Call to Order: The meeting was called to order at 8:30 a.m. on January 19th by interim Chair Dowlin.

Roll Call: Interim Council Chair Renee Dowlin and Council Members, Betty Roppe and Marcy Grail were present. Council Chair Barry Beyeler and Council Members Trey Senn, Hanley Jenkins, Jack Billings were present via phone.

Oregon Department of Energy representatives present were Todd Cornett, Sarah Esterson, Katie Clifford, Esther Kooistra, Jason Sierman, Maxwell Woods, Kellen Tardaewether, Sean Mole, Duane Kilsdonk, Sisily Fleming, Chase McVeigh-Walker, and Robin Freeman.

EFSC Counsel Jesse Ratcliffe, DOJ, was also present.

A. Consent Calendar (Action Item): –

1) Meeting Minutes

   Action: A motion was made by Councilor Roppe and seconded by Councilor Jenkins that the minutes of the November 3-4, 2016 meeting be approved.
   Vote: Senn, Yes; Grail; Yes; Roppe, Yes; Jenkins, Yes; Beyeler, Yes; Dowlin, Yes; Billings, Yes.
   Motion carried.

2) Council Secretary Report
Mr. Cornett added there is a slight modification to Agenda G: Oregon Department of Energy Update with Director Michael Kaplan. Unfortunately Director Kaplan will not be able to make the meeting due to a last minute call to another meeting. Mr. Cornett welcomed everyone to the new Oregon Department of Energy office, mentioning that we were at our previous building for thirty years.

Mr. Cornett said Esther Kooistra has been working with Council Members on 2017 EFSC meeting dates using an online poll, noting that the February council meeting date has been established for February 23-24 at Cousins’ Country Inn, Banquet Room, in The Dalles. Lodging will be at The Fairfield Inn. That Council meeting will include the Sage Grouse Rulemaking Public Hearing, Amendment Rulemaking Public Hearing, presentation to Council and evaluation by Council of the Golden Hills Site Certificate Request for Amendment #3. Mr. Cornett stated that he expects the meeting will be significant in terms of interest by public participation.

Staffing updates – Mr. Cornett introduced the new Siting Energy Analyst 2, Chase McVeigh-Walker. Mr. Cornett thanked Renee France, Counsel, for her diligent work and dedication as she has returned to private practice and welcomed Jesse Ratcliffe, who was previously the backup Counsel, with the smooth transition. Rachel Weisshaar will be the backup Counsel, but until she returns from maternity leave, Paul Garrahan, head of the Natural Resources section at DOJ will be backup Counsel. Mr. Cornett confirmed Paul Garrahan is not involved as a hearing officer.

B. Election of Officers (Action Item) – Todd Cornett, Assistant Director/Council Secretary. Consistent with Oregon Administrative Rule 345-011-0010, the Council annually elects a chair and vice chair.

Action: The Council decided to vote as a slate for Chair, Barry Beyeler and Vice-Chair, Renee Dowlin.
Vote: Beyeler, Yes; Dowlin, Yes; Billings, Yes; Senn, Yes; Grail, Yes; Roppe, Yes; Jenkins, Yes. Motion Carried.

C. Boardman Solar Energy Project (Action Item) – Katie Clifford, Energy Facility Siting Analyst. Council considered the appointment of a third-party contractor, the firm DNVGL to assist department staff in the review of the recently-received site certificate application from Boardman Solar Energy LLC. Council also considered appointing as a special advisory group the governing bodies of any local government within the jurisdiction the facility is proposed to be located, consistent with ORS 469.480 (Morrow County and Gilliam County). Ms. Clifford stated the Department recommended that the Council designate the Morrow County Board of Commissioners as the special advisory group for the Boardman Solar Energy project in Morrow County. Additionally, the Department recommended that the Council designate the Gilliam
County Court as the special advisory group for the Boardman Solar Energy project in Gilliam County. Mr. Cornett responded to Interim Chair Dowlin’s question regarding the use of a third party contractor as to provide technical expertise and additional staffing capacity, if needed. Councilor Billings inquired if this is the first solar project EFSC has considered. Mr. Cornett responded that this is the first new application for solar, but we also have the Carty Generating Station amendment that has a solar component; we have not had solar facilities prior to these two applications.

