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Salem, OR 97301 Phone: 503-378-4040 To: **Energy Facility Siting Council** Toll Free: 1-800-221-8035 FAX: 503-373-7806 www.oregon.gov/energy From: Kathleen Sloan, Senior Siting Analyst July 8, 2022 Date: Subject: Agenda Item E (Action Item): Carty Generating Station, Council Review/Decision on Proposed Order on Request for Site Certificate Amendment 3 for the July 22, 2022 EFSC Meeting Attachments: Attachment 1: Draft Proposed Order on Request for Site Certificate Amendment 3 Attachment 2: Proposed Order on Request for Site Certificate Amendment 3* (*to be provided in Supplemental Council Packet materials by July 15, 2022)

STAFF RECOMMENDATION

The Oregon Department of Energy's (Department) Draft Proposed order on Request for Amendment 3 of the Carty Generation Station Site Certificate recommends the Energy Facility Siting Council (EFSC or Council) approve the requested site certificate amendment and grant issuance of a third amended site certificate, subject to compliance with existing and recommended amended site certificate conditions.

FACILITY OVERVIEW

The Carty Generating Station (facility) is a 450 megawatt (MW), combined-cycle natural gasfueled electric generating power plant; the facility is approved to include 50 MWs of solar photovoltaic (PV) energy generation components (Carty Solar Farm) that would use or occupy up to 315 acres (0.49 sq. miles), which has not been constructed. The facility is located within an overall site boundary of approximately 4,997 acres in Morrow County.

PROPOSED FACILITY MODIFICATIONS

Portland General Electric (PGE), the certificate holder, seeks Council approval to amend site certificate conditions 4.1.ii and 4.2.ii to:

- change the construction start deadline from February 4, 2022 to February 4, 2025; and
- change the construction completion deadline from February 4, 2025 to February 4, 2028.

The construction deadline extension is requested to allow more time for development planning (i.e. evaluate how to potentially utilize the Boardman Coal Plant (BCP) site) due to the decommissioning of BCP and align development plans with PGE's competitive bid process schedule.

PROCEDURAL HISTORY SUMMARY

Date	Milestone
Feb 3, 2022	Certificate holder submitted preliminary Request for Amendment 3
	(pRFA3) and Type B Determination Request
June 7, 2022	Department determined pRFA3 to be complete.
June 10, 2022	Certificate holder submitted a complete RFA3.
June 17, 2022	Department issued Draft Proposed Order on RFA3, Type B Review
	determination and Public Notice of 25-day comment period.
July 12, 2022	Draft Proposed Order Comment Deadline
July 15, 2022	Anticipated Proposed Order on RFA3 issuance date.
July 22, 2022	Council Review of Proposed Order on RFA3; decision to approve or deny
	request to amend site certificate.

STAFF EVALUATION OF AMENDMENT REQUEST AND SUMMARY OF DRAFT PROPOSED ORDER

In the Draft Proposed Order (DPO), the Department incorporates previous facts from the Final Order on Amendment 1 and Final Order on Amendment 2, as applicable, and evaluates whether there have been any changes in fact or law that would impact Council's previous conclusions of law for each standard. Based on this evaluation, the DPO recommends Council find that there have been no significant changes in fact or law that would impact Council's previous conclusions. Key recommended findings of fact are hi-lited below:

General Standard of Review: OAR 345-022-0000 (DPO, p. 10)

Department recommends Council make the following findings of fact:

- Need for the requested 3-year construction commencement and completion deadline extension is due to changes in BCP operations and competitive bidding process.
- Requests for Amendment 1, 2 and 3 and associated record of proceedings provide a preponderance of evidence on the record that certificate holder can satisfy each standard.

Organizational Expertise: OAR 345-022-0010 (DPO, p. 13)

Department recommends Council make the following findings of fact:

- Since 2017, certificate holder received a warning letter from DEQ on missed pH water sample, that was self-reported and resolved.
- Since 2017, certificate holder reported two incidents to ODOE including a blade liberation and transformer spill, which were reported in compliance with regulatory timelines.

