stated Expiration Date”) or any automatically extended Stated Expiration Date, (ii) payment by Issuer hereunder of the maximum amount written above, or (iii) surrender of this original Letter of Credit to us for cancellation.

It is a condition of this Letter of Credit that the Stated Expiration Date shall be automatically extended without amendment, for successive periods of one year each from the Stated Expiration Date hereof or any such automatically extended Stated Expiration Date, unless, no less than 60 days before any such Stated Expiration Date, Issuer sends Beneficiary notice stating that this Letter of Credit will not be extended beyond the then current Stated Expiration Date. Any such notice of non-extension shall be in writing, shall be sent by hand, by certified mail (return receipt requested), or by Federal Express or other overnight delivery service, and shall be addressed to Beneficiary at the address set forth above.

Issuer has been requested to issue this Letter of Credit in connection with Condition No. [_____] of the Certificate of Public Good (“CPG”) issued by the Vermont Public Utility Commission to Novus 242 Solar LLC on [____], in Commission Case No. [____]. Said Condition No. [_____] deals with the establishment of a Decommissioning Fund for Novus 242 Solar LLC’s 3.75 MW photovoltaic electric generation project to be built in Jay, Vermont. However, Issuer assumes no obligations under the CPG or responsibility or duties thereunder.

Funds under this Letter of Credit are available to you by making a demand for payment by presentation to us at our offices at _____, Attention: Loan Administration (or at any other office which may be designated by us by written notice delivered to you) of your drawing certificate

in the form attached hereto (“Drawing Certificate”) and accompanied by the original of this Letter of Credit. A presentation under this Letter of Credit may be made only on a day, and only between the hours of 9:00 AM and 5:00 PM, which such office is open for business (a “Business Day”).

If we receive your Drawing Certificate and the original of this Letter of Credit at such office on any Business Day, all in conformity with the terms and conditions of this Letter of Credit, we will honor the same by making payment in accordance with your payment instructions on the third succeeding Business Day after presentation so long as the amount of the drawing, together with all previous drawings honored pursuant to this Letter of Credit, does not exceed the aggregate amount of this Letter of Credit. Typographical errors other than in amounts will not violate the conformity provision in this paragraph. If a drawing fails to conform to the terms and conditions of this Letter of Credit it shall not (i) preclude the Beneficiary from correcting any such errors and resubmitting the request nor (ii) act as a waiver of any rights the Beneficiary has under this Letter of Credit.

Partial and multiple drawings are permitted. All of the banking charges are for Applicant’s account.

This Letter of Credit sets forth in full the terms of our undertaking to you (but not any of your duties, obligations or responsibilities to Issuer hereunder or otherwise). Such undertaking to you shall not in any way be modified, amended or amplified by reference to any document or instrument referred to herein or in which this Letter of Credit is referred to or to which this Letter of Credit relates and any such reference shall not be deemed to incorporate herein by reference any document or instrument.

Except as otherwise expressly stated herein, this Letter of Credit is subject to the International Standby Practices 1998, I.C.C. Publication No. 590 (“ISP98”), excluding, however, Rules 4.09(c) and 5.06(c)(I), and shall be governed by and construed in accordance with the laws of the State of Vermont. In the event of conflict between the ISP98 and a non-mandatory (variable) provision of such laws, the ISP98 shall govern.

Yours faithfully, **[NAME OF BANK]**

By: _____
Name:
Title:

By: _____
Name:
Title:

DRAWING CERTIFICATE

NAME OF BANK

To Whom it May Concern:

Capitalized terms used herein and not otherwise defined herein shall have the respective meanings given to such terms in the Letter of Credit.

The Beneficiary hereby certifies to the Issuer, with reference to the Issuer’s Irrevocable Standby Letter of Credit No. _____) (the “Letter of Credit”); that:

In connection with the CERTIFICATE OF PUBLIC GOOD issued to Novus 242 Solar LLC pursuant to 30 V.S.A. Section 248 dated _____(Case No. _____), the Beneficiary is making a demand for payment under the Letter of Credit of the sum of \$_____ which amount does not exceed the current Stated Amount of the Letter of Credit; and

The Beneficiary represents that it has issued an order that decommissioning shall occur and Novus 242 Solar LLC or its successor is unable or unwilling to commence decommissioning activities within a reasonable period of time not to exceed ninety days after the issuance of the order.

Or

[This Letter of Credit has fewer than thirty (30) days remaining prior to the date of expiration and the Beneficiary has not received a replacement letter of credit to the extent required by the Agreement, and the undersigned hereby confirms that that the amount of this drawing does not exceed the undrawn face amount of the Letter of Credit.]

The amount demanded hereby has been calculated in accordance with the terms of the Agreement.

You are hereby directed to pay the amount so demanded to: **[Insert wire transfer instruction]**

IN WITNESS WHEREOF, the Beneficiary has executed and delivered this Certificate as of the _____ day of _____, 202__.

Very truly yours,

Name:

Title: