

## INITIAL PROJECT DECOMMISSIONING AND SITE RESTORATION PLAN Spotsylvania Solar Energy Center 12/13/18



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## 1.0 INITIAL PROJECT DECOMMISSIONING AND SITE RESTORATION PLAN

## 1.1 Introduction

The Spotsylvania Solar Energy Center (Project) is a 500-Megawatt (MW) photovoltaic (PV) solar project located in western Spotsylvania County, Virginia. The Project Site consists of three non-contiguous boundaries that encompass approximately 6,350 acres, of which approximately 3,500 acres are developed for the Project. The Project is anticipated to operate for 35 years.

The Project will operate under a Special Use Permit with Spotsylvania County. Following the life the Project, a decision would be made to extend the life of the Project or to decommission the Project. If the Project is decommissioned, Sustainable Power Group (sPower) or its successor in interest will be responsible for the removal, recycling, and disposal of all solar arrays, inverters, transformers and other structure on the Project site, depending upon the proposed future use of the Project site. sPower anticipates using the best available recycling measures at the time of decommissioning.

## **1.2** Existing Land Use

The current and historic land use for the Project Site is silviculture. The area surrounding the Project site also include silviculture with limited agriculture and scattered single-family residences.

## 1.3 Proposed Land Use

The Project is being developed to provide clean, renewable energy to corporate off-takers. The Project consists of a 3,500-acre, 500 MW alternating current (AC) solar energy facility. All parcels within the Project site will be purchased by sPower or its Transferee.

The Project will involve installation of various facilities, such as ground-mounted solar arrays, switchyard, inverters, electrical conduits, foundations, and an operations and maintenance facility. The majority of the foundations and electrical conduits will be located underground.

## 1.4 Objectives

This Decommissioning Plan was developed per Section 23-4.5.7 of Spotsylvania County Ordinance No. 23-173. The Decommissioning Plan ensures that if the Project is decommissioned, the site restoration will be accomplished in a way this is environmentally sound, safe, and protects the public health and safety. Decommissioning is a general term used to describe a formal process to remove something from active status whereas restoration objectives aspire to return the land to some degree of its former state, after some process has resulted in its disturbance.

Future conditions that could affect decommissioning are largely unknown at this time; however, the best available technologies and management practices will be deployed to ensure successful project decommissioning and site restoration.



To ensure that decommissioning will be completed in a manner that is environmentally sound, safe, and protects public health and safety, sPower or its successor in interest will submit a Final Plan for Project Decommissioning to Spotsylvania County for review and approval before the Project's decommissioning begins. Overall, the plan will include a discussion of:

- Proposed decommissioning activities for the Project and all appurtenant facilities that were constructed as part of the Project;
- The activities necessary to restore the Project site if the plan requires removal of equipment and appurtenant facilities; and
- Decommissioning alternatives at the time of final decommissioning.

Satisfying the above requirements should serve as a safeguard, even in the unlikely event that the Project is abandoned.

## 1.5 Project Decommissioning

When the Project reaches the end of its operational life, the component parts will be dismantled and recycled. All waste resulting from the decommissioning of the facility will be transported by a certified and licensed contractor and taken to a landfill/recycling facility in accordance with all local, State, and federal regulations.

The Initial Project Decommissioning Plan for the project site will include the following:

- The facility will be disconnected from the utility power grid.
- Individual PV panels will be disconnected from the on-site electrical system.
- Project components will be dismantled and removed using conventional construction equipment and recycled or disposed of safely.
- Individual PV panels will be unbolted and removed from the support frames and carefully
  packaged for collection and return to a designated recycling facility for recycling and
  material re-use.
- Electrical interconnection, transmission, and distribution cables will be removed and recycled offsite by an approved recycling facility.
- PV Panel support steel and support posts will be removed and recycled off-site by an approved metals recycler.
- Electrical and electronic devices, including inverters, transformers, panels, support structures, lighting fixtures, and their protective shelters will be recycled off-site by an approved recycler.



