



June 29, 2018

Town of Farmington  
Planning Board  
1000 County Road 8  
Farmington, NY 14425

**Re: Proposed Solar Projects Yellow Mills Road ("Solar Project") – Decommissioning**

Dear Members of the Planning Board,

Please find enclosed the following regarding the proposed decommissioning for the Solar Project. Please note, the information provided herein relates to a 2MW ac solar facility as the decommissioning agreements executed by Delaware River Solar, LLC ("DRS") in other towns are shown as a comparison and such projects were primarily 2 MW projects. As the proposed project progresses through the town approval process, the information will be updated and provided to the town.

**APPENDIX I:** Draft Decommissioning Plan

**APPENDIX II:** Draft Decommissioning Agreement

**APPENDIX III:** List of Decommissioning Agreements DRS has executed with other Towns in New York State.

If there are any questions or additional information required, I can be contacted at 646-998-6495 or at [peter.dolgos@delawareriversolar.com](mailto:peter.dolgos@delawareriversolar.com).

Sincerely,

A handwritten signature in black ink that reads "Peter Dolgos".

Peter Dolgos  
Senior Vice President  
Delaware River Solar, LLC

**APPENDIX I**

**Draft Decommissioning Plan**

**New York Community Solar  
Facility Decommissioning Plan**

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**JUNE 2018**

Prepared For:

**Town of Farmington**

**Delaware River Solar, LLC**  
33 Irving Place, Suite 1090  
New York, NY 10003

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## 1. Introduction

Delaware River Solar (“**DRS**”) proposes to build a photovoltaic (PV) solar facility (“**Solar Facility**”) at 466 Yellow Mills Road in the Town of Farmington (“**Town**”) under New York State’s Community Solar initiative. The Solar Facility is planned to have a nameplate capacity of approximately 7.0 megawatts (MW) alternating current (AC) and be built on private land (“**Project Site**”) leased by an affiliate of DRS from the property owner (“**Property Owner**”).

This Decommissioning Plan (“**Plan**”) provides an overview of activities that will occur during the decommissioning phase of the Solar Facility, including; activities related to the restoration of land, the management of materials and waste, projected costs, and a proposed decommissioning fund agreement overview.

The Solar Facility will have a useful life of thirty (30) years and the lease agreement between DRS and the Property Owner will have a thirty (30) year lease term, subject to five (5) year extensions. This Plan assumes that the Solar Facility will be dismantled, and the Project Site restored to a state similar to its pre-construction condition, at the thirty (30) year anniversary of the Solar Facility’s commercial operation date (“**Expected Decommissioning Date**”). This Plan also covers the case of the abandonment of the Solar Facility, for any reason, prior to the Expected Decommissioning Date.

Decommissioning of the Solar Facility will include the disconnection of the Solar Facility from the electrical grid and the removal of all Solar Facility components, including:

- Photovoltaic (PV) modules, panel racking and supports;
- Inverter units, substation, transformers, and other electrical equipment;
- Access roads, wiring cables, communication tower, perimeter fence; and,
- Concrete foundations.

This Plan is based on current best management practices and procedures. This Plan may be subject to revision based on new standards and emergent best management practices at the time of decommissioning. Permits will be obtained as required and notification will be given to stakeholders prior to decommissioning.

## **2. Conditions to the Issuance of A Special Use Permit**

The conditions of the decommissioning plan for the issuance of a Special Use Permit granted by the Town of Farmington Planning Board shall include:

