BEFORE THE OHIO POWER SITING BOARD

In the Matter of the Application of
Champaign Wind LLC, for a Certificate
to Construct a Wind-Powered Electric
Generating Facility in Champaign
County, Ohio)

Case No. 12-0160-EL-BGN

NOTICE OF FILING APPLICANT'S AUGUST 15, 2012 RESPONSES TO STAFF'S DATA REQUESTS

On August 15, 2012, Champaign Wind LLC ("Champaign Wind" or "the Applicant")

submitted responses to Staff's July 26, 2012 first set of data requests. Copies of the Applicant's

August 15, 2012 responses to Staff are attached hereto for filing on the docket.

Respectfully submitted,

<u>s/ Michael J. Settineri</u> M. Howard Petricoff (0008287) Michael J. Settineri (0073369) Miranda R. Leppla (0086351)

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Attorneys for Champaign Wind LLC

CERTIFICATE OF SERVICE

I certify that a copy of the foregoing document was served by electronic mail upon the

following persons this 17th day of August, 2012.

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August 15, 2012

VIA HAND-DELIVERY

Stuart M. Siegfried Environmental Specialist Ohio Power Siting Board Public Utilities Commission of Ohio 180 East Broad Street, 6th Floor Columbus OH 43215-3793

Re: Case No. 12-0160-EL-BGN

Dear Mr. Siegfried:

Please find attached Champaign Wind LLC's responses to Staff's July 26, 2012 data requests. Please call me if you have any questions regarding the responses.

Very truly yours,

Michael J. Settineri

MJS/drd Enclosure

cc: Jason Dagger (w/ encl)

Buckeye II Wind Farm -- Case No. 12-0160-EL-BGN

Champaign Wind LLC's August 15, 2012 Responses to Staff's July 26, 2012 Data Requests

P. 4: "Construction of the proposed Facility will involve the leasing of private land from nearly 100 landowners, collectively comprising approximately 13,500 acres."

Question 1: When did the Applicant begin entering leases for the Buckeye Wind II project?

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Some of the land was originally leased in 2008. Another developer's leasing unit was subsequently acquired in 2011 allowing for utilization of land already under lease.

Question 2: Of the approximately 13,500 acres covered by this proposed project, what percentage of the 13,500 acres is currently under lease (or lease option) and what percentage remains to be leased?

The Applicant currently has site control for approximately 98 percent of the 13,500 acres. The Applicant is in final negotiations for the remaining two percent of the acreage.

Question 3: Does the Applicant use a single standardized lease form or are multiple lease forms used?

The Applicant utilizes a standardized document for site control and intends to convert all existing agreements, including those acquired from another developer, to the standardized lease.

Question 4: Provide a copy of the lease form(s) used for the Buckeye Wind II project, or in the alternative, make the lease form(s) available for Staff review.

A copy of the standardized lease form will be made available to Staff for review.

P. 17: "Such delays may push the in-service date back. In addition, considerable costs would be incurred if the delays prevented the Facility from meeting deadlines for federal incentive programs. Delays could result in lost opportunities to utilize the renewable energy grants that are available for a limited time under the American Recovery and Reinvestment Act of 2009."

Question 5: List the renewable energy grants referenced by the Applicant on p. 17 of the Application and summarize (a) any relevant deadlines for each grant, and (b) the status of the Applicant's pursuit of each grant.

The Applicant continues to monitor federal grants and stimulus programs. The Applicant will not meet the deadline for a Section 1603 cash grant because construction will not be started in 2012. The Applicant does expect a limited extension of the federal production tax credit (PTC), and any project delays could affect the Applicant's ability to utilize any extension of the PTC.

P. 53: "The proposed Facility and associated lease agreements will not change the ownership status of private lands within the Project Area, with the possible exception of land that may be purchased for the interconnect substation and the O&M facilities, for which the Applicant may either lease land or purchase an existing building and associated land."

Question 6: Has the Applicant since made a decision regarding potential land ownership for the substation or O&M facilities? If yes, describe.

No decision has been made on the potential land ownership for the substation and O&M facilities at this time.

P. 54: Table 06-1 Estimated Capital and Intangible Costs includes a redacted figure for insurance costs.

Question 7: Provide this insurance costs figure, or in the alternative, make it available for Staff review.

The redacted figure will be made available for Staff's review.

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P. 56: "There could also be penalties associated with failing to meet a delivery deadline under a potential Power Purchase Agreement."

Question 8: Does the Applicant expect the Buckeye Wind II project to proceed as a merchant facility or would a power purchase agreement (PPA) be required prior to construction?

