GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2013

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HOUSE BILL 484* Committee Substitute Favorable 4/11/13 Committee Substitute #2 Favorable 4/18/13 PROPOSED COMMITTEE SUBSTITUTE H484-PCS30495-TAf-9

Short Title: Permitting of Wind Energy Facilities.

(Public)

D

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	The General Assembly of North Carolina enacts:
5	SECTION 1. G.S. 62-2(a) reads as rewritten:
6	"(a) Upon investigation, it has been determined that the rates, services and operations of
7	public utilities as defined herein, are affected with the public interest and that the availability of
8	an adequate and reliable supply of electric power and natural gas to the people, economy and
9	government of North Carolina is a matter of public policy. It is hereby declared to be the policy
10	of the State of North Carolina:
11	
12	(10) To promote the development of renewable energy and energy efficiency
13	through the implementation of a Renewable Energy and Energy Efficiency
14	Portfolio Standard (REPS) that will do all of the following:
15	a. Diversify the resources used to reliably meet the energy needs of
16	consumers in the State.
17	b. Provide greater energy security through the use of indigenous energy
18	resources available within the State.State in a manner compatible
19	with the efficient use of resources and the State's military and
20	economic interests.
21	c. Encourage private investment in renewable energy and energy
22	efficiency.
23	d. Provide improved air quality and other benefits to energy consumers
24	and citizens of the State."
25 26	SECTION 2. Chapter 143 of the General Statutes is amended by adding a new
26 27	Article to read:
27 28	" <u>Article 21C.</u> "Demoitting of Wind Energy Engilities
28 29	" <u>Permitting of Wind Energy Facilities.</u> " <u>§ 143-215.115. Definitions.</u>
29 30	<u>In addition to the definitions set forth in G.S. 143-212, the following definitions apply to</u>
31	this Article:
32	(1) "Major military installation" means Fort Bragg, Pope Army Airfield, Marine
33	<u>Corps Base Camp Lejeune, New River Marine Corps Air Station, Cherry</u>
34	Point Marine Corps Air Station, Military Ocean Terminal at Sunny Point,
	<u></u>



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	the United States Coast Guard Air Station at E	Elizabeth City, Naval Support
	Activity Northwest, and Seymour Johnson Air	• • • •
	and as the responsible entity for the Dare Cour	
	facility located within the State that is subject	
	and control.	<u> </u>
<u>(2)</u>	"Wind energy facility" means the turbines, acce	essory buildings, transmission
<u>_/</u>	facilities, and any other equipment necessary for	
	that cumulatively, with any other wind energy	
	located within one-half mile of one another, l	
	megawatt or more of energy.	
<u>(3)</u>	"Wind energy facility expansion" means an	iv activity that (i) adds or
	substantially modifies turbines or transm	
	increasing the height of such equipment, ov	
	permitted or (ii) increases the footprint of the	
	which was initially permitted.	
'§ 143-215.116.	Permit to site wind energy facilities.	
	all undertake construction, operation, or expansion	on activities associated with a
	lity in this State without first obtaining a permit fr	
	Permit preapplication site evaluation meet	
	age requirements.	
(a) Perm	it Preapplication Site Evaluation Meeting. – No	b less than 180 days prior to
filing an applica	tion for a permit to construct, operate, or expa	nd a wind energy facility, a
person shall requ	lest a preapplication site evaluation meeting to b	be held between the applicant
and the Departm	ent. The preapplication site evaluation meeting s	shall be held no less than 120
days prior to fili	ng an application for a permit to construct, operation	ate, or expand a wind energy
facility and may	be used by the participants to:	
<u>(1)</u>	Conduct a preliminary evaluation of the site of	r sites for the proposed wind
	energy facility or wind energy facility expansion	n. The preliminary evaluation
	of the proposed wind energy facility or pro-	oposed wind energy facility
	expansion shall determine if the site or sites:	
	a. Pose serious risk to civil air navigation	
	routes, air traffic control areas, militar	
	air space, radar, or other potentially affe	• •
	b. Pose serious risk to natural resources a	nd uses, including to species
	of concern or their habitats.	
<u>(2)</u>	Identify areas where proposed construction	
	minimal risk of interference with civil air	
	navigation routes, air traffic control areas	• •
	special-use air space, radar, or other potentially	• 1
<u>(3)</u>	Identify areas where proposed construction	
	minimal risk to natural resources and uses	, including avian, bat, and
	endangered and threatened species.	
	it Preapplication Package. – No less than 45 days	
	te evaluation meeting scheduled in accordance	
	cant for a wind energy facility or wind energy fac	
	ackage to the Department. The preapplication particular	ckage shall include all of the
following:	, , , , , , , , , , , , , , , , , , ,	C 11.
<u>(1)</u>	A narrative description of the proposed wind	
	wind energy facility expansion, including (i) th	•••
	and height of wind turbines to be constructed;	
	of the facility; and (iii) a description of any anci	mary facilities.

