

LOUISIANA DEPARTMENT OF NATURAL RESOURCES
PUBLIC MEETING ON ACT 301 OF THE 2021 REGULAR
SESSION

Held on JUNE 29, 2021
at the State Capitol Building
John J. Hainkel, Jr. Room
900 North Third Street
Baton Rouge, Louisiana

REPORTED BY: KELLY S. PERRIN, C.C.R.

COURT REPORTERS OF LOUISIANA, LLC

9522 BROOKLINE AVENUE, SUITE 217

BATON ROUGE, LOUISIANA 70809

PHONE: (225) 201-9650 * FAX: (225) 201-9651

E-MAIL: depos@courtreportersla.com

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

I N D E X

PAGE

CAPTION	1
APPEARANCES	3
REPORTER'S CERTIFICATE	126

1 APPEARANCES:

2 CHAIRMAN JASON LANCLOS, DNR

3 BLAKE CANFIELD, DNR

4 SENATOR R.L. "BRET" ALLAIN, JR.

5 SENATOR BETH MIZELL

6 EMORY BELTON, ON BEHALF OF KAY HO FAMILY PROPERTIES

7 JONATHAN BOURG, ON BEHALF OF ENTERGY LOUISIANA

8 JENNIFER BROWN, ON BEHALF OF LA BEEKEEPERS ASSOC.

9 DON CAFFERY, ON BEHALF OF LA LANDOWNERS ASSOCIATION

10 JEFFREY CLARK, ON BEHALF OF ADVANCED POWER ALLIANCE

11 KIM COATES, ON BEHALF OF TANGIPAHOA PARISH COUNCIL

12 WILSON LAGRAIZE, JR.

13 JOE MAPES, ON BEHALF OF FARM BUREAU

14 JODY MONTELARO, ON BEHALF OF ENTERGY LOUISIANA

15 HEATH MORRIS, ON BEHALF OF SUGAR WEST, INC.

16 JIM SIMON, ON BEHALF OF AMERICAN SUGAR CANE LEAGUE

17 NICKEY SMITH, ON BEHALF OF S&S FARMS

18 RYAN VIATOR, ON BEHALF OF HMC FARMS

19 MARY WATTS

20 RODNEY WOOD

21 STEPHEN WRIGHT, ON BEHALF OF GULF STATES RENEWABLE

22 ENERGY

23 MARK YATES, ON BEHALF OF ADVANCED POWER ALLIANCE

24

25 Reported by: KELLY S. PERRIN, CCR

1 P R O C E E D I N G S

2 CHAIRMAN LANCLOS:

3 All right. Good morning. We're going to
4 go ahead and call the meeting of Act 301 of
5 the 2021 Regular Session to order. I'd like
6 to welcome all of you today. My name is Jason
7 Lanclos. I'm with the Department of Natural
8 Resources, the Director of our State and
9 Energy Office. I have with me Mr. Blake
10 Canfield, our Executive Counsel, and Senator
11 Allain. We want to welcome folks today to
12 this meeting.

13 What I'm going to do this morning is just
14 kind of go over a format of what the plan is.
15 I want to just highlight just a couple of
16 things. Robin and Jamie from our office are
17 up here and have public comment cards. If you
18 could, please fill those out and get them to
19 us so we can announce those, and if you wish
20 to speak or comment on the legislation that
21 we're going over this morning.

22 So, again, I want to thank all of you for
23 doing this. What we're planning to do is to
24 go through public comments first for folks who
25 are here. We have received quite a few

1 comments as well via email. I do want to
2 mention that that comment period is open and
3 will remain open. We want to encourage all
4 folks to continue to comment on this issue and
5 want to receive as much feedback as we
6 possibly can.

7 As most of you are aware, we're in the
8 very early stages of developing guidelines to
9 move and to put the state in a position to be
10 able to advance solar in Louisiana, but we
11 want to do this and get as much input as we
12 can and really make sure that the program is
13 set up correctly. So we look forward to
14 hearing from all of you today. I think that
15 this will be the first of several meetings
16 that we will have on solar. So I just wanted
17 to welcome all of you here and go ahead and
18 introduce our first speaker. Senator Allain
19 is going to introduce the Bill and make some
20 opening comments. And after that, we will
21 move to public comment.

22 SENATOR ALLAIN:

23 I thank everybody for being here. As a
24 legislator and coming and being both heavily
25 invested in the agricultural community and the

1 landowners of being a landowner myself, it
2 came to our attention that there needed to be
3 some oversight over the solar industry as we
4 move forward. Several issues came up. And I
5 think that the first one was having the
6 ability to decommission the land once the
7 solar farms were finished. That is of primary
8 importance because we understand that the cost
9 of decommissioning would probably be more than
10 the value of the land.

11 I have for many years advocated on behalf
12 of cleaning up orphaned wells in this state of
13 which we have about 4,000 and I can give you a
14 long history how I think we got there. But
15 the problem is, each one of those wells only
16 takes up about an acre. And there's
17 4,000 acres of productive land in the State of
18 Louisiana that cannot be used for anything
19 else because there is an orphaned well on it.
20 If we had -- if we create the same situation
21 and don't some have some guidelines for the
22 solar industry upfront, I can't imagine having
23 several orphaned solar farms sitting out there
24 where the cost of decommissioning was higher
25 than the value of the land and it would grow

1 up in trees.

2 This state was started with agriculture.
3 It's been a vital part of this state's fabric
4 for many years. And the idea that we would
5 use, even if it's not in agriculture, the idea
6 that we would take up acreage in this state,
7 which they don't make anymore, that we would
8 take up acreage in this state for
9 nonproductive use at some point in time in the
10 future, I think would be very shortsighted.
11 There are a lot of other issues that I think
12 need to be addressed as far as the solar farms
13 and where we go forward.

14 So I asked, in my legislation, I asked
15 that the Secretary of Natural Resources, who
16 has a long history of looking over leasing of
17 property in this state, mainly oil and gas,
18 but leasing property in this state for other
19 minerals also for energy use. And I think it
20 was the proper place. I'm not trying to
21 interfere with the Public Service Commission.
22 I've had talks with a lot of those guys also.

23 But until the utility or until it goes
24 onto a utility pole, the electricity generated
25 and the leasing of it, I believe, belongs in

1 the purview of the Department of Natural
2 Resources, which is the proper place to
3 regulate that. So what we're trying to do
4 here is come up with testimony. And,
5 initially, no decisions will be made today.
6 We're just trying to come up with the
7 framework of how we move forward with this,
8 but I envision that the state become a
9 permitter of these solar farms. And, really,
10 let's look a little forward, all other
11 merchants emerging technologies for energy
12 production in the future, that they become the
13 regulator of these things and set reasonable
14 rules and regulations to protect the land of
15 the State of Louisiana and to protect the
16 people of the State of Louisiana, and that is
17 what I attempted to do.

18 So in the legislation, we talked about
19 decommissioning and that he come up with a
20 plan for that. We also talked about capacity.
21 We don't need to be building solar farms where
22 there aren't lines or a capacity on electric
23 lines to take the electricity and do something
24 with them. So capacity needs to be a
25 consideration. Spacing between the solar

1 installations and setbacks off of a road to
2 preserve the beauty of the countryside, I
3 think, needs to be some consideration; maybe
4 not a hard one.

5 And I'm going to put on my landowner hat
6 for a minute too. I've understood and lived
7 by the constitution of the State of Louisiana
8 for many years and embedded deeply in it of
9 the rights of property owners. Property
10 owners absolutely have the right to lease
11 their property for whatever they want to,
12 whether it's soybean production or rice
13 production or solar production. They have the
14 right to do that, but I think it's on us to
15 make sure that it's done correctly and with
16 the least amount of impact in protecting the
17 environment and the communities that they're
18 in.

19 So that's it in a nutshell. I think I'm
20 going to give it back to Mr. Canfield for his
21 comments in trying to give you an overview of
22 the testimony that they're going to take
23 today. So this is, I'm just here because
24 they've asked me to be here. This is really,
25 my legislation does what it does, which it

1 says it directs the Secretary to hold
2 hearings, take testimony, and come up with a
3 set of rules and regulations that will go
4 through the procedure, the administrative
5 procedure for rules, both the Committee of
6 Natural Resources and the Senate and the House
7 will have oversight over those rules. And at
8 the end, the rules will end up being
9 published.

10 I also suspect that next year, there will
11 be, depending on what comes from the hearings
12 and the rules that they have, some of this
13 will probably be put in statute next year, or
14 at least we'll attempt to put it in statute at
15 the next session that will start in the spring
16 of next year.

17 So that being said, your input here today
18 is very important. The Department wants to
19 hear from you and they want to take into
20 consideration what you have to say because
21 they have the yeoman's job of being able to
22 put all this together and come up with
23 something that not only protects the land in
24 the State of Louisiana, as they have done a
25 very good job of in the past, but also the

1 people of the state and an emerging industry.

2 That being said, I'll turn it back over to

3 Mr. Canfield.

4 MR. CANFIELD:

5 Thank you, Senator. So I don't have a
6 whole lot to add on that. I will just sort of
7 echo what Senator Allain said, that we really
8 want to hear from everybody to get your input
9 as we're starting to consider how to set up
10 this program. As the Senator mentioned, rule
11 making would be, I guess, the step after we do
12 this information gathering phase.

13 And that formal process does take some
14 time. I think the quickest it can be done is
15 six months, but that will depend, of course,
16 on what comments we receive. It does require
17 public notice, another public hearing. It
18 does involve notifying two oversight
19 committees, both the House and the Senate in
20 that they can call hearings, depending on, you
21 know, their desire regarding those rules.

22 I'm just really quickly going to mention
23 that we did receive, I think Jason said, a lot
24 of written comments. So if you want to submit
25 written comments, they receive the same amount

1 of consideration as any verbal or spoken
2 comments that you say today.

3 I also want to mention that we do have a
4 court reporter here to make sure that we have
5 an accurate record. So when you are speaking,
6 just try to keep that in mind that it's
7 helpful to make sure that you can be heard,
8 that you've got the mic close enough to you,
9 and also to identify yourself. One other
10 thing that we will try to do is, you know, to
11 the extent we have your contact information is
12 to make sure that you're notified moving
13 forward of other public meetings or any
14 rule-making process.

15 So with that, I'm going to kick it back
16 to Mr. Lanclos to run the rest of the meeting.
17 Thank you.

18 CHAIRMAN LANCLOS:

19 Thank you so much, Mr. Canfield. So I do
20 want to mention as well, we have another
21 hearing this afternoon. Senator Mizell is
22 going to be at that hearing at 2 p.m. at the
23 LaBelle Room at the Department of Natural
24 Resources. Again, that's two o'clock at the
25 Department's offices in the LaBelle Room,

1 which is on the first floor. Thank you so
2 much for being with us this morning.

3 So in terms of format, if you came in a
4 few minutes late, we do have Robin and Jamie
5 who have comment cards. Please get those in
6 to us so we can call you to the witness table.
7 In terms of format, we would like to try to
8 shoot for about five minutes of testimony per
9 person, if that allows us to enough time, and
10 we will try to read some of the comments that
11 we received via email if time allows. But
12 we're going to give preference to folks who
13 are here and make sure that you have enough
14 time to be able to make comments on the
15 records.

16 So with that, we'll go ahead and call up
17 our first witness. And, again, thank you for
18 being here.

19 Senator Mizell, you want to make any
20 opening comments?

21 SENATOR MIZELL:

22 Oh, may I? Thank you.

23 CHAIRMAN LANCLOS:

24 Yes, absolutely.

25 SENATOR MIZELL:

1 Thank you. I appreciate the opportunity.
2 I appreciate Senator Allain's efforts. I
3 think we are all coming from the same place.
4 You have a room full of people very familiar
5 to me. And I think this is the assurance that
6 I intended with my legislation and in
7 conversations we've had is that before we move
8 forward with giving an industry just unbridled
9 opportunity in our state, that there be
10 regulations.

11 And my concern, and I don't want to be
12 repetitive, you're going to hear this again
13 from me, my concern is that we've kind of
14 shirked our responsibility and passed it on to
15 the locals who have no idea. They're trying
16 to self-educate as quickly as they can in the
17 middle of the pro and con of the citizenry in
18 their parishes. So I'm basically imploring
19 you to be Solomon in this. And it's going to
20 be a rough job because I have seen more so
21 since I've come to this building that money
22 drives just about every decision we make here.

23 And I'm asking you to think in the long
24 term. Personally, 20 years from now,
25 somebody's going to be held accountable for us

1 doing a very good job and introducing this
2 industry to our state or they're going to be
3 really saddled with the idea of what a bad job
4 they've done. I want us to look and back and
5 think we've done a really good job. So that's
6 my message to you.

7 I've got some citizens that are near and
8 dear to me that have something to say. And I
9 think this is the first step. As you create
10 your regulations, you're considering not just
11 the money-making aspect and the industrial
12 information, but the impact on the citizens
13 and only that the culture of the agriculture
14 community in Louisiana. So that's really I
15 all I wanted to say, but I appreciate the
16 opportunity and I appreciate the attitude you
17 brought to this meeting. So thank you for
18 that.

19 CHAIRMAN LANCLOS:

20 Thank you so much, Senator Mizell. And I
21 think that what you just said, the
22 communication aspect of this is critical ask
23 this is going to be the first of many meetings
24 that we anticipate many comments. We want to
25 keep this dialogue and ongoing. And, again we

1 very much appreciate you working with us to
2 try to set this up the right way.

3 SENATOR MIZELL:

4 Thank you. Thank you all.

5 CHAIRMAN LANCLOS:

6 So with that, we'll go ahead and call our
7 first witness, Mr. Nickey Smith. Please come
8 in and introduce yourself for the record, and
9 thank you for being here today.

10 MR. SMITH:

11 Good morning. Nickey Smith, Franklinton,
12 Louisiana. This is the first time I've ever
13 done anything like this. My son and I have
14 been in the cattle business for 40 years. We
15 have a little lease ground across from the LSU
16 Experiment Station in Franklinton, Louisiana
17 that is going to bring the solar panels.

18 And I just, I put in a couple of numbers
19 here because you say, well, it's only 500
20 acres, you know. We have 200 head of momma
21 cows there. Every momma cow gives us a calf
22 every year. When that calf hits and comes out
23 of the slaughter house, it will be 850 pounds
24 of carcass. It takes a half of pound of beef
25 to meet your protein requirements for a day.

