

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2013

**H.B. 484**  
**Mar 28, 2013**  
**HOUSE PRINCIPAL CLERK**

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**HOUSE DRH80141-TAf-7A\* (02/01)**

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

Sponsors: Representatives J. Bell, Dixon, McElraft, and Whitmire (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED  
2 AN ACT TO ESTABLISH A SYSTEM OF PERMITS FOR THE SITING AND OPERATION  
3 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  
11 a manner that is compatible with North Carolina's military interests and environmental  
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  
16 compatible with the State's environmental and economic interests is of paramount importance  
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  
22 State; Now, therefore,

23 The General Assembly of North Carolina enacts:

24 **SECTION 1.** G.S. 62-2(a) reads as rewritten:

25 "(a) Upon investigation, it has been determined that the rates, services and operations of  
26 public utilities as defined herein, are affected with the public interest and that the availability of  
27 an adequate and reliable supply of electric power and natural gas to the people, economy and  
28 government of North Carolina is a matter of public policy. It is hereby declared to be the policy  
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:

34 a. Diversify the resources used to reliably meet the energy needs of  
35 consumers in the State.





- 1                    b.        Pose serious risk to natural resources and uses, including to species  
2                    of concern or their habitats.
- 3                    (2)       Identify areas where proposed construction or expansion activities pose  
4                    minimal risk of interference with civil air navigation or military air  
5                    navigation routes, air traffic control areas, military training routes,  
6                    special-use air space, radar, or other potentially affected military operations.
- 7                    (3)       Identify areas where proposed construction or expansion activities pose  
8                    minimal risk to natural resources and uses, including avian, bat, and  
9                    endangered and threatened species.
- 10                  (b)       Permit Pre-Application Package. – No less than 45 days prior to the date of the  
11                  permit pre-application site evaluation meeting scheduled in accordance with subsection (a) of  
12                  this section, the applicant for a wind energy facility or wind energy facility expansion shall  
13                  submit a pre-application package to the Department. The pre-application package shall include  
14                  all of the following:
- 15                  (1)       A narrative description of the proposed wind energy facility or proposed  
16                  wind energy facility expansion including: (i) the approximate number, type,  
17                  and height of wind turbines to be constructed; (ii) the total planned capacity  
18                  of the facility; and (iii) a description of any ancillary facilities.
- 19                  (2)       A map showing the approximate location of the proposed wind energy  
20                  facility or proposed wind energy facility expansion.
- 21                  (3)       A description of any known potential impacts of the proposed wind energy  
22                  project location on civil air navigation or military air navigation routes, air  
23                  traffic control areas, military training routes, special-use air space, radar, or  
24                  other potentially affected military operations. The applicant may use data  
25                  made available by the Department pursuant to G.S. 143-215.123 to satisfy  
26                  this requirement.
- 27                  (4)       A description of species of concern, habitats that support species of concern,  
28                  critical areas of wildlife congregation, and protected lands, as those species,  
29                  habitats, and critical areas are referenced in the March 23, 2012, United  
30                  States Fish and Wildlife Service Land-Based Wind Energy Guidelines  
31                  (OMB Control No. 1018-0148) that are or believed to be present at the site  
32                  of the proposed wind energy facility or proposed wind energy facility  
33                  expansion. The applicant may use data made available by the North Carolina  
34                  Wildlife Resources Commission, the Department, or other governmental  
35                  agency to satisfy this requirement.
- 36                  (5)       A list of the federal, State, and local agencies from which approvals will be  
37                  obtained and the name of those approvals required in order to authorize the  
38                  construction, operation, or expansion of the proposed wind energy facility.
- 39                  (6)       A schedule showing the anticipated dates for commencement of  
40                  construction, testing, and commercial operation of the proposed wind energy  
41                  facility or proposed wind energy facility expansion.
- 42                  (c)       Notice to Interested Parties. – No less than 14 days prior to the date of the permit  
43                  pre-application site evaluation meeting scheduled in accordance with subsection (a) of this  
44                  section, the Department shall provide written notice of the meeting to the United States Army  
45                  Corps of Engineers, the United States Fish and Wildlife Service, the North Carolina Wildlife  
46                  Resources Commission, the commanding military officer or the commanding military officer's  
47                  designee of any potentially affected major Department of Defense military installation, and any  
48                  other party that the Department deems relevant. The notice shall include an invitation to  
49                  participate in the permit pre-application site evaluation meeting.
- 50                  **§ 143-215.118. Permit application scoping meeting and notice.**

