

Commitments by Stone Mill Solar, LLC to the Town of Castleton Planning Commission

Background

The Town of Castleton Planning Commission ("Castleton PC") and Stone Mill Solar, LLC ("SMS") have discussed the proposed Stone Mill Solar Project to be located off East Hubbardton Road ("the Project"), and the Castleton PC has expressed certain concerns related to: the Project's potential visibility and the landscape mitigation plan; decommissioning after the Project ceases operating; property taxes; and preservation of the site's agricultural potential.

SMS acknowledges the Castleton PC's important interests in maintaining and enhancing the Town's scenic beauty, tax base, and natural resources. While SMS understands the Castleton PC may have wished that the subject land be used for other purposes, the Town acknowledges that the land can be lawfully used for a solar project provided its potential impacts are addressed.

In consideration of the Town's concerns, SMS is making the commitments outlined below. In return, the Castleton PC agrees to inform the PUC that SMS's filings (including the Revised Landscaping Plan) are acceptable and as such it will not be participating any further in the PUC proceedings.

I. Landscaping

- 1. SMS shall submit the revised Landscape Mitigation Plan (dated 4/4/22) to the PUC, under which:
 - a. The number of trees to be planted will increase from 46 to 58 trees.
 - b. the variety of species to be planted will increase, to now include, in addition to white pine, white fir, Scots pine, red maple, and red oak.
- 2. Consistent with the PUC's rules, SMS shall maintain the landscaping mitigation as follows:
 - a. For three years after the Project is operational, SMS will conduct an annual inspection to determine the health, vigor, and continued effectiveness of the landscaping. SMS will file with the PUC and other parties (including the Town) an annual certification documenting the results of the inspection and any corrective actions taken.
 - b. For the life of the Project, replace any dead or dying plants as necessary.

II. Decommissioning. As provide for by PUC Rule 5.900:

- 1. When the Project permanently ceases to operate, SMS will implement its Decommissioning Plan to restore the site to its condition prior to installation of the Project, to the greatest extent practicable.
- 2. Prior to commencing construction of the Project, SMS will provide the PUC with a bank-issued Letter of Credit, or another alternative form of financial security, in the amount of \$107,500 which represents the estimated cost of decommissioning. The PUC will be the sole beneficiary of the Letter of Credit, and the Letter of Credit will be adjusted for inflation every three years.

III. Taxes

- 1. SMS shall pay municipal property taxes annually to the Town based on the value of the solar project per the formula provided at 32 V.S.A. § 3481(1)(D) and as explained by the Vermont Department of Taxes at <https://tax.vermont.gov/municipal-officials/solar-plant->

taxation#: Owners%20of%20a%20solar%20energy,50%20kW%20or%20more%3B%20an

- d. SMS estimates that the annual tax payment will be approximately \$12,000.
2. SMS shall pay the Uniform Capacity Tax of \$8,800/year to the State of Vermont (\$4 per kilowatt of capacity), as required under 32 V.S.A. § 8701.
3. The landowner will continue to pay education and municipal property taxes on the underlying land.

IV. Agricultural Soils

1. During construction and the eventual decommissioning of the Project, SMS will protect the primary agricultural soils ("PAS") at the site by complying with a separate Memorandum of Understanding entered into with the Vermont Agency of Agriculture Food & Markets, which includes guidelines concerning soil stockpiling, avoiding and mitigating compaction, and limitations on site grading. These restrictions are designed to preserve PAS so that the site could be returned to agriculture once the Project is decommissioned.

Stone Mill Solar, LLC

Date: _____

Duly Authorized Representative

Print name

Town of Castleton, VT

Date: 4-12-22

Joseph F. Bruno
Duly Authorized Representative

Joseph F. Bruno
Print name