**Action:** A motion was made by Councilor Beyeler and Seconded by Interim Chair Dowlin that the Council issue the Order approving DNV GL as the third party Contractor for the Boardman Solar Project as presented by staff.

**Vote:** Roppe, Yes; Jenkins, Yes; Beyeler, Yes; Dowlin, Yes; Billings, Yes; Senn, Yes; Grail, Yes. Motion Carried.

**Action:** A motion was made by Councilor Roppe and Seconded by Interim Chair Dowlin that the Council appoint the Morrow County Board of Commissioners as the Special Advisory Group to advise the Council in the proceedings related to the review of the Application for Site Certificate for the Boardman Solar Energy Facility.

**Vote:** Jenkins, Yes; Beyeler, Yes; Dowlin, Yes; Billings, Yes; Senn, Yes; Grail, Yes; Roppe, Yes. Motion Carried.

**Action:** A motion was made by Councilor Roppe and Seconded by Interim Chair Dowlin that the Council appoint the Gilliam County Court as the Special Advisory Group to advise the Council in the proceedings related to the review of the Application for Site Certificate for the Boardman Solar Energy Facility.

**Vote:** Billings, Yes; Senn, Yes; Grail, Yes; Roppe, Yes; Jenkins, Yes; Beyeler, Yes; Dowlin, Yes. Motion Carried.

**Break**

**D. Project Updates (Information Item)** – ODOE Staff provided project updates.

Katie Clifford, Energy Facility Siting Analyst

**South Dunes Power Plant** – On December 13, 2016, Jordan Cove Energy Project, L.O. withdrew its applicant for the South Dunes 420 MW Natural Gas Fired Power Plant from EFSC consideration. On the same day, the applicant’s counsel filed a motion with the parties to the contested case to dismiss the contested case as moot given the applicant’s decision to withdraw the application. The applicant has indicated
that they intend to re-file their applications with FERC for the LNG terminal and Pacific Connector Pipeline but has re-designed the facility so as to no longer need a stand-alone power plant.

**Boardman Solar Energy Facility** – On August 17, 2016, the Department received a Request for Expedited Review for a 600 acre, 75 MW Small Capacity Facility for the Boardman Solar Energy facility from the applicant, and the Department subsequently approved the request for expedited review. The preliminary Application for Site certificate was received on January 13, 2017. Ms. Clifford mentioned that while the Department of Transportation is not technically a reviewing agency, ODOE will be talking with them and the applicant has already had discussions with them regarding potential impacts to traffic on Interstate-84.

Sarah Esterson, Energy Facility Siting Analyst

**Wheatridge Wind Energy Facility** – The 500 MW facility is currently under review for application for Site Certificate. The Notice of Intent was completed February 22, 2013; the Project Order was completed May 22, 2013; the Application for Site Certificate (Preliminary ASC(pASC) completed December 19, 2014; Completed ASC on July 13, 2015; Draft Proposed Order completed April 27, 2016; Proposed Order on August 5, 2016 and the Contested Case Proceeding is ongoing. A final decision on the application by EFSC will be made following the conclusion of the contested case.

**Carty Generating Station Request for Amendment #1** – The request for amendment includes: an extension of construction deadlines for construction of the previously-approved Unit 2 natural gas-fueled combined cycle power plant; increase the nominal capacity of Unit 2 from 240 to 530 MW and total nominal capacity of the facility from 900 to 1,350 MW; construct and operate a 330 MW natural gas, simple-cycle combustion turbine generator (Unit 3); construct and operate a 50 MW photovoltaic solar unit; increase the area within the site boundary from 2,400 to 2,918 acres; and the addition of other related and supporting facilities. The public comment period on the request for amendment is open until Feb 3, 2017. The Department is currently reviewing the request for amendment.