1       (a)     Scoping Meeting. – No less than 30 days prior to filing an application 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 The applicant and the Department shall review the permit for the proposed wind energy facility  
5 or proposed facility expansion at the scoping meeting.

6       (b)     Notice of Scoping Meeting. – No less than 21 days prior to the scheduled permit  
7 application scoping meeting with an applicant, the Department shall provide written notice to  
8 the commanding military officer of each major Department of Defense military installation, or  
9 the commanding military officer's designee, the Federal Aviation Administration, the North  
10 Carolina Wildlife Resources Commission, the United States Fish and Wildlife Service, the  
11 board of commissioners for each county and the governing body of each municipality in which  
12 the wind energy facility or proposed wind energy facility expansion is proposed to be located,  
13 and those local governments with jurisdictions over areas in which a major Department of  
14 Defense military installation is located.

15 **"§ 143-215.119. Permit application requirements; fees; notice of receipt of completed**  
16 **permit; public hearing; public comment.**

17       (a)     Permit Requirements. – A person applying for a permit for a proposed wind energy  
18 facility or proposed facility expansion shall include all of the following in an application for the  
19 permit:

- 20       (1)     A narrative description of the proposed wind energy facility or proposed  
21 wind energy facility expansion.
- 22       (2)     A map showing the location of the proposed wind energy facility or  
23 proposed wind energy facility expansion that identifies the specific location  
24 of each turbine.
- 25       (3)     A copy of a deed, purchase agreement, lease agreement, or other legal  
26 instrument demonstrating the right to construct, expand, or otherwise  
27 develop a wind energy facility on the property.
- 28       (4)     Identification by name and address of property owners adjacent to the  
29 proposed wind energy facility or proposed wind energy facility expansion.  
30 The applicant shall notify every property owner identified pursuant to this  
31 subdivision by registered or certified mail or by any means authorized by  
32 G.S. 1A-1, Rule 4, in a form approved by the Department. The notice shall  
33 include all of the following:
  - 34       a.     The location of the proposed wind energy facility or proposed wind  
35 energy facility expansion and the specific location of each turbine  
36 proposed to be located within one-half mile of the boundary of the  
37 adjacent property owner.
  - 38       b.     A description of the proposed wind energy facility or proposed wind  
39 energy facility expansion.
- 40       (5)     A description of civil air navigation or military air navigation routes, air  
41 traffic control areas, military training routes, special-use air space, radar, or  
42 other military operations that may be affected by the construction or  
43 operation of the proposed wind energy facility or proposed wind energy  
44 facility expansion.
- 45       (6)     Documentation that addresses any potential adverse impact on military  
46 operations and readiness as identified by the Department of Defense  
47 Clearinghouse pursuant to Part 211 of Title 32 Code of Federal Regulations  
48 (July 1, 2012 edition) and any mitigation actions agreed to by the applicant.
- 49       (7)     A written "Determination of No Hazard to Air Navigation" issued by the  
50 Federal Aviation Administration pursuant to Subpart D of Part 77 of Title 14

