

Excerpts from the Department's Record



**SECTION 3: FINANCIAL CAPACITY****3.0 FINANCIAL CAPACITY****3.1 ESTIMATED PROJECT COSTS**

The total cost of the Hancock Wind Project (project) is expected to be approximately \$110 million, categorized as follows:

<b>Category</b>	<b>Amount (\$ million)</b>
Turbines and Foundations	67.3
Transportation	1.9
Turbine installation cost	4.1
Roads	5.4
Electrical collector lines	6.0
Other construction costs (inc. O&M Building)	25.3
<b>Total</b>	<b>110.0</b>

**3.2 PROJECT STRUCTURE AND FINANCING**

Hancock Wind, LLC (Hancock) is the project applicant. Hancock is a wholly owned subsidiary of First Wind Maine Holdings, LLC, which in turn is a wholly-owned subsidiary of First Wind Holdings, LLC (First Wind). Paul Gaynor is the President or Chief Executive Officer of all three companies. As described in the letter in Exhibit 3A from its Chief Financial Officer, Michael Alvarez, First Wind has a demonstrated track record of successfully financing wind power projects throughout the country and in Maine. In addition, a consolidated balance sheet for First Wind and its subsidiaries is included as Exhibit 3B, and demonstrates that First Wind has in excess of \$ 2 billion in assets.

**3.2.1 First Wind Background**

First Wind ([www.firstwind.com](http://www.firstwind.com)) is an independent wind energy company exclusively focused on the development, financing, construction, ownership, and operation of utility-scale wind projects in the United States.

First Wind's strategy since inception in 2002 has been to build a company with the ability to develop, own, and operate a portfolio of wind energy projects in favorable markets. Its team of approximately 200 employees has broad experience in wind project development, transmission line development, meteorology, engineering, permitting, construction, finance, law, asset management, maintenance, and operations. It has established land control, stakeholder relationships, meteorological programs, and community initiatives, and has developed transmission solutions in the markets in which it focuses.

First Wind currently operates 16 wind energy projects across the country with a generating capacity of 980 megawatts, and as reflected in the attached balance sheet, has assets in excess of \$2 billion. First Wind is providing the initial equity for development of the project and,

as described more fully in its letter of financial support in Exhibit 3A, has the financial and technical resources and ability to finance the construction and operation of the project.

### **3.3 CERTIFICATE OF GOOD STANDING**

Hancock Wind, LLC is a Delaware corporation with a presence in Maine. Exhibit 3C is information from the Maine Secretary of State demonstrating that the corporation is in good standing.

**Exhibit 3A: Letter of Financing Commitment**



January 2, 2013

Ms. Patricia W. Aho  
Maine Department of Environmental Protection  
17 State House Station  
28 Tyson Drive  
Augusta, Maine 04333-0017

Re: Financial Support for Hancock Wind, LLC

Dear Commissioner Aho:

This letter is to provide evidence of the commitment and ability of First Wind Holdings, LLC ("First Wind") to fund the permitting, installation and operation of the approximately \$110 million Hancock Wind Project (the "Project"), to be located in T16 MD and T22 MD, both in Hancock County, Maine, and proposed by Hancock Wind, LLC ("Hancock Wind").

Hancock Wind is a wholly-owned project subsidiary of First Wind and was formed to develop, finance, construct, own and operate the Project. First Wind is funding the development of the Project through its subsidiary. First Wind is dedicated to the business of financing, constructing and operating wind power projects in Maine. First Wind has a proven track-record of financing the construction and operation of wind energy projects. First Wind currently operates sixteen wind energy projects across the country, with a generating capacity of 980 megawatts (MW), and has assets in excess of \$2 billion. Since 2004, First Wind has raised over \$7 billion including project debt financings, tax equity, corporate financings and government grants. Specific examples include the following:

- In 2006, a member of D.E. Shaw group and an affiliate of Madison Dearborn Partners each made a significant investment in First Wind. The D.E. Shaw group is a specialized investment and technology development firm and Madison Dearborn Partners is a private equity management firm focusing on investments in basic industries, energy and power, communications, consumer, financial services and health care.
- In 2006, First Wind, through an affiliate company, financed and constructed the Mars Hill wind energy project located in Mars Hill, Maine. Approximately \$22 million of the construction costs went to Maine firms and local spending. The Mars Hill wind energy project is a 42 MW facility consisting of 28 wind turbines and commenced commercial operations in March, 2007.
- In 2008, First Wind, through an affiliate company, financed and began construction of the first phase of the Stetson wind energy project located in Washington County, Maine

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 Maine Department of Environmental Protection  
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("Stetson"). An estimated \$50 million of the construction costs was spent on Maine firms and local spending. Stetson is a 57 MW facility consisting of 38 wind turbines and became fully operational in January, 2009.

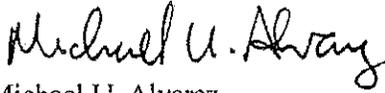
- In 2009, First Wind, through an affiliate company, financed and began construction of the Stetson II wind energy project located in Washington County, Maine ("Stetson II"). An estimated \$23 million of the construction costs was spent on Maine firms and local spending. Stetson II is a 25.5 MW facility consisting of 17 wind turbines and became fully operational in March, 2010.
- In December, 2010, First Wind, through an affiliate company, financed and began construction of the Rollins wind energy project located in Penobscot County, Maine ("Rollins"). Rollins is a 60 MW facility consisting of 40 wind turbines and became fully operational in 2011.
- In December, 2010, First Wind, through an affiliate company, closed a \$71.3 million construction loan and a \$4.5 million letter of credit facility for the Sheffield Wind project located in Sheffield, Vermont ("Sheffield"). Sheffield is a 40 MW facility consisting of 16 wind turbines that became fully operational in 2011.
- In April 2012, First Wind, through an affiliate company, entered into a financing agreement for a construction loan, a cash grant bridge loan and a letter of credit facility in the aggregate amount of \$76.1 million for the Bull Hill Wind project located in Bull Hill, Maine ("Bull Hill"). Additionally, First Wind, through an affiliate company, arranged term financing through a \$95.2 million sale-leaseback agreement. Bull Hill is a 34.5 MW facility consisting of 19 wind turbines and became fully operational in October 2012.
- In July 2012, First Wind Holdings, LLC and Emera Inc. closed on their transaction to jointly own and operate wind energy projects in the Northeast U.S. through a new company called Northeast Wind Partners. Emera invested a total of \$211 million to acquire 49 percent of Northeast Wind Partners. In addition, Emera made a \$150 million loan to an intermediate subsidiary company of Northeast Wind Partners, which will be repaid in five years. Emera financed the transaction through existing credit facilities. First Wind's 385 MW portfolio of wind energy projects in the Northeast U.S., including eight operating projects in three states were transferred to Northeast Wind Partners. First Wind retains 51 percent and Emera now owns 49 percent of the new company. First Wind serves as the managing partner and continues to operate the wind energy projects. Emera affiliate Emera Energy Services provides energy management services. First Wind exclusively manages the development business and, as such, continues to develop new wind projects in the Northeast. Once these projects meet certain eligibility criteria, First Wind has the ability to transfer up to an additional 1,200 MW of new projects into the new joint venture. The completion of the joint venture could lead to up to \$3 billion in future economic investment in the region in the coming years. The transaction

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received unanimous approval from the Maine Public Utilities Commission in May of this year.

The foregoing should provide sufficient information about First Wind's experience and activities in wind energy and about First Wind's ability to finance the Project. However, please let me know if you require any additional information about First Wind, the Project or our plans for wind energy development in the State of Maine.

Sincerely,



Michael U. Alvarez  
President and Chief Financial Officer

**Exhibit 3B: Consolidated Balance Sheet**

**FIRST WIND HOLDINGS, LLC AND SUBSIDIARIES**

Condensed Consolidated Financial Statements

September 30, 2012

(Unaudited)

**First Wind Holdings, LLC and Subsidiaries**  
**Condensed Consolidated Balance Sheets**  
(Unaudited)  
(in thousands)

	December 31, 2011	September 30, 2012
<b>Assets</b>		
Current assets:		
Cash and cash equivalents .....	\$ 14,975	\$ 108,457
Restricted cash .....	79,887	111,367
Accounts receivable .....	15,116	10,870
ARRA grant receivable .....	88,395	-
Prepaid expenses and other current assets .....	8,654	9,158
Derivative assets .....	12,332	12,445
Total current assets .....	219,359	252,297
Long-term portion of restricted cash .....	30,028	-
Property, plant and equipment, net .....	1,258,518	1,354,561
Construction in progress .....	148,614	418,680
Turbine deposits .....	179,028	15,000
Long-term portion of ARRA grant .....	35,915	-
Long-term derivative assets .....	50,405	56,311
Intangible assets, net .....	10,792	10,382
Other non-current assets .....	24,980	13,234
Deferred financing costs, net .....	39,049	35,260
Total assets .....	\$ 1,996,688	\$ 2,155,725
<b>Liabilities and Members' Capital</b>		
Current liabilities:		
Accrued capital expenditures and turbine deposits .....	\$ 49,064	\$ 10,004
Accounts payable and accrued expenses .....	26,173	38,005
Current portion of derivative liabilities .....	6,504	12,188
Current portion of long-term debt .....	125,069	403,736
Current portion of deferred revenue .....	20,857	21,085
Total current liabilities .....	227,667	485,018
Long-term derivative liabilities .....	13,743	30,493
Long-term debt, net of current portion .....	631,172	577,617
Deferred revenue .....	358,352	341,037
Other long-term liabilities .....	2,933	2,756
Asset retirement obligations .....	14,504	17,745
Total liabilities .....	1,248,371	1,454,666
Members' capital:		
Members' capital .....	850,952	808,537
Accumulated deficit .....	(341,245)	(528,795)
Total members' capital .....	509,707	279,742
Noncontrolling interests in subsidiaries .....	238,610	421,317
Total capital .....	748,317	701,059
Total liabilities and members' capital .....	\$ 1,996,688	\$ 2,155,725

**Exhibit 3C: Certificate of Good Standing**

# State of Maine



## Department of the Secretary of State

*I, the Secretary of State of Maine, certify that according to the provisions of the Constitution and Laws of the State of Maine, the Department of the Secretary of State is the legal custodian of the Great Seal of the State of Maine which is hereunto affixed and of the reports of qualification of foreign limited liability companies in this State and annual reports filed by the same.*

*I further certify that HANCOCK WIND, LLC, formerly BULL HILL II, LLC, formerly ZEPHYRUS WIND, LLC, a DELAWARE limited liability company, is a duly qualified foreign limited liability company under the laws of the State of Maine and that the application for authority to transact business in this State was filed on September 23, 2011.*

*I further certify that said foreign limited liability company has filed annual reports due to this Department, and that no action is now pending by or on behalf of the State of Maine to forfeit the authority to transact business in this State and that according to the records in the Department of the Secretary of State, said foreign limited liability company is a legally existing limited liability company in good standing under the laws of the State of Maine at the present time.*

*In testimony whereof, I have caused the Great Seal of the State of Maine to be hereunto affixed. Given under my hand at Augusta, Maine, this nineteenth day of December 2012.*



A handwritten signature in black ink, reading 'Charles E. Summers, Jr.'

**Charles E. Summers, Jr.**

**Secretary of State**





Mr. Kevin Feldman  
 First Wind Holdings, LLC  
 179 Lincoln Street, Suite 500  
 Boston, MA 02111

**RE: First Wind -- Hancock Wind**

March 22, 2013

Dear Mr. Feldman,

First Wind Holdings, LLC (the "Company") has informed RBS Securities Inc. (RBS) that it intends to develop and construct a wind power project with up to 51MW nameplate capacity to be located in Hancock county, Maine, proposed by Hancock Wind, LLC (the "Project").

Based on our experience in providing construction and long term financing for wind energy projects and our familiarity with the financial markets generally, we are confident that, assuming the Company can (1) demonstrate the operational and engineering feasibility of its project, (2) obtain power purchase agreements from credit worthy counterparties at competitive rates, and (3) can employ appropriate equipment for the project, the Company will be able to obtain financing on market terms and conditions sufficient to cover development costs, construction financing, and other financing as necessary for the Project to reach commercial operation. Once these Project issues are addressed, we would enter into negotiations to provide a Summary of Terms and Conditions offering financing for the Project not to exceed an appropriate loan to value.

RBS is one of the most active banks in North America in the financing of independent power projects with an in depth understanding of investor demand and appetite in the loan and capital markets used to finance non-recourse power projects. RBS has acted as Lead Arranger and Bookrunner on more than \$10BN in US non-recourse financings over the last 24 months. Most recently, RBS acted as:

- Joint Placement Agent / Ratings Advisor to EverPower on the Mustang Hills (fka Alta VI) \$245MM private placement issuance, the most recent renewables private placement issuance
- Joint Lead Arranger / Bookrunner to Terra-Gen on their \$650MM financing of the Alta 7 & 9 wind projects. RBS brought in a number of new lenders in to the syndicate, despite challenging market conditions, for a relatively large transaction, with RBS providing a significant anchor commitment
- Joint Lead Arranger / Bookrunner on MidAmerican Energy's 550MW Topaz Solar Farms LLC financing (\$850MM bond plus \$345MM LC's). This is currently the largest solar power transaction executed into the bond market
- Joint Lead Arranger / Bookrunner on two of the largest recent California thermal transactions, including a \$795MM bank financing for CPV Sentinel and a \$688MM bank for NRG El Segundo
- Joint Bookrunner and Placement Agent on the \$1.4BN Shepherds Flat construction financing, which is the largest U.S. wind construction financing executed to date.

