

VT Energy Generation Siting Process Strengths & Weaknesses

Eolian Renewable Energy, LLC & Seneca Mountain Wind, LLC Perspective

Presented to:

***VT Energy Generation
Siting Policy Commission***

Meeting #3 – Learning from Participants in the
Process

(Nov 30, 2012)

Eolian Overview



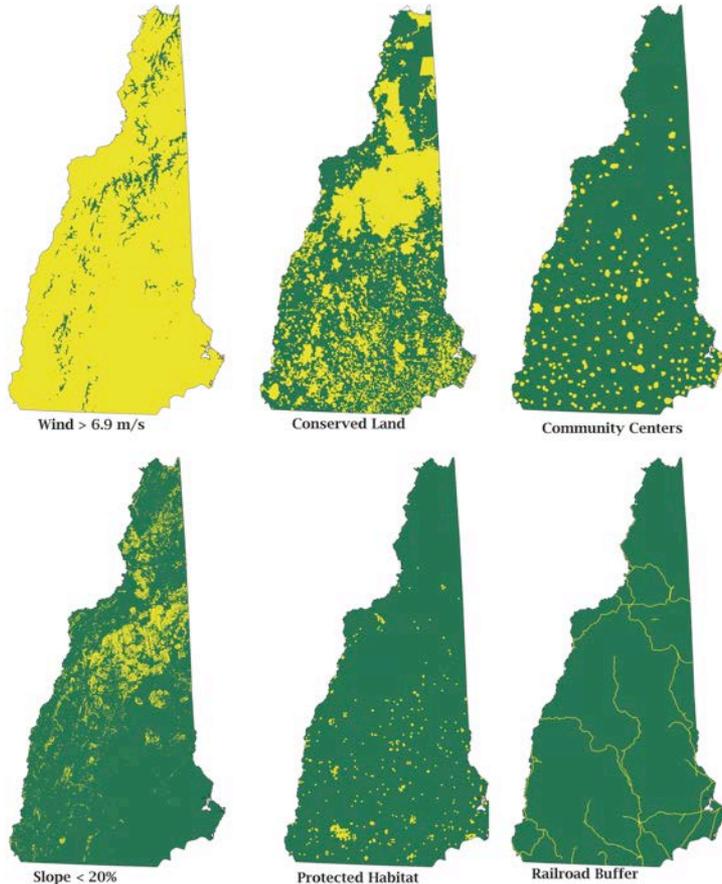
- John M. Soininen-Co-Founder & VP Development, Eolian Renewable Energy, LLC
- Project Manager for Seneca Mountain Wind, LLC (SMW)
- SMW is a joint venture between Nordex USA, Inc. & Eolian
- Eolian is based in Portsmouth, NH
- Eolian is focused exclusively on wind development in the Northeast
- We have evaluated numerous sites in VT in detail over the last several years
- To date we have not found any other sites that we believe to be suitable for development presently

Eolian's Methodology

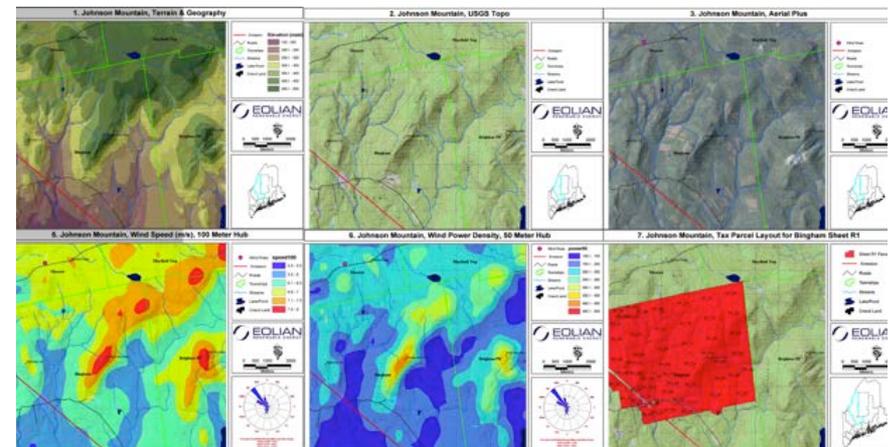


- Utilize superior desktop GIS analysis to prescreen 'project attributes'
- Focus on technical fundamentals to develop efficient projects
 - Wind resource
 - Land without conservation, zoning or other development restrictions
 - Sufficient land area to provide appropriate setbacks
 - Larger parcels; fewer landowners
 - Proximity to existing infrastructure
- Enhance community and landowner value through thoughtful collaboration

