# GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2013

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## HOUSE BILL 484\* Committee Substitute Favorable 4/11/13

Short Title:	Permitting of Wind Energy Facilities.	(Public)
Sponsors:		
Referred to:		

## April 1, 2013

### 1 A BILL TO BE ENTITLED 2 AN ACT TO ESTABLISH A PERMITTING PROGRAM FOR THE SITING AND 3 OPERATION OF WIND ENERGY FACILITIES. 4 Whereas, S.L. 2007-397 established a Renewable Energy and Energy Efficiency 5 Portfolio Standard (REPS) to diversify the resources used to reliably meet the energy needs of 6 consumers in the State; and 7 Whereas, wind energy generation is an important option available to meet the 8 requirements established by the REPS; and 9 Whereas, North Carolina has abundant wind resources throughout the State; and 10 Whereas, it is the policy of the State to promote the development of wind energy in a manner that is compatible with North Carolina's military interests and environmental 11 12 protection that also preserves and sustains economic development and the efficient use of 13 natural and cultural resources; and 14 Whereas, the development of North Carolina's wind energy resources in a manner 15 that preserves and enhances the State's military activities and installations and that is also compatible with the State's environmental and economic interests is of paramount importance 16 17 to the future of North Carolina; and 18 Whereas, the Federal Aviation Administration's review of potential hazards to civil 19 air navigation and the Department of Defense Siting Clearinghouse's review for unacceptable 20 risks to the national security of the United States do not protect North Carolina's military 21 interests and do not consider the preservation or enhancement of military operations in the State; Now, therefore. 22 23 The General Assembly of North Carolina enacts: 24 **SECTION 1.** G.S. 62-2(a) reads as rewritten: 25 Upon investigation, it has been determined that the rates, services and operations of "(a) public utilities as defined herein, are affected with the public interest and that the availability of 26 an adequate and reliable supply of electric power and natural gas to the people, economy and 27 government of North Carolina is a matter of public policy. It is hereby declared to be the policy 28 29 of the State of North Carolina: 30 31 (10)To promote the development of renewable energy and energy efficiency 32 through the implementation of a Renewable Energy and Energy Efficiency 33 Portfolio Standard (REPS) that will do all of the following: Diversify the resources used to reliably meet the energy needs of 34 a. consumers in the State. 35



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	b. Provide greater energy security through the use resources available within the <u>State.State in</u> with the efficient use of resources and the	a manner compatible
	<ul> <li><u>economic interests.</u></li> <li>Encourage private investment in renewable efficiency.</li> </ul>	energy and energy
	d. Provide improved air quality and other benefits	s to energy consumers
	and citizens of the State."	
	<b>TION 2.</b> Chapter 143 of the General Statutes is amen	ded by adding a new
Article to read:		
	" <u>Article 21C.</u>	
	"Permitting of Wind Energy Facilities.	
" <u>§ 143-215.115.</u>		
	to the definitions set forth in G.S. 143-212, the followin	g definitions apply to
this Article:	"Moion Deportment of Defence military installation" m	anna Faut Duana Daua
<u>(1)</u>	"Major Department of Defense military installation" m	
	Army Airfield, Camp Lejeune Marine Corps Air Bas	
	Corps Air Station, Cherry Point Marine Corps Air St	•
	Terminal at Sunny Point, the United States Coast	
	<u>Elizabeth City, Naval Support Activity Northwest, a</u> Air Force Base, in its own right and as the responsib	
	County Bombing Range, and any facility located with	•
	subject to the installations' oversight and control.	ium me State mat is
( <b>2</b> )		wildings transmission
<u>(2)</u>	"Wind energy facility" means the turbines, accessory b	-
	facilities, and any other equipment necessary for the op that cumulatively, with any other wind energy facility	
	located within one-half mile of one another, have a	•
	megawatt or more of energy per turbine or collectively	± •
<u>(3)</u>	"Wind energy facility expansion" means any activ	
<u>(</u> <u></u> )	substantially modifies turbines or transmission	
	increasing the height of such equipment, over that	
	permitted or (ii) increases the footprint of the wind en	<i>.</i>
	which was initially permitted.	iergy raenity over that
"8 143-215 116	Permit to site wind energy facilities.	
	hall undertake construction, operation, or expansion activ	ities associated with a
	ility in this State without first obtaining a permit from the	
	. Permit pre-application site evaluation meeting; no	
	age requirements.	fice, pre appreation
	it Pre-Application Site Evaluation Meeting. – No less t	han 120 days prior to
	ation for a permit to construct, operate, or expand a w	• •
	uest a pre-application site evaluation meeting to be held	
	tment. The pre-application site evaluation meeting n	
participants to:		<u></u>
<u>(1)</u>	Conduct a preliminary evaluation of the site or sites f	for the proposed wind
<u> </u>	energy facility or wind energy facility expansion. The	1 I
	of the proposed wind energy facility or proposed	
	expansion shall determine if the site or sites:	
	<u>a.</u> Pose serious risk to civil air navigation or n	nilitary air navigation
	routes, air traffic control areas, military traini	
	air space, radar, or other potentially affected mi	• •