This letter is for discussion purposes only, and is not an offer of financing or any commitment on our part, nor is it intended to be legally binding or to give rise to any legal or fiduciary relationship between RBS or its affiliates and any other person. Such a commitment, if any, will be delivered upon receipt of all requisite internal approvals and completion of due diligence.

You agree that you will not and you will procure that none of your subsidiaries will, without our prior written consent, disclose the contents of this letter or its existence to any person except, on a confidential basis, your employees and your legal or financial advisers and to the Company's

shareholders and its legal or financial advisers in each case, who have a need to know this information and who are made aware of the contents of this paragraph prior to such information being disclosed to them. You may make any disclosure required under applicable law or regulation. RBS hereby consents to your disclosure of this letter to the Maine Department of Environmental Protection.

We hope that this letter demonstrates the high regard that RBS has for the Company's management and our confidence in the Company's ability to obtain financing for the Project.

Sincerely,

RBS Securities Inc.



By:

Name: Orhan Sarayli  
Title: Director

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**Lentine-Eggett, Maria**

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**From:** Barnes, Brooke <brooke.barnes@stantec.com>  
**Sent:** Thursday, April 11, 2013 10:47 AM  
**To:** DEP, HancockWindProject  
**Cc:** 'jbagnato@firstwind.com'  
**Subject:** RE: financial capacity  
**Attachments:** First Wind - Interested Letter - Hancock - 032213 final.pdf

Hi Maria

Following up on your question about project financing, the final construction financing structure, including specifically the allocation between equity and debt portions of funding, will be determined closer to actual construction and will be based on market conditions at that time. To date, First Wind has successfully financed four grid-scale projects in Maine and many outside of Maine. Each Maine project utilized a combination of First Wind equity and third-party debt financing to fund construction. Consistent with how it has structured construction financing for other First Wind projects, the Applicant expects that the majority of construction financing will be provided by third-party debt and/or tax equity financing, and a smaller portion (typically in the range of 20-30%) will be funded with First Wind equity. As reflected the attached letter from RBS Securities, Inc., it is one, but certainly not the only, possible source for the debt portion of the construction financing.

Please let me know if you have any further questions regarding financial capacity.

Brooke

**From:** DEP, HancockWindProject [<mailto:HancockWindProject.DEP@maine.gov>]  
**Sent:** Friday, February 15, 2013 10:17 AM  
**To:** Barnes, Brooke  
**Subject:** financial capacity

Brooke,

Would there be any way you could supply me with more detail on the final anticipated breakdown of financing for the project? For instance, First Wind proposes to secure a bank loan for \$70 million, \$25 million will be cash straight from the company, and \$15 million will be a government grant. I understand this would not be exact, but it would give an idea of how they wish to finance.

Thanks,

Maria

Environmental Specialist  
Department of Environmental Protection  
(207) 941-4570/(207) 446-7120



**28.0 TANGIBLE BENEFITS**

**28.1 INTRODUCTION**

The Hancock Wind Project (project) will provide significant tangible benefits to Hancock County, communities near the project area, and throughout the entire State of Maine.<sup>1</sup> Tangible benefits are defined as environmental or economic improvements or benefits to residents of the State attributable to the construction, operation, and maintenance of the project and include, but are not limited to, property tax payments resulting from the development; other payments to a host community, including, but not limited to, payments under a community benefits agreement; construction-related employment; local purchase of materials; employment in operations and maintenance; reduced property taxes; reduced electrical rates; land or natural resource conservation; performance of construction, operations, and maintenance activities by trained, qualified and licensed workers; or other comparable benefits.<sup>2</sup> There is no requirement in the statute that projects provide benefits in each of the specified areas, but rather that the collective benefits from the project be significant.<sup>3</sup>

<b>Table 28-1 Summary of Tangible Benefits from Hancock Wind</b>	
<b>\$110,000,000</b>	Total Capital Investment
<b>\$47,500,000</b>	Est. Construction/Supply Chain Spending in Maine (See 28.2.6)
<b>\$10,000,000</b>	Est. Construction/Supply Chain Wages for Maine-based Labor (See 28.2.6)
<b>100</b>	Est. Direct, Full-time Maine-based Construction Jobs (See 28.2.6)
<b>95</b>	Est. Maine-based firms First Wind will utilize to build Hancock, based on supply chain of First Wind's 5 previous Maine wind farms
<b>\$358,000</b>	Average Property Taxes Paid Annually (See 28.2.5)
<b>\$96,000</b>	Community Benefits Package (See 28.2.3) <b>Equivalent to \$5,333 per turbine per year</b>
<b>\$10,000</b>	ATV Club (See 28.2.4)
<b>\$25,000</b>	Maine Wind Farm Snowmobile Trail Fund (See 28.2.4)
<b>60,000</b>	Approximate tonnage of CO2 avoided annually from 150,000 MWh <sup>4</sup> of clean, wind energy (See 28.3)

Tangible benefits from the project will extend from the communities in the project area, to businesses and contractors throughout the state, to ratepayers in the State and region. Locally,

<sup>1</sup> See 35-A MRSA §3454 for relevant criteria.

<sup>2</sup> 35-A MRSA §3451(10).

<sup>3</sup> Ibid.

<sup>4</sup> Pending final turbine selection.

the benefits manifest in the form of new landowner income, a community benefit agreement, support of local recreation clubs, and seed funding to establish a snowmobile trail linking Maine wind projects. Regionally, economic development will result from the significant portion of total capital investment – estimated at \$47.5 million – dedicated to Maine-based contractors and supply chain including potential in-state service or supply contracts for engineering, geo-tech, construction, project management, and raw materials. Finally, ratepayers across the State and the region realize the benefit of added wind energy capacity in the form of predictable, long-term wholesale contracts delinked from volatile markets and demand for fossil fuels, and the downward pressure on rates resulting from introduction of new renewable energy sources.

The most significant environmental benefit is the generation of electricity without pollution and emissions that result from conventional fossil fuel sources. The project will help meet clean energy goals under Maine's Renewable Portfolio Standard (RPS) and New England's Regional Greenhouse Gas Initiative ("RGGI"). Most importantly, clean air and water is healthier for Maine residents.

## 28.2 ECONOMIC BENEFITS

### 28.2.1 General Economic Benefits

The economic benefits of wind energy development in Maine and New England are well-documented. Charles Colgan of the University of Southern Maine has provided a retroactive review of the economic impacts of three utility-scale projects built and now operating in Maine. His research showed a \$222 million in-state investment from 3 projects, and an average of nearly 300 jobs created annually for 7 continuous years. London Economics International (LEI), at the direction of the Maine Public Utilities Commission (MPUC), has projected future economic impacts for an estimated 625 megawatts (MW) of new wind capacity in Maine. (LEI chose to model 625 MW as it reflected a rough estimate of the near-term build-out of wind power in Maine. In order to meet RPS requirements across New England by 2020, 5-7 times that amount of wind power [or its equivalent] will be needed, according to ISO-NE.) A summary of their analysis for 625 MW of new wind capacity additions in Maine follows:

<b>\$1.14 million</b>	Increase in Gross State Product (GSP) <sup>6</sup>
<b>\$560 million</b>	In-state Spending and Investment
<b>11,700 jobs</b>	Increase in Local Jobs
<b>\$6.3 million</b>	Annual Tax Revenue
<b>\$4.3 million</b>	Annual Savings to Maine ratepayers from reduced electricity prices
<b>\$13 million</b>	Annual Emissions Reductions

*Assumes 625 MW wind built with a capital cost of \$2,563/KW*

<sup>5</sup> See London Economics International LLC MPUC RPS Report 2011-Review of RPS Requirements and Compliance in Maine at 19.

<sup>6</sup> Gross State Product (GSP), along with employment is used to measure economic development. See *id.* at 58.

**SECTION 28: TANGIBLE BENEFITS**

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The following subsections describe specific tangible and economic benefits associated with the project.

**28.2.2 New Income for Landowners**

The project provides a new source of income and direct economic benefit to the local landowners participating in the project through land leases, fee acquisitions, and easements. Additional income from the project to the landowners will also be a stable source of “multiplier” spending in the region.

The project allows landowners to capture economic benefits without disruption to existing land uses. Income from the project will supplement – not displace – what landowners typically earn from logging and other traditional uses of their property. Amid broader and uncertain economic and market conditions, the stable, diversified income stream for landowners can help preserve forestry, recreational, and other traditional uses.

**28.2.3 Community Benefits Package**

Community outreach and support is woven into First Wind’s development strategy and operations. As long-term owner-operators of the projects it develops, First Wind understands the value of community support and continuously strives to cultivate positive community relations. First Wind is proud that wind energy facilities often become a symbol of local clean energy leadership, and First Wind seeks to help communities promote the projects for educational purposes and as examples of environmental stewardship.

Hancock County is comprised mostly of rural communities with sparse populations and limited commercial activity. The project provides a unique opportunity to develop an abundant local resource with minimal impact, while broadening the tax base and improving the financial security of the Towns of Osborn, Waltham and Eastbrook.

In addition to new tax revenue for the County, the project is required by statute to provide a community benefits package valued at no less than an average of \$4,000 per turbine, per year, or \$72,000 annually. The project’s combined average annual community benefit equals \$96,000 annually, or an average of \$5,333 per turbine - in excess of the statutory minimum.<sup>7</sup> The project will make the following community benefit payments.

**Osborn**

\$56,000 annually, payable to the Town of Osborn pursuant to a Community Benefit Agreement which can be used at the Town’s discretion for public purposes such as lowering tax rates or, if deemed necessary, investment in municipal assets and/or services. (Exhibit 28A).

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<sup>7</sup> 35-A MRSA §3454(2).

**Waltham**

\$20,000 annually, payable to the Town of Waltham pursuant to a Community Benefit Agreement which can be used at the Town's discretion for public purposes such as lowering tax rates or, if deemed necessary, investment in municipal assets and/or services. (Exhibit 28A).

**Eastbrook**

\$20,000 annually, payable to the Town of Eastbrook pursuant to a Community Benefit Agreement which can be used at the Town's discretion for public purposes such as lowering tax rates or, if deemed necessary investment in municipal assets and/or services. (Exhibit 28A).

<b>Table 28-3 Community Benefits Package</b>			
<b>ENTITY</b>	<b>BENEFIT</b>	<b>20-YEAR TOTAL</b>	<b>PER TURBINE/YEAR (20-YEAR)</b>
Town of Osborn	\$56,000 per year	\$1,120,000	
Town of Waltham	\$20,000 per year	\$400,000	
Town of Eastbrook	\$20,000 per year	\$400,000	
<b>TOTALS</b>	<b>\$96,000</b>	<b>\$1,920,000</b>	<b>\$5,333</b>

**28.2.4 Other Community and Resource-Based Tangible Benefits**

**ATV Club Acadia Area ATV'ers**

Hancock Wind has agreed to provide \$10,000 annually, payable to the Acadia Area ATV Club, to support its efforts to maintain trails, repair trail bridges, and perform stormwater management activities within the State of Maine. (Exhibit 28B, Agreement Section 2).

**Ride the Wind: A Maine Snowmobile Wind Farm Trail**

First Wind receives consistent feedback from the snowmobiling community that wind farms have become a preferred destination for snowmobile riders. Local clubs report that the first three questions from new riders in the area of a wind farm are "Where is the food? Where is the gas? And how do we get to the wind farm?" This interest in visiting wind farms is also evidenced by the popularity of the Stetson Wind Farm Annual Snowmobile Ride-In, an event requested by local clubs that regularly draws over 150 riders from the surrounding area to the Wind Farm for a cookout.

In an effort to build on this demonstrated interest to promote regional tourism, Hancock Wind has proposed to join the creation of a trail linking all the wind farms in the State. Hancock Wind is evaluating the preliminary mapping of the "Ride the Wind" Trail using existing routes and the map indicates that up to 8 current wind farms can be linked at a total distance of approximately

**SECTION 28: TANGIBLE BENEFITS**

590 miles (Exhibit 28C). The opportunity is to attract in-state and out-of-state riders to ride each of the links over multiple trips, thereby drawing increased tourism and business to local restaurants, lodging, convenience stores and other businesses in the economically challenged rural areas. Snowmobilers enthusiastically support the concept. In addition to working with local clubs and coordinating with other wind farm projects, Hancock Wind will provide \$25,000 in seed money to be utilized to finalize the routes, create marketing materials and promote the trail.

<b>Table 28-4 Other Community and Resource-Based Tangible Benefits</b>		
<b>ENTITY</b>	<b>BENEFIT</b>	<b>20-YEAR TOTAL</b>
Acadia Area ATV'ers	\$10,000 (annual)	\$200,000
Ride the Wind: A Maine Snowmobile Wind Farm Trail	\$25,000	\$25,000
<b>TOTALS</b>		<b>\$225,000</b>

**First Wind Corporate Programs**

In addition, when Hancock Wind becomes an operational facility, the communities of Waltham, Osborn and Eastbrook will become eligible for First Wind's traditional community outreach programs and support, including:

- **Direct support:** All First Wind operating projects have a budget to be responsive to charitable needs and requests from the immediate community.
- **Sponsorships of community events:** First Wind provides sponsorships for local civic organizations, environmental groups and events.
- **Corporate scholarship program:** College-bound high school students living in the vicinity of First Wind operating projects are eligible to apply for our corporate scholarship program. One student from each project operating area is selected for a one-time \$3,000 scholarship; and one student from the entire applicant pool is selected for a 4-year, \$5,000 scholarship (\$20,000 total). Since the program began in 2010, First Wind has issued \$175,000 in student awards; in 2012, a Maine student was selected for the \$20,000 scholarship.
- **Outreach to local schools:** First Wind has a strong track record of participating in local science and technology curriculum, and making wind projects available for tours (subject to operating schedules and constraints).

