Revised Decision Options – Agenda Item #2 Dockets IP-7053/CN-21-112 and GS-21-113 October 27, 2022

## Modify Permit Section 9.1 as follows [new language highlighted]:

## 9.1 Decommissioning Plan

The Permittee shall submit a decommissioning plan to the Commission at least fourteen 14 days prior to the pre-operation meeting and provide updates to the plan every five years thereafter. The 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 plan shall identify cost estimates for the removal of solar panels, racks, underground collection cables, access roads, transformers, substations, and other project components. The plan may also include anticipated costs for the replacement of panels or repowering the project by upgrading 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.

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 part of the May 5, 2021, site permit application. The Permittee shall file submit an updated decommissioning plan, incorporating comments and information from the permit issuance process and any updates associated with final construction plans, with to the Commission at least fourteen 14 days prior to the pre-operation pre-construction meeting. The decommissioning plan shall be updated every five years following the commercial operation date.

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- EERA staff recommends that the plan include a site map identifying major components of the project.
- An updated plan should include a discussion of the use of generation output and should
  describe permits necessary for decommissioning the project.
- EERA staff notes that the plan indicates a net financial decommissioning surplus. This surplus is based on what EERA staff believes is a relatively high value for used solar panels at the project's end of life. Staff acknowledges the difficulty in estimating the value of used solar panels 30 years into the future. Staff recommends that the permittee continue to evaluate the value of used solar panels, at a minimum, on the five year schedule required by the Commission's sample permit. A section should be added to the plan reflecting the Commission's required five year update schedule. Further, the plan should note that it must be updated with any change of project ownership.
- <u>Consistent with Solar and Wind Decommissioning Working Group recommendations,</u>
  <u>EERA staff recommends that a financial surety for decommissioning the project be</u>
  <u>established no later than the tenth year of operation and that the surety provide for full</u>
  <u>decommissioning costs prior to the expiration of any power purchase agreement. A</u>
  <u>final, updated plan should discuss the anticipated beneficiary of the surety.</u>

## The decommissioning plan must include:

- a site map identifying major components of the project.
- a discussion of the use of generation output
- permits necessary for decommissioning the project.
- an updated evaluation of the value of used solar panels.
- an estimate of both the net and gross decommissioning cost values
- a requirement that the plan must be updated with any change of project ownership.
- a proposed financial surety mechanism for decommissioning the project no later than
  the tenth year of operation. The proposed surety shall provide for the full
  decommissioning costs prior to the expiration of any power purchase agreement.
- the anticipated beneficiary of the surety.
- a recycling and reclamation plan that describes how the permittee will recycle project materials to the extent practicable.

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