

# Memorandum

To: Commissioners Julie Fedorchak, Randy Christmann, and Brian Kroshus  
From: Adam Renfandt  
Date: January 27, 2021  
Subject: Surety Bond for Velva Wind Facility (Case No. PU-10-109)

On January 13, 2021, Velva Windfarm, LLC (Velva Facility), a subsidiary of Acciona Wind Energy USA, LLC, filed decommissioning financial assurance in the form of a surety bond. The surety bond was issued for \$4,728,768, which is the approved decommissioning amount without subtracting salvage value. The Velva Facility consists of 18 turbines with a nameplate capacity of approximately 12 MWs.

The Velva Facility was operational on December 31, 2005, and based on the Commission's prior decommissioning rulemaking, wind facilities that have been operational for ten years without a site certificate are required to file a form of financial assurance that the Commission finds acceptable. The term of the bond is 17 years beginning on December 23, 2020, thereby implying a useful life of 30 years with approximately 2 years for decommissioning activities.

The bond was issued by Euler Hermes North America Insurance Company, which is wholly owned by Allianz, and has credit rating of AA by S&P Global Ratings.

Staff has reviewed the Velva Facility's surety bond and recommends approval.