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1		b. Pose serious risk to natural resources and uses,	including to species
2		of concern or their habitats.	<u> </u>
3	(2)	Identify areas where proposed construction or expansion	sion activities pose
4		minimal risk of interference with civil air navigati	
5		navigation routes, air traffic control areas, militar	
6		special-use air space, radar, or other potentially affected i	military operations.
7	<u>(3)</u>	Identify areas where proposed construction or expansion	sion activities pose
8		minimal risk to natural resources and uses, including	-
9		endangered and threatened species.	•
10	(b) Permi	t Pre-Application Package No less than 45 days prio	r to the date of the
11	permit pre-applic	cation site evaluation meeting scheduled in accordance wi	ith subsection (a) of
12	this section, the	applicant for a wind energy facility or wind energy faci	lity expansion shall
13	submit a pre-app	lication package to the Department. The pre-application package to the Department.	ackage shall include
14	all of the following	ng:	
15	<u>(1)</u>	A narrative description of the proposed wind energy t	facility or proposed
16		wind energy facility expansion including (i) the approxi-	<u>imate number, type,</u>
17		and height of wind turbines to be constructed; (ii) the to	tal planned capacity
18		of the facility; and (iii) a description of any ancillary faci	lities.
19	<u>(2)</u>	A map showing the approximate location of the pro	posed wind energy
20		facility or proposed wind energy facility expansion.	
21	<u>(3)</u>	A description of any known potential impacts of the pre-	oposed wind energy
22		project location on civil air navigation or military air na	-
23		traffic control areas, military training routes, special-use	_
24		other potentially affected military operations. The appl	
25		made available by the Department pursuant to G.S. 14	<u>3-215.123 to satisfy</u>
26		this requirement.	
27	<u>(4)</u>	A description of species of concern, habitats that support	-
28		critical areas of wildlife congregation, and protected lan	
29		habitats, and critical areas are referenced in the Marc	
30		States Fish and Wildlife Service Land-Based Wind	
31		(OMB Control No. 1018-0148) that are or believed to b	-
32		of the proposed wind energy facility or proposed w	
33		expansion. The applicant may use data made available by	
34 25		Wildlife Resources Commission, the Department, or	other governmental
35	(5)	agency to satisfy this requirement.	.1
36	<u>(5)</u>	A list of the federal, State, and local agencies from which	
37 38		obtained and the name of those approvals required in or	
38 39	(6)	construction, operation, or expansion of the proposed win	
39 40	<u>(6)</u>	<u>A schedule showing the anticipated dates for</u> construction, testing, and commercial operation of the pr	
40 41		facility or proposed wind energy facility expansion.	oposed whild energy
41	(a) Notio	e to Interested Parties. – No less than 14 days prior to the	a data of the permit
42 43		ite evaluation meeting scheduled in accordance with su	
43 44		artment shall provide written notice of the meeting to the	
44 45	-	ers, the United States Fish and Wildlife Service, the North	•
46		ission, the commanding military officer or the commandi	
40 47		potentially affected major Department of Defense military	
48		the Department deems relevant. The notice shall inclu	•
40 49		permit pre-application site evaluation meeting.	
49 50	<b>-</b>	Permit application scoping meeting and notice.	
50	<u>9 140-810,110,</u>	i crime appreasion scoping incoming and notice.	