1. A licensed engineer's estimate of the anticipated operational life of the Solar Facility
  - DRS will provide this.
2. Identification of the party responsible for the decommissioning.
  - DRS will create project specific entities (i.e. NY Farmington I, LLC, NY Farmington II, LLC and NY Farmington III, LLC) for each of the individual projects. The project specific entities, affiliates of DRS, will be the entity responsible for decommissioning, and will enter decommissioning agreements with the Town.
3. A description of any decommissioning agreement between the responsible party and the landowner.
  - Attached as Appendix II is a draft decommissioning agreement that DRS would typically execute with the applicable town. The lease agreement that DRS has in place with the Property Owner also contains conditions regarding the removal of the Solar Facility, and restoration of the Project Site.
4. A schedule showing the time frame for the decommissioning and restoration work to occur.
  - The decommissioning and restoration work will be completed within 180 days of the 30 year anniversary of the commercial operation date (or within 180 days of abandonment). The "Decommissioning of the Solar Facility" section herein contains details on work to be performed.
5. A cost estimate prepared by a licensed engineer estimating the full cost of the decommissioning and removal of the Solar Facility
  - The "Cost of Decommissioning" section herein contains the estimate costs of the decommissioning the Solar Facility. Prior to any Site Plan Approval or issuance of any Special Use Permit, DRS will provide a "final" estimate of the decommissioning cost from a licensed engineer based on the site plan considered for approval.
6. A financial plan to ensure that financial resources will be available to fully decommission the Solar Facility.
  - The financial plan is set forth herein and is similar to decommissioning agreements that DRS has executed with other towns in the State of New York. See Appendix III for a list of other towns for which a substantially similar decommissioning plan has been executed.
7. An acceptable form of surety to be approved by the Planning Board, accepted by the Town Board and filed with the Town Clerk in an amount specified in the financial plan.
  - DRS is proposing the financial plan set forth herein which entails an upfront deposit to the town and annual contributions thereafter. As indicated above, this is similar to decommissioning agreements DRS has executed with other towns, however, DRS is open to discuss other recommendations of the Town.

8. Before obtaining a Building Permit and every 3 years thereafter the Solar Facility owner is required to file with the Town Clerk evidence of financial surety to provide for the full cost of decommissioning and removal of the Solar Facility.
  - As indicated above, DRS is proposing the financial plan set forth herein. If this financial plan is acceptable, the Town would be the controlling party of the “decommissioning account” and DRS can attest to the schedule set forth herein for payments.
9. The amount of surety is determined by the Town Engineer based upon a current estimate of the decommissioning and removal costs as provided by the Solar Facility owner in the Decommissioning Plan.
  - As indicated above, DRS is proposing the financial plan set forth herein. It is assumed that in the event the estimate of the decommissioning and removal costs increases, based on the annual report described in the following item, DRS will contribute an additional deposit to the decommissioning account to ensure that such additional amount, plus the annual deposits, will be sufficient to cover the revised decommissioning cost.
10. The Solar Facility owner is required to provide, on a yearly basis, to the Code Enforcement Officer a written report showing the rate capacity of the Solar Facility and the amount of electricity that was generated by the Solar Facility and transmitted to the grid in the most recent 12 month period. Every third year the annual report shall also include a recalculation of the estimated cost of decommissioning and removal of the system. The Town Board may then require the amount of surety to be changed to reflect any changes in the decommissioning costs.
  - DRS will provide the required reports.

**3. The Proponent**

Delaware River Solar LLC (“DRS”) will manage and coordinate the approvals process during decommissioning. DRS will obtain all necessary regulatory approvals that vary depending on the jurisdiction, project capacity, and site location. DRS will build a long-term relationship with the community hosting the Solar Facility and DRS will be committed to the safety, health, and welfare of the townships.

Contact information for the proponent is as follows:

**Full Name of Company:** Delaware River Solar, LLC  
**Contact:** Peter Dolgos  
**Address:** 33 Irving Place Suite 1090, New York, NY 10003  
**Telephone:** (646) 998-6495  
**Email:** peter.dolgos@delawareriversolar.com

**3.1 Project Information**

**Address:** 466 Yellow Mills Road, Farmington NY 14522  
**Tax ID:** 10.00-1.37.110  
**Project Size (estimated):** Three Projects totaling approximately 7.0 MW ac  
**Landowner:** Roger Smith and Carol Smith  
**Own / Lease:** Lease

#### **4. Decommissioning of the Solar Facility**

At the time of decommissioning, the installed components will be removed, reused, disposed of, and recycled, where possible. The Project Site will be restored to a state similar to its pre- construction condition. All removal of equipment will be done in accordance with any applicable regulations and manufacturer recommendations. All applicable permits will be acquired.

##### **4.1 Equipment Dismantling and Removal**

Generally, the decommissioning of a Solar Facility proceeds in the reverse order of the installation.

1. The Solar Facility shall be disconnected from the utility power grid.
2. PV modules shall be disconnected, collected, and disposed at an approved solar module recycler or reused / resold on the market..
3. All aboveground and underground electrical interconnection and distribution cables shall be removed and disposed off-site by an approved facility.
4. Galvanized steel PV module support and racking system support posts shall be removed and disposed off-site by an approved facility.
5. Electrical and electronic devices, including transformers and inverters shall be removed and disposed off-site by an approved facility.
6. Concrete foundations shall be removed and disposed off-site by an approved facility.
7. Fencing shall be removed and will be disposed off-site by an approved facility.