**SECTION 28: TANGIBLE BENEFITS**

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**28.2.5 Property Taxes**

The large investment in a wind power project can result in a dramatic increase in real property value, and typically has the corresponding effect of substantially increasing the local property tax base, thereby reducing taxes overall. Currently, First Wind pays over \$2 million in annual property taxes cumulative of five operational projects in Maine.

The on-site capital investments required for the Hancock Project will provide significant taxable property value without creating incremental demand for local services, resulting in a meaningful net tax benefit for the Unorganized Territory.

Hancock Wind, LLC estimates that the Project will result in estimated average annual Unorganized Territory property tax payments in excess of \$350,000, and average annual payments in Aurora of \$8,000. In the first year after the project is built, the Hancock County UT mil rate is expected to decrease due to the influx of new assessed property value. Thereafter, the mil rate is expected to see very small increases as the project depreciates in value.

**28.2.6 Employment and Supply Chain**

Wind power projects like the Hancock Wind Project represent significant investment opportunities in Maine during what has been an otherwise economically challenging period. According to the Maine Renewable Energy Association: "wind energy projects in Maine, totaling \$950 million, already have brought more than \$378 million to Maine in job creation, wages, taxes, land conservation programs, and support for basic infrastructure such as ports, engineering and environmental firms, and transportation companies."<sup>8</sup>

A significant portion of Hancock Wind's estimated \$110 million project cost will be spent on non-turbine supplies, engineering and construction-related activities, many of which can be provided by local or Maine-based businesses, contractors and suppliers. Research by Charles Colgan, PhD, at the Maine Center for Business and Economic Research at the University of Southern Maine, estimates the direct in-state economic impacts of wind energy development and construction to be \$863,813 per MW of capacity installed.<sup>9</sup> Of that total, \$681,813 is attributed to Maine-based goods, supplies and services. The remainder, \$182,000 per MW, is attributed to wages paid to Maine-based labor. If similar levels of in-state investment are achieved, the project will result in a \$50+ million supply chain opportunity for Maine-based contractors, firms, and labor during the construction phase alone. Historically, First Wind has utilized more than 300 Maine-based businesses to build wind projects in Maine; this project is yet another opportunity for these firms and others to engage with Maine's growing clean energy industry.

The general contractor is expected to subcontract with local businesses for activities like concrete supply, civil and electrical work, and tree-clearing. The construction activity will provide an economic boost to ancillary businesses in the project area that support construction

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<sup>8</sup> <http://www.windforme.org/economy.htm>

<sup>9</sup> *The Employment Impacts of Wind Power Development in Maine 2003-2010*, Charles Colgan, PhD; Maine Center for Business and Economic Research; University of Southern Maine.

**SECTION 28: TANGIBLE BENEFITS**

such as lodging, restaurants, and fuel stations. New income for local subcontractors, suppliers and workers will also be a source of "multiplier" spending in the region during construction.

Construction-related jobs are a major component of the project's potential economic benefits. In total, more than 1,000 Maine-based workers have worked on First Wind projects at Mars Hill, Stetson, Stetson II, Rollins and Bull Hill. The project will hire locally whenever possible, providing construction, operations, and maintenance employment opportunities to residents in the area. Based on First Wind's experience developing and constructing facilities similar projects in Maine, development and construction of the proposed project is estimated to require the direct labor of approximately 100 full-time equivalent jobs. The cumulative wages paid in Maine for Project labor is estimated to exceed \$10 million.<sup>10</sup> Following the construction phase, First Wind anticipates a staffing plan of three to six permanent employees to operate and maintain the facility, including on-site staff of the turbine manufacturer. Finally, First Wind directly and continuously employs 20+ Maine-based employees at Maine offices to support ongoing development, project management and operations of both operating and proposed wind facilities.

The cumulative effect of the above impacts is enhanced economic stability for the local, regional, and statewide economy. Although the exact amounts of direct and indirect economic benefits of the project may be difficult to predict, the historical spending and investment associated with the development and construction of First Wind's other Maine projects are evidence of the tangible economic benefits that can be expected from this project. To date, First Wind has spent over \$150 million with more than 300 Maine-based businesses, and employed over 1,000 workers to build our five operating projects. Exhibit 28D further demonstrates the breadth and geographical reach of Maine-based businesses that were engaged during the development and construction stages of a single project, Stetson Wind I. Contractors throughout the state from Fryeburg to Presque Isle, consultants with offices throughout the state, and local businesses in the Lincoln and Danforth area all benefited from these project expenditures. Notably, in addition to working on wind projects in Maine, a number of companies are leveraging their Maine experience and expertise to win and perform wind farm related contracts out of state, which is a significant achievement for this growing Maine industry.

**28.2.7 Ratepayer Benefits**

The addition of new power generation facilities in Maine will likely exert a downward pressure on electricity prices.

Abigail Krich, on behalf of the Conservation Law Foundation, expressed the concept in this way: "Wind has almost no marginal cost for producing electricity once it is built so it typically acts as a price-taker in the wholesale electricity markets. Price-taking energy, like wind, displaces more expensive energy in the markets, helping keep power prices low."<sup>11</sup> The low and predictable marginal cost of wind energy supply was one of the factors, which led the MPUC to approve a

<sup>10</sup>\$182,000 per MW; *The Employment Impacts of Wind Power Development in Maine 2003-2010*; Charles Colgan, PhD; Maine Center for Business and Economic Research; University of Southern Maine.

<sup>11</sup> LURC testimony of Abigail Krich, on behalf of the Conservation Law Foundation DP 4889 .

PPA between First Wind's Rollins Wind project and CMP/BHE, pursuant to an RFP designed to "obtain contracts that would be beneficial in terms of lower and/or more stable electricity rates."<sup>12</sup>

Furthermore, RPS are designed to diversify the electricity supply portfolio, stabilize rates, increase energy security, improve environmental quality, invigorate the clean energy industry, and promote economic development. The Maine Legislature has reaffirmed its support for the Maine RPS in recent sessions. The combined effect of the RPS in New England is an increasing regional demand for renewable energy that far exceeds the currently available and qualifying supply of renewable energy. This Project is estimated to provide an approximate average output of 150,000 MW hours per year, and thereby provide an important contribution toward achieving the policy objectives of the Maine RPS law. First Wind's currently operating projects are already generating over 500,000 MW hours per year, enough to power 80,000 homes.

### 28.3 ENVIRONMENTAL BENEFITS

Electricity generated from wind energy produces zero air or water pollution and displaces generation from more costly and polluting sources. Maine and the region have set aggressive greenhouse gas reduction goals to protect public health and quality of place. According to Mark Ishkanian, Board Member of the Maine Chapter of the American Lung Association, Maine has some of the nation's highest rates of asthma, and also a high proportion of elderly citizens – factors which make the population especially susceptible to air pollution.<sup>13</sup> State and regional experts, including ISO-New England, have concluded that Maine and the region cannot meet these greenhouse gas policy goals without significant additions of wind power and other renewable energy sources in Maine and elsewhere.<sup>14</sup>

The Hancock Wind project could annually avoid an additional 60,000 tons of CO<sub>2</sub>, as well as 60 tons of NO<sub>x</sub> and 200 tons of SO<sub>2</sub>. As noted by Ms. Krich, "when wind energy is produced and fed onto the grid, it must displace energy that would have been produced by another generator...in New England, [wind] would primarily displace energy from natural gas combined cycle generation." In addition, Ms. Krich stated that coal and oil, although less is generated, were displaced as well.<sup>15</sup> The environmental benefits of wind power were referenced and summarized in a new energy policy added to the Comprehensive Land Use Plan ("CLUP"), "to reflect the state's goals of supporting indigenous renewable resources."<sup>16</sup>

*Wind energy is an economically feasible, large-scale energy resource that does not rely on fossil fuel combustion or nuclear fission, thereby displacing electrical energy provided by these other sources and avoiding air pollution, waste disposal problems and hazards to human health from emissions, waste and by-products; consequently, wind energy development may address energy needs while making a significant contribution to achievement of the State's renewable energy and greenhouse gas reduction*

<sup>12</sup> Maine Public Utilities Commission; 2009 Annual Report.

<sup>13</sup> Kennebec Journal OpEd by Mark Ishkanian.

<sup>14</sup> ISO-New England 2008 Regional System Plan at 83.

<sup>15</sup> LURC testimony of Abigail Krich, on behalf of the Conservation Law Foundation, DP 4889.

<sup>16</sup> Comprehensive Land Use Plan, 194.

**SECTION 28: TANGIBLE BENEFITS**

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*objectives...wind energy may be used to displace electrical power that is generated from fossil fuel combustion and thus reduce our citizens' dependence on imported oil and natural gas and improve environmental quality and state and regional energy security.<sup>17</sup>*

**CONCLUSION**

The "environmental or economic improvements attributable to the construction, operation and maintenance of the Hancock Project" constitute a significant tangible benefit under the Wind Power Act. The collective impact of the construction-related employment, local purchase of materials, employment in operations and maintenance, annual property taxes, contributions to Acadia ATV Club, Snowmobile club, and community benefits described above, significant tangible benefits to the State of Maine, Hancock County, and Osborn, Waltham and Eastbrook locally.

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<sup>17</sup> 35-A MRS §3402(1).

**Exhibit 28A: Community Benefit Agreements**

## COMMUNITY BENEFIT AGREEMENT

This COMMUNITY BENEFIT AGREEMENT (the "Agreement") is made this 8<sup>th</sup> day of January, 2013 by and between the Town of Waltham, Maine, a body corporate and politic in the State Maine (the "Town") with a mailing address of 1520 Waltham Rd, Waltham ME 04405 and Hancock Wind, LLC, a Delaware limited liability company qualified to do business in Maine ("First Wind") with an address at c/o First Wind Energy, LLC, 179 Lincoln Street, Suite 500, Boston, Massachusetts 02111. Town and First Wind are referred to herein each as "Party" and collectively as the "Parties."

### RECITALS

WHEREAS, First Wind is seeking the requisite local, state and federal permits, licenses and approvals (collectively, "Permits") to construct a commercial grid-scale wind energy project (the "Project"), to be located in the unorganized territory of Hancock County;

WHEREAS, pursuant to 35-A M.R.S.A. Section 3451 et seq. (the "Maine Statute"), approval of the expedited wind energy development permit for the Project by the Maine Department of Environmental Protection ("DEP") requires, among other approval standards, that the Project provide "tangible benefits" associated with or resulting from the Project;

WHEREAS, "tangible benefits" as defined by the Maine Statute may include a community benefits package which may be satisfied, among other things, by a community benefit agreement between the Town and First Wind that provides for payments to the Town as a "host community," as defined by the Maine Statute (by virtue of the Town being proximate to the generating facilities), to be utilized for public purposes, including, but not limited to, for property tax reductions, economic development projects, land and natural resource conservation, tourism promotion or reduction of energy costs;

WHEREAS, First Wind has determined it to be appropriate, and has voluntarily agreed, to provide an Annual Contribution (as hereinafter defined) to the Town for a term of years described herein, in partial satisfaction of the "tangible benefits" requirement under the Maine Statute;

WHEREAS, the Town has agreed that it will use the Annual Contribution to provide local property tax relief as described below and further to provide services or facilities that will contribute to the general well-being of the Town;

WHEREAS, the Parties agree and acknowledge that the Annual Contribution shall not influence or have any bearing whatsoever on the Town's review of any application of First Wind for any Permit or any other decision the Town may have occasion to make relative to the Project.

NOW THEREFORE, in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Community Benefit Annual Contribution; Timing of Payments; Obligation

(a) Annual Contribution Payments: First Wind shall make Twenty (20) payments (each an "Annual Contribution") and collectively, the "Annual Contributions") to the Town in an amount equal to \_\_\_\_\_ (\$ \_\_\_\_\_ .00). Payment 1 will be made on the date one hundred and eighty (180) days following the date the Project reaches Commercial Operation, as defined below. Payments 2-20 will be made annually thereafter, on the anniversary of the Commercial Operation date.

(b) Commercial Operation: The date of Commercial Operation shall mean the date certain set forth in a notice to the transmission owner and the system operator in accordance with and pursuant to the interconnection agreement. First Wind shall provide to the Town a copy of such written notice, when issued by First Wind.

(c) Obligation: Upon notice to the Town of the date of Commercial Operation, First Wind becomes automatically obligated to the Town for the Annual Contributions as described herein.

2. Use of Annual Contribution; Reporting Requirements

(a) As a condition of the Town's receipt of the Annual Contributions under this Agreement, the Town agrees to use each of the Annual Contributions for public purposes, including, but not limited to, property tax reductions, economic development projects, land and natural resource conservation, tourism promotion or reduction of energy costs (the "Approved uses").

(b) In the event that any of the use of the Annual Contributions by the Town, as described in subsection (a) above or otherwise, is declared by a court of competent jurisdiction to constitute an improper or unauthorized expenditure of Town funds under the Maine Statute or otherwise, the full amount of the Annual Contributions shall be used by the Town in accordance with such court order or other applicable laws or regulations then in place.

3. Term; Assignments and Transfers

This Agreement shall terminate on the earliest to occur of (i) the date the Town has received twenty (20) contributions comprising the Annual Contributions or (ii) the date that First Wind gives notice to the Town of First Wind's intent to decommission the Project (the "Decommissioning Notice").

Prior to any sale or transfer of the Project or of a controlling interest in the Project, First Wind, shall take all necessary steps to assure that its obligations under this

Agreement are assumed by, binding upon and enforceable against any successors, assigns, transferees or purchasers of First Wind or of the Project.

