

Christopher D. Friez
100 West Broadway, Suite 250
P.O. Box 2798
Bismarck, ND 58502-2798
Office: 701.223.6585
cfriez@crowleyfleck.com



January 31, 2014

Mr. Darrell Nitschke
Executive Secretary
North Dakota Public Service Commission
600 East Boulevard Avenue
Dept. 408
Bismarck, ND 58505-0480

In re: FPL Energy North Dakota Wind, LLC
Updated Decommissioning Plans
Our File No. 35-218-023
Case No. PU-13-794

Dear Mr. Nitschke:

Enclosed for filing are the original and seven copies of an updated Decommissioning Plan for FPL Energy North Dakota Wind, LLC. As further described in the enclosed letter, a minor typographical error was discovered in the plan as it was originally filed on January 24, 2013.

If you have any questions, please feel free to contact me. Thank you.

Sincerely,

Christopher D. Friez

jk
enc.

cc: Amie Jamieson (via email)
Nicole Daggs (via email)

FPL Energy North Dakota Wind, LLC

January 30, 2014

Mr. Darrell Nitschke
Executive Secretary
Director of Administration
North Dakota Public Service Commission
600 East Boulevard, Dept 408
Bismarck, ND 58505-0408

UPS Overnight Mail

RE: FPL Energy North Dakota Wind, LLC
40.5 MW Wind Energy Center near Edgeley, ND

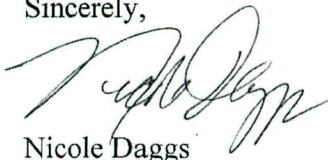
Dear Mr. Nitschke:

Enclosed in the above-referenced matter are an original and seven (7) copies of an updated Decommissioning Plan for the FPL Energy North Dakota Wind, LLC wind energy center near Edgeley, ND (the "Corrected Plan"). An updated plan was originally filed in this docket on January 24, 2013 (the "January 24th Plan"). It has come to our attention that there is an error in the dollar per kw amount noted in the Asset Retirement Obligation section of the January 24th Plan. Such amount should have been updated to \$55 per kw instead of \$49.50 per kw. The correct amount was noted in Exhibit A of the January 24th Plan.

If you have any questions or need additional clarification, please contact Lawrence Dernulc at (561) 691-7234.

Thank you for your attention to this matter.

Sincerely,



Nicole Daggs
Director
Business Management – Midwest Region

700 Universe Boulevard
Juno Beach, FL 33408-2683
Telephone: (561) 358-7887
Fax: (561) 304-5161

**STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION**

Case No. PU-13-794

**FPL Energy North Dakota Wind, LLC
40.5 MW Project - Wind**

DECOMMISSIONING PLAN

Pursuant to ND Administrative Code § 69-09-09-06 and § 69-09-09-07, please accept this filing as the decommissioning plan for the 40.5 MW FPL Energy North Dakota Wind, LLC wind energy center near Edgeley, North Dakota ("Edgeley I"). Edgeley I is comprised of 27 GE 1.5 megawatt (MW) turbines, which were installed in 2003. The decommissioning plan is presumed on the proper treatment of the asset retirement obligation, pursuant to generally accepted accounting principles or "GAAP," associated with Edgeley I. In addition, the decommissioning plan also considers, but is not dependent on, recoupment of the salvage value of the components at the end of the project's life. The per turbine cost for decommissioning and restoration is approximately \$82,567.34. Further details are provided in Exhibit A attached hereto and incorporated by reference.

Decommission Activities. Decommission of turbines and towers for this estimate includes dismantling of turbine components and transporting offsite. The costs and activities for the removal of the tower and wind turbine components, the meteorological tower, access roads, and the collection system have been evaluated, as follows:

Tower and Wind Turbine Components. The turbines are GE 1.5 MW on 65 meter steel towers. Activities have been estimated for dismantling the turbines, the tower sections and wind turbine blades. Removal of the tower wiring and transformer is also included. All components would be removed from the property.

Tower and Transformer Foundations. Tower and transformer foundations, conduits and connections will be removed to a depth of four (4) feet below existing grade. The foundation sites would be graded to match surrounding contours and be restored to conditions that will support surrounding vegetation.

Tower Access Roads. Aggregate base roads will be scarified, loaded and removed from site to an appropriate location. Remaining subgrade will be decompacted and graded into the adjacent soils to the approximate existing topography. This area will be covered with topsoil from the site and vegetation re-established.

Collection System. The collection system terminations near the transformer will be removed to a depth of four (4) feet below existing ground line. The underground collection system cabling is assumed to be left in place at its current depth of approximately (2) feet.

Disturbed areas would be restored and reclaimed to the same general topography. Topsoil will be spread over the disturbed area at a depth similar to that in existence prior to the disturbance. The disturbed areas would be graded, top-soiled and reseeded according to National Resource Conservation Service guidelines, unless the landowner requests, in writing, that the access roads or other land surface areas be retained.

