



## Energy Facility Siting Council Draft Minutes

**August 19, 2011**

**Imperial River Company  
304 Bakeoven Road  
Maupin, OR 97838**

The meeting was called to order at 9:30 AM by Chair Wolfe.

Roll Call: Lori Brogoitti, Bob Shiprack, Trey Senn, Barry Beyeler, Paul Sumner and Bryan Wolfe were present.

Oregon Department of Energy (ODOE) representatives present were Tom Stoops, Sue Oliver, Hillary Dobson, Chris Green, Rebecca Sherman and Tamara Reid.

Janet Prewitt of the Department of Justice (DOJ) was also present.

Announcements: Chair Wolfe noted that no comments could be accepted on the Port Westward Amendment 8 or on Summit Ridge Wind Farm, as the comment periods for these projects are closed, but that the audience would be able to provide comments on other issues before the Council during the public comment portion of the meeting. Mr. Stoops also announced that the Council had received a memo regarding the Klamath Falls Bioenergy Facility Application for Site Certificate and another with an update on the status of Pacific Ethanol's Letter of Credit renewal.

### **Action Items:**

- A. **Port Westward Generating Project Amendment #8:** Mr. Green explained that the Port Westward Amendment extends the deadline to complete construction of Unit 2 by 24 months to May 19, 2013 and adjusts the deadline for traffic mitigation measures. The project is operated by Portland General Electric (PGE). Port Westward is located in Columbia County adjacent to the Columbia River and has a 650 MW natural gas combined-cycle turbine system. The original site certificate was approved in 2002 and the facility started operating in 2007. Oregon Public Utility Commission (OPUC) acknowledged PGE's Integrated Resource Plan (IRP) and part of that was the need for some flexible generation. Amendment 6 was approved in 2009 which extended the construction deadline to May 8, 2011. Amendment 7 was approved in 2010 and this amendment extends the deadline to May 8, 2013. Chair Wolfe asked what "timely" means under OAR 345-027-0030(1). Mr. Green stated that means it has to be filed six months before the deadline, which was met for amendment #8. Vice Chair Brogoitti asked if there is a limit on how many extensions. Jan Prewitt, DOJ, stated that there is no limit to the number of extensions. The amendment request came in November 8, 2010 and the comment period was closed on July 9, 2011. The only comment received was from Columbia

County regarding the public services standard. A traffic impact analysis was conducted based on the study done by PGE. Columbia County and PGE are still discussing the parameters of the mitigation, which needs to be in place at the time of construction. New condition language was drafted by Oregon Department of Energy after discussions with PGE and Columbia County. The new language changes the time frame from 6 months to read “requiring the agreement be entered into prior to application for building permits.” Chair Wolfe asked how Council is kept aware of the process and the final agreement. Mr. Stoops stated that it would be treated as a pre-construction agreement. Councilor Beyeler asked if Oregon Department of Transportation is being consulted and Mr. Green replied that just Columbia County is involved with this.

**Action:** The motion by Councilor Shiprack, seconded by Vice Chair Brogoitti, to approve the Final Order approving the 8<sup>th</sup> Amended Site Certificate for Port Westward Generating Project, passed.

**Vote:** Senn, yes; Beyeler, yes; Sumner, yes; Brogoitti, yes; Shiprack, yes; Wolfe, yes.

- B. **Summit Ridge Wind Farm Final Order and Site Certificate:** Ms. Oliver introduced Steve Ostrowski of Lotus Works, Summit Ridge Wind Farm. Ms. Oliver stated that the Proposed Order was issued on June 8, 2011 and comments that were received were addressed in the Final Order. The comment period closed on July 8<sup>th</sup> and the Department did not receive any requests for Contested Case. Ms. Oliver went on to state that one of the conditions is to require a Health and Safety plan and to have it posted on site. Vice Chair Brogoitti asked who determines that the plan is being complied with. Ms. Oliver replied that Duane Kilsdonk as the Department’s Compliance Officer. Councilor Shiprack asked Mr. Ostrowski if he has power purchase agreement and Mr. Ostrowski replied that they are in discussions. He went on to say that current conditions make it difficult, but they look for that to improve. Councilor Shiprack asked what the market is like out in the real world and Mr. Ostrowski replied that it’s something that we wouldn’t have seen a few years ago.

**Action:** The motion by Vice Chair Brogoitti, seconded by Councilor Shiprack, to approve the Final Order approving the Site Certificate for the Summit Ridge Wind Farm as presented by staff, passed.

**Vote:** Beyeler, yes; Sumner, yes; Senn, yes; Shiprack, yes; Brogoitti, yes; Wolfe, yes.

Chair Wolfe complimented Ms. Oliver on the Site Certificate and congratulated her on her first project completed from beginning to end. The new thoughts and ideas are appreciated; the way she has prepared the reports and is trying to make it a little easier for cross-referencing.

#### **Information Items:**

- C. **Federal Projects Informational Items:** Hillary Dobson, the new Federal Projects Coordinator for the Department was introduced as the person who has taken over Susan Hughes’ role in Federal Projects. Ms. Dobson gave a presentation on Federal Energy Projects & Transmission Policy. Ms. Dobson stated that a new Federal Energy Regulatory Commission (FERC) Order (1000) came out last month that will affect transmission lines, including EFSC projects. Ms. Dobson also stated that ODOE has been tracking three projects and presented a summary of those projects. Ms. Dobson answered several questions from Council regarding transmission lines, the FERC Order and West Butte Wind.