##### **4.2 Environmental Effects**

Decommissioning activities, particularly the removal of project components could result in environmental effects similar to those of the construction phase. For example, there is the potential for disturbance (erosion/sedimentation) to adjacent watercourses or significant natural features. Mitigation measures similar to those employed during the construction phase of the Solar Facility will be implemented. These will remain in place until the site is stabilized in order to mitigate erosion and silt/sediment runoff and any impacts on the significant natural features or water bodies located adjacent to the Project Site.

Road traffic will temporarily increase due to the movement of decommissioning crews and equipment. There may be an increase in particulate matter (dust) in adjacent areas during the decommissioning phase. Decommissioning activities may lead to temporary elevated noise levels from machinery and an increase in trips to the Project Site. Work will be undertaken during daylight hours and conform to any applicable restrictions.



#### **4.3 Site Restoration**

Through the decommissioning phase, the Project Site will be restored to a state similar to its pre-construction condition.

All project components (discussed in **Table 1**) will be removed. Rehabilitated lands may be seeded with a low-growing species such as clover to help stabilize soil conditions, enhance soil structure, and increase soil fertility.

#### **4.4 Managing Materials and Waste**

During the decommissioning phase a variety of excess materials and wastes (listed in **Table 1**) will be generated. Most of the materials used in a Solar Facility are reusable or recyclable and some equipment may have manufacturer take-back and recycling requirements. Any remaining materials will be removed and disposed of off-site at an appropriate facility. DRS will establish policies and procedures to maximize recycling and reuse and will work with manufacturers, local subcontractors, and waste firms to segregate material to be disposed of, recycled, or reused.

DRS will be responsible for the logistics of collecting and recycling the PV modules and to minimize the potential for modules to be discarded in the municipal waste stream. Currently, some manufacturers and new companies are looking for ways to recycle and/or reuse solar modules when they have reached the end of their lifespan. Due to a recent increase in the use of solar energy technology, a large number of panels from a variety of projects will be nearing the end of their lifespan in 25-30 years. It is anticipated there will be more recycling options available for solar modules at that time. DRS will dispose of the solar modules using best management practices at the time of decommissioning.

**Table 1: Management of Excess Materials and Waste**

Material / Waste	Means of Managing Excess Materials and Waste
PV panels	If there is no possibility for reuse, the panels will either be returned to the manufacturer for appropriate disposal or will be transported to a recycling facility where the glass, metal and semiconductor materials will be separated and recycled.
Metal array mounting racks and steel supports	These materials will be disposed off-site at an approved facility.
Transformers and substation components	The small amount of oil from the transformers will be removed on-site to reduce the potential for spills and will be transported to an approved facility for disposal. The substation transformer and step-up transformers in the inverter units will be transported off-site to be sent back to the manufacturer, recycled, reused, or safely disposed off-site in accordance with current standards and best practices.
Inverters, fans, fixtures	The metal components of the inverters, fans and fixtures will be disposed of or recycled, where possible. Remaining components will be Disposed of in accordance with the standards of the day.
Gravel (or other granular)	It is possible that the municipality may accept uncontaminated material without processing for use on local roads, however, for the purpose of this report it is assumed that the material will be removed from the project location by truck to a location where The aggregate can be processed for salvage. It will then be reused As fill for construction. It is not expected that any such material will be contaminated.
Geotextile fabric	It is assumed that during excavation of the aggregate, a large portion of the geotextile will be "picked up" and sorted out of The aggregate at the aggregate reprocessing site. Geotextile fabric that is remaining or large pieces that can be readily removed from the excavated aggregate will be disposed of off-site at an approved disposal facility.
Concrete inverter/transformer Foundations	Concrete foundations will be broken down and transported by certified and licensed contractor to a recycling or approved disposal facility.
Cables and wiring	The electrical line that connects the substation to the point of common coupling will be disconnected and disposed of at an approved facility. Support poles, if made of untreated wood, will be chipped for reuse. Associated electronic equipment (isolation switches, fuses, metering) will be transported off-site to be sent back to the manufacturer, recycled, reused, or safely disposed off-site in accordance with current standards and best practices.
Fencing	Fencing will be removed and recycled at a metal recycling facility.
Debris	Any remaining debris on the site will be separated into recyclables/residual wastes and will be transported from the site and managed as appropriate.