4. First Wind Representations and Warranties.

First Wind makes the following representations and warranties as the basis for the undertakings on its part herein contained:

- (a) First Wind is a limited liability company organized under the laws of the State of Delaware and is qualified to do business in the State of Maine.
- (b) First Wind has full power and authority to enter into this Agreement and to fully perform all of its duties and obligations hereunder. First Wind is duly authorized to execute and deliver this Agreement and perform all of its duties and obligations contained herein, and, to the extent permitted by applicable law, this Agreement constitutes a valid and legally binding obligation of First Wind, enforceable in accordance with its terms.

5. Town Representations and Warranties.

The Town makes the following representations and warranties as the basis for the undertakings on its part herein contained:

- (a) The Town validly exists as a political subdivision in good standing under the laws of the State of Maine
- (b) The Town has full power and authority to enter into this Agreement and to fully perform all of its duties and obligations hereunder. The Town has duly authorized the execution and delivery of this Agreement and the Town's performance of all of its duties and obligations contained herein, and, to the extent permitted by applicable law, this Agreement constitutes a valid and legally binding obligation of the Town, enforceable in accordance with its terms.
- (c) First Wind's payments under this Agreement shall not influence or have any bearing whatsoever upon the Town's determination with respect to any application for any Permit or other request for a decision from the Town made by First Wind.

6. Entire Agreement

The entire Agreement between the parties with respect to the subject matter hereunder is contained in the Agreement. There are no other understandings, representations or agreements not incorporated herein. This Agreement constitutes a legal, valid and binding obligation enforceable in accordance with its terms except as such enforceability may be affected by applicable bankruptcy, insolvency, moratorium or similar laws affecting creditors' rights generally and the application of general principles of equity.

7. Modification

No waiver, alteration or modification of any of the provisions of this Agreement shall be enforced unless in writing and signed by both parties to this Agreement.

8. Governing Law

This Agreement shall be governed by, and construed in accordance with, the laws of the State of Maine, without regard to the conflict of laws provisions in such state.

9. Notices

All notices, requests, demands and other communication hereunder shall be in writing and shall be deemed to have been duly given (i) when delivered by messenger or by reputable national overnight courier service, (ii) three (3) business days after mailing when mailed by certified or registered mail (return receipt requested), with postage prepaid and addressed to the parties at their respective addresses shown below or at such other address as any party may specify by written notice to the other party, or (iii) when delivered by facsimile transmission to the parties at the facsimile numbers listed below:

If to First Wind:

Hancock Wind, LLC  
c/o First Wind Energy, LLC  
179 Lincoln Street, Suite 500  
Boston, MA 02111  
Attention: Secretary  
Facsimile: (617) 964-3342

With a copy to:  
Shana Cook Mueller, Esq.  
Bernstein Shur  
100 Middle Street  
PO Box 9729  
Portland, Maine 04104-5029

If to the Town:

Town of Waltham  
1520 Waltham Road  
Waltham, ME 04605  
Facsimile: 207-584-5882

Either party may change the name(s) and or address(es) to which notice is to be addressed by giving the other party notice in the manner herein set forth.

10. Miscellaneous

- (a) **Exercise of Rights and Waiver.** The failure of any Party to exercise any right under this Agreement shall not, unless otherwise provided or agreed to in writing, be deemed a waiver thereof; nor shall a waiver by any Party of any provisions hereof be deemed a waiver of any future compliance therewith, and such provisions shall remain in full force and effect.
- (b) **Severability.** In the event that any clause, provisions or remedy in this Agreement shall, for any reason, be deemed invalid or unenforceable, the remaining clauses and provisions shall not be affected, impaired or invalidated and shall remain in full force and effect.
- (c) **Headings and Construction.** The section headings in this Agreement are inserted for convenience of reference only and shall in no way effect, modify, define, or be used in construing the text of the Agreement. Where the context requires, all singular words in the Agreement shall be construed to include their plural and all words of neuter gender shall be construed to include the masculine and feminine forms of such words. Notwithstanding the fact that this Agreement has been prepared by one of the Parties, all of the Parties confirm that they and their respective counsel have reviewed, negotiated and adopted this Agreement as the joint agreement and understanding of the Parties. This Agreement is to be construed as a whole and any presumption that ambiguities are to be resolved against the primary drafting party shall not apply.
- (d) **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

*Signatures on the following page.*

IN WITNESS WHEREOF, each party to this Agreement has caused it to be executed effective on the date indicated above.

TOWN OF WALTHAM

Stephen Jordan  
By:  
Its: Selectman

Chris Kowal  
By:  
Its: Selectman

[Signature]  
By:  
Its: Selectman

Hancock Wind, LLC  
~~BLUE SKY WEST, LLC~~  
By: Maine Wind Holdings, LLC, its member

Elizabeth Weir  
By: Elizabeth Weir  
Its: Assistant Secretary

K0113007

**COMMUNITY BENEFIT AGREEMENT**

*8th* This *January* COMMUNITY BENEFIT AGREEMENT (the "Agreement") is made this *31st* day of *December*, 2013 by and between the Town of Osborn, Maine, a body corporate and politic in the State Maine (the "Town") with a mailing address of P.O. Box 59, Aurora ME 04408 and Hancock Wind, LLC, a Delaware limited liability company qualified to do business in Maine ("First Wind") with an address at c/o First Wind Energy, LLC, 179 Lincoln Street, Suite 500, Boston, Massachusetts 02111. Town and First Wind are referred to herein each as "Party" and collectively as the "Parties."

**RECITALS**

WHEREAS, First Wind is seeking the requisite local, state and federal permits, licenses and approvals (collectively, "Permits") to construct a commercial grid-scale wind energy project (the "Project"), to be located in the unorganized territory of Hancock County;

WHEREAS, pursuant to 35-A M.R.S.A. Section 3451 et seq. (the "Maine Statute"), approval of the expedited wind energy development permit for the Project by the Maine Department of Environmental Protection ("DEP") requires, among other approval standards, that the Project provide "tangible benefits" associated with or resulting from the Project;

WHEREAS, "tangible benefits" as defined by the Maine Statute may include a community benefits package which may be satisfied, among other things, by a community benefit agreement between the Town and First Wind that provides for payments to the Town as a "host community," as defined by the Maine Statute (by virtue of the Town being proximate to the generating facilities), to be utilized for public purposes, including, but not limited to, for property tax reductions, economic development projects, land and natural resource conservation, tourism promotion or reduction of energy costs;

WHEREAS, First Wind has determined it to be appropriate, and has voluntarily agreed, to provide an Annual Contribution (as hereinafter defined) to the Town for a term of years described herein, in partial satisfaction of the "tangible benefits" requirement under the Maine Statute;

WHEREAS, the Town has agreed that it will use the Annual Contribution to provide local property tax relief as described below and further to provide services or facilities that will contribute to the general well-being of the Town;

WHEREAS, the Parties agree and acknowledge that the Annual Contribution shall not influence or have any bearing whatsoever on the Town's review of any application of First Wind for any Permit or any other decision the Town may have occasion to make relative to the Project.

NOW THEREFORE, in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Community Benefit Annual Contribution; Timing of Payments; Obligation

(a) Annual Contribution Payments: First Wind shall make Twenty (20) payments (each an "Annual Contribution") and collectively, the "Annual Contributions") to the Town in an amount equal to Four Thousand Dollars (\$4000.00) per turbine of actual installed capacity of the Project inside of the borders of Township 22 MD covered by the Maine DEP permit application filed on or about February 1, 2013. Payment 1 will be made on the date one hundred and eighty (180) days following the date the Project reaches Commercial Operation, as defined below. Payments 2-20 will be made annually thereafter, on the anniversary of the Commercial Operation date.

(b) Commercial Operation: The date of Commercial Operation shall mean the date certain set forth in a notice to the transmission owner and the system operator in accordance with and pursuant to the interconnection agreement. First Wind shall provide to the Town a copy of such written notice, when issued by First Wind.

(c) Obligation: Upon notice to the Town of the date of Commercial Operation, First Wind becomes automatically obligated to the Town for the Annual Contributions as described herein.

2. Use of Annual Contribution; Reporting Requirements

(a) As a condition of the Town's receipt of the Annual Contributions under this Agreement, the Town agrees to use each of the Annual Contributions for public purposes, including, but not limited to, property tax reductions, economic development projects, land and natural resource conservation, tourism promotion or reduction of energy costs (the "Approved uses").

(b) In the event that any of the use of the Annual Contributions by the Town, as described in subsection (a) above or otherwise, is declared by a court of competent jurisdiction to constitute an improper or unauthorized expenditure of Town funds under the Maine Statute or otherwise, the full amount of the Annual Contributions shall be used by the Town in accordance with such court order or other applicable laws or regulations then in place.

3. Term; Assignments and Transfers

This Agreement shall terminate on the earliest to occur of (i) the date the Town has received twenty (20) contributions comprising the Annual Contributions or (ii) the date that First Wind gives notice to the Town of First Wind's intent to decommission the Project (the "Decommissioning Notice").

Prior to any sale or transfer of the Project or of a controlling interest in the Project, First Wind, shall take all necessary steps to assure that its obligations under this Agreement are assumed by, binding upon and enforceable against any successors, assigns, transferees or purchasers of First Wind or of the Project.

4. First Wind Representations and Warranties.

First Wind makes the following representations and warranties as the basis for the undertakings on its part herein contained:

- (a) First Wind is a limited liability company organized under the laws of the State of Delaware and is qualified to do business in the State of Maine.
- (b) First Wind has full power and authority to enter into this Agreement and to fully perform all of its duties and obligations hereunder. First Wind is duly authorized to execute and deliver this Agreement and perform all of its duties and obligations contained herein, and, to the extent permitted by applicable law, this Agreement constitutes a valid and legally binding obligation of First Wind, enforceable in accordance with its terms.

5. Town Representations and Warranties.

The Town makes the following representations and warranties as the basis for the undertakings on its part herein contained:

- (a) The Town validly exists as a political subdivision in good standing under the laws of the State of Maine
- (b) The Town has full power and authority to enter into this Agreement and to fully perform all of its duties and obligations hereunder. The Town has duly authorized the execution and delivery of this Agreement and the Town's performance of all of its duties and obligations contained herein, and, to the extent permitted by applicable law, this Agreement constitutes a valid and legally binding obligation of the Town, enforceable in accordance with its terms.
- (c) First Wind's payments under this Agreement shall not influence or have any bearing whatsoever upon the Town's determination with respect to any application for any Permit or other request for a decision from the Town made by First Wind.

6. Entire Agreement

The entire Agreement between the parties with respect to the subject matter hereunder is contained in the Agreement. There are no other understandings, representations or agreements not incorporated herein. This Agreement constitutes a legal, valid and binding obligation enforceable in accordance with its terms except as such enforceability may be affected by applicable bankruptcy, insolvency, moratorium or

similar laws affecting creditors' rights generally and the application of general principles of equity.

7. Modification

No waiver, alteration or modification of any of the provisions of this Agreement shall be enforced unless in writing and signed by both parties to this Agreement.

8. Governing Law

This Agreement shall be governed by, and construed in accordance with, the laws of the State of Maine, without regard to the conflict of laws provisions in such state.

9. Notices

All notices, requests, demands and other communication hereunder shall be in writing and shall be deemed to have been duly given (i) when delivered by messenger or by reputable national overnight courier service, (ii) three (3) business days after mailing when mailed by certified or registered mail (return receipt requested), with postage prepaid and addressed to the parties at their respective addresses shown below or at such other address as any party may specify by written notice to the other party, or (iii) when delivered by facsimile transmission to the parties at the facsimile numbers listed below:

If to First Wind:

Hancock Wind, LLC  
c/o First Wind Energy, LLC  
179 Lincoln Street, Suite 500  
Boston, MA 02111  
Attention: Secretary  
Facsimile: (617) 964-3342

With a copy to:  
Shana Cook Mueller, Esq.  
Bernstein Shur  
100 Middle Street  
PO Box 9729  
Portland, Maine 04104-5029

If to the Town:

Town of Osborn

Either party may change the name(s) and or address(es) to which notice is to be addressed by giving the other party notice in the manner herein set forth.

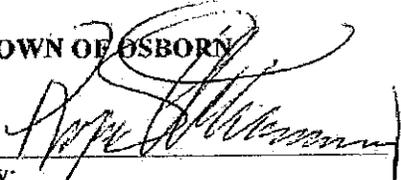
10. Miscellaneous

- (a) **Exercise of Rights and Waiver.** The failure of any Party to exercise any right under this Agreement shall not, unless otherwise provided or agreed to in writing, be deemed a waiver thereof; nor shall a waiver by any Party of any provisions hereof be deemed a waiver of any future compliance therewith, and such provisions shall remain in full force and effect.
- (b) **Severability.** In the event that any clause, provisions or remedy in this Agreement shall, for any reason, be deemed invalid or unenforceable, the remaining clauses and provisions shall not be affected, impaired or invalidated and shall remain in full force and effect.
- (c) **Headings and Construction.** The section headings in this Agreement are inserted for convenience of reference only and shall in no way effect, modify, define, or be used in construing the text of the Agreement. Where the context requires, all singular words in the Agreement shall be construed to include their plural and all words of neuter gender shall be construed to include the masculine and feminine forms of such words. Notwithstanding the fact that this Agreement has been prepared by one of the Parties, all of the Parties confirm that they and their respective counsel have reviewed, negotiated and adopted this Agreement as the joint agreement and understanding of the Parties. This Agreement is to be construed as a whole and any presumption that ambiguities are to be resolved against the primary drafting party shall not apply.
- (d) **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

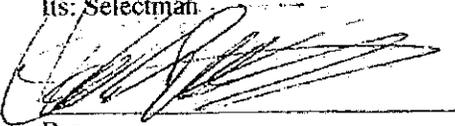
*Signatures on the following page.*

IN WITNESS WHEREOF, each party to this Agreement has caused it to be executed effective on the date indicated above.