1 That's 1700 servings times 200 cows. That's
2 3400 cows -- 3400 servings -- no, I'm sorry.
3 It's 1700 pounds, 1700 half a pound times 200
4 cows is 3400. That's 68,000 -- 640,000 meals
5 a year. That's 13,600,000 meals in 20 years,
6 which is supposed to be the life of this
7 project.

8 Now if you multiply that times the number
9 of acres that they're taking out of production
10 agriculture, that's a lot. It's just that
11 little 500 acres is 13 million meals a year in
12 20 years. It's got to stop.

13 We are only 1 percent feeding the world.
14 You can't keep taking from us. And that
15 should be very evident with what happened with
16 the pandemic when the food shelves went --
17 they went empty in a heartbeat. It's a very
18 fragile system we have here. People don't
19 realize it, and you can't keep taking it. I'd
20 just like you to consider that for a minute.
21 Thank you very much.

22 CHAIRMAN LANCLOS:

23 Thank you so much, Mr. Smith.

24 Mr. Jim Simon, please introduce yourself
25 and who you represent.

1 SENATOR ALLAIN:

2 "Simon".

3 CHAIRMAN LANCLOS:

4 Simon, excuse me.

5 MR. SIMON:

6 Thank you, Mr. Lanclos. And, yeah, thank
7 you Senator Allain for appropriately getting
8 my name right. And I noticed Mr. Lanclos
9 mentioned Mr. Canfield and Mr. Allain called
10 him "Mr. Canfield". So you've always managed
11 to keep a cane field close to you, Senator.

12 MR. CANFIELD:

13 Yeah, I've never corrected him, so I
14 figured that was a positive sign.

15 MR. SIMON:

16 Yeah, appropriate not to correct the
17 Senator.

18 So I'm Jim Simon with the American Sugar
19 Cane League. I'm the General Manager. The
20 American Sugar Cane League is a trade
21 organization that represents Louisiana's 450
22 cane farming families and our 11 raw sugar
23 mills.

24 Sugar cane provides a \$2.7 billion
25 economic impact to our state. It supports

1 16,000 direct and indirect Louisiana jobs. We
2 certainly appreciate the opportunity to come
3 before you today to offer comments regarding
4 solar energy production and its potential
5 impact on our industry.

6 Before moving too long, let me just kind
7 of reiterate something that Senator Allain
8 said, and that is that the ASCL, the American
9 Sugar Cane League has a long-standing history
10 of supporting property owner rights. For the
11 most part though, we are tenant farmers. We
12 own less than 25 percent of the land, of the
13 cane land that's in production. So we operate
14 at the mercy of landowners.

15 Additionally, our farmers and millers and
16 researchers are constantly seeking new ways to
17 improve production, milling techniques,
18 research to improve water and air quality and
19 to enhance soil health. We understand
20 sustainability. And we need to protect the
21 environment and find new, cleaner, and better
22 ways to produce food, fiber, and energy.

23 About 570,000 acres are in sugar cane
24 production. The average farm is about 1300
25 acres. The average mill processes about

1 45,000 acres of cane.

2 So what's our concern regarding solar
3 energy production? We've heard reports that
4 only 1 percent of Louisiana's farm land may be
5 converted to solar plants. Based upon the
6 activity in the cane belt that we've heard
7 about, there certainly seems to be a lot more
8 acreage in play than that. How many acres?
9 We don't know, but we are concerned that
10 significant acres of sugar cane could be
11 displaced by solar plants.

12 Investment bankers, brokers, lease
13 negotiators have been making the rounds
14 pitching deals for landowners, and that is
15 perfectly fine, but they have very little
16 knowledge or understanding of just how unique
17 sugar cane production is and the significant
18 long-term financial commitments made by our
19 farmers, their families, and our millers. For
20 the most parts, their efforts to compensate
21 farmers for financial losses have been
22 woefully short, which illustrates their lack
23 of understanding of the unique financial
24 commitments inherent to sugar cane production.

25 The size of farming operations and

1 milling operations are uniquely balanced to
2 maximize efficiency. Even small sections of
3 land taken out of production can jeopardize
4 this balance and shutter a family farm. These
5 solar operations, if they're congregated in a
6 certain small trade area, then they can risk,
7 a mill can risk losing critical mass and risk
8 closure.

9 So what do we ask? We simply ask that
10 our state and local legislators and regulators
11 completely understand the long-term effects of
12 providing any kind of tax relief or financial
13 incentives to an industry, to an industrial
14 solar project concern. Additionally, we ask
15 that regulators put into place activities and
16 instruments to ensure that ratepayers,
17 property owners, and state and local
18 governments are not exposed to the financial
19 burden of decommissioning bankrupt, orphaned,
20 or derelict solar plants.

21 One acre of sugar cane supports almost
22 \$5,000 in annual economic activity for the
23 rural communities in the sugar belt. Does
24 solar do this? Thirty acres of cane supports
25 one local job in our small towns. Does solar

1 do that? We don't know, but we ask that state
2 and local leaders diligently find out the
3 answer to these questions before we sacrifice
4 any part of our sugar industry in favor of a
5 proposition that so many questions are yet to
6 be answered. Thank you.

7 CHAIRMAN LANCLOS:

8 Thank you, Mr. Simon.

9 Mr. Joe Mapes with Farm Bureau.

10 MR. MAPES:

11 Good morning, Mr. Chairman and Members.
12 Joe Mapes, Louisiana Bureau Federation. First
13 of all, I'd like to say Farm Bureau Federation
14 is not opposed to solar energy, green energy
15 in any way. We just want to slow this
16 situation down. The industry is moving at an
17 exponential rate. We'd like to slow it down
18 and take a look at it and see if we could put
19 some best practices in place for the industry
20 itself, help do that, and help put some
21 guidelines in for our landowners.

22 A couple of issues that come to mind
23 upfront on the back end is setback areas,
24 which we don't have a whole lot of setback
25 areas in Washington Parish, a lot of people

1 are here from Washington Parish here today,
2 and West Baton Rouge. Our loggers, for
3 instance, if you go down the interstate, you
4 don't see clearcutting right next to the
5 interstate. You see a nice stand of trees
6 that you can't see through. And then on the
7 other side, that's where you see your
8 clearcutting. So maybe as a suggestion to the
9 solar industry, maybe if we had had setbacks
10 in these original solar plants, maybe we
11 wouldn't even be sitting here talking today,
12 because I can tell you, that one of the big
13 issues is the unsightliness of these and being
14 so close to the road and they're all so noisy.

15 And we're just interested to see what's
16 going to happen when a hurricane occurs. Our
17 insurance company has told me, told us that
18 they're not going to insure solar plants, so
19 that makes that interesting.

20 You know, the thing about the land only
21 being 1 percent, it's 1 percent of the most
22 precious land. And if you look at a situation
23 where we can maybe have some setbacks and
24 maybe look at some permitting for zoning. But
25 if you take up only 1 percent of the land, but

1 it's 100 or a high percentage of land near a
2 sugar mill, then we're in trouble because each
3 sugar farmer, you know, puts X amount of
4 tonnage into that mill. With each farm that
5 we close in that close proximity on that 1
6 percent of the good land, that jeopardizes the
7 integrity and that long-term sustainability of
8 the mill itself.

9 So that's what we're talking about as far
10 as being concerned about the land getting
11 taken away from farm families and in the most
12 critical areas. We understand they want to be
13 in those areas for different reasons because
14 it's close to the utility grid. Also, it's
15 less roads that they have to build and
16 maintain to go back and produce these plants.

17 And the last thing that I want to say
18 that is very important to us and Senator
19 Allain, he's championed this from day one, is
20 the decommissioning phase of this. You know,
21 20 years from now, we don't want to be stuck
22 with something 3 feet underground, something
23 on the top the ground, something we don't know
24 how to deal with because we know you just
25 can't take a crescent wrench and take these

1 things apart and bring them down to the curb
2 and Allied Waste is going to pick them up. So
3 we need to have a formulated plan, at least
4 some guidelines from a structural engineer to
5 look at these things to formulate a
6 decommissioning plan. Those are our main
7 concerns.

8 We've got our policy for Farm Bureau on
9 solar here we're going to turn in to the
10 Committee. I've got Mr. Kyle McCann here too
11 if he wants to testify as the Assistant to the
12 President. He may feel that I covered all the
13 points we need to here today. I'd be happy to
14 answer any questions. Kyle is good. Be happy
15 to answer any questions, if there are any.

16 CHAIRMAN LANCLOS:

17 Thank you so much, Mr. Mapes.

18 MR. MAPES:

19 Thank you, Mr. Chairman and Members.

20 CHAIRMAN LANCLOS:

21 Okay. Mr. Kyle McCann did fill out a
22 card, but did not wish to speak from the
23 Louisiana Farm Bureau Federation.

24 Next up, we have Mr. Don Caffery with the
25 Louisiana Landowners Association. Don?

1 MR. CAFFERY:

2 Hey, good morning, Senator Allain. And,
3 Blake, Jason, good morning. How are y'all?
4 Appreciate the opportunity to be here. Don
5 Caffery, the Executive Director of the
6 Louisiana Landowners Association. We worked
7 with Senator Allain on Act 301 as it went
8 through the legislative session. We thought
9 this was a timely and responsible piece of
10 legislation to come through and we look
11 forward to continuing to work with this
12 Committee.

13 Ultimately, at the end of the day, the
14 Association doesn't take a stance particularly
15 on the solar farms themselves. What we are
16 concerned about is the private landowners'
17 ability to contract with the parties that it
18 wants. If the State has some regulatory
19 guidelines, that's something we are certainly
20 going to abide by.

21 The Association represents roughly 3
22 million acres across the state. Those are
23 sophisticated landowners and have historically
24 done their due diligence necessary to contract
25 appropriately. And we argue at the end of the

1 day, we are the best stewards of their
2 property. But either way, we look forward to
3 working with the Senator and this Committee as
4 we move forward. Happy to answer any
5 questions.

6 CHAIRMAN LANCLOS:

7 Thank you very much for your testimony.

8 MR. CAFFERY:

9 Thank you.

10 CHAIRMAN LANCLOS:

11 Next up, we have Ms. Jennifer Brown from
12 the Louisiana Beekeepers Association.

13 MS. BROWN:

14 Good morning. Thank you for having me
15 here. I'm the President of the Louisiana
16 Beekeepers Association. We are a forgotten
17 part of the ag industry. Beekeeping keeps
18 agriculture going and it also keeps your food
19 on your table. The importance of bees is
20 cliché, Save the Bees, but it is really truly
21 important. And the Obama Administration also
22 recognizes and recognizes the decline, a
23 continued decline of pollinator habitat. And
24 I'm here to address how this particular solar
25 farming, if you want to call it that, will

1 continue that decline in the population as
2 well.

3 It is, if you want to look at it from the
4 solar monoculture to farming side, it is
5 monoculture, but it has more disadvantages
6 than any other monoculture farming that's
7 going on here in the state. It decreases
8 biodiversity during and post-construction.
9 And from the sites I've seen, they don't go
10 back and plant. They sterilize the ground and
11 they spray heavy chemicals for control. Our
12 bees can't live through that.

13 And oftentimes, these solar farms are
14 looking at removing timber areas that are
15 previously offered as a sanctuary for other
16 types of monoculture farming. So you're
17 removing those sanctuaries as well. And
18 that's not just honeybees, that's also all
19 pollinators in general.

20 The other part of the solar farm that a
21 lot of people aren't addressing is the change
22 in the temperature. So you have an increase
23 in temperature above the panels and you have a
24 decrease of temperature below. Bees forage on
25 sources that are changing with the

1 temperatures. They will not forge at certain
2 times of the day because temperatures have
3 changed the production of the forged, the
4 nectar source or the pollen source coming off
5 the plant.

6 So looking at the problems we've had in
7 Washington Parish, there's no environmental
8 impact study required. They're required to do
9 a Phase 1 Assessment, which doesn't even
10 address pollinators. It's basically a soil
11 sample and a water sample that our LSU Ag
12 Center can conduct. We would ask that maybe
13 you guys look more seriously at our
14 environment and protecting our pollinators by
15 having them hold to the environmental impact
16 study or something more stringent than the
17 Phase 1 Assessment.

18 We also ask that the tract acreage
19 limitation be set. So if you're looking at a
20 track of 500 acres, at least possibly the
21 pollinators can forge off the sources around
22 the 500 acres. But if you look at a thousand
23 acres, 3,000 acres, it gets to be very
24 problematic for our pollinators. And
25 especially if that's next to industrial

1 sources, you're going to have a decline of
2 pollinators in that area regardless of what
3 other sources are around because you're
4 removing those particular areas that they once
5 forged.

6 And what people don't understand is that
7 honeybees actually put nutrition into the
8 soil. They pollinate plants like our clovers
9 that are nitrogen fixations. They pollinate
10 our dandelions. And as much as we don't like
11 them, they're calcium fixers in the soil. So
12 removing these decline the amount of
13 nutritional substance you have in our soils,
14 which we already have that problem from
15 monoculture farming.

16 Chemical applications need to be limited
17 and regulated. Water runoff needs to be
18 regulated and tested regularly. People don't
19 understand that one honeybee gets sprayed by a
20 surfactant or gets into any kind of herbicide
21 application that it has any kind of surfactant
22 on it, within 30 minutes, the entire colony is
23 dead. So that's one thing that has not been
24 addressed.

25 Another problem is the pollinator -- they

1 need to replant with pollinator habitat
2 underneath these solar farms. There is no
3 regulation in place. They do go back there
4 and put fast-growing grasses to be able to
5 control the erosion problem, but the grasses
6 do not provide the biodiversity of the
7 pollinator habitat that was once there under
8 these panels.

9 So all in all, it's sustainability that
10 we need to look at and we need to consider the
11 impacts; not just to what's going on with the
12 pollinator, but also to the nutrition that's
13 going back into our soils in these areas. All
14 of these are necessary steps to protect an
15 already endangered ecosystem. I know that the
16 numbers are out there that our beekeepers are
17 doing good. I can tell you, I've sat in
18 national conventions and I hear beekeepers
19 crying because they're still losing 60 percent
20 of their bees during pollination, some as much
21 as 80 percent.

22 The only reason why you're not hearing
23 about it in the media is because the
24 beekeepers have managed to build up their
25 colonies fast enough to get back to the number

1 that they need to operate on. And Louisiana
2 is in the top of the states that they're doing
3 the buildup in because we produce the
4 pollinator habitat that they need almost year
5 round.

