

SPECIAL SESSION

WEDNESDAY

MARCH 13, 2019

The Board of Huron County Commissioners met this date in Special Session. Roll being called found the following members present: Terry Boose, Joe Hintz, Bruce Wilde.

Commissioner Wilde opened the special meeting at 6:00 p.m. with the following statement:

Thank you for coming this evening. Firelands Wind/Apex Energy via the Ohio Developments Services Agency (DSA) is requesting approval for a Pilot program for their wind energy project to be located in Huron County. We have recently received said request from DSA and have 30 days to respond, which will be March 25th.

Tonight we will only be addressing the Huron County portion of the project. As county commissioners we do not have the authority to decide whether or not this project moves forward only the request for the PILOT program. Ultimately the Ohio Power Siting Board will approve or deny this project.

Although the commissioners are not required to hold a public meeting we are here tonight to solicit feedback from our community both for and against the PILOT program. We will start with a 10 minute presentation by Apex on the PILOT program. Then we will have public comment in the order in which you signed up to speak. We are limiting each person's comments to 3 minutes. We will then finish with 10 minutes from Apex. Please be respectful of each other's opinion and allow each speaker an uninterrupted 3 minutes. Do not clap or cheer between speakers.

We will not be commenting for or against the PILOT tonight but are here to listen to your comments.

Apex presentation, Nate Pedder:

297.66 MW wind energy project capable of powering approximately 90,000 homes per year.

32,000 acres of the 41,000 acres within the project boundary are participating.

400 land agreements (leases and good neighbor agreements) signed across the project.

The constructed project will consist of up to 71 turbines out of the proposed 87 locations in the OPSB permitting process.

OPSB application submitted at the end of January, 2019; expect to receive OPSB permit determination in September/October.

61 proposed turbine locations in OPSB permitting process.

Anticipate ~52 turbine locations constructed in Huron County (current estimate for the 4.2 MW turbines, subject to change.

Ohio Power Siting Board (OPSB) is the permitting body for wind energy projects exceeding 5 MW.

OPSB permitting process supersedes local authority/zoning.

Local government has two decision opportunities:

1. Intervention in OPSB permitting process
 - Allows Townships/Counties/other groups to voice any concerns or support they have for the project,
2. PILOT Program
 - Project can and will move forward without PILOT program.
 - PILOT program created by the state as an alternative tax vehicle for communities providing consistent and continued payments and additional benefits for the community
 - Continued flat payment structure.
 - Road Use and Maintenance Agreement for construction.
 - Posting of Bond to ensure funding for repairs of roads, bridges, ditches, and culverts affected during construction.
 - Requirement for at least 50% Ohio-domiciled workers during construction.

Provide equipment and training to fire/emergency responders.
Apprenticeship or other partnership at a local university to educate and train individuals for careers in the wind and solar industries.

Annual PILOT payments for life of project: ~\$1,965,600.

Year 1 property tax payments: ~\$3,098,650.

Year 12 property tax payments: \$1,911,867 (due to depreciation).

Assumes state depreciation schedule.

Emerson Creek would appeal value annually to the state, likely resulting in a more accelerated depreciation.

Cumulative payments of the PILOT exceed property tax cumulative payments after year 24.

Assumes state depreciation schedule.

Cumulative PILOT payments over 30 years: \$60,933,600.

Cumulative property tax payments over 30 years: \$51,648,298.

PILOT –Project Lifespan

- Expected lifespan of the project is ~25-30 years
- Calculate returns on 30 years of operation
- Existing utility scale wind farms have been in operation for 15+ years and continue to operate effectively
- 5,000 MW installed in 2007, 8,500 MW installed in 2008, 9,500 MW installed in 2009; all of these projects are still in operations
- Fowler Ridge Wind Farm (600 MW, 2008, Indiana), Benton County Wind Farm (130 MW, 2007, Indiana), Twin Groves Wind Farm (400 MW, 2007, Illinois), PeetzTable Wind Energy Center (400 MW, 2007, Colorado), Fenton Wind Farm (200 MW, 2007, Minnesota), etc.
- The owners/investors in these projects continue to invest in new projects today, reinforcing their view of the long-term economic viability of wind energy projects
- Technology has continued to improve to further enhance expected lifespan of turbines

Mr. Wilde then called for Public comment:

Chris Poppa – Willard Richmond Twp. (*Against*)

Debra Wisenhauer – Bellevue (*Against*)

Nick Miller – Sherman Twp. Bellevue (*Against*)

Kevin Ledet – Greenwich Twp. (*Against*)

Amy Bauer – Bellevue (*Against*)

William Kaltenbach – Lyme Twp. (*Against*)

Jerry Wenson – Monroeville (*Against*)

William Seaman – Bellevue (*Against*)

Walt Poffenbaugh – Willard – Norwich Twp. (*Against*)

Jessie Roeder – Richfield Twp. Monroeville (*Against*)

Larry Allen – Monroeville – (*Against*)

Patrick Ruffing – Bellevue Lyme Twp. (*Against*)

Joan Myers – school teacher – (*spoke on what a PILOT program is*) never stated if (*against or for*)

James Smith – Norwich twp. – (fell) – *(For)*
Cliff Martin – Norwich Twp. – *(For)*
Nick Erf – Bellevue Lyme Twp. – *(For)*
Dan Kennedy – Milan – *(Against)*
Kathy Linberg- Seneca Co – *(Against)*
Michael Bartolone – Local Union 18 - *(For)*
Carl Lifeling – North Central Building Trades – Mansfield - *(For)*
Michael Angeburg – Franklin County – Labors local 480 - *(For)*
Sally Norman – Lyme Twp. Bellevue – *(Against)*

Apex presentation, Nate Pedder – Administrative Code –RUMA. Mr. Pedder stated the Pilot does not affect formula funding for schools.

