



STATE OF VERMONT
JOINT FISCAL OFFICE

MEMORANDUM

To: James Reardon, Commissioner of Finance & Management
From: Nathan Lavery, Fiscal Analyst
Date: August 25, 2011
Subject: JFO #2512, #2513, #2514, #2515, #2516

No Joint Fiscal Committee member has requested that the following items be held for review:

JFO #2512 — Request from the Vermont Department of Labor to establish five limited service positions to increase the department's ability to re-employ unemployment claimants and reduce erroneous payments. These positions will be funded through an increase in grant funding from the U.S. Department of Labor.

[JFO received 7/18/11]

JFO #2513 — \$1,201,250 grant from the U.S. Department of Labor to the Vermont Department of Labor. These funds will be used to employ 75 unemployed Vermonters in the running of a temporary relief program for victims of the April 2011 flooding.

[JFO received 7/22/11]

JFO #2515 — \$500,000 grant from Maidstone Rehold, LLC to the Vermont Department of Fish and Wildlife. These funds will be used to conduct a GPS-based bear study to evaluate the impact of the Deerfield Wind Project on bear habitat.

[JFO received 7/25/11]

JFO #2516 — \$248,800 donation from Maidstone Rehold, LLC to the Vermont Department of Fish and Wildlife. This amount represents the value of three parcels of land (3.14 acres) being donated.

[JFO received 7/25/11]

The Governor's approval may now be considered final. We ask that you inform the Secretary of Administration and your staff of this action.

cc: Annie Noonan, Commissioner
Patrick Berry, Commissioner



STATE OF VERMONT
JOINT FISCAL OFFICE

MEMORANDUM

To: Joint Fiscal Committee Members
From: Nathan Lavery, Fiscal Analyst
Date: August 4, 2011
Subject: Grant Requests

Enclosed please find four (4) requests that the Joint Fiscal Office has received from the administration.

JFO #2513 — \$1,201,250 grant from the U.S. Department of Labor to the Vermont Department of Labor. These funds will be used to employ 75 unemployed Vermonters in the running of a temporary relief program for victims of the April 2011 flooding.
[JFO received 7/22/11]

JFO #2514 — Fee request from the Board of Medical Practice. The proposed fee would cover the cost of credit card processing related to online licensing of Vermont doctors. The Board of Medical Practice has worked with the Department of Information and Innovation and the Vermont Information Consortium to develop this system.
[JFO received 7/25/11]

JFO #2515 — \$500,000 grant from Maidstone Rehold, LLC to the Vermont Department of Fish and Wildlife. These funds will be used to conduct a GPS-based bear study to evaluate the impact of the Deerfield Wind Project on bear habitat.
[JFO received 7/25/11]

JFO #2516 — \$248,800 donation from Maidstone Rehold, LLC to the Vermont Department of Fish and Wildlife. This amount represents the value of three parcels of land (3.14 acres) being donated.
[JFO received 7/25/11]

Please review the enclosed materials and notify the Joint Fiscal Office (Nathan Lavery at (802) 828-1488; nlavery@leg.state.vt.us) if you have questions or would like an item held for legislative review. Unless we hear from you to the contrary by August 18 we will assume that you agree to consider as final the Governor's acceptance of these requests.

STATE OF VERMONT
GRANT ACCEPTANCE FORM

JFO 2515

GRANT SUMMARY: Title: Deerfield Wind Project – Bear Study

This is a request for approval of a grant of \$500,000.00 to fund a GPS-based bear study to evaluate the impact of the Deerfield Wind Project on bear habitat.

DATE: July 21, 2011

DEPARTMENT: Fish and Wildlife (ANR)

GRANT / DONATION: \$500,000.00 to fund a GPS-based bear study to evaluate the impact of the Deerfield Wind Project on bear habitat.

FEDERAL CATALOG No.: N/A

GRANTOR / DONOR: Maidstone Rehold, LLC Parcels, Maidstone, VT

AMOUNT / VALUE: \$500,000.00

POSITIONS REQUESTED: None

GRANT PERIOD:

COMMENTS: See attachments.

