
Rancho Viejo Solar Frequently Asked Questions

Updated 3.10.2023

The AES team has been working closely with the community over the last several months and we have heard your expressed concerns, questions, and needs. We have listened and adjusted our plans to ensure that the Rancho Viejo Solar project reflects our commitment to being a good neighbor, and delivers long-lasting, positive impact to the community. We have responded to the most frequently asked questions in this document.

Project Updates

How can I stay updated on the project and be informed on project design changes?

- As the project continues to advance, we encourage you to visit www.aes.com/rancho-viejo-solar for the most current information.

Where can I access the Conditional Use Permit application submitted for Rancho Viejo Solar?

- The application is public information and can be obtained through the Santa Fe County Planning and Zoning departments.

Health and Safety

Will the site be fenced in? What security measures will be in place?

- The site will be fenced in and security control systems will be in place to ensure the highest safety standards are maintained. The site will only be accessible to approved personnel.

What safety measures are in place in case of a fire? Is there an emergency response plan?

- An emergency response training program is being created in collaboration with the Santa Fe County Fire Department. The material is being developed based on the proposed equipment and National Fire Protection Association (NFPA) safety standards. An emergency management program will be delivered with the training manual/video modules and include training of local fire professionals before construction is complete and again when the project site becomes operational. The local fire and EMS organizations will be thoroughly informed and updated about all access points available to them and turn around radius will be reviewed to assure local equipment can operate. The project will be fenced and secured with access only by approved personnel.

Are solar panels safe?

- No reports provide evidence that there are any health issues caused by solar panels. All solar panels used by AES pass the EPA's Toxic Characteristic Leaching Procedure (TCLP) test and are classified as non-hazardous and non-toxic materials.

Is there a concern for thermal runaway with the battery technology? What safety measures are in place?

- AES is a global leader in energy storage and has been operating a fleet of battery energy storage systems for over 15 years. Today, AES has storage systems operating in multiple countries, uses, and environments. When it comes to mitigating risk, the first step is always to prevent the hazard, which is done with a multitude of risks management layers: the battery management system maintains nominal operations and separates a battery string from hazards when necessary; site SCADA systems identify hazardous conditions and can automatically stop the system and alert response personnel; and non-battery fires that may result in a battery fire are dealt with by the same measures as non-battery sites (defensive posturing and material-specific suppression). If a thermal runaway event or battery fire were to take place, the enclosures planned for this site would release fire suppressant in large concentrations directly into the initiating cell, removing heat and preventing thermal runaway throughout the enclosure. The AES energy storage solution integrates the battery modules inside steel containers with fire-rated insulation and several redundant layers of hazard controls including passive and active measures that both inhibit and (when necessary) suppress hazardous conditions. The UL 9540 certification addresses safety and requires UL 9540a test results to be available for review. The 9540a tests of this system indicate adequate prevention of thermal runaway. The AES energy storage system will achieve UL 9540 certification prior to site commercial operation.

Can the solar array withstand intense storms, wind, and hail?

- Solar panels are extremely durable and rigorously tested to withstand harsh weather, including strong wind and hail. AES utilizes panels from vendors that use a thick tempered front-side glass, greatly increasing the module strength.
- Rancho Viejo Solar has a design basis to withstand wind speeds up to 105mph and golf-ball-sized hail.

What are solar panels made of? Are the components a health risk?

- Crystalline-silicon solar modules are largely made of glass, aluminum, copper, silicon, along with other commonly used plastic and wires. The cells on solar modules that are used to capture sunlight are made of silicon, which is a naturally occurring element. Crystalline-silicon solar modules are made of basic "solid state" materials, meaning there are no liquid or gaseous components. The project will be constructed with Tier I panels. Tier I panels are high quality, and rigorously tested for predictable performance, durability, and content. All solar panels used by AES pass the EPA's Toxic Characteristic Leaching Procedure (TCLP) test and are classified as non-hazardous, and not regulated as toxic materials.

Will the project emit concerning EMFs?

- PV systems do not emit any material during their operation. Electromagnetic fields (EMFs), often referred to as non-ionizing radiation, meaning the radiation does not have enough energy to damage DNA. Studies prove modern humans are all exposed to EMFs throughout our daily lives, including wall-sockets, mobile phones and computers, without negative health impact. Someone outside of the fenced perimeter of a solar facility is not exposed to significant EMF level from the solar facility. There is no concern or negative health impact from EMFs produced in a solar farm.