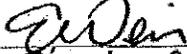
TOWN OF OSBORN

By:   
Its: Selectman

By:   
Its: Selectman

By:   
Its: Selectman

Hancock Wind  
BLUE SKY WEST, LLC  
By: Maine Wind Holdings, LLC, its member

By:   
Its: Assistant Secretary

## COMMUNITY BENEFIT AGREEMENT

This COMMUNITY BENEFIT AGREEMENT (the "Agreement") is made this 20 day of December, 2012 by and between the Town of Eastbrook, Maine, a body corporate and politic in the State Maine (the "Town") with a mailing address of 959 Eastbrook Road, Eastbrook, Maine, and Hancock Wind, LLC, a Delaware limited liability company qualified to do business in Maine ("First Wind") with an address at c/o First Wind Energy, LLC, 179 Lincoln Street, Suite 500, Boston, Massachusetts 02111. Town and First Wind are referred to herein each as "Party" and collectively as the "Parties."

### RECITALS

WHEREAS, First Wind is seeking the requisite local, state and federal permits, licenses and approvals (collectively, "Permits") to construct a commercial grid-scale wind energy project (the "Project"), to be located in the unorganized territory of Hancock County;

WHEREAS, pursuant to 35-A M.R.S.A. Section 3451 et seq. (the "Maine Statute"), approval of the expedited wind energy development permit for the Project by the Maine Department of Environmental Protection ("DEP") requires, among other approval standards, that the Project provide "tangible benefits" associated with or resulting from the Project;

WHEREAS, "tangible benefits" as defined by the Maine Statute may include a community benefits package which may be satisfied, among other things, by a community benefit agreement between the Town and First Wind that provides for payments to the Town as a "host community," as defined by the Maine Statute (by virtue of the Town being proximate to the generating facilities), to be utilized for public purposes, including, but not limited to, for property tax reductions, economic development projects, land and natural resource conservation, tourism promotion or reduction of energy costs;

WHEREAS, First Wind has determined it to be appropriate, and has voluntarily agreed, to provide an Annual Contribution (as hereinafter defined) to the Town for a term of years described herein, in partial satisfaction of the "tangible benefits" requirement under the Maine Statute;

WHEREAS, the Town has agreed that it will use the Annual Contribution to provide local property tax relief as described below and further to provide services or facilities that will contribute to the general well-being of the Town;

WHEREAS, the Parties agree and acknowledge that the Annual Contribution shall not influence or have any bearing whatsoever on the Town's review of any application of First Wind for any Permit or any other decision the Town may have occasion to make relative to the Project.

NOW THEREFORE, in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Community Benefit Annual Contribution; Timing of Payments; Obligation

(a) Annual Contribution Payments: First Wind shall make Twenty (20) payments (each an "Annual Contribution") and collectively, the "Annual Contributions") to the Town in an amount equal to twenty thousand (\$20,000.00) <sup>10</sup> Payment 1 will be made on the date one hundred and eighty (180) days following the date the Project reaches Commercial Operation, as defined below. Payments 2-20 will be made annually thereafter, on the anniversary of the Commercial Operation date.

(b) Commercial Operation: The date of Commercial Operation shall mean the date certain set forth in a notice to the transmission owner and the system operator in accordance with and pursuant to the interconnection agreement. First Wind shall provide to the Town a copy of such written notice, when issued by First Wind.

(c) Obligation: Upon notice to the Town of the date of Commercial Operation, First Wind becomes automatically obligated to the Town for the Annual Contributions as described herein.

2. Use of Annual Contribution; Reporting Requirements

(a) As a condition of the Town's receipt of the Annual Contributions under this Agreement, the Town agrees to use each of the Annual Contributions for public purposes, including, but not limited to, property tax reductions, economic development projects, land and natural resource conservation, tourism promotion or reduction of energy costs (the "Approved uses").

(b) In the event that any of the use of the Annual Contributions by the Town, as described in subsection (a) above or otherwise, is declared by a court of competent jurisdiction to constitute an improper or unauthorized expenditure of Town funds under the Maine Statute or otherwise, the full amount of the Annual Contributions shall be used by the Town in accordance with such court order or other applicable laws or regulations then in place.

3. Term; Assignments and Transfers

This Agreement shall terminate on the earliest to occur of (i) the date the Town has received twenty (20) contributions comprising the Annual Contributions or (ii) the date that First Wind gives notice to the Town of First Wind's intent to decommission the Project (the "Decommissioning Notice").

Prior to any sale or transfer of the Project or of a controlling interest in the Project, First Wind, shall take all necessary steps to assure that its obligations under this

Agreement are assumed by, binding upon and enforceable against any successors, assigns, transferees or purchasers of First Wind or of the Project.

4. First Wind Representations and Warranties.

First Wind makes the following representations and warranties as the basis for the undertakings on its part herein contained:

- (a) First Wind is a limited liability company organized under the laws of the State of Delaware and is qualified to do business in the State of Maine.
- (b) First Wind has full power and authority to enter into this Agreement and to fully perform all of its duties and obligations hereunder. First Wind is duly authorized to execute and deliver this Agreement and perform all of its duties and obligations contained herein, and, to the extent permitted by applicable law, this Agreement constitutes a valid and legally binding obligation of First Wind, enforceable in accordance with its terms.

5. Town Representations and Warranties.

The Town makes the following representations and warranties as the basis for the undertakings on its part herein contained:

- (a) The Town validly exists as a political subdivision in good standing under the laws of the State of Maine
- (b) The Town has full power and authority to enter into this Agreement and to fully perform all of its duties and obligations hereunder. The Town has duly authorized the execution and delivery of this Agreement and the Town's performance of all of its duties and obligations contained herein, and, to the extent permitted by applicable law, this Agreement constitutes a valid and legally binding obligation of the Town, enforceable in accordance with its terms.
- (c) First Wind's payments under this Agreement shall not influence or have any bearing whatsoever upon the Town's determination with respect to any application for any Permit or other request for a decision from the Town made by First Wind.

6. Entire Agreement

The entire Agreement between the parties with respect to the subject matter hereunder is contained in the Agreement. There are no other understandings, representations or agreements not incorporated herein. This Agreement constitutes a legal, valid and binding obligation enforceable in accordance with its terms except as such enforceability may be affected by applicable bankruptcy, insolvency, moratorium or similar laws affecting creditors' rights generally and the application of general principles of equity.

7. Modification

No waiver, alteration or modification of any of the provisions of this Agreement shall be enforced unless in writing and signed by both parties to this Agreement.

8. Governing Law

This Agreement shall be governed by, and construed in accordance with, the laws of the State of Maine, without regard to the conflict of laws provisions in such state.

9. Notices

All notices, requests, demands and other communication hereunder shall be in writing and shall be deemed to have been duly given (i) when delivered by messenger or by reputable national overnight courier service, (ii) three (3) business days after mailing when mailed by certified or registered mail (return receipt requested), with postage prepaid and addressed to the parties at their respective addresses shown below or at such other address as any party may specify by written notice to the other party, or (iii) when delivered by facsimile transmission to the parties at the facsimile numbers listed below:

If to First Wind:

Hancock Wind, LLC  
c/o First Wind Energy, LLC  
179 Lincoln Street, Suite 500  
Boston, MA 02111  
Attention: Secretary  
Facsimile: (617) 964-3342

With a copy to:  
Shana Cook Mueller, Esq.  
Bernstein Shur  
100 Middle Street  
PO Box 9729  
Portland, Maine 04104-5029

If to the Town:

Town of Eastbrook  
959 Eastbrook Road  
Eastbrook, ME 04634  
Facsimile: 207-565-3513

Either party may change the name(s) and or address(es) to which notice is to be addressed by giving the other party notice in the manner herein set forth.

10. Miscellaneous

- (a) **Exercise of Rights and Waiver.** The failure of any Party to exercise any right under this Agreement shall not, unless otherwise provided or agreed to in writing, be deemed a waiver thereof; nor shall a waiver by any Party of any provisions hereof be deemed a waiver of any future compliance therewith, and such provisions shall remain in full force and effect.
- (b) **Severability.** In the event that any clause, provisions or remedy in this Agreement shall, for any reason, be deemed invalid or unenforceable, the remaining clauses and provisions shall not be affected, impaired or invalidated and shall remain in full force and effect.
- (c) **Headings and Construction.** The section headings in this Agreement are inserted for convenience of reference only and shall in no way effect, modify, define, or be used in construing the text of the Agreement. Where the context requires, all singular words in the Agreement shall be construed to include their plural and all words of neuter gender shall be construed to include the masculine and feminine forms of such words. Notwithstanding the fact that this Agreement has been prepared by one of the Parties, all of the Parties confirm that they and their respective counsel have reviewed, negotiated and adopted this Agreement as the joint agreement and understanding of the Parties. This Agreement is to be construed as a whole and any presumption that ambiguities are to be resolved against the primary drafting party shall not apply.
- (d) **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

*Signatures on the following page.*

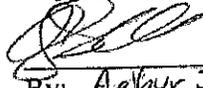
IN WITNESS WHEREOF, each party to this Agreement has caused it to be executed effective on the date indicated above.

TOWN OF EASTBROOK

*Simon D. Delaney 12-20-12*

By:  
Its: Selectman

HANCOCK WIND   
BLUE SKY WEST, LLC  
By: Maine Wind Holdings, LLC, its member



By: Arthur J. Shell  
Its: Assistant Secretary

\_\_\_\_\_  
By:  
Its: Selectman

*Elliot B. [signature] 12-20-12*

By:  
Its: Selectman

**Exhibit 28B: Acadia Area ATV'ers Agreement**

## TANGIBLE BENEFIT AGREEMENT

This TANGIBLE BENEFIT AGREEMENT (the "Agreement") is made this 8<sup>th</sup> day of January, 2013 by and between the ACADIA AREA ATV'ERS, a Maine non-profit corporation ("Acadia ATV") with a mailing address of P.O. Box 1676 - Ellsworth ME 04605, and HANCOCK WIND, LLC (the "Company"), a Delaware limited liability company qualified to do business in Maine, and a wholly owned subsidiary of Maine Wind Holdings, LLC, which is in turn a wholly owned subsidiary of First Wind Holdings, LLC, with an address at c/o First Wind Energy, LLC, 179 Lincoln Street, Suite 500, Boston, Massachusetts 02111. Acadia ATV and the Company are referred to herein each as "Party" and collectively as the "Parties."

### RECITALS

WHEREAS, the Company is seeking the requisite local, state and federal permits, licenses and approvals (collectively, the "Permits") to construct a commercial grid-scale wind energy project (the "Project"), to be located in the unorganized territory of Hancock County ("Project Location").

WHEREAS, pursuant to 35-A M.R.S.A. § 3451 *et seq.* (the "Maine Statute"), approval of the expedited wind energy development permit for the Project by Maine's Department of Environmental Protection ("DEP") requires, among other approval standards, that the Project provide significant "tangible benefits;"

WHEREAS, "tangible benefits" as defined by the Maine Statute means environmental or economic improvements or benefits to Maine residents;

WHEREAS, the Company has determined it to be appropriate, and has voluntarily agreed, to provide an Annual Donation (as hereinafter defined) to Acadia ATV for a term of years described herein, in partial satisfaction of the "tangible benefits" requirement under the Maine Statute;

WHEREAS, Acadia ATV has agreed that it will use each Annual Donation to further land or natural resource conservation in the State of Maine.

NOW THEREFORE, in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

#### 1. Annual Donations: Timing of Payments

(a) Annual Donation Payments: The Company shall make Twenty (20) annual payments to Acadia ATV in an amount equal to Ten Thousand Dollars (\$10,000) (each an "Annual Donation" and collectively the "Annual Donations"). Payment 1 will be made within one hundred and eighty (180) days of the date the Project reaches Commercial Operation (as defined below). Payments 2-20 will be made annually thereafter, on the anniversary of the Commercial Operation date. Notwithstanding

anything to the contrary contained herein, the Company's obligations hereunder, including but not limited to the obligation to make the Annual Donations, are conditioned upon the approval of the DEP permit application for the Project, filed on or about, January 11, 2013.

(b) *Commercial Operation*: For the purposes of this Agreement, "Commercial Operation" shall mean the date certain set forth in a notice to the transmission owner and the system operator in accordance with and pursuant to the interconnection agreement. The Company shall provide to Acadia ATV a copy of such written notice, upon issuance by the Company.

## 2. Use of Annual Donations

(a) As a condition of Acadia ATV's receipt of each Annual Donation under this Agreement, Acadia ATV's agrees to use the full amount of each Annual Donation to support efforts of Acadia ATV to maintain trails, repair trail bridges and perform stormwater management activities, all of which are to occur exclusively within the State of Maine (the "Approved Uses").

(b) Upon request by the Company, Acadia ATV shall be responsible to provide the Company with evidence that the Annual Donations have been used on Approved Uses.

## 3. Term; Assignments and Transfers

(a) This Agreement and any and all obligations of the Company hereunder shall terminate on the earliest to occur of (i) the date Acadia ATV has received each of the twenty (20) donations comprising the Annual Donations or (ii) the date that the Company gives notice to Acadia ATV of the Company's intent to decommission the Project (the "Decommissioning Notice") or (iii) the date Acadia ATV ceases to exist as an entity, the date Acadia ATV cannot find sufficient uses for the funds pursuant to this Agreement or the date Acadia ATV is unable to fulfill its obligation with respect to Section 2(b) hereof. In the event that Section 3(a)(iii) hereof occurs, the Company shall have the opportunity, but not the obligation, to redirect the funds to an alternative similar use through a different entity.