#### **4.5 Decommissioning During Construction or Abandonment Before Maturity**

In case of abandonment of the Solar Facility during construction or before its 30 year maturity, the same decommissioning procedures as for decommissioning after ceasing operation will be undertaken and the same decommissioning and restoration program will be honored, in as far as construction proceeded before abandonment. The Solar Facility will be dismantled, materials removed and disposed, the soil that was removed will be graded and the site restored to a state similar to its preconstruction condition.

#### **4.6 Decommissioning Notification**

Decommissioning activities may require the notification of stakeholders given the nature of the works at the Facility Site. The local municipality in particular will be notified prior to commencement of any decommissioning activities. Six months prior to decommissioning, DRS will update their list of stakeholders and notify appropriate municipalities of decommissioning activities. Federal, county, and local authorities will be notified as needed to discuss the potential approvals required to engage in decommissioning activities.

#### **4.7 Approvals**

Well-planned and well-managed renewable energy facilities are not expected to pose environmental risks at the time of decommissioning. Decommissioning of a Solar Facility will follow standards of the day. DRS will ensure that any required permits are obtained prior to decommissioning.

This Decommissioning Report will be updated as necessary in the future to ensure that changes in technology and site restoration methods are taken into consideration.

**5. Cost of Decommissioning**

The costs below are the current estimated costs to decommission a 2 MWac Solar Facility, based on guidance from NYSERDA and estimates from the Massachusetts solar market, a mature solar market with experience decommissioning projects. The salvage values of valuable recyclable materials (aluminum, steel, copper, etc) are not factored into the below costs. The scrap value will be determined on current market rates at the time of salvage.

	Tasks Estimated Cost (\$)
Remove Panels	\$2,459
<b>Remove Rack Wiring</b>	<b>\$2,459</b>
Disassemble Racks	\$12,350
<b>Remove and Load Electrical Equipment</b>	<b>\$1,850</b>
Break up Concrete Pads	\$1,500
<b>Remove Racks</b>	<b>\$7,800</b>
Remove Cable	\$6,500
<b>Remove Ground Screws and Power Poles</b>	<b>\$13,850</b>
Remove Fence	\$1,950
<b>Grading</b>	<b>\$4,000</b>
Load and Disassemble Trailers	\$8,000
<b>Truck to Recycling Center</b>	<b>\$2,250</b>
Current Total	\$68,200
<b>Total After 30 Years (2.5% inflation rate)</b>	<b>\$126,000</b>

*NY PVTN Decommissioning Fact Sheet.pdf*

**6. Decommissioning Fund**

DRS will create a decommissioning fund to guarantee that monies are available to perform the facility decommissioning. Although DRS intends to perform the decommissioning, unforeseen circumstances such as DRS selling the project to another party or DRS going out of business are possible. The funds will be held in a 3<sup>rd</sup> party escrow account, and they will remain available to any party performing the decommissioning such as a municipality or a landowner.

At the completion of construction, DRS will deposit \$60,000 into the fund (prorated for the actual facility size). After every year of operation, DRS will deposit an additional 2.5% of the previous balance to keep up with inflation and expected decommissioning costs.

Decommissioning Fund (Deposits)		
Timeframe	Amount	Cumulative
Construction	60,000	60,000
Year 1	1,500	61,500
Year 2	1,538	63,038
Year 3	1,576	64,613
Year 4	1,615	66,229
Year 5	1,656	67,884
Year 6	1,697	69,582
Year 7	1,740	71,321
Year 8	1,783	73,104
Year 9	1,828	74,932
Year 10	1,873	76,805
Year 11	1,920	78,725
Year 12	1,968	80,693
Year 13	2,017	82,711
Year 14	2,068	84,778
Year 15	2,119	86,898
Year 16	2,172	89,070
Year 17	2,227	91,297
Year 18	2,282	93,580
Year 19	2,339	95,919
Year 20	2,398	98,317
Year 21	2,458	100,775
Year 22	2,519	103,294
Year 23	2,582	105,877
Year 24	2,647	108,524
Year 25	2,713	111,237
Year 26	2,781	114,018
Year 27	2,850	116,868
Year 28	2,922	119,790
Year 29	2,995	122,784
Year 30	3,070	125,854

Assumed 2MWac Facility

APPENDIX II

[DRAFT] DECOMMISSIONING AGREEMENT

This DECOMMISSIONING AGREEMENT (this "Agreement") dated as of \_\_\_\_\_, 2018 (the "Effective Date") is made by and among the Town of Farmington ("Town") and [Delaware River Solar, LLC] ("Owner", together with the Town, the "Parties").