A DEPARTMENT OF FINANCE AND MANAGEMENT:
SECRETARY OF ADMINISTRATION
SENT TO JOINT FISCAL OFFICE:

(INITIAL) *[Signature]*
(INITIAL) *[Signature]*
DATE: 07/22/11

STATE OF VERMONT REQUEST FOR GRANT ACCEPTANCE (Form AA-1)

BASIC GRANT INFORMATION				
1. Agency:	Natural Resources			
2. Department:	Fish and Wildlife			
3. Program:	Deerfield Wind Project - Bear Study			
4. Legal Title of Grant:	Deerfield Wind project			
5. Federal Catalog #:	n/a			
6. Grant/Donor Name and Address:	Deerfield Wind, LLC Geoffrey H. Hand, Esq. Shems Dunkiel Raubvogel & Saunders 91 College St. Burlington, VT 05401			
7. Grant Period:	From:	1/1/2011	To:	12/31/2025
8. Purpose of Grant:	To fund a GPS based bear study to evaluate the Project's indirect impact on bear use of habitat adjacent to the facility.			
9. Impact on existing program if grant is not Accepted:	This study will provide biologists information that can be used on future wind projects.			
10. BUDGET INFORMATION				
	SFY 1	SFY 2	SFY 3	Comments
Expenditures:	FY 2012	FY 2013	FY 2014	
Personal Services	\$209,400	\$104,700	\$104,700	
Operating Expenses	\$40,600	\$20,300	\$20,300	
Grants	\$	\$	\$	
Total	\$250,000	\$125,000	\$125,000	
Revenues:				
State Funds:	\$	\$	\$	
Cash	\$	\$	\$	
In-Kind	\$	\$	\$	
Federal Funds:	\$	\$	\$	
(Direct Costs)	\$	\$	\$	
(Statewide Indirect)	\$	\$	\$	
(Departmental Indirect)	\$	\$	\$	
Other Funds:	\$	\$	\$	
Grant (source)	\$250,000	\$125,000	\$125,000	
Total	\$250,000	\$125,000	\$125,000	
Appropriation No:	6120000000		Amount:	\$500,000
				\$
				\$

STATE OF VERMONT REQUEST FOR GRANT ACCEPTANCE (Form AA-1)

		\$
		\$
		\$
		\$
	Total	\$500,000

PERSONAL SERVICE INFORMATION

11. Will monies from this grant be used to fund one or more Personal Service Contracts? Yes No
 If "Yes", appointing authority must initial here to indicate intent to follow current competitive bidding process/policy.
 Appointing Authority Name: _____ Agreed by: JB (initial)

12. Limited Service Position Information:	# Positions	Title
Total Positions		

12a. Equipment and space for these positions: Is presently available. Can be obtained with available funds.

13. AUTHORIZATION AGENCY/DEPARTMENT

I/we certify that no funds beyond basic application preparation and filing costs have been expended or committed in anticipation of Joint Fiscal Committee approval of this grant, unless previous notification was made on Form AA-1PN (if applicable):

Signature: <u>[Signature]</u>	Date: <u>6/15/11</u>
Title: Commissioner, Department of Fish and Wildlife	
Signature: <u>[Signature]</u>	Date: <u>6-27-11</u>
Title: ANR Secretary	

14. SECRETARY OF ADMINISTRATION

Approved: _____ (Secretary or designee signature) Date: 07/22/11
Deputy

15. ACTION BY GOVERNOR

Accepted Rejected
 (Governor's signature) _____ Date: 7/29/11

16. DOCUMENTATION REQUIRED

- Required GRANT Documentation**
- | | |
|---|---|
| <input type="checkbox"/> Request Memo | <input type="checkbox"/> Notice of Donation (if any) |
| <input type="checkbox"/> Dept. project approval (if applicable) | <input type="checkbox"/> Grant (Project) Timeline (if applicable) |
| <input type="checkbox"/> Notice of Award | <input type="checkbox"/> Request for Extension (if applicable) |
| <input type="checkbox"/> Grant Agreement | <input type="checkbox"/> Form AA-1PN attached (if applicable) |
| <input type="checkbox"/> Grant Budget | |

End Form AA-1

Black Bear Wind Study Budget - Draft

Personnel - principal biologist for 8 years @ PG21 (\$46,550/year) \$372,400
- technician for 6 mo. for first year \$ 17,500

Vehicle - for 8 years (\$3000/year) 24,000
- gasoline 3,000

GPS Collars

Purchase of 14 collars (\$1800 ea.) \$ 25,200
Annual refurbishing of 12 collars (\$1200/yr for 6 years) \$ 6,000

Capture Equipment & Supplies

Initial equipment (snares, traps, jab stick, etc) \$ 5,000
Capture Drugs (Telazol @ \$40/vial (150 vials) \$ 6,000
Houndsmen (emergency capture work) \$ 2,000
Flight time (once per year post-den up) (\$700/yr) \$ 4,900