6 So I thank you for your time here,
7 Senator Allain, and I thank you for your
8 special attention to our Washington Parish
9 group. And I appreciate any consideration you
10 have in this matter.

11 CHAIRMAN LANCLOS:

12 Thank you, Ms. Brown.

13 Stephen Wright with Gulf States Renewable
14 Energy Industry Association.

15 MR. WRIGHT:

16 Good morning, Senator and Members. I'm
17 Stephen Wright, Executive Director of Gulf
18 States Renewable Energy Industry Association.
19 I appreciate you all taking the time to have a
20 public hearing on this issue today. As
21 everyone here is aware, our Association was
22 very much in support of this legislation
23 during the legislative session. We think that
24 good rules, to keep the rules of the road are
25 important in any industry, and especially in

1 this one. The one thing that the industry
2 does not want is for bad actors to cause a
3 chilling effect on the industry where
4 Louisiana does not take advantage of some of
5 the opportunities.

6 There's a few things I would like to
7 point out as far as best practices. The nice
8 thing is, we don't have to reinvent the wheel.
9 A lot of states are already permitting and
10 have extensive rules; that way, we can see
11 what's working and what's not. There's a way
12 to do this, be good stewards of the land, take
13 advantage of this opportunity, and at the same
14 time not be punitive or harm an industry in
15 its expanding phase. There are for some
16 examples about vegetative barriers, about
17 setbacks that have already been discussed that
18 are already in a lot of existing contracts now
19 that we can look at and we can decide what
20 works best for Louisiana.

21 There are actually some areas currently
22 that require native plants be planted
23 underneath solar plants. This way, you help
24 the pollination issue and you will continue to
25 preserve local lands in their proper state.

1 One thing, as we talked about the
2 concentration of the land and where we see
3 that going in the future, we're hoping that
4 with innovation, by the time that there's that
5 much development, we won't have this issue.
6 There's currently demonstration projects all
7 over the nation where you have cattle land and
8 crop land working side by side at the same
9 time with panels.

10 We hope that -- we hope to be an active
11 partner in this to work with everyone
12 involved. We want to make sure that
13 everything that's being done here takes into
14 account all the concerns that could be
15 impacted by this plant. But also at the same
16 time, it is important that Louisiana has a
17 legacy of being an energy state, and I think
18 it's important that we embrace that legacy as
19 we move forward. Thank you.

20 CHAIRMAN LANCLOS:

21 Thank you, Mr. Wright.

22 Senator Allain with a comment.

23 SENATOR ALLAIN:

24 So you've mentioned best practices in
25 other states, and we've talked a little bit

1 about that and I appreciate you supporting the
2 legislation. I think it's important that we
3 have good guidelines to make sure that they're
4 a good company doing this and to protect the
5 landowners and also to protect the ag
6 industry. Best practice on decommission, so
7 I've been involved with orphaned wells for
8 many years and it scares me.

9 So what are some of the best practices as
10 far as decommissioning or securitization in
11 other states? What have other states done?

12 MR. WRIGHT:

13 There are several states -- there's
14 actually a good many states now that have done
15 various versions of decommissioning bonds.
16 I'm not going to speak specifically, because
17 I'll be honest, I'm going to get too far into
18 the weeds for myself as far as the mechanics
19 of how they work in each state.

20 Indiana, for one I know, has a pretty
21 well-recognized best practice on
22 decommissioning bonds, but there's -- there
23 are definitely ways in which those bonds work
24 within the financial model to where the land
25 is -- the land can be completely restored back

1 to its existing form without making the
2 project unfeasible. And we will absolutely be
3 willing to look at every state in which our
4 companies do business in and share the
5 statistics with the Committee.

6 SENATOR ALLAIN:

7 Yeah, I think that it's going to be
8 imperative that you supply that information.
9 So, I mean, we will probably have access to it
10 through DNR. But, I mean, any information
11 that you'd like to provide because, I mean,
12 it's imperative on us to get this right. If
13 we're going to go forward, it's imperative to
14 get it right to make sure that not only the
15 decommissioning, but the capacity and
16 everything else is correct. So best practices
17 from other states, we will depend on you to
18 provide us with that information and we'll
19 look at -- I don't necessarily want to be like
20 Texas.

21 MR. WRIGHT:

22 I think there's a little more going on
23 there.

24 SENATOR ALLAIN:

25 Yeah, I don't necessarily want to be like

1 Texas. Everybody always tells me we should
2 look at what Texas does, but we're a unique
3 Louisiana, we have a different agricultural
4 structure, we have a different land structure,
5 we have wetlands to consider, the whole
6 9 yards. With that being said, your input
7 will be considered. And, hopefully, you can
8 provide that in a fairly short amount of time.

9 MR. WRIGHT:

10 Thank you, Senator. My members are
11 looking forward to work with everyone.

12 CHAIRMAN LANCLOS:

13 Thank you, Mr. Wright and Senator Allain.

14 Up next, we have Kim Coates with
15 Tangipahoa Parish Council. Ms. Coates?

16 MS. COATES:

17 Hi, good morning. Kim Coates, I am the
18 Chairman of our Regulations Committee for the
19 Parish. So for the last few months, we have
20 been doing a deep dive into the solar for the
21 regulations. We currently do have a
22 moratorium and we did extend it 'til August.
23 But we are currently working on our own solar
24 regulations, but we would like to also have
25 some guidance from the state and the state

1 have some regulations.

2 We are a beautiful parish. We have a lot
3 of agriculture on the north end and then we
4 have coastal wetlands on the south end. We --
5 a few points, you know, we have been concerned
6 about is runoff. You know, water has no
7 political lines. So there's -- you know, it's
8 not bound by parish lines. So what happens in
9 one parish can also affect another parish.

10 The state currently has the Water
11 Initiative Agency that's working on a lot of
12 mitigation and models and stuff with all the
13 flooding that we've had. So, you know, we are
14 currently looking to not have a lot of land
15 disturbance for the natural topography of the
16 lands.

17 You know, going in and clearcutting and
18 then changing the grade could actually hurt
19 some of our models and things on the flooding.
20 And so we're kind of worried about that. And
21 also having a drainage plan and actually at
22 least having a 100-year flood drainage
23 engineer plan for the property.

24 Vegetative buffers, across the board, it
25 varies. So having a nice standard would be

1 great across the state. You know, the runoff,
2 the pollinators, the visual buffers, those are
3 all concerns that we've had.

4 It's brought to our attention the
5 decommissioning bonds could be in jeopardy
6 over the 20 to 30 years. It's been suggested
7 maybe the state looks at what is done with DEQ
8 and the landfills and having escrow accounts.
9 So that's something to consider and to look
10 into.

11 We also have concerns about the fire
12 departments. You know, our fire departments
13 have asked questions of, you know, being
14 educated in how to fight these fires. These
15 are in rural areas that may not have the
16 equipment or have the resources for this type
17 of industry. We have also, the herbicides is
18 another concern. You know, we are looking not
19 to have any herbicides sprayed on these
20 different projects.

21 Our waterways across the state, you know,
22 we have many water bodies that are impaired
23 with dissolved oxygen and other problems.
24 Tangipahoa Parish is north of Lake
25 Pontchartrain and, many times, the lake sees

1 algae blooms and different things. So having
2 thousands and thousands of acres that would
3 flow into the lake could, you know, also
4 accelerate and worsen that problem at times.
5 So we'd definitely like to see if the state
6 could definitely not have a lot of herbicides
7 sprayed.

8 But one of the things we would like to
9 ask LDEQ and DNR not to issue any letters of
10 no objection on the solar permits until
11 something is put in place, so at least we can
12 have guidance as well from the state when
13 these permits are issued. So I thank you for
14 your time.

15 CHAIRMAN LANCLOS:

16 Senator Allain -- thank you, Ms. Coates.

17 Senator Allain for a comment.

18 SENATOR ALLAIN:

19 Yeah, thank you being here. You bring up
20 a lot of good points that need to be
21 considered. I'm glad to see that local
22 government that is engaged in this process.
23 There are a lot of considerations that you
24 brought up today that really need to be
25 considered.

1 Best practices in agriculture, as we all
2 know, we use herbicides. There's a proper way
3 to do it. There's a proper way to make sure
4 that runoff is controlled and taken care of.
5 It just needs to be thought about and done and
6 implemented in best practices before these
7 things are constructed. Because afterwards,
8 it would be almost impossible to do it. So I
9 appreciate you being here and I appreciate you
10 bringing these points.

11 MS. COATES:

12 Thank you.

13 CHAIRMAN LANCLOS:

14 Thank you, Ms. Coates. Thank you,
15 Senator Allain.

16 Next, we have Les Cantrell, Economic
17 Development, Pointe Coupee Parish.

18 MR. CANTRELL:

19 I didn't register to speak.

20 CHAIRMAN LANCLOS:

21 Okay. Thank you for being here, yes,
22 sir.

23 We have two folks from the same group,
24 you're welcome to come up together, that's
25 Mark Yates and Jeffrey Clark with Advanced

1 Power Alliance.

2 CHAIRMAN LANCLOS:

3 Good morning.

4 MR. CLARK:

5 Good morning. Thank you, Senator for
6 having us in and appreciate the opportunity to
7 testify. My name is Jeff Clark. I'm
8 President of the Advanced Power Alliance. And
9 my colleague, Mark Yates is here with me as
10 well. I wanted to first thank you on behalf
11 of the industry.

12 Advanced Power Alliance is a trade
13 association that represents developers of
14 wind, solar, energy storage projects, hydrogen
15 increasingly, and but our membership is very
16 diverse and it includes some of the world's
17 largest energy developers. We have companies
18 in oil and gas, companies in nuclear. We have
19 companies that still operate coal facilities.
20 So we're a diverse, very diverse membership
21 and, but we're focused on the energy
22 transition. There's clearly a change taking
23 place in the energy, and Louisiana is
24 well-positioned to benefit from that.

25 We believe renewable energy, solar

1 energy, particularly in the southeast is a
2 tremendous economic opportunity for the state
3 and we believe that's true of all the states
4 around here. Louisiana, Texas, New Mexico,
5 Oklahoma, and Kansas are all very uniquely
6 positioned to capitalize on the oil and gas
7 resource, but to use more importantly as we go
8 forward, using our renewable energy resource
9 not only to benefit consumers, but also help
10 us leverage and increase production from our
11 oil and gas industry.

12 We're seeing a rise in demand for carbon
13 neutral natural gas in Asia. So as we export
14 every opportunity to decarbonize oil and gas
15 production increases the opportunity to sell
16 our products around the world. And we want --
17 we want renewable energy to be a key part of
18 the energy backbone here in the state.

19 As you approach the goals, and we look
20 forward -- this is our first meeting with you.
21 We look forward to working with you and
22 sharing thoughts. We cover a region that
23 extends from Canada to Mexico in the central
24 United States and then across the southeast.
25 We call it the Energy Bell because the best

1 energy resources in the world are found right
2 here.

3 We want -- we would urge you to consider,
4 of course, private property rights. We do
5 believe and share the belief that private
6 landowners are the backbone of our economic
7 system. They take the risks. They make the
8 investment. They are the best stewards of
9 their own property.

10 I came from a farming family and actually
11 had a grandfather who ran a research station,
12 so I know research station, the system well.
13 Farming and ranching are tough businesses.
14 And so for a lot of these families who have
15 struggled with commodity prices or whether the
16 opportunity to diversify their income and have
17 a predictable source of revenue from
18 renewables or other energy. It's a tremendous
19 opportunity for them and it allows some
20 predictability that allows them to stay on
21 that land.

22 It brings opportunity to landowners. Of
23 course, it represents new opportunities and
24 tax revenue for communities. We believe it
25 brings economic diversification that every

1 state and every community will benefit from
2 and, of course, it saves consumers money.

3 On the regulatory aspects, we do look
4 forward to sharing some written information.
5 I do have some ideas for you. First of all,
6 we believe in technology-agnostic regulation;
7 that if there's an issue to be addressed, that
8 we should identify the issue, adopt
9 regulations for all parties, all industries
10 that is fair and addresses the concern rather
11 than singling out any one industry for special
12 focus or attention.

13 When it comes to sighting, again, we urge
14 you to recognize that the steward of the land
15 is the landowner, and they have as much
16 concern about the sighting and the issues
17 there as the state does, and we'll work with
18 you and we have some ideas around herbicides
19 and other things.

20 But on decommissioning specifically, we
21 share your concern. The last thing we as an
22 industry need, we want long-term relationships
23 with communities. These are long-term
24 projects, generally 30 years or more. We want
25 the community, the neighbors, the

1 participating landowners and the
2 nonparticipating landowners to be happy with
3 these projects and see the value. That's why
4 it's important to develop well and develop
5 wisely.

6 The last thing that we want is a project
7 that's abandoned or that becomes broken down
8 or inoperable. And on the decommissioning, we
9 do have some best practices from all over the
10 country. We'd like -- we believe in returning
11 the land to the as close to the original state
12 as possible, grading the land, remove any
13 stones or rocks that have been unearthed
14 during the either decommission or construction
15 process, replacing with native grasses and
16 returning that as closely as possible at the
17 end of the project life and also posting a
18 financial surety. And we have examples from
19 around the country of how that can be done to
20 give a financial assurance to the landowner.

21 Again, the number one priority for us is
22 our relationship with the private landowner,
23 but also make a guarantee to the taxpayer,
24 that the taxpayer is not going to be on the
25 hook for that decommissioning. And I'd be

1 happy to share and work with you, Senator, and
2 work with your group to make sure we take that
3 path forward. I really appreciate the
4 opportunity to introduce ourselves.

5 MR. YATES:

6 Thank you, Senator. Mark Yates with the
7 Advanced Power Alliance, Vice President. I'm
8 based out of Oklahoma City, Oklahoma born and
9 raised, and I appreciate the time and
10 opportunity here to present with you today and
11 with my colleague, Jeff. And although our
12 states are different, there are some
13 similarities between Oklahoma and Louisiana.

14 We are an oil and gas state in Oklahoma
15 for the last 120 years, one of the top oil and
16 gas states. And over the course of the last
17 20 years, we've also become a renewable energy
18 state and really have reframed the
19 conversation in Oklahoma to be an
20 all-of-the-above energy state. We're also a
21 big agricultural state.

