

STATE OF MINNESOTA PUBLIC UTILITIES COMMISSION

**SITE PERMIT FOR
SANDHILL ENERGY STORAGE PROJECT**

AN ENERGY STORAGE SYSTEM

**IN
OLMSTED COUNTY**

**ISSUED TO
SANDHILL ENERGY STORAGE, LLC**

PUC DOCKET NO. IP-7149/ESS-24-407

In accordance with the requirements of Minnesota Statutes Chapter 216E and Minnesota Rules Chapter 7850 this site permit is hereby issued to:

SANDHILL ENERGY STORAGE, LLC

Sandhill Energy Storage, LLC is authorized by this site permit to construct and operate the Sandhill Energy Storage Project, a battery storage system (BESS) with a nominal power rating of up to 200 MW alternative current (AC) with approximately 800 megawatt-hours (MWh) of energy capacity on a site of approximately 42.7 acres in Kalmar Township, Olmsted County, Minnesota.

The energy storage system shall be constructed and operated within the site identified in this site permit and in compliance with the conditions specified in this site permit.

This site permit shall expire 30 years from the date of this approval.

Approved and adopted this ____ day of [Month, Year]

BY ORDER OF THE COMMISSION

Sasha Bergman,
Executive Secretary

To request this document in another format such as large print or audio, call 651-296-0406 or 800-657-3782 (voice). Persons with a hearing or speech impairment may call using their preferred Telecommunications Relay Service or email consumer.puc@state.mn.us for assistance.

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ATTACHMENTS

Attachment 1 – Complaint Handling Procedures for Permitted Energy Facilities

Attachment 2 – Compliance Filing Procedures for Permitted Energy Facilities

Attachment 3 – Site Permit Maps

PROPOSED PERMIT

1 SITE PERMIT

The Minnesota Public Utilities Commission (Commission) hereby issues this site permit to Sandhill Energy Storage, LLC (Permittee) pursuant to Minnesota Statutes Chapter 216E and Minnesota Rules Chapter 7850. This site permit authorizes the Permittee to construct and operate a an up to 200 megawatt (MW) energy storage system in Olmsted County, Minnesota (Sandhill Energy Storage Project or Project). The energy storage system shall be constructed and operated within the site identified in this site permit and in compliance with the conditions specified in this site permit.

1.1 Pre-emption

Pursuant to Minn. Stat. § 2161.18, this site permit shall be the sole site approval required for the location, construction, and operation of the energy storage system and this site permit shall supersede and preempt all zoning, building, or land use rules, regulations, or ordinances promulgated by regional, county, local and special purpose governments.

2 PROJECT DESCRIPTION

The Sandhill Energy Storage Project is a battery energy storage system (BESS) with a nominal power rating of up to 200 MW alternative current (AC) with approximately 800 megawatt-hours (MWh) of energy capacity on a site of approximately 42.7 acres in Sections 30 and 31 of Kalmar Township in Olmsted County. In addition to batteries, racking, and enclosures, the facility will also include inverters and transformers, a stormwater drainage basin, storage and parking areas, and fencing surrounding the perimeter of the facility.

The Project will also include three shared project facilities with an adjacent project (Crane Energy Storage Project) including the collector substation, gen-tie line, and primary access road. The facilities will be connected to the electrical grid through a 161 kilovolt (kV) gen-tie line of approximately 700 feet between the shared project substation and the adjacent Bryon Substation.

The Project is located in the following:

County	Township Name	Township	Range	Section
Olmsted	Kalmar	107N	15W	30, 31

2.1 Project Ownership

At least 14 days prior to the pre-construction meeting, the Permittee shall file a description of its ownership structure, identifying, as applicable:

- (a) the owner(s) of the financial and governance interests of the Permittee;
- (b) the owner(s) of the majority financial and governance interests of the Permittee's owners; and
- (c) the Permittee's ultimate parent entity (meaning the entity which is not controlled by any other entity).

The Permittee shall notify the Commission of:

- (a) a change in the owner(s) of the majority* financial or governance interests in the Permittee; or
- (b) a change in the owner(s) of the majority* financial or governance interests of the Permittee's owners; or
- (c) a sale which changes the ultimate parent entity of the Permittee

*When there are only co-equal 50/50 percent interests, any change shall be considered a change in majority interest.

In the event of an ownership change, the new Permittee must provide the Commission with a certification that it has read, understands, and is able to comply with the conditions of this permit.

3 DESIGNATED SITE

The site designated by the Commission for the Project is depicted on the site maps attached to this site permit (Designated Site). The site maps show the approximate location of the energy storage system and associated facilities within the Designated Site and identify a layout that seeks to minimize the overall potential human and environmental impacts of the Project, as they were evaluated in the permitting process.

The Designated Site serves to provide the Permittee with the flexibility to make minor adjustments to the layout to accommodate requests by landowners, local government units, federal and state agency requirements, and unforeseen conditions encountered during the detailed engineering and design process. Any modification to the location of a photovoltaic tracker row or associated facility shall be done in such a manner as to have human and environmental impacts that are comparable to those associated with the layouts on the maps attached to this site permit. The Permittee shall identify any modifications in the Site Plan pursuant to Section 8.3.