Community Experience

How much tax revenue will the project generate? Where does it go?

- The project will provide significant financial benefit to Santa Fe County, public services, and the school district. The project expects to generate \$7 million in tax revenue for Santa Fe County over the life of the project. This revenue comes with no increased demand on public services, such as water, sewers, fire, police, or education. This is additional and unencumbered revenue for the County.

What is the total economic impact of this project?

- The Project represents a \$33.7 million investment in the community (inclusive of tax revenue impact). This multi-million-dollar investment will create more than 200 jobs during peak construction and an estimated four long-term operational jobs. The construction will bring additional economic benefit through local spending such as lodging, purchasing goods, and dining at local restaurants. We also plan to employ local contractors to handle long-term vegetation management at the site.

As the developer and long-term owner and operator, who is AES?

- The AES Corporation is a Fortune 500 global energy company accelerating the future of energy. Founded in 1981, AES is headquartered in Arlington, Virginia, and is a publicly traded company listed on the New York Stock Exchange (NYSE: AES). With over 8,450 employees in 14 countries, AES has been developing and delivering innovative energy solutions to its customers for 40 years. In the U.S, AES is a leading renewable energy solution provider with a 4.9 GW portfolio of operating clean energy resources across more than 540 projects in 25 states. The US footprint includes a backlog of more than 5.2 GW of clean energy projects with signed PPAs or under construction, and 51 GW of projects in development. AES also owns and operates two investor-owned utilities in Indiana and Ohio and a fleet of conventional generation assets across several states.

What is AES' sustainability and environmental track record?

- Sustainability is core to AES' culture. Working with our communities, partners, and customers, we have transformed our company to be a leader in carbon-free energy solutions. AES was one of the first companies to voluntarily help reduce greenhouse gases, starting with carbon offset and reforestation efforts in the late 1980s. Our sustainability goals include an intent to exit generation from coal by year-end 2025 and achieve net zero carbon emissions from electricity by 2040. We design our clean energy projects to eliminate or minimize impact on the local environment. Today, we are focused on improving lives in a responsible, clean and sustainable way.

Will the project be noisy once operational?

- The project will be a quiet neighbor. During operations, the cooling fans on the inverters are the only pieces of equipment that make any sound. Tech Environmental, Inc. conducted an Acoustic Study which analyzed noise produced from similar utility-scale solar sites. Based on this report, noise levels approached typical background noise levels within 150 feet from inverter locations. All proposed inverters for the project will be located well over 150 feet from any site boundaries and neighboring parcels.

How long will construction take? Will there be noise and disruption during construction?

- The entire construction period for the project is expected to last approximately 12 months. Construction will not begin until all permits are received, and any pre-construction work and standard site due diligence is completed. During the construction period, a strict noise ordinance is followed to ensure that work happens during appropriate hours. Further, water trucks will be used for compacting project roads to manage construction dust.

Will the project produce any light pollution at night?

- There will be standard, motion-censored security lighting on the project. This lighting will be pointed downward and away from any surrounding neighboring properties. There will be no consistent nighttime lighting.

Will the project produce any glare or reflection?

- Solar panels are intended to capture the most light possible, and specifically designed to reduce reflection and glare. Modern solar panels reduce reflection by using anti-reflection coatings (ARC) and by texturing the surface. According to the National Renewable Energy Laboratory, solar panels reflect as little as 2% of incoming sunlight and produce less glare than standard residential home windows and bodies of water. The Federal Aviation Administration (FAA) produced a final policy report that found solar projects do not create hazardous glare for aircraft in the area.

Will the project affect property values of adjacent and nearby residences?

- A property value impact assessment for the Rancho Viejo project has been performed and the report concludes that there will be no impact on property values.

Will this project affect the utility bill of local community members?

- The electricity generated by Rancho Viejo Solar will be sold to Public Service Company of New Mexico (PNM) under a 20-year power purchase agreement. PNM will, in turn, sell that electricity to its customers. Solar energy costs have decreased significantly in the last decade, making solar cost-competitive with, and often lower-cost than other traditional forms of generation. Utility-scale solar offers several advantages, including a stable, no-cost fuel source; scale and efficiency to optimize costs; and the ability (compared to rooftop solar) to share the costs and benefits of renewable energy equitably across the customer base. As is industry standard for many utility-scale solar projects, after the 20-year PPA with PNM, the project will look to re-contract or sell the electricity in the merchant market for the remaining life of the solar project.