Renewable Portfolio Standards Update: Rebecca Sherman, Renewable Development Administrator for the Department gave a presentation and answered questions from Council on the Renewable Portfolio Standard for Renewable Energy Certificates, markets, the program and compliance.

- D. Council Member Reports: Councilor Beyeler reported that the Health Impact Assessment (HIA) Draft Report will be released to the public by the end of September. The group put together several criteria to look at such as noise, shadow flicker and community divisiveness. Councilor Beyeler will send his comments back to the Department of Health. He also reported that he doesn't know if there will be any changes on sound at this point. The data that is out there and if there is epidemiological data out there it will be in the report. Chair Wolfe stated that once the report is released Council will be able to take a closer look at it.

Chair Wolfe asked staff to give a briefing at the October meeting about the amendment process. He went on to state that Helix Wind doubled the size of the facility and Klamath Generation Facility is changing the fuel source through the amendment process. He asked if these are proper or the intended uses of the amendment process. Ms. Prewitt, DOJ, stated that the amendment language in the statute does permit the Council, in its rulemaking, to define the process.

Chair Wolfe also asked staff to give Council a briefing about the legislative results at its October meeting. Mr. Stoops asked Council that if they have particular areas of interest, to please communicate with him about which topics that need to be included in report.

Councilor Senn commented that Climate Trust had a significant victory in the last legislative session and suggested that staff get someone from Climate Trust to present to Council on what they are doing with the results.

Councilor Shiprack thanked Mr. Stoops for sending out updates to Council about markets, like in Texas. Mr. Stoops reported day ahead firm electrical energy prices in Texas increased to over \$500 MWh and he wants to keep the dialog in front of Council about these issues. Chair Wolfe stated that they are all volunteers and do not live and breathe energy, so the updates are informative and he appreciates them.

Public Comment: Chair Wolfe opened the floor for public comments, but reminded everyone that the Port Westward Amendment 8 and Summit Ridge Wind Farm comment periods have been closed and Council is not accepting comments regarding those projects. He went on to state that Council would take telephone comments first since Ms. Swanson had been on the line for a while. Fay Swanson introduced herself and indicated that she used to live in Telocaset. Ms. Swanson had comments about health, water supply, property devaluation, bats, migratory birds and wildlife issues related to Elkhorn Wind Farm and Antelope Ridge Wind Farm. Chair Wolfe thanked Ms. Swanson for her comments and her patience. There were no other public comments.

- E. Consent Calendar:

Approval of Minutes: Chair Wolfe opened the floor for discussion on the minutes of the June 24, 2011 Council meeting.

**Action:** The motion by Councilor Beyeler to approve the minutes of the June 24, 2011 meeting as presented was seconded by Councilor Senn. The motion passed.

**Vote:** Sumner, yes; Brogoitti, yes; Shiprack, yes; Beyeler, yes; Senn, yes; Wolfe, yes.

**Project Updates:**

Pacific Ethanol Letter Of Credit: Mr. Stoops reported that the new irrevocable Letter of Credit for Columbia/Pacific Ethanol was increased to \$844,320.

Klamath Falls Bioenergy Update: Ms. Oliver noted that each Council Member had received a CD of the Application for Site Certificate and some material from the information meeting that was held on July 27, 2011 in Klamath Falls. She also reported that the Department has received quite a few comments on the Application and will get them to the Council as soon as possible. Staff and contractors need to go through the comments and decide what needs to go into the Draft Proposed Order. Councilor Senn stated that he had heard that it will be delayed until 2012, which includes the Supreme Court. Ms. Oliver stated that would mean a six month presumption for a contested case and six months after that for the Supreme Court. We may do the first read of the Draft Proposed Order at the December 9<sup>th</sup> meeting and look to have the final decision made in the Klamath Falls area. Councilor Senn said that one person can clog up the works and asked if there is anything Council can do to expedite the process. Ms. Oliver stated that it's all part of the public process and that a lot of the comments are related to Department of Environmental Quality issues under air quality, which will reduce the amount of "qualifying" comments.

Carty Generating Station: Councilor Shiprack stated that he was anticipating a Carty discussion. Ms. Oliver stated that staff and contractors are working on the Draft Proposed Order; at this point Carty will probably be middle to late September and we anticipate having the first read on the DPO at December meeting. Councilor Shiprack then stated that Oregon is in a real recession with increasing unemployment and no construction work to speak of; the economic issues have been shoved aside. He encouraged Council and staff to not lose sight of the fact that EFSC and ODOE could help stimulate our economy if we get some of these projects going. Chair Wolfe stated that we also need to keep cooperation with other agencies in mind.

**Routine Council Business:**

Proposed Meeting Dates: Mr. Stoops asked for any feedback on the possible meeting dates. The October 7<sup>th</sup> works well for everyone and the December 9<sup>th</sup> meeting will need to be held near Portland, because Chair Wolfe will not be returning until late the night before, locations to be determined.

Other Discussion:

New Projects: Mr. Stoops reported that at the October meeting we have the potential to update Council on five more projects that will be coming in the door.

Reviewing Contractors: Mr. Stoops stated that the Department has retained the services of Golder Associates and AMEC and added a new contractor; Cardno ENTRIX out of Washington State.

Council Appointments: Councilor Senn stated that there are three names before the Governor and Councilor Shiprack's replacement has been before the governor for three months. The Senate will be meeting the end of September.

The meeting was adjourned at 12:12 p.m.