RESPONSES TO LURC COMMENTS KIBBY WIND POWER PROJECT July 23, 2007

The following provides responses to LURC comments dated 7/9/07. Comments are provided in italics, followed by a specific response.

A. Title, Right, or Interest; and Financial Capacity

1. Title, Right or Interest

(a) Please provide an update of the status of the (option agreement for easement) title, right, or interest for the portion of the transmission line corridor where it would pass through the Maine Bureau of Parks and Lands parcel in Wyman Township. When will that become effective, and when will a final copy of the document, including a map showing the transmission line route, be submitted?

Response: On May 23, 2007, the Legislature passed L.D. 1913, a Resolve Authorizing the Department of Conservation, Bureau of Parks and Lands (BPL) To Convey Certain Lands. The bill was signed by the Governor on June 19, 2007 and becomes effective September 20, 2007. This legislation authorizes the state to convey to TransCanada the necessary easement rights for the transmission line to pass through land owned by BPL in Wyman Township. TransCanada will acquire an easement on only a portion of the larger area that is the subject of L.D. 1913, and is coordinating with the State on the terms and conditions of the final easement. A map showing the transmission line route and easement area is included with the accompanying Updated Information, and a copy of the L.D. 1913 is attached.

(b) In Exhibit B, regarding the title, right, and interest that TransCanada has in the parcels to be developed, there is a reference to areas on Kibby Mtn. and Kibby Range that were "released" in 2007. This appears to infer that these areas are now not a part of the easement granted to TransCanada. Please explain the meaning of the term 'released' as it is used here.

Response: There is no assertion in Exhibit B that any property was released in 2007, rather the only releases that took place occurred in 1994 and 1998. The term "release" refers to the fact that certain land areas that were included in the original 1992 S.D. Warren Easement (the "Easement Agreement") were subsequently released, i.e., are no longer subject to the Easement Agreement. The last page of Attachment H to Exhibit B shows the pertinent areas shaded to indicate the property that has been retained and is subject to the wind development easement. Those areas released in 1994 and 1998 are no longer subject to the Easement Agreement and are not part of the rezoning request. A better copy of Attachment H to Exhibit B to the LURC Application is attached.

(c) Please submit a legible version of Attachment D to Exhibit B.

Response: We have checked with the Somerset County Registry of Deeds and have confirmed that the most legible copy of that document is the one submitted with the application. A slightly better version has been found recorded at the Franklin County Registry of Deeds. To assist in your review, we have provided a magnified version of that document.

(d) Several conditions of the Option Agreement between GE Wind and TransCanada, which presumably must be met to make the agreement valid, have been redacted. I have been advised in the past by the Attorney General's office that if the provisions of a document can be legally kept confidential (for example, details reading protected financial information) then it may be redacted. However, in this document, it appears that a great more information has been redacted, and as such it is difficult to determine if the conditions of the agreement have been met, and that the title, right, or interest that TransCanada has remains valid. For example, the date by which the met towers would need to be installed and/or a LURC permit applied for is missing.

Also, was this Option, which appears was anticipated to be exercised in 2005, ever updated? If so, please submit the updated version. If not, please explain.

Response: The version in the application is the current option and as set forth in Paragraph 3 of that agreement, the option period extends to December 31, 2009, with an option to extend that period to December 31, 2012. The commercial terms that have been redacted are not necessary to demonstrate that TransCanada has the necessary rights to develop the project, but TransCanada is nonetheless willing to work with the Attorney General's office to determine whether additional information is needed.

(e) Has the title, right, or interest for all proposed turbine sites now been secured? If not, and any of the turbine sites are now not proposed, please provide an update.

Response: As discussed in the accompanying Updated Information, following further consultation with the landowner, TransCanada eliminated the acreage outside of the Easement Agreement that had been conditionally proposed for rezoning. Title, right or interest for the entirety of the 2,821 acres proposed for rezoning is covered by the Easement Agreement included in Exhibit B to the LURC Application.

(f) There are likely to be additional questions regarding the documents supplied in Exhibit B after a review by the Maine Attorney General's office has been completed.

<u>Response</u>: We will be prepared to respond to additional questions that may arise from the Attorney General's office review.

