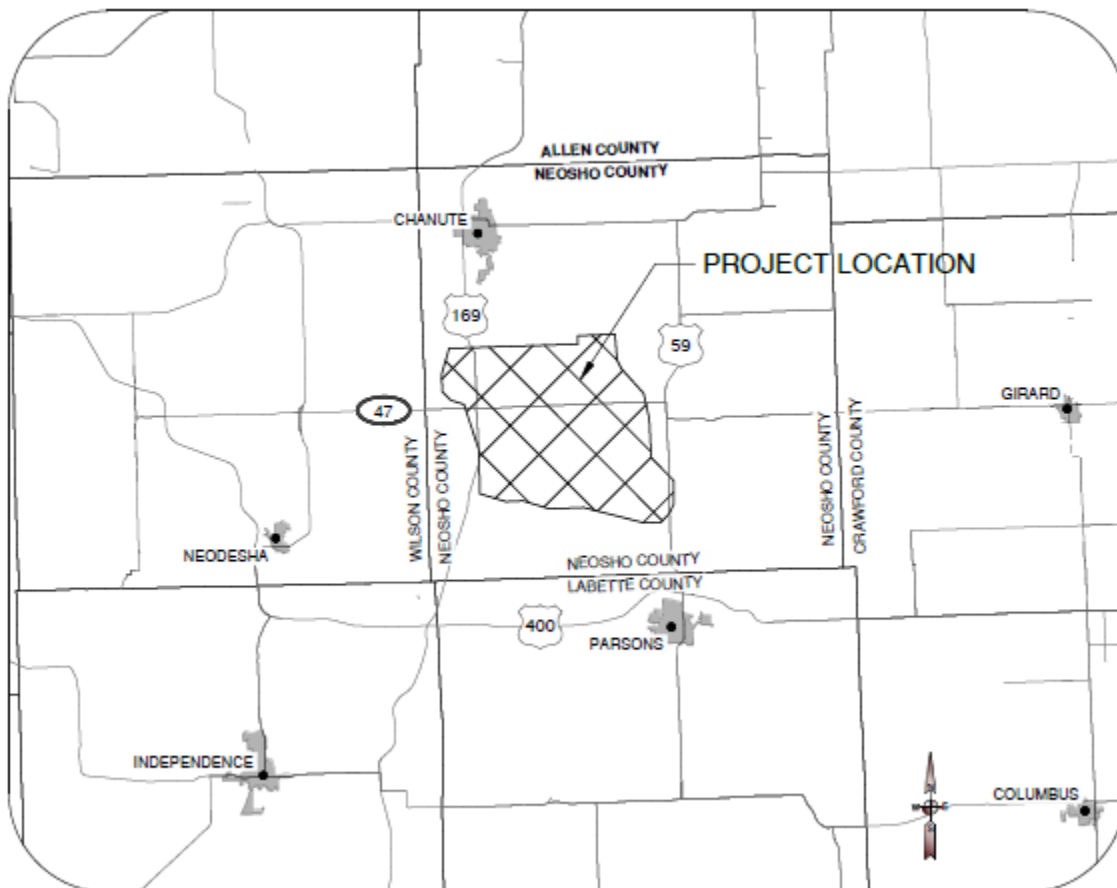


# Neosho Ridge Wind Project

*Neosho County, Kansas*



*Project Progress Report No. 13*

*August 2020*

**\*HC\* Indicates Highly Confidential \*HC\***

**\*\* Indicates Confidential \*\***



*Liberty Utilities – Empire District  
602 S. Joplin Ave.  
Joplin, MO 64802*

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*August 2020*

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## 1.0 Summary

From a development perspective, the majority of the activities have been completed and all that remains are minor construction related permits which are on-going. All major engineering design disciplines have been Issued for Construction (IFC). Various engineering studies are on-going.

Construction on-site continues, see below for a high-level summary of the major activities that occurred during this reporting period:

- Public road improvements to culverts and intersections are nearly complete.
- Turbine foundation backfilling has been completed and crane pad installation continued.
- Turbine component deliveries and erection continued.
- Collection system installation is substantially complete and termination work has been initiated.
- All transmission line work has been completed with the exception of right of way reclamation.
- Foundations, setting of steel structures, and installation of various components in the substation are nearing completion.
- The second main power transformer is being prepared for energization which is expected during the next reporting period.