22 Prior to this position, I was at the
23 Oklahoma Farm Bureau. And so I've seen this
24 development over time through a unique lens
25 and coming at it from my Farm Bureau days as

1 well. And I think the key to what we've seen
2 in success in Oklahoma is collaboration and
3 communication. And I applaud what is
4 happening today. I applaud your legislation,
5 sir, because I think that's the key to success
6 overall is that, as an industry, we want to be
7 great partners with the parish, with the
8 state, because that is going to be the
9 long-standing business model in any state that
10 we operate and develop projects in.

11 We have to be good community partners.
12 We have to have a good relationship with the
13 landowners. And so we want to see these
14 projects developed in a responsible manner and
15 done right.

16 In Oklahoma, it's a success story. Many
17 of these renewable projects in the counties
18 that they are developed in become one of the
19 top taxpayers in the county. I mean these are
20 capital-intensive projects, 100s of millions
21 of dollars that are invested. It's good for
22 the landowners that are receiving those lease
23 payments, but there's a forced multiplier from
24 an economic development standpoint in the
25 counties in which host these projects.

1 Across Oklahoma, we're also starting to
2 see the ancillary pieces of the economy being
3 built out as data centers. Manufacturing
4 facilities are starting to buy some of this
5 renewable power, whether it's from the solar
6 farm, or in our case, sometimes a wind farm,
7 but we're seeing the economy starting to build
8 up as we've transitioned. Although, we're
9 still embracing oil and gas, we still are
10 embracing the fact that we now have other
11 resources available to come online and to have
12 those economic impacts in both the parishes
13 and across the state.

14 And so we see the -- you know, I
15 understand the apprehension, it is new. And
16 there is a lot of educating to be done at the
17 local level, the state level, but we are here
18 today and know that we want to partner with
19 you as the industry to make sure that these
20 questions are answered and really appreciate
21 your time and opportunity to discuss this
22 today.

23 CHAIRMAN LANCLOS:

24 Thank you, Mr. Yates and Mr. Clark.
25 Senator Allain with a comment.

1 SENATOR ALLAIN:

2 Yeah, and/or questions. So, Jeff, so far
3 we've just seen really developers in the
4 development stage. I mean, they've approached
5 me to lease some of my property and we've
6 never been able to come to an agreement every
7 time. And that's what gave me concern, every
8 time that I mentioned that we have to have
9 more decommissioning, not just the surety of
10 the company that was in front of me, but
11 long-term surety that this would be in place,
12 and I never got a call back.

13 MR. CLARK:

14 Yeah, I -- Senator, I can tell you, on
15 behalf of the industry and, again, I represent
16 our membership, it's public, it's on website.

17 SENATOR ALLAIN:

18 I understand.

19 MR. CLARK:

20 But I can say that on behalf our
21 companies and our organization, that we'll
22 work with you on a decommissioning statute
23 that's fair because it's good for the
24 industry, because one bad -- and we're dealing
25 with this in Oklahoma, we did a

1 decommissioning statute on wind that I helped
2 write and Mr. Yates helped pass that is now
3 helping remedy a problem for a foreign company
4 that came and built a wind farm that they
5 didn't maintain. And we're using that statute
6 today to force that project to be taken down
7 and replaced.

8 And so we're serious about writing a
9 decommissioning statute that has some teeth
10 but is fair, again, it protects the taxpayer,
11 but it's fair to the industry, because we
12 believe the state will benefit from a
13 responsible investment, but we don't want the
14 taxpayers to be on the hook for a project that
15 doesn't succeed.

16 SENATOR ALLAIN:

17 Well, and I can guarantee you that won't
18 happen.

19 MR. CLARK:

20 Yes, sir.

21 SENATOR ALLAIN:

22 My grandfather told me a long time ago,
23 don't tie your dog to sausage.

24 MR. CLARK:

25 That's good advice.

1 SENATOR ALLAIN:

2 Don't tie your dog to sausage. So a few
3 more questions. I mean it concerns us that a
4 lot of developers that we're seeing now are
5 single entity. You know, we've seen that
6 before with some of these smaller oil
7 companies. I mean one or two wells in a
8 single entity to where they're setting it up
9 to be able to walk away from it. So --

10 MR. CLARK:

11 There's a lot of activity. And I'm sorry
12 if I interrupted you. We saw this in the wind
13 business as well. And then what happens is
14 there are people who are prospecting and
15 they'll go into a community and they'll meet
16 with the landowners. They'll have a -- maybe
17 they have a local relationship and what
18 they're seeking to do. And it's a good
19 business, it's a -- if it's done responsibly.
20 They line up landowners and they're hoping to
21 bring group of landowners to a company to
22 develop a project.

23 One of the things that have caused
24 concern, and I've been in this business for a
25 decade, and one of the things that have caused

1 concern is we see a lot of that activity going
2 on. And we --

3 SENATOR ALLAIN:

4 A lot of that activity trying to tie up
5 lands to be able to package it together.

6 MR. CLARK:

7 Right. And we begin to think that all of
8 these things are going to come to fruition;
9 that the reality is that the market will only
10 support a certain amount of development. But
11 we start to think, well, if every one of these
12 gets built, we've got a real problem or our
13 refiners have a problem, you know, that it has
14 that ripple effect that we've heard concerns
15 about today.

16 So one of the things I would caution
17 everyone is when you see activity and people
18 trying to line up leases, very simply, the
19 transmission lines won't handle all of those
20 projects getting built. And so, ultimately,
21 the responsible developer who builds that
22 project, again, we want to help you write a
23 statute that accomplishes your goals, while
24 not limiting the growth of the industry
25 unfairly, but there are folks -- if a company

1 is talking to you that doesn't want to have a
2 decommissioning, very specific language --

3 SENATOR ALLAIN:

4 Well, they were happy to promise me that
5 that company, that single entity company would
6 decommission and do it right.

7 MR. CLARK:

8 Our statutes require an investment grade
9 financial surety and creates a variety of
10 options, but I think we can share some
11 statutory language with you that will please
12 you.

13 SENATOR ALLAIN:

14 I would appreciate that.

15 MR. CLARK:

16 Yes, sir.

17 SENATOR ALLAIN:

18 As you know, Louisiana has probably one
19 of the most generous industrial tax exemptions
20 that there is in the United States, far
21 exceeding anything, again, ITEP. What is, in
22 your mind, do we necessarily need to
23 incentivize these projects with the ITEP
24 Program, which is a 10-year abatement of 80
25 percent of the property taxes on these things?

1 MR. CLARK:

2 Yeah, I think the key, and I'll give you
3 an answer. I hope it's fair one. I think the
4 key is to look at all the states around you
5 and what they do. You know, there are
6 incentives for a variety of industries in
7 order to get those facilities located in
8 whatever state you're working in. And I think
9 Louisiana, you will -- I believe when you
10 study renewable energy, study the opportunity
11 that exist with solar, that it's an industry
12 you want to attract to the state and you want
13 to be competitive. I'd say, I've always said
14 in Oklahoma and elsewhere and Texas, every
15 incentive ought to be reviewed to make sure
16 that it's keeping the state competitive
17 without, you know, without being unnecessarily
18 generous. But this is a highly competitive
19 industry.

20 There's a lot of investment going into
21 this. We have oil and gas companies that are
22 contacting us as they make the transition into
23 solar and hydrogen and other things. And
24 states like Oklahoma have an open door seeking
25 to bring those investments. I think the

1 states that are going to be the leading states
2 in energy in 30 years are the states that do a
3 good job of making this transition now and
4 leveraging every resource that they have.

5 SENATOR ALLAIN:

6 Well, there's huge federal incentives
7 also; aren't there?

8 MR. CLARK:

9 Yes, sir, there are. The investment tax
10 credit, I wouldn't say huge, but there are
11 incentives that are --

12 SENATOR ALLAIN:

13 Substantial.

14 MR. CLARK:

15 I --

16 SENATOR ALLAIN:

17 Let's go with substantial.

18 MR. CLARK:

19 We'll go with that. There's -- yeah,
20 every energy resource is benefiting from a
21 variety of incentives. And, you know, it's a
22 new industry that's growing and bringing a
23 tremendous amount of savings to consumers.
24 We, again, think Louisiana ought to be
25 leveraging those to get as much of this

1 investment as is reasonable for the state.

2 SENATOR ALLAIN:

3 Well, if you notice in our legislation,
4 one of the main things we inserted was
5 capacity.

6 MR. CLARK:

7 Yes, sir.

8 SENATOR ALLAIN:

9 And I think you've mentioned that these
10 things don't need to be built where there's no
11 chance of having capacity in lines that are
12 creating capacity. I mean, if you want to
13 build a new line coming to this thing, that's
14 fine, but you can't -- we shouldn't be
15 building these things where there isn't
16 capacity because that's just, that's going to
17 lead to a (indiscernible), I believe.

18 MR. CLARK:

19 Yes, sir.

20 SENATOR ALLAIN:

21 So part of the requirements, so to keep
22 everybody honest, if we do grant some of these
23 ITEP applications, and there are several in
24 the pipe, you know, it's most of them are
25 coming to us without a MISO Interconnect

1 application that's been approved. A lot of
2 them are coming to us without the Power
3 Purchase Agreements that are approved. I
4 mean, I'm hesitant to incentivize or allow
5 these things even to go forward without their
6 ability -- I mean I consider both of these
7 things to be part of the capacity that we're
8 talking about.

9 So in other states, what do you do before
10 these things are built? I mean, obviously,
11 you need these thing in place. So why would
12 you move forward without them?

13 MR. CLARK:

14 Yeah, I don't know of folks who haven't.
15 And, quite honestly, the worst thing -- I
16 mean, the tax incentive or otherwise, there's
17 no incentive that's so rich that somebody
18 builds a project where the power can't be
19 sold.

20 SENATOR ALLAIN:

21 Right.

22 MR. CLARK:

23 And so we spend, and our developers spend
24 a tremendous amount of research and resources
25 on identifying areas where there are

1 landowners who are interested in the projects,
2 where there are offtakers in the Power
3 Purchase Agreements that you mentioned.
4 Without the resource, without the offtaker,
5 and without the transmission to deliver that
6 project, that project is just not going to get
7 built. And, again, with decommissioning, we
8 make sure that the companies have the
9 financial wherewith all to ensure that that
10 takes place. And, again, in building a
11 project, nobody with any sense is going to
12 build a project that they can't put power on
13 it to a customer's home.

14 SENATOR ALLAIN:

15 Well, that brings me to concern. Because
16 yesterday at the Commerce and Industry Board,
17 an ITEP application was approved in Morehouse
18 Parish for Galion, and I can't remember --
19 Galion?

20 MS. MITCHELL:

21 Bayou Galion.

22 SENATOR ALLAIN:

23 Bayou Galion Energy. And it concerns me
24 because they admitted at the table they didn't
25 have a Power Purchase Agreement. They didn't

1 have -- they were -- they had put in a MISO
2 application but had no approval yet. So it
3 kind of seems to me, we grant an incentive
4 before we put the cart before the horse.

5 MR. CLARK:

6 Well, now, and I think in that
7 development process, you know, one of things
8 that is important as you seek a Power Purchase
9 Agreement is to know what the cost of that
10 power is for that customer. So if you have a
11 refinery, say, that wants to purchase that
12 power, knowing what you're capable of selling
13 that power for, which of course that price is
14 going to be influenced by the incentive. And
15 so it's -- now that project, I'm not familiar
16 with them or the specifics of the project, but
17 it would surprise me if a project got built
18 where all of those pieces were not in line.

19 But sometimes, the incentive, it's
20 important to know what the math is in order to
21 sell that power to an offtaker and to get that
22 Power Purchase Agreement. So I don't know
23 that I'd be terribly alarmed by the
24 procedural, but all of these things have to be
25 in line before that project gets built.

1 SENATOR ALLAIN:

2 Before the construction actually starts;
3 right?

4 MR. CLARK:

5 Yes, sir.

6 SENATOR ALLAIN:

7 The finance here is going to insist that
8 those pieces be in place.

9 MR. CLARK:

10 Yeah, no bank is going to invest and
11 support a project if all of those pieces are
12 not in place; the customer, the terms of what
13 is the financial reality of the project and
14 the transmission capability.

15 SENATOR ALLAIN:

16 I don't have as much heartburn to those
17 that are already regulated by the Public
18 Service Commission, because the Public Service
19 is not going to let them keep the money.

20 MR. CLARK:

21 Right.

22 SENATOR ALLAIN:

23 They're going to force it down to the
24 ratepayer if at all possible. The utility is
25 not going to keep that. But on the ones who

1 are -- just to the generators like I think
2 that you're talking about may represent those
3 incentives can go toward that don't
4 necessarily get funded down to the ratepayer
5 depending on what you could get on the line
6 for them.

7 MR. CLARK:

8 It is an interesting -- and this is true
9 in one of the debates on the federal
10 incentives as well is that, who really
11 benefits from those incentives? And what we
12 see, if I have a, you know, Clark Solar and
13 Mr. Yates has Yates Solar and we're competing
14 and you've got a refinery and we want to sell
15 you power, I'm taking the cost of my project,
16 the incentives that affect my tax obligations
17 going forward, all of those factors come into
18 the price that I'm ultimately bringing to you
19 in trying to win your PPA. And he's doing the
20 same thing. And not all of them, again, as I
21 said earlier, you're going to have a lot of
22 projects proposed. You're going to have some
23 projects get built, but the price that
24 ultimately -- we've seen this in wind.

25 The Power Purchase Agreement price for

1 wind, it was a misconception that the industry
2 was making some extraordinary return. The
3 reality is, we're making a competitive return
4 that's very similar to other types of energy
5 and projects, but the price is lower because
6 the incentives actually have the effect of
7 benefiting the offtaker and the other
8 industries in the state. And I'd say that as
9 you're looking at incentives, that's a
10 secondary effect that ought to be contemplated
11 as well.

12 SENATOR ALLAIN:

13 The -- I understand, and I'm not very
14 well-versed in it, and maybe you can help me
15 with this, the carbon credits that are -- may
16 be created in the future, how does that
17 affect -- because I understand some of these
18 projects are just looking to break even on the
19 amount that they get paid in averted costs.
20 I'm learning a whole new terminology, five
21 years ago, I wish I'd have never known about.
22 But the averted costs and then they turn
23 around and sell the credits for the profit, is
24 that?