The expected useful life of the Edgeley I turbines is thirty-five (35) years. Within eight (8) months after the facility or turbine reaches the end of its useful life¹, decommissioning shall begin and will be completed within eighteen (18) months after the facility or turbine reaches the end of its useful life.

The cost of the decommissioning would be paid for using funds obtained from internally generated cash flows.

Asset Retirement Obligation. In accordance with GAAP, Edgeley I continues to assess, maintain and recognize its asset retirement obligation, which includes decommissioning and restoration. The asset retirement obligation does not assume the recoupment of the salvage value associated with Edgeley I's components. The total cost of decommissioning and restoration at the end of the asset's life is estimated to be approximately \$55.00 per kW. For Edgeley I, this equates to \$2,229,318. At present, approximately \$.3 MM has been accrued towards satisfaction of this asset retirement obligation. The asset retirement obligation is reviewed on an annual basis in compliance with GAAP and the company's internal Sarbanes-Oxley 404 policy.

Salvage and Resale Value. The resale value of a wind turbine refers to the potential salvage value at the end of its useful life. Edgeley I does not assume salvage value in its decommissioning cost estimates because of the variability associated with the value of scrap metals.

FPL Energy North Dakota Wind, LLC is a wholly-owned subsidiary of NextEra Energy Inc., a leading clean energy company with consolidated revenues of approximately \$14.3 billion, and more than 42,000 megawatts of generating capacity as of year-end 2013. NextEra Energy's principal subsidiaries are Florida Power and Light Company and NextEra Energy Resources, LLC, which together with affiliated entities is the largest generator of wind and solar energy in North America. NextEra Energy, Inc. has credit ratings of Baa1 from Moody's, A- from Standard & Poor's, and A- from Fitch as of November 12, 2013. NextEra Energy Resources, LLC continues to invest in and develop clean generating facilities in the state of North Dakota.

¹ Under ND Administrative Code § 69-09-09-03, there is a presumption that a facility or individual wind turbine is at the end of its useful life "if the facility or turbine generates no electricity for a continuing period of 24-months." This presumption may be rebutted by providing to the Commission for approval a plan for returning the facility or turbine to service.

Exhibit A

Wind Tower Decommission and Site Restoration Estimate Summaries Site

| | Edgeley North Dakota |
|--|-------------------------|
| Location | 115 kv |
| In Service Date | 32 WTG's Total |
| Date of Estimate | 1/23/2014 |
| Turbines | GE 1.5 |
| Towers | 3pc steel |
| Tower height | 80 m |
| Number of Turbines | 41 |
| Site Capacity | 61.5 |
| 1.1 Dismantle Turbine Towers | \$30,008 |
| 1.2 Removal of Transformers | \$934 |
| 1.3 Disposal of Turbine Blades | \$3,859 |
| 1.4 Removal Of Turbine Blades | \$4,484 |
| 1.5 Salvage Value of Towers | (\$17,800) |
| 1.6 Salvage Value of Transformers | (\$480) |
| 1.7 Salvage Value of Turbine | (\$21,967) |
| Subtotal Turbines: | <u>(\$31,236)</u> |
| 2.0 Substation Transformer | 1 |
| 2.1 Removal of Substation | \$110,898 |
| 2.2 Resale of Substation | (\$55,550) |
| 2.3 Remove Collection system Terminations | \$0 |
| Remove Collection system Terminations | \$0 |
| 2.4 Overhead Transmission miles | 14 |
| Overhead Transmission | \$23,780 |
| Subtotal Substation: | <u>\$388,269</u> |
| 3.0 Tower Foundations | Spread ftgs |
| Size | 50' Dia. |
| | 16' Dia Pedtl |
| 3.1 Foundation Removal, Disposal and Grading | \$13,021 |
| 3.2 Transformer Pad Removal and Disposal | \$0 |
| Subtotal Foundation: | <u>\$533,864</u> |
| 4.0 Other Structures | |
| 4.1 Meteorological Towers | 0 |
| 4.2 Junction Boxes | 6 |
| | \$1,000 |
| 4.3 O & M Building | \$20,250 |
| Subtotal Other Structures: | <u>\$26,250</u> |
| 5.0 Tower Access and Site Roads | 20' wide |
| Type: | |
| 5.1 Roadway Obliteration | \$5,778 |
| 5.2 Topsoil Respread | \$9,244 |
| 5.3 Revegetation Seeding | \$1,433 |
| 5.4 Substation Site Obliteration & Seeding | \$0 |
| Total per Other Structures: | <u>\$674,644</u> |
| Other | |
| Project Management Fee | \$96,000 |
| Site Decommission Total: | \$1,687,792 |
| Scrap or salvage value | (\$1,697,469) |
| No Scrap or salvage value | \$3,385,261 |
| \$/kw | \$55 |
| % of Site - Edgeley II | 0.66 |
| Edgeley I Site Decommissioning Total | 2,229,318.18 |
| Total Per Turbine | 82,567.34 |