- Any hazardous materials will be removed and disposed in accordance with the current regulations.
- All concrete that is removed from the switchyard and on-site distribution system will be recycled off-site by a concrete recycler or crushed on site and used as fill material.
- Fencing will be removed and recycled off-site by an approved metals recycler.
- Soil erosion and sedimentation control measures will be re-implemented during the decommissioning period and until the site is stabilized.
- Only minimal grading is expected to be required.

## 1.6 Site Restoration

Restoration activities will return the Project site to a land use consistent with the surrounding land uses at the time of decommissioning. The Initial Site Restoration Plan for the Project Site will include the following:

- Existing wells or pumps located on the periphery of the Project Site will be maintained in
  place. Any ditches used for temporary water transport within the Project Site will be
  removed for the Project. These irrigation works will be restored if appropriate or necessary.
- Restoration activities would entail one of the following measures:
  - If land is to be used for silviculture use, the nutrient content of the soil would be restored to pre-construction concentration levels (if degraded) and the land would be tilled regularly to ensure aeration of soils and proper weed management; or
  - o If the land is to be converted for another purpose, soil stabilization techniques would be deployed to prevent topsoil erosion. Conversion to another use consistent with applicable land use regulation in effect at that time.
- All permits related to restoration would be obtained where required

## 1.7 Estimated Costs

sPower or Transferee will provide financial security for the performance of its decommissioning and restoration obligations based on the Initial Decommissioning and Site Restoration Plan. A decommissioning cost estimate was prepared and submitted for third-party industry review, which are included as Attachment A and B, respectively. The cost estimate will be used to determine the value of the Performance Bond to ensure that the funds will be available for decommissioning and site restoration (see Section 3.0).

## 2.0 FINAL PROJECT DECOMMISSIONING AND SITE RESTORATION PLAN \



## 2.1 Final Project Decommissioning and Site Restoration Plan

Ninety days (90) prior to decommissioning the Project Site, sPower will submit a Final Project Decommissioning and Site Restoration Plan (Final Plan) to the County for its approval, which approval will not be unreasonably withheld. The Final Plan may contain measures to decommission the Project and restore the Project Site different than the Initial Plan, provided that sPower explains in sufficient detail the reasons for any new or substantially different measures.

## 2.2 Decommissioning and Restoration: Scope and Timing

## 2.2.1 Scope of Decommissioning

Decommissioning the Project will involve removal of the Project's components as necessary for reuse of the site, including; the solar panels, panel trackers, anchors, supports and mounts, inverter buildings, electrical conductors, electrical cables, and substation components, other structures and the re-grading, backfilling, and re-stabilizing of any areas significantly impacted by the removal of any components. It is anticipated that internal roads will be left in place to facilitate the future landowner's use after decommissioning. Landscaped vegetative buffers will be left in place as part of the decommissioning.

Noise impacts from decommissioning activities are expected to be less than the impacts described in the submitted noise study for the construction phase due to the absence of multiple construction activities and associated equipment, such as grading, but most notably the largest noise impact: pneumatic pile-driving. Additionally, the decommissioning will meet the required noise standards located in Chapter 14, Article II of the county code of Spotsylvania.

## 2.2.2 Decommissioning Work Hours

Decommissioning of the Project will adhere to the work hours and time of day considerations applicable for construction described in the Spotsylvania County Ordinances in effect at that time. Typical work week would be Monday-Friday 7:00-5:00pm.

## 2.2.3 Decommissioning Phasing Plan

A phasing plan for site decommissioning and restoration can be developed once the final site layout is determined during the site planning stage. The plan will include phasing, material staging locations, truck routes, and information regarding recycling and disposal activities. It is not anticipated that PV materials will be stored on site between decommissioning and removal from the site to the end-user as decommissioned panels are removed by hand and go from the array to the export truck. Panels would typically be exported by trucks including covered semi-trailer trucks and semi-flatbed cargo trucks. Other material, such as metal post and wiring may be transported by semi-trucks or refuse trucks for recycling. Vehicles would utilize all legal access points and would utilize Orange Plank Rd, Old Plank Rd, West Catharpin Rd and Post Oak Rd. Access and routes are indicated in the GDPs for Site A, B and C.



