

Garrard Solar - Responses to Community Concerns

July 28, 2025

Topic	Proposed Resolution / Answer
Highway 27 Bypass How do we ensure future solar development does not impact Hwy 27 Bypass plans?	• Clearway met with Kentucky Transportation Cabinet staff (Robin Sprague) for District 7 on July 11th. During this meeting, KYTC staff shared the latest Hwy 27 routing plans, and conveyed final plans should not move by more than 100 ft from that route map. Clearway requested continued communication with KYTC to stay apprised of their continued Highway 27 bypass planning. • Clearway made abundantly clear to KYTC staff that we would site the project to avoid the planned bypass route and all routing contingencies. KYTC staff appreciated that commitment. • Before submitting our application into the Kentucky Siting Board, Clearway will again meet with KYTC to verify that the layout and content of the permitting application package in no way inhibits plans for the Highway 27 Bypass. • Our draft site layout does not conflict with KYTC's proposed route for the bypass. • KYTC can use eminent domain to acquire any land it needs for the bypass, so it is in Clearway's best interest to avoid Hwy 27 plans. By no means would a solar project – a removable fixture on private property—have the ability to thwart an incoming public good such as the Bypass. • <u>The County solar ordinance should be amended to include a 300-ft setback from the planned Highway 27</u>

	<u>route , to make it clear that there will be no conflict between the bypass and the project.</u>
Solar Project Property Taxes Is an Industrial Revenue Bond (IRB) the right economic development tool for Garrard County to use? How much money would an IRB/PILOT (Payment in lieu of Taxes) raise for Garrard County? How does the County make sure an IRB and PILOT are structured to meet the needs of the County?	• Solar equipment is considered manufacturing under Kentucky law and it is only taxed at the state level therefore the vast majority of the new revenue from the project's property taxes would flow to Frankfurt, with very little staying at the County level. • If the County were to enter into an IRB and require a PILOT between the County and Clearway it would keep 100% of the new revenue generated by the project in the County. • Clearway is proposing a PILOT rate of three times the standard rate for solar projects in Kentucky. We are proposing setting the PILOT at \$3,000/MW, which would generate about \$354,000 per year for the first 20 years, and \$1,500/MW for the second 20 years, which would generate about \$177,000 per year. (This assumes 118 MW of solar are built in the County.) • At these levels, the project would contribute over \$10.5 million directly to Garrard County over the life of the project. • We have no opinion on how the funds raised by a PILOT are allocated among the taxing districts in Garrard County. Given an IRB would be between the County and Clearway, the County decides how to allocate those funds among the local taxing district. <u>We trust the Court</u> to allocate those funds correctly and support any outcome the Court reaches on this matter.
Decommissioning the Project at end of useful life	• Kentucky law (KRS 278.706) requires solar projects to provide a decommissioning plan and decommissioning bond. The bond must be posted at the start of

How is decommissioning a project done? How are the landowners protected if Clearway were to abandon the project?	construction, update it every five years (by revised estimates from the independent licensed engineer – see below), and maintain it through the life of the project. This provides certainty to the County and Landowners that there will be money to cover the cost of decommissioning if all potential owners of the solar project disappear. • The decommissioning bond amount is established by an independent licensed engineer in combination with a formula in state law. • The decommissioning bond is not controlled by Clearway. It is administered by the KY Energy and Environment Cabinet. If a project is abandoned, the KY E&E Cabinet “will draw upon the decommissioning bond and implement the decommissioning plan.” (401 KAR 103:020. Decommissioning standards) • <u>The County’s solar ordinance should be amended to specifically cite the state statute to ensure full clarity and protection of its citizens.</u> • Clearway has previously provided the Court an example decommissioning plan for a Kentucky solar project that we developed, submitted and received approval from the KY Power Siting Board. This plan provides a sense for the scope of solar decommissioning requirements required by Kentucky law.
Community Benefit Fund	• Clearway has not heard objections to Clearway making charitable contributions in Garrard County.

The Court does not want to be in charge of managing a Community Benefit Fund.	• We have heard questions and concerns about who and how a Community Benefit Fund would be administered. • We have proposed providing a donation of \$1 million to a community benefit fund that we create at the start of construction. The Fund would be administered by a board of 5 Garrard County citizens; Board members may not hold elective office to ensure Fund administration is wholly separate from State, County or municipal officials. • Clearway does not intend to create strife in the community over this issue. Our intention was merely to demonstrate our commitment to being a good corporate citizen. • If the community and the Court is uncomfortable with the establishment of such a fund, we can withdraw the offer. • For all operating projects, Clearway donates to local charities on an annual basis.
Project Scale Where is the solar going and will it cover 3,500+ acres?	• We have heard concern with the scale and scope of the project. In response, Clearway will be working to significantly reduce the acreage of the project in Garrard County from the original number of leased acres we shared. • When we start to develop a project we lease more land than we will need in order to afford design flexibility, knowing that once we begin field surveys we will encounter wetlands, flood zones, sensitive ecological features, steep slopes, gas lines etc that we will need to avoid.

	• The final footprint of the solar project will be significantly smaller than the area we have leased. This would be determined after all site studies/surveys and detailed engineering is conducted. • Once we have conducted final engineering and environmental studies and begin the permitting process, we are required to publicize the proposed design of the project for public feedback, aesthetic mitigation opportunities, etc. • <u>We propose amending the solar ordinance to exempt projects interconnecting at the West Garrard substation that also had leases signed before the ordinance was passed.</u> This would limit the amount of solar on prime farmland to just this project, which captures the original intention and verbal commitment made to landowners when the ordinance was passed and again communicated to Clearway in meetings in February 2025.
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