

**Decommissioning Plan  
Blue Moon Solar Project  
Harrison County, Kentucky**



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**DECOMMISSIONING PLAN  
BLUE MOON ENERGY, HARRISON COUNTY, KENTUCKY**

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## 1.0 INTRODUCTION

Blue Moon Energy LLC (Blue Moon), a subsidiary of Recurrent Energy LLC (Recurrent), is proposing to construct the Blue Moon Solar Project (Project) in Harrison County, Kentucky. The proposed Project is to be located in an unincorporated area of Harrison County, east of Cynthiana, Kentucky. Major components of the Project include bi-facial solar modules, a tracking system, inverter stations, and a Project substation. The Project will occupy approximately 642 acres of land (within perimeter fencing) and will have a maximum nameplate generating capacity of up to 70 megawatts (MW) alternating current (AC).

This Decommissioning Plan (Plan) provides a description of the decommissioning and restoration phase of the Project. Start-of-construction is planned for October 2024, with a projected Commercial Operation Date of October 2025. The decommissioning phase is assumed to include the removal of Project facilities as listed in Section 1.1 and shown in Figure 1.

This Plan includes an overview of the primary decommissioning Project activities, including the dismantling and removal of facilities, and subsequent restoration of land. A summary of estimated costs and revenues associated with decommissioning the Project are included in Section 4.0. The summary statistics and estimates provided are based on a 70-MW[AC] Project array design. This Plan complies with requirements stated within the Kentucky Revised Statutes (KRS). To the extent applicable laws and regulations in the future conflict with this Decommissioning Plan, such laws and regulations will apply in lieu of the applicable portion of this Plan.

### 1.1 SOLAR FARM COMPONENTS

The main components of the Project include:

- Solar modules and associated above ground cabling
- Tracking system and steel piles
- Inverter/transformer stations
- Site access and internal roads
- Perimeter fencing
- Below ground electrical cabling and conduits
- Overhead medium voltage (MV) collection line
- Project substation
- Overhead transmission line

### 1.2 TRIGGERING EVENTS AND EXPECTED LIFETIME OF PROJECT

Project decommissioning may be triggered by events such as the end of a power purchase agreement or when the Project reaches the end of its operational life. The decommissioning phase will comply with requirements of KRS, or applicable law at the time of decommissioning.

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If properly maintained, the expected lifetime of a utility-scale solar module is approximately 40 years with an opportunity for a project lifetime of 50 years or more with equipment replacement and repowering. Depending on market conditions and project viability, solar arrays may be retrofitted with updated components (e.g., modules, tracking system, etc.) to extend the life of a project. In the event that the facility is not retrofitted, or at the end of the Project's useful life, the solar arrays and associated components will be decommissioned and removed from the Project site. During the Project's useful life solar modules that are replaced or discarded will be removed from the site within 90 days.

The value of the individual components of the solar facility will vary with time. In general, the highest component value would be expected at the time of construction with declining value over the life of the Project. Over most of the life of the Project, components such as the solar modules could be sold in the wholesale market for reuse or refurbishment. As efficiency and power production of the modules decrease due to aging and/or weathering, the resale value will decline accordingly. Secondary markets for used solar components include other utility scale solar facilities with similar designs that may require replacement equipment due to damage or normal wear over time; or other buyers (e.g., developers, consumers) that are willing to accept a slightly lower power output in return for a significantly lower price point when compared to new equipment.

Components of the facility that have resale value may be sold in the wholesale market. Components with no wholesale value will be salvaged and sold as scrap for recycling or disposed of at an approved offsite licensed solid waste disposal facility. Decommissioning activities will include removal of the solar arrays and associated components as listed in Section 1.1 and described in Section 2.

### 1.3 DECOMMISSIONING SEQUENCE

KRS 224.10-285 states that decommissioning activities will be completed within 18 months of the Project ceasing to produce electricity for sale unless the deadline has been extended by the secretary. Monitoring and site restoration may extend beyond this period to ensure successful revegetation and rehabilitation. The anticipated sequence of decommissioning and removal is described below; however, overlap of activities is expected.