**Golden Hills Wind Project Request for Amendment #3** – The request for amendment includes: extension of construction deadlines, reduce the number of turbines from 267 to 125; increasing the size of turbines; eliminating one substation and 11 miles of 500 kV transmission and extending the 230 kV transmission line; and amending the site boundary to remove approximately 2,800 acres and add 122.5 acres. The revised proposed order was issued in December and the public comment period closed in January. The Department expects to present the proposed order to the Council at the February 24 EFSC meeting for Council’s review and consideration.
Columbia Ethanol Project Amendment Request for Amendment #1 – The request for amendment includes: adding a corn oil extraction system and a sugar addition system; changing feedstock to include corn, a blend of corn and granulated sugar; increasing annual ethanol production from 35-44 million gallons per year; and amending site certificate conditions IV.C.2 and IV.C.4 (Retirement and Financial Assurance). The Department is currently reviewing the amendment request and the certificate holder’s response to information requests.

Kellen Tardaewether, Energy Facility Siting Analyst

Boardman to Hemingway Transmission Line Project – Idaho Power Company proposes to construct approximately 300 miles of primarily 500 kilovolt transmission line between Boardman, Oregon and the Hemingway Substation in southwestern Idaho. The Idaho Power Company submitted the preliminary application for site certificate on February 28, 2013. The project is also under federal permitting review, led by the BLM. The BLM issued its final environmental impact statement (FEIS) in November, 2016. The BLM expects to release their record of decision (ROD) in the first quarter of 2017. The Department expects to receive an amendment preliminary application for site certificate from IPC in June or July 2017.

Sean Mole, Energy Facility Operations Analyst

Jordan Cove LNG/Pacific Connector Gas Pipeline – FERC is the lead agency in completing the NEPA process with one EIS for terminal, pipeline and related offsite actions. FERC issued the Final EIS on September 30, 2015. FERC issued the Order denying applications for certificate (pipeline) and Section 3 authorization (LNG facility) on March 11, 2016. The applicant filed a request for rehearing on April 8, 2016. FERC issued the Order Denying Rehearing December 9, 2016. Jordan Cove has expressed their intent to file a new application to FERC in January 2017 for an altered facility which would not rely on an independent power facility.

E. Potential 2017 Agenda Items (Information Item) – Todd Cornett, Assistant Director/Council Secretary. Council meetings typically include mostly items related to energy facility applications and amendments, rulemaking, compliance and those actions that are needed to be conducted by Council annually. However, Mr. Cornett stated there is typically enough time to add one or two agenda items at each EFSC meeting for information or training purposes. Staff is requesting direction about which agenda items the Council is most interested in for 2017. Chairman Beyeler highly recommended the tour of the Bonneville Power Administration Dittmer Control Center and Labs. The last tour was in May 2014. Council members expressed interest in incorporating items into each meeting, visiting facility tours (Boardman Area Tour, various energy related facilities, wind facilities, gas plants, solar facilities, transmission lines), more information on energy imbalance markets, the contested case overview, having different
departments’ present information and a nuclear safety division overview (including if possible a Hanford site visit).

[10:05 am-10:25 am] Morning Break

F. 2017 Legislative Presentation (Information Item) – Robin Freeman, Associate Director for Government Relations, Oregon Department of Energy. Ms. Freeman provided an overview of the legislative session that begins February 1. Initially 1,500 pre-session bills were reviewed by ODOE, and ODOE is now tracking around 250 bills with potential impacts to the agency. The Siting Division reviews many land use issue bills. Session will begin February 1, 2017. ODOE has introduced three bills; House Bill 2343 creates a new framework and guidance for a statewide biennial energy report, replacing the statutory requirements for a biennial plan that were created in the 1970s; Senate Bill 99 makes the governor’s appointment of the director of the Department of Energy subject to confirmation by the Senate. This bill is consistent with other state directors’ confirmation process. Senate Bill 100 is a bill that updates and clarifies statutes governing the State Home Owner Weatherization program. This was created in 1981 and this bill will repeal outdated fuel oil programs.