4 GENERAL CONDITIONS

The Permittee shall comply with the following conditions during construction and operation of the energy storage system over the life of this site permit.

4.1 Site Permit Distribution

Within 30 days of issuance of this site permit, the Permittee shall provide all affected landowners with a copy of this site permit and the complaint procedures. An affected landowner is any landowner or designee that is within or adjacent to the permitted site. In no case shall a landowner receive this site permit and complaint procedures less than five days prior to the start of construction on their property. The Permittee shall also provide a copy of this site permit and the complaint procedures to the applicable regional development commissions, county environmental offices, and city and township clerks. The Permittee shall file with the Commission an affidavit of its site permit and complaint procedures distribution within 30 days of issuance of this site permit.

4.2 Access to Property

The Permittee shall notify landowners prior to entering or conducting maintenance within their property, unless otherwise negotiated with the landowner. The Permittee shall keep records of compliance with this section and provide them upon the request of Commission staff.

4.3 Construction and Operation Practices

The Permittee shall comply with the construction practices, operation and maintenance practices, and material specifications described in the permitting record for this Project unless this site permit establishes a different requirement in which case this site permit shall prevail.

4.3.1 Field Representative

The Permittee shall designate a field representative responsible for overseeing compliance with the conditions of this site permit during construction of the Project. This person shall be accessible by telephone or other means during normal business hours throughout site preparation, construction, cleanup, and restoration.

The Permittee shall file with the Commission the name, address, email, phone number, and emergency phone number of the field representative at least 14 days prior to the pre-construction meeting. The Permittee shall provide the field representative's contact information to affected landowners, local government units and other interested persons at least 14 days prior to the pre-construction meeting. The Permittee may change the field

representative at any time upon notice to the Commission, affected landowners, local government units and other interested persons. The Permittee shall file with the Commission an affidavit of distribution of its field representative's contact information at least 14 days prior to the pre-construction meeting and upon changes to the field representative.

4.3.2 Site Manager

The Permittee shall designate a site manager responsible for overseeing compliance with the conditions of this site permit during the commercial operation and decommissioning phases of the Project. This person shall be accessible by telephone or other means during normal business hours for the life of this site permit.

The Permittee shall file the name, address, email, phone number, and emergency phone number of the site manager with the Commission within 14 days prior to the pre-operation meeting. The Permittee shall provide the site manager's contact information to landowners within or adjacent to the Project Boundary, local government units and other interested persons at least 14 days prior to the pre-operation meeting. The Permittee may change the site manager at any time upon notice to the Commission, landowners within or adjacent to the Project Boundary, local government units, and other interested persons. The Permittee shall file with the Commission an affidavit of distribution of its site manager's contact information at least 14 days prior to the pre-operation meeting and upon changes to the site manager.

4.3.3 Employee Training - Site Permit Terms and Conditions

The Permittee shall train and educate all employees, contractors, and other persons involved in the construction and ongoing operation of the energy storage system of the terms and conditions of this site permit. The Permittee shall keep records of compliance with this section and provide them upon the request of Department of Commerce staff or Commission staff.

4.3.4 Independent Third-Party Monitoring

Prior to any construction, the Permittee shall propose a scope of work and identify an independent third-party monitor to conduct Project construction monitoring on behalf of the Commission. The scope of work shall be developed in consultation with and approved by the Commission staff. This third-party monitor will report directly to and will be under the control of the Commission with costs borne by the Permittee. Commission staff shall keep records of compliance with this section and will ensure that status reports detailing the construction monitoring are filed with the Commission in accordance with the approved scope of work approved by the Commission staff.

4.3.5 Public Services, Public Utilities, and Existing Easements

During Project construction, the Permittee shall minimize any disruption to public services or public utilities. To the extent disruptions to public services or public utilities occur these shall be temporary, and the Permittee shall restore service promptly. Where any impacts to utilities have the potential to occur the Permittee shall work with both landowners and local entities to determine the most appropriate mitigation measures if not already considered as part of this site permit.

The Permittee shall cooperate with county and city road authorities to develop appropriate signage and traffic management during construction. The Permittee shall keep records of compliance with this section and provide them upon the request of Department of Commerce staff or Commission staff.

4.3.6 Temporary Workspace

The Permittee shall select temporary workspace and equipment staging areas that limit the removal and impacts to vegetation. The Permittee shall not site temporary workspace in wetlands or native prairie as defined in sections 4.3.13 and 4.3.14. The Permittee shall site temporary workspace to comply with standards for development of the shorelands of public waters as defined in Section 4.3.13. The Permittee shall obtain temporary easements outside of the authorized Project Boundary from affected landowners through rental agreements. Temporary easements are not provided for in this site permit.

4.3.7 Noise

The Permittee shall comply with noise standards established under Minn. R. 7030.0010 to 7030.0080, at all times and at all appropriate locations during operation of the Project. The Permittee shall limit construction and maintenance activities to daytime working hours to the extent practicable.

4.3.8 Aesthetics

The Permittee shall consider input pertaining to visual impacts from landowners and the local unit of government having direct zoning authority over the area in which the Project is located. The Permittee shall use care to preserve the natural landscape, minimize tree removal and prevent any unnecessary destruction of the natural surroundings in the vicinity of the Project during construction and operation.