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1	(2)	A map showing the approximate location of the propos	sed wind energy
2		facility or proposed wind energy facility expansion.	
3	<u>(3)</u>	A description of any known potential impacts of the propo	sed wind energy
ŀ		project location on civil air navigation or military air navig	gation routes, air
		traffic control areas, military training routes, special-use air	r space, radar, or
		other potentially affected military operations. The applica	nt may use data
		made available by the Department pursuant to G.S. 143-2	15.123 to satisfy
		this requirement.	
	<u>(4)</u>	A description of species of concern, habitats that support sp	
		critical areas of wildlife congregation, and protected lands,	
		habitats, and critical areas are referenced in the March 2	
		States Fish and Wildlife Service Land-Based Wind En	••
		(OMB Control No. 1018-0148) that are or believed to be p	
		of the proposed wind energy facility or proposed wind	
		expansion. The applicant may use data made available by th	
		Wildlife Resources Commission, the Department, or oth	er governmental
	(5)	agency to satisfy this requirement.	
	<u>(5)</u>	A list of the federal, State, and local agencies from which a	* *
		obtained and the name of those approvals required in order	
	<u>(6)</u>	<u>construction, operation, or expansion of the proposed wind e</u> <u>A schedule showing the anticipated dates for con</u>	
	<u>(0)</u>	construction, testing, and commercial operation of the propo	
		facility or proposed wind energy facility expansion.	<u>osed wind chergy</u>
	(c) Notic	te to Interested Parties. – No less than 21 days prior to the d	ate of the permit
		ite evaluation meeting scheduled in accordance with subse	-
		artment shall provide written notice of the meeting to the Un	
	-	ers, the United States Fish and Wildlife Service, the North (•
		nission, the commanding military officer or the commanding	
		potentially affected major military installation, and any oth	
		ms relevant. The notice shall include an invitation to particip	- · · ·
	preapplication si	te evaluation meeting.	-
	" <u>§ 143-215.118.</u>	Permit application scoping meeting and notice.	
	(a) Scopi	ing Meeting No less than 60 days prior to filing an applica	tion for a permit
	for a proposed w	vind energy facility or proposed wind energy facility expansi	on, the applicant
	shall request the	scheduling of a scoping meeting between the applicant and	the Department.
		eting shall be held no less than 30 days prior to filing an	
		posed wind energy facility or proposed wind energy facility	
		e Department shall review the permit for the proposed wind e	energy facility or
		expansion at the scoping meeting.	
		e of Scoping Meeting No less than 21 days prior to the s	
		ing meeting with an applicant, the Department shall provide	
		the commanding military officer of each major military ins	
		ilitary officer's designee, the Federal Aviation Administra	
		fe Resources Commission, the United States Fish and Wild	
		ssioners for each county and the governing body of each muni	
		facility or proposed wind energy facility expansion is propos	
7		governments with jurisdictions over areas in which a major mi	•
}		otice shall include an invitation to participate in the scoping m	
		Permit application requirements; fees; notice of receip	pt of completed
)	perm	it; public hearing; public comment.	