### 2.2.4 Site Restoration

Restoration of the Project Site will be to a reasonable approximation of its original condition prior to construction

The site restoration will not include the removal of gravel access roads/paths or stream crossings.

Removal of existing, fully permitted access roads would create additional land and wetlands disturbance that is not required nor recommended by any regulatory agencies. All crossings will be permitted and will remain in place.

Site decommissioning will utilize existing roadway for the solar equipment removal and will not cause heavy traffic outside the roadway that will compact soils. Furthermore, it would not be prudent to destabilize the site and create potential erosion issues on the land. At the time of decommissioning sPower reserves the right to develop the land as desired and in compliance with current zoning and development regulations.

If existing underground conduits are removed, the ground will be restored to the existing topography and ground cover re accordance with any applicable permitting requirements.

## 2.2.5 Timing, Exemptions, and Extension

sPower or any Transferee, as the case may be, will decommission the Project and restore the Project Site within twelve (12) months following project termination. The twelve-month period to perform the decommissioning and restoration may be extended for one additional twelve-month period if there is a delay caused by forces beyond the control of sPower including, but not limited to, inclement weather conditions, planting requirements, equipment failure, wildlife considerations or the availability of equipment or personnel to support decommissioning.

## 2.2.6 County Access and Reporting

The County will be granted access to the Project Site during decommissioning of the Project for purposes of inspecting any decommissioning work or to perform decommissioning evaluations. County personnel must provide a 5-day pre-notification for site access on the Project Site and must observe all current owner safety standards and protocols. If requested by the County, sPower will provide monthly status reports until this decommissioning work is completed.

Documentation (manifests) will be provided from the recycling and disposal sites which shall include descriptions and quantities of materials delivered.

## 2.2.7 Solar Panel End-of-Life Use and Recycling

Studies show the value of the recovered materials can cover the expense of decommissioning and recycling making recycling of PV at the end of their useful life a profitable enterprise.



Furthermore, studies of large-scale penetration of PV into global electricity grids show that recycling of PV modules is imperative for maintaining a secondary source of materials<sup>1</sup>.

End-of-life disposal of solar products in the US is governed by the Federal Resource Conservation and Recovery Act (RCRA), and state policies that govern waste. Panels removed from the site will be recycled according to the means, methods, and regulations at the time of decommissioning. Presently, there are numerous companies that recycle solar panels including First Solar, Dynamic Life Cycle Innovations, Cleanlites Recycling, and Clean Harbors.

It is also worth noting that the panels pass the Environmental Protection Agency (EPA) Toxicity Characterization Leachate Profile (TCLP), which characterizes the leaching potential of metals in landfills. This means, should panel recycling options be unavailable in the future for whatever reason, traditional, non-hazardous landfills would be an option for disposal.

## 3.0 RESPONSIBLE DECOMMISSIONING PARTY CONTACTS

Points of contact for Project Decommissioning:

Contact	Group	Title	Phone	Email
Daniel Menahem	sPower	Project Developer	202.390.7772	daniel.menahem@spower.com
Tony Archibald	sPower	Project Manager	801.913.0780	tony.archibald@spower.com

The above contact person(s) should be reviewed and re-evaluated every two (2) years along with the Initial Plan to assure they are up to date, relevant, and appropriate to serve as points of contract regarding decommissioning.