4.3.9 Topsoil Protection

The Permittee shall implement measures to protect and segregate topsoil from subsoil on all lands utilized for Project construction unless otherwise negotiated with affected landowner.

4.3.10 Soil Compaction

The Permittee shall implement measures to minimize soil compaction of all lands during all phases of the Project's life and shall confine compaction to as small an area as feasible. The Permittee shall use soil decompaction measures on all lands utilized for Project construction and travelled on by heavy equipment (*e.g.*, cranes and heavy trucks), even when soil compaction minimization measures are used.

4.3.11 Soil Erosion and Sediment Control

The Permittee shall implement those erosion prevention and sediment control practices recommended by the Minnesota Pollution Control Agency (MPCA) Construction Stormwater Program. If construction of the Project disturbs more than one acre of land or is sited in an area designated by the MPCA as having potential for impacts to water resources, the Permittee shall obtain a National Pollutant Discharge Elimination System/State Disposal System Construction Stormwater Permit from the MPCA that provides for the development of a Stormwater Pollution Prevention Plan that describes methods to control erosion and runoff.

The Permittee shall implement reasonable measures to minimize erosion and sedimentation during construction and shall employ perimeter sediment controls, protect exposed soil by promptly planting, seeding, using erosion control blankets and turf reinforcement mats, stabilizing slopes, protecting storm drain inlets, protecting soil stockpiles, and controlling vehicle tracking. Contours shall be graded as required so that all surfaces provide for proper drainage, blend with the natural terrain, and are left in a condition that will facilitate re-vegetation and prevent erosion. All areas disturbed during construction of the Project shall be returned to pre-construction conditions.

4.3.12 Public Lands

In no case shall the energy storage system and associated facilities including foundations, access roads, underground cable, and transformers, be located in the public lands identified in Minn. R. 7850.4400, subp. 1, or in federal waterfowl production areas. Photovoltaic tracker rows and associated facilities shall not be located in the public lands identified in Minn. R. 7850.4400, subp. 3, unless there is no feasible and prudent alternative.

4.3.13 Wetlands and Water Resources

The Permittee shall not place the energy storage system or associated facilities in public waters and public waters wetlands, as shown on the public water inventory maps prescribed by Minnesota Statutes Chapter 103G, except that electric collector or feeder lines may cross or be placed in public waters or public waters wetlands subject to permits and approvals by the Minnesota Department of Natural Resources (DNR) and the United States Army Corps of Engineers (USACE), and local units of government as implementers of the Minnesota Wetlands Conservation Act. The Permittee shall locate the energy storage system and associated facilities in compliance with the standards for development of the shorelands of public waters as identified in Minn. R. 6120.3300, and as adopted, Minn. R. 6120.2800, unless there is no feasible and prudent alternative.

The Permittee shall construct in wetland areas during frozen ground conditions, to the extent feasible, to minimize impacts. When construction during winter is not possible, wooden or composite mats shall be used to protect wetland vegetation. The Permittee shall contain and manage soil excavated from the wetlands and riparian areas in accordance with all applicable wetland permits. The Permittee shall access wetlands and riparian areas using the shortest route possible in order to minimize travel through wetland areas and prevent unnecessary impacts.

The Permittee shall restore wetland and water resource areas disturbed by construction activities to pre-construction conditions in accordance with the requirements of applicable state and federal permits or laws and landowner agreements. The Permittee shall meet the USACE, DNR, Minnesota Board of Water and Soil Resources, and local government wetland and water resource requirements.

4.3.14 Native Prairie

The Permittee shall not place the energy storage system or associated facilities in native prairie, as defined in Minn. Stat. § 84.02, subd. 5, unless addressed in a prairie protection and management plan and not located in areas enrolled in the Native Prairie Bank Program. The Permittee shall not impact native prairie during construction activities, as defined in Minn. Stat. § 216E.01, unless addressed in a prairie protection and management plan.

The Permittee shall prepare a prairie protection and management plan in consultation with the DNR if native prairie, as defined in Minn. Stat. § 84.02, subd. 5, is identified within the Project Boundary. The Permittee shall file the prairie protection and management plan with the Commission at least 30 days prior to submitting the Site Plan required by Section 8.3 of this site permit. The prairie protection and management plan shall address steps that will be taken to avoid impacts to native prairie and mitigation to unavoidable impacts to native prairie by restoration or management of other native prairie areas that are in degraded condition, by

conveyance of conservation easements, or by other means agreed to by the Permittee, the DNR, and the Commission.

4.3.15 Vegetation Management

The Permittee shall disturb or clear vegetation within the Designated Site only to the extent necessary to assure the safe construction, operation, and maintenance of the Project. The Permittee shall minimize the number of trees removed within the Designated Site specifically preserving to the maximum extent practicable windbreaks, shelterbelts, and living snow fences.

4.3.16 Application of Pesticides

The Permittee shall restrict pesticide use to those pesticides and methods of application approved by the MDA, DNR, and the U.S. Environmental Protection Agency (EPA). Selective foliage or basal application shall be used when practicable. All pesticides shall be applied in a safe and cautious manner so as not to damage adjacent properties including crops, orchards, tree farms, apiaries, or gardens. The Permittee shall contact the landowner at least 14 days prior to pesticide application on their property. The Permittee may not apply any pesticide if the landowner requests that there be no application of pesticides within the landowner's property. The Permittee shall provide notice of pesticide application to landowners and beekeepers operating known apiaries within three miles of the pesticide application area at least 14 days prior to such application. The Permittee shall keep pesticide communication and application records and provide them upon the request of Commission staff.

