Decommissioning Plan – Dogwood Corners Solar Project Christian County, Kentucky

Prepared for:
Dogwood Corners LLC

Prepared by:
Stantec Consulting Services Inc.
1165 Scheuring Road
De Pere, Wisconsin 54115

Project No: 172607824
August 30, 2023

This document entitled Decommissioning Plan – Dogwood Corners Solar Project, Christian County, Kentucky, was prepared by Stantec Consulting Services Inc. ("Stantec") for the use of Dogwood Corners LLC (the "Client"). The material in this document reflects Stantec's professional judgment in light of the scope, schedule and other limitations stated in the document and in the contract between Stantec and the Client. The opinions in this document are based on conditions and information existing at the time this document was published and do not take into account any subsequent changes. In preparing the document, Stantec did not verify information supplied to it by others.

JoAnne J. Blank
Senior Associate, Senior Scientist

Matthew A. Clementi, PE
Senior Project Engineer

Michael P. Barter, PE
Senior Electrical Engineer

STATE OF KENTUCKY
MICHAEL P. BARTER 25950
LICENSED PROFESSIONAL ENGINEER
8/30/23

TABLE OF CONTENTS

1.0 INTRODUCTION 1
1.1 SOLAR FARM COMPONENTS 1
1.2 TRIGGERING EVENTS AND EXPECTED LIFETIME OF PROJECT 1
1.3 DECOMMISSIONING SEQUENCE 2

2.0 PROJECT COMPONENTS AND DECOMMISSIONING ACTIVITIES 3
2.1 OVERVIEW OF SOLAR FACILITY SYSTEM 3
2.2 SOLAR MODULES 4
2.3 TRACKING SYSTEM AND SUPPORT 4
2.4 INVERTER/TRANSFORMER STATIONS 5
2.5 ELECTRICAL CABLING AND CONDUITS 5
2.7 PROJECT SUBSTATION AND OVERHEAD GENERATION TIE-IN TRANSMISSION LINE 6
2.8 OPERATIONS AND MAINTENANCE BUILDING 6
2.9 PERIMETER FENCING AND ACCESS ROADS 6

3.0 LAND USE AND ENVIRONMENT 8
3.1 SOILS AND AGRICULTURAL LAND 8
3.2 RESTORATION AND REVEGETATION 8
3.3 SURFACE WATER DRAINAGE AND CONTROL 8
3.4 MAJOR EQUIPMENT REQUIRED FOR DECOMMISSIONING 8

4.0 DECOMMISSIONING COST ESTIMATE SUMMARY 9
4.1 DECOMMISSIONING RISK OVER THE LIFECYCLE OF A PROJECT 9
4.2 DECOMMISSIONING EXPENSES 9
4.3 DECOMMISSIONING REVENUES 10
4.4 DECOMMISSIONING COST SUMMARY 12
4.5 FINANCIAL ASSURANCE 12

LIST OF TABLES

TABLE 1 PRIMARY COMPONENTS OF PROJECT TO BE DECOMMISSIONED 4
TABLE 2 TYPICAL ACCESS ROAD CONSTRUCTION MATERIALS 6
TABLE 3 ESTIMATED DECOMMISSIONING EXPENSES – SOLAR FACILITIES 9
TABLE 4 ESTIMATED DECOMMISSIONING EXPENSES – BESS FACILITIES 10
TABLE 5 ESTIMATED DECOMMISSIONING REVENUES – SOLAR FACILITIES 11
TABLE 6 NET DECOMMISSIONING COST SUMMARY 12

LIST OF FIGURES

FIGURE 1 PROPOSED PROJECT LAYOUT

1.0 INTRODUCTION

Dogwood Corners LLC (Dogwood) is proposing to construct and operate the Dogwood Corners Solar Project (the "Project") northeast of the city of Hopkinsville, Christian County, Kentucky. The Project footprint encompasses approximately 670 acres within perimeter fencing. The maximum generating capacity of the Project photovoltaic system will be up to 125 megawatts, alternating current $(MW)_{[AC]}$. The Project will include a 25-megawatt (100 MW-hour [MWh]) battery energy storage system (BESS).