2. Financial Capacity. Section 1.5.3.2 states that TransCanada Maine Wind Development is a wholly owned subsidiary of TransCanada Pipeline USA. Was documentation of this relationship contained within any of the exhibits submitted? If not, please provide documentation for the file.

Response: Appendix 1-G of the LURC application contains a letter from Gregory Lohnes, Executive Vice President and Chief Financial Officer of TransCanada Corporation, confirming that TransCanada Maine Wind Development Inc. is a wholly owned subsidiary of TransCanada Corporation and that TransCanada Corporation has committed to advancing or funding the necessary obligations of TransCanada Maine Wind Development Inc. for the Kibby Project. TransCanada Pipeline USA is also a

¹ Note that this comments has been renumbered in order to follow the proper numerical sequence.

wholly owned subsidiary of TransCanada Corporation, as is documented in the letter previously submitted with the met tower application (attached).

B. Rezoning

1. When will the final ISO-NE System Impact Study be completed?

Response: The final ISO-NE System Impact Study is scheduled to be completed within the next month or so. A copy will be provided once available.

2. Public and Government Outreach

(a) Since the petition was submitted, has TransCanada held any other public information sessions, or conducted any other type of public outreach? If so, please list dates, locations, and the type of events. Also, please supply copies of any press releases TransCanada has done since the petition was submitted that have not already been submitted.

Response: Since the January media advisory, TransCanada has not issued any press releases pertaining to the project. A third public open house was held on May 31, 2007, at the Stratton Community Building. Approximately 50 people attended this public information session. An open house was also held for local contractors on June 27, 2007 at the Stratton Plaza. Approximately 25 local contractors attended to obtain general information about the project.

(b) Under "Public Outreach" in Section 3, you state that 'congressional staff' has been contacted. Please provide names, the type of contact, and outcome, if any.

Response: Outreach to congressional offices began well before TransCanada submitted its application to the LURC. These offices included the offices of Senators Snowe and Collins as well as Congressmen Michaud and Allen. E-mails have been sent to congressional energy staffers noting project open houses as well as project milestones, such as the application to the LURC and endorsement by key Maine environmental stakeholders. Most recently, the TransCanada was scheduled to meet with Congressman Michaud and Senator Snowe in June 2007. Both elected representatives were unable to attend the meeting at the last minute given congressional votes. However, TransCanada did meet with staff.

(c) Has TransCanada received any responses from the various Tribes that were contacted?

Response: Only one tribal response has been received. The Penobscot Nation response, dated 12/13/06, is included in Appendix 9-D of the Application.

(d) Has TransCanada received any recent input from the Environmental Protection Agency (EPA)? Section 3 shows that a presentation was made to EPA in 2005.

Response: No recent input has been received from the EPA. We anticipate inviting that agency to participate in pre-application discussions associated with the U.S. Army Corps of Engineers (USACE) relative to the Section 404 permit application federal review process.

3. Area to be rezoned. The map of the project area, which shows the outline of the parcels to be rezoned, includes several areas where no turbines or other development would be located. What is the reason for these areas to be included in the parcels to be rezoned? In particular, note the bottom portion of the middle leg of Series A, the north end of Series B, and the southwest leg of Series B.

Response: The proposed rezone area is consistent with the entirety of the so-called B Series and the majority of the A Series that are subject to the exclusive wind development rights under the Easement Agreement. As noted in Section 2 of the Application, only a small portion of the D-PD zone will be impacted by development activities. The additional acreage included in the D-PD zone, however, provides for flexibility with respect to setbacks, noise limits, and adjustment of project elements during the permitting process. As with other wind power projects, there are many areas with the proposed D-PD zone that will not be affected by the development.

4. 400 foot setback from D-PD Subdistrict boundary. LURC's rules require good cause to be shown if structures proposed within a D-PD Subdistrict would be set back from the property boundary line less than 400 feet. While the petition states that the distance would be less than 400 feet for three turbines, good cause was not shown, and it was not demonstrated that the abutting landowner (Plum Creek, co-petitioner) finds the reduced setback acceptable.