## 4.0 DECOMMISSIONING AND RESTORATION FUNDING AND SECURITY

## 4.1 Decommissioning and Restoration Obligations

sPower or a Transferee, as the case may be, will post a Performance Bond as described in 3.2 below to ensure the availability of funds to cover sPower decommissioning and restoration obligations. sPower will deliver the Performance Bond to Spotsylvania County after receipt of the Conditional Use Permit and prior to the start of construction. The Initial Plan, to be completed by sPower will include the estimated costs for the Project's potential decommissioning and restoration obligations. The Initial Plan also will provide that such estimated costs will be re-evaluated by sPower at the conclusion of construction of the Project and every two (2) years thereafter from the date of Substantial Completion to ensure sufficient funds for decommissioning and restoration and, if deemed appropriate at that time, the amount of the Performance Bond will be adjusted accordingly.

## 4.2 Performance Bond

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<sup>&</sup>lt;sup>1</sup>-Fthenakis V.M., Sustainability metrics for extending thin-film photovoltaics to terawatt levels. MRS Bulletin, 37(4), 425-430, 2012



sPower or Transferee, as the case may be, will provide financial security for the performance of its Decommissioning and Restoration obligations assuming the Project Site is restored to silviculture use through a Performance Bond issued by a surety registered with the Virginia Commissioner of Insurance and is, at the time of delivery of the bond, is on the authorized insurance provider list published by the Commissioner. The Performance Bond will be in an amount equal to 100% of the estimated costs for sPower decommissioning and restoration obligations provided in the Initial Plan. The Performance Bond will be for a term of one (1) year, and will be continuously renewed, extended, or replaced so that it remains in effect for the remaining term of the agreement or until the secured decommissioning obligations are satisfied, whichever occurs later.

## 5.0 PROJECT DECOMMISSIONING AND SITE RESTORATION COST ESTIMATE

The estimated costs for the decommissioning and restoration associated with the Spotsylvania Solar Energy Center project are shown below:

Description	Duration	Labor, Equipment, Materials	Net Recycling	Total Cost
SWPPP &				
Dust Control	30.6	\$428,328	\$0	\$428,328
Measures				
Removal of	26.8	\$16,499,447	(\$21,981,586)	(\$5,482,139)
Equipment	20.8	\$10,499,447	(\$21,961,360)	(\$3,402,139)
Site	8.2	\$605,830	(\$394,865)	\$210,965
Demolition	0.2	\$005,650	(\$394,803)	\$210,903
Site	7.6	\$3,987,671	\$0	\$3,987,671
Reclamation	7.0	\$3,967,071	ΦΟ	φ <b>3,907,071</b>
Contingency,				
Escalation,				
PM,		\$15,184,385	(\$3,356,468)	\$11,827,918
Insurance,				
Fees				
Opinion of Probable Gross		\$36,705,641	(\$25,732,919)	\$10,972,743
Decommissioning Cost		φου, / υο,υτι	(\$\pi_20,102,717)	φ10, <i>)   Δ</i> , <i>  ¬</i> 3



# Attachment A Conceptual Cost Estimate

sPower Group

Conceptual Cost Estimate
for

Decommissioning Highlander
a
647,735.1kW (STC) PV System

November 15, 2018

Prepared for: Daniel Menahem

Senior Project Manager

Summary

Basis of Estimate

Crew Wage Detail

Prepared Under the Review of:
Brian Ewing, Project Manager
Swinerton Renewable Energy
16798 West Bernardo Drive, San Diego, CA 92127

Tele: 858. 815. 2413 bewing@swinerton.com



## sPower Group Decommissioning Highlander

Executive Summary

Description	Duration (weeks)	Labor/ Equip/Mat	Net Recycling	Total Cost
SWPPP & Dust Control Measures	30.6	\$428,328	\$O	\$428,328
Removal of Equipment	26.8	\$16,499,447	(\$21,981,586)	(\$5,482,139)
Site Demolition	8.2	\$605,830	(\$394,865)	\$210,965
Site Reclamation	7.6	\$3,987,671	\$0	\$3,987,671
Contingency, Escalation, PM, Insurance, Fee		\$15,184,385	(\$3,356,468)	\$11,827,918
Opinion of Probable Gross Decommissioning Cost		\$36,705,641	(\$25,732,919)	\$10,972,743