This Decommissioning Plan (Plan) provides a description of the decommissioning and restoration phase of the Project, including the dismantling and removal of facilities, and subsequent restoration of land. Start-of-construction is planned for 2026, with a projected Commercial Operation Date anticipated in 2027. The decommissioning phase is assumed to include the removal of Project facilities as listed in Section 1.1 and shown in Figure 1. 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 125-MW[AC] Project solar array design and 100-MWh BESS.

This Plan complies with the decommissioning requirements relating to Solar Energy Systems (SES) installations as stated within the Kentucky Revised Statutes (KRS) 278.706(2)(m) (referred to as "2023 KRS HB4"). To the extent applicable laws and regulations in the future conflict with this Decommissioning Plan, such laws and regulations may apply in lieu of the applicable portion of this Plan.

1.1 SOLAR FARM COMPONENTS

The main components of the Project include:

- Solar modules
- Tracking system and steel piles
- Inverter and transformer stations
- Electrical cabling and conduits
- BESS components and foundations
- Site access roads and BESS yard
- Perimeter fencing
- Project substation and overhead transmission tie-in line

1.2 TRIGGERING EVENTS AND EXPECTED LIFETIME OF PROJECT

Project decommissioning may be triggered by events such as the expiration of lease agreement(s), abandonment, or when the Project reaches the end of its operational life. The decommissioning phase will comply with requirements of 2023 KRS HB4 or applicable law at time of decommissioning.

The anticipated lifetime of the Project is approximately 30-35 years. At the end of the Project's useful life, the modules, batteries, and associated components will be decommissioned and removed from the Project site. During the Project's useful life solar panels that are replaced or discarded will be removed from the site within 90 days, unless an extension has been granted by the secretary of the Kentucky Energy and Environment Cabinet ("Secretary").

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 (landfill). Decommissioning activities will include removal of the arrays, BESS and associated components as listed in Section 1.1 and described in Section 2.

1.3 DECOMMISSIONING SEQUENCE

2023 KRS HB4 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. Dogwood will be the responsible party. 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 erosion control materials and other best management practices (BMPs) to protect sensitive resources and control erosion during decommissioning activities.
- De-energize solar arrays.
- Dismantle and remove panels and above-ground wiring.
- Remove tracking equipment and piles.
- Remove inverter/transformer stations along with support system and foundation pads.
- Remove below ground electrical cables and conduits to a depth of 36 inches.
- Remove BESS components.
- Remove solar array and BESS fence.
- Remove access roads, BESS yard, and grade site (as required).
- Remove substation and associated overhead transmission tie-in line if decommissioned per request by landowner; otherwise left in place for future use in accordance with 2023 KRS HB4.
- De-compact subsoils as needed, restore, and revegetate disturbed land to pre-construction conditions to the extent practicable.

2.0 PROJECT COMPONENTS AND DECOMMISSIONING ACTIVITIES

The solar facility components and decommissioning activities necessary to restore the Project area, as near as practicable, to pre-construction conditions are described within this section.

2.1 OVERVIEW OF SOLAR FACILITY SYSTEM

Dogwood anticipates utilizing approximately 273,052 solar modules, with a total generating capacity of approximately 158.37 MW direct current (DC) with a maximum of 125 $MW_{[AC]}$. The Project footprint encompasses approximately 670 acres within perimeter fencing as shown on Figure 1. The land within the perimeter fencing is predominantly agricultural land.

Unless otherwise requested by a landowner, all above ground Project facilities, and foundations, steel piles, and electric cabling and conduit installed 36 inches or less below the soil surface will be removed. Dogwood will communicate with the appropriate local agency to coordinate the repair of damaged or modified public roads during the decommissioning and reclamation process, and will coordinate with appropriate federal, state and/or local agencies for necessary permit approvals prior to decommissioning activities.

Estimated quantities of materials to be removed and sold, salvaged, or disposed of are included in this section. Many of the materials described have salvage value, although there are some components that will likely have none at the time of decommissioning. Removed materials that cannot be sold on the resale market will be salvaged or recycled to the extent possible. Other waste materials will be disposed of in accordance with state and federal law in an approved licensed solid waste facility.