[Note: Agenda G. Oregon Energy Policy Update moved to after Agenda H. Public Comment]

H. Public Comment – This time is reserved for the public to address the Council regarding any item within the Council’s jurisdiction that is not otherwise closed for comment.

Carty Amendment #1 Related Public Comments

Alan Smith, Portland, OR, commented that “the right thing for the EFSC to do is to take a moral stand and deny PGE’s request for the amendment of the Carty Site Certificate” citing carbon emissions and global heating.

Nancy Pfeiler, Salem, OR, voiced her concerns regarding fossil fuel use. “Natural gas is not clean rich fuel. It’s outdated.”

Alice Shapiro, Portland, OR, urges the Council to deny PGE’s request to upgrade the proposed Carty Gas Powered Plant stating that this upgrade does not conform to the State of Oregon’s policy of reducing the amount of fossil fuels and emissions released in Oregon.

Mark McLeod, Portland, OR, encouraged that the states that have the vision, wisdom and courage to make smart choices on climate continue to do so and double down on that opportunity.
Ed Averill, Beaverton, OR, expressed his concern regarding the process of delivery for methane to Carty. There are ever shorter times for using fossil fuels all together. “It’s time to make an important switch.”

Conner DeVane, Portland, OR, commented the request for amendment (Carty) must be rejected and we need to be focusing on renewable energy sources, citing the mission statement for the Department of Energy, “Bringing Oregon to a safe, clean and sustainable energy future.”

Brendan McCarty, PGE, stated he was there to answer questions and was available to discuss PGE’s resource plan. He explained the role of flexible resources.

Daniel Serres, Conservation Director with Columbia River Keeper, expressed his concern with the pace with which PGE is pushing forward with Carty. He requests EFSC to extend the public comment period for this application.

Bill McLean, Portland, OR, voiced his support to push for energy efficient construction.

Other Comments

Irene Gilbert, La Grande, OR, commented “Portland folks are really supporting wind development, that’s really fine, but they did not have to live with them and there were a lot of people in Eastern Oregon that are not real excited about being invaded by industrial wind development.” Ms. Gilbert expressed her concern regarding the Energy Facility Siting Council accepting the integrated resource plan in determination of need and the Public Utilities Commission not evaluating the accuracy of the integrated resource plan, only acknowledging them. Ms. Gilbert commented the environmental impact statement was very confusing for Boardman to Hemingway due to the various routes.

Meagan Masten, Houston, TX, representing the Jordan Cove Energy Project, thanked the Council and ODOE for their service and attention to the South Dunes Power Plant. She provided a quick status on the project; FERC denied Jordan Cove’s re-hearing in December; Jordan Cove staff has met with FERC and is prepared to re-file by the end of January.

G. Oregon Department of Energy & Oregon Energy Policy Update (Information Item) – Ruchi Sadhir, Governor’s Energy Policy Advisor (ODOE Director Michael Kaplan was scheduled to deliver this presentation with Ms. Sadhir but was unable to attend). Ms. Sadhir shared some of the things the Governor has said about energy and climate change; that we have a moral obligation to address climate change and how climate change will affect all Oregonians, but in particular, our most vulnerable population including rural parts of our state, communities of color and low income communities. The crisis of today is climate change and we need to significantly change the way we use energy and the type of energy we use. Related to those
areas of greenhouse emissions, the State has pursued a number of policies to try to reduce greenhouse gas emissions from the sectors (transportation, fuel, natural gas). There are two pieces to it; the first is changing the fossil fuel piece to it, but also looking to see what kinds of alternatives are available to replace those fossil fuels so that we can continue to ensure the State’s economic growth. It is important to note that these are long term targets that allows the State to be on a path to achieving them; it’s not something that happens overnight.