Response: Additional information in this regard was provided on April 13, 2007, in response to item 9 of your February 20, 2007 letter. That additional information provides an explanation of the basis for the location of the three turbines in question. TransCanada is coordinating with Plum Creek, which is a co-applicant, the underlying fee owner and the adjacent landowner, regarding locations where the turbines may be located less than 400 feet from the edge of the proposed rezone area.

5. Consistency with the CLUP

(a) Section 4.1.1.4 of the petition discusses the CLUP's principle value of remoteness (CLUP, p. 114) in relationship to the proposed development. This section should be expanded upon.

Response: A separate narrative will be provided to address this issue.

(b) Section 4.1.3.2 of the petition alludes to a U.S. Department of Energy statement about the jobs per dollar invested provided by wind energy, but no citation was given. Please provide the citation, or if possible, a copy of the report.

Response: See the U.S. Department of Energy website, available at: http://www.eere.energy.gov/de/wind_power.html

(c) Section 9.2.2 (page 9-8) of the petition discusses the number of jobs that would be created during the two-year construction period, and indicates that many of these jobs will require specialized construction personnel who will be located in the region for the two-year period. Earlier in the petition, there are statements about the possibility that many of the construction jobs could be filled by people living in the region. This appears to be inconsistent. Please explain.

<u>Response</u>: Both statements are true. While many specialized jobs are required for installation of the proposed wind turbines and associated elements, TransCanada expects many of the workers to be from the local area. This expectation was reinforced by the strong attendance (approximately 25 contractors) at the recent contractor open house held to provide information about the project.

(d) Although the transmission line was mentioned briefly, much of the discussion on the consistency with the CLUP in Section 4 does not address that portion of the project. To what extent was this aspect of the project taken into account? Please elaborate.

Response: The transmission line is an approved use in each of the subdistricts it traverses and, therefore, the Commission has determined through rulemaking that such a use is consistent with the CLUP. In addition, the discussion contained in Section 4.1 of the application relates to the project as a whole, including the transmission line. This analysis of CLUP consistency included consideration of the transmission line in addressing the following relevant goals of the jurisdiction: maintaining diverse and abundant recreational opportunities (4.1.1.2); energy resources (4.1.2.4); forest resources (4.1.2.5); recreational resources (4.1.2.8); wetland resources (4.1.2.9); wildlife resources (4.1.2.10); location of development (4.1.3.1); site review (4..3.3) and; infrastructure (4.1.3.4). Many of these issues are also addressed as part of the LURC approval criteria Section V-3 of the application.

(e) Would the turbine areas be accessed by the public, for example for users of ATVs, snowmobiles, hunters, or other recreationalists, or would these areas be gated? If accessible, are there liability concerns?

<u>Response</u>: No gates are planned for the project. To the extent the landowner allows public access, there is no reason why this could not continue. Safety signage will be posted to prohibit access of the turbines.

6. Expected impacts and availability of services. Exhibits E and F of the petition state that responses to TransCanada's requests for letters evaluating the expected impacts of the rezoning and confirming availability of services would be submitted as soon as they are received. Have all of these letters now been received? If so, please submit any that have not already been submitted to the file. If not, please explain when they are expected to be available. Include a list of those for which responses have been received, and those that have not.

Response: The following letters have been received: Maine Forest Service; Eustis Fire Chief; and Franklin County Commissioners. The only outstanding letter is from the Franklin County Sheriff's office; this is anticipated in the near future.

7. Air emissions avoided. Section 6.2, Table 6-1, provides emissions displaced from 2009 to 2013 by the proposed wind farm. The amounts displaced decrease each year. Please explain.

Response: As discussed in the emissions displacement analysis in Appendix 2-F, TransCanada's forecast of emissions displacement was calculated based on ISO-New England's New England Marginal Emissions Rate Analysis report. The marginal emissions rate is calculated by ISO-New England based on actual hourly generation data, and reports, on an hour-by-hour basis, the emissions profile of the "marginal unit" (the last unit dispatched). This is the unit that would be displaced in the dispatch queue if the Kibby Wind Power Project were operational. The most current marginal emissions rate analysis available was for the year 2004. Projecting into the future, some change in the marginal emissions rate is expected, as the mix of generation resources in the dispatch queue changes over time.