Solar panels may have value in a resale market, depending on their condition at the end of the Project life. If the Project is decommissioned prior to the anticipated 30-year timeframe, the components resale value will be substantially higher than at the end of the projected Project. Table 1 presents a summary of the primary components of the Project included in this decommissioning plan.

Table 1 Primary Components of Project to be Decommissioned

Component	Quantity	Unit of Measure
Solar Modules (approximate)	273,052	Each
Tracking System (equivalent full trackers)	2,626	Tracker
Steel Piles (trackers and inverter station)	34,558	Each
Inverter Stations	35	Each
Overhead Electrical Collection Cable	6,000	Linear Foot (estimated)
Subsurface Electrical Collection Cables and Conduits (to be abandoned at depth greater than three feet)	35,470	Linear Foot (estimated)
Perimeter Fencing	79,788	Linear Foot
Access Roads (approximate)	31,057	Linear Foot
BESS (25 MW/100 MWh)	1	Each
Overhead Tie-in Transmission Line (approximate)	500	Linear Feet
Project Substation	1	Each

2.2 SOLAR MODULES

Statistics and estimates provided in this Plan are based on a typical 580-watt bifacial module. The module assembly (with frame) will have a total weight of approximately 71.7 pounds and will be approximately 89.7 inches by 44.6 inches in size. The modules are mainly comprised of non-metallic materials such as silicon, glass, plastic, and epoxies, with an anodized aluminum 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. The estimates in this report have been calculated using a conservative approach, considering revenue from salvage only, rather than resale of Project components.

2.3 TRACKING SYSTEM AND SUPPORT

The solar modules are planned to be mounted on a single-axis, one-in-portrait tracking system. Each full, four-string tracker will be approximately 390 feet in length and will support 104 modules. Smaller trackers will be employed at the edges of the layout to efficiently utilize available space. The tracking system is mainly comprised of high-strength, galvanized steel and anodized aluminum; steel piles that support the system are assumed to be comprised of galvanized steel.

The solar arrays will be deactivated from the surrounding electrical system and made safe for disassembly. Liquid wastes, including oils and hydraulic fluids 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 from the ground.

The supports, tracking system, and posts contain salvageable materials which can be sold to provide revenue to offset the decommissioning costs.

2.4 INVERTER/TRANSFORMER STATIONS

The inverter and transformer stations are located within the arrays and will sit on platforms supported by small concrete footings or steel piles. The inverters and transformers will be deactivated, disassembled, and removed. Depending on the condition of the unit at decommissioning, 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.

2.5 ELECTRICAL CABLING AND CONDUITS

The Project's underground electrical collection system will be placed at a depth greater than three feet (36 inches) below the ground surface. Underground cabling that is at a depth of three feet or less will be removed and salvaged, while cable located greater than three feet in depth will be abandoned in place, unless specific contracts with landowners require removal to a greater depth.

Additionally, the Project will include an approximately 6,000-foot-long pole-mounted above ground collection cable to connect the arrays located on either side of Greenville Road. No recovery cost has been assumed for the collection cabling, although it is likely to have salvage value at the time of removal. If, at the time of decommissioning, the salvage value of the cable greater than three feet deep exceeds the cost of extraction and restoration, the cables may be removed and salvaged.

2.6 BATTERY ENERGY STORAGE SYSTEM

Dogwood plans to include a BESS facility on the site. Dogwood anticipates utilizing a total of approximately 40 self-contained battery storage units, including augmentation, with a total energy storage capability of approximately 25 MW (100 MWh). The BESS area will encompass approximately 1.5 acres of land bounded by perimeter fencing. Statistics and estimates provided in this Plan are based on the 4.3008 MWh AiON-ESS Energy Series all-in-one integrated system by LS Energy Solutions. Each battery unit will be approximately 7 feet wide by 30 feet long and will be installed on a concrete foundation. The battery units are mainly comprised of non-metallic materials such as Lithium-ion (Li-ion) batteries, silicon, steel, copper, plastic, and epoxies. If decommissioned prior to the end of their useful life, the battery packs may have value in a resale market, depending on their condition.