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(a) Per	mit Requirements. – A person applying for a permit for a prop	osed wind energy
	posed wind energy facility expansion shall include all of th	
application for		<u> </u>
<u>(1)</u>	A narrative description of the proposed wind energy fac	cility or proposed
<u>(1)</u>	wind energy facility expansion.	inty of proposed
(2)	A map showing the location of the proposed wind e	energy facility or
<u>(2)</u>	proposed wind energy facility expansion that identifies the	
	of each turbine.	<u>specific focation</u>
(3)	<u>A copy of a deed, purchase agreement, lease agreement</u>	nt or other legal
<u>(3)</u>	instrument demonstrating the right to construct, expa	
	develop a wind energy facility on the property.	nu, or otherwise
(A)		a adjacent to the
<u>(4)</u>	Identification by name and address of property owner	•
	proposed wind energy facility or proposed wind energy f	
	The applicant shall notify every property owner identifie	-
	subdivision by registered or certified mail or by any me	
	G.S. 1A-1, Rule 4, in a form approved by the Department	<u>t. The notice shall</u>
	include all of the following:	1 • 1
	a. <u>The location of the proposed wind energy facility</u>	
	energy facility expansion and the specific locatio	
	proposed to be located within one-half mile of the	e boundary of the
	adjacent property owner.	
	b. <u>A description of the proposed wind energy facility</u>	or proposed wind
	energy facility expansion.	
<u>(5)</u>	A description of civil air navigation or military air navi	-
	traffic control areas, military training routes, special-use a	
	other military operations that may be affected by the	
	operation of the proposed wind energy facility or propo	osed wind energy
	facility expansion.	
<u>(6)</u>	Documentation that addresses any potential adverse in	1 ·
	operations and readiness as identified by the Depart	ment of Defense
	Clearinghouse pursuant to Part 211 of Title 32 Code of Fe	deral Regulations
	(July 1, 2012 edition) and any mitigation actions agreed to	by the applicant.
<u>(7)</u>	Documentation that the applicant has either (i) submitted	Federal Aviation
	Administration Form 7460-1 for the turbines associated	1 1
	wind energy facility or proposed wind energy facility	expansion or (ii)
	initiated an informal review by the Department of	Defense Siting
	Clearinghouse of the proposed wind energy facility or prop	osed wind energy
	facility expansion. If the applicant has submitted	Federal Aviation
	Administration Form 7460-1 in order to fulfill the req	uirements of this
	subdivision, the applicant shall provide any determination	on reached by the
	Federal Aviation Administration at the time the application	on is submitted to
	the Department. If the Federal Aviation Administration	has not made a
	determination at the time the application is submitted to the	e Department, the
	application shall include a description of the status of	·
	engagement with the Federal Aviation Administration and	
	Defense Siting Clearinghouse.	<u> </u>
<u>(8)</u>	A study of the noise impacts of the turbines to be as	sociated with the
<u></u>	proposed wind energy facility or proposed wind energy fac	
(9)	A study on shadow flicker impacts of the turbines to be a	• •
<u>121</u>	proposed wind energy facility or proposed wind energy f	
	unless the turbines will be located in a sound or in offshore	
	siness me teremes will be rocated in a bound of in offshore	