Structural Standard: OAR 345-022-0020 (DPO, p.15)

- There were no new seismic and non-seismic hazards identified in RFA3.
- Preliminary geologic and geotechnical site investigations were completed at the Carty Solar Farm site during the period of March 29 through April 8, 2016.
- Potential hazards within the Carty Solar Farm site identified in 2016 include erosion and soil collapsibility

• Compliance with Condition 5.4 would ensure that site specific information is collected to further evaluate any potential seismic and non-seismic hazards, that would then inform design components to minimize potential public health and safety risks.

Soil Protection: OAR 345-022-0022 (DPO, p.19)

Department recommends Council make the following findings of fact:

- Certificate holder evaluated soil class within Carty Solar Farm site boundary based on Natural Resources Conservation Service (NRCS) Soil Survey Geographic Database, as of 2021.
- Review of NRCS soil data did not result in changes to previously identified soil types/characteristics.
- Soils within Carty Solar Farm area include sagehill sandy loam and dune, which have a moderate to high erosion potential.
- Permanent impacts result in up to 321.5 acres of soil disturbance.
- Compliance with Conditions 9.1 through 9.5 require erosion maintenance, control and monitoring during construction and operational activities.

Land Use: OAR 345-022-0030 (DPO, p. 22)

Department recommends Council make the following findings of fact:

- Substantive changes in law from Council's previous evaluation include the Land Conservation and Development Commission's change in solar rules under OAR 660-033-0130(38) specific to high-value farmland soils.
- The Carty Solar Farm would not impact soils meeting the definition of high-value farmland soils.

Protected Areas: OAR 345-022-0040 (DPO, p.35)

Department recommends Council make the following findings of fact:

- 1 additional protected area identified in RFA3 (Arlington Park/Wayside at 15 miledistance), totaling 10 protected areas within the 20-mile analysis area.
- The closest protected area to the Carty Solar Farm is over 2.5 miles away (Boardman Research Natural Area).
- Due to distance and extent of construction/operational impacts, Carty Solar Farm would not result in significant impacts from excessive noise, increased traffic, water use, wastewater disposal, visual impacts of facility structures or plumes, and visual impacts from air emissions at any protected area.

Retirement and Financial Assurance: OAR 345-022-0050 (DPO, p. 40)

- There are no changes in tasks or actions, or methodology in estimating facility retirement since Council's review of RFA1.
- \$3.2 million (Q2 2022 dollars) has been adjusted to present-dollar value and is an amount satisfactory to restore the Carty Solar Farm site to a useful, nonhazardous condition; and

• Letter from JP Morgan Chase Bank NA, dated April 25, 2022 provides reasonable assurance of certificate holder's ability to obtain bond or letter of credit in referenced amount.

Fish and Wildlife Habitat: OAR 345-022-0060 (DPO, p.48)

Department recommends Council make the following findings of fact:

- Potential changes in habitat type was evaluated based on a 2021 desktop review of aerial imagery within the analysis area and ODFW consultation (January 2022).
- Based on the desktop review and ODFW consultation, no changes in habitat category were identified in RFA3.
- Carty Solar Farm would temporarily disturb approximately 6.39, 7.66 and 90.57 acres of Category 2, 3 and 4 habitat, respectively; and would permanently disturb approximately 259.32, 42.84 and 18.79 acres of Category 2, 3 and 4 habitat, respectively.
- The habitat mitigation obligation equates to 73.4 acres plus onsite revegetation.
- Certificate holder has a Habitat Mitigation Area with 78 available mitigation acres.
- Compliance with Condition 5.5 requires that certificate holder provide evidence that the habitat mitigation area has been secured and managed for long-term enhancement.

Threatened and Endangered Species: OAR 345-022-0070 (DPO, p. 54)

Department recommends Council make the following findings of fact:

- 2022 literature review of ODFW Online Compass Tool, Stream Net Mapper Fish Distribution, Oregon Flore Project Mapping Tool, Oregon Department of Agriculture Lawrence's Milkvetch profile, and ORBIC was conducted.
- Based on the desktop review, no new state-listed threatened and endangered (T&E) species were identified in RFA3.
- Previously identified T&E species within the Carty Solar Farm analysis area include Washington ground squirrel and Lawrence's milkvetch.
- Compliance with Condition 10.14 requires preconstruction surveys to ensure avoidance of impacts to the two previously identified T&E species.