Since the late 1990's, marginal emission rates in New England have dropped steadily as nearly 10,000 megawatts of new, natural-gas fired generation was added in the region, and many of these facilities sometimes represent the last unit dispatched in any given hour. The marginal emissions rate is not likely to have changed significantly since 2004 as very few new generation capacity additions have occurred over this timeframe. For the period 2010-2013, however, marginal emission rates are predicted to again decrease with the expected addition of new generation resources which will have lower emission rates than the current fleet average, and many of these new resources will sometimes represent the marginal unit (see Figure 1 on p 8. in Appendix 2-F).

8. Wind Resource Assessment. Section 2.1.1 states that a preliminary assessment of the wind resource at the site was conducted by Garrad Hassan (Appendix 2-A). When will the final assessment be completed, and will it be made available?

<u>Response</u>: The final assessment, attached, confirms the exceptional wind resource available to the Kibby Wind Power Project.

9. Utilizes best reasonably available site. Section 4.3.1.3 of the petition states that a potential wind farm site must include reasonable access to the regional electrical transmission system. In the case of the proposed Kibby Wind Farm, the distance to the Bigelow Substation is 27 miles. Please explain why this distance is considered to be a reasonable distance for a viable project.

Response: Reasonable access to the regional electrical transmission system must be considered within the context of the quality of the wind resource. Due to the superior natural of the wind resource at the Kibby Wind Power Project site, project economics can support as reasonable the proposed 27-mile electrical interconnection. This distance is shorter than the transmission line associated with another wind power project currently pending before LURC.

C. Development

1. Table 1-4 indicates that there are 4 turbine strings proposed on Kibby Mtn. and 7 turbine strings proposed on Kibby Range. Please define 'turbine string".

<u>Response</u>: The term "string" is being used here to loosely describe an approximately linear grouping of wind turbines.

2. Is a crane assembly area planned at each turbine pad (see Figure 2-9)? If so, is this necessary, or can the crane be assembled at one location, and then moved from pad to pad, thereby minimizing the amount of clearing needed?

<u>Response</u>: To provide the most conservative estimates of impacts, a crane assembly area is depicted for each proposed turbine construction area, however, crane assembly will not occur at each turbine location. Project layout allows for crane travel between turbine sites, where practical, without the need for time-consuming dis-assembly and reassembly.

3. Please submit a better copy of Figure 2-16. It did not copy clearly, making the topographic contours illegible.

Response: A more legible copy of Figure 2-16 is attached.

4. Roads to be constructed through wetlands must follow Section 10.27,D,3 of the Commission's <u>Land Use Districts and Standards</u>.

Response: Section 10.27,D,3 speaks to first avoiding and minimizing wetland impacts, then addresses maintaining drainage. Identification of roadway design and construction measures for maintenance of flow has been a significant focus of discussion between TransCanada, LURC, and the Maine Soil Scientist, and is reflected in the Application. A reference to these requirements will be included in the design/build specifications.

5. Will all utility lines in or near the areas to be rezoned, which included those within the turbines strings and the collector line system connecting the wind farm to the new substation, be above-ground? Have opportunities to place these lines underground been explored?

Response: The installation of utility lines underground has been considered, however, the installations will be above ground to minimize costs and impacts, including potential impacts due to excavation, blasting of rock and drainage issues. The visual issues associated with the above ground collector system were evaluated and determined not to be significant.

6. Please provide any documentation or information needed to update the file as to the route the transmission line would take where it would pass under the Appalachian Trail and Route 27, included any permits that will be needed from the NPS or the MDOT.

Response: With the revised alignment for the 115 kV transmission line, the transmission line will be underground as it crosses the Appalachian Trail and within the Route 27 right-of-way. According to Don Owen of the National Park Service, no permits are required from the National Park Service for such an underground installation.

TransCanada will need to obtain approval from MDOT in accordance with 35-A MRSA §2503 and Chapter 210 of MDOT regulations.

7. Was the visual impact of the utility lines considered? This would include the lines in the turbine string areas, the lines leading to the new substation, and the 115 kV line. In respect to the taller profile of the poles proposed to be used, are there any visually sensitive areas where the use of a shorter pole might be advantageous?