4.3.17 Invasive Species

The Permittee shall employ best management practices to avoid the potential introduction and spread of invasive species on lands disturbed by Project construction activities. The Permittee shall develop an Invasive Species Prevention Plan and file it with the Commission at least 14 days prior to the pre-construction meeting. The Permittee shall comply with the most recently filed Invasive Species Prevention Plan.

4.3.18 Noxious Weeds

The Permittee shall take all reasonable precautions against the spread of noxious weeds during all phases of construction. When utilizing seed to establish temporary and permanent vegetative cover on exposed soil the Permittee shall select site-appropriate seed certified to be free of noxious weeds. To the extent possible, the Permittee shall use native seed mixes. The Permittee shall keep records of compliance with this section and provide them upon the request of Commission staff.

4.3.19 Roads

The Permittee shall advise the appropriate governing bodies having jurisdiction over all state, county, city, or township roads that will be used during the construction phase of the Project. Where practical, existing roadways shall be used for all activities associated with construction of the Project. Oversize or overweight loads associated with the Project shall not be hauled across public roads without required permits and approvals.

The Permittee shall locate all perimeter fencing and vegetative screening in a manner that does not interfere with routine road maintenance activities and allows for continued safe travel on public roads.

The Permittee shall construct the fewest number of site access roads required. Access roads shall not be constructed across streams and drainage ways without the required permits and approvals. Access roads shall be constructed in accordance with all necessary township, county or state road requirements and permits.

The Permittee shall promptly repair private roads or lanes damaged when moving equipment or when accessing construction workspace, unless otherwise negotiated with the affected landowner. The Permittee shall keep records of compliance with this section and provide them upon the request of Commission staff.

4.3.20 Archaeological and Historic Resources

The Permittee shall make every effort to avoid impacts to archaeological and historic resources when constructing the Project. In the event that a resource is encountered, the Permittee shall consult with the State Historic Preservation Office (SHPO) and the State Archaeologist. Where feasible, avoidance of the resource is required. Where not feasible, mitigation must include an effort to minimize Project impacts on the resource consistent with SHPO and State Archaeologist requirements.

Prior to construction, the Permittee shall train workers about the need to avoid cultural properties, how to identify cultural properties, and procedures to follow if undocumented cultural properties, including gravesites, are found during construction. If human remains are encountered during construction, the Permittee shall immediately halt construction and promptly notify local law enforcement and the State Archaeologist. The Permittee shall not resume construction at such location until authorized by local law enforcement or the State Archaeologist. The Permittee shall keep records of compliance with this section and provide them upon the request of Commission staff.

4.3.21 Interference

If interference with radio or television, satellite, wireless internet, GPS-based agriculture navigation systems or other communication devices is caused by the presence or operation of the Project, the Permittee shall take whatever action is necessary to restore or provide reception equivalent to reception levels in the immediate area just prior to the construction of the Project. The Permittee shall keep records of compliance with this section and provide them upon the request of Department of Commerce staff or Commission staff.

4.3.22 Drainage Tiles

The Permittee shall avoid, promptly repair, or replace all drainage tiles broken or damaged during all phases of the Project's life unless otherwise negotiated with the affected landowner. The Permittee shall keep records of compliance with this section and provide them upon the request of Commission staff.

4.3.23 Restoration

The Permittee shall restore the areas affected by construction of the Project to the condition that existed immediately before construction began to the greatest extent possible. The time period to complete restoration may be no longer than 12 months after the completion of construction. Restoration shall be compatible with the safe operation, maintenance, and inspection of the Project. Within 60 days after completion of all restoration activities, the Permittee shall file with the Commission a Notice of Restoration Completion.

4.3.24 Cleanup

The Permittee shall remove and properly dispose of all construction waste and scrap from the right-of-way and all premises on which construction activities were conducted upon completion of each task. The Permittee shall remove and properly dispose of all personal litter, including bottles, cans, and paper from construction activities daily.

4.3.25 Pollution and Hazardous Wastes

The Permittee shall take all appropriate precautions to protect against pollution of the environment. The Permittee shall be responsible for compliance with all laws applicable to the generation, storage, transportation, clean up and disposal of all waste generated during construction and restoration of the Project.

4.3.26 Damages

The Permittee shall fairly restore or compensate landowners for damage to crops, fences, private roads and lanes, landscaping, drain tile, or other damage sustained during construction. The Permittee shall keep records of compliance with this section and provide them upon the request of Commission staff.

4.3.27 Public Safety

The Permittee shall provide educational materials to landowners within and adjacent to the Designated Site and, upon request, to interested persons about the Project and any restrictions or dangers associated with the Project. The Permittee shall also implement any necessary safety measures such as placing warning signs and gates for traffic control or restricting public access. The Permittee shall file with the Commission an affidavit of its public safety notifications at least 14 days before the pre-construction meeting.

The Permittee shall submit the location of all underground facilities, as defined in Minn. Stat. § 216D.01, subd. 11, to Gopher State One Call following the completion of the construction of the Project.