(b) Prior to any sale or transfer of the Project or of a controlling interest in the Project, the Company shall take all reasonable steps to assure that its obligations under this Agreement are assumed by, binding upon and enforceable against any successors, assigns, transferees or purchasers of the Company or of the Project.

## 4. Company Representations and Warranties

The Company makes the following representations and warranties as the basis for the undertakings on its part herein contained:

(a) The Company is a limited liability company organized under the laws of the State of Delaware and is qualified to do business in the State of Maine.

(b) The Company has full power and authority to enter into this Agreement and to fully perform all of its duties and obligations hereunder. The Company is duly authorized to execute and deliver this Agreement and perform all of its duties and obligations contained herein, and, to the extent permitted by applicable law, this Agreement constitutes a valid and legally binding obligation of the Company, enforceable in accordance with its terms.

#### 5. Acadia ATV Representations and Warranties

Acadia ATV makes the following representations and warranties as the basis for the undertakings on its part herein contained:

(a) Acadia ATV validly exists as a non-profit corporation in good standing under the laws of the State of Maine.

(b) Acadia ATV has full power and authority to enter into this Agreement and to fully perform all of its duties and obligations hereunder. Acadia ATV has duly authorized the execution and delivery of this Agreement and Acadia ATV's performance of all of its duties and obligations contained herein, and, to the extent permitted by applicable law, this Agreement constitutes a valid and legally binding obligation of Acadia ATV, enforceable in accordance with its terms.

#### 6. Entire Agreement

The entire Agreement between the Parties with respect to the subject matter hereunder is contained in the Agreement. There are no other understandings, representations or agreements not incorporated herein. This Agreement constitutes a legal, valid and binding obligation enforceable in accordance with its terms except as such enforceability may be affected by applicable bankruptcy, insolvency, moratorium or similar laws affecting creditors' rights generally and the application of general principles of equity.

#### 7. Modification

No waiver, alteration or modification of any of the provisions of this Agreement shall be enforced unless in writing and signed by both parties to this Agreement.

#### 8. Governing Law

This Agreement shall be governed by, and construed in accordance with, the laws of the State of Maine, without regard to the conflict of laws provisions in such state.

#### 9. Notices

All notices, requests, demands and other communication hereunder shall be in writing and shall be deemed to have been duly given (i) when delivered by messenger or by reputable national overnight courier service, (ii) three (3) business days after mailing

when mailed by certified or registered mail (return receipt requested), with postage prepaid and addressed to the Parties at their respective addresses shown below or at such other address as any Party may specify by written notice to the other Party, or (iii) when delivered by facsimile transmission to the Parties at the facsimile numbers listed below:

If to the Company:

Hancock Wind, LLC  
 c/o First Wind Energy, LLC  
 179 Lincoln Street, Suite 500  
 Boston, MA 02111  
 Attention: Secretary  
 Facsimile: (617) 964-3342

If to Acadia ATV:

Either party may change the name(s) and or address(es) to which notice is to be addressed by giving the other Party notice in the manner herein set forth.

10. Miscellaneous

(a) *Exercise of Rights and Waiver:* The failure of any Party to exercise any right under this Agreement shall not, unless otherwise provided or agreed to in writing, be deemed a waiver thereof; nor shall a waiver by any Party of any provisions hereof be deemed a waiver of any future compliance therewith, and such provisions shall remain in full force and effect.

(b) *Severability:* In the event that any clause, provisions or remedy in this Agreement shall, for any reason, be deemed invalid or unenforceable, the remaining clauses and provisions shall not be affected, impaired or invalidated and shall remain in full force and effect.

(c) *Headings and Construction:* The section headings in this Agreement are inserted for convenience of reference only and shall in no way effect, modify, define, or be used in construing the text of the Agreement. Where the context requires, all singular words in the Agreement shall be construed to include their plural and all words of neuter gender shall be construed to include the masculine and feminine forms of such words. Notwithstanding the fact that this Agreement has been prepared by one of the Parties, all of the Parties confirm that they and their respective counsel have reviewed, negotiated and adopted this Agreement as the joint agreement and understanding of the Parties. This Agreement is to be construed as a whole and any presumption that ambiguities are to be resolved against the primary drafting Party shall not apply.

(d) *Counterparts*: This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

IN WITNESS WHEREOF, each party to this Agreement has caused it to be executed effective on the date indicated above.

*[Signatures on following page.]*

[Signature Page to Tangible Benefit Agreement]

**Acadia Area ATV'ers**

**Hancock Wind, LLC**

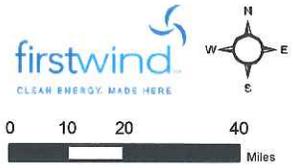
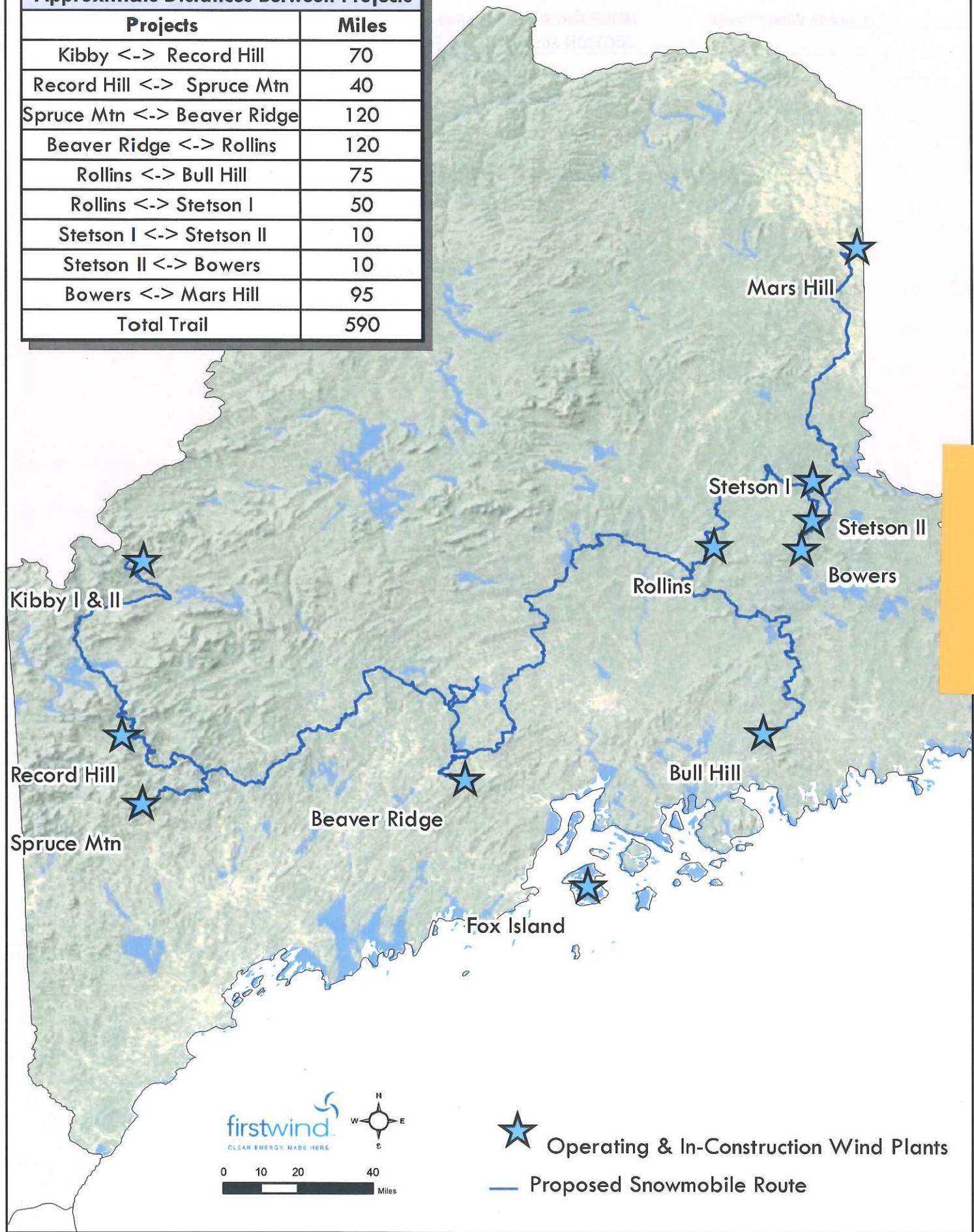
By: Maine Wind Holdings, LLC, its member

By: Maurice E. Sargent  
Name: Maurice E. Sargent  
Its: President.

By: E. Weir  
Name: Elizabeth Weir  
Its: Assistant Secretary

**Exhibit 28C: Proposed Ride the Wind Map**

Approximate Distances Between Projects	
Projects	Miles
Kibby <-> Record Hill	70
Record Hill <-> Spruce Mtn	40
Spruce Mtn <-> Beaver Ridge	120
Beaver Ridge <-> Rollins	120
Rollins <-> Bull Hill	75
Rollins <-> Stetson I	50
Stetson I <-> Stetson II	10
Stetson II <-> Bowers	10
Bowers <-> Mars Hill	95
<b>Total Trail</b>	<b>590</b>

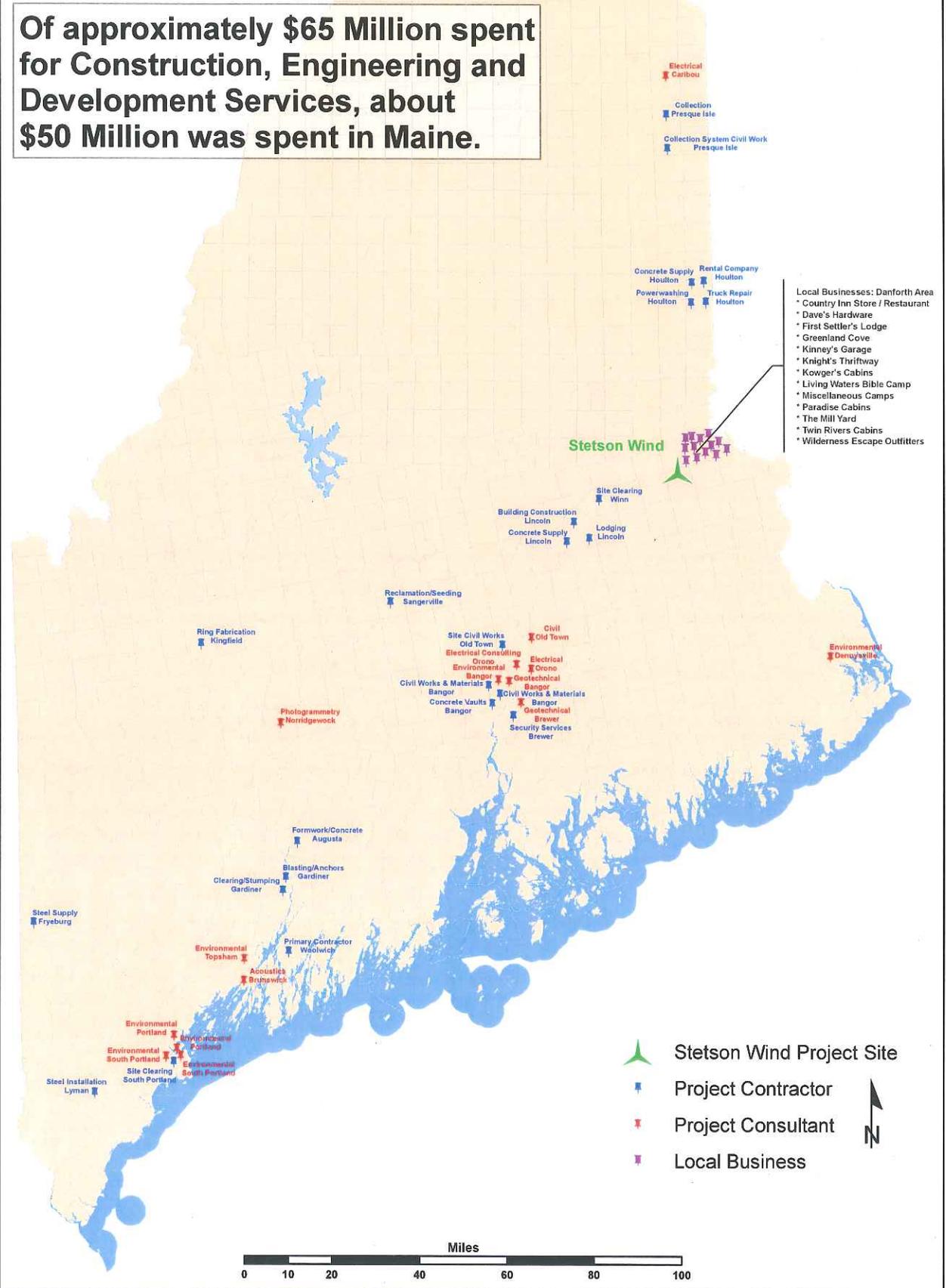


 Operating & In-Construction Wind Plants  
 Proposed Snowmobile Route

**Exhibit 28D: Map of Businesses Benefitting from Construction of Stetson**

# Maine Businesses Benefitting from Stetson Wind

Of approximately \$65 Million spent for Construction, Engineering and Development Services, about \$50 Million was spent in Maine.





## **29.0 DECOMMISSIONING**

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### **29.1 ANTICIPATED LIFE OF WIND TURBINES**

The turbines for the Hancock Wind Project (project) are designed and certified by independent agencies for a minimum expected operational life of 20 years.

As the wind turbines approach the end of their expected life, it is expected that technological advances will make available more efficient and cost-effective generators that will economically drive the replacement of the existing generators.