Project Design and Site Operations

How will landscaping and vegetation be managed?

- The vegetation throughout the array must be properly managed to minimize any shading on the panels from tall grass. As part of the project's maintenance plan, the ground cover will likely be managed through seasonal mowing, if necessary.

Is there any impact to the water table? Will the Project increase stormwater runoff outside of the project area?

- No, the solar project will not increase storm water runoff outside of the project area and will be properly managed within the project area. Rain falls on the solar panel and runs off the edge of the panel, where it falls off the drip line to infiltrate the ground below.

Will the project impact local roads?

- The public may see or hear some construction vehicles transporting material to the site during construction. Once construction is complete, there will be minimal vehicles accessing the site. We will coordinate closely with local and state transportation authorities before, during, and after construction to ensure local roads are cared for and any necessary road improvement or use permits are obtained.

What type of fencing will be used?

- The project is expected to use agricultural style fence with woven wire and wooden posts for the enclosure to preserve the rural character of the existing community. We continue to explore best practices and options for project fencing that allow access for small critters and wildlife.

What is the setback of the project?

- Setbacks are measured from property lines. The Rural Fringe Zone District (RUR-F) requires a minimum setback of 25 feet from the front, side, and rear property lines. AES is exceeding this compliance by implementing a setback of at least 1,000 feet from adjacent properties.

What is the decommissioning plan for the project's end of life? Will the solar panels be recycled?

- When a solar project reaches the end of its project life, the project owner is responsible for executing the approved Decommissioning Plan, including abiding by all local and state decommissioning requirements. This includes the removal, recycling, and disposal of all solar panels, racking, equipment and other structures associated with the project, as applicable. The land surface within the project area will be sensitively restored to pre-project conditions to allow a return to agricultural use or other uses consistent with the land-use policies at the time. Through our supply chain process, we identify and prioritize equipment manufacturers that align with our environmental, safety and human rights commitments. Some of these commitments include buying equipment from manufacturers whose supply chains and suppliers comply with a national recycling program. We also seek to buy high-efficiency products, which reduce the total volume of raw materials and parts required for each project.

Why is the project located here?

- The location for this project was selected based on an assessment, including a review of 1) PNM's transmission network, 2) available substation capacity, and 3) interest from landowners that own land suitable for siting the project.

Where will the power produced by the project go?

- The clean energy generated by the project will go to PNM to serve all PNM customers. Having generation assets like the Rancho Viejo Solar project nearby a large center of load like Santa Fe will also support energy and grid resiliency.

What environmental studies have been conducted?

- As part of the development process, we conduct thorough studies to identify sensitive features and resources of our proposed project site. By identifying these resources at the front end, we can design our facility in a way that avoids and minimizes impact. The current site design minimizes impact to local wildlife habitat, avoids sensitive cultural resources, and minimizes effects to existing hydrology.
- The environmental and technical studies completed for this project include:
 - o A delineation of any wetlands and streams
 - o A search for any hazardous materials on site
 - o An assessment of the cultural resources on site (archaeological and architectural)
 - o An identification of any threatened and endangered wildlife habitat on site
 - o An assessment of potential transportation and traffic impacts
 - o An assessment of potential visual impacts
 - o An assessment of potential environmental impacts
 - o An assessment of local floodplains and hydrology
 - o An assessment of soils and geology - including on-site geotechnical and pile load testing studies
 - o A survey of terrain, boundary, and real estate encumbrances
 - o Infiltration testing to understand soil drainage rate

Will this project affect the local ecosystem of plants and animals?

- AES routinely conducts a series of studies that ensure our projects are thoughtfully and responsibly designed to suit the existing ecosystem. The most recent project design avoids impact to wildlife habitats like prairie dog colonies and potential burrowing owl habitats. For example, in conducting ecological research and surveys of the area, we have identified the locations of occupied prairie dog colonies and taken steps to avoid disturbing these areas. By avoiding putting panels within the prairie dog colony buffers, we will mitigate impacts to these sensitive populations and the ecosystem that relies upon both their burrows and predation.