4.3.28 Site Identification

The Permittee shall mark the energy storage system with a clearly visible identification number and/or street address.

4.4 Collector and Feeder Lines

The Permittee may use overhead or underground collector and feeder lines to carry power from an internal Project interconnection point to the energy storage system. The Permittee shall place overhead and underground collector and feeder lines that parallel public roads within the public right-of-way or on private land immediately adjacent to the road. The Permittee shall obtain approval from the landowner or government unit responsible for the affected right-of-way.

The Permittee shall locate collector and feeder lines in such a manner as to minimize interference with agricultural operations including but not limited to existing drainage patterns, drain tile, future tiling plans, and ditches. The Permittee shall place safety shields on all guy wires associated with overhead collector and feeder lines. The Permittee shall submit the engineering drawings of all collector and feeder lines with the Site Plan pursuant to Section 8.3.

4.5 Other Requirements

4.5.1 Safety Codes and Design Requirements

The Permittee shall design the energy storage system and associated facilities to meet or exceed all relevant local and state codes, the National Electric Safety Code, and North American Electric Reliability Corporation requirements. This includes standards relating to clearances to ground, clearance to crossing utilities, clearance to buildings, strength of materials, clearances over roadways, right-of-way widths, and permit requirements. The Permittee shall keep records of compliance with these standards and provide them upon the request of Commission staff.

4.5.2 Other Permits and Regulations

The Permittee shall comply with all applicable state statutes and rules. The Permittee shall obtain all required permits for the Project and comply with the conditions of those permits unless those permits conflict with or are preempted by federal or state permits and regulations.

At least 14 days prior to the pre-construction meeting, the Permittee shall file with the Commission an Other Permits and Regulations Submittal that contains a detailed status of all permits, authorizations, and approvals that have been applied for specific to the Project. The Other Permits and Regulations Submittal shall also include the permitting agency name; the name of the permit, authorization, or approval being sought; contact person and contact information for the permitting agency or authority; brief description of why the permit, authorization, or approval is needed; application submittal date; and the date the permit, authorization, or approval was issued or is anticipated to be issued.

The Permittee shall demonstrate that it has obtained all necessary permits, authorizations, and approvals by filing an affidavit stating as such and an updated Other Permits and Regulations Submittal prior to commencing Project construction. The Permittee shall provide a copy of any such permits, authorizations, and approvals at the request of or Commission staff.

5 SPECIAL CONDITIONS

The special conditions shall take precedence over other conditions of this permit should there be a conflict.

5.1 Lighting

Permittees must use shielded and downward facing lighting and LED lighting that minimizes blue hue at the gate locations, BESS enclosures, and along fence lines. Downward facing lighting must be clearly visible on the plan and profile submitted for the Project.

5.2 Pre-construction Noise Modeling and Impact Assessment

The Permittee shall file a noise impact assessment at least 14 days prior to the pre-construction meeting. The noise impact assessment shall summarize the results from noise propagation modeling that incorporates noise inputs from the selected equipment and the facility layout shown in the site plans required in Section 8.3 of this permit. The permittee shall file an updated noise impact assessment including any revisions to selected equipment or facility layout prior to any modifications to the facility over its operating life. The Permittee shall maintain a webpage identifying days, times and areas where construction crew will be conducting activities that will create significant noise during construction. The Permittee shall provide all neighboring landowners and the township a link to the website prior to construction and shall update the website frequently during construction to keep landowners informed where these activities will be occurring.

5.3 Noise Studies and noise Mitigation

The Permittee shall file a proposed methodology for the conduct of a post-construction noise study at least 14 days prior to the pre-construction meeting. The Permittee shall develop the post-construction noise study methodology in consultation with Commission staff. The Permittee must conduct the post-construction noise study and file with the Commission the completed post-construction noise study within 18 months of commencing commercial operation.

The BESS facilities and associated facilities shall be placed and operated such that the Permittee shall, at all times, comply with noise standards established by the MPCA. Operation of the facility shall be modified, or project components shall be removed from service if necessary to comply with these noise standards.

5.4 Hazard Mitigation Analysis

The Permittee shall file a Hazard Mitigation Analysis detailing the results of the equipment testing, and the risks associated with the technology at least 30 days prior to the pre-construction meeting.

5.5 Natural Gas Pipeline

The Permittee shall confer with the Northern Natural Gas Company to avoid impacts to the gas transmission pipeline that intersects the primary access road and develop further mitigation measures as needed.

5.6 Vegetation Management Plan

The amended VMP must include the following:

- (a) management objectives addressing short term (year 0-5, seeding and establishment) and long term (year 5 through the life of the Project) goals;
- (b) a description of planned restoration and vegetation management activities, including how the site will be prepared, timing of activities, how seeding will occur (e.g., broadcast, drilling, etc.), and the types of seed mixes to be used;
- (c) a description of how the site will be monitored and evaluated to meet management goals;
- (d) a description of the management tools used to maintain vegetation (e.g., mowing, spot spraying, hand removal, fire, grazing, etc.), including the timing and frequency of maintenance activities;
- (e) identification of the third-party (e.g., consultant, contractor, site manager, etc.) contracted for restoration, monitoring, and long-term vegetation management of the site;
- (f) identification of on-site noxious weeds and invasive species (native and non-native) and the monitoring and management practices to be utilized; and
- (g) a marked-up copy of the Site Plan showing how the site will be revegetated and that identifies the corresponding seed mixes. Best management practices should be followed concerning seed mixes, seeding rates, and cover crops.