<u>Response</u>: The visual impact of the utility lines was considered. Additional consideration has been given, as well, to the potential impact associated with the now-proposed single pole structures along the existing Boralex right-of-way. No indication that a shorter pole would be advantageous has been identified.

8. The plan for the new substation states that the footprint may change, based on the grounding grid requirements and soil type. What is the maximum possible size for this area, and when will the final design be completed?

Response: Conservative soil conductivity values have been selected for preliminary design; therefore, the current footprint is the expected maximum. Final design will be completed for submittal following geotechnical work during the final plan approval process.

9. Lighting

(a) Section 4.3.2.4 of the petition states that the Federal Aeronautics Administration (FAA) requirements for the turbine lighting would be met, but did not address LURC's standards for lighting in Section 10.25,F,2 of the Commission's <u>Land Use Districts</u> and Standards.

Response: It is anticipated that lighting associated with the project (at turbine sites, switchyard and operations building), with the exception of FAA safety lighting, will be activated by motion sensors, and therefore, will be exempt from the lighting standards of Section 10.25.,F,2.

(b) When will the final FAA approved lighting plan be available?

Response: The final FAA approved lighting plan has been received for the layout submitted, as provided in the Application. TransCanada will submit a revised layout to the FAA once the final plan is developed. It would be expected that the primary features of the lighting requirements will remain similar to that already issued.

(c) Section 9.6.2, which addresses the visual impacts of the project, mentions that the turbines would be lit at night, and earlier in Section 4 there was discussion of the FAA requirements for lighting the turbines, but there appears to be no discussion of the two year period during which nighttime lighting for construction would be likely. What are the plans for nighttime lighting during the construction period?

Response: Once a given turbine is erected, the specified lighting requirements would need to be installed and operational. It is anticipated that construction cranes could also require FAA safety lighting; any such requirements would be utilized during the construction period.

(d) The lighting proposed for the service building area must meet the provisions of Section 10.25,F,2 of the Commission's Land Use Districts and Standards.

Response: See response to Comment 9.a.

- 9. Areas to be cleared.² Throughout the petition, I noted several different versions of the size of the areas to be cleared (for example, Section 5 vs. Section 7). Please review these variations, and reconcile them. The amounts of areas to be cleared need to be clearly stated and consistent throughout, and should include, at a minimum, the maximum areas to be cleared for:
 - The turbines, roads and collector lines above 2,700 feet
 - The roads, collector lines, substation, maintenance and operation building, laydown and storage areas, and concrete batch plant, below 2700 feet
 - The 115 kV transmission line within LURC jurisdiction

In addition, each of these areas should be broken out into what will be temporary and what will be permanently cleared areas.

Response: The areas in Section 7 reconcile with the areas stated in Table 2-3, although Table 2-3 identifies the total cleared area during construction with a breakdown of the temporary and permanent clearing, whereas Table 7-1 shows only the total cleared during construction and the permanently cleared areas. In both cases, the 115 kV transmission line is excluded. Descriptions of clearing in Section 5 are more general and are consistent as well. In order to clearly represent the above information, as revised due to project refinements discussed in Updated Information, a new summary table is attached.

- 10. Construction schedule and related issues.
 - (a) The clearing, both above and below 2,700 feet in elevation during winter, is proposed to be done under frozen conditions. Please elaborate on why it is important to do the clearing under frozen conditions, and why this schedule is important to the success of the project.

Response: The project is targeting a 2009 in-service date, and is actively marketing power to potential Maine users. In order to achieve this schedule, TransCanada is proposing to begin construction during the winter of 2007 – 2008. By conducting clearing during frozen ground conditions, potential indirect impacts can be minimized without the need for special construction techniques and/or restoration. The potential for erosion and sedimentation is extremely limited, and ground disturbance would be at a minimum. If such work were to occur in non-frozen conditions, the potential for indirect impact would be greater, as would cost and time associated with the need for the use of special construction techniques and restoration measures such as equipment mats or erosion control devices.

² Note that this comment has the same number as the preceding; this has not been revised, since so many numbered comments follow.