Afternoon Break

I. Compliance Update (Information Item/Working Lunch) – Duane Kilsdonk, Compliance Officer. Mr. Kilsdonk reviewed compliance responsibilities, facility inspections, the inspection schedule, annual report review, financial assurance updates and provided project updates to the Council including Carty Generating Station, Boardman Coal Plant / Torrefaction and Trojan / ISFSI. There are 30 Energy Facilities that have been issued a Site Certificate; 12 Total Wind Farms, 8 operating, 4 have not been constructed. 8 total Natural Gas Facilities, 6 operating, 1 under construction, and 1 not yet constructed. 1 Steam Generator, 2 natural gas pipe lines, 1 underground natural gas storage facility, 1 Ethanol Plant, 1 500 kV Transmission Line, 2 Research Reactors and 1 Coal Plant.

J. Stateline Wind Project: Amendment to Wildlife Monitoring and Mitigation Plan (Action Item) – Duane Kilsdonk, Compliance Officer. The Council received an update on mitigation imposed in the Wildlife Monitoring and Mitigation Plan (WWMP) as a result of significant raptor impacts identified in a fatality monitoring study. Council considered proposed amendments to the WMMP, including installation of new artificial nesting structures, on-going maintenance activities, and short-term and long-term monitoring activities. The Council received a request to amend the Wildlife Monitoring and Mitigation Plan for Stateline Wind Project to Modify Raptor Mitigation Measure.

Action: A motion was made by Councilor Roppe and Seconded by Councilor Grail that the Council approve the amended Wildlife Monitoring and Mitigation Plan for the Stateline Wind Project, as presented by staff, and direct the Chair to execute the order approving the amended plan presented by staff.

Vote: Grail, Yes; Roppe, Yes; Jenkins, Yes; Beyeler, Yes; Dowlin, Yes; Billings, Yes; Senn, Yes. Motion Carried.

K. Annual Rulemaking Schedule (Action Item with Public Comment) – Jason Sierman, Rulemaking Coordinator. Following a presentation of the staff recommended rulemaking schedule for 2017, there was opportunity for public comment followed by deliberation and action by Council. Mr. Sierman provided background of the approved list of rulemaking priorities from a December 4, 2015 meeting that as part of its annual review of rulemaking priorities, staff has updated and added to that list to establish a list of priorities for 2017. Staff
intends to review rulemaking priorities annually to provide the Council with an updated schedule by January of each year. The Evaluation Process includes staff developing a recommended list of rulemaking projects and identifying them by their subject matter. For each rulemaking project, staff has also made a recommendation on whether that rulemaking would benefit from early public participation or not. Mr. Sierman discussed the prioritization process and the rulemaking categories (administrative updates, housekeeping, and organization/structure). Staff recommends that the Council approve the rulemaking projects to be worked on in 2017 as indicated, recommended Council to allow staff the flexibility to work on the identified 2017 rulemaking projects in the sequence which most effectively utilizes the Siting Division staff and other state agency staff.

Public Comment – This time is reserved for the public to address the Council regarding the Annual Rulemaking Schedule.

Daniel Serres, Conservation Director with Columbia River Keeper, is asking EFSC to hasten its rulemaking for carbon dioxide. He mentioned whether the base efficiency standard benchmark was properly set.

Amelia Schlusser, Staff Attorney with the Green Energy Institute, Lewis & Clark Law School, strongly encourages the Council to revise and update the carbon dioxide monetary offset fee.

Rikki Seguin, Renewable Northwest, requested that the ongoing Division 27 Proposed Rules and ongoing site certificate process, be directed back to the RAC for deeper review.

Brian Walsh, Project Developer, Avangrid Renewables, expressed concern over time delay in extension or changes in the amendment process that could delay construction. He mentioned incentives are expiring or have expired regarding wind projects and the costs of the delayed projects drive an increase to the rate payers in Oregon.