Item	Description	Qty	Unit	Labor/ Equip/Mat	Net Recycling	Total Cost
	SWPPP & Dust Control Measures			1 1'		
1	Stabilized Construction Entrances	1	EA	\$3,266		\$3,266
2	Perimeter Silt Fencing	52,040	LF	\$25,293		\$25,293
3	Spill Kits (Emergency Equipment Cleanup)	1	EA	\$305		\$305
4	Street Wash Down (Water Truck)	195	DA	\$129,652		\$129,652
5	Dust Control Watering (Water Truck)	195	DA	\$129,652		\$129,652
6	Mobilization/DeMobilization	1	EA	\$140,160		\$140,160
	Subtotal SWPPP & Dust Contro	l Measures		\$428,328		\$428,328
	Removal of Equipment					
7	Remove & Recycle Substation Step Up Transformer	6	EA	\$39,251	\$1,800	\$41,051
8	Remove & Recycle Substation Disconnect Switches	12	EA	\$19,347	\$720	\$20,067
9	Remove & Recycle Substation Circuit Breakers	12	EA	\$19,179	\$3,600	\$22,779
10	Remove & Recycle Substation Pedestals	18	EA	\$114,251	(\$441)	\$113,810
11	Remove & Recycle AC Conductor	518,189	LF	\$212,725	(\$652,918)	(\$440,193)
12	Remove & Recycle Conduit	77,730	LF	\$22,582	(\$97,940)	(\$75,358)
13	Remove & Recycle Switchgear Assemblies	1,,,,,,,	LS	\$24,126	\$12	\$24,137
14	Remove & Recycle Inverters & Xfmrs	169	LS	\$110,293	\$15 <b>,</b> 654	\$125,946
15	Remove & Recycle DC Conductor	9,694,572		\$1,136,098	(\$446,340)	\$689,758
16	Remove & Recycle Photovoltaic Modules	1,615,762		\$11,016,129	(\$8,175,756)	\$2,840,373
17	Remove & Recycle Support Assemblies	23,588		\$1,560,052	(\$9,075,893)	(\$7,515,841)
18	Remove & Recycle W6 x 7 x 11' Foundations	214,585	EA	\$1,550,959	(\$2,284,311)	(\$733,352)
19	Remove & Recycle W6 x 9 x 11.5' Foundations	45,148	EA	\$326,317	(\$646,017)	(\$319,700)
20	Remove & Recycle W6 x 12 x 9' Foundations	22,574	EA	\$163 <b>,</b> 158	(\$337,052)	(\$173,894)
21	Remove & Recycle W6 x 20 x 11' Foundations	2,704	EA	\$19,544	(\$82,242)	(\$62,698)
22	Remove & Recycle W6 x 7 x 11' Foundations	19,235	EA	\$147,595	(\$204,761)	(\$57,166)
23	Remove SCADA and Met Stations	25	EA	\$17,841	\$300	\$18,141
	Subtotal Removal of			\$16,499,447	(\$21,981,586)	(\$5,482,139)
		_quipe.ic		710,777,777	(421,901,900)	(+3)+=2,133)
2.4	Site Demolition  Remove & Resyste & Chain Link Fonce	240 570		÷604640	(4202.254)	t208 286
	Remove & Recycle 6' Chain Link Fence	349,570	LF	\$601,640	(\$393,354)	\$208,286
25	Remove & Recycle Gates	1196	LF	\$4,190	(\$1,511)	\$2,679
	Subtotal Site	Demolition		\$605,830	(\$394,865)	\$210,965
	<u>Site Reclemation</u>					
	Scarify & Blend ~40% of Site (Depth = 6")	1,230		\$1,429,651		\$1,429,651
30	Seed Mixture across ~40% of Site (@ 25 LB/AC)	1,230	AC	\$2,558,020		\$2,558,020
	Subtotal Site R	eclamation		\$3,987,671		\$3,987,671
	Contingency, Escalation, PM, Insurance, Fee					
31	Subcontractor Bonding	0.75%		\$170,101		\$170,101
32	General Contingency (% of Labor/Equip/Mat)	2.00%		\$453,603		\$453,603
33	Labor & Equip. Escalation (2% per Year for 25 Years)	50.0%		\$11,340,083		\$11,340,083
34	Recycled Material Escalation (0.6% per Year for 25 Years)	15.0%			(\$3,356,468)	(\$3,356,468)
35	Construction Management (% of Labor/Equip/Mat)	5.10%		\$1,156,688	ŕ	\$1,156,688
36	Permits, Inspection & Fees (% of Labor/Equip/Mat)	3.25%		\$737,105		\$737,105
37	Liability Insurance (% of Labor/Equip/Mat)	0.97%		\$219,998		\$219,998
38	Overhead & Profit (% of Labor/Equip/Mat)	4.75%		\$1,077,308		\$1,077,308
39	County Administration Costs (Full-time for Contract Durati			\$29,499		\$29,499
	Subtotal Contingency, Escalation, PM, Ins	urance, Fee		\$15,184,385	(\$3,356,468)	\$11,827,918
Opir	nion of Probable Decommissioning Cost			\$36,705,641	(\$25,732,919)	\$10,972,743