5.7 Unanticipated Discoveries Plan

Prior to construction, the Permittee shall survey areas of construction activity within undisturbed land that have not been surveyed.

The Permittee shall develop an Unanticipated Discoveries Plan (UDP) to identify guidelines to be used in the event previously unrecorded archeological or historic properties, or human remains, are encountered during construction, or if unanticipated effects to previously identified archaeological or historic properties occur during construction. This is in addition to

and not in lieu of any other obligations that may exist under law or regulation relating to these matters. The UDP shall describe how previously unrecorded, non-human burial, archaeological sites found during construction shall be marked and all construction work must stop at the discovery location. The Permittee shall file the UDP with the Commission at least 14 days prior to the preconstruction meeting.

5.8 Security Fencing

The Permittee shall design the security fence surrounding the energy storage system to minimize the visual impact of the Project while maintaining compliance with the National Electric Safety Code. The Permittee shall develop a final fence plan for the specific site in coordination with the DNR. The final fence plan shall be submitted to the Commission as part of the Site Plan pursuant to Section 8.3.

5.9 Wildlife-Friendly Erosion Control

The Permittee shall use only “bio-netting” or “natural netting” types of erosion control materials and mulch products without synthetic (plastic) fiber additives.

5.10 Dust Control

The Permittee shall minimize and avoid, if possible, the use of chloride-based dust control chemicals (i.e., calcium chloride, magnesium chloride).

5.11 Battery Augmentation

The Permittee shall notify the Commission of scheduled augmentation at least 30 days prior to commencing augmentation activities. In its filing, the Permittee shall describe the number and types of batteries included in the augmentation. The Permittee shall indicate the location of the augmentation on the project Site Plan. In its filing the Permittee shall demonstrate compliance with the noise impact assessment submitted to the Commission as required in Section 5.2 of this permit.

5.12 Offtake Agreement

In the event the Permittee does not have an offtake agreement, or some other enforceable mechanism for sale of energy capacity provided by the Project at the time this site permit is issued, the Permittee shall provide notice to the Commission when it obtains a commitment for the energy capacity. This site permit does not authorize construction of the Project until the Permittee has obtained an offtake agreement, or some other enforceable mechanism for energy capacity provided by the Project. In the event the Permittee does not obtain an offtake

agreement or some other enforceable mechanism for the energy capacity provided by the Project within four years of the issuance of this site permit, the Permittee must advise the Commission of the reason for not having such commitment. In such event, the Commission may determine whether this site permit should be amended or revoked. No amendment or revocation of this site permit may be undertaken except in accordance with Minn. Stat. § 216I.09 or Minn. Stat. § 216I.14.

5.13 Annual Report

The Permittee shall, by February 1st following each complete or partial year of Project operation, file a report with the Commission on the monthly availability of the facility including:

1. the installed nameplate capacity of the permitted facility;
2. the monthly and annual availability of the facility;
3. the operational status of the facility and any major outages, major repairs, incidents that required an emergency response, battery augmentation, or performance improvements occurring in the previous year; and
4. any other information reasonably requested by the Commission.

The Permittee shall file this information in a format recommended by the Commission. This information shall be considered public and must be filed electronically.

5.14 Tree Replacement

The permittee in coordination with the Department of Natural Resources, Olmsted County, and the City of Byron, develop a plan to replace any trees that are removed for the construction of the Project and file the plan with the Commission at least 14 days before the pre-construction meeting. Replacement trees can be planted as part of the required Visual Screening Plan or may be planted on public lands with the permission of the public entity/owner.

6 DELAY IN CONSTRUCTION

If the Permittee has not commenced construction or improvement of the site within four years after the date of issuance of this site permit the Permittee shall file a Failure to Construct Report and the Commission shall consider suspension of this site permit in accordance with Minn. R. 7850.4700.

7 COMPLAINT PROCEDURES

At least 14 days prior to the pre-construction meeting, the Permittee shall file with the Commission the complaint procedures that will be used to receive and respond to complaints. The complaint procedures shall be in accordance with the requirements of Minn. R. 7829.1500 or Minn. R. 7829.1700, and as set forth in the complaint procedures attached to this site permit.

Upon request, the Permittee shall assist Commission staff with the disposition of unresolved or longstanding complaints. This assistance shall include, but is not limited to, the submittal of complaint correspondence and complaint resolution efforts.

8 COMPLIANCE REQUIREMENTS

Failure to timely and properly make compliance filings required by this site permit is a failure to comply with the conditions of this site permit. Compliance filings must be electronically filed with the Commission.

8.1 Pre-Construction Meeting

Prior to the start of construction, the Permittee shall participate in a pre-construction meeting with Commission staff to review pre-construction filing requirements, scheduling, and to coordinate monitoring of construction and site restoration activities. Within 14 days following the pre-construction meeting, the Permittee shall file with the Commission a summary of the topics reviewed and discussed and a list of attendees. The Permittee shall indicate in the filing the anticipated construction start date.