25 MR. CLARK:

1 Carbon credits and the prospect of a
2 carbon market is something that I'm not
3 entirely familiar with, and I'd be happy to
4 ask our folks to share. As a region, I mean
5 you can look at the states that we work in,
6 carbon is not our focus. Our focus has been
7 economic development, and primarily, rural
8 economic development. And I apologize, I'm
9 not terribly familiar with carbon credits, but
10 I'm happy to --

11 SENATOR ALLAIN:

12 Well, the conversation needs to be had as
13 we go forward. I mean it's -- you can see a
14 lot of people behind you that are uneasy about
15 the development and where it leads to them.
16 And, you know, if you're -- you have to
17 understand, if you're a farmer on that 500
18 acres and all you've got is 1500 acres to
19 farm, and that 500 acres disappears, you know,
20 you've just lost your profitability and you
21 may be a second or third generation farmer.
22 So when you say it's only 1 percent of the
23 land, it's -- could be a third or a half
24 something that's very near and dear to the
25 livelihood of people in our community.

1 MR. CLARK:

2 We appreciate that. I appreciate that
3 and we do want to -- again, the most important
4 thing is to have a quality relationship with
5 the community because it's a long-term
6 relationship. It's the nature of the
7 business. So --

8 SENATOR ALLAIN:

9 That would obviously be in your best
10 interest.

11 MR. CLARK:

12 Absolutely, sir. That's why we're here.

13 SENATOR ALLAIN:

14 Thank you.

15 MR. CLARK:

16 Thank you, Senator.

17 CHAIRMAN LANCLOS:

18 Thank you, Senator Allain, Mr. Clark, and
19 Mr. Yates.

20 Next up, we have Emory Belton
21 representing Kay Ho Family Properties.

22 MR. BELTON:

23 Good morning, Gentlemen. Pleasure to be
24 here today. I'm Emory Belton. I'm the
25 attorney for Kay Ho Family Properties.

1 Actually, that's my wife's family's property
2 over in West Baton Rouge. Many of you know
3 me. I know a number of the folks in the
4 audience.

5 I've been working on these solar projects
6 representing landowners for about five years
7 now. I've represented about a dozen different
8 landowners around the state. Senator Allain,
9 kind of in your experience, most of the
10 negotiations have not been proven fruitful;
11 although, some have. But I wanted to at least
12 briefly kind of address, I think, some of the
13 issues that I've seen in dealing with these
14 solar developers. And I'll start by saying
15 that early on, the developers that I was
16 dealing with were more of these, I'll call
17 them speculator types, you know, these smaller
18 companies who were coming in trying to put
19 prospects together to turn to other investors.
20 More recently, it has been the larger,
21 multinational companies.

22 As I see it, you know, there's, I guess,
23 different levels of issues that you guys may
24 be interested in. I think that some of the
25 issues directly pertained to a direct state

1 interest, whether it be under your policed
2 power or whatever you want to call it.

3 And I'll start by saying this that, you
4 know, the good news is in many respects is
5 that Louisiana is one of the last states for
6 this industry to come to and there are
7 numerous other states who have already kind of
8 crossed this bridge. And I think that there
9 is a lot of knowledge out there. Some of it
10 has been alluded to here, Indiana, that I'm
11 not familiar with; New Mexico, I am. And what
12 I found in doing research in New Mexico, for
13 instance, has an extensive decommissioning
14 plan requirement. And, you know, like any
15 good lawyer, I barred heavily from that
16 language and New Mexico law and I've inserted
17 it into the leases for my clients.

18 And it's important to keep in mind, you
19 know, when these landowners are approached,
20 none of the initial leases that I've seen have
21 ever initially said anything about
22 decommissioning or a surety or anything. So,
23 you know, we're kind of building these things
24 as we go.

25 Okay. So it's something that I think

1 that the Department may want to look at from a
2 rule-making standpoint is the decommissioning
3 surety issue and look to other states. Like I
4 said, New Mexico has some examples, other
5 states as well. Another issue that's kind of
6 technical, but very important, and this is
7 based on my mineral law background is
8 something called correlative rights.

9 Okay. Correlative rights is established
10 in the State Mineral Code, which is
11 essentially the condensing of about 80 years
12 of litigation. It's -- let's see, it's Title
13 31, Section 11, insurmountable and I'll just
14 read it to you. It says, at least the first
15 part, the owner of land burdened by a mineral
16 right or rights, and you could easily
17 substitute that for solar, must exercise their
18 respective rights with reasonable regard for
19 those of the other.

20 Okay. Now what that means is, is that in
21 Mineral Code, if a landowner leases his
22 property to an oil company, he conveys certain
23 rights to the oil company. He, in turn,
24 retains certain rights. So even though he's
25 leased this land, the law requires or

1 acknowledges that the landowner can do other
2 things with his land if it doesn't
3 unreasonably interfere with the oil company's
4 rights.

5 Unfortunately, with these solar leases,
6 number one, the provisions of the Mineral Code
7 don't apply to solar leases; and number two,
8 most of them or all of them I've seen have
9 required complete surface and subsurface
10 exclusive use of the solar operator. And what
11 that means is, obviously, you know, they don't
12 want you putting a drilling rig in the middle
13 of a solar field, which is understandable.
14 And with directional drilling technology,
15 that's probably not an insurmountable problem.

16 The problem is, for instance, seismic
17 surveys. In the paper this morning, in Pointe
18 Coupee Parish, they referenced a 2,000-acre
19 plus solar development. And the reality is in
20 the oil and gas business, if you have a
21 2,000-acre plus blind spot in your seismic
22 survey, then the likelihood is your prospect
23 is not going to get drilled and the landowner
24 is going to be given the opportunity to enjoy
25 those additional uses of his property. Same

1 thing with a pipeline coming through, if a
2 pipeline is coming through Pointe Coupee at
3 that location, there's a decent argument to
4 say that that pipeline better be prepared to
5 do a 2,000-acre workarround, you know, on its
6 proposed route.

7 And these are competing land use issues.
8 I think they fall squarely within the concern
9 of the state and it's something that you guys
10 may want to take a look at to address. It's
11 difficult for landowners on their own, number
12 one, to know about them; and then number two,
13 to have enough leverage to make any headway in
14 their lease language.

15 Another issue I think that you guys may
16 want to consider is construction standards and
17 the wind rating. I've been told that, you
18 know, lots of these companies may internally
19 have wind rating levels. You know, we all
20 know the weather here in Louisiana. So I
21 think that you want to make sure that the
22 construction standards are up to withstand
23 whatever a typical storm is these days, you
24 know, but that would be for you guys to
25 decide.

1 Again, water runoff, the wildlife, impact
2 on wildlife issues, I've been very careful to
3 insert language in my leases that, you know,
4 prohibit, you know, solar sterilization or
5 anything like that. You know, you need to be
6 really be careful about that stuff.

7 There are other -- once you kind of --
8 and there may be other direct state interested
9 topics interested on this part. When you get
10 past that, you kind of, you get into areas
11 that are, I guess, dominated by both, you
12 know, landowner concerns in terms of their
13 freedom to contract and I think state issues
14 as well. And Mr. Caffery, you know, has
15 stated eloquently and has been consistent in
16 saying that, you know, they are in favor of
17 regulation, but not to the point that it ties
18 the landowners' hands. And we get that. On
19 the other hand, his, you know, his clients or
20 his members are the large landowners who do
21 have the lawyers who can protect themselves.
22 So, you know, keep that in mind.

23 And I guess I'll just, the last thing I
24 guess I'll leave you with is, you know,
25 surprising to me and a lot of people didn't

1 know this, and I didn't know it until a few
2 months ago, the State of Louisiana has already
3 opined on this issue back in 2008 when Scott
4 Angelle was Secretary of DNR, there were a set
5 of regs about 50 pages worth that were
6 promulgated by DNR to address, to set
7 standards for leasing of state lands for wind
8 specifically, and then it talked about other
9 renewables. And in that, in these regs, which
10 are right here, you know, it sets out the
11 state shall be paid a royalty. It sets out
12 the provisions of the decommissioning
13 responsibility, et cetera.

14 So I think, you know, we've -- the State
15 has already started down this road. Now
16 again, this just pertains to state-owned
17 property, but I think that it's a good
18 template for the private or general permitting
19 requirements as well.

20 I'll leave you by saying this, that I
21 know that the focus of this endeavor is to
22 create, I guess, permitting standards or what
23 have you for DNR for solar developments. I
24 will say that just on the category review of
25 the Mineral Code, there are probably at least

1 two dozen provisions of the Mineral Code that
2 could be immediately applicable to solar
3 leasing that will provide a good deal of
4 protection and comfort for landowners to
5 ensure that they are entitled to the same
6 protections and rights on the solar side that
7 they have on the oil and gas side. I know
8 that's not your charge to address that here
9 today, but I just wanted to point that out.

10 CHAIRMAN LANCLOS:

11 Thank you, Mr. Belton.

12 Senator Allain?

13 SENATOR ALLAIN:

14 Thank you for being here. You and I have
15 a long history of going back to when you
16 represented the Mineral Board and I was a
17 youngster on that Board. And we've engaged on
18 a lot of these topics. So help me understand
19 the importance of a MISO Interconnect
20 application and a Power Purchase Agreement.
21 How is that relevant to as being a requirement
22 for these things to go forward?

23 MR. BELTON:

24 Yes.

25 SENATOR ALLAIN:

1 You heard the testimony of the people
2 with the Advanced Power Alliance --

3 MR. BELTON:

4 Yes.

5 SENATOR ALLAIN:

6 -- and that they won't be built without
7 it. Why --

8 MR. BELTON:

9 And I was --

10 SENATOR ALLAIN:

11 Is the tail wagging the dog here or...

12 MR. BELTON:

13 Well, I think the State has to be
14 careful. We're on a learning curve.

15 SENATOR ALLAIN:

16 No doubt.

17 MR. BELTON:

18 And, you know, like I had mentioned to
19 other people, I think I maybe mentioned to you
20 at one point, I kind of liken this to where we
21 were with the oil companies a hundred years
22 ago, you know, there's brand new technology
23 coming in. There's no standard lease forms.
24 There's no law. There's no jurisprudence.
25 There's no nothing. You know, so here we are

1 at the beginning phase of this trying to kind
2 of create a framework.

3 For those who, you know, who aren't as in
4 to this as some of us, here in Louisiana, you
5 know, you basically have the utility
6 companies, Entergy, CLECO, SWEPCO, and the
7 coops, who provide retail service to
8 customers, to all customers. As opposed o
9 what the gentleman was alluding to up here, a
10 generator in Louisiana, whether it be solar or
11 just some other merchant generator cannot sell
12 directly to a customer. You know, X solar
13 company can't sell to Walmart or can't sell to
14 some plant or some refinery. That has to go
15 through the utility company, and that's
16 regulated by the Public Service Commission.
17 That's their sandbox.

18 At the next level, the transmission grid,
19 which is the high power lines that move the
20 power around is regulated by federal law under
21 by a regional transmission organization called
22 MISO, at least for the bulk of Louisiana. For
23 the northwestern portion of SWEPCO's
24 footprint, they are in southwest power pools,
25 RTO, which I think covers them also.

1 So first off, for a generator of any kind
2 to gain access to the grid, it has to make an
3 application to MISO for an interconnection.
4 That's a very expensive and laborious
5 time-consuming process. The MISO
6 interconnection is a three-step analysis. The
7 first step entails a \$750,000 nonrefundable
8 deposit. Okay. That's for a feasibility
9 study. And, essentially, what they're after
10 is the applicant gives to MISO the parameters
11 of its project, how many megawatts it's going
12 to produce, at what location they want to do
13 the interconnect. And then MISO goes in and
14 does a very detailed analysis to see if the
15 power can be taken at that location and how
16 much and at what time.

17 Because keep in mind, you know, solar is
18 more complicated from a transmission
19 standpoint than gas or coal or, you know,
20 units that, you know, you can just turn on and
21 run or turn off, you know, because of their
22 variability. When the sun doesn't shine, they
23 don't generate, and at night. You know, so
24 there's a lot of work that goes into
25 determining how much and when they can take it

1 and where.

2 You know, the MISO, as MISO proceeds
3 through the analysis, it gets more and more
4 expensive for the applicant. You know, so
5 applicants have an incentive to, you know,
6 kind of fish or cut bait. But without that
7 MISO approval, there is no access to the grid,
8 zero. They can't get anywhere near it.

9 The PPA is a contractual instrument where
10 a regulated utility like Entergy or CLECO or
11 SWEPCO purchases its power from a generator.
12 PPAs can be, you know, had with solar
13 companies. Currently, I mean they have them
14 with natural gas generators or facilities who,
15 you know, may have excess generation capacity
16 because they have their own cogeneration
17 capacity. Anyway, so these are contracts that
18 the utilities enter into with these
19 generators, but these contracts are subject to
20 approval by the Public Service Commission.

21 So if Entergy enters into a contract with
22 a developer, they'll take that contract,
23 they'll go to the PSC, and they'll make an
24 application for approval. The Commission will
25 open a docket and have a potential time for

1 intervention, you know, because there may be
2 people out there in the world who aren't happy
3 about that contract, either the price or the
4 terms or whatever, so that the PPA goes
5 through this approval process. Now once it's
6 approved, you know, Entergy, quite frankly,
7 Entergy has a legal responsibility almost to
8 buy that power. You know, their regulator is
9 telling them, okay, you've got to get this at
10 this price. The -- again, Entergy has to have
11 that before those costs are recovered through
12 its rates.

13 SENATOR ALLAIN:

14 To make that a requirement of an
15 application is you're saying they actually
16 would have to spend money and get approval
17 before they --

18 MR. BELTON:

19 Absolutely.

20 SENATOR ALLAIN:

21 -- do everything.

22 MR. BELTON:

23 Yes.

24 SENATOR ALLAIN:

25 They're telling me you're way over your

1 five minutes, so I'm not going to cut you off,
2 but let's continue the conversation.

3 MR. BELTON:

4 Sure. Yeah, and we'll be talking more
5 offline. I just want to applaud you and
6 everyone else just at a personal level. I've
7 been working on these, like I said, for four
8 or five years. And for a while on the front
9 end, I was kind of feeling alone out there.
10 So...

