

September 1, 2021

Mr. James Martin
Zoning Administrator
Town of Moreau
351 Reynolds Road
Moreau, NY 12121

Regarding: Baker Falls Solar, LLC Decommissioning Plan Review

Dear Mr. Martin:

We have received the Decommission Plan Review letter prepared by Laberge Group, dated July 29, 2021 for the Bakers Falls Solar project in the Town of Moreau, NY. In response to the comments, we offer the following:

1. *In general, we recommend that the decommissioning plan include construction specifications and plans. In most cases the specifications and plans could be used to satisfactorily address many of our review comments and ensure the Town would be in a position to bid the decommissioning work should the operator not be capable.*
 - a. *Specifications for decommissioning should minimally include: general requirements summary of work, performance requirements, submittals, project conditions products/materials, execution, preparation, removals, field quality control, etc.*

Response: Comment noted. Nexamp created a Decommissioning Exhibit which has been provided to communicate the aforementioned information.

2. *All connectors/connections that are cut or dismantled should be removed and disposed of off the site at an approved disposal site.*

Response: Comment noted. Note #1 has been added to the Decommissioning Exhibit to communicate this.

3. *All solar cell "modules" cracked, fractured, or otherwise un-suitable for salvage and recycling, as well as associated spilled materials, should be removed and disposed of off the site at an approved disposal site.*

Response: Comment noted. Note #2 has been added to the Decommissioning Exhibit to communicate this.

4. *Upon the final removal of all photovoltaics and appurtenances, roads and stormwater management components, the lands within the approved limits of disturbance as well as those that may have been impacted by operations shall be restored by use of the two-phase practice of deep ripping and decompaction in accordance with the document "Deep—Ripping and Decompaction" NYS DEC Division of Water, April 2008. This document should be include as part of the plan.*

Comment noted. Note # 3 has been added to the Decommissioning Exhibit to communicate this.

5. *The plan should include a "...site—specific choice of an appropriate vegetative ground—cover seed mix, including the proper seeding ratio of one or more perennial species with a deep taproot system and the proper amount of lime and soil nutrients (fertilizer mix) adapted to the soil-needs. . .".*

Response: Comment noted. Note #4 The Decommissioning Plan states that the areas of the Facility that are disturbed during decommissioning will be re-graded to establish a uniform slope and stabilized via hydroseeding with a ground treatment approved by the Building Inspector.

6. *Grade slabs are noted to be removed to one foot below grade crushed on site and recycled either on site or off. Slabs should be removed in their entirety, and not reused on the site.*

Response: Comment noted. Note #5 The Decommissioning Plan has been revised as requested.

7. *The plan should include a schedule (timeline) for implementation of the plan.*

Response: The Decommissioning Plan stated that the decommissioning process is estimated to take approximately six to eight (6-8) weeks and is intended to occur outside of the winter season.

8. *The applicant should calculate future value (cost) of decommissioning the project at the end of the lease term.*

Response: Comment noted. A decommissioning estimate specific to this project with current costs has been provided. The decommissioning surety amount has been revised to reflect a 2% annual inflation rate as requested.

9. *A percentage of modules un-suitable for salvage and recycling should be estimated and removed/discarded from the decommissioning salvage benefit.*

Response: Throughout the lifetime of the project, modules are monitored, inspected and replaced per the Operations and Maintenance Plan. Nexamp has a program where modules which are damaged during construction or operations are removed from the site and recycled in partnership with a module recycler. Therefore, there is not anticipated to be any modules un-suitable for salvage and recycling at the time of decommissioning.

10. *The cost to deep-rip and de-compact the site should be included in the cost estimate.*

Response: Comment noted. The decommissioning estimate provided, specific to this project, includes this cost.

11. *Price escalation should be accounted for in the costs presented.*

Response: Comment noted. The updated decommissioning surety amount accounts for price escalation as requested.

12. *We find the J & J Contractors, Inc. decommissioning cost estimate for a 6 MW DC facility date October 13, 2017 to acceptable as a basis for determining the unit cost for decommissioning per MW. However, this cost basis should be adjusted for 2021 present costs.*

Response: Comment noted. A decommissioning estimate specific to this project with current costs has been provided.

13. *Based upon the Salvage Values for Components of a 2.6 MW DC Solar Project analysis we find the use of \$10,000/MW DC for salvage value to be reasonable.*

Response: Comment noted.

14. *In further review of the decommissioning costs presented in order to determine the required surety we don't understand the addition of the 125% increase to the subtotal cost in determining the final total presented. The present values should be presented as future values as previously noted assuming a minimum of 2% per year for the term of the lease.*

Response: Comment noted. The decommissioning surety amount has been revised to reflect a 2% annual inflation rate as requested.

15. *Similar to the potential for legal costs to be incurred by the process of decommissioning, so to should the cost of other professional consultation associated with de-construction coordination, management and quality control of the project be included as a line item cost in the estimated costs. Therefore, a cost of 5% should be added for the consultant costs.*

Response: Comment noted. The decommissioning surety amount has been revised to include a 5% allotment for consultant costs.

16. *The decommissioning cost is presented in the summary analysis table as \$101,670. However, with the J&J Contractors cost estimate of 10/13/2017 provided that indicates a unit cost of \$32,333/MW, the cost should be stated as \$109,578 using the established unit cost as applied to this, 3.3 89 MW DC facility.*

Response: Comment noted.

17. *The proposed solar farm decommissioning bond that has been provided is a 1-year renewable bond, that notes plan documents and or approvals to be referenced and that the bond may be terminated or canceled by the surety with 60 days' notice. A cash or letter of credit in the amount of the future value of the cost of decommissioning at the end of the lease term should be provided in lieu of the 1-year renewable bond.*

Response: Nexamp appreciates the concern regarding the 1 year renewable bond. Nexamp has a verified track record of providing these renewals to many Town's across NYS. We look forward to discussing this with the Town Board who will make this decision. We will focus on our track record, bonding limits with an A++(Superior) rated surety company, and alternate ways to ensure Nexamp maintains this surety through the life of the project. We would like the Planning and Town Board to know that with the revised surety estimate, a cash or LOC surety would impact that this project's

financial viability. We are willing to work with the Town to find a fair and trustworthy approach to this concern with the use of a renewable bond.

The revised Decommissioning documents are attached for you review. If you have any additional questions or comments, please feel free to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "M. Cucchiara", with a stylized, cursive script.

Michael Cucchiara
VP, Business Development
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