The Applicant has not signed a PPA at this point, but continues to actively investigate all options. While the preference is to obtain a PPA prior to construction for the Buckeye Wind II project, a PPA is not viewed as a requirement prior to construction. EverPower has significant experience operating merchant assets with over 240 megawatts of merchant wind assets in PJM.

Question 9: If a PPA, does the Applicant expect to pursue a fully bundled product or would the associated renewable energy credits (RECs) be separated from the electricity component?

The Applicant will explore all commercial opportunities and will pursue those that will be most aligned with EverPower's and the Applicant's strategic views of the market at the time of decision. Thus the Applicant will expect to pursue both PPA opportunities for a fully bundled product and those where the associated RECs may be separated from the electricity component.

P. 56: "In addition, delay could result in a loss of potential Federal incentives, which generally have critical deadlines."

Question 10: In the context of the reference from p. 56 of the Application, provide a list of the potential Federal incentives and their respective deadlines.

Production Tax Credits ("PTCs") are expected to expire at the end of 2012. A bill is currently pending in Congress proposing a one-year extension of the PTCs. The details of the one-year extension have not been fully released at this time.

P. 140: "The amount of the annual service payment depends on the ratio of Ohio-domiciled full-time equivalent employees to total full-time equivalent employees during construction or installation during the preceding tax year. In addition, the county may also specify that an additional tax exemption payment be made to be allocated to the county's general fund. However, in accordance with the Ohio Revised Code, the total annual payment cannot exceed \$9,000 per megawatt."

Question 11: Does the Applicant currently expect an additional tax exemption payment to be applied? If yes, describe.

The Applicant expects to proceed under Senate Bill 232 and make an additional tax exemption payment.

P. 141: "Annual lease payments will be provided to local landowners participating in the Facility. The lease payments are a direct financial benefit to all participating landowners, and will enhance the ability of those in the agricultural industry to continue farming."

Question 12: What percentage of the Buckeye Wind II participating landowners are also participating landowners in Buckeye Wind I?

Approximately twenty percent of the Buckeye Wind II participating landowners are participating landowners in the Buckeye Wind I project.

P. 153: "The Applicant will effect and maintain throughout the term of the Facility, at its sole cost, insurance against claims and liability for personal injury, death, and property damage arising from operation of the Facility. The insurance policy or policies will insure the Applicant to the extent of their interests. The limits of the insurance policy described will, at a minimum, insure against claims of \$1,000,000 per occurrences and \$2,000,000 in the aggregate. In addition, Applicant shall effect and maintain throughout construction and operation period, at its sole cost, Umbrella Coverage against claims and liability of personal injury, death, and property damage arising from the operation of the Facility. The limits of the excess liability insurance will, at a minimum, insure against claims of \$10,000,000 per occurrence and \$10,000,000 in the aggregate."

Question 13: Has the Company entered into the insurance agreements referenced on p. 153 of the Application? If not, when in a project's development would such agreements typically be entered?

Agreements of this nature are generally entered into after a turbine supply agreement and general construction contract are executed.

Question 14: How do the insurance levels described on p. 153 of the Application compare to levels maintained by the Applicant for its wind facilities in other jurisdictions?

The Applicant has maintained similar levels of insurance for its wind facilities in other jurisdictions.

Exhibit G: Camiros, Ltd. estimates total lease payments to property owners for the Buckeye Wind II project to be approximately \$975,000 per year.

Question 15: Does the Applicant believe this is still an accurate estimate?

Yes.

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Exhibit G: Camiros, Ltd. estimates the payment in lieu of taxes (PILOT) at between approximately \$700,000 and \$930,000 per year for the Buckeye Wind II project.

Question 16: Does the Applicant believe this is still an accurate estimate?

The Camiros, Ltd. estimates were based on an average size of 2.075 megawatts per turbine. This estimate remains valid, based on that average. In the event the Applicant pays the maximum amount under Senate Bill 232 (\$9,000 per megawatt of nameplate capacity), the payment amount would be approximately \$1,045,800 using the average size of 2.075 megawatts per turbine.

Exhibit G: Camiros, Ltd. Indicates that Champaign County has not yet adopted a resolution designating the County as an alternative energy zone.

Question 17: Have there been any changes to this issue since the time of the application's drafting?

At this time, Champaign County has not yet adopted a resolution designating the County as an alternative energy zone.

This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

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Case No(s). 12-0160-EL-BGN

Summary: Notice of Filing Applicant's August 15, 2012 Responses to Staff's Data Requests electronically filed by Mr. Michael J. Settineri on behalf of Champaign Wind LLC