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August 11, 2010

Mr. Milo Schaffner
16525 Wetzell Road
Van Wert, Ohio 45891

**Re: Heartland Wind Energy LLC
Case No. 09-1066-EL-BGN**

Dear Mr. Schaffner:

The purpose of this letter is to provide Heartland Wind Energy LLC's ("Heartland") response to your letter to the Ohio Power Siting Board ("OPSB") dated August 6, 2010. Heartland has been very proactive in the Van Wert County and Hoaglin, Union and Tully Township communities (the "Van Wert Parties") and on many, many occasions its representatives have made themselves available to you and other township trustees in the project area to answer questions and discuss a variety of issues, road repair among them. We respectfully disagree with your assertions in the August 6, letter.

Initially, I point you to my testimony filed with the OPSB on July 8, 2010 to address your concerns regarding the public roads in Van Wert County. My testimony, and all other pleadings in the case, can be located on the OPSB website at (<http://www.opsb.ohio.gov>) by scrolling down to "Pending Cases" and selecting the case by name or docket number. The assigned docket number is Case No. 09-1066-EL-BGN. Furthermore, I would like to emphasize the following:

Restoration of Roads

Contrary to the assertions in your letter, Heartland has been working diligently and in good faith with the County Engineers of both Paulding and Van Wert Counties on road agreements. I first met with the Paulding County and Van Wert County Engineers nearly 18 months ago on January 15, 2009. At this meeting I **committed** that we would be responsible for repairing any damage done to the roads during construction of the wind farm, that we would restore the roads to at least the conditions they were in prior to construction, and that we would work in good faith towards negotiating a mutually acceptable road agreement.

The second major meeting on road repair was in January 2010, and included the County Engineers, representatives from every township in the project area, and the Blue Creek Wind Farm Project Engineer, Jeromy Miceli. We made a presentation on wind farm construction and provided photographs of wind turbine component deliveries, crane crossings of public roads, and examples of damage done to roads during construction. Prior to the meeting, we presented a draft road agreement, as well as an initial draft of the construction traffic routing plan for the Project, for the consideration of the local public officials in attendance. After our presentation, we discussed these two documents and received some very helpful feedback that resulted in changes to the draft road agreement and turbine routing plan.

On June 29, 2010, with an essentially finalized project layout, Heartland again met with both County Engineers to discuss an updated draft of the road agreement that incorporated some of the feedback received during the January 2010 meeting. We discussed the results of a detailed engineering analysis of the road conditions performed in May and June 2010. This analysis provided us with detailed information on the exact subsurface conditions – and thus the potential load capacities – for every road we plan to use, and provided information on pre-construction upgrades that would be necessary for some roads in order to minimize the impact and lower the overall cost of using and repairing the roads.

In just the past few weeks, we have taken significant actions that demonstrate our good faith in working towards a Road Agreement, including the following activities:

- On July 19, 2010, we delivered to the Van Wert Parties a copy of the engineering analysis as well as the draft road agreement for your review. Please note that this analysis was performed at no cost to the Van Wert Parties and provides detailed information on the conditions of your roads that you did not previously have. This type of engineering analysis has become a new standard procedure for our company whereby we can gain detailed insight on the subsurface conditions of the roads and identify potential weak points and upgrade them before they degrade during construction. The purpose of performing such an expensive study is to minimize the impact to the public roads and resulting inconvenience to the residents of our project areas.
- On July 22, 2010, we conducted a meeting with representatives from every township in our project area, both County Engineers, and representatives from Heartland's construction group and civil contractor to discuss the draft Road Agreement
- On July 26, 2010, we supplied a letter at your specific request to give you the assurances you requested on reimbursement of attorney fees up to a cap to be used for negotiation of the Road Agreement. It is my understanding that this was necessary to break a deadlock on the hiring of an attorney to represent the interests of the Van Wert Parties in the Road Agreement negotiation process.

- On July 28, 2010, we provided a draft pre-construction upgrade schedule, in which we volunteered approximately \$2.4 million in upgrades to the public roads to be used in the project.
- On July 28, 2010, we provided a draft post-construction repair standard.

To date, we are still awaiting formal feedback from the Van Wert Parties on the Road Agreement, the upgrade plan, and the post-construction repair standard.

In addition to these three major meetings, there have been numerous phone calls and emails to and from the County Engineers. Although a road agreement has not yet been entered into with the County Engineers, it remains Heartland's intention to do so. Furthermore, Condition 41 in the Joint Stipulation filed with the OPSB specifically requires the Company to repair damage to public roads and bridges that occurs during construction. More specifically, this condition requires the Company to:

comply with all of the requirements of the county engineers on upgrading and/or repairing damage to roads and bridges caused by construction activity. Any roads and bridges that are not adequate for construction traffic must be improved to handle those loads. Any damage will be repaired promptly to its pre-construction state by the Applicant, under the guidance of the appropriate regulatory agency. Any temporary improvements will be removed unless the county engineer(s) request that they remain. The Applicant will provide financial assurance to the counties that it will restore the public roads it uses to their pre-construction condition. The Applicant will, in conjunction with the County Engineers, develop a compliance strategy that will contain three main components: (a) A pre-construction survey of the conditions of the roads; (b) A post-construction survey of the condition of the roads; (c) An objective standard of repair that obligates the Applicant to restore the roads to the same or better condition as they were prior to construction.

This condition only reinforces the Company's commitment to restoring public roads to their pre-construction condition. Furthermore, in addition to the condition which the Company agreed to and will be held to for compliance purposes, a new law (commonly known as Senate Bill 232), effective June 18, 2010, created Ohio Revised Code Section 5727.75. Pertinent to your concerns, paragraph (F)(4) of that section states that owners of wind farms such as ours shall

repair all roads, bridges and culverts affected by construction as reasonably required to restore them to their preconstruction conditions , as determined by the county engineer in consultation with the local jurisdiction responsible for the roads, bridges and culverts.

With the passage of Section 5727.75, the Company now has a statutory obligation to restore roads. Thus, the basis for your desire to intervene has been addressed by the condition in the Stipulation and the new law.

Intervention

Your request for intervention is unsigned, untimely, and fails to satisfy the prerequisites to intervention in Ohio Revised Code 4906.221 and Ohio Administrative Code Rule 4901-1-11(A) does not constitute a proper motion to intervene. I believe intervention at this stage in the proceedings is legally improper. It would not only unduly delay the proceedings and unjustly prejudice the Company; but would be improper in light of the fact that the Joint Stipulation entered into by the parties already addresses each of the concerns raised in your letter. Further, the townships had specific opportunities months ago to apply for intervention, as well as to make further progress on a legal review of the proposed road agreement. For these reasons, intervention is inappropriate.

If you have any further questions, please contact me at the number listed below.

Sincerely,



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