Stress Hormone Analysis (optional) \$20,000

Data Analysis

Computer, software, maps, etc \$3,000
Meetings and workshops \$2,000
Misc. Supplies \$1,000

Final Report

Printing \$4,000
Peer review \$2,000
Presentations, workshops, conferences \$2,000

Total Budget \$ 500,000

11/10/10
SHEMS DUNKIEL RAUBVOGEL & SAUNDERS PLLC

REBECCA E BOUCHER*
ELIZABETH H CATLIN
BRIAN S DUNKIEL**
EILEEN I ELLIOTT
GEOFFREY H HAND

JESSICA A OSKI
ANDREW N. RAUBVOGEL
MARK A SAUNDERS
RONALD A. SHEMS*
KAREN L TYLER

RECEIVED

NOV 12 2010

November 10, 2010

By First Class Mail

Mrs. Susan Hudson, Clerk
Vermont Public Service Board
112 State Street, Drawer 20
Montpelier, VT 05620-2701

Re: Docket No. 7250 – Deerfield Wind Project

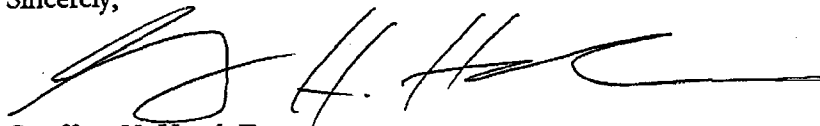
Dear Mrs. Hudson:

Deerfield Wind, LLC, the Vermont Agency of Natural Resources (ANR), and the Vermont Natural Resources Council (VNRC) are pleased to report that they have reached agreement on the scope of bear studies they believe will satisfy Conditions 10 and 12 of the Certificate of Public Good issued by the Board in this docket. The enclosed Stipulation reflects the agreement the three parties have reached on these two conditions.

Deerfield Wind, ANR, and VNRC respectfully request that the Board approve the proposal outlined in the attached Stipulation as soon as possible so that necessary preparations for the GPS study can commence promptly.

Please let me know if you have any questions.

Sincerely,



Geoffrey H. Hand, Esq.
SHEMS DUNKIEL RAUBVOGEL & SAUNDERS PLLC

cc: Service List

Encl.

**STATE OF VERMONT
PUBLIC SERVICE BOARD**

Docket No. 7250

Amended Petition of Deerfield Wind, LLC for a certificate)
of public good authorizing it to construct and operate 17 turbine,)
34 to 35.7 MW wind generation facility, and associated transmission)
and interconnection facilities, on approximately 80 acres in the)
Green Mountain National Forest, located in Searsburg and)
Readsboro, Vermont, with 7 turbines to be placed on the east side)
of Route 8 on the same ridgeline as the existing GMP Searsburg)
wind facility (Eastern Project Area), and 10 turbines along the)
ridgeline to the west of Route 8 in the northwesterly orientation)
(Western Project Area))

STIPULATION

With respect to the above-referenced Deerfield Wind Project ("Project"), Deerfield Wind, LLC ("Deerfield Wind"), the Vermont Agency of Natural Resources ("ANR"), and the Vermont Natural Resources Council ("VNRC") (collectively, "the Stipulating Parties") stipulate as follows with respect to the bear study required by Condition 10 and Condition 12 in the April 16, 2009 Certificate of Public Good ("CPG"):

Whereas, although the Stipulating Parties have continuing disagreements about the ultimate efficacy of different study approaches, they agree that the study requirements of Condition 10 will be satisfied by the snag study in Paragraph 6 below, and Condition 12 d 1 be satisfied by Paragraphs 1-5 below, and ask that the Board approve the proposal outlined below.