11 SENATOR ALLAIN:

12 We're just trying to get it right.

13 MR. BELTON:

14 Yeah, and you're doing a great job.

15 SENATOR ALLAIN:

16 The State of Louisiana deserves that we
17 get it right.

18 MR. BELTON:

19 Absolutely.

20 SENATOR ALLAIN:

21 Thank you.

22 MR. BELTON:

23 Thank you.

24 CHAIRMAN LANCLOS:

25 Thank you, Mr. Belton and Senator Allain.

1 Next up, we have Mr. Jody Montelaro
2 representing Entergy.

3 MR. MONTELARO:

4 Good morning, Everyone. Thank you for
5 having us here. I'm going to have him fill
6 out a card, but I'm Jody Montelaro on behalf
7 of Entergy. I have Jonathan Bourg here with
8 me as well.

9 You want to introduce yourself?

10 MR. BOURG:

11 Yeah, Jonathan Bourg, Entergy Louisiana.

12 MR. MONTELARO:

13 Okay. First of all, I want to thank
14 y'all for taking take the time this morning.
15 We at Entergy think this is as important as
16 anything we're involved with. We, of course,
17 were supportive of the legislation this year.
18 And at the end of the day, we think it's going
19 to result in parameters that utilities can
20 support, hopefully, that residents, farmers,
21 landowners, everyone can come together and
22 support and we think that its's a very crucial
23 step.

24 A couple of things, some opening
25 comments, if that's okay with you all. First

1 of all, we are, at Entergy, to set the record
2 straight because you hear a lot of things out
3 there, we are very supportive and open to
4 responsible decommissioning. We are very open
5 and supportive of the creation of things that
6 are helpful, whether that be setbacks or all
7 the conversations that are going on here
8 today. Any responsible utility that's looking
9 at resources should be.

10 You know, we are also open to and
11 interested in responsible planning of solar
12 resources. Senator, I think you hit on that a
13 pretty good bit here this morning here and
14 there. There may be a little bit of a
15 difference in the way the utilities see things
16 and in some of the other folks who have come
17 here this morning to visit see things. And
18 that is, you have heard a lot of conversation
19 this morning, some from out of state
20 individuals saying that they see this as a
21 creation of an industry.

22 We see this as an additional resource, no
23 different than when you have a nuclear plant
24 or a gas plant or something of that nature.
25 And we want to make sure that that resource is

1 not only low cost and provides the right kind
2 of power for our end users and our ratepayers
3 and our customers, but we want to make sure
4 that it is something that's acceptable in the
5 communities. And, certainly, I know we're
6 going to hear from and probably have heard
7 from some of the folks in Washington Parish
8 and Tangi and in other areas.

9 You know, when you're the first to get
10 into a business, you certainly, you know, you
11 go through those learning processes. We go
12 through an RFP process and we've had third
13 parties building some of these. We think it
14 would be great to have guidelines going
15 forward and we want to put in some of that
16 input. So as we go forward, any of these in
17 the future or potentially when the resource is
18 needed, those guidelines are in place to have
19 the local communities in a good place.

20 I will tell you that during the
21 legislative session, we did hear from a lot of
22 farmers. The representatives of Farm Bureau
23 are very strong here at the capitol and those
24 things are very much noted at the end of the
25 day.

1 When we think in terms of industry, I
2 think about farming, I think about
3 agriculture. Again, when I think about solar,
4 when I think about gas plants, I think that
5 again as more of that's a resource to help
6 fuel the State of Louisiana. So that is a
7 distinction I wanted to point out to you all.

8 I know Senator Mizell wants to have an
9 engagement with all of us this afternoon and I
10 think that's good too. Open conversations on
11 these kind of deals, it's not something that
12 you're going to find that the utility shies
13 away from. We are working at the PSC right
14 now on some green fronts, I will tell you.

15 One of things we want to make sure of is
16 if we're going to have a green resource that
17 it doesn't overburden folks who are not
18 participating in that green resource via the
19 ratepayers of Louisiana. I know that you've
20 heard this morning about some different kind
21 of setups on how those might work and I know
22 that's a work in process because people are --
23 it's a lot to learn about. Our focus is going
24 to be on not overburdening the other
25 ratepayers with any resources that we're

1 developing. And so, hopefully, we're happy to
2 visit more about that as we go through this
3 process.

4 So I want to thank all of y'all for
5 having us here. I want to thank the
6 participants who are here today representing
7 all the various other stakeholders who have
8 concerns here. We're hoping to continue to
9 work with them and we thank y'all for that.
10 We're open to any questions.

11 CHAIRMAN LANCLOS:

12 Senator Allain, questions or comments?

13 Mr. Bourg?

14 MR. BOURG:

15 I don't have any comments. I'm just here
16 to --

17 CHAIRMAN LANCLOS:

18 Okay.

19 MR. BOURG:

20 -- answer any questions you might have.

21 SENATOR ALLAIN:

22 You're the backup, but Jody doesn't
23 usually need backup.

24 MR. BOURG:

25 No, he doesn't.

1 MR. MONTELARO:

2 Well, you had some technical questions,
3 Senator, and we respect those.

4 SENATOR ALLAIN:

5 Yeah.

6 MR. MONTELARO:

7 And Jonathan does a lot of our resource
8 planning, so we just wanted to have him here
9 in case you needed anything.

10 SENATOR ALLAIN:

11 Sure, so and I do. Power Purchase
12 Agreements, obviously, those affect you. So
13 what is some of your requirements for a Power
14 Purchase Agreement? Say, that the incentive
15 is in place and a solar farm is put in the
16 right place under a line that has capacity,
17 what's some of your requirements? I mean, who
18 wants to take that?

19 MR. BOURG:

20 Certainly, I can, Senator. Again, as
21 Jody mentioned, for Entergy, Louisiana, I
22 manage our resource planning efforts and the
23 requests for proposals that we go through to
24 identify resources. And in doing that, and
25 it's under the rules and regulations that we

1 follow at LPSC, we go through a competitive
2 bidding process. And so bidders in that
3 process submit their best offers, and those
4 may -- and we do know do consider incentives
5 at times that they may have. And, ultimately,
6 we see as a bidder a price.

7 And we have requirements that we place on
8 all of the bidders in the process; Purchase
9 Power Agreements, terms that we expect the
10 bidders to abide by to protect our ratepayers,
11 to protect all citizens in Louisiana, and to
12 look for that lowest cost resource that serves
13 the reliability for our customers. And in
14 times, the bidder may rely on tax incentives
15 in order to participate in the process, and we
16 understand that.

17 SENATOR ALLAIN:

18 I understand that lower prices for
19 ratepayers is a consideration, mainly to PSC
20 and to y'all. Have you been willing to pay
21 higher for green energy? Is that something,
22 one of the requirements that's out there by
23 the PSC? Wasn't that a requirement that there
24 be X amount of renewables in your portfolio?

25 MR. BOURG:

1 There is no set requirement on that,
2 Senator. There was almost ten years ago, when
3 renewables were kind of first getting a
4 foothold, extra incentives that would be paid
5 to them. And as part of our ratemaking, those
6 are no longer in place for us. And right now,
7 it's just an economic analysis of the best
8 resources to serve the Louisiana customers.

9 MR. MONTELARO:

10 But it is a good question, Senator.
11 Several states did mandate certain amounts of
12 renewables in the portfolios and we did not
13 have that in Louisiana.

14 SENATOR ALLAIN:

15 At one time, we did, but we don't -- they
16 didn't --

17 MR. MONTELARO:

18 I don't think -- at one time, they looked
19 into it. I believe they might have even
20 opened a docket at the PSC, but they did not
21 ultimately come up with anything that would
22 mandate a certain amount of renewables in the
23 portfolio.

24 SENATOR ALLAIN:

25 So I would encourage the utilities to

1 also look at other renewables that could be --
2 look, agriculture is going to be affected.
3 There are things out there like sugar cane
4 baguettes and other products that come off the
5 farm. Look at partnerships between the
6 agricultural community and yourself that could
7 maybe have some benefit into the future. I
8 mean, don't just singularly look at that,
9 because I think the ag community deserves a
10 look at when you're talking about creating
11 energy and some opportunities that may be
12 there for renewable energy also.

13 MR. MONTELARO:

14 Absolutely. Look, it's a great point and
15 I think, you know, when it's specifically
16 Entergy involved, when we're asked to come
17 look at a resource, we always come look at
18 that resource.

19 SENATOR ALLAIN:

20 Could you pass that on to CLECO? Since
21 I'm sure they're listening, could you pass
22 that on to them also? But thanks for your
23 testimony. Again, we're just trying to get
24 this right. I've talked to several people on
25 the Public Service Commission, we're not

1 trying to play in their sandbox. But leasing
2 land for energy in the State of Louisiana, I
3 believe, deserves to be -- have the guidelines
4 here at the Department of Natural Resources.
5 Our lands are our natural resource. But once
6 it's interconnected and electricity is made,
7 obviously, it's the purview of the Public
8 Service Commission. And so...

9 MR. MONTELARO:

10 Absolutely. And, Senator, thank y'all.
11 We're a highly-regulated industry. As you
12 know, we don't shy away from regulation if
13 it's going to have a benefit overall. And,
14 certainly, as the individual who came from
15 Tangi came from the Council, you know, that
16 guidance, if it's helpful to our locals, it's
17 welcome as well. So thank y'all so much.

18 CHAIRMAN LANCLOS:

19 Thank you, Mr. Bourg and Mr. Montelaro
20 for your testimony.

21 Next up, we have Mr. Wilson LaGraize, Jr.
22 representing himself. Good morning.

23 MR. LAGRAIZE:

24 Good morning. Thank you, Mr. Secretary,
25 Senator Allain, and all the other elected

1 officials here today. I'd like to tell you
2 how really happy I am to be here. I'll give
3 you an idea. Frankly, I want to thanks
4 Senator Allain for all of your efforts and
5 everyone else in the legislature who have done
6 a magnificent job of bringing this issue to
7 the forefront.

8 SENATOR ALLAIN:

9 Could you say that again because we don't
10 hear it that often?

11 MR. LAGRAIZE:

12 And you know I'll be happy to say it
13 again, and I'm going to repeat it during our
14 presentation. But for the record, my name is
15 Wilson LaGraize. I'm actually a CPA. I live
16 in Franklinton Parish on Kat Kaw Road. I'm
17 actually here with a part of a group of people
18 that we put together. We call ourselves kind
19 of tritely, The Environmentally Concerned
20 Citizens of Washington Parish; but,
21 nevertheless, it speaks to our heart.

22 The way we've gotten involved in this
23 project -- in fact, I've never testified
24 before a Committee like this before. However,
25 I did a long time ago testify before the

1 Senate Finance Committee dealing with a
2 certain property tax issues. So it's been a
3 long time and it's a nice setting. I
4 appreciate the opportunity.

5 But anyway, I came here because one of
6 these solar panels kind of snuck in 550 yards
7 away from my house, which really, I was kind
8 of one of the last people to know about it.
9 Since that's occurred, some of the councilmen
10 have asked us, because the Council in
11 Washington Parish try to put together rules
12 and regulations. And it's really not in their
13 paygrade to be doing this kind of thing. And
14 as you know, it's not regulated on the federal
15 level and it's not regulated in Louisiana. So
16 thank God you brought this issue before us.

17 So as they got involved, they said,
18 well -- they told our group because we were
19 vocal, they said, well, look, would you guys
20 kind of put together an ordinance for us to
21 help us. And this was the majority of the
22 Council asked us to do that. We did that. I
23 would love to share that with the Committee in
24 a written form. I would ask you to wait until
25 after the Council gets finished with their

1 Infrastructure Committee. You know, with all
2 due respect to them, I don't want to represent
3 their thinking. This is our thinking. And at
4 some point, I'd like to share it with you for
5 your record. So if you could have the
6 appropriate party, we'll do that.

7 Let me tell you a little bit about the
8 concerns that we have. And we've done a lot
9 of research on this. Our first main concern
10 is our health. In other words, all the
11 potential impact in our environment, public
12 health; in other words, everything dealing
13 with joyful, peaceful, happy existence in our
14 parish. And we're concerned about Washington
15 Parish. We love the state, but we live in
16 Washington. So ours is kind of first.

17 And so it's obvious to us that no one has
18 really done a study to determine what economic
19 or rather what environmental impact do these
20 solar, we call them solar energy plants, we
21 don't like to use the word farm because,
22 frankly, it's not farming and I don't think it
23 equates. But at any rate, we don't believe
24 that anything has been done. You look at all
25 the filings that they come up with, and

1 they've got a lot of prestigious looking
2 reports, but they're all like retrospective;
3 in other words, what's the land been and where
4 it is right now. We want to see someone come
5 in and do a public independent environmental
6 study. It would make more sense to have it
7 done on a state level rather than on
8 Washington Parish or on every 64 parishes. So
9 that's one thought we'd like to submit to you
10 to consider.

11 Next, our -- and I've heard this
12 conversation several times about
13 decommissioning. And, frankly, Senator
14 Allain, I want to give him credit for the fact
15 that he is extremely perceptive and
16 knowledgeable about it. But from my
17 perspective, my training, I'm a CPA and a
18 forensic accountant, and when I was at LSU in
19 school, I heard the famous quote about, you
20 know, the famous ink is worth all of the
21 reassurances in the world. So when it comes
22 to decommissioning, we're not so much
23 concerned about the plan of decommissioning.
24 What we're concerned about is whether or not
25 there are going to be funds available to

1 decommission.

2 And so we've looked at a lot of other
3 states. We've looked at the EU, we've looked
4 at Japan. And the way those countries deal
5 with it is they require an escrow account.
6 And so we would like to see that be a
7 realistic consideration. The way it would
8 work would be very simple. The way the solar
9 companies actually propose it is that they
10 want to choose the company to determine the
11 cost, which frankly, I think that's kind of
12 like letting the fox guard the chicken coop.
13 I think it should be an independent company
14 that determines the cost.

15 And what we believe is that each parish
16 should be responsible for setting up this
17 escrow account. It should be in the name of
18 the parish and the funds should be available
19 at the parish's discretion to use it either in
20 a premature decommissioning, such as a natural
21 disaster, hurricanes, tornadoes, or what have
22 you, or at the end of life decommissioning.

23 So how does it work? The cost is
24 determined independently. Those funds are
25 determined to be escrowed each year. It goes

1 then to the fiscal agent for the parish. The
2 parish's fiscal agent controls it. At the end
3 of the life when decommissioning is imminent,
4 those funds are there. The companies
5 decommission it according to the ordinance and
6 according to the state law.