WHEREAS, Owner intends to build a solar energy generation project on 466 Yellow Mills Road in the Town (the "Project");

WHEREAS, the Parties wish to enter into this Agreement to set forth terms and conditions of having funds available to pay for the costs of any decommissioning of the Project; and

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Prior to the commencement of construction of the Project, Owner agrees to deposit [sixty-thousand dollars (\$60,000)] in a special purpose account designated in writing by the Town (the "Decommissioning Account"). At the end of each anniversary year of operation of the Project (the "Anniversary Date"), Owner agrees to deposit an additional 2.5% of the then existing amount in the Decommissioning Account on the Anniversary Date, as described in greater detail on Schedule I attached hereto. The Parties agree that the amount in the Decommissioning Account shall be used solely to pay for any decommissioning costs of the Project. Provided Owner complies with its obligations to deposit funds into the Decommissioning Account in accordance with this Agreement, Owner shall have no further payment obligations in connection with funding the Decommissioning Account during the operation of the Project; provided, however, in the event the actual decommissioning costs exceed the amount in the Decommissioning Account, Owner shall be responsible for any such excess costs, provided such excess costs are not as a result of the Town using any amount in the Decommissioning Account for any reason other than to pay for decommissioning costs of the Project in accordance with this Agreement. In the event the Town uses any amount in the Decommissioning Account for any reason other than to pay for decommissioning costs in accordance with this Agreement, the Town shall be responsible to pay for such amount used and shall indemnify and hold harmless Owner and the landowner of the Project, if different from Owner, from any claim, loss, damage, liability or costs (including any reasonable attorney costs) arising from such use of funds for reasons other than to pay for decommissioning costs in accordance with this Agreement.

2. The Parties agree that the decommissioning process of the Project may commence (and the funds to pay for the cost of any such decommissioning from the Decommissioning Account may be used) for the following reasons: (a) Owner provides written notice to the Town of its intent to retire or decommission the Project (the "Owner Decommissioning Notice"), (b) construction of the Project has not started within eighteen (18) months of site plan being approved by the Town, or (c) the Project ceases to be operational for more than twelve (12) consecutive months. The Town shall provide Owner thirty (30) days written notice (the "Town Decommissioning Notice") prior to the commencement of any decommissioning of the Project by

the Town. In event the Owner fails to decommission the Project within ninety (90) days after providing Owner Decommissioning Notice or fails to respond with a reasonable explanation for the delay in the construction or cessation of operation of the Project within 30 days of the Town Decommissioning Notice, the Town may commence the decommissioning of the Project. For the purposes of this Agreement, "ceases to be operational" shall mean no generation of electricity, other than due to repairs to the Project or causes beyond the reasonable control of Owner. Upon removal of the infrastructure and disposal of any component of the Project from the site on which the Project is built, or in the event the Town becomes owner of the Project, any and all amount remaining in the Decommissioning Account shall be returned to Owner.

3. This Agreement may not be amended or modified except by written instrument signed and delivered by the Parties. This Agreement is binding upon and shall inure to the benefit of the Parties and their respective heirs, executors, administrators, successors and assigns. Owner may assign this Agreement to any subsidiary, or purchaser or transferee of the Project. The Parties agree to execute and deliver any additional document or take any further action as reasonably requested by the other party to effectuate the purpose of this Agreement. The Parties agree that Owner shall have the option to replace the funds in the Decommissioning Account with a commercially reasonable decommissioning bond.

4. The Parties agree that this Agreement shall be construed and enforced in accordance with and governed by the laws of New York.

5. This Agreement may be executed through separate signature pages or in any number of counterparts, and each of such counterparts shall, for all purposes, constitute one agreement binding on all parties.

[Signature Page Follows]