- 1 Code of Federal Regulations (January 1, 2012 edition) for the proposed wind  
2 energy facility or proposed wind energy facility expansion.
- 3 (8) A study of the noise impacts of the turbines to be associated with the  
4 proposed wind energy facility or proposed wind energy facility expansion.
- 5 (9) A study on shadow flicker impacts of the turbines to be associated with the  
6 proposed wind energy facility or proposed wind energy facility expansion,  
7 unless the turbines will be located in a sound or in offshore waters.
- 8 (10) A study of the impact of the proposed wind energy facility or proposed wind  
9 energy facility expansion on natural resources and uses, including avian, bat,  
10 and endangered and threatened species.
- 11 (11) An explanation of how the proposed wind energy facility or proposed wind  
12 energy facility expansion would be consistent with the criteria in subsection  
13 (a) of G.S. 143-215.120.
- 14 (12) The application fee required by subsection (b) of this section.
- 15 (13) A plan regarding the action to be taken upon the decommissioning and  
16 removal of the wind energy facility. The plan shall include an estimate of the  
17 cost to decommission and remove the wind energy facility. The plan shall  
18 also include the anticipated life of the project, an estimate of the cost to  
19 decommission and remove the wind energy facility, a description of the  
20 manner in which the facility will be decommissioned, and a description of  
21 the expected condition of the site once the wind energy facility has been  
22 decommissioned and removed.
- 23 (14) Certification of compliance with all applicable federal, State, or local permit  
24 requirements, licenses, or approvals including local zoning requirements.
- 25 (15) Other data or information the Department may reasonably require.
- 26 (b) Fees. – An applicant for a permit for a proposed wind energy facility or proposed  
27 wind energy facility expansion under this section shall submit with the application required  
28 pursuant to subsection (a) of this section, an application fee of three thousand five hundred  
29 dollars (\$3,500).
- 30 (c) Notice of Receipt of Complete Permit Application. – Within 10 days of receipt of a  
31 complete permit application for a proposed wind energy facility or proposed facility expansion  
32 submitted pursuant to subsection (a) of this section, the Department shall provide notice of the  
33 permit application to (i) the commanding military officer of all major Department of Defense  
34 military installations, (ii) the commanding military officer of any military installation located  
35 outside the State that is located within 50 nautical miles of the location of the proposed wind  
36 energy facility or proposed wind energy facility expansion, and (iii) the board of  
37 commissioners for each county and the governing body of each municipality in which the wind  
38 energy facility or wind energy facility expansion is proposed to be located. The notice shall  
39 include:
- 40 (1) A copy of the map showing the location of the proposed wind energy facility  
41 or proposed facility expansion that includes the specific locations of wind  
42 turbines.
- 43 (2) A written request to the commanding military officer of a major Department  
44 of Defense military installation, or the commanding military officer's  
45 designee for technical information related to any adverse impact on the  
46 installation's operations, training, or mission, including military air  
47 navigation routes, air traffic control areas, military training routes,  
48 special-use air space, radar, or other military operations that may be affected.
- 49 (3) A written request for information related to potential adverse impacts of the  
50 proposed wind energy facility or proposed wind energy facility expansion on

1 local governments from the board of commissioners for each county and the  
2 governing body of each municipality.

3 (d) Provision of Permit Application to Affected Entities. – Except as provided by  
4 G.S. 143-215.124, within 10 days of receipt of a written request from the commanding military  
5 officer of any major Department of Defense military installation, or the commanding military  
6 officer's designee, the board of commissioners for any county in which the site is proposed to  
7 be located, or the governing body of any municipality in which the site is proposed to be  
8 located, the Department shall provide a copy of a permit application filed pursuant to  
9 subsection (a) of this section, in addition to any supplements, changes, or amendments to the  
10 permit application to the requesting commanding military officer or local government.

11 (e) Public Hearing and Comment. – The Department shall hold a public hearing in each  
12 county in which the wind energy facility or facility expansion is proposed to be located within  
13 75 days of receipt of a completed permit application. The Department shall provide notice  
14 including the time and location of the public hearing in a newspaper of general circulation in  
15 each applicable county. The notice of public hearing shall be published for at least two  
16 consecutive weeks beginning no less than 45 days prior to the scheduled date of the hearing.  
17 The notice shall provide that any comments on the proposed wind energy facility or proposed  
18 facility expansion should be submitted to the Department by a specified date, not less than 15  
19 days from the date of the newspaper publication of the notice or 15 days after distribution of  
20 the mailed notice, whichever is later. No less than 30 days prior to the scheduled public  
21 hearing, the Department shall provide written notice of the hearing to:

22 (1) The North Carolina Utilities Commission.