This Opinion of Probable Cost is based on professional experience and interpretation of project documents, and is based on Swinerton resource data, current in-house information and estimators' judgment regarding this type of product.

Please notify Swinerton of any errors or omissions in this estimate within ten (10) days of receipt.

## **General Assumptions**

- 1- Permitting NTP: 09/24/44
- 2 Mobilization: 11/23/44
- 3 Total Decommission Duration: 34.5 weeks.
- 4 Completion Date: 07/22/45
- 5 This estimate includes zero days of weather delay contingency.
- 6 Overall Permit, Demolition & Close-out: 9.9 months
- 7 This PV array is assumed de-energized and ready for demolition.
- 8 Pricing valid for (60) sixty days from date of release. [01/14/19]
- 9 Swinerton cannot control the actual conditions of the Project or the market, and as such, this Opinion of Probable Cost is not a guarantee of pricing, but a reasonable estimating tool based upon the assumptions, exclusions, and qualifications contained herein.
- 10 Labor rates based on Spotsylvania, VA prevailing wages per the Wage Determinations website. WDOL.gov is part of the Integrated Acquisition Environment, one of the E-Government initiatives in the President's Management Agenda. It is a collaborative effort of the Office of Management and Budget, Department of Labor, Department of Defense, General Services Administration, Department of Energy, and Department of Commerce.
- 11 Labor productivity metrics have been based on RSMeans Construction Cost Databases.
- 12 We have escalated labor, equipment and material by 2% APR for the assumed (25) year life of this PV power plant.
- 13 Material and salvage unit costs have been based on historical data for this type and size of project, and RSMeans Construction Cost Databases modified for scale and location.

## **Estimating Methodology**

This Opinion of Probable Cost was developed based on material take-off quantities generated from current project data. Customized Excel workbooks were the primary estimating tools used to generate this cost estimate.

## **Site Assumptions**

## Modules

(1,615,762) - 427.5w FirstSolar S-6 & 360w Jinko

### Inverters

(169) -Power Electronics FS3000MU

## DAS & Extras

Inverter-level monitoring and (25) weather stations

## **Racking Systems**

ATI v3

## **Foundations**

W6 x 7 x 11'

W6 x 9 x 11.5'

W6 x 12 x 9'

W6 x 20 x 11'

W6 x 7 x 11'

## Interconnection

Allowance for Substation decommissioning and demolition has been included.