Isolation transformers will be installed on concrete foundations located at the end of each support structure. The system inverters are contained within the AiON-ESS enclosures. The AiON-ESS enclosures are equipped with heating, ventilation, and air conditioning units, as needed. The area within the fence will contain aggregate fill. Depending on condition, the transformers may be sold for refurbishment and re-use. Collection cabling will be installed below the surface at a depth greater than 36 inches (three feet). All above ground facilities and subsurface materials located at a depth of three feet or less will be removed and salvaged or disposed of in accordance with state and federal law at a licensed solid waste facility.

At the time of decommissioning the BESS and enclosures will be completely removed from the Project site. The BESS concrete foundations will be removed and recycled or properly disposed of. It is assumed, based on manufacturer information, and projected market conditions, that the battery units will have resale value for the first 10 to 15 years. Therefore, no recycling costs have been included in this cost estimate. In consideration of variables such as inflation and changes in technology and labor markets, Dogwood will re-

assess the decommissioning costs and estimated value of the Project components every five years beginning on the fifth anniversary of Project commissioning.

2.7 PROJECT SUBSTATION AND OVERHEAD GENERATION TIE-IN TRANSMISSION LINE

Dogwood will include a Project substation as shown on the attached figure. The substation will contain within its perimeter, a gravel pad, power transformer and footings, an electrical control house, and concrete pads, as needed. An approximately 500-foot-long overhead generation tie-in transmission line will be constructed between the Project substation and a proposed utility switchyard (the point of interconnection). The substation and transmission line are considered “interconnection and other facilities” as described in 2023 KRS HB4, 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 construction of the Project.

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. Although the substation and transmission line may be retained at the end of the Project life, an estimated decommissioning cost has been included in this Plan.

2.8 OPERATIONS AND MAINTENANCE BUILDING

No operations and maintenance (O&M) building is currently being considered as part of the Project; therefore, no O&M building removal is included in this Plan. If it is determined that an O&M building is needed for the Project, the Plan will be updated to account for it.

2.9 PERIMETER FENCING AND ACCESS ROADS

The Project will include a wildlife-permeable security fence around the perimeter of the solar site and exclusionary area. The fence will total approximately 79,788 feet in length.

Access drives from local roads and along the inner perimeter of the arrays will provide direct access to the solar facility and substation equipment. The site access drives will be approximately 14 feet in width and total approximately 31,057 feet (5.88 miles) in length. The access road lengths may change with final Project design. Landowners may choose to retain the access roads at completion of the Project; however, to be conservative, the decommissioning estimate assumes that all inner site access roads will be removed.

During installation of the Project, site access drives will be excavated to remove topsoil, the subgrade will be compacted, and aggregate fill will be placed. This plan is based on a typical design of eight inches of gravel with geotextile fabric placed beneath the gravel for the length of each access road. The estimated quantity of these materials is provided in Table 2.

Table 2 Typical Access Road Construction Materials

Item	Quantity	Unit
Aggregate fill, 8-inch thick – to be removed	10,736	Cubic Yards
Geotextile	48,311	Square Yards

Decommissioning activities include the removal and stockpiling of aggregate materials onsite 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. Following removal of aggregate and geotextile fabric, the access road areas will be de-compacted with deep ripper or chisel plow (ripped to 18 inches), backfilled with native subsoil and topsoil, as needed, and graded as necessary.

3.0 LAND USE AND ENVIRONMENT

3.1 SOILS AND AGRICULTURAL LAND

Areas of the Project will be restored to substantially similar conditions that existed prior to commencement of Project construction. Soils compacted during de-construction activities will be de-compacted, as necessary.

3.2 RESTORATION AND REVEGETATION

Areas of the Project that have been excavated and backfilled will be graded as previously described. If present, drain tiles that have been damaged will be restored to pre-construction condition. Restored areas will be revegetated in consultation with the current landowner and in compliance with regulations in place at the time of decommissioning. Work will be completed to comply with the conditions agreed upon by Dogwood and any applicable agency or as directed by Kentucky Siting Board and Kentucky Energy and Environmental Cabinet (KEEC) regulations in affect at the time of decommissioning.

If permitted by the landowner who retains control of the land following decommissioning of the Project, Dogwood will monitor the site and ensure revegetation has been completed.