- Reinforce access roads, if needed, and prepare site for component removal
- Install temporary erosion control fencing and best management practices (BMPs) to protect sensitive resources
- De-energize solar arrays
- Dismantle modules and above ground wiring
- Remove trackers and piles
- Remove inverter/transformer stations, along with support piers and piles
- Remove electrical cables and conduits
- Remove perimeter fencing
- Remove access and internal roads and grade site to restore original contours, as required
- Remove overhead MV collection line
- De-compact subsoils (if required), restore and revegetate disturbed land to allow return to pre-construction land use to the extent practicable

## 2.0 PROJECT COMPONENTS AND DECOMMISSIONING ACTIVITIES

### 2.1 OVERVIEW OF SOLAR FACILITY SYSTEM

Blue Moon anticipates utilizing approximately 134,568 solar modules, with a generating capacity of approximately 70 MW<sub>[AC]</sub>. Statistics and cost estimates provided in this Plan are based on a Canadian Solar bifacial module, although the final module selection may vary prior to construction. The selection of a different panel is not anticipated to materially alter the conclusions of this Plan.

Foundations, steel piles, and electrical cabling and conduit (if any) above and below ground will be removed. Access roads and the perimeter fence may be left in place if requested and/or agreed to by the landowner. Blue Moon will communicate with the appropriate local agency to coordinate the repair of public roads damaged or modified during the decommissioning and reclamation process.

Estimated quantities of materials to be removed and salvaged or disposed of are included in this section. Most of the materials described have salvage value, although there are some components that will likely have none at the time of decommissioning. All recyclable materials, salvaged and non-salvage, will be recycled to the extent possible. All other non-recyclable waste materials will be disposed of in accordance with state and federal law in a licensed solid waste facility. Table 1 presents a summary of the primary components of the Project included in this decommissioning plan.

**Table 1 Primary Components of Solar Farm to be Decommissioned**

| Component                                    | Quantity | Unit of Measure |
|--|----------|-----------------|
| Solar Modules (approximate)                  | 134,568  | Each            |
| Tracking System (full equivalent trackers)   | 1,202    | Tracker         |
| Steel Piles                                  | 24,118   | Each            |
| Inverters/Transformer Stations               | 25       | Each            |
| Electrical Cables and Conduits (approximate) | 51,158   | Lineal Foot     |
| Overhead MV Collection Line (approximate)    | 0.46     | Miles           |
| Perimeter Fencing (approximate)              | 69,249   | Lineal Foot     |
| Internal Access Roads (approximate)          | 26,700   | Lineal Foot     |

### 2.2 SOLAR MODULES

Blue Moon is considering the Canadian Solar CS7N-700TB-AG, CS7N-705TB-AG, and CS7N-710TB-AG or similar bifacial modules for the Project. The module assembly (with frame) has a total weight of approximately 83.3 pounds and is approximately 93.9 inches long and 51.3 inches in width. The module is mainly comprised of non-metallic materials such as silicon, glass, plastic, and epoxies, with an anodized aluminum alloy frame.

At the time of decommissioning, module components in working condition may be refurbished and sold in a secondary market yielding greater revenue than selling as salvage material.

### **2.3 TRACKING SYSTEM AND SUPPORT**

The solar modules will be mounted on a single axis, one-in-portrait tracking system, such as the Nextracker XTRpro or similar model. An equivalent 3-string, 84-module tracker with an approximate length of 111 meters (365 feet) has been used to calculate removal costs. Smaller trackers may be employed at the edges of the layout, to efficiently utilize available space. The tracking system is mainly comprised of galvanized and stainless steel. Piles comprised of structural steel support the system.

The solar arrays will be deactivated from the surrounding electrical system and made safe for disassembly. Tracker lubricants will be removed and properly disposed of or recycled according to regulations current at the time of decommissioning. Electronic components, and internal electrical wiring will be removed and salvaged. The steel piles will be completely removed. The supports, tracking system, and piles contain salvageable materials which will be sold to provide revenue to offset decommissioning costs.

### **2.4 INVERTER/TRANSFORMER STATIONS**

Inverters and transformers are located within the array and will sit on skids with concrete piers. The inverters and transformers will be deactivated, disassembled, and removed. Depending on condition, the equipment may be sold for refurbishment and re-use. If not re-used, they will be salvaged or disposed of at an approved solid waste management facility. All oils and lubricants will be collected and disposed of at a licensed facility.

### **2.5 ELECTRICAL CABLING AND CONDUITS**

The Project's underground electrical collection system will be placed at a depth of approximately forty (40) inches or less. All cabling and conduit will be removed and salvaged. A portion of the collection system will be above ground and supported by wood utility poles. The wooden poles and the cabling will be removed and salvaged.