### Sitework

Demolish all fencing, foundations, housekeeping pads, structures of any kind.

Remove and salvage gravel access aisles.

Restoration after decommission and demolition:

Apply Manure Compost (@ 24 CY/AC)

Scarify & Blend ~40% of Site (Depth = 6")

Seed Mixture across ~40% of Site (@ 25 LB/AC)

## **General Requirements**

Included are SWPPP/Erosion control, dust control, safety equipment, dumpsters, chemical toilets & hand / eye wash stations, and lift equipment.

General Conditions represent costs for job-site staff and direct support are calculated against project scope and duration.

N.B., General Requirements and Conditions have been captured in the Construction Management line.

## **Labor Rate Assumptions**

Fully burdened prevailing wages for demolition and electrical demolition crews based on www.wdol.gov rates from General Decision Number: VA180176 01/05/2018 VA176.

County Administration wage based on Spotsylvania, VA County Administrative Analyst.

## **Indirect Costs**

## Sales Tax

Sales Tax at the rate of 5.30% has been included for all material and equipment.

## **Building Permits, Inspection and Fees**

Building or construction permits are documents that grant the holder approval to construct their project in accordance with the permit and construction documents approved by the appropriate government agency. One or more permits may be required depending the type of project and the government agency's established requirements. Fees may include testing & inspection (soils, etc). This Conceptual Cost Estimate includes 3.25% against labor, equipment & material costs for building permits, inspection and fees.

## **Subcontractor Bonding**

This Opinion of Probable Cost includes Contractor Default Insurance against loss incurred as the direct result of a subcontractor or supplier default.

## <u>Public Liability and/or Property Damage:</u>

This estimate includes Public Liability and Property Damage. This insurance provides protection against the financial risk of being found liable for death or injury, loss or damage of property or pure economic loss, and is factored against the non-residential portions of the project.

## **Contractor Contingency:**

This Opinion of Probable Cost includes Contractor Contingency of 2.00% against labor, equipment & material costs.

## Contractor's Overhead & Profit:

This Opinion of Probable Cost includes Contractor's Overhead & Profit Overhead of 4.75% against labor, equipment & material costs.

## **Exclusions**

1 Premium for off-hours work or accelerated schedule.

## Qualifications

- 1 Costs for waste management/recycling verification programs are unknown at this time and may need to be added if required by the Authority Having Jurisdiction.
- 2 A direct cost allowance of \$3,410,488 has been included for E-waste handling, abatement and disposal (including escalation). Any costs incurred in excess of this allowance shall be deemed a compensable change order.
- 3 Production rates based on 8 hour shifts.
- 4 Timeline is based on a (5) day work week.
- 5 Recycle definition: material will be reconstituted into a new product.
- 6 Salvage definition: material will be reused in its current configuration or format.
- 7 Disposal definition: material will be disposed of at licensed waste dispose facility. Material still may be recycled or salvaged at the sole discretion of the waste disposal facility.
- 8 Estimate is based on a current recycled steel value of \$276.5 per ton.
- 9 Estimate is based on a current 'clean' recycled aluminum value of \$0.455 per pound. Clean aluminum is free of fasteners, insulation, and other minor debris.
- 10 Estimate is based on a current 'dirty' recycled aluminum value of \$0.32 per pound.

  Dirty aluminum includes fasteners, insulation, and other minor debris.
- 11 Estimate is based on a current recycled copper value of \$1.465 per pound.
- 12 Estimate is based on a recycled glass value of \$0.07 per pound.
- 13 Estimate is based on a electronic disposal waste fee of \$0.30 per pound.