Following the commencement of operation of the project, absent the existence of a Force Majeure event, as defined below, there will be a rebuttable presumption that the owner shall decommission the project in the event that there is an absence of electricity generated by the Project for a continuous period of twelve (12) months. In addition to the Force Majeure exception, the owner may also provide reasonable evidence that the project has not been abandoned and should not be decommissioned.

“Force Majeure” as used herein shall mean “fire, earthquake, flood, tornado or other acts of God and natural disasters; strikes or labor disputes; war, civil strife or other violence; any law, order, proclamation, regulation, ordinance, action, demand or requirement of any government agency; suspension of operations of all or a portion of the project for routine maintenance, overhaul, upgrade or reconditioning; or any other act or condition beyond the reasonable control of a party.”

### **29.2 ESTIMATED COST OF DECOMMISSIONING**

The cost of decommissioning the project is offset by the salvage value of the towers, the turbine components, and the electrical collection system. The Operations and Maintenance building will retain independent value as a warehouse facility and thus will be sold. The proceeds from such a sale have not been incorporated to offset decommissioning costs. As of the date hereof, estimated cost of decommissioning, minus salvage value is \$506,600.00 as shown in Table 1, and described further in Exhibit 29A.

Table 1. Estimated Decommissioning Costs and Salvage Values

Category	Decommissioning Cost	Salvage Value	Net
Project Management ( <i>contractor costs, equipment, etc</i> )	\$1,070,400	\$0	\$1,070,400
Site work/Civil ( <i>site reclamation</i> )	148,200	0	148,200
Wind Turbine Foundations	91,800	0	91,800
Wind Turbine Generators and MET towers ( <i>towers/hub/nacelle/ blades/etc.</i> )	876,500	1,614,200	(737,700)
Electrical Collection System	61,700	127,800	(66,100)
Total	\$2,248,600	1,742,000	\$506,600

### 29.3 FINANCIAL ASSURANCE AND SITE RESTORATION FUNDS

Consistent with decommissioning commitments made in other recent First Wind projects, Hancock Wind, LLC (Hancock) believes that funding requirements for decommissioning should be commensurate with the risk that decommissioning will be required. The risk of decommissioning during the early years of a project is negligible. Hancock has extensive experience with the wind resource for this project, both measured on site and complemented by First Wind's experience at its nearby Stetson and Rollins projects. The turbines themselves have a useful life of 20 years and will be under warranty from the manufacturer for 2 to 5 years. As required by the lenders, the project is held in a separate operating company, so that in the event anything happened to First Wind, the lender can step in and operate the facility. Moreover, once the project is constructed, the fuel cost is essentially free, so there is substantial economic incentive to maintain operations. Nonetheless, in response to a recent regulatory shift away from phased funding, Hancock has agreed to fully fund the project net decommissioning costs prior to the start of commercial operation in the amount of \$506,600.00. Such amount may be in the form of a performance bond, surety bond, letter of credit, parental guaranty or other acceptable form of financial assurance (the "Financial Assurance").

In order to assess whether the estimated net cost of decommissioning has changed, for example, because of changes in removal costs or salvage value, Hancock will reassess both the removal costs and salvage values on or prior to the end of calendar years 10 and 15 of the Project's operation, and provide the updated information to the Maine Department of Environmental Protection.

The Financial Assurance shall be kept in place until such time as the decommissioning work has been completed, provided, however, to the extent available as liquid funds, the Financial Assurance may be used to offset the costs of the decommissioning.

**SECTION 29: DECOMMISSIONING**

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**29.4 DECOMMISSIONING PROCESS**

The decommissioning and restoration process comprises removal of above-ground structures; removal of below-ground structures to a depth of 24 inches; grading, to the extent necessary; restoration of topsoil; and seeding. Roads and turbine pads will not be removed.

The process of removing structures involves evaluating and categorizing all components and materials into categories of recondition and reuse, salvage, recycling, and disposal. In the interest of increased efficiency and minimal transportation impacts, components and material may be stored on-site in a pre-approved location until the bulk of similar components or materials are ready for transport. The components and material will be transported to the appropriate facilities for reconditioning, salvage, recycling, or disposal.

Above-ground structures include the turbines, overhead collector lines, the electrical substation, and meteorological towers. Below-ground structures include turbine, foundations; collection system conduit and cable; fiber optic facilities; and subterranean drainage structures (if any). The above-ground structures and below-ground structures are collectively referred to as the "Wind Project Components".

In connection with the decommissioning and removal of the Wind Project Components and removal as described in Exhibit 29A, in the event that on or prior to decommissioning, the current owner provides evidence of a plan of continued beneficial use of any of the Wind Project Components, such items would be excepted from the requirements of decommissioning and the existing license would be amended to reflect such revisions.

**Turbine removal.** Access roads to turbines will be widened sufficiently to accommodate movement of appropriately sized cranes, trucks, and other machinery required for the disassembly and removal of the turbines. Control cabinets, electronic components, and internal cables will be removed. The rotor, nacelle, and tower sections will be lowered to the ground where they may be transported whole for reconditioning and reuse, or disassembled/cut into more easily transportable sections for salvageable, recyclable, or disposable components.

**Turbine foundation removal.** Topsoil will be removed from an area surrounding the foundation and stored for later replacement, as applicable. Turbine foundations will be excavated to a depth sufficient to remove all anchor bolts, rebar, conduits, cable, and concrete to a depth of 24 inches below grade. The remaining excavation will be filled with clean sub-grade material of quality comparable to the immediate surrounding area. The sub-grade material will be compacted to a density similar to surrounding sub-grade material. All unexcavated areas compacted by equipment used in decommissioning shall be de-compacted in a manner to adequately restore the topsoil and sub-grade material to the proper density consistent and compatible with the surrounding area.

**Access roads and construction pads.** Unless requested otherwise by the underlying landowner, permanent access roads constructed to accommodate the Project will remain in place





Jeff Newcombe

First Wind Energy, LLC

via e-mail: [jnewcombe@firstwind.com](mailto:jnewcombe@firstwind.com)

December 19, 2012

**Subject:** Hancock Wind Project Decommissioning Budget

Dear Jeff:

Sewall was requested to develop this Decommissioning Budget for the 18 wind turbine generator (WTG) Hancock Wind project located in T16 MD and T22 MD, Hancock County, Maine. The budget represents an opinion of probable cost (OPC), in today's dollars, for decommissioning based on the assumption that the WTGs, towers, and other project components will be disassembled and disposed following completion of use of the wind turbines. The budget is also built on the assumption that the cost of decommissioning will be fully or partially offset by the scrap value of the towers and turbine components.

Based on information provided from First Wind, we are assuming the O&M Building will be turned over to the land owner and the Substation will be transferred to Bangor Hydro Electric. These components have therefore not been included in the discussion or calculations herein. It is assumed that all project roads will remain.

#### **Information Sources for this Review**

This review is based on the civil and electrical site plans and quantity information provided by First Wind, discussions with contractors familiar with this type of construction and our own experience with wind projects. Wage rates used in these estimates are based on the State of Maine Department of Labor, Bureau of Labor Standards; 2012 Fair Minimum Wage Rates, Heavy and Bridge; Hancock County.

#### **Decommissioning Scope**

The decommissioning process reflected in this OPC is based on Decommissioning Plans prepared for similar wind projects.

In summary, the decommissioning and restoration process in the Plan consists of the following steps:

- Disassembly and removal of above-ground structures
- Removal of below-ground structures to a depth of 24 inches
- Re-grading and seeding

Above-ground structures include the turbines, transformers, overhead collection lines and meteorological towers. Below-ground structures include turbine and collection system foundations; and drainage control structures (e.g., culverts) as necessary to restore turbine sites. Following removal of all above- and below-ground structures to 24 inches below grade, the individual disturbed areas will be re-graded to be consistent with surrounding areas and reseeded to promote re-vegetation. The cost for disposal for any materials that are not scrapped is considered incidental, unless otherwise noted.



**Decommissioning Budget**

The decommissioning process has been divided into five (5) general work items. Quantities and unit prices for these individual work items are presented and discussed in detail in the following paragraphs.

1. Project Management (contractor costs, equipment, etc.)
2. Site Work/Civil (site reclamation)
3. Wind Turbine Foundations
4. Wind Turbine Generators and MET Towers
5. Electrical Collection System

**1. Project Management**

**1.1 Mobilization**

A. Mobilization and demobilization to setup and breakdown the crane and assist crane estimated to cost a flat fee of \$95,000 per one-way trip, for a total of:	\$	190,000.00
B. In addition, it is estimated that the cranes will be re-mobilized an additional seven (7) times at an estimated cost of \$60,000 per move to reach all of the turbine sites for a total of:	\$	420,000.00
C. Mobilization and demobilization of ancillary equipment (i.e. bull dozers, backhoes, etc.) is estimated to be:	\$	50,000.00
<hr/> Total estimate for mobilization is:	<hr/> \$	<hr/> 660,000.00

1.2 Project Oversight. Oversight of the decommissioning is estimated at: \$ 117,000.00

1.3 Incidentals. A budget of approximately 5% of the decommissioning scope is recommended for project incidentals: \$ 97,800.00

1.4 Contingency. A contingency of approximately 10% of the decommissioning scope is recommended to cover unknowns: \$ 195,600.00

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**Total opinion of probable costs for Project Management:** **\$ 1,070,400.00**

**2. Site Work/Civil (Site Reclamation)**

**2.1 Re-grading of turbine sites.**

A. The decommissioning plan includes restoring each of the turbine sites. We are assuming that all excavated areas will be brought up to grade and sloped to drain with suitable fill material generated from the re-grading of the turbine site or from off-site sources. The estimated cost includes additional fill, topsoil or other organic matter to support growth, seed, and mulch.

Approximate disturbed area:		12,350 SF/turbine site
Estimated cost per 1000 SF (1 MSF):	\$	330.00 /MSF
<hr/> Total estimated re-grading material cost for all 18 turbine sites:	<hr/> \$	<hr/> 73,400.00

B. This re-grading and restoration work is estimated to take a dozer and operator approximately eight (8) hours to complete at each turbine site.

<hr/> Labor & equipment rate:	<hr/> \$	<hr/> 200.00 /hour
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Total re-grading and restoration work for all 18 turbine sites:	\$	28,800.00
Total estimate for re-grading turbine sites is:	\$	102,200.00

- 2.2 Road Maintenance. Dust control, road maintenance, and post construction road repairs is difficult to estimate. A budget of approximately 1% of the \$4.6 million estimated for road construction is recommended to address these items.

	\$	46,000.00
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The total opinion of probable costs for Site Work/Civil:	\$	148,200.00
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### 3. Wind Turbine Foundations

- 3.1 Removal of WTG foundation to 2 FT below grade. Removal of the turbine foundations is assumed to require a hydraulic excavator equipped with hydraulic ram (hoe-ram), an additional excavator with bucket for loading, and various dozers and loaders.

Total estimated labor & equipment cost:	\$	3,500.00 /site
Total estimate for WTG foundation removal labor for all 18 turbine sites:	\$	63,000.00

- 3.2 Transportation of rubble and disposal. Concrete demolition rubble generated at each turbine site is estimated to be approximately 35 cubic yards (based on a removal depth of 2 feet below grade). As it is assumed the steel rebar will be separated from the concrete debris, the rubble essentially becomes an inert material. Therefore, we have assumed that the concrete rubble generated will not be transported offsite but be used onsite as fill at toes of slopes, for road base or topping material, or at other locations in need of fill as desired by the property owner. Costs to transport the foundation rubble within the project boundaries, in comparison to other decommissioning costs, are assumed to be negligible. In the unlikely event the material cannot be used on-site, the material will be transported for offsite use. Costs to transport the foundation rubble to disposal are based on an estimated requirement of four (4) dump truck trips for each turbine site and transported to a location within 2 hours (one-way) at an equipment and labor rate of \$100/hr.

Total estimated labor & equipment cost:	\$	400.00 /dump truck trip
Total estimate for WTG foundation transportation costs for all 18 turbine sites:	\$	28,800.00

The total opinion of probable costs for removal of WTG Foundations:	\$	91,800.00
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### 4. Wind Turbine Generators and MET Towers

#### 4.1 Disassembly of turbine generators:

- A. Disassembly costs for the WTGs are based on the assumption that it will take a 10-man crew 20 hours to disassemble each tower and turbine, which is roughly equivalent to the labor effort required for tower and turbine assembly.

Estimated labor rate:	\$	25.00 /man-hour
Total estimate for WTG disassembly for all 18 turbines:	\$	90,000.00

- B. Based on an assumption that the two cranes (erector and assist cranes) can disassembly two (2) turbines a week, the crane rental is estimated to be nine (9) weeks. Two (2) weeks are added for wind day delays.

Estimated rental costs for two cranes:	\$	40,000.00 /week
Total estimate for WTG disassembly equipment for all 18 turbines:	\$	440,000.00

C. Additionally, once the towers and turbines are on the ground, they will need to be cut up into manageable sized pieces in preparation for transportation to scrap, recycle, or disposal facilities. We are assuming it will take a 5-man crew 20 hours to do this work per turbine.

Estimated labor rate:	\$	15.00 /man-hour	
<hr/>			
Total estimate for WTG dismantling for all 18 turbines:	\$	27,000.00	
<hr/>			
The total estimate for WTG disassembly is:	\$		557,000.00

4.2 Transportation of turbine components to disposal/reclamation site Cost to transport the tower and turbine components to facilities for scrap, recycling or disposal are based on a estimated requirement of ten (10) transport vehicles per turbine site (note: transport of new turbine and tower components to a site requires 12 to 14 transport vehicles).

