

## Sen. John M. Sullivan

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## Filed: 4/23/2013

## 09800SB1469sam003 LRB098 06744 CEL 44878 a 1 AMENDMENT TO SENATE BILL 1469 2 AMENDMENT NO. . Amend Senate Bill 1469, AS AMENDED, by replacing everything after the enacting clause with the 3 following: 4 "Section 1. Short title. This Act may be cited as the Wind 5 6 Energy Facilities Construction and Deconstruction Act. 7 Section 5. Purposes. The primary purposes of this Act is to promote the State's welfare by protecting landowners during the 8 construction and deconstruction of commercial wind energy 9 10 facilities. Section 10. Definitions. As used in this Act: 11 12 "Commercial wind energy facility" means a wind energy conversion facility of equal or greater than 500 kilowatts in 13

total nameplate generating capacity that has not already been

constructed or permitted by decision of a county or

- 1 municipality prior to the effective date of this Act.
- 2 "Commercial wind energy operator" means a private
- 3 commercial enterprise that owns or operates a commercial wind
- 4 energy facility of equal to or greater than 500 kilowatts in
- 5 total nameplate capacity.
- 6 "Deconstruction" means the removal of a wind energy
- 7 generation facility from the property of a landowner and the
- 8 restoration of that property as provided in the agricultural
- 9 impact mitigation agreement.
- 10 "Department" means the Illinois Department of Agriculture.
- 11 "Landowner" means any person with an ownership interest in
- 12 property (i) that is used for agricultural purposes and (ii)
- that is party to an underlying agreement.
- "Underlying agreement" means the written or oral agreement
- 15 with a landowner including, but not limited to, an easement,
- option, lease, or license, under the terms of which another
- 17 person has constructed, constructs, or intends to construct a
- 18 commercial wind energy facility on the property of the
- 19 landowner.
- "Wind turbine" means a wind turbine of equal to or greater
- 21 than 500 kilowatts in total nameplate generating capacity.
- 22 Section 15. Agricultural impact mitigation agreement.
- 23 (a) An owner or operator of a commercial wind energy
- 24 facility located on landowner property shall enter into an
- 25 agricultural impact mitigation agreement with the Department

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- outlining construction and deconstruction standards and policies designed to preserve the integrity of any agricultural land that is impacted by commercial wind energy facility construction and deconstruction. This requirement does not apply to commercial wind energy facilities already constructed or permitted by decision of a county or municipality prior to the effective date of this Act.
  - (b) The agricultural impact mitigation agreement shall address such items as access roads, construction staging and storage areas, excavation and backfill, protection of agricultural drainage tiles, wind turbine foundations, wind turbine erection, restoration of agricultural land affected by all construction and deconstruction, indemnification of landowners, monitoring, and remediation.
  - (c) The agricultural impact mitigation agreement shall be entered into prior to the construction of the commercial wind energy facility. The agricultural impact mitigation agreement is binding on any subsequent wind energy operator that takes ownership of the commercial wind energy facility that is the subject of the agreement.
- 21 (d) The Department shall adopt rules that are necessary and 22 appropriate for the implementation and administration of 23 agricultural impact mitigation agreements as required under 24 this Act.

Section 20. Deconstruction activities.

- 1 (a) The commercial wind energy operator is responsible for 2 deconstruction of the commercial wind energy facility and for 3 all costs associated with deconstruction of that facility and 4 associated facilities.
  - (b) A commercial wind energy facility is presumed to be at the end of its useful life if (i) the commercial wind energy operator fails, for a period of 18 consecutive months, to operate a commercial wind facility for the purpose of which it was designed and installed and (ii) the commercial wind energy operator fails, for a period of 6 consecutive months, to pay the landowner moneys owed to him or her in accordance with the underlying agreement.
  - (c) The commercial wind energy operator shall begin deconstruction of the commercial wind energy facility within 8 months after the time the facility or turbine reaches the end of its useful life. Deconstruction must be completed within 18 months after the commercial wind energy facility reaches the end of its useful life.
  - (d) No less than 120 days prior to the beginning of construction, owners or operators of commercial wind energy facilities shall file with the Department a plan that includes:
    - (1) a copy of the agricultural impact mitigation agreement entered into by the owner or operator and the Department;
    - (2) the estimated deconstruction cost per turbine, in current dollars at the time of filing, for the proposed