## 2.0 Safety

There were 14 incidents to report for this period:

- First Aid - Pull cord on water pump kicked back in worker's hand causing minor swelling and pain.
- First Aid - Nacelle flange bolt fell down tower and struck glancing blow to two workers.
- First Aid - An unseen wrench fell from atop a piece of equipment and struck worker in the mouth.
- First Aid - End of steel culvert snagged worker's glove, pulling it off and cutting his thumb.
- Property - Highway K47 damaged by nacelle delivery trailer.
- Equipment - Sheave pin on a crane was worn causing cable to jump sheave resulting in cable damage.
- Property - An excavator struck an unmarked waterline.
- Property - Blade delivery truck jackknifed attempting to turn into tower access road and damaged the tip of the blade.
- Equipment - Windshield damage from rock while in transport.
- Equipment/Environmental - Broken hydraulic line on forklift releasing about 20 gallons of oil to the soil. KDHE report filed.
- Property - Smoke coming out of capacitor during testing.
- Near Miss - Cow got stuck in a splice pit. It was removed unharmed.
- Vehicle - Windshield damage from flying rock.
- Vehicle/Property - Mechanic backed truck into busbar support pole.

- Vehicle - Manager struck wooden bollard.
- Vehicle - Back window damaged by flying rock.

	Lost Time	Recordable	First Aid	Property Damage	Near Miss	Vehicle Incidents	Totals
This Period	0	0	4	7	1	4	16
Cumulative	0	0	9	49	2	15	75

23 positive cases of COVID-19 have been reported on-site during this reporting period; 22 from IEA and 1 from Vestas. IEA had originally reported 6 cases on-site during this reporting period which lead to them arranging for a mobile COVID-19 testing site to undertake testing on-site. An additional 16 cases from IEA and 1 from Vestas were determined from this on-site testing. Each individual with a positive case has been removed from the site and asked to quarantine per public health guidelines. Individuals must be free of symptoms and show proof of a negative COVID test before returning to the site.

### 3.0 Commercial Activities

#### 3.1 Purchase and Sale Agreement

Contractual milestones achieved during the report period are as follows:

- *Seller:*
  - Nothing to report
- *Purchaser:*
  - Nothing to report

Contractual milestones to be achieved in the next report period as follows:

- *Seller:*
  - Nothing to report
- *Purchaser:*
  - Nothing to report

#### 3.2 Turbine Supply Agreement and Service and Maintenance Agreement

During this reporting period, Vestas submitted to the project Excusable Events No.14 through No.19, as well as a Supplemental Notice to Excusable Event No.2 under the Turbine Supply Agreement (TSA), all of which are provided in Appendix A. To date Vestas has submitted 19 Excusable Event Notices under the TSA and 1 Force Majeure Notice under the Service and Maintenance Agreement to the project. The project has responded to the Notices requesting additional information in support of Vestas' claims and is evaluating the merits of those claims. Vestas provided a response along with documentation to substantiate the claims, however the project was not able to ascertain the extent to which any such

document relates to a particular occurrence, its impact on Supplier's obligations, or to which claimed Excusable Event such document relates and therefore has responded to Vestas by requesting clarification. Both the Vestas response and project response are included as Appendix F.

Due to the delays in the delivery of turbine components, the project requested that Vestas submit a recovery plan, which was received on July 16, 2020. Neosho Ridge Holdings, LLC has requested that Vestas provide an updated recovery plan given the insufficiency of the plan. See Appendix B for Neosho Ridge Holdings, LLC's response to Vestas.

At the time of this reporting period the final impact to the project cost and schedule is unknown. Any additional responses received from Vestas will be provided in subsequent reports.

### 3.3 Engineering, Procurement and Construction Agreement

There were no new Notices submitted by IEA to the project under the Engineering, Procurement and Construction (EPC) Agreement during this reporting period. To date IEA has submitted 6 Notices under the EPC Agreement to the project.

Change Order #3 was executed during this reporting period and has been included in this report as Appendix C. Change Order #3 involves the construction delay costs by IEA as a result of the turbine tooling, equipment, and component delivery delays from 04.27.20 to 06.13.20. In addition to the delay costs associated with this change order, IEA is entitled to 6 weeks relief of all milestone completion dates per the EPC Agreement.

At the time of this reporting period the final impact to the project cost and schedule due to turbine tooling, equipment, and component delivery delays is unknown as negotiations with IEA regarding construction delay costs are on-going. Further details will be provided in subsequent reports.

Change Order #3 will be included under Section 6 in the subsequent reporting period which will reflect the costs as of the end of August.

### 3.4 Interim Generator Interconnection Agreement

There were no new Notices submitted by Evergy to the project under the Interim Generator Interconnection Agreement (IGIA) during this reporting period. To date Evergy has submitted 1 Force Majeure Notice under the IGIA to the project.