Total estimated labor & equipment cost:	\$	1,400.00 /transport trip	
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Total estimate for turbine component transport for all 18 turbine sites:	\$		252,000.00

4.3 Nacelle housing, blade, and other component disposal. Disposal of the nacelle housing, blades, and other non-scrapable components are based on an estimated 90,000 lbs/turbine. Disposal fees are generally based on weight (in tons).

Total estimated weight of blades and nacelle:		45 tons	
Disposal fee (based on Bangor area landfill rates):	\$	71.00 /ton	
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Total estimate for nacelle housing and blade disposal for all 18 turbine sites:	\$		54,400.00

4.4 MET Tower disassembly/removal:

A. Disassembly costs for the MET towers are based on the assumption that it will take a 5-man crew 16 hours to disassemble each MET tower.

Estimated labor rate:	\$	25.00 /man-hour	
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Total estimate for MET disassembly labor cost for two (2) towers:	\$		4,000.00

B. Additionally, equipment rental is estimated at approximately 16 hours for each MET tower to assist with the disassembly, partially remove foundations, and reclaim the site.

Total estimated labor & equip. rate:	\$	200.00 /hour	
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Total estimate for MET disassembly equipment cost for two (2) towers:	\$		6,400.00
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Total estimate for MET tower disassembly/removal for two (2) towers is:	\$		10,400.00

4.5 Transportation of MET tower components to disposal/reclamation site

A. Cost to transport the MET tower components to facilities for scrap, recycling or disposal are based on an estimated requirement of one (1) truck trip for each MET tower.

Total estimated labor & equip. cost:	\$	920.00 /trip	
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Total estimate for MET component trucking cost for two (2) towers:	\$		1,900.00

B. We have assumed that the concrete rubble generated from the foundations (while separating rebar as necessary) will not be transported offsite but be used onsite as fill at toes of slopes, for road base or topping material, or at other locations in need of fill as desired by the property owner. In the unlikely event the material cannot be



used on-site, the material will be transported for offsite use. Costs to transport the foundation rubble to disposal are based on six (6) cubic yards of rubble for an estimated one (1) dump truck trip per MET tower site and transported to a location within 2 hours (one-way) at an equipment and labor rate of \$100/hr.

Total estimated labor & equip. cost:	\$	400.00 /dump truck trip	
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Total estimate for MET foundation transportation cost for two (2) towers:	\$	800.00	
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Total estimate for MET tower disposal for two (2) towers is:	\$		2,700.00

**The total opinion of probable costs for WTGs and MET Tower removal: \$ 876,500.00**

### 5. Electrical Collection System

Note that as the direct-buried underground collector is buried deeper than 2 ft, it will not be removed but be abandoned in place.

#### 5.1 Disassembly of overhead collector lines and associated components:

- A. Disassembly and spooling costs for the overhead collector lines and associated components are based on the assumption that the labor effort required will be a 3-man crew working for four (4) hours per 1,000 feet of overhead wire.

Estimated total length of overhead lines:		8130 feet	
Estimated labor rate:	\$	30.00 /man-hour	
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Total estimate for overhead collector lines disassembly:	\$		3,600.00

- B. Equipment rates are estimated at the following rate for approximately 5 days.

Estimated equipment rates:	\$	1,700.00 /day	
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Total estimate for overhead collector lines disassembly:	\$		8,500.00

- C. Pole removal and filling of remaining hole, based on the following approximate quantities:

Amount of poles:		40 each	
Removal labor and equipment costs:	\$	160.00 /pole	
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Total estimate for overhead collector pole removal:	\$		6,400.00

Total for disassembly of overhead collector lines: \$ 18,500.00

#### 5.3 Transportation of collector lines and associated components

- A. The cost to transport the collector line and associated components to facilities for scrap, recycling or disposal is based on the number of spools required per collector line sizes and lengths for the project, and a capacity of eight (8) spools per truck.

Estimated spools of collector line:		7 each	
Estimated labor & equipment cost:	\$	1,400.00 /truck trip	
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Total estimate for collector lines disassembly:	\$		1,400.00

B. Pole removal will be transported at a rate of 30 poles per logging truck. It is assumed that poles will be sold or given away.

Amount of poles:		40 each	
Estimated labor & equipment costs:	\$	1,100.00	/truck trip
<u>Total estimate for overhead collector pole removal:</u>	\$	<u>2,200.00</u>	
Total for transportation of collector line and associated components:	\$		3,600.00

5.4 Removal of pad-mount transformers. Removal of the pad-mount transformers is estimated to require a total labor and equipment cost of \$500 per each.

Total for removal of pad-mount transformers for all 18 turbine sites:	\$		9,000.00
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5.5 Transportation of pad-mound transformers. The cost to transport the pad-mount transformers to facilities for scrap, recycling or disposal is estimated to be a location within 2 hours (one-way) at an equipment and labor rate of \$225/hr. Assuming three (3) units can fit on one truck:

Estimated transportation costs:	\$	900.00	/truck trip
<u>Total for transportation of pad-mount transformers for all 18 turbine sites:</u>	\$		<u>5,400.00</u>

5.6 Removal of pad-mount transformer foundations. Removal of the pad-mount transformer foundations and cutting of cables and conduits to a depth of two feet below grade will require various types of hydraulic equipment.

Estimated labor & equipment cost:	\$	1,000.00	/site
<u>Total for removal of pad-mount transformer foundations for all 18 turbine sites:</u>	\$		<u>18,000.00</u>

5.7 Transportation of pad-mount transformer foundation rubble and disposal. The rubble from the pad-mount transformer foundations is approximately ten (10) cubic yards per turbine site. As it is assumed the steel rebar will be separated from the concrete debris, the rubble essentially becomes an inert material. Therefore, we have assumed that the concrete rubble generated will not be transported offsite but be used onsite as fill at toes of slopes, for road base or topping material, or at other locations in need of fill as desired by the property owner. Costs to transport the foundation rubble within the project boundaries, in comparison to other decommissioning costs, are assumed to be negligible. In the unlikely event the material cannot be used on-site, the material will be transported for offsite use. Costs to transport the foundation rubble to disposal are based on an estimated requirement of one (1) dump truck trip for each turbine site.

Total estimated labor & equipment cost:	\$	400.00	/dump truck trip
<u>Total estimate for foundation transportation costs for all 18 turbine sites:</u>	\$		<u>7,200.00</u>

<u>The total opinion of probable costs for Electrical Collection System removal:</u>	\$		<u>61,700.00</u>
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### Disassembly & Removal Summary

The total opinion of probable disassembly and removal costs from summing the items above:	\$		2,248,600.00
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### Scrap Value

The presumed scrap value is based on the following conservative estimates:



1. **Presumed scrap value of WTGs.** In estimating the scrap value of the WTGs, the following component weight estimates were used (all weights are in pounds). No scrap value was assumed for the blades or nacelle shell.

Base:	193,600	Nacelle	144,900
Mid:	192,900	Rotor	73,500
Top:	157,600		

Total estimated weight for each WTG: 762,500 lbs

Current prices for #1 steel scrap at a Bangor, Maine area metal recycling center:

#1 steel \$ 235.00 /ton

Total opinion of presumed scrap value for all 18 WTGs: \$ 1,612,700.00

2. **Presumed scrap value of the external transformers.** Scrap value of the external transformer is estimated at 10% of the original transformer cost.

Estimated original cost for external transformers: \$ 70,000.00 each

Estimated scrap value (10%): \$ 7,000.00 each

Total opinion of presumed scrap value for all 18 external transformers: \$ 126,000.00

3. **Presumed scrap value of the MET towers.** In estimating the scrap value of the MET towers, the following component weight and steel scrap values were used:

MET tower component weight: 6,000 lbs

Average steel scrap value: \$ 235.00 /ton

Total opinion of presumed scrap value of all two (2) MET towers: \$ 1,500.00

4. **Overhead wiring scrap value.** Quantities of overhead wire and wire sizes and lengths are based on electrical drawings prepared by CHA and used as a basis for estimated scrappable metal amounts. Overhead wiring consists of aluminum (steel reinforced) conductors.

Estimated linear feet of wiring: 24,390 ft

Estimated weight of scrappable aluminum: 7,100 lbs

Current price for aluminum scrap at a Bangor area metal recycling center: \$ 500.00 /ton

Total opinion of presumed scrap value of the overhead and underground wiring: \$ 1,800.00

**Scrap Value Summary**

The total opinion of probable scrap value from summing the items above: \$ 1,742,000.00

**Decommissioning Summary**

The total opinion of probable disassembly and removal costs is:	\$	2,248,600.00
The total opinion of probable scrap value for the project is:	\$	1,742,000.00

<b>The net estimated opinion of probable cost for decommissioning is:</b>	<b>\$</b>	<b>506,600.00</b>
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Please do not hesitate to contact us with any questions regarding the information contained in this review. We appreciate the opportunity to work with you on this project.

Sincerely,

**James W. Sewall Company**

Janine S. Murchison, PE  
Project Manager  
[jmurchison@jws.com](mailto:jmurchison@jws.com)  
phone: (207)492-1062

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**TO:** KEN LIBBEY, DEP, Watersheds Division, Bangor  
 STEVE WALKER, Department of Inland Fisheries and Wildlife  
 CYNDI DARLING, BRWM, Bangor  
 JOHN HOPECK, DEP, Division of Environmental Assessment, Augusta  
 JOAN TRIAL, Department of Marine Resources, Bangor  
 AMANDA RECTOR, State Economist, Augusta

**FROM:** MARIA LENTINE-EGGETT  
 DEPARTMENT OF ENVIRONMENTAL PROTECTION  
 EASTERN MAINE REGIONAL OFFICE  
 BUREAU OF LAND AND WATER QUALITY CONTROL  
 106 HOGAN ROAD, BANGOR, ME 04401  
MARIA.LENTINE-EGGETT@MAINE.GOV

**DATE:** February 15, 2013

**SUBJECT:** REQUEST FOR PROJECT REVIEW

This constitutes a request for your agency's review of the project identified below and your submission of comments in accordance with applicable memorandum of agreements and department procedures for project reviews.

Questions concerning this project should be directed to the DEP Project Manager, MARIA LENTINE-EGGETT, at 446-7120.

The deadline for agency comments is March 15, 2013, or as soon as possible.

<i>PROJECT</i>		<i>APPLICANT</i>	
<i>Number:</i>	L-25875-24-A-N/L-25875-2F-B-N	<i>Name:</i>	Hancock Wind
<i>Name:</i>	Windpower Facility	<i>Contact</i>	Brooke Barnes
<i>Location:</i>	T16 MD/T22 MD		729-1199

After a thorough review of the above project, as presented to us, and consideration of our agency's standards, programs and responsibilities, and the following comments are submitted to the Department of Environmental Protection.

**To:** Maria Lentine-Eggett, Maine Department of Environmental Protection  
**From:** Amanda Rector, State Economist  
**Date:** March 13, 2013  
**Subject:** Hancock Wind Project Review

Pursuant and subject to 38 M.R.S.A. §484, sub-§10, I am providing review comments regarding tangible benefits on the Hancock Wind Project application. This is not a legal opinion. Below are my comments based on review of the "tangible benefits" provisions from M.R.S.A. 35-A, Ch. 34-A.

Any permit application for an expedited wind energy development is required to include documentation of the following information:

1. Estimated jobs to be created statewide and in the host community or communities, as a result of construction, maintenance and operations of the project;
2. Estimated annual generation of wind energy;
3. Projected property tax payments;

*check here if requesting copy of Findings of Fact & Order.*

*(Comments must be signed and dated in order to be accepted by this Department)*

**Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_  
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- 4. A descriptions of the community benefits package, including but not limited to community benefit agreement payments, valued at no less than \$4,000 per year per wind turbine, averaged over a 20-year period; and
- 5. Any other tangible benefits to be provided by the project.

The application submitted by Hancock Wind, LLC, a wholly owned subsidiary of First Wind, regarding the Hancock Wind Project does address each of these required pieces of information.

The project is estimated to create 100 full-time equivalent jobs during development and construction, hired locally whenever possible, with three to six permanent employees post-construction to operate and maintain the facility, including on-site staff of the turbine manufacturer.

Estimated annual generation of wind energy from the project is approximately 150,000 MWh.

Unorganized Territory property tax payments are estimated in excess of \$350,000 per year in addition to average annual property tax payments of \$8,000 to Aurora.

The proposed community benefits package includes three Community Benefit Agreements totaling \$96,000 annually over 20 years. These agreements are with the Town of Osborn valued at \$56,000 annually over 20 years; with the Town of Waltham valued at \$20,000 annually over 20 years; and with the Town of Eastbrook valued at \$20,000 annually over 20 years. In all three cases, the payments are to be used at the town's discretion to either lower tax rates or for investment in municipal assets and/or services. The total value of this community benefits package is \$5,333 per year per wind turbine. This exceeds the minimum statutory requirement of \$4,000 per year per wind turbine.

Additional tangible benefits identified in the application include \$10,000 annually over 20 years to the Acadia Area ATV Club to supports its efforts to maintain trails, repair trail bridges, and perform stormwater management activities and \$25,000 in seed money for the "Ride the Wind" Maine snowmobile wind farm trail as well as First Wind's traditional community outreach programs and support for the host communities of Osborn, Waltham, and Eastbrook.

The environmental tangible benefits are estimated at an additional 60,000 tons of CO2, 60 tons of NOX, and 200 tons of SO2 avoided annually.

The tangible benefits described in the Hancock Wind Project application appear to meet the criteria established in 35-A M.R.S.A. §3454. The community benefits package exceeds the minimum statutory requirements.

check here if requesting copy of Findings of Fact & Order.  
 (Comments must be signed and dated in order to be accepted by this Department)

Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
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