3.3 SURFACE WATER DRAINAGE AND CONTROL

The proposed Project is predominantly located on agricultural land. The Project facilities are being sited to avoid impacts to wetlands and waterways. The existing Project site conditions and proposed BMPs to protect surface water features will be detailed in a Project Stormwater Pollution Prevention Plan (SWPPP) prior to the commencement of decommissioning construction activities.

Surface water conditions at the Project site will be reassessed prior to the decommissioning phase. Dogwood will obtain the required water quality permits from the KEEC and the U.S. Army Corp of Engineers (USACE), if needed, before decommissioning of the Project. Decommissioning construction stormwater permits will also be obtained and a SWPPP prepared describing the protection needed to reflect conditions present at the time of decommissioning. 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 above- and below-ground ground components of the Project to a minimum depth of three feet, and restoration as described in Sections 2, 3.1 and 3.2.

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) tracked excavators, backhoes, LGP tracked bulldozers and dump trucks, front-end loaders, deep rippers, water trucks, disc plows and tractors to restore subgrade conditions, along with ancillary equipment. Standard dump trucks may be used to transport material removed from the site to 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, average 2023 market values were used to estimate labor expenses. Fluctuation and inflation of the labor costs or equipment were not factored into the estimates.

The value of the individual components of the Project 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 and batteries could be sold in the wholesale market for reuse or refurbishment. As efficiency and power production of the panels 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.

4.1 DECOMMISSIONING RISK OVER THE LIFECYCLE OF A PROJECT

The probability of an event that would lead to abandonment or long-term interruption is extremely low during the first 15 to 20 years of the Project life. Accordingly, the risk of decommissioning the Project is extremely low during this time frame. The reasons why the risk to decommission the Project is extremely low in the early phases of the Project include, but are not limited to, the resale value of the facilities; power purchase agreements in place; manufacturer warranties on components; property damage and business interruption insurance coverage; and the value of renewable energy in general in the current market.

4.2 DECOMMISSIONING EXPENSES

Project decommissioning 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 Sections 2 and 3. Table 3 summarizes the estimates for activities associated with the major components of the Project.

Table 3 Estimated Decommissioning Expenses – Solar Facilities

Activity	Unit	Quantity	Cost per Unit	Total
Overhead and management (includes estimated permitting required and public road repairs)	Lump Sum	1	$525,000	$525,000
Solar modules; disassembly and removal	Each	273,052	$4.95	$1,351,607
Tracking System disassembly and removal (equivalent full trackers)	Each	2,626	$840	$2,205,840
Steel pile/post removal (includes trackers and solar inverter stations)	Each	34,558	$10.70	$369,771
Inverter removal	Each	35	$1,860	$65,100
Above ground collection cable and pole removal	Lump Sum	1	$33,000	$33,000

Activity	Unit	Quantity	Cost per Unit	Total
Access road excavation and removal	Lump Sum	1	$148,250	$148,250
Perimeter fence removal (wildlife fence)	Linear Feet	79,788	$3.10	$247,343
Topsoil replacement for roads and rehabilitation of site	Lump Sum	1	$521,500	$521,500
Project substation removal	Each	1	$300,000	$300,000
Remove above ground transmission line and poles	Lump Sum	1	$8,000	$8,000
Total Estimated Decommissioning Cost – Solar Facilities				**$5,775,411**

Table 4 summarizes the estimated decommissioning costs associated with the major components of the Project's BESS facilities. The total estimated decommissioning cost includes removal, backfilling, grading, and restoration activities as described in Section 2.

Table 4 Estimated Decommissioning Expenses – BESS Facilities

Activity	Unit	Quantity	Cost per Unit	Total
Overhead and management (BESS removal activities)	Lump Sum	1	$35,000	$35,000
Battery pack and container removal	Each	40	$2,403	$96,120
BESS foundation removal	Each	40	$3,517	$140,680
Transformer stations with foundations	Each	20	$1,860	$37,200
BESS yard removal	Lump Sum	1	$21,250	$21,250
Perimeter fence removal (chain-link)	Linear Feet	1,000	$4.60	$4,600
Site restoration (fill removal, grading, and revegetation)	Lump Sum	1	$47,700	$47,700
Total Estimated Decommissioning Cost – BESS Facilities				**$382,550**

4.3 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 panels and battery storage is expected to be greater than salvage (i.e., scrap) value for most of the life of the Project.