Elaine Albrich, Attorney, Davis Wright Tremaine, requested the Council scrutinize the proposal carefully, that staff is prioritizing real issues that need to be addressed, looking at the feasibility of accomplishing the work within the proposed amount of time, taking into consideration the variety of issues that may come up and a number of items that have early public participation with them that would increase time and cost. She suggested the Council look at the 2007 record that may provide guidance for historical context.

Brendan McCarthy, PGE, addressed the rulemaking schedule around the amendment process and suggested educating the public around the standards and the process. He commented there must be a way to improve the public involvement.
Shanna Brownstein, NW Natural, believes this process could cause mid construction delays; it does not provide opportunity to provide for public engagement. She recommends the draft be sent back to the RAC for review.

Tim McMahan, Stoel Rives LLP, commented that one size does not fit all. He is requesting that Division 27 Amendments be deferred.

Irene Gilbert, Friends of the Grande Ronde Valley, commented her concern with public participation with the rulemaking process, mentioning the public has not received contested cases on amendment changes. Ms. Gilbert requested the public be provided with direction, for instance, cost to the public, conflicts to other rules, during the public comment period.

**Council Deliberation** – The motion is for Council to approve the rulemaking projects schedule to be worked on in 2017, recognizing there will be additional public comments in February.

**Action:** A motion was made by Councilor Roppe and Seconded by Councilor Dowlin that the Council approve the 2017 rulemaking schedule as presented by staff, and allow staff the flexibility to work on the identified 2017 rulemaking projects and to bring the identified 2017 rulemaking projects before the Council as action items on a schedule other than that presented, so long as any altered schedule increases the Council’s rulemaking productivity, but with the following specific revisions: split the carbon dioxide rulemaking into two rulemakings with the monetary offset rate portion to begin in quarter 2 of 2017 with no rulemaking advisory committee and the emissions standard portion to begin in quarter 3 of 2017 with a rulemaking advisory committee.

**Vote:** Dowlin, Yes; Billings, Yes; Senn, Yes; Grail, Yes; Roppe, Yes; Beyeler, Yes. Motion Carried.

**L. Biennial Fee Schedule Adoption (Action Item)** – Sisily Fleming, Fiscal Analyst. The Council was presented with staff’s recommended fee schedule pursuant to ORS 469.441(1). The proposed fee schedule clarifies the fee for expedited review, and contains one fee increase for request for exemption. Proposed request for exemption fee includes all related review activities not previously considered.

**Action:** A motion was made by Councilor Roppe and Seconded by Councilor Grail that the Council approve the Schedule of Fees in Attachment A as presented by staff.

**Vote:** Roppe, Yes; Beyeler, Yes; Dowlin, Yes; Billings, Yes; Grail, Yes. Motion Carried.
M. Financial Assurance Annual Update (Action Item) – Sisily Fleming, Fiscal Analyst. The Council was presented with staff’s recommended letter of credit and bond templates with limited changes to the Bond Template, specifically recommending correcting antiquated language and minor typos. Staff also recommended pre-approved financial institutions for use in 2017 which included adding Bank of the West.

**Action:** A motion was made by Councilor Roppe and Seconded by Councilor Grail that the Council approve the proposed list of pre-approved financial institutions, and the letter of credit and bond templates, as presented today by staff for use in 2017.

**Vote:** Billings, Yes; Grail, Yes; Roppe, Yes; Beyeler, Yes; Dowlin, Yes.
Motion Carried.

N. Public Comment – This time is reserved for the public to address the Council regarding any item within the Council’s jurisdiction that not otherwise closed for comment.

Irene Gilbert, La Grande, Oregon, requested public comment to be reflected in the minutes. Ms. Gilbert commented there is no consideration during energy development in transportation logistics in moving wood products and hoping there is some consideration for that. Ms. Gilbert expressed difficulty locating items on the Department of Energy’s website.

Adjourn