(b) The petition approaches the period of construction as a temporary impact, even though the construction would occur over a two-year period. Because of the length of time required for construction, the Final Development Plan must address how the construction workers would be provided with office and parking space, wastewater disposal, etc., and how all disturbed soils (including stored over-burden, etc.) would be stabilized.

Response: The Application provides general information about worker accommodations during construction and measures for stabilizing disturbed soils. The Final Development Plan will address how the construction workers will be provided with office and parking space, wastewater disposal, etc., and how all disturbed soils will be stabilized.

(c) In Section 8.4.1, the possible use of holding tanks for waste water disposal during the two-year construction period is suggested. I believe that as a first time installation, holding tanks may not be allowed under the Maine State Plumbing Code, but I do not know if there is an option for the type of use you propose. You will have to check with The Maine Department of Health and Human Services, Division of Health Engineering.

Response: The project will use portable toilets for construction serviced by a private contractor. The reference to flush toilets to holding tanks in Section 8.4.1 should be eliminated.

11. Jobs provided. Section 8.4, Table 8-2, shows the estimated number of construction personnel as 150, but elsewhere in the petition, the number of workers stated is 250. Unless I am misunderstanding this, the sanitary system requirement calculations need to be revised. Also, please note that Table 9-1 in the Section discussing Economic Impacts portrays the number of workers to be 200, rather than 150 or 250.

Response: The maximum number of 150 construction workers stated in Table 8.4, Table 8-1 and 8-2 relates to the maximum number of workers who may be at the Construction Control Center and Parking, whereas 250 is intended to represent the maximum number of construction workers estimated to work on the Kibby Wind Power Project; not all will visit the Construction Control Center and some may not be on any of the project work sites. Construction will be carried out by approximately 15 separate work teams spread between 10 work sites and the normal complement of the Construction Control Center and Parking is expected to be approximately 40 persons. A slightly lower number (200) was used for the economic analysis in order to conservatively represent economic benefits associated with the project construction period.

12. Please submit a copy of the study done by Dr. Charles Crogan, University of Southern Maine, referenced in the Franklin County Chamber of Commerce letter.

Response: The report was included as Appendix 9-A of Volume IV of the LURC Application.

13. Transportation. For the Final Development Plan, a detailed description of the transportation plan, which includes problem areas and how each will be handled, should be submitted.

Response: TransCanada will provide this information in the Final Development Plan.

14. Geotechnical borings. At what stage of the development will the geotechnical borings be done to allow decisions about the type of foundation needed at each proposed turbine site, and to allow the final selection of 44 of the 46 possible sites? Although not strictly required for the Preliminary Plan, it would be helpful for the review to submit any of this information if it is now available. However, geotechnical boring information, and the resultant decisions about foundation type and road locations on steep slopes in particular, must be included with the proposed Final Plan.

<u>Response</u>: Geotechnical investigations will be undertaken at the commencement of the detailed design phase to confirm the foundations designs and for submission with the Final Development Plan.

15. Blasting Plan. A draft blasting plan must be submitted with the proposed Final Development Plan.

Response: TransCanada will provide a draft blasting plan with the proposed Final Development Plan.

16. Seismic Analysis. In Section 5.4 of the petition, a seismic map of the United States was submitted, but this map is very general and does not provide detail for Maine. Is a seismic map available for Maine? If so, please submit a copy.

Response: A more detailed map is attached.

- 17. Service Building Site.
 - (a) Section 5.2.4 of the petition states that a specific site for the septic system has not been chosen. Has a soil investigation of this parcel been conducted adequate to determine that the site will support the proposed septic system?

<u>Response</u>: This work will be conducted as a part of the project's geotechnical investigation. A preliminary soil suitability review conducted by S.W. Cole is attached to indicate that the site likely to support the proposed septic system.

(b) Section 5.5.3 of the petition states that if suitable soils are not available [for the service building] then soils would be brought in. I believe that under the Maine Plumbing Code, adequate natural soils must occur on the site for a septic system to be installed. LURC's statutory criteria for approval of a development permit also states that adequate soils must exist on-site.

Response: Based upon preliminary review, it appears acceptable soils exist. LURC and Maine Plumbing Code criteria will be addressed in the design of this project element.