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<u>(10)</u>	A study of the impact of the proposed wind energy facility	ity or proposed wind
	energy facility expansion on natural resources and uses,	including avian, bat,
	and endangered and threatened species.	-
(11)	An explanation of how the proposed wind energy facili	ty or proposed wind
	energy facility expansion would be consistent with the o	
	(a) of G.S. 143-215.120.	
(12)	The application fee required by subsection (b) of this sec	tion.
(13)	A plan regarding the action to be taken upon the de	
	removal of the wind energy facility. The plan shall inclu- cost to decommission and remove the wind energy fac	de an estimate of the
	also include the anticipated life of the project, an esti	
	decommission and remove the wind energy facility, a	
	manner in which the facility will be decommissioned,	-
	the expected condition of the site once the wind energy	±
	decommissioned and removed.	gy facility has been
(14)	Other data or information the Department may reasonabl	v require
	- An applicant for a permit for a proposed wind energy	· ·
	ility expansion under this section shall submit with the	• • •
	• •	** *
dollars (\$3,500).	ection (a) of this section, an application fee of three the	Jusanu nive nunureu
	e of Receipt of Complete Permit Application. – Within 10) days of receipt of a
	application for a proposed wind energy facility or pro-	• •
	n submitted pursuant to subsection (a) of this section, the	
· · ·	f the permit application to (i) the commanding military	•
	ons, (ii) the commanding military officer of any military	
	that is located within 50 nautical miles of the location of	
	or proposed wind energy facility expansion, and	· ·
•••••••••••••••••••••••••••••••••••••••	or each county and the governing body of each municipality	
	r wind energy facility expansion is proposed to be locat	
include:	i while energy facility expansion is proposed to be focat	eu. The nouce shan
<u>(1)</u>	A copy of the map showing the location of the proposed	wind energy facility
<u>(1)</u>	or proposed wind energy facility expansion that in	
	locations of wind turbines.	ictudes the specific
(2)		of a major military
<u>(2)</u>	<u>A written request to the commanding military officer</u> installation or the commanding military officer's des	• •
	information related to any adverse impact on the insta- training or mission including military air payigation	—
	training, or mission, including military air navigation	
	control areas, military training routes, special-use air s	pace, radar or other
(2)	military operations that may be affected.	warea impracts of the
<u>(3)</u>	A written request for information related to potential ad	
	proposed wind energy facility or proposed wind energy f	
	local governments from the board of commissioners for	each county and the
	governing body of each municipality.	
	sion of Permit Application to Affected Entities. – Exc	· · ·
	4, within 10 days of receipt of a written request from the c	
	ajor military installation or the commanding military of	
	ssioners for any county in which the site is proposed t	
	of any municipality in which the site is proposed to be loca	•
*	opy of a permit application filed pursuant to subsection (
	supplements, changes, or amendments to the permit	application to the
requesting comm	anding military officer or local government.	

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1	(e) <u>Public</u>	c Hearing and Comment. – The Department sh	all hold a public hearing in each
2		the wind energy facility or wind energy facil	
3		5 days of receipt of a completed permit app	
4	-	cluding the time and location of the public he	
5		ch applicable county. The notice of public he	
6		utive weeks beginning no less than 45 days pr	
7		ice shall provide that any comments on the p	
8		nergy facility expansion should be submitted t	· · ·
9		n 15 days from the date of the newspaper pub	
10		of the mailed notice, whichever is later. No	
11 12	-	hearing, the Department shall provide written The North Carolina Utilities Commission.	nonce of the hearing to:
12	$\frac{(1)}{(2)}$	The Office of the Attorney General of North	Carolina
13 14	(2) (3)	The commanding military officer of any po	
14	<u>()</u>	installation or the commanding military offic	
15 16	<u>(4)</u>	The board of commissioners for each county	-
10	<u>(+)</u>	municipality with jurisdictions over areas	
18		major military installation is located.	in which a potentiary arrected
10	"8 143-215.120.	Criteria for permit approval; time fra	me: permit conditions: other
20		ovals required.	
21		t Approval. – The Department shall approve a	an application for a permit for a
22		energy facility or proposed wind energy	
23		s any one or more of the following:	• •
24	<u>(1)</u>	Construction or operation of the proposed v	vind energy facility or proposed
25		wind energy facility expansion would be in	nconsistent with or violate rules
26		adopted by the Department or any other prov	vision of law.
27	<u>(2)</u>	Construction or operation of the proposed v	vind energy facility or proposed
28		wind energy facility expansion would encr	-
29		have a significant adverse impact on the mi	• •
30		any major military installation or branch of	
31		result in a detriment to continued military	-
32		evaluation, the Department may consider wh	· · ·
33		facility or proposed wind energy facility exp	
34 25		with air navigation routes, air traffic contro	
35		or radar based on information submitted	
36 37		subdivisions (5) and (6) of subsection (a)	
37 38		information received by the Department subsection (c) of G.S. 143-215.119.	pursuant to subdivision (2) of
38 39	<u>(3)</u>	Construction or operation of the proposed v	wind energy facility or proposed
40	<u>(3)</u>	wind energy facility expansion would result	
41		ecological systems, natural resources, cult	
42		historic sites of more than local significant	
43		parks or forests, wilderness areas, historic sit	
44		the natural and scenic rivers system, w	-
45		management areas, areas that provide habit	
46		species, primary nursery areas designat	
47		Commission and the Wildlife Resources Co	
48		habitat identified pursuant to the Coastal Habitat	
49	<u>(4)</u>	Construction or operation of the proposed v	vind energy facility or proposed
50			
50 51		wind energy facility expansion would have fish or wildlife.	a significant adverse impact on