7 And as a result of that, they can then
8 submit a petition where the parish and get
9 their funds back. So they don't lose
10 anything. Any interest is applied towards
11 principal. So that's our number two
12 suggestion.

13 Also, we think there should be some
14 really strong regulations and standards. We
15 look at what some of the solar companies
16 propose, and they talk about 50 feet setback.
17 They talk about 105 feet setback from Highway
18 16, for instance, centerline. All of these
19 are really inadequately low. After some
20 prodding, they've now agreed that they're
21 going to put bamboo up and it's going to be a
22 plant every 6 feet on center.

23 I went up to Pennsylvania for a
24 graduation, and I saw one of the solar plants.
25 And what they're calling for originally, one

1 fir tree every 25 feet and the fir tree is
2 only 4 feet tall. So it gives you an idea
3 about if we leave it up to the solar
4 companies, we're not going to get really
5 protected. And that's why I think you guys
6 are here.

7 And in addition to that, I want to point
8 out the fact that another really big concern
9 is for property owners, landowners in the near
10 area, those folks are afraid that they're
11 going to have a diminution of their value in
12 their property. And it's very, very likely.
13 Frankly, we had an incident of one of our
14 neighbors and she sold a piece of property.
15 The owners came back and said, I didn't know
16 there was a solar farm coming, so please,
17 would you take the property back; the lady
18 gave her her money back.

19 So we really think there's a concern.
20 What happens now is if someone has some sort
21 of a complaint like that or they feel they've
22 suffered damages, they have to go court. So
23 what we'd like to propose is that there be
24 some vehicle or some mechanism or procedure
25 that's required to be in place and it should

1 be by state law, that the owner of the
2 property who feels he's been damaged can file
3 a petition or a complaint, if you will, with
4 the solar energy company; and then the
5 mechanism dictates that each one gets an
6 appraiser, they come back, they average the
7 two. If it's less than 25 percent, we call
8 that the average diminution value; the company
9 has to pay that. If it's greater than
10 25 percent, the two appraisers get a third
11 one, these are independent appraisers;
12 whatever they come up with then, they take the
13 two highest. I know that's a little
14 complicated. Remember, I'm an accountant, so
15 forgive me.

16 So at any rate, that's just a suggestion
17 of how a mechanism could work like that. And
18 my last point that I want to make and I don't
19 want to violate my five-minute rule, it's kind
20 of hard to say a lot of stuff in five minutes.
21 But my last comment is dealing with the
22 economic impact. Okay. I really think there
23 should be an economic impact for the state and
24 for each parish. I think that Senator Allain
25 has really brought up a great point about the

1 Morehouse, we called it Investment Tax
2 Exemptions; but, now, they call it ITEP. But
3 if you look at that program yesterday, what
4 they don't fail to point out is that -- I've
5 got a copy of the Community Impact Analysis
6 right here, and they talk about how much tax
7 the solar energy is going to pay within the
8 first 10 years. It's about \$3.4 million. I
9 don't want to bore you with numbers, but I
10 think that's appropriate to talk about numbers
11 in this case. So that represents 20 percent.

12 So what does the 80 percent represent?
13 That represents the portion the taxing
14 authorities are not going to get; they're not
15 going to receive in that first 10 years. And,
16 honestly, that approximates to about
17 \$13,400,000.

18 So if you look at it on an annual basis,
19 you're talking about roughly a million three.
20 Okay. Now the jobs that were cited as being
21 created were three new jobs. I don't know
22 what new direct jobs means versus new indirect
23 jobs. But anyway, let's count it at 13. So
24 if you've got a million three each year,
25 you've got \$100,000 of taxes that are foregone

1 by the local parish authority. Now, the
2 parish authority is not getting very much of
3 anything. They get the permit fee, they get
4 the sales tax, which are all minimal, but
5 they're not millions of dollars as the solar
6 energy companies would have you advertise.

7 So my point is that there's got to be
8 some sort of an economic impact study done.
9 There's got to be a pro and con. Are these
10 solar energy plants really worth what they
11 bring? And I'm not talking about as far as
12 the United States or as far as Louisiana, I'm
13 talking about Washington Parish here. Is it
14 worth us giving up those revenues and having
15 to have all the risks of the environmental
16 hazards for the health hazards, et cetera? I
17 don't want to bore you with all those because
18 you've heard them.

19 But is it worth it? Frankly, I don't
20 think it is in Washington Parish. From what I
21 see, I'm a CPA, I know how the tax works, I
22 know how the property taxes work, okay. So
23 when you look at the property taxes collected
24 in Morehouse, they're paying \$100,000 for a
25 \$59,000 job. Now, I know their spinoff of

1 money, et cetera. But the bottom line is, I
2 think that's got to be decided and somebody
3 has got to make a determination of it; not
4 just trust the energy companies to tell us the
5 truth.

6 One quick point I want to bring out about
7 the decommissioning, an it's not so much that
8 we're worried about how they decommission,
9 we're worried about if the money is going to
10 be there. Let me show you, this is a copy of
11 a lease that was signed by LSU. And I'm not
12 speaking out of turn, but we know LSU bailed
13 themselves out with a solar panel plant there
14 because they had some budget funding problems
15 and they couldn't operate the experiment
16 station. So and I won't read all this to you,
17 I'm just going to kind of skim through it.
18 But this is a section out of the lease that
19 LSU signed and it deals with our talked about
20 concept of removal bond, that's what they call
21 it.

22 And it goes like this, the amount of a
23 renewable bond shall be estimated cost of
24 removing the foregoing improvements at the end
25 of the term as estimated by a construction

1 company selected by the lessee, that's the
2 solar company, and reasonably acceptable to
3 LSU's representative. It says that the issuer
4 and/or terms and conditions of such letter of
5 credit -- now we're calling it a letter of
6 credit -- or a performance bond -- that's
7 another whole animal -- a reserve account, or
8 a dedicated escrow account -- now, I like that
9 one -- and security interest thereon shall be
10 reasonable acceptable to the LSU
11 representative. So the solar company is
12 telling them, look, this is what we're going
13 to do and you've got to reasonably accept it.
14 Such approval to be unreasonably withheld
15 condition or delayed -- not to be unreasonably
16 held or delayed.

17 So my point being, this is what the best
18 practices are as far as we know in Louisiana.
19 Frankly, I think there's got to be an escrow
20 fund. There's got to be real money, a letter
21 of credit. You know, bonding companies come
22 and go. We're talking about 20 -- we're
23 talking about 10 years before there's any hope
24 of the parishes getting money through the
25 property taxes. And then when they make that

1 calculation, they leave out the depreciation.
2 These things have a useful life. Louisiana
3 hasn't decided what our useful life is on
4 solar panels yet, but I'm sure they're in the
5 process of doing it.

6 So as it declines, at the end of 10
7 years, there's not going to be a hundred
8 percent there. And my practice of public
9 accounting for the last 50 years, I find that
10 in many instances, the industrial tax
11 exemption gets five years on an automatic
12 renewal, and then they come in with a new
13 renewal with new modifications and new
14 construction and they got a whole 'nother five
15 and five again. And so in a lot of instances,
16 hardly any, if ever, property taxes are paid
17 through those manufacturing plants.

18 So I want to thank Governor Edwards for
19 changing the law in 2017 or '18 where he now
20 allowed the districts to vote and he reduced
21 it from 100 percent to 80 percent, so of the
22 abatement.

23 So I guess I want to leave you with one
24 quick thought, and I appreciate you not
25 cutting me off. I think it's not a question,

1 Gentlemen, of landowners' rights versus, you
2 know, what he can and cannot do with the
3 property. I'm a property owner. I have
4 rights for my property. But I think the real
5 question is, what can a lessee do on a piece
6 of property that he leases that won't be
7 disruptive or harmful in any way to his
8 neighbors or the surrounding property?

9 So I think you've got those two
10 conflicting thoughts there and we just can't
11 default that the property owners have rights
12 and that's it, they can do whatever they want.
13 We know the government is in charge with the
14 responsibility of ruling in these situations.

15 So I'd be happy to answer any questions.
16 I appreciate your patience in listening to me.
17 And, again, thank you, Senator Allain, for the
18 great job of bringing this up. I mean, when
19 we saw -- in fact, Senator Mizell told us
20 about your Bill, Senate Bill 85, I think it
21 was, and I started watching the hearings, man,
22 I was so thrilled because this is what we're
23 fighting in Washington Parish. So I'd be glad
24 to answer any questions. Thank you.

25 CHAIRMAN LANCLOS:

1 Thank you, Mr. LaGraize.

2 Senator Allain?

3 SENATOR ALLAIN:

4 Just a quick question. Your points are
5 all very well taken, but there is, I think, a
6 framework that we have now for oil and gas
7 which is called a site specific trust fund,
8 which is securitized. Now, we demand it. The
9 problem is we have all the Legacy wells in the
10 past that it wasn't required.

11 Today, per legislation that I brought
12 forward, any time there's a new drill or
13 there's an exchange or a sale from one oil
14 company to the next of a wellhead, there has
15 to be a financial security in place. And one
16 of the things, it's been around for 20 years,
17 but not too many people used it until
18 recently, but I think the framework that we're
19 going to probably start with is the site
20 specific trust fund. Of course, that's up to
21 the Department and the Secretary about how
22 that finally looks, but we hear you. And
23 thank you for being here.

24 MR. LAGRAIZE:

25 So I like those words, site specific

1 trust fund.

2 SENATOR ALLAIN:

3 It's been in oil and gas for 20 or 30
4 years, and we just need to apply that here.

5 MR. LAGRAIZE:

6 Thanks again.

7 CHAIRMAN LANCLOS:

8 Thank you very much for your comments.
9 Just a quick time check, we have about another
10 35 minutes and another six comments. So we'd
11 like to get to all of them, but we do have a
12 hard stop at 11 o'clock.

13 SENATOR ALLAIN:

14 Yeah, I'm going to have to go to another
15 meeting.

16 CHAIRMAN LANCLOS:

17 Okay. Thank you, Senator Allain, for
18 your participation so much.

19 Next up is Ms. Mary Watts representing
20 herself.

21 MS. WATTS:

22 Good morning. I'm a resident of
23 Tangipahoa Parish. I moved there
24 approximately four years ago and I built what
25 I thought was going to be my retirement home,

1 you know, to end up at. And now, I'm going to
2 be looking at a solar farm directly across the
3 street from me. I have a lot of concerns.

4 I do believe a landowner has a right to
5 do what he wants with his property, but when
6 it starts affecting adjacent properties, the
7 value of their property, health concerns, then
8 I do have a problem with that. I can't -- I
9 moved out there because of the beautiful
10 country. And now, I'm going to have a solar
11 farm not only on the east of me, but I believe
12 on the southside too.

13 And I worked for a third-party company
14 that was hired for the Baton Rouge
15 Metropolitan Airport and it was -- they did a
16 noise impact study. And they drew a circle
17 basically around the airport. And if a
18 homeowner was in that circle, you know, they
19 were given the opportunity to participate in
20 our program. We sent an appraiser out, did an
21 appraisal on the property, also gave them
22 relocation assistance. We made the offer.
23 The homeowner could either participate or
24 choose to stay.

25 In this situation, the adjacent

1 homeowners are not given any choice. Yes, we
2 can sell our property, but are we going to get
3 the market value that we would have gotten
4 before the solar farms came? No. There's
5 nobody that can tell me that, that we will,
6 because that's not going to happen.

7 We desperately need to bring in like a
8 third-party company or these companies coming
9 in need to be responsible to help the
10 surrounding property owners, you know, to give
11 us a choice; either we can stay or we can go.
12 Then, that company can turn around and sell
13 the property to somebody that might not care
14 if they live nextdoor to a solar farm. I do
15 care. And it's very upsetting to me.

16 I have a water well, because out in our
17 area, we have water wells. My water well is
18 going to be approximately 300/350 feet away
19 from direct drainage coming straight across
20 from that farm. And it's just a lot of
21 concerns.

22 I also have a Sycamore tree on my
23 property, which is a landmark in Tangipahoa
24 Parish. A lot of people know that. You say
25 where the Sycamore tree is, they know where

1 you're talking about. They want put these
2 panels where they want to on the corner of
3 that property across from me, that tree is
4 going to die. There needs to be something put
5 in place that's going to protect any kind of
6 landmark, living landmark.

7 Just, like I said, a third-party company
8 desperately needs to come in. These adjacent
9 property owners needs to be given an
10 opportunity to choose or stay if they want to
11 live next to these projects that are coming
12 in. So thank you for your time.

13 CHAIRMAN LANCLOS:

14 Thank you so much for your testimony,
15 Ms. Watts.

16 Next up, we have Rodney Wood representing
17 himself and his family.

18 MR. WOOD:

19 Good morning, Mr. Lanclos and
20 Mr. Canfield. As Senator Allain, who has now
21 left us and a good number of other people here
22 know, I'm never sitting at a table like this
23 ever. I'm always sitting back there. I've
24 been here for the last 28 years, and God
25 called me to do something other than advocate.

1 However, the matter of solar farms is
2 something more than a matter of public policy
3 for me. It's a very personal matter.

4 I come to you as a private farm land
5 owner. My earliest forebearers came to the
6 western part of Washington Parish in the late
7 1700s and they began adding to the beauty of
8 the timberland, the great virgin forest that
9 were there by clearing away pastures. And I
10 still find myself, I've done this for so many
11 years, I'll say to my wife as we start to pass
12 by the experiment station, I look on my right,
13 I didn't know it was Mr. Nickey Smith that
14 owned that land, but I will tell you, that 500
15 acres may be the prettiest pasture in the
16 State of Louisiana. And my early work when I
17 was a very young man took me all over the
18 state. It is absolutely beautiful.

19 An old family home was built there in
20 1850, and my wife and I are presently engaged
21 in a major restoration project of our home.
22 But even if we were not involved in the
23 restoring of our home, I would be no less
24 passionate about the issue that is before you
25 right now, not one bit. I will be doing

1 everything that I can, including participating
2 in something that is not my calling here in
3 order to prevent the destruction of the beauty
4 of our state; not just my parish, but our
5 state.

6 I realize that when I began to ask
7 questions that a lot of my questions are not
8 necessarily legitimate, they're not
9 necessarily perfectly stated. I realize
10 there's so much about what's before you that I
11 don't understand. I had a fellow a couple of
12 weeks ago when we were involved and what for
13 me was going to cost some money out of my
14 pocket and put money into his, he said, well,
15 just make a decision; you're asking too many
16 questions. I said, well, if I don't ask
17 questions, I'm going to make a bad decision.
18 We ended up not doing business.