Solar Facilities

Modules and other solar plant components may be sold within a secondary market or as salvage. A current sampling of reused solar panels indicates a wide range of pricing depending on age and condition ($0.10 to $0.30 per watt). Future pricing of solar panels is difficult to predict, 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 panels at $0.10 per watt would yield approximately $15,837,000. To preserve the integrity of the modules, higher removal and handling costs would be expected for module resale versus salvage. However, although costs would be higher, the net revenue due to resale would still be substantially greater than the estimated salvage value.

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 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 $262 per metric ton; aluminum at $0.40 per pound; silicon at $0.40 per pound and glass at $0.05 per pound. The main component of the tracking system and piles is assumed to be salvageable steel. Solar panels are estimated to contain approximately 75 percent glass, 8 percent aluminum and 5 percent silicon. A 50 percent recovery rate was assumed for aluminum and all panel components, due to the processing required to separate the panel components. Alternative and more efficient methods of recycling solar panels 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.

BESS Facilities

Battery energy storage systems will retain a significant resale value during the early phases of their life cycle. During the first 10 years of the Project, BESS units, or the individual battery cells, will likely be sold for re-use. It is estimated that the battery units' value during the first ten years of the Project life would offset (or exceed) the cost of preparation and shipping. Although additional revenue due to resale may be generated during this stage of the Project, these revenues are not reflected in Table 5. During later stages of the Project, the value of the battery components, such as lithium, copper, aluminum, and steel, would be extracted during recycling to provide an offset to the disposal costs.

Dogwood is committed to re-assessing the decommissioning costs and estimated value of the Project components every five years beginning on the fifth anniversary of Project commissioning; therefore, no cost for recycling or disposal of the BESS is included at this time.

Table 5 Estimated Decommissioning Revenues – Solar Facilities

Item	Unit of Measurement	Quantity per Unit	Salvage Price per Unit	Total Salvage Price per Item	Number of Items	Total
Panels - Silicon	Pounds per Panel	1.8	$0.40	$0.720	273,052	$196,597
Panels - Aluminum	Pounds per Panel	2.9	$0.40	$1.160	273,052	$316,740
Panels - Glass	Pounds per Panel	26.9	$0.05	$1.345	273,052	$367,255

Item	Unit of Measurement	Quantity per Unit	Salvage Price per Unit	Total Salvage Price per Item	Number of Items	Total
Tracking System and Posts	Metric tons per $MW_{[DC]}$	32.0	$262	$8,384	158.37	$1,327,774
Substation	Each	1	$50,000	$50,000	1	$50,000
Total Estimated Decommissioning Revenue – Solar Facilities*						**$2,258,366**

* Revenue based on salvage value only. Revenue from used panels at $0.10 per watt could raise $15,837,000 as resale versus the estimated salvage revenue.

4.4 DECOMMISSIONING COST SUMMARY

Table 6 provides a summary of the estimated cost to decommission the Project, using the information detailed in Section 4.2. Estimates are based on 2023 prices, with no market fluctuations or inflation considered.

Table 6 Net Decommissioning Cost Summary

Item	(Cost)/Revenue
Decommissioning Expenses (Solar Project)	**($5,775,411)**
Decommissioning Expenses (BESS Project)	**($382,550)**
Potential Revenue – salvage value of panel components and recoverable materials	**$2,258,366**
Net Decommissioning Cost	**($3,899,595)**

4.5 FINANCIAL ASSURANCE

Dogwood has indicated that that in compliance with 2023 KRS HB4 a financial guarantee to cover the approved net decommissioning cost will be provided. 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 2023 KRS HB4. Dogwood Corners LLC will be responsible for decommissioning the Project facilities. The decommissioning cost and bond amount shall be reviewed and updated every five years at Dogwood's expense.