Therefore, in the interests of compromise and in consideration of the mutual covenants contained herein, and without admission of liability, the Stipulating Parties agree as follows:

1. Deerfield Wind shall provide up to \$500,000 to ANR or an agent of ANR designated by ANR, to be secured via a corporate financial guarantee of Deerfield Wind's parent corporation, Iberdrola Renewables, to be used for a GPS-based bear study to evaluate the Project's indirect impact on bear use of habitat adjacent to the facility.
2. The GPS-based study will be designed, conducted, and managed by ANR or an agent of ANR. Deerfield Wind shall have no obligations (financial or otherwise) with respect to the study of bears or bear habitat beyond the financial contribution specified in Paragraph 1 above.
3. Deerfield Wind shall establish the financial guarantee by no later than January 1, 2011. After January 1, 2011, ANR may withdraw up to \$250,000 for commencement of the study. If construction is delayed until after January 1, 2014, but the project has not been

terminated, ANR may withdraw an additional \$100,000 dollars. After Deerfield Wind commences construction¹ on any part of the Project, ANR may withdraw any amounts remaining in the financial guarantee for continuation of the study. Deerfield Wind may request an accounting of funds expended under the guarantee from ANR at any time, which will be provided by ANR in a timely manner. The guarantee will be terminated upon withdrawal of \$500,000 by ANR (or its agent), 10 years after the entire Project commences operation, or December 31, 2025, whichever occurs first.

4. Deerfield Wind currently anticipates that should the Forest Service grant approval for the Project, commencement of construction of the Project may begin as early as the fall of 2011. The Stipulating Parties agree that commencement of construction of the Project shall not be conditioned upon collecting pre-construction GPS data @re-construction data has, however, been collected through Deerfield Wind's snag study). If construction does not commence in the fall of 2011, ANR may, at its discretion, elect to collect preconstruction GPS data.
5. If Deerfield Wind elects not to construct the Project for any reason, Deerfield Wind shall have the right to terminate the funding for a GPS-based study upon written notification to ANR. In such an event, Deerfield Wind shall have the right to terminate the financial guarantee, and all funds already drawn from the financial guarantee by ANR that have not been spent shall be returned to Deerfield Wind at that time. Funds which have already been withdrawn and expended by ANR shall not be subject to repayment. Deerfield Wind shall provide XNR at least 90 days notice prior to terminating the funding for the GPS study, and upon receiving such notice ANR will not withdraw, expend, or commit additional funds not already expended at the time of notice. Any contract or other agreement executed by ANR or any third-party contractor related to the GPS study shall explicitly allow for termination (without penalty) of any work related to the GPS study upon notice from ANR and shall only require payment for work performed up to the date of notice. ANR shall provide notice of termination to all third-party contractors performing work on the GPS study within 3 days of receiving the 90-day notice of termination from Deerfield Wind.
6. Deerfield Wind may continue its proposed pre- and post-construction snag study in accordance with the protocol submitted to the Board on April 30, 2010. The protocol may be amended if changes in the study design are requested by the U.S. Forest Service ("USFS") as part of the USFS' separate permitting process.
7. Deerfield Wind shall have a right to access all documents, data, and information generated as a result of the GPS-study, or in any way related to the study, and may request such information from ANR, which will be provided in a timely manner.

¹ As used here, the term "commence construction" shall exclude any necessary pre-construction investigations, studies, or surveys, including, but not limited to, geotechnical investigations.

8. Deerfield Wind shall have the opportunity to review and comment on any draft summaries, reports, or other presentations of data generated by the GPS study prior to such data being finalized and published in any manner.
9. ANR shall similarly have access to all documents, data, and information generated as a result of the snag study and may request such information from Deerfield Wind, which will be provided in a timely manner. Upon request, Deerfield Wind shall also provide information to ANR on individual turbine availability, as well as a record of what days site visits were conducted in connection with the snag study, during requested GPS study periods, for the purpose of correlating such information with data obtained via the GPS study. Such information will be treated as confidential and proprietary if Deerfield Wind properly asserts that such information is a trade secret or other information that would give Deerfield Wind an advantage over competitors as defined by 1 V.S.A. § 3(c)(9), and therefore exempt from public disclosure under the Vermont public records law.
10. Deerfield Wind's successors in interest, if any, shall be bound by the terms of this stipulation.
11. Should the Board fail to approve this Stipulation substantially in its entirety, the Stipulating Parties' agreements set forth herein shall terminate at the option of any Stipulating Party. If any of the Stipulating Parties exercise that option, the Stipulating Parties' agreements in this Stipulation shall not be construed by any party or tribunal as having precedential impact on any testimony or positions which may be advanced in these proceedings. Any disputes arising under this Stipulation shall be resolved by the Board.

Remainder of page left blank intentionally

Dated this 10 day of November, 2010.

Deerfield Wind, LLC

By:



Geoff Hand, Esq.

Shems Dunkiel Kassel & Saunders, P.L.L.C.