19 As we all know, when there's an entity
20 that stands to make an awful lot of money and
21 they're telling you, well, you're going to
22 make some money; and for you, it's a lot of
23 money, and they start pushing you and saying,
24 well, look, we need to go forward with this
25 and we need to do it right now, you and I both

1 know and everyone in this room knows there's
2 something wrong; there's something desperately
3 wrong.

4 I spoke with a couple of young men
5 associated with these projects last week late
6 in the evening after a meeting up in
7 Washington Parish. I saw two more young men
8 come here to the table, one from Oklahoma, and
9 I sat there and I thought, these young men
10 have gotten educated, they've gone out, they
11 pursued their careers, they're doing what
12 they're paid to do, make money, make money for
13 corporations, in some cases, large
14 multinational companies.

15 So I just have some questions. When I
16 heard the presentation, it was indicated that,
17 last week, it was indicated that 20-acre plots
18 would be satisfactory to qualify and it was
19 also indicated that you could combine
20 properties in order to qualify. That doesn't
21 sound like somebody that's concerned about the
22 beauty and the health of our land to me. The
23 setbacks were absolutely minimal. I'll assure
24 both of you and everyone here, there's not one
25 person in this room that would be satisfied

1 with those setbacks.

2 It was may understanding, and I can be
3 corrected on this, that the wind rating is
4 Category 1. Now that might not be right, but
5 I was told that, Category 1 hurricanes.

6 Today, I heard a young man say, as close
7 as possible. We'll restore it as close as
8 possible at the end of the project life. How
9 close is that? How close is as close as
10 possible? As close as possible in a mind, in
11 whose mind? I ask that they commit in writing
12 to restore the land to its present condition
13 no matter what the cost for the sake of all of
14 us Louisianians whose generation will continue
15 to be here.

16 I find myself concerned that these
17 companies go to the poorest parishes, the
18 parishes where we have the least opportunity
19 and they make their appeal there. I found
20 myself sitting back here thinking about people
21 clearcutting timber, making their money off
22 the timber and turn around and say, we'll put
23 these solar -- and I don't call them farms
24 either -- solar facilities here.

25 I have other questions. I wonder why is

1 it that Bill Gates has just recently bought
2 two hundred and -- well, he now owns 242,000
3 acres of farmland. And of that, we are number
4 one in the country as 69,000 acres, I don't
5 know the answer. Why?

6 Well, I -- those are just a few of my
7 questions. I hope that those and those with
8 whom you serve will come up with a lot more
9 questions. My most fundamental question is
10 this, if we are one of the later states to do
11 this and all these things have already been
12 negotiated in other states, guidelines, right,
13 then why did they come here with their, quote,
14 final product? Why are we negotiating? Why
15 are we trying to put some kind of limits on
16 the way they conduct themselves in our state
17 if they've already done these things to the
18 satisfaction of other states?

19 Are the other people in the other states
20 this foolish that they would allow this to
21 happen or is it that the term economic
22 feasibility that I've heard more than once
23 last week in Washington Parish; is that what
24 rules?

25 Listen, I'd say it better if I could, I

1 really would, this is nothing but a plea. I'm
2 asking you, please don't allow anyone to come
3 here and destroy the beauty of this land.

4 I -- I apologize to you for my inability to
5 express myself in a better way, but it seems
6 to me that there are questions that need to be
7 asked, lots of them.

8 One is, why do we not put these solar
9 panels on top of the existing structures in
10 the state, both residential and commercial?
11 Why all the beautiful farmland? Give me 30
12 more seconds. Why on the beautiful farmland
13 rather than on existing structures?

14 And for America, why not in the deserts
15 of West Texas and find ways to transmit that
16 energy effectively? Why not? We've got big
17 questions to ask that have long-term
18 implications. So I'm pleading with you, do
19 everything you can to prevent the destruction
20 of the beauty of our land and culture of the
21 people. Thank you.

22 CHAIRMAN LANCLOS:

23 Thank you very much.

24 Mr. Ryan Viator with HMC Farms.

25 MR. VIATOR:

1 Good morning.

2 CHAIRMAN LANCLOS:

3 Good morning.

4 MR. VIATOR:

5 I'm not checking Facebook, my notes are
6 on my phone. So I'm a product consultant, so
7 I represent a lot of sugar cane farmers. And
8 I guess there's confusion over current
9 legislation regarding the rights of a farmer
10 to harvest his crop in growing season with
11 sugar cane being a perennial crop. Does that
12 legislation cover us, our ability to harvest
13 that crop for the duration of the cycle? The
14 farmers need to be compensated for the
15 duration of the cycle for lost income. This
16 greatly affects the sustainability and the
17 viability of solar facilities.

18 I also am concerned about the long-term
19 sustainability of solar facilities. What
20 happens three or four years down the road we
21 develop cheaper forms of energy? What happens
22 if the technology changes in five years and
23 newer more efficient solar panels come about?
24 Are they going to keep up with this new
25 technology?

1 I also have a concern about the long-term
2 commitments of these companies to Louisiana.
3 One of my big questions is, why aren't they
4 purchasing land? The rent that they are
5 willing to pay could more than -- could easily
6 pay to purchase this land over a pretty short
7 time period. Are they not purchasing land so
8 they don't have a long-term commitment so that
9 they can walk away if they have to like
10 similar -- there's a real big scar in south
11 Louisiana with the ethanol companies in the
12 early '80s that promised cheap energy and
13 walked away.

14 I'd also like to point out, we talk about
15 carbon credits, that each acre of sugar cane
16 basically sequesters the equivalent of how
17 much CO2 a Louisiana resident makes. So
18 you're talking about 10 percent of the
19 Louisiana citizens.

20 And for those of us that don't have the
21 time during the session to comment, could you
22 please list the email address of where those
23 comments could be sent? Thank you.

24 CHAIRMAN LANCLOS:

25 Thank you so much, Mr. Viator.

1 Just as a reminder, we appreciate so much
2 the public comments, Blake and I are not
3 responding to comments. But given it was
4 Senator Allain's bill, we obviously have
5 questions and want to follow up on some of
6 these things. We just wanted to mention that
7 as well. We very much appreciate all the
8 comments that have been brought forward and
9 want to continue that.

10 Next up, we have Mr. Lawrence Burt with
11 Lawrence Burt Farms.

12 MR. BURT:

13 I don't wish to speak.

14 CHAIRMAN LANCLOS:

15 Don't wish to speak. Thank you, sir, for
16 putting in a card.

17 Robert McGehee with Delta Land & Farm
18 Management?

19 MR. MCGEHEE:

20 I'm going to send my comments in writing.

21 CHAIRMAN LANCLOS:

22 Yes, sir. Thank you very much.

23 And Mr. Heath Morris with Sugar West,
24 Inc. Good morning, Mr. Morris.

25 MR. MORRIS:

1 Good morning. How are you all? My name
2 is Heath Morris. I'm a sugar cane and soybean
3 farmer in West Baton Rouge Parish. I am a
4 landowner. I own land about a mile away from
5 the current solar facility that was built in
6 West Baton Rouge Parish that, on all accounts
7 on an esthetic basis, I would call it a
8 complete failure.

9 I got involved on our local level very
10 intensively and extensively because there's a
11 2,000-acre facility that's proposed to come
12 into West Baton Rouge Parish that adjoins our
13 estate property and as well as some family
14 land as well. And it's going across three
15 separate landowners' tracts. And as far as
16 landowner rights, I'm a huge proponent of a
17 landowner should be able to do what he wants
18 to his property. And, personally, I'm not
19 opposed to solar with regulations on them. I
20 am extensively opposed to solar with no
21 regulations.

22 And I got involved when there were three
23 separate landowner tracts that this facility
24 was going across. And after talking to
25 several of the landowners, it seemed like all

1 three leases were different. It should not be
2 on the landowner or the parish to provide and
3 dictate these rules and regulations because
4 we're -- we do not know what we need to know.

5 And the biggest thing that everybody has
6 talked about today is decommissioning. We've
7 heard and I've heard of bonds. I've heard
8 of -- we've talked about escrows. And,
9 actually, the landowners there, they said the
10 same thing, everything had been talked about
11 between bonds and escrows. So which one is
12 it? And I would implore you to please, you
13 know, to establish those guidelines, you know,
14 establish a baseline in a lease.

15 You know, other than being a farmer, I
16 also am a contractor. And so when I do any
17 construction work, whether it be building a
18 house or commercial industrial work, you know,
19 we have to conform to the Louisiana State
20 Licensing Board of Contractors. At that
21 point, we also have to conform to the codes of
22 our parish as well. So they maintain a
23 minimum standard for me as a contractor.
24 There is no minimum standard whatsoever for
25 these solar facilities, which are not a farm.

1 In my opinion, a farm is a facility that
2 plants a seed and grows something. Please
3 tell me where we're planting anything and
4 growing anything. We are not. We are -- this
5 is a solar industrial facility in my opinion.

6 The big thing in our parish is our
7 parish, we do have zoning requirements. You
8 know, we do not know, how do we zone these
9 properties? Do we zone and keep them in ag?
10 Do we move them to light industrial? Do we
11 make a special solar designation? You know,
12 this is a question that on the parish level,
13 that we don't know what to do.

14 We are also looking at we're in south
15 Louisiana, we have one of the highest
16 rainfalls. You know, now granted, north
17 Louisiana is way different than south
18 Louisiana, but our rainfall totals here are
19 pretty high, you know. So we need to look at
20 water shed studies. You know, and in farming,
21 I've always been taught there's three key
22 ingredients to especially cane farming, and
23 that's drainage, drainage, and drainage.
24 We've got to get water off. We work every
25 year to improve the drainage on our farm.

1 On these facilities, are they going to do
2 the same thing? Are they going to re-level
3 the fields as we level the fields to move the
4 water off?

5 We've seen it on -- we've seen a failed
6 action in Port Allen already where they're
7 having problems just maintaining the property
8 because these proper things were not done. So
9 is that on a parish level to dictate that or
10 is it on our state level?

11 Another thing is, in south Louisiana,
12 we're -- sugar cane is a very big industry.
13 It's very near and dear to a lot of people in
14 this room. I can tell you, you know, I've had
15 conversations with different mills and
16 different landowners and no one knows exactly
17 how much land one facility, one mill, or one
18 area will lose; but as people have said, you
19 get a mill that loses -- I'll give an example.
20 The Corps of Texas has said that they're
21 scared to lose as much as 4500 acres of land.
22 That's about 160 to 170,000 tons of cane going
23 to them. That facility grinds about 1.8
24 million tons a year. So you're looking at
25 about 9 percent of their total intake of cane.

1 Now would that put that owner out of
2 business? Probably not. But replicate that
3 multiple times, it could, or other facilities.
4 So what kind of long-term effects could we
5 have on the sugar industry? It's a big
6 question that we have. It's a fear that a lot
7 of people have as well.

8 I would just implore you to please look
9 at all avenues, you know, as far as where we
10 put these facilities and what we do and have a
11 really good baseline for helping landowners,
12 if they do decide to do this; give them a
13 baseline on what requirements that they need
14 to have, because our land is our greatest
15 natural resource and we need to protect it.
16 So thank you.

17 CHAIRMAN LANCLOS:

18 Thanks so much, Mr. Morris. Appreciate
19 your comments.

20 Anyone else in the audience that maybe
21 did not submit a card that wishes to speak, we
22 still have a couple of minutes left. And we
23 will, if you need the email address, we will
24 have that available, we can get it for you in
25 the back as you're leaving. As I mentioned

1 earlier in the opening, we received quite a
2 few public comments via email already. I just
3 want to make you aware that, obviously, that
4 address is going to stay live. We anticipate
5 that we will have additional meetings such as
6 this. This was kind of our first meeting just
7 to start to listen.

8 As we mentioned earlier, Senator Mizell's
9 meeting is this afternoon at two o'clock at
10 DNR. We would encourage you to attend and,
11 obviously, want to continue to bring those
12 comments together. Obviously, there is a lot
13 of information that's out there on looking at
14 this industry in Louisiana, and the Department
15 of Natural Resources is going to do everything
16 that they can to try to craft guidelines that
17 really reflect all the different things that
18 have been presented today. So we want to
19 thank you for your time to put all the
20 information in front of us and continue to
21 submit those comments. And we'll see you guys
22 this afternoon if you're there at two o'clock.
23 So thank you so much.

24 And, Blake, you want to close?

25 MR. CANFIELD:

1 I just wanted to say, so if you don't
2 know where DNR's building is, it's in the
3 LaSalle Building, which is at the corner of
4 North 3rd, Main Street and 3rd Street. And so
5 if you exit the Capitol, it's closer to the
6 river. They have multiple state buildings
7 that all look alike. It's going to be the one
8 that's closest to the river as you walk out
9 the Capitol. And the meeting will be in the
10 LaBelle Room, which is on the first floor of
11 that building.

12 Feel free to come and ask if you have any
13 questions on how to get there. I just wanted
14 to make sure everybody knew where that meeting
15 this afternoon was located. Thank you.

16 (WHEREUPON, THE MEETING ADJOURNED.)
17
18
19
20
21
22
23
24
25

1 R E P O R T E R ' S C E R T I F I C A T E

2 I, KELLY S. PERRIN, a Certified Court
3 Reporter, Certificate #23035, in good standing with
4 the State of Louisiana, as the officer before whom
5 this meeting was taken, do hereby certify that the
6 foregoing 124 pages;

7 That this testimony was reported by me in
8 stenographic machine shorthand by Computer-Aided
9 Transcription, transcribed by me or under my
10 personal direction and supervision, and digital
11 audio and proofread by the State Bond Commission,
12 and is a true and correct transcript to the best of
13 my ability and understanding;

14 That the transcript has been prepared in
15 compliance with transcript format guidelines
16 required by statute or by rules of the board, that
17 I have acted in compliance with the prohibition on
18 contractual relationships, as defined by Louisiana
19 Code of Civil Procedure Article 1434 and in rules
20 and advisory opinions of the board; that I am not
21 of counsel nor related to any person participating
22 in this cause and am in no way interested in the
23 outcome of this event.

1
2
3 This certification is valid only for a
4 transcript accompanied by my handwritten or digital
5 signature and the image of my State-authorized seal
6 on this page.

7 Signed:

8
9 KELLY S. PERRIN,CCR
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25