

Brady Wind, LLC

STATE OF NORTH DAKOTA PUBLIC SERVICE COMMISSION

Brady Wind, LLC
Brady Wind Energy Center – Stark County

Case No. PU-16-_____

DECOMMISSIONING PLAN

Pursuant to N.D. Admin. Code ch. 69-09-09, Brady Wind, LLC provides this decommissioning plan for the 150 megawatt (MW) Brady Wind Energy Center that is being constructed in Stark County, North Dakota (“Brady Wind”) as approved in North Dakota Public Service Commission Case No. PU-15-690.

Brady Wind is comprised of 80 GE 1.715 MW Xle wind turbine generators and 7 GE 1.79 MW Xle wind turbine generators, which will be installed in 2016. The representations set forth in this decommissioning plan are presumed based upon the proper treatment of the asset retirement obligation, pursuant to generally accepted accounting principles or “GAAP,” associated with Brady Wind. The per turbine cost for decommissioning and restoration is approximately \$55,805.00, excluding salvage value. Further details are provided in Exhibit A attached hereto and incorporated by reference.

Decommissioning 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 1.715 MW Xle (80 turbines) and GE 1.79 MW Xle (7 turbines) on 80 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 below two (2) feet.

Disturbed areas will 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.

Brady Wind turbines have an anticipated useful life of at least thirty (30) years. Upgrades based on new technology may allow the wind facility to produce efficiently and successfully well beyond this period of time. Within eight (8) months after the facility or turbine reaches the end of its useful life,¹ decommissioning shall begin and will be completed within eighteen (18) months after the facility or turbine reaches the end of its useful life. Decommissioning and site restoration will be completed within 180 days of termination or abandonment of leases or easements.

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

Asset Retirement Obligation. In accordance with GAAP, Brady Wind, LLC will 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 Brady Wind's components. The total cost of decommissioning and restoration at the end of the asset's life is estimated to be approximately \$32 per kilowatt. For Brady Wind, this equates to \$4,855,045.00. The asset retirement obligation will be 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. Brady Wind, LLC does not assume salvage value in its decommissioning cost estimates because of the variability associated with the value of scrap metals.

Brady Wind, LLC is a wholly-owned, indirect subsidiary of NextEra Energy, Inc., a leading clean energy company with consolidated revenues of approximately \$17.5 billion, and more than 45,000 megawatts of generating capacity as of year-end 2015. NextEra Energy's principal subsidiaries are Florida Power & 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 February 19, 2016. 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	Brady Wind	
Location	Stark County, ND	
Date of Estimate	6/28/2016	
Turbines	GE 1.715 Xle / GE 1.79 XLe	
Tower Height	80 / 103m	
Number of Turbines	87	
Site Capacity	149.7 MW	
1.0	Turbines and Towers	
1.1	Dismantle of Turbines and Towers	\$ 291,450
1.2	Removal of Transformers	\$ 128,325
	Turbine and Tower Subtotal	\$ 419,775
2.0	Tower Foundations	
2.1	Foundation Removal, Disposal and Grading	\$ 522,000
2.2	Transformer Pad Removal and Disposal	\$ 95,700
	Tower Foundations Subtotal	\$ 617,700
3.0	Other Structures	
3.1	80 meter Meteorological Towers	\$ -
3.2	Substation Foundations, Fence, Steel and Grading	\$ 215,000
	Other Structures Subtotal	\$ 215,000
4.0	Tower Access and Site Roads	
4.1	Remove Access Roads	\$ 1,226,420
	Tower Access and Site Roads Subtotal	\$ 1,226,420
5.0	Collection System	
5.1	Remove collection system terminations	\$ 126,150
	Collection System Subtotal	\$ 126,150
6.0	Mobilization/Demobilization	
6.1	Mobilization/Demobilization	\$ 160,000
	Mobilization/Demobilization Subtotal	\$ 160,000
7.0	Transmission Line Removal	
7.1	Transmission Line Removal	\$ 2,090,000
	Transmission Line Removal Subtotal	\$ 2,090,000
	Site Decommission Total	\$ 4,855,045
	Site Decommission per WTG	\$ 55,805