8.2 Pre-Operation Meeting

At least 14 days prior to commercial operation of the Project, the Permittee shall participate in a pre-operation meeting with Commission staff to coordinate field monitoring of operation activities for the Project. Within 14 days following the pre-operation meeting, the Permittee shall file a summary of the topics reviewed and discussed and a list of attendees with the Commission.

8.3 Site Plan

At least 14 days prior to the pre-construction meeting, the Permittee shall file with the Commission, and provide the counties where the Project will be constructed with a Site Plan that includes specifications and drawings for site preparation and grading; specifications and locations of the energy storage system and associated facilities; and procedures for cleanup and restoration. The documentation shall include maps depicting the Designated Site, energy storage system, and associated facilities layout in relation to that approved by this site permit.

The Permittee may not commence construction until the earlier of (i) 30 days after the pre-construction meeting or (ii) or until the Commission staff has notified the Permittee in writing that it has completed its review of the documents and determined that the planned construction is consistent with this site permit.

If the Commission notifies the Permittee in writing within 30 days after the pre-construction meeting that it has completed its review of the documents and planned construction, and finds that the planned construction is not consistent with this site permit, the Permittee may submit additional and/or revised documentation and may not commence construction until the Commission has notified the Permittee in writing that it has determined that the planned construction is consistent with this site permit.

If the Permittee intends to make any significant changes in its Site Plan or the specifications and drawings after submission to the Commission, the Permittee shall notify the Commission and county staff at least five days before implementing the changes. No changes shall be made that would be in violation of any of the terms of this site permit.

8.4 Status Reports

The Permittee shall file with the Commission monthly Construction Status Reports beginning with the pre-construction meeting and until completion of restoration. Construction Status Reports shall describe construction activities and progress, activities undertaken in compliance with this site permit, and shall include text and photographs.

If the Permittee does not commence construction of the Project within six months of this site permit issuance, the Permittee shall file with the Commission Pre-Construction Status Reports on the anticipated timing of construction every six months beginning with the issuance of this site permit until the pre-construction meeting. The status updates shall include information on the Project's Midcontinent Independent System Operator (MISO) interconnection process, if applicable.

8.5 Labor Statistic Reporting

The Permittee shall file quarterly Labor Statistic Reports with the Commission within 45 days of the end of the quarter regarding construction workers that participated in the construction of the Project. The Labor Statistic Reports shall:

- (a) detail the Permittee's efforts and the site contractor's efforts to hire Minnesota workers; and
- (b) provide an account of:

- i. the gross number of hours worked by or full-time equivalent workers who are Minnesota residents, as defined in Minn. Stat. § 290.01, subd. 7;
- ii. the gross number of hours worked by or full-time equivalent workers who are residents of other states, but maintain a permanent residence within 150 miles of the Project; and
- iii. the total gross hours worked or total full-time equivalent workers.

The Permittee shall work with its contractor to determine the suitable reporting metric. The report may not include personally identifiable data.

8.6 Prevailing Wage

The Permittee, its contractors, and subcontractors shall pay no less than the prevailing wage rate as defined in Minn. Stat. § 177.42 and shall be subject to the requirements and enforcement provisions under Minn. Stat. §§ 177.27, 177.30, 177.32, 177.41 to 177.435, and 177.45. The Permittee shall keep records of contractor and subcontractor pay and provide them at the request of Commission staff.

8.7 In-Service Date

At least three days before the Project is to be placed into service, the Permittee shall notify the Commission of the date on which the Project will be placed into service and the date on which construction was completed.

8.8 As-Builts

Within 90 days after completion of construction, the Permittee shall submit to the Commission copies of all final as-built plans and specifications developed during the Project construction.

8.9 GPS Data

Within 90 days after completion of construction, the Permittee shall submit to the Commission, in the format requested by the Commission, geo-spatial information (*e.g.*, ArcGIS compatible map files, GPS coordinates, associated database of characteristics) for all structures associated with the Project.

8.10 Right of Entry

The Permittee shall allow Commission designated representatives to perform the following, upon reasonable notice, upon presentation of credentials and at all times in compliance with the Permittee's site safety standards:

- (a) To enter upon the facilities easement of the property for the purpose of obtaining information, examining records, and conducting surveys or investigations.
- (b) To bring such equipment upon the facilities easement of the property as is necessary to conduct such surveys and investigations.
- (c) To sample and monitor upon the facilities easement of the property.
To examine and copy any documents pertaining to compliance with the conditions of this site permit.

8.11 Emergency Response

The Permittee shall prepare an Emergency Response Plan (ERP) in consultation with the emergency responders having jurisdiction over the Project prior to construction. The Permittee shall file the ERP, along with any comments from emergency responders to the Commission at least 14 days prior to the pre-construction meeting and a revised ERP, if any, at least 14 days prior to the pre-operation meeting. At least 14 days prior to the pre-operation meeting the Permittee shall file with the Commission an affidavit of the distribution of the ERP to emergency responders and Public Safety Answering Points (PSAP) with jurisdiction over the Project. The Permittee shall obtain and register the Project address or other location indicators acceptable to the emergency responders and PSAP having jurisdiction over the Project.