commercial wind energy facility; and

(3) a comprehensive detailed description describing how the commercial wind energy owner or operator plans to pay for the deconstruction of the commercial wind energy facility.

The plan shall be prepared by an independent third party at the commercial wind energy operator's expense. The plan may be filed in separate portions, each also no less than 120 days prior to construction, involving each phase in which the commercial wind energy facility is to be constructed, if the facility is to be constructed in phases commencing at periods of more than one year following each other. The Department shall enter an order approving, modifying, or disapproving that plan.

(e) No less than 120 days prior to the beginning of construction of any commercial wind energy facility, the commercial wind energy owner or operator shall file with the Department a reclamation bond that is acceptable to the Department to cover the anticipated costs of deconstruction of the commercial wind energy facility or any turbine thereon. The reclamation bond shall not release the surety from liability until the bond is replaced. In determining the anticipated costs of deconstruction, the Department shall take into account, among other things, the information provided under subsection (d), the number of wind turbines and related commercial wind energy facilities involved, the original

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construction costs of the commercial wind energy facilities, the size and capacity of the wind turbines, the salvage value of the commercial wind energy facilities, and the construction method and techniques for the turbines and other commercial wind energy facilities. The Department shall examine the reclamation bond and enter an order approving, modifying, or the reclamation bond. The Department reevaluate the anticipated costs of deconstruction of any commercial wind energy facility every 5 years after its initial assessment or if there is a change in commercial wind energy facility's owner, operator, or reclamation bond, and, based on any reevaluation, require changes in the level of reclamation bond required from the commercial wind energy facility owner or operator. If the Department is unable to its satisfaction to perform any investigations necessary to enter an order approving any deconstruction plan filed by a commercial wind energy facility owner or operator, then the Department may select persons independent of the commercial wind energy facility owner or operator to conduct any necessary investigations and the commercial wind energy facility owner or operator shall bear the cost of any such investigations.

- (f) If the commercial wind energy operator does not complete deconstruction, the Department may take such action as necessary to complete deconstruction, including drawing upon the financial assurance required in subsection (e).
- 26 (g) If there is a change in ownership of the wind energy

- 1 facility, the commercial wind energy operator assuming
- 2 ownership of the facility shall provide notice within 30 days
- 3 to the Department of such change and the existing financial
- 4 assurance requirements for the facility as required in
- 5 subsection (e) will apply to the new operator.
- 6 (h) The Department has no authority or responsibility for
- 7 commercial wind facilities that have already been constructed
- 8 or permitted by decision of a county or municipality prior to
- 9 the effective date of this Act.
- 10 (i) The Department shall adopt rules that are necessary and
- 11 appropriate for the implementation and administration of
- deconstruction activities as required under this Act.
- 13 (j) In addition to any authority granted the Department
- 14 under this Act, the Department is also authorized to impose
- 15 reasonable filing fees and penalties. Fees and penalties
- 16 collected under this Act shall be deposited into the Wind
- 17 Energy Administration Fund, a special fund in the State
- 18 Treasury, to be used by the Department to fund the Department's
- 19 compliance with the obligations imposed by this Section.
- 20 Section 25. The State Finance Act is amended by adding
- 21 Section 5.826 as follows:
- 22 (30 ILCS 105/5.826 new)
- 23 Sec. 5.826. The Wind Energy Administration Fund.

- Section 99. Effective date. This Act takes effect upon 1
- 2 becoming law.".