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1	(a) Scopi	ng Meeting. – No less than 30 days prior to filing an appl	ication for a permit		
2	for a proposed wind energy facility or proposed wind energy facility expansion, the applicant				
3	shall request the scheduling of a scoping meeting between the applicant and the Department.				
4	<b>_</b>	The applicant and the Department shall review the permit for the proposed wind energy facility			
5		ity expansion at the scoping meeting.	<u> </u>		
6		e of Scoping Meeting. – No less than 21 days prior to the	ne scheduled permit		
7		ng meeting with an applicant, the Department shall provi	-		
8		e commanding military officer of each major Department			
9		the commanding military officer's designee, the	•		
10		he North Carolina Wildlife Resources Commission, the Ur			
11		the board of commissioners for each county and the gove			
12		which the wind energy facility or proposed wind energy f			
12		ocated, and those local governments with jurisdictions ov			
13	1 1	nt of Defense military installation is located. The notice			
14		cipate in the scoping meeting.	E shan menude an		
15 16			agint of completed		
		Permit application requirements; fees; notice of re-	cerpt of completed		
17		it; public hearing; public comment.			
18		t Requirements. – A person applying for a permit for a pro-			
19		ed facility expansion shall include all of the following in a	<u>n application for the</u>		
20	permit:	A manufine description of the manufacture description of	6		
21	<u>(1)</u>	A narrative description of the proposed wind energy t	actifity or proposed		
22		wind energy facility expansion.	C '1'		
23	<u>(2)</u>	A map showing the location of the proposed wind			
24		proposed wind energy facility expansion that identifies t	the specific location		
25		of each turbine.			
26	<u>(3)</u>	A copy of a deed, purchase agreement, lease agreem			
27		instrument demonstrating the right to construct, exp	band, or otherwise		
28		develop a wind energy facility on the property.			
29	<u>(4)</u>	Identification by name and address of property owned			
30		proposed wind energy facility or proposed wind energy			
31		The applicant shall notify every property owner identif	<u>_</u>		
32		subdivision by registered or certified mail or by any m			
33		G.S. 1A-1, Rule 4, in a form approved by the Departme	nt. The notice shall		
34		include all of the following:			
35		a. <u>The location of the proposed wind energy facilit</u>			
36		energy facility expansion and the specific locat			
37		proposed to be located within one-half mile of t	the boundary of the		
38		adjacent property owner.			
39		b. <u>A description of the proposed wind energy facilit</u>	ty or proposed wind		
40		energy facility expansion.			
41	<u>(5)</u>	A description of civil air navigation or military air na			
42		traffic control areas, military training routes, special-use	air space, radar, or		
43		other military operations that may be affected by t	he construction or		
44		operation of the proposed wind energy facility or pro	posed wind energy		
45		facility expansion.			
46	<u>(6)</u>	Documentation that addresses any potential adverse	impact on military		
47	_	operations and readiness as identified by the Depa	rtment of Defense		
48		Clearinghouse pursuant to Part 211 of Title 32 Code of	Federal Regulations		
49		(July 1, 2012 edition) and any mitigation actions agreed t	-		
50	<u>(7)</u>	A written "Determination of No Hazard to Air Naviga			
51	<u></u>	Federal Aviation Administration pursuant to Subpart D o			
		<u> </u>			