PILOT –RUMA

- Under OAC 4906-4-09(T)(9), a project must repair damage to public roads and bridges only associated with decommissioning activities
- This OAC rule was put into place in Spring 2018
- Most/all projects issued a permit by OPSB prior to OAC rule included a construction RUMA requirement as a condition to their permit
- Since OAC rule, Timber Road IV project was permitted under current OAC rules, no condition was included to require a construction RUMA
- OPSB may or may not require a RUMA for Emerson Creek as a condition to permit, unknown until permit issued
- There is no requirement in Ohio Code for a construction RUMA
- In the absence of a construction RUMA, heavy-haul permits are the alternative (ORC 4513.34)

RUMA ensures pre-and post-construction review and protection of roads to ensure proper repair/replacement and maintenance to be provided by Emerson Creek; provides additional assurances and agreements beyond a typical heavy haul permit

Without RUMA, heavy haul permits do not provide for pre-and post-construction review of roads; heavy haul permits do not provide for bonds to repair roads

PILOT –Road Bonding

- Under OAC 4906-4-09(T)(9), a project must provide financial assurance for road repairs associated only with decommissioning activities
- No existing OAC rule requiring financial assurance for road repairs associated with construction activities
- PILOT requires posting of bond and certificate from county engineer in an amount established by the county engineer to ensure funding for repairs of roads, bridges, and culverts affected during construction

PILOT –Ohio Workers

- PILOT requires that Emerson Creek must maintain at least a 50% ratio of Ohio-domiciled full-time equivalent employees employed in the construction or installation of the project to total full-time equivalent employees employed
- This ensures associated income and work benefits are retained by Ohio residents

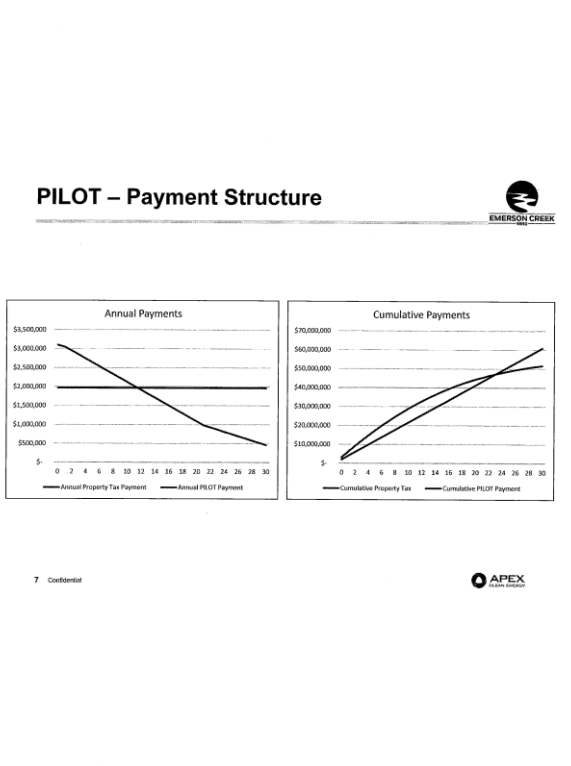
- Without requirement, project will likely bid work out to cheapest labor, whether that be from Ohio, Michigan, Indiana, etc.
- For construction workers, temporary jobs (such as ones like these) are what they rely on year-to-year

PILOT –University Program

- PILOT requires that Emerson Creek offer an apprenticeship program to educate and train individuals for careers in the wind and solar energy industry
- Options for this include endowments, cooperative programs, internships, apprenticeships, research and development, and curriculum development
- Potential homes for such a program include:
 - BGSU Firelands
 - Tiffin University
 - EHOVE
 - Heidelberg University
 - Terra State

The purpose of the PILOT is to provide local benefits and protections: assurances for roads, university apprenticeship programs, emergency responder training and equipment, and local jobs.

The project will move forward regardless of the PILOT decision



Accelerate the depreciation of the property

Mr. Pedder stated on April 3rd 5-7 p.m. at the Bellevue VFW public information meeting held by APEX.

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At 7:20 p.m. Terry Boose moved to adjourn. Joe Hintz seconded the motion. The meeting stood adjourned.

IN THE MATTER OF CERTIFICATION

The Clerk to the Board does hereby attest that the foregoing is a true and correct record of all actions taken by the Board of Huron County Commissioners on March 13, 2019.

IN THE MATTER OF ADJOURNING

The meeting was called to order at 6:00 p.m. With no further business to come before the Board, the meeting was adjourned at 7:20 p. m.

_____ Terry Boose

_____ Joe Hintz

_____ Bruce Wilde

ATTEST

Clerk to the Board