91 College Street

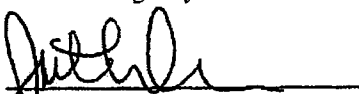
Burlington, VT 05401

(802) 860-1003, x 110

ghand@shemsdunkiel.com

Vermont Agency of Natural Resources

By:



Judith Dillon, Esq.

Senior Environmental Litigation Attorney

Vermont Agency of Natural Resources

Vermont Natural Resources Council

By:



Jamey Fidel, Esq.

Forest and Biodiversity Program Director

Vermont Natural Resources Council

**STATE OF VERMONT
PUBLIC SERVICE BOARD**

Docket No. 7250

Amended Petition of Deerfield Wind, LLC for a certificate)
of public good authorizing it to construct and operate 17 turbine,)
34 to 35.7 MW wind generation facility, and associated transmission)
and interconnection facilities, on approximately 80 acres in the)
Green Mountain National Forest, located in Searsburg and)
Readsboro, Vermont, with 7 turbines to be placed on the east side)
of Route 8 on the same ridgeline as the existing GMP Searsburg)
wind facility (Eastern Project Area), and 10 turbines along the)
ridgeline to the west of Route 8 in the northwesterly orientation)
(Western Project Area))

CERTIFICATE OF SERVICE

I, Anna Viel, certify that on November 10, 2010, I forwarded copies of The Stipulating Parties' *Stipulation Regarding Bear Studies* to the following service list by first-class mail:

Mrs. Susan Hudson, Clerk
Vermont Public Service Board
112 State Street, Drawer 20
Montpelier, VT 05620-2701

Laura Scanlan Beliveau, Esq.
Jeanne Elias, Esq.
Vermont Dept. of Public Service
112 State Street, Drawer 20
Montpelier, VT 05620-2601

Richard H Saudek, Esq.
Cheney, Brock & Saudek, P.C.
159 State Street
Montpelier, VT 05602

David Englander, Esq.
Judith L. Dillon, Esq.
Vermont Agency of Natural Resources
103 S. Main Street, Center Bldg.
Waterbury, VT 05671-0301

Donald J. Rendall, Jr.
Green Mountain Power Corporation
163 Acorn Lane
Colchester, VT 05446

John W. Kessler, Esq.
Julie F. Kelliher, Esq.
Vermont Dept. of Housing & Comm. Affairs
Agency of Commerce and Community Dev.
National Life Bldg., Drawer 20
Montpelier, VT 05620-0501

Jamey D. Fidel, Esq.
Vermont Natural Resources Council
9 Bailey Avenue
Montpelier, VT 05602

Peter Zamore, Esq.
Benjamin Marks, Esq.
Sheehey Furlong & Behm P.C.
30 Main Street, 6th Floor
P.O. Box 66
Burlington, VT 05402-0066

Lawrence Company, Executive Director
Windham Regional Commission
139 Main Street, Suite 505
Brattleboro, VT 05301

Nancy S. Malmquist, Esq
Downs Rachlin Martin PLLC
90 Prospect Street
PO Box 99
St. Johnsbury, VT 05819-0099

Ms. Diedre Matthews
National Grid
40 Sylvan Road
Waltham, MA 02451

Lisa Linowes
Industrial Wind Action Group
286 Parker Hill Road
Lyman, NH 03585

Phoebe Mills, Esq.
Fairwind Vermont
PO Box 52
Londonderry, VT 05148

Thomas Shea
32 Lamprey Road
Kensington, NH 03833

Clifford and Diana Duncan
Duncan Cable TV Services
PO Box 685
Wilmington, VT 05363

Gerald DeGray
PO Box 1717
Wilmington, VT 05363

Paul Burns, Executive Director
Vermont Public Interest Research Group
141 Main Street, Suite 6
Wilmington, VT 05602

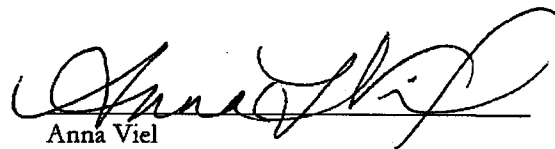
Robert M. Fisher, Esq.
Fisher & Fisher Law Offices
114 Main St., PO Box 621
Brattleboro, VT 05302-0621

Sandra Levine, Senior Attorney
Conservation Law Foundation
15 East State Street, Suite #4
Montpelier, VT 05602

John Bennett
Senior Planner
Windham Regional Commission
139 Main St., Suite 505
Brattleboro, VT 05301

Dated at Burlington, Vermont, November 10, 2010.

by:


Anna Viel