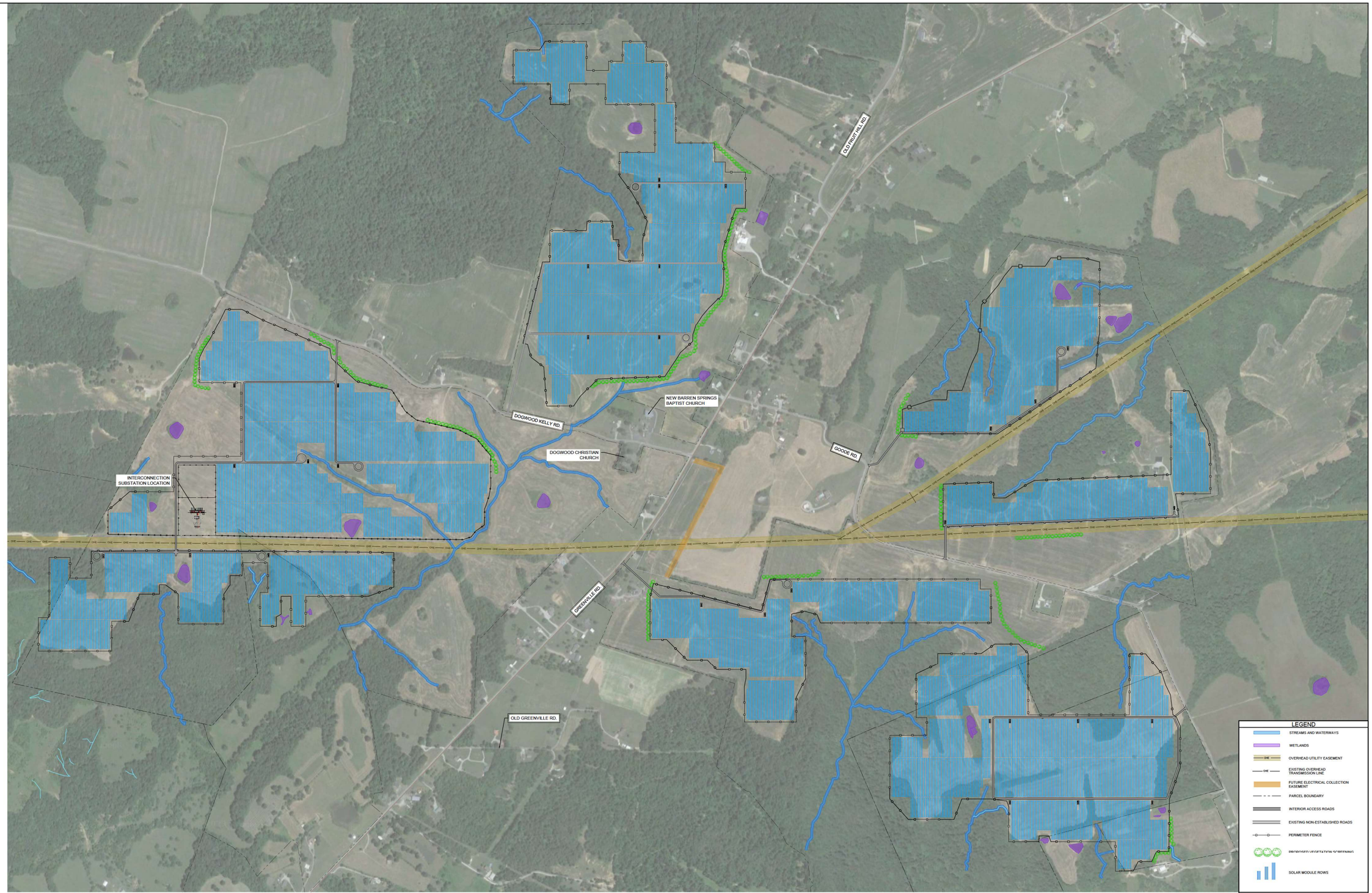
Dogwood has indicated that that they will comply with 2023 KRS HB4 requirements, including but not limited to the following:

- 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 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.

FIGURE

Figure 1 Proposed Project Layout



OVERALL SITE PLAN

SCALE:1" = 350'-0"

DOGWOOD CORNERS 125MW AC SOLAR GENERATION FACILITY
- PRELIMINARY SITE PLAN -

ORIDEN