D. Environmental assessment

1. Groundwater.

(a) Section 4.3.2.4 of the petition states that temporary dewatering of turbine foundation areas may be necessary during construction, but that the process would not adversely impact the groundwater table. However, because the catchment of high elevation streams likely includes some of the proposed turbine sites, there may be the potential for temporary impacts to down-gradient stream flow. The Final Development Plan should include an evaluation of the turbine foundation areas where this is a possibility (for example, where a stream starts down-gradient from the site and a drainage swale directly connects the stream and the turbine site), and how the impacts would be minimized.

Response: This information will be included in the Final Development Plan.

(b) Section 8.2 discusses the potential for a well sufficient to supply the concrete batch plant, noting the location of sand and gravel deposits that potentially may yield more than 50 gallons per minute (gpm) approximately 2 miles from the development area. This section then discusses the need for a well to supply 60 gpm for the batch plant. However, the petition also states that the final determination of where the well would be, which I assume infers where the batch plant would have to be located, would be made for the Final Development Plan. Given that the possibilities of installing both a septic system (see #C, 17, above) and drilling a well for concrete production at the proposed service building site on Route 27 have not yet been verified, what is the potential that the service area location will have to be changed?

Response: Local well drillers have been contacted with regard to the proposed wells. It has been determined that two wells, and a water storage tank, will likely be needed to meet project construction demands. The current location of the proposed service area is, according to local well drillers, in an area anticipated to meet this demand, and this location is unlikely to change.

(c) Assuming 28,000 gallons of water per 8 hours of use pumped from the well, and 44 foundations, the total water needed for the foundations would be 1,232,000 gallons. If one foundation is prepared per day, then this would mean the well would be in use for 44 days, and there would be a 16 hour resting period for the well after 8 hours of continuous pumping. Is this correct? Would the foundation preparation be continuous, or would there be a period of several days between each?

Response: The stated assumptions do provide a basis for the water demand, although actual demand will reflect construction schedule. The foundation preparation is expected to be continuous (that is, workers will move from one completed foundation to the next) throughout normal construction workdays.

(d) Section 8.2.4 states that a SPCC Plan would be developed within six months of beginning oil storage at the site. However, a SPCC Plan, at least in draft form, must be submitted as a part of the Final Development Plan so that it may be reviewed as a part of the permit. Also, a map showing the location(s) of the sand and gravel aquifer (to the extent it is known) should be submitted.

Response: A draft SPCC Plan will be submitted as part of the Final Development Plan. Sand and gravel aquifer mapping available for Franklin County does not extend into Kibby Township.

(e) In regard to withdrawal of large quantities of water, in addition to MDEP's rules for reporting of large groundwater withdrawals and LURC's statutory criteria of no undue adverse impact, the language in 12 MRSA, Section 685-B(4)(C) of LURC's statute applies.

Response: Appropriate LURC standards will be applied to design of this project element.

(f) Also in regard to the production of concrete, please state how the additive chemicals needed to produce the concrete would be stored and handled.

Response: The construction SPCC plan will include details for chemicals such as concrete additives. Materials will be stored and handled in accordance with American Concrete Institute codes, LURC standards, and good construction practices.

- 2. Wetland Impacts and Vernal Pools.
 - (a) The petition states that there would be:
 - 1.64 acres of wetlands to be filled and 0.28 acres of wetland altered by clearing of the tree layer for the development within the D-PD Subdistrict; and
 - 0.08 acres of wetland to be filled, and 38 acres of wetlands altered by clearing of the tree layer for the transmission line outside the D-PD Subdistrict.

Have all opportunities for avoidance and minimization been explored? I noted that several of the species listed under the characterization of the wetlands are not generally considered to be wetland indicators (e.g., hobblebush, zigzag goldenrod, mountain maple, red spruce, etc.), which suggests that the total area of wetland impact, in particular forested wetlands, may have been over-estimated in a justifiable effort to be conservative.