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1	<u>(5)</u>	Construction or operation of the proposed wind energy fa	cility or proposed
2	<u>,</u>	wind energy facility expansion would have a significant	
3		views from any State or national park, wilderness area,	-
4		heritage area as compiled by the North Carolina Natural	•
5		or other public lands or private conservation lands design	
6		due to their high recreational values.	
7	<u>(6)</u>	Construction or operation of the proposed wind energy fa	cility or proposed
8	<u>,</u>	wind energy facility expansion would obstruct major navi	
9		create a significant obstacle to navigation in coastal waters	-
10		the United States Army Corps of Engineers and the United States Army	
11		Guard.	
12	<u>(7)</u>	A permit for a proposed wind energy facility or propo	osed wind energy
13	<u></u>	facility expansion would be denied under any other c	
14		G.S. 113A-120.	
15	<u>(8)</u>	Construction of the proposed wind energy facility or prop	osed wind energy
16	<u> </u>	facility expansion would be prohibited under Article 14 of	
17		the General Statutes, the Mountain Ridge Protection Act of	
18	<u>(9)</u>	The applicant is not in compliance with all applicable fede	
19	<u>,</u>	permit requirements, licenses, or approvals, includi	
20		requirements.	<u> </u>
21	(b) Permi	t Decision. – The Department shall make a final decis	sion on a permit
22		in 90 days following receipt of a completed application.	-
23	Department sha	Il not be required to make a final decision until the	Department has
24	received a writt	en "Determination of No Hazard to Air Navigation" issue	ed by the Federal
25	Aviation Admir	nistration pursuant to Subpart D of Part 77 of Title 14	of the Code of
26	Federal Regula	tions (January 1, 2012 edition). If the Department re-	equests additional
27	information follo	wing the receipt of a completed application, the Department	shall make a final
28	decision on a per	rmit application within 30 days of receipt of the requested i	information. If the
29	Department deter	rmines that an application for a wind energy facility or a with	ind energy facility
30		o meet the requirements for a permit under this section, the	
31		tion, and the application shall be returned to the applicant	
32		t of the reasons for the denial and any modifications to the	* **
33		e the application acceptable. If the Department fails to ac	
34	2	in this subsection, the applicant may treat the failure to act	
35	-	challenge the denial as provided under Chapter 150B of the C	
36		t Conditions The Department (i) may include as a condition	
37	· · ·	energy facility or proposed wind energy facility expansion	-
38	-	mitigate any adverse impacts and (ii) shall include as a cor	-
39		vind energy facility or proposed wind energy facility expans	-
40		older obtain a written "Determination of No Hazard to Air N	
41		Aviation Administration pursuant to Subpart D of Part 77	
42		Regulations (January 1, 2012 edition) for the facility. No	÷
43		r wind energy facility expansion shall become effective un	-
44		reviewed the "Determination of No Hazard to Air Navigat	•
45		Administration for the facility. If the specific location of a	
46		d pursuant to a "Determination of No Hazard to Air N	
47		the wind energy facility varies from the information submitte	
48		Department has made its permit decision, the Department n	•
49 50		on and require the applicant to submit any additional	
50	Department deen	ns necessary to approve or deny a permit for the facility as re	configurea.