### **2.6 PROJECT SUBSTATION AND BELOW GROUND TRANSMISSION LINE**

Blue Moon will include a Project substation within the Project area. The substation footprint will contain within its perimeter, a gravel pad, one power transformer and footings, electrical control house and concrete foundations, as needed. An approximately 0.08-mile-long overhead transmission line connects the Project substation to a larger utility switchyard. The Project substation and transmission line are considered "interconnection and other facilities" as described in KRS 278.706, and thus, will remain in place unless otherwise requested by the landowner. If the landowner requests that the facilities be removed, the land will be restored to a substantially similar state as it was prior to commencement of project construction. The utility interconnection switchyard will remain following decommissioning, as it will become part of the regional transmission grid.

If decommissioned, the substation transformer may be sold for re-use or salvage. Components of the substation that cannot be salvaged will be transported off-site for disposal at an approved waste

management facility. Foundations and footings will be demolished and removed. As the substation and transmission line are considered “interconnection and other facilities” this plan assumed they will not be removed at the end of the project.

## 2.7 PERIMETER FENCING, SITE ACCESS AND INTERNAL ROADS

The Project site will include an approximately six to seven-foot-high chain-link fence surrounding the perimeter of each array site. Near the end of the decommissioning process, all fence, poles, and foundations will be removed from the site.

A network of site and internal access roads approximately 26,700 feet (5.1 miles) in length will provide access to solar facility equipment. The internal access roads will be approximately 15 feet wide and be composed of a six-inch-thick gravel layer placed over compacted native subgrade. Geotextile fabric will be placed beneath the gravel for the entire length of the access roads. The estimated quantities of these materials are provided in Table 2. To be conservative, the decommissioning estimate assumes that all internal array access roads will be completely removed.

**Table 2 Typical Access Road Construction Materials**

| Item                          | Quantity | Unit         |
|-------------------------------|----------|--------------|
| Aggregate fill; six-inch deep | 7,417    | Cubic Yards  |
| Geotextile fabric             | 44,500   | Square Yards |

Decommissioning activities include the removal and stockpiling of aggregate materials on site for salvage preparation. It is conservatively assumed that all aggregate materials will be removed from the Project site and hauled up to five miles from the Project area. Underlying geotextile fabric will also be removed during the decommissioning process. Fabric that is easily separated from the aggregate during excavation will be disposed of in an approved solid waste disposal facility. Fabric that remains with the aggregate will be sorted out at the processing site and properly disposed of. Following removal of aggregate and geotextile fabric, the access road areas will be graded, de-compacted with deep ripper or chisel plow (ripped to 18 inches), backfilled with native subsoil and topsoil, as needed, and land contours restored as near as practicable to preconstruction conditions.

## 3.0 LAND USE, ENVIRONMENT, AND RESTORATION

In addition to information provided in Section 2.0, the activities necessary to restore the Project to a substantially similar state as it was prior to commencement of construction of the Project, are described within this section.

### **3.1 CURRENT LAND USE**

The Project site topography is gently rolling hills and drainage waterways (natural and man-made) located in low-lying areas. The proposed solar facility is predominantly located on land currently utilized for agricultural purposes.

### **3.2 RESTORATION AND REVEGETATION**

Portions of the Project site that have been excavated and backfilled will be returned to a substantially similar state as it was prior to commencement of construction. Soils compacted during de-construction activities will be de-compacted, as necessary. County drains will be avoided. If present, private drain tiles that affect drainage of multiple parcels that were not avoided, rerouted, or repaired during construction and have been damaged will be repaired or replaced, as needed, in order to maintain appropriate drainage. Topsoil will be placed on disturbed areas, as needed, and seeded with appropriate vegetation in coordination with landowners. Restored areas will be revegetated in compliance with applicable laws and regulations in place at the time of decommissioning.

### **3.3 SURFACE WATER DRAINAGE AND CONTROL**

As previously described, the proposed Project area is predominantly located in actively drained agricultural land. The terrain is gently rolling with several natural drainage features. The Project facilities are being sited to avoid wetlands, waterways, and drainage features to the extent practicable.

Surface water conditions at the Project site will be reassessed prior to the decommissioning phase. Blue Moon will obtain the required water quality permits from the Kentucky Energy and Environmental Cabinet (KEEC) and the U.S. Army Corps of Engineers (USACE), as needed, prior to decommissioning the Project. Required construction stormwater permits will also be obtained, and a Stormwater Pollution Prevention Plan (SWPPP) prepared describing the protection needed to reflect conditions present at the time of decommissioning. Best Management Practices (BMPs) may include enhancement of construction entrances, temporary seeding, permanent seeding, mulching (in non-agricultural areas), erosion control matting, silt fence, filter berms, and filter socks.