Response: A detailed wetland delineation effort has occurred for wind turbine area and along the 115 kV transmission line corridor. Although some upland species occur within delineated wetland areas, this is not uncommon; wetland definitions require a balancing of several parameters, including percentages of species types. An effort has been made to carefully define wetland boundaries (including extensive QA/QC efforts and visits to the field by LURC, USACE, DEP and the Maine Soil Scientist to discussion delineation techniques), so the basis for wetland avoidance could be well understood.

TransCanada has adjusted layout carefully and explored all potential means for avoiding and minimizing wetland impacts. In fact, this consideration has continued, as additional engineering investigations have now confirmed that wetland impact associated with improvements to existing access roads will not be necessary. The revised totals for wetland fill impacts are less than 1.5 acres, as follows: 0.465 acre associated with Series A wind turbine project elements; 0.954 acre associated with Series B wind turbine project elements; and 0.03 acre associated with the 115 kV transmission line.

(b) Acknowledging that 0.1 acre of the fill is for crossing of streams by roads, which would not count toward compensation under LURC's rules, the extent of wetland impacts for the entire project may nevertheless require compensation due to the extent of P-WL2/3 wetland impacts proposed. For the final wetlands report submitted with the Final Development Plan, I suggest a careful examination of these areas to be certain that all are indeed jurisdictional wetlands, and if they are, then a compensation plan would need to be developed.

Response: TransCanada is prepared to carefully consider the potential need for compensation as a part of the Final Development Plan. Given the minimal level of wetland fill proposed and that the proposed alterations will not result in a loss of functions and values, no significant compensation need is anticipated.

(c) While the petition acknowledges the MDEP's new vernal pool regulations, it does not make clear that these rules do not apply in LURC jurisdiction, and that vernal pools are regulated under LURC's wetland rules, with review by the MDIFW. As the petition notes, the ACOE will administer its own rules in regard to vernal pools separately during its review of the project.

<u>Response</u>: Information regarding vernal pools was provided as important characteristics of some site areas. We understand that LURC will review project impacts under its wetland rules.

3. Protected natural features. Section 8.5.1.2 of the petition discusses (pages 8-18 to 8-20) the potential for impacts to Galium kamtschaticum (S-2) and Pyrola minor (S-2). Please note that Section 10.25,E,2,a of the Commission's <u>Land Use Districts and Standards states</u>:

"If any portion of a subdivision or commercial, industrial or other non-residential project site includes critically imperiled (S-1) or imperiled (S-2) natural communities or plant species, the applicant shall demonstrate that there will be no undue adverse impact on the community and species the site supports and indicate appropriate measures for the preservation of the values that qualify the site for such designation."

<u>Response</u>: Detailed information was provided in the Application with regard to the locations of these species and the mitigation measures proposed to avoid undue adverse impact. Based upon review of the Application by MNAP (in addition to a site visit by Don Cameron of MNAP), MNAP correspondence to LURC appears to concur that no harm to related values will result from the proposal.

4. Was U.S. Fish and Wildlife Service consulted regarding the pre- and post construction avian studies? If not, why not?

Response: The U.S. Fish and Wildlife Service (USFWS) has been invited to all agency meetings pertaining to species issues, and had the opportunity to comment on preconstruction avian study protocols as well as on the studies once completed. USFWS has also been in attendance at meetings where post-construction studies have been discussed. We anticipate that further discussions will be held prior to finalizing a plan for post-construction avian studies, and intend to continue to include USFWS in the discussions held with MDIFW.

E. Miscellaneous

1. Other permit applications. When will the permit applications for the transmission be filed with the ACOE, MDEP, and the Towns of Eustis/Stratton and Carrabassett Valley?

Response: The DEP application for the 115 kV transmission line was filed on 6/29/07. We anticipate pre-application meetings in the near future with USACE, and the Towns of Eustis/Stratton and Carrabassett Valley in order to move forward with those applications. No specific schedule for those filings has been established.

2. Maine Historic Preservation Commission (MHPC) survey. When will the survey of the three locations along the transmission line required by the MHPC discussed in Section 9.5.1 (and Appendix 9-D) be competed? Will it be submitted to the LURC prior to the public hearing?

Response: The survey has been completed, and documentation is in process. No cultural resources were identified as a result. The report will be submitted to MHPC for review in the near future, with a copy provided to LURC prior to the hearing.