23 (2) The Office of the Attorney General of North Carolina.

24 (3) The commanding military officer of any potentially affected major  
25 Department of Defense military installation or the commanding military  
26 officer's designee.

27 (4) The board of commissioners for each county and the governing body of each  
28 municipality with jurisdictions over areas in which a potentially affected  
29 major Department of Defense military installation is located.

30 **§ 143-215.120. Criteria for permit approval; time frame; permit conditions; other**  
31 **approvals required.**

32 (a) Permit Approval. – The Department shall approve an application for a permit for a  
33 proposed wind energy facility or proposed wind energy facility expansion unless the  
34 Department finds any one or more of the following:

35 (1) Construction or operation of the proposed wind energy facility or proposed  
36 wind energy facility expansion would be inconsistent with or violate rules  
37 adopted by the Department or any other provision of law.

38 (2) Construction or operation of the proposed wind energy facility or proposed  
39 wind energy facility expansion would encroach upon or otherwise interfere  
40 with the mission, training, or operations of any major Department of  
41 Defense military installation or branch of military in North Carolina and  
42 result in a detriment to continued military presence in the State. In its  
43 evaluation, the Department may consider whether the proposed wind energy  
44 facility or proposed wind energy facility expansion would cause interference  
45 with air navigation routes, air traffic control areas, military training routes,  
46 or radar based on information submitted by the applicant pursuant to  
47 subdivisions (5) and (6) of subsection (a) of G.S. 143-215.119, and any  
48 information received by the Department pursuant to subdivision (2) of  
49 subsection (c) of G.S. 143-215.119.

50 (3) Construction or operation of the proposed wind energy facility or proposed  
51 wind energy facility expansion would result in significant adverse impacts to

1 ecological systems, natural resources, cultural sites, recreation areas, or  
2 historic sites of more than local significance; including national or State  
3 parks or forests, wilderness areas, historic sites, recreation areas, segments of  
4 the natural and scenic rivers system, wildlife refuges, preserves and  
5 management areas, areas that provide habitat for threatened or endangered  
6 species, primary nursery areas designated by the Marine Fisheries  
7 Commission and the Wildlife Resources Commission; and critical fisheries  
8 habitat identified pursuant to the Coastal Habitat Protection Plan.

9 (4) Construction or operation of the proposed wind energy facility or proposed  
10 wind energy facility expansion would have a significant adverse impact on  
11 fish or wildlife.

12 (5) Construction or operation of the proposed wind energy facility or proposed  
13 wind energy facility expansion would have a significant adverse impact on  
14 views from any State or national park, wilderness area, significant natural  
15 heritage area as compiled by the North Carolina Natural Heritage Program,  
16 or other public lands or private conservation lands designated or dedicated  
17 due to their high recreational values.

18 (6) Construction or operation of the proposed wind energy facility or proposed  
19 wind energy facility expansion would obstruct major navigation channels or  
20 create a significant obstacle to navigation in coastal waters, as determined by  
21 the United States Army Corps of Engineers and the United States Coast  
22 Guard.

23 (7) A permit for a proposed wind energy facility or proposed wind energy  
24 facility expansion would be denied under any other criteria set out in  
25 G.S. 113A-120.

26 (8) Construction of the proposed wind energy facility or proposed wind energy  
27 facility expansion would be prohibited under Article 14 of Chapter 113A of  
28 the General Statutes, the Mountain Ridge Protection Act of 1983.