### **3.4 MAJOR EQUIPMENT REQUIRED FOR DECOMMISSIONING**

The activities involved in decommissioning the Project include removal of the Project components, including but not limited to solar modules, tracking system, foundations and piles, inverter and transformer stations, perimeter fence, access roads, and electrical cabling and conduits. Restoration activities include back-filling of pile and foundation sites; de-compaction of subsoils; grading of surfaces to pre-construction land contours and revegetation of the disturbed areas.

Equipment required for the decommissioning activities is similar to what is needed to construct the solar facility and may include, but is not limited to: small cranes, low ground pressure (LGP) track mounted excavators, backhoes, LGP track bulldozers and dump trucks, front-end loaders, deep rippers, water trucks, disc plows and tractors to restore subgrade conditions, and ancillary equipment. Standard dump trucks may be used to transport material removed from the site to recycling or disposal facilities.

## 4.0 DECOMMISSIONING COST ESTIMATE SUMMARY

Expenses associated with decommissioning the Project will be dependent on labor costs at the time of decommissioning. For the purposes of this report, early 2024 market values were used to estimate labor expenses. Fluctuation and inflation of the labor costs were not factored into the estimates.

### 4.1 DECOMMISSIONING EXPENSES

During decommissioning, the Project will incur costs associated with disposal of components not sold for salvage, including materials which will be disposed of at a licensed facility, as required. Decommissioning costs also include backfilling, grading, and restoration of the Project site as described in Section 3. Table 3 summarizes the estimates for decommissioning activities associated with the major components of the Project. Costs are based on a 93.5 MW direct current (DC) site design, converting to 70 MW<sub>[AC]</sub>.

**Table 3 Estimated Decommissioning Expenses**

| Activity   | Unit        | Number  | Cost per Unit | Total              |
|--|-------------|---------|---------------|--------------------|
| Overhead and management (includes estimated permitting required) | Lump Sum    | 1       | \$349,500     | \$349,500          |
| Solar modules; disassembly and removal                           | Each        | 134,568 | \$5.15        | \$693,025          |
| Tracking system disassembly and removal                          | Each        | 1,602   | \$830         | \$1,329,660        |
| Steel pile/post removal (trackers)                               | Each        | 23,818  | \$12.70       | \$302,489          |
| Steel pile/post removal (inverter stations)                      | Each        | 300     | \$53.80       | 16,140             |
| Inverter/transformers station removal                            | Each        | 25      | \$1,890       | \$47,250           |
| Remove buried electrical cable                                   | Linear Feet | 51,158  | \$0.91        | \$46,554           |
| Remove overhead MV collection line                               | Linear Feet | 2,453   | \$6.63        | \$16,263           |
| Access road excavation and removal                               | Lump Sum    | 1       | \$155,750     | \$155,750          |
| Perimeter fence removal  | Linear Feet | 69,249  | \$4.60        | \$318,545          |
| Topsoil replacement and rehabilitation of site                   | Lump Sum    | 1       | \$569,150     | \$569,150          |
| <b>Total Estimated Decommissioning Cost</b>                      |             |         |               | <b>\$3,844,326</b> |

### 4.2 DECOMMISSIONING REVENUES

Revenue from decommissioning the Project will be realized through the sale of the facility components and construction materials. As previously described, the value of the decommissioned components will be higher in the early stages of the Project and decline over time. Resale of components such as solar modules

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is expected to be greater than salvage (i.e., scrap) value for most of the life of the Project, as described below. For the purposes of this Plan, only estimated salvage values were considered in net revenue calculations, as this is the more conservative estimate strategy. Modules and other solar facility components can be sold within a secondary market for re-use. A current sampling of reused solar modules indicates a wide range of pricing depending on age and condition (\$0.10 to \$0.30 per watt). Future pricing of solar modules is difficult to predict at this time, due to the relatively young age of the market, changes to solar panel technology, and the ever-increasing product demand. A conservative estimation of the value of solar modules at \$0.10 per watt would yield approximately \$9,350,000. Increased costs of removal, when preparing for resale versus salvage, would be expected in order to preserve the integrity of the modules; however, the net revenue would be substantially higher than the estimated salvage value, thus offsetting higher removal cost. The resale value of components such as trackers may decline more quickly; however, the salvage value of the steel that makes up a large portion of the tracker is expected to stay at or above the value used in this report.

The market value of steel and other materials fluctuates daily and has varied widely over the past five years. Salvage value estimates were based on an approximate five-year-average price of steel and copper derived from sources including on-line recycling companies and United States Geological Survey (USGS) commodity summaries. The price used to value the steel used in this report is \$254 per metric ton; aluminum at \$0.40 per pound; and glass at \$0.05 per pound.