Conceptual Cost Estimate 11/15/2018

## Blended Crew Rates

Based on www.wdol.gov rates for Spotsylvania, VA

General Decision Number: VA180176 01/05/2018 VA176

DEMO, non-Electrical	Crew	Rate*	Total	Designation No.
Laborers	4	\$20.62	\$82.48	SUVA2013-050 01/11/2016
Operators	2	\$32.20	\$64.40	SUVA2013-050 01/11/2016
Foremen	1	\$40.25	\$40.25	RSMeans Metric
Weighted Average		\$26.73	\$187.13	
DEMO, Electrical	Crew	Rate*	Total	Designation No.
DEMO, Electrical Electricians	Crew 4	Rate*	Total \$190.07	Designation No. SUVA2013-050 01/11/2016
Electricians	4	\$47.52	\$190.07	SUVA2013-050 01/11/2016

<sup>\*</sup> Fully burdened



## **Attachment B**

**DNV Decommissioning Review Letter** 

## DNV·GL

December 12, 2018

sPower Development Company, LLC. 2180 South 1300 East - Suite 600 Salt Lake City, UT 84106-2749 Attn: Adam Bowers

RE: Highlander Solar Project Decommissioning Plan

Mr. Bowers,

DNV GL has been requested to review and comment on the Conceptual Cost Estimate for Decommissioning Highlander document prepared by Swinerton Renewable Energy ("Swinerton"), dated 5 December 2018 (the "Decommissioning Plan") for the Highlander Solar project (the "Project"). The Decommissioning Plan includes summary information on expected equipment and labor costs required to remove Project equipment, and on expected salvage and recycling value of retired equipment.

DNV GL has reviewed the Decommissioning Plan document at a high level for reasonableness of methodology and costs employed in determining the estimated net decommissioning cost. DNV GL has not reviewed the tools or spreadsheets used to generate the Decommissioning Plan, and has not verified calculations used therein. DNV GL has not independently confirmed reasonableness of takeoff quantities.

DNV GL is familiar with Swinerton as an experienced contractor and builder of solar energy projects, and expects that Swinerton has the expertise required to reasonably estimate the material takeoff quantities, labor and equipment hours, and associated costs listed in the Decommissioning Plan. DNV GL considers Swinerton to be well-positioned to estimate these values.

Costs were segmented into five categories: SWPP & Dust Control Measures; Removal of Equipment; Site Demolition; Site Reclamation; and Contingency, Escalation, PM, Insurance, Fee. Costs were detailed in 39 line items across these categories.

Fully burdened prevailing wages for demolition and electrical demolition crews were based on www.wdol.gov rates from General Decision Number: VA180176 01/05/2018 VA176. County Administration wage based on Spotsylvania, VA County Administrative Analyst.

Regarding recycling and scrap values, Swinerton confirmed that the <a href="http://fredericksburgscrapmetal.com/">http://fredericksburgscrapmetal.com/</a> and <a href="https://www.scrapmonster.com/scrap-yards/prices/virginia/state/3411">https://www.scrapmonster.com/scrap-yards/prices/virginia/state/3411</a> websites were referenced for ferrous and non-ferrous metal values, and that they used historical values for all other values described on page 7 of the Decommissioning Plan.

The net decommissioning cost provided includes escalation of labor and equipment costs at 2.0% per year for 25 years and escalation of recycled materials at 0.6% per year for 25 years; therefore, the provided net decommissioning cost is intended to represent expected costs after an assumed 25 year Project useful life.

## **DNV·GL**

The expected net decommissioning cost of \$10,972,743 equates to approximately \$0.017 / Wdc for the proposed 647,735,100 Wdc Project. DNV GL has seen solar decommissioning cost estimates provided by others ranging from -\$0.06 / Wdc to \$0.12 / Wdc, with a mean of \$0.04 / Wdc and a median of \$0.05 / Wdc. Therefore, the decommissioning cost estimate for the Project is within the observed range but below the mean and median values.

In general, DNV GL finds that the Decommissioning Plan approach used in determining the estimated decommissioning cost appears to have been performed in accordance with typical industry practice.

Sincerely,

Adam Abatzis

Manager, Solar Due Diligence

**DNV GL**