Project Vetting Tools



- Proprietary GIS model uses 18+ variable criteria
- Graphical desktop output directs efforts to viable opportunities
- Desktop “pre-screen” indicates that there are limited opportunities
- Project economics and impact assessments drive development decisions and fundamentally this is good for Vermonters



Eolian's Overview of Permitting In Vermont



- We are encouraged by a clear articulation of the need for extensive new renewable generation in official documents
- We are encouraged by the clear public support that we see from the majority of Vermonters – both through surveys performed to determine public opinion and in our conversations with Vermonters directly
- Vermont should not seek to pick the "best" areas for wind development - regulators should establish good standards to promote the development of appropriately sited projects that don't cause undue impacts

Strengths of Vermont Siting Approval Practices



- Oversight of this process by the PSB with a focus on statewide needs and objectives is crucial and must be maintained
- Substantive criteria & standards currently considered under the Section 248 Process work well
- Energy is a necessary industry and siting generation facilities requires a state perspective
- Local views should be considered, as is currently the case, but can not frustrate State goals and objectives
- Comprehensive permitting is imperative and has been shown to be effective

Weaknesses of Vermont Siting Approval Practices

- Lack of clearly defined siting criteria causes confusion and delay by creating protracted debate over many issues
- Permitting timetables are not sufficiently defined and appeals are not streamlined

Recommendations Regarding Siting Approval Practices

- Maintain the Section 248 Process which works well to balance the benefits of a project against the impacts in determining whether projects promote the general good of the State of Vermont
- Implement clear siting criteria for public safety setbacks of 1.1x turbine height and sounds limitations of 45 dba to set expectations and protect the public
- Improve the coordination of permit requirements from various agencies such as incorporating water quality permits into a CPG
- Timelines for review and responses to applications need to be improved and concurrent not consecutive
- Appeal paths and timetables must be well defined and should remain consolidated to a singular appeal

Strengths & Weaknesses of Public Participation

- Local and regional planning organizations as well as individuals have a voice in the Section 248 Process
- Vermont has one of the most comprehensive permitting review processes in the country in part due to public input
- Vermont has strict environmental protection mechanisms in place to protect public interests so public input on these matters can be duplicative
- Public input is important but adds significant cost to the development process which adds to the cost to ratepayers

Recommendations Regarding Public Participation

- Increase public education about state energy objectives and siting regulations regarding energy development in order to help alleviate some common misconceptions
- Implement objective criteria to help streamline review processes
- Do not promote local vetoes which will frustrate statewide planning initiatives
- Democratic processes must be maintained – There is a place for majority rule and while not everybody will be satisfied that does not mean they will be unreasonably impacted

Comments On Other Suggested Public Participation Ideas



- Alternative dispute mechanisms can work when there is a common goal towards win-win solutions, but not when a project opponent's primary objective is to prevent a project
- State wide taxation with State allocation of benefits or a prescriptive formulaic payment structure could work to equalize payments to host and adjacent communities going forward, but addressing existing projects would be very challenging

Comments on Protection of Lands, Environment and Cultural Resources



- Vermont has one of the most comprehensive permitting review processes in the country
- Environmental regulations and protections should consider the potential impacts of global climate change and the cost of doing nothing to reduce the combustion of fossil fuels
- Some environmental policies and regulations must be reviewed and reevaluated
 - The designation of areas as Rare and Irreplaceable Natural Areas (RINA's) can not be used liberally or implemented broadly
 - Preventing any impacts to bear habitat associated with renewable energy development while allowing bear hunting is a fundamental disconnect

Recommendations Regarding Monitoring & Compliance

- Compliance with permit conditions such as sound level restrictions are straight forward
 - A single post construction survey should be sufficient to verify compliance with pre construction models
 - Protocols for addressing specific complaints should also be straight forward and can allow for third party participation
- Avian & Bat mortality monitoring permit conditions should be part of adaptive management plans and focused on mortality reduction NOT just repeating studies for multiple years

Recommendations Regarding Monitoring & Compliance

- State agencies need to be involved in compliance monitoring during and after construction
 - Private studies are expensive and frequently discredited as biased
 - Reasonable fees should be charged to developers/operators but erroneous claims should not be tolerated
- Cumulative impacts need to be considered in the context of cumulative benefits as renewable projects provide substantive societal benefits which is why these projects need to be incentivized

Summary Recommendations



- The Section 248 Process would benefit from the addition of some clearly defined objective criteria
- If Vermont wants to promote renewable energy development in state the Section 248 Process needs to include statutory timelines for permit review & appeal
- It is very important that 248 process maintains the current state-wide “Public Good” standard, allowing for consideration of whether a project’s benefits outweigh its impacts

Thank you



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