8.12 Extraordinary Events

Within 24 hours of discovery of an occurrence, the Permittee shall notify the Commission of any extraordinary event. Extraordinary events include but shall not be limited to fires, acts of sabotage, collector or feeder line failure, and injured worker or private person. The Permittee shall, within 30 days of the occurrence, file a report with the Commission describing the cause of the occurrence and the steps taken to avoid future occurrences.

8.13 Wildlife Injuries and Fatalities

The Permittee shall report any wildlife injuries and fatalities to the Commission quarterly.

9 DECOMMISSIONING AND RESTORATION

9.1 Decommissioning Plan

The Permittee shall comply with the provisions of the most recently filed and accepted Decommissioning Plan. The initial version of the Decommissioning Plan was submitted for this Project as Appendix D of the Site Permit Application. The Permittee shall file an updated Decommissioning Plan incorporating comments and information from the permit application

process and any updates associated with the final construction plans with the Commission at least fourteen 14 days prior to the pre-construction meeting. The Permittee shall update and file the Decommissioning Plan with the Commission every five years following the commercial operation date.

The Decommissioning Plan shall provide information identifying all surety and financial securities established for decommissioning and site restoration. The Decommissioning Plan shall provide an itemized breakdown of costs of decommissioning all Project components, which shall include labor and equipment.

The Permittee shall also submit the Decommissioning Plan to the local unit of government having direct zoning authority over the area in which the Project is located. The Permittee shall ensure that it carries out its obligations to provide for the resources necessary to fulfill its requirements to properly decommission the Project at the appropriate time. The Commission may at any time request the Permittee to file a report with the Commission describing how the Permittee is fulfilling this obligation.

9.2 Site Final Restoration

Upon expiration of this site permit or upon termination of operation of the Project, the Permittee shall have the obligation to dismantle and remove from the site all Project components in accordance with the most recently filed and accepted decommissioning plan. To the extent feasible, the Permittee shall restore and reclaim the site to pre-project conditions. Landowners may require the site be returned to agricultural production or may retain restored prairie vegetation, or other land uses as agreed to between the landowner and the Permittee. All access roads shall be removed unless written approval is given by the affected landowner requesting that one or more roads, or portions thereof, be retained. All such agreements between the Permittee and the affected landowner shall be filed with the Commission prior to commencing restoration activities. The Permittee shall restore the site in accordance with the requirements of this condition and file a Notification of Final Restoration Completion to the Commission within 18 months of termination of operation of the Project.

10 COMMISSION AUTHORITY AFTER SITE PERMIT ISSUANCE

10.1 Expansion of Designated Site Boundaries

No expansion of the site boundary described in this site permit shall be authorized without the approval of the Commission. The Permittee may submit to the Commission a request for a change in the boundary of the site for the Project. The Commission will respond to the requested change in accordance with applicable statutes and rules.

10.2 Periodic Review

The Commission shall initiate a review of this site permit and the applicable conditions at least once every five years. The purpose of the periodic review is to allow the Commission, the Permittee, and other interested persons an opportunity to consider modifications in the conditions of this site permit. No modification may be made except in accordance with applicable statutes and rules.

10.3 Modification of Conditions

After notice and opportunity for hearing this site permit may be modified or amended for cause, including but not limited to the following:

- (a) violation of any condition in this permit;
- (b) endangerment of human health or the environment by operation of the Project; or
- (c) existence of other grounds established by rule.

10.4 More Stringent Rules

The issuance of this site permit does not prevent the future adoption by the Commission of rules or orders more stringent than those now in existence and does not prevent the enforcement of these more stringent rules and orders against the Permittee.

11 SITE PERMIT AMENDMENT

This site permit may be amended at any time by the Commission. Any person may request an amendment of the conditions of this site permit by submitting a request to the Commission in writing describing the amendment sought and the reasons for the amendment. The Commission will mail notice of receipt of the request to the Permittee. The Commission may amend the conditions after affording the Permittee and interested persons such process as is required under Minn. R. 7850.4900.

12 TRANSFER OF SITE PERMIT

The Permittee may request at any time that the Commission transfer this site permit to another person or entity (transferee). In its request, the Permittee must provide the Commission with:

- (a) the name and description of the transferee;
- (b) the reasons for the transfer;
- (c) a description of the facilities affected; and
- (d) the proposed effective date of the transfer.

The transferee must provide the Commission with a certification that it has read, understands and is able to comply with the plans and procedures filed for the Project and all conditions of this site permit.

The transferee must provide the Commission with the name and contact information for the site manager, as described in Section 4.3.2, and either a current version with eDocket reference, or a revised version of the following:

- (a) complaint procedures, as described in Section 7 and Attachment 1;
- (b) ERP, as described in Section 8.12; and
- (c) Decommissioning Plan, as described in Section 9.1.

The Commission may authorize transfer of the site permit after affording the Permittee, the transferee, and interested persons such process as is required under Minn. R. 7850.5000.

13 REVOCATION OR SUSPENSION OF SITE PERMIT

The Commission may initiate action to revoke or suspend this site permit at any time. The Commission shall act in accordance with the requirements of Minn. R. 7850.5100, to revoke or suspend this site permit.

14 EXPIRATION DATE

This site permit shall expire 30 years after the date this site permit was approved and adopted.