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		Code of Federal Regulations (January 1, 2012 edition) f	or the proposed wind
		energy facility or proposed wind energy facility expansion	<u>on.</u>
	<u>(8)</u>	A study of the noise impacts of the turbines to be	associated with the
		proposed wind energy facility or proposed wind energy	facility expansion.
	(9)	A study on shadow flicker impacts of the turbines to b	e associated with the
		proposed wind energy facility or proposed wind energy	gy facility expansion.
		unless the turbines will be located in a sound or in offsh	• • •
	(10)	A study of the impact of the proposed wind energy faci	lity or proposed wind
	<u> </u>	energy facility expansion on natural resources and uses.	
		and endangered and threatened species.	• <u>•</u> ¢ , , ,
	(11)	An explanation of how the proposed wind energy facil	ity or proposed wind
	<u> </u>	energy facility expansion would be consistent with the	• • •
		(a) of G.S. 143-215.120.	
	(12)	The application fee required by subsection (b) of this se	ction
	(13)	A plan regarding the action to be taken upon the d	
	(10)	removal of the wind energy facility. The plan shall inclu	
		cost to decommission and remove the wind energy fa	
		also include the anticipated life of the project, an est	• •
		decommission and remove the wind energy facility,	
		manner in which the facility will be decommissioned,	*
		the expected condition of the site once the wind ene	
		decommissioned and removed.	igy facility has been
	(14)	Certification of compliance with all applicable federal,	State or local permit
	(14)	requirements, licenses, or approvals including local zon	•
	(15)	· · · ·	• •
(1-)	<u>(15)</u>	Other data or information the Department may reasonab	
<u>(b)</u>		- An applicant for a permit for a proposed wind energy	
		lity expansion under this section shall submit with the	
		ection (a) of this section, an application fee of three th	ousand live nundred
dollars (\$3		of Dessint of Complete Dennit Application Within 1	0 days of reasint of a
<u>(c)</u>		e of Receipt of Complete Permit Application. – Within 1	
		application for a proposed wind energy facility or proposed wind e	
		nt to subsection (a) of this section, the Department shall	*
		n to (i) the commanding military officer of all major De	*
		ons, (ii) the commanding military officer of any militar	•
		that is located within 50 nautical miles of the location	
		or proposed wind energy facility expansion, and	
		or each county and the governing body of each municipal	•
	ility of	r wind energy facility expansion is proposed to be loca	ted. The notice shall
include:			
	<u>(1)</u>	A copy of the map showing the location of the proposed	
		or proposed facility expansion that includes the speci-	fic locations of wind
		<u>turbines.</u>	
	<u>(2)</u>	A written request to the commanding military officer of	v 1
		of Defense military installation, or the commandia	ng military officer's
		1	
		designee for technical information related to any ad	-
		designee for technical information related to any ad installation's operations, training, or mission, inc	-
			luding military air
		installation's operations, training, or mission, inc	luding military air ary training routes,
	<u>(3)</u>	installation's operations, training, or mission, inc navigation routes, air traffic control areas, milit	luding military air ary training routes, that may be affected.