## 4.0 Development Activities

Development activities for the period were focused primarily on the project site plan and permitting at the State, and Neosho County level.

IEA, the EPC contractor, has identified locations within the proposed construction areas where existing underground infrastructure from local utilities exist and are working with the utilities to relocate the

infrastructure or slightly modify the site plan to avoid the infrastructure. This work is on-going and nearly complete.

IEA continues to work towards obtaining all permits necessary to facilitate construction and is nearly complete. IEA had submitted for a stream obstruction permit on Irving road to the KSDA-DWR and has now received the approved permit to proceed with the work. Line drops are being scheduled with the local utilities to facilitate crane crossing as necessary. All other construction related permits have been obtained.

The Market Based Rate (MBR) application which was filed by the project at the Federal Energy Regulatory Commission on August 14, 2020, was approved on September 14, 2020, and is effective as of August 28, 2020. The authorization is included as Appendix D.

## 5.0 Construction Activities

Construction activities during the report period largely consisted of engineering and site work.

All engineering designs have now been issued for construction (IFC), however various engineering studies are still on-going.

IEA continues construction on-site. The following provides an update on construction activities during this report period as well as the progress status of major activities:

- Public road culvert improvements as well as public road intersection improvements continued across the site.
- All turbine foundations have been poured and backfilling is now complete.
- Crane pad construction continued.
- Turbine component deliveries and turbine erection is on-going.
- Trenching, boring, and cable installation as it relates to the collection system is now substantially complete and termination work continues.
- All transmission line work has been completed with the exception of reclamation of the right of way which is on-going.
- Substation construction is on-going. Foundations and setting of steel structures is nearing completion and installation of the various components is also nearly complete.
- The second main power transformer is being prepared for energization which is expected to occur during the next reporting period.
  
- **WTG Access Roads**
  - Stripping: 195,360' of 195,360' = 100%
  - Cement Stabilized: 195,360' of 195,360' = 100%
  - Stoned: 195,360' of 195,360' = 100%
  
- **Turbine Foundations**

- Sites Stripped: 139 of 139 = 100%
- Excavated: 139 of 139 = 100%
- Mud Mats: 139 of 139 = 100%
- Rebar Installation 139 of 139 = 100%
- Poured: 139 of 139 = 100%
- Backfilled: 139 of 139 = 100%
- Crane Pads Installed 109 of 139 = 78%
  
- **Offload/Erection**
  - Full Turbines Received: 76 of 139 = 54.7%
  - Full Turbines Erected: 34 of 139 = 24.5%
  - Tower's Wired 17 of 139 = 12.2%
  - MCC 0 of 139 = 0%
  
- **Collection**
  - Cable Installed 590,651 of 592,615 = 99.7%
  - Terminations Installed 47 of 139 = 34%
  - Testing 0%
  
- **Substation**
  - Foundation 97%
  - Underground Electrical 100%
  - Steel And Equipment 97%
  - Switches 87%
  
- **Transmission Line**
  - Clearing 44,880 of 44,880' = 100%
  - Stage Poles and Materials 66 of 66 = 100%
  - Assemble Poles 66 of 66 = 100%
  - Set Poles 66 of 66 = 100%
  - 795 Conductor 198 of 198 = 100%
  - OPGW 66 of 66 = 100%

Vestas crews are on-site and continue to coordinate turbine deliveries, inspections, and offloads with IEA. Crews continue to participate in turbine walkdowns which are the pre-requisite for accepting mechanical completion certificates (MCCs); to date, no turbines have achieved mechanical completion. Commissioning activities are forthcoming as turbines become mechanically complete.

Construction of the O&M building has been initiated on-site. Miller-Tippens is nearly complete the installation of the foundation as well as the below grade infrastructure. The steel structure has also been erected.

For further details related to construction activities and the construction schedule, please refer to the Construction Management Monthly Progress Report from the Construction Manager, APEX Wind Construction, LLC which is included as Appendix E.



## 6.0 Project Cost Report

Project expenditures to date are [REDACTED], plus [REDACTED] of recorded commitments, plus [REDACTED] of construction loan disbursements of the total budgeted expenditure of [REDACTED]. Empire has recorded commitments under US GAAP on the basis of milestones achieved by Neosho JV payable at closing. See the next page for a report detailing expenses by budget category. [REDACTED]

[REDACTED]

[REDACTED]

- [REDACTED]

- [REDACTED]



## 7.0 Progress Photos



Installed Tower Sections with Stage Turbine Components



Nacelle Install



Blade Install



Blade Install at Night



O&M Building