Scenic Resources: OAR 345-022-0080 (DPO, p.58)

Department recommends Council make the following findings of fact:

- 2022 literature review of comprehensive plans within analysis area was conducted.
- Based on desktop review, no new important or significant scenic resources were identified within analysis area.
- Previously identified important or significant scenic resources include Blue Mountain Scenic Byway and the Boardman Segment of the Oregon National Historic Trail (ONHT) (closest at 2-miles).
- Due to distance and extent of construction/operational impacts, Carty Solar Farm would not result in significant visual impacts at any important or significant scenic resource.

Historic, Cultural, and Archaeological Resources: OAR 345-022-0090 (DPO, p.62)

- 2022 records searches of SHPO databases were conducted to inform RFA3.
- Based on records search, no new resources were identified.

• Condition 11.6 requires implementation of an Inadvertent Discover Plan (IDP), which was updated for RFA3, and would ensure any impacts to unknown resources are adequately evaluated and mitigated, if applicable.

Recreation: OAR 345-022-0100 (DPO, p.66)

Department recommends Council make the following findings of fact:

- 2022 records search was conducted to evaluate any potential new recreational opportunities within the analysis area.
- Based on records search, no new recreational opportunities were identified.
- Previous evaluation identified one important recreational opportunity" the Oregon National Historic Trail (ONHT).
- Due to distance and extent of construction/operational impacts, Carty Solar Farm would not result in significant noise, traffic visual impacts at any "important" recreational opportunity.
- Compliance with Condition 13.1 would require minimization of construction related noise, minimizing potential noise impacts at the ONHT.

Public Services: OAR 345-022-0110 (DPO, p.71)

Department recommends Council make the following findings of fact:

- Certificate holder provided 2022 letters from police and fire protection services providers to demonstrate continued ability to meet demand/needs of Carty Solar Farm and maintain existing level of service.
- Based on service provider letters, no changes in service level of public or private providers of public service was identified in RFA3.
- Carty Solar Farm would not result in impacts public or private providers of sewer, sewage treatment or stormwater drainage because facilities would be provided onsite.

Waste Minimization: OAR 345-022-0120 (DPO, p.79)

Department recommends Council make the following findings of fact:

- No changes in waste quantity or disposal methods identified in RFA3.
- Compliance with Condition 6.3 and 10.22 require implementation of Waste Management Plans during construction and operation and would ensure minimization of unnecessary waste generation and disposal.

Division 24 Standards (DPO, p.81)

- No changes in induced current, voltage or proximity of Carty Solar Farm transmission lines to structures was identified in RFA3.
- Previous modeling results demonstrate that Carty Solar Farm's 34.5 kV interconnection transmission line would not exceed 9-kV per meter at one meter above ground level.

Other Applicable Regulatory Requirements Under Council Jurisdiction (DPO, p.82)

Noise Control Regulations: OAR 340-035-0035 (DPO, p.83)

Department recommends Council make the following findings of fact:

- There were no new noise sensitive properties identified within 1-mile of the applicable site boundary in RFA3.
- Previously identified noise sensitive receptors are located more than two miles away.
- Previous noise modeling demonstrates compliance of the facility, with Carty Solar Farm, with the ambient-degradation standard and maximum noise level standard.

Removal-Fill (DPO, p.87)

Department recommends Council make the following findings of fact:

• Removal-fill permit is not requested.

Water Rights (DPO, p.89)

Department recommends Council make the following findings of fact:

- Water right, transfer or limited water use license are not requested.
- No changes in water quantity or source identified in RFA3.
- Compliance with Condition 2.14 requires certificate holder to provide evidence for any water permit or third-party source, if needed, prior to construction.

RECOMMENDED COUNCIL ACTION

The Department recommends Council review the Proposed Order at the July 22, 2022 Council meeting and take action to either approve or modify the Proposed Order as the Final Order and issue a third amended site certificate.

ATTACHMENTS:

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