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1		local governments from the board of commissioners f	for each county and the
2		governing body of each municipality.	-
3	(d) Provi	sion of Permit Application to Affected Entities E	Except as provided by
4	G.S. 143-215.124	4, within 10 days of receipt of a written request from the	e commanding military
5	officer of any m	ajor Department of Defense military installation, or the	e commanding military
6	officer's designed	e, the board of commissioners for any county in which	the site is proposed to
7	be located, or the	ne governing body of any municipality in which the	site is proposed to be
8	located, the De	partment shall provide a copy of a permit application	tion filed pursuant to
9	subsection (a) of	this section, in addition to any supplements, changes,	or amendments to the
10	permit applicatio	n to the requesting commanding military officer or local	l government.
1	(e) Public	c Hearing and Comment The Department shall hold a	<u>upublic hearing in each</u>
2	-	the wind energy facility or facility expansion is propos	
13	75 days of received	pt of a completed permit application. The Department	nt shall provide notice
4	including the tin	ne and location of the public hearing in a newspaper of	f general circulation in
5	each applicable	county. The notice of public hearing shall be public	ished for at least two
6	consecutive wee	ks beginning no less than 45 days prior to the schedul	ed date of the hearing.
7	The notice shall	provide that any comments on the proposed wind ener	gy facility or proposed
8		n should be submitted to the Department by a specified	
9		te of the newspaper publication of the notice or 15 da	
20		e, whichever is later. No less than 30 days prior to	the scheduled public
21	• •	artment shall provide written notice of the hearing to:	
22	<u>(1)</u>	The North Carolina Utilities Commission.	
23	<u>(2)</u>	The Office of the Attorney General of North Carolina.	=
24	<u>(3)</u>	The commanding military officer of any poten	
25		Department of Defense military installation or the	commanding military
26		officer's designee.	
27	<u>(4)</u>	The board of commissioners for each county and the g	
28		municipality with jurisdictions over areas in which	
29		major Department of Defense military installation is lo	
30 21	" <u>§ 143-215.120.</u>		mit conditions; other
31 32		ovals required. t Approval. – The Department shall approve an applica	ation for a normit for a
32 33		energy facility or proposed wind energy facility	-
53 34		s any one or more of the following:	expansion unless the
85 85	<u>Department Inds</u> (1)	<u>Construction or operation of the proposed wind ener</u>	av facility or proposed
,5 86	<u>(1)</u>	wind energy facility expansion would be inconsister	
,0 87		adopted by the Department or any other provision of 1	
8	<u>(2)</u>	<u>Construction or operation of the proposed wind ener</u>	
,0 89	<u>(2)</u>	wind energy facility expansion would encroach upon	•••••••••••••••••••••••••••••••••••••••
0		with the mission, training, or operations of any	•
1		Defense military installation or branch of military	
42		result in a detriment to continued military present	
13		evaluation, the Department may consider whether the	
14		facility or proposed wind energy facility expansion w	· · ·
45		with air navigation routes, air traffic control areas, n	•
46		or radar based on information submitted by the	
17		subdivisions (5) and (6) of subsection (a) of G.S.	
18		information received by the Department pursuant	
49		subsection (c) of G.S. 143-215.119.	<u> </u>
50	<u>(3)</u>	Construction or operation of the proposed wind ener	gy facility or proposed
51	<u> </u>	wind energy facility expansion would result in signific	
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1		ecological systems, natural resources, cultural site	es, recreation areas, or
2		historic sites of more than local significance; incl	uding national or State
3		parks or forests, wilderness areas, historic sites, recre	ation areas, segments of
4		the natural and scenic rivers system, wildlife	refuges, preserves and
5		management areas, areas that provide habitat for th	reatened or endangered
6		species, primary nursery areas designated by	the Marine Fisheries
7		Commission and the Wildlife Resources Commission	on; and critical fisheries
8		habitat identified pursuant to the Coastal Habitat Prot	tection Plan.
9	<u>(4)</u>	Construction or operation of the proposed wind ene	
10		wind energy facility expansion would have a signification	icant adverse impact on
11		fish or wildlife.	
12	<u>(5)</u>	Construction or operation of the proposed wind ene	••••••
13		wind energy facility expansion would have a significant	-
14		views from any State or national park, wilderness	-
15		heritage area as compiled by the North Carolina Na	
16		or other public lands or private conservation lands	designated or dedicated
17		due to their high recreational values.	
18	<u>(6)</u>	Construction or operation of the proposed wind ene	
19		wind energy facility expansion would obstruct major	
20		create a significant obstacle to navigation in coastal y	
21		the United States Army Corps of Engineers and t	he United States Coast
22		Guard.	1 • 1
23	<u>(7)</u>	A permit for a proposed wind energy facility or	
24 25		facility expansion would be denied under any of	ther criteria set out in
25 26	(0)	<u>G.S. 113A-120.</u>	a manage of suited an even
26 27	<u>(8)</u>	Construction of the proposed wind energy facility o	
27		facility expansion would be prohibited under Article the General Statutes, the Mountain Ridge Protection	-
28 29	(b) Perm	it Decision. – The Department shall make a final	
2) 30		in 90 days following receipt of a completed application	±
31		nal information following the receipt of a completed application	
32		I make a final decision on a permit application within 3	
33		nation. If the Department determines that an applica	· · ·
34	•	d energy facility expansion fails to meet the requirem	
35		Department shall deny the application, and the applica	
36		companied by a written statement of the reasons f	
37		the permit application that would make the application	
38		to act within the time period set forth in this subsec	-
39	-	o act as a denial of the permit and may challenge the c	
40	Chapter 150B of	the General Statutes.	-
41	(c) Perm	it Conditions The Department may include as a con	dition of a permit for a
42	proposed wind e	energy facility or proposed wind energy facility expan	sion a requirement that
43	the permit holder	r mitigate any adverse impacts.	
44	(d) Other	· Approvals Required The issuance of a permit und	er this section shall not
45	obviate the need	for the applicant to obtain any and all other applicable	e local, State, or federal
46	-	, or approvals. Furthermore, nothing in this Article shall	
47	**	) the application of Article 7 of Chapter 113A of t	•
48	-	ed under this section, including the permitting requirer	
49		of a city or county to plan for and regulate the siting of	
50		ith land-use regulations authorized under Chapter 160	A and Chapter 153A of
51	the General Statu	ites.	