Other Approvals Required. - The issuance of a permit under this section shall not 1 (d) 2 obviate the need for the applicant to obtain any and all other applicable local, State, or federal 3 permits, licenses, or approvals. Furthermore, nothing in this Article shall be interpreted to limit, 4 as applicable, (i) the application of Article 7 of Chapter 113A of the General Statutes to 5 facilities permitted under this section, including the permitting requirements of G.S. 113A-118 6 or (ii) the ability of a city or county to plan for and regulate the siting of a wind energy facility 7 in accordance with land-use regulations authorized under Chapter 160A and Chapter 153A of 8 the General Statutes. 9 "§ 143-215.121. Financial assurance requirements. 10 The applicant for a permit or a permit holder for a wind energy facility shall establish 11 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 12 13 on the site, even if the applicant or permit holder becomes insolvent or ceases to reside in, be 14 incorporated, do business, or maintain assets in the State. To establish sufficient availability of 15 funds under this section, the applicant for a permit or a permit holder for a wind energy facility 16 may use insurance, financial tests, third-party guarantees by persons who can pass the financial 17 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, 18 19 shown to provide protection equivalent to the financial protection that would be provided by 20 insurance if insurance were the only mechanism used. 21 "§ 143-215.122. Monitoring and reporting. 22 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 23 24 proximate to the wind energy facility or wind energy facility expansion and any impacts on 25 military operations that are required by the United States Fish and Wildlife Service, the North 26 Carolina Wildlife Resources Commission, the North Carolina Utilities Commission, or any 27 other government agency. 28 "§ 143-215.123. Annual review of military presence. 29 The Department shall consult with representatives of the major military installations to 30 review information regarding military air navigation routes, air traffic control areas, military 31 training routes, special-use air space, radar, or other potentially affected military operations at 32 least once per year. The Department shall provide relevant information on civil air navigation 33 or military air navigation routes, air traffic control areas, military training routes, special-use air 34 space, radar, or other potentially affected military operations to permit applicants as requested. 35 "§ 143-215.124. Record keeping. 36 The Department shall serve as the custodian of all data, information, and records received 37 from a permit applicant or a major military installation pursuant to this Article and shall ensure 38 that information provided to the Department that constitutes trade secrets, as that term is 39 defined in G.S. 66-152, and that is designated as confidential or as a trade secret under 40 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 41 42 designated as confidential or as a trade secret under G.S. 132-1.2 shall not be subject to 43 disclosure pursuant to G.S. 132-6. "§ 143-215.125. Rule making. 44 45 The Environmental Management Commission shall adopt any rules necessary for the implementation of this Article. In adopting rules, the Commission shall consult with the 46 47 Coastal Resources Commission to ensure that the development of statewide permitting 48 requirements is consistent with and in consideration of the characteristics unique to the coastal 49 area of the State to the maximum extent practicable.

50 "§ 143-215.126. Civil penalties.

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1	(a) The Secretary of Environment and Natural Resources may impose an administrative
2	penalty on a person who constructs a wind energy facility or wind energy facility expansion
3	without obtaining a permit under this Article or who constructs or operates a wind energy
4	facility in violation of its permit terms and conditions. Each day of a continuing violation shall
5	constitute a separate violation. The penalty shall not exceed ten thousand dollars (\$10,000) per
6	<u>day.</u>
7	(b) The Secretary of Environment and Natural Resources, irrespective of all other
8	remedies at law, may institute an action for injunctive relief against a person who constructs a
9	wind energy facility without first obtaining a permit under this Article or who constructs or
10	operates a wind energy facility or wind energy facility expansion in violation of its permit
11	terms and conditions."
12	SECTION 3. This act is effective when it becomes law and applies only to those
13	wind energy facilities or wind energy facility expansions that have not received a written
14	"Determination of No Hazard to Air Navigation" issued by the Federal Aviation Administration
15	on or before that date.