The main material of the tracking system and piles is assumed to be salvageable steel. The main components of the solar modules are glass and silicon with aluminum framing. A 50 percent (50%) recovery rate was assumed for all module components, due to the processing required to separate the module components. Alternative and more efficient methods of recycling solar modules are anticipated before this Project is decommissioned, given the large number of solar facilities that are currently being developed. Table 4 summarizes the potential salvage value for the solar array components and construction materials.

**Table 4 Potential Estimated Decommissioning Revenues**

| Item                           | Unit of Measurement    | Quantity per Unit | Salvage Price per Unit | Total Salvage Price per Item | Number of Items | Total              |
|--------------------------------|------------------------|-------------------|------------------------|------------------------------|-----------------|--------------------|
| Modules - Silicon              | Pounds per Module      | 2.10              | \$0.40                 | \$0.840                      | 134,568         | \$113,037          |
| Modules - Aluminum             | Pounds per Module      | 3.30              | \$0.40                 | \$1.320                      | 134,568         | \$177,630          |
| Modules - Glass                | Pounds per Module      | 31.30             | \$0.05                 | \$1.565                      | 134,568         | \$210,599          |
| Tracking System and Posts      | Metric tons per MW[DC] | 32.00             | \$254                  | \$8,128                      | 93.50           | \$759,968          |
| <b>Total Potential Revenue</b> |                        |                   |                        |                              |                 | <b>\$1,261,234</b> |

\* Revenue based on salvage value only. Revenue from used modules at \$0.10 per watt could raise \$9,350,000 as resale versus the estimated salvage revenue.

### 4.3 DECOMMISSIONING COST SUMMARY AND FINANCIAL ASSURANCE

The following is a summary of the net estimated cost to decommission the Project, using the information detailed in Sections 4.1 and 4.2. Estimates are based on early 2024 prices, with no market fluctuations or inflation considered. Table 5 represents the total estimated net decommissioning cost.

**Table 5 Decommissioning Net Cost Summary**

| Item   | Cost/Revenue       |
|--|--------------------|
| Gross Decommissioning Expenses   | <b>\$3,844,326</b> |
| Potential Revenue – salvage value of module components and recoverable materials | \$1,261,234        |
| <b>Net Decommissioning Cost</b>  | <b>\$2,583,092</b> |

Blue Moon has indicated that that in compliance with KRS 278.706, a financial guarantee to cover the approved net decommissioning cost will be provided in favor of Cynthiana – Harrison County – Berry Joint Planning Commission in a form approved to the satisfaction of the Planning Commission. The net cost of decommissioning includes a reasonable reduction for the salvage value of acceptable components. The financial guarantee will be in the form of a surety bond, or other approved method of financial assurance that is in accordance with KRS 278.706. Blue Moon Solar LLC will be responsible for decommissioning the Project facilities. The decommissioning plan and cost estimate shall be reviewed and updated every five years, submitted to the Planning Commission for approval and the security revised as appropriate based upon the revised cost estimate at Blue Moon's expense.

Blue Moon has indicated that that they will comply with statutory requirements, including but not limited to the following:

- The bond or other similar security shall be provided by an insurance company or surety that shall at all times maintain at least an “Excellent” rating as measured by the AM Best rating agency or an investment grade credit rating by any national credit rating agency and, if available, shall be noncancelable by the provider or the customer until completion of the decommissioning plan or until a replacement bond is secured.
- The bond or other similar security shall provide that at least thirty (30) days prior to its cancellation or lapse, the surety shall notify the applicant, its successor or assign, each landowner, the Energy and Environment Cabinet, and the county or city in which the facility is located of the impending cancellation or lapse. The notice shall specify the reason for the cancellation or lapse and provide any of the parties, either jointly or separately, the opportunity to cure the cancellation or lapse prior to it becoming effective. The applicant, its successor, or its assign shall be responsible for all costs incurred by all parties to cure the cancellation or lapse of the bond. Each landowner, or the Energy and Environment Cabinet with the prior approval of each landowner, may make a demand on the bond and initiate and complete the decommissioning plan.
- Communicate with each affected landowner at the end of the merchant electric generating facility's useful life so that any requests of the landowner that are in addition to the minimum requirements

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set forth in this paragraph and in addition to any other requirements specified in the lease with the landowner may, in the sole discretion of the applicant or its successor or assign, be accommodated.

## FIGURES