### 1 "§ 143-215.121. Financial assurance requirements. 2 The applicant for a permit or a permit holder for a wind energy facility shall establish 3 financial assurance that will ensure that sufficient funds are available for decommissioning of 4 the facility and reclamation of the property to its condition prior to commencement of activities 5 on the site, even if the applicant or permit holder becomes insolvent or ceases to reside in, be 6 incorporated, do business, or maintain assets in the State. To establish sufficient availability of 7 funds under this section, the applicant for a permit or a permit holder for a wind energy facility 8 may use insurance, financial tests, third-party guarantees by persons who can pass the financial 9 test, guarantees by corporate parents who can pass the financial test, irrevocable letters of 10 credit, trusts, surety bonds, or any other financial device, or any combination of the foregoing, 11 shown to provide protection equivalent to the financial protection that would be provided by insurance if insurance were the only mechanism used. 12 13 "§ 143-215.122. Monitoring and reporting. 14 The applicant shall annually submit copies to the Department of any post-construction 15 monitoring, such as reports on the impacts on wildlife in the location of and in the area 16 proximate to the wind energy facility or wind energy facility expansion and any impacts on 17 military operations that are required by the United States Fish and Wildlife Service, the North Carolina Wildlife Resources Commission, the North Carolina Utilities Commission, or any 18 19 other government agency. 20 "§ 143-215.123. Annual review of military presence. 21 The Department shall consult with representatives of the major Department of Defense 22 military installations to review information regarding military air navigation routes, air traffic 23 control areas, military training routes, special-use air space, radar, or other potentially affected 24 military operations at least once per year. The Department shall provide relevant information 25 on civil air navigation or military air navigation routes, air traffic control areas, military 26 training routes, special-use air space, radar, or other potentially affected military operations to 27 permit applicants as requested. "§ 143-215.124. Record keeping. 28 29 The Department shall serve as the custodian of all data, information, and records received 30 from a permit applicant or a major Department of Defense military installation pursuant to this 31 Article and shall ensure that information provided to the Department that constitutes trade 32 secrets, as that term is defined in G.S. 66-152, and that are designated as confidential or as a 33 trade secret under G.S. 132-1.2, is limited only to the Department, State employees, and other 34 persons who have executed a confidentiality agreement with the owner of such information. 35 Information designated as confidential or as a trade secret under G.S. 132-1.2 shall not be 36 subject to disclosure pursuant to G.S. 132-6. 37 "§ 143-215.125. Rule making. 38 The Environmental Management Commission shall adopt any rules necessary for the 39 implementation of this Article. In adopting rules, the Commission shall consult with the 40 Coastal Resources Commission to ensure that the development of statewide permitting 41 requirements is consistent with and in consideration of the characteristics unique to the coastal 42 area of the State to the maximum extent practicable. 43 "§ 143-215.126. Civil penalties. 44 The Secretary of Environment and Natural Resources may impose an administrative (a) 45 penalty on a person who constructs a wind energy facility or wind energy facility expansion without obtaining a permit under this Article or who constructs or operates a wind energy 46 47 facility in violation of its permit terms and conditions. Each day of a continuing violation shall 48 constitute a separate violation. The penalty shall not exceed ten thousand dollars (\$10,000) per 49 day. 50 The Secretary of Environment and Natural Resources, irrespective of all other (b) 51 remedies at law, may institute an action for injunctive relief against a person who constructs a

- 1 wind energy facility without first obtaining a permit under this Article or who constructs or
- 2 operates a wind energy facility or facility expansion in violation of its permit terms and
   3 conditions."
- 4 **SECTION 3.** This act is effective when it becomes law and applies only to those
- 5 wind energy facilities or wind energy facility expansions that have not received a written
- 6 "Determination of No Hazard to Air Navigation" issued by the Federal Aviation Administration
- 7 on or before that date.