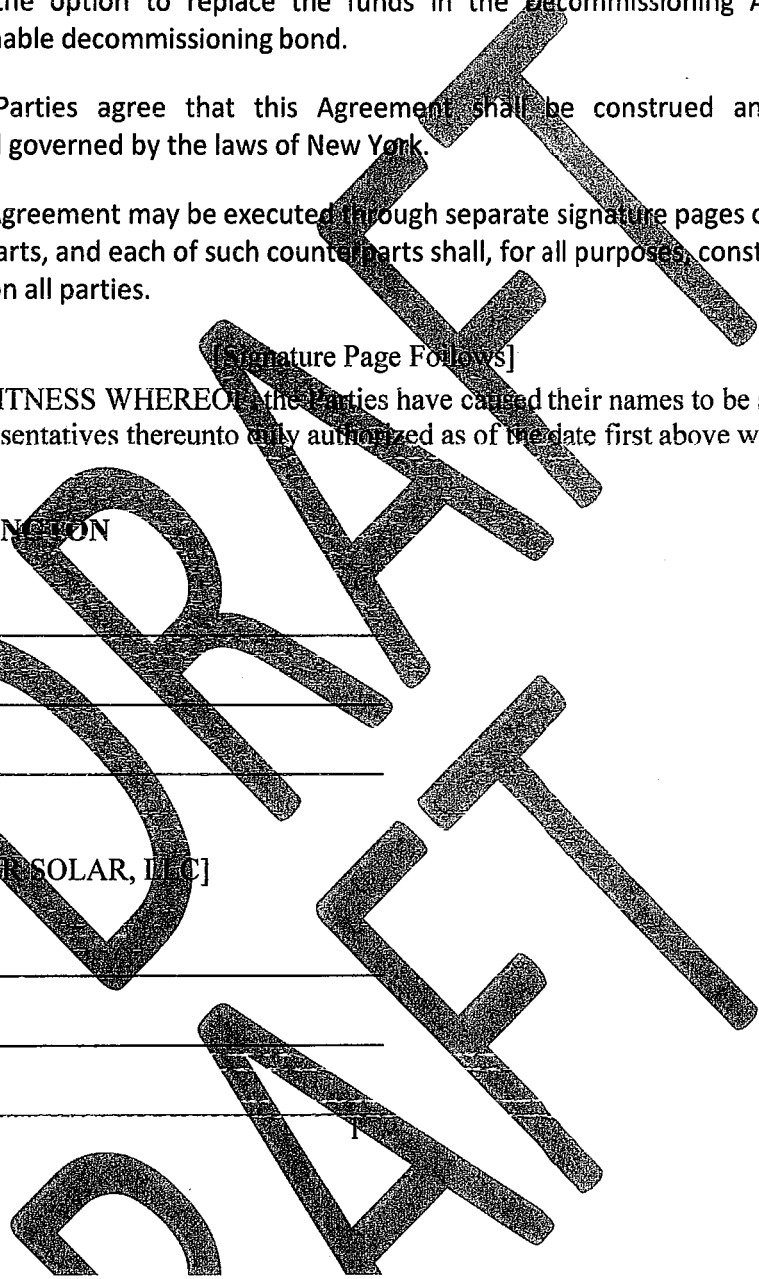
IN WITNESS WHEREOF the Parties have caused their names to be signed hereto by their respective representatives thereunto duly authorized as of the date first above written.

**TOWN OF FARMINGTON**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**[DELAWARE RIVER SOLAR, LLC]**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_



SCHEDULE I

Decommissioning Fund (Deposits)		
Timeframe	Amount	Cumulative
Construction	60,000	60,000
Year 1	1,500	61,500
Year 2	1,538	63,038
Year 3	1,576	64,613
Year 4	1,615	66,229
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Year 27	2,850	116,868
Year 28	2,922	119,790
Year 29	2,995	122,784
Year 30	3,070	125,854

Assumed 2MWac Facility



### APPENDIX III

#### DRS Executed Decommissioning Agreements

<b>Town / County</b>	<b>System Size MW (AC)</b>	<b>Decommissioning Amount (Deposit)</b>	<b>Annual Deposit</b>	<b>Payable</b>
Delaware / Sullivan	2.00	\$76,000	2.50%	Issuance of Building Permit
Delaware / Sullivan	1.75	\$61,000	2.50%	Issuance of Building Permit
Thompson / Sullivan	2.00	\$60,000	2.50%	Start of Construction
Thompson / Sullivan	1.75	\$52,500	2.50%	Start of Construction
Liberty / Sullivan	2.00	\$108,000	2.50%	Issuance of Building Permit
Mooers / Clinton	2.00	\$60,000	\$2,500	Start of Construction
Mooers / Clinton	2.00	\$60,000	\$2,500	Start of Construction
Mooers / Clinton	2.00	\$60,000	\$2,500	Start of Construction
Baldwin / Chemung	2.00	\$60,000	2.50%	Start of Construction
Baldwin / Chemung	2.00	\$60,000	2.50%	Start of Construction
Newfield / Tompkins	2.00	\$60,000	2.50%	Start of Construction
Newfield / Tompkins	2.00	\$60,000	2.50%	Start of Construction
Newfield / Tompkins	2.00	\$60,000	2.50%	Start of Construction