

New rules approved for 'small' wind operations

By Larry Land
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The Department of Environmental Quality (DEQ) recently approved new regulations for "small" renewable wind energy projects.

Under the companion bills HB 2175 (Hogan) and SB 1347 (Wagner) that passed the 2009 General Assembly, a "small" wind energy project is one that generates up to 100 megawatts of electricity.

The type of regulations approved by DEQ for small wind projects is known as a "permit-by-rule," which is generally understood to be an expedited permit approval process for facilities considered to have limited environmental impacts.

In the area of solid waste, a "permit-by-rule" process is currently utilized for approving such facilities as transfer stations and materials recovery facilities where recyclable items are separated.

Pursuant to HB 2175 and SB 1347, DEQ will be developing additional regulations under the "permit-by-rule" framework for other types of small renewable energy projects, including those powered by sunlight, falling water, wave motion, tides, geothermal power, certain agricultural feedstocks (switch grass, barley, and others), and municipal solid waste.

DEQ's new permit-by-rule procedure for small wind operations will have no impact upon existing local

government authority to regulate such facilities through land use ordinances.

A chief provision of the Hogan/Wagner legislation requires applicants for a permit-by-rule to obtain certification from a local government that the facility is consistent with all applicable land use ordinances.

For wind projects generating more than 5 megawatts of electricity, DEQ's permit-by-rule imposes the following requirements upon applicants: to analyze potential environmental impacts, produce mitigation plans to offset identified environmental impacts, submit a site plans of the facility, administer a program to allow for public participation in the approval process, and pay certain permit fees to DEQ.

The permit-by-rule also establishes procedures consultations between DEQ and other agencies that may also have interest in a proposed project, including the Department of Historic Resources, the Virginia Marine Resources Commission, and others.

DEQ's permit-by-rule addresses proposed wind projects that are land-based, as well as those located in state waters.

For very small wind projects generating between 500 kilowatts and 5 megawatts of electricity, DEQ has developed a rule requiring applicants to provide DEQ with notification along with several other minimal requirements. The permit-by-rule places no requirements on projects of 500



kilowatts and less.

Regardless of facility size, wind turbine operations would still be subject to existing local government approval processes.

According to Governor McDonnell, DEQ's permit-by-rule for small wind operations "creates a clear path for developing wind energy in Virginia. Wind energy causes no air pollution. In addition, developing and expanding our renewable energy industries will boost Virginia's economy and create good jobs for our citizens."

To develop the permit-by-rule, DEQ established two stakeholder panels that met 22 times between July 2009 and September 2010.

Most of the provisions of the new regulation reflect the panels' consensus-based recommendations. The stakeholder groups included state agencies, environmental organizations, wind developers, academia, local government and the military.

More information about the wind energy permit by rule is available on the DEQ website.

Note: VACo staff member Larry Land served on both stakeholder panels assisting with development of the permit-by-rule for small wind operations.

GACRE recommends cautious spending

By Dean Lynch
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Lawmakers, industry executives and economists who make up the Governor's Advisory Council on Revenue Estimates (GACRE) struck a cautionary tone in their meeting with Gov. Bob McDonnell last week. The council reviews economic indicators and state revenue forecasts to advise the governor in preparing his budget. Gov.



McDonnell will present a revised fiscal plan for fiscal year 2011 and 2012 on December 17 to a joint meeting of the House Appropriations Committee and the Senate Finance Committee.

"We're going to take a hard look at what, if any, revenues we might add to the budget based on the forecast," McDonnell said at the conclusion of the meeting. The good news, he said, is that the state had positive growth in seven of the last eight

months, and is on track for the 2011 forecast, if just slightly behind.

"The bottom line is this: we should err on the side of caution," he said. "We've got to be very prudent and it's still necessary to cut spending and reform government and do things smarter."

To help him prepare his budget revisions, McDonnell has asked state agencies to propose spending reductions of 2, 4 and 6 percent of their budgets. VACo will continue to keep counties apprised of revenue estimates.

Contributing: Richmond Times-Dispatch