29 (b) Permit Decision. – The Department shall make a final decision on a permit  
30 application within 90 days following receipt of a completed application. If the Department  
31 requests additional information following the receipt of a completed application, the  
32 Department shall make a final decision on a permit application within 30 days of receipt of the  
33 requested information. If the Department determines that an application for a wind energy  
34 facility or a wind energy facility expansion fails to meet the requirements for a permit under  
35 this section, the Department shall deny the application, and the application shall be returned to  
36 the applicant accompanied by a written statement of the reasons for the denial and any  
37 modifications to the permit application that would make the application acceptable. If the  
38 Department fails to act within the time period set forth in this subsection, the applicant may  
39 treat the failure to act as a denial of the permit and may challenge the denial as provided under  
40 Chapter 150B of the General Statutes.

41 (c) Permit Conditions. – The Department may include as a condition of a permit for a  
42 proposed wind energy facility or proposed wind energy facility expansion a requirement that  
43 the permit holder mitigate any adverse impacts.

44 (d) Other Approvals Required. – The issuance of a permit under this section shall not  
45 obviate the need for the applicant to obtain any and all other applicable local, State, or federal  
46 permits, licenses, or approvals. Furthermore, nothing in this Article shall be interpreted to limit,  
47 as applicable, (i) the application of Article 7 of Chapter 113A of the General Statutes to  
48 facilities permitted under this section, including the permitting requirements of G.S. 113A-118,  
49 or (ii) the ability of a city or county to plan for and regulate the siting of a wind energy facility  
50 in accordance with land-use regulations authorized under Chapter 160A and Chapter 153A of  
51 the General Statutes.

**"§ 143-215.121. Financial assurance requirements.**

The applicant for a permit or a permit holder for a wind energy facility shall establish financial assurance that will ensure that sufficient funds are available for decommissioning of the facility and reclamation of the property to its condition prior to commencement of activities on the site, even if the applicant or permit holder becomes insolvent or ceases to reside in, be incorporated, do business, or maintain assets in the State. To establish sufficient availability of funds under this section, the applicant for a permit or a permit holder for a wind energy facility may use insurance, financial tests, third-party guarantees by persons who can pass the financial test, guarantees by corporate parents who can pass the financial test, irrevocable letters of credit, trusts, surety bonds, or any other financial device, or any combination of the foregoing, shown to provide protection equivalent to the financial protection that would be provided by insurance if insurance were the only mechanism used.

**"§ 143-215.122. Monitoring and reporting.**

The applicant shall annually submit copies to the Department of any post-construction monitoring, such as reports on the impacts on wildlife in the location of and in the area proximate to the wind energy facility or wind energy facility expansion and any impacts on 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 other government agency.

**"§ 143-215.123. Annual review of military presence.**

The Department shall consult with representatives of the major Department of Defense military installations to review information regarding military air navigation routes, air traffic control areas, military training routes, special-use air space, radar, or other potentially affected military operations at least once per year. The Department shall provide relevant information on civil air navigation or military air navigation routes, air traffic control areas, military training routes, special-use air space, radar, or other potentially affected military operations to permit applicants as requested.

**"§ 143-215.124. Record keeping.**

The Department shall serve as the custodian of all data, information, and records received from a permit applicant or a major Department of Defense military installation pursuant to this Article and shall ensure that information provided to the Department that constitutes trade secrets, as that term is defined in G.S. 66-152, and that are designated as confidential or as a trade secret under G.S. 132.1.2, is limited only to the Department, State employees, and other persons who have executed a confidentiality agreement with the owner of such information. Information designated as confidential or as a trade secret under G.S. 132.1.2 shall not be subject to disclosure pursuant to G.S. 132-6.

**"§ 143-215.125. Rule making.**

The Environmental Management Commission shall adopt any rules necessary for the implementation of this Article. In adopting rules, the Commission shall consult with the Coastal Resources Commission to ensure that the development of statewide permitting requirements is consistent with and in consideration of the characteristics unique to the coastal area of the State to the maximum extent practicable.

**"§ 143-215.126. Civil penalties.**

(a) The Secretary of Environment and Natural Resources may impose an administrative 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 facility in violation of its permit terms and conditions. Each day of a continuing violation shall constitute a separate violation. The penalty shall not exceed ten thousand dollars (\$10,000) per day.

(b) The Secretary of Environment and Natural Resources, irrespective of all other 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.