



Matt Hutchinson
Sr. Permit Manager

September 30, 2020

VIA EMAIL

Sarah Esterson
Oregon Department of Energy
550 Capitol St. NE, 1st Floor
Salem, OR 97301

Re: Preliminary Request for Amendment 6 for the Golden Hills Wind Farm and Request for Type B Review

Dear Sarah:

Golden Hills Wind Farm, LLC (Certificate Holder) is seeking a sixth amendment (Request for Amendment [RFA] 6) for the Golden Hills Wind Farm (Facility) Site Certificate (Site Certificate). Construction of the first phase (Phase 1) of the Facility began before the June 18, 2020 start of construction deadline as required by the Site Certificate. Phase 1 comprises the operations and maintenance (O&M) building, and Phase 2 is the remaining balance of plant (BOP). Phase 2 is in the pre-construction compliance phase, with construction mobilization anticipated to occur in January 2021.

RFA 6 proposes the following three changes (proposed changes) to execute commercial arrangements for the buildout of the Facility and minimize impacts from the Facility:

1. Proposed Change 1—Amend the construction completion deadline.

The Site Certificate condition GEN-DC-02 defines the construction completion deadline as June 18, 2020 but the Certificate Holder plans to complete construction by the end of 2021, or 6 months after the approved deadline. For this reason, and the others listed below, the Certificate Holder requests GEN-DC-02 be amended to a new deadline of December 31, 2021, an 18-month delay.

Avangrid Renewables
1125 NW Couch Street, Suite 700 Portland, OR 97209
Telephone 503-478-6317
www.avangridrenewables.com, matthew.hutchinson@avangrid.com

Construction Schedule	2020			2021				2022			
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Phase 1 O&M construction	1/										
Phase 2 BOP construction					2/		3/				
Contingency period											4/
1/ Construction start date = June 18, 2020 2/ Approved construction completion date = June 18, 2021 3/ Planned construction completed date = December 31, 2021 4/ Requested construction completion date = December 31, 2022.											

A delay in the construction completion is needed for the following reasons:

- Commercial Operational Date Defined by Power Purchase Agreement.** The Certificate Holder has executed a power purchase agreement (PPA) with Puget Sound Energy (PSE) for the power generated by the Facility (<https://www.pse.com/press-release/details/puget-sound-energy-and-avangrid-renewables>). In this agreement, PSE has defined the operational date for the Facility as December 31, 2022. Therefore, the Certificate Holder needs a delay to the construction completion deadline to align with its PPA. It is not economically feasible to bring the project online earlier because PSE would not purchase power earlier than the date specified in the PPA.
- Timing of Interconnection.** Golden Hills interconnects to Bonneville Power Administration’s (BPA) transmission network at the Schoolhouse Substation. After finalizing the Interconnection Agreement, BPA recently determined that interconnecting the Facility would require more upgrades on BPA’s system than previously considered. Therefore, BPA has reinitiated its National Environmental Policy Act and Section 106 review process for a larger scope of work. BPA’s permitting process and subsequent upgrade activities may delay interconnection of the Facility until December 31, 2022. BPA has also slowed work on new projects as part of its response to COVID-19¹. The Certificate Holder is working with BPA to maintain the overall project schedule, but a change the construction completion deadline is needed to align with a possible delayed interconnection date.
- Extension of Production Tax Credit.** In May 2020, the Internal Revenue Service (IRS) issued new guidance that extended the safe harbor requirements on how wind projects can qualify for the production tax credits by 1 year. This change in guidance was a consequence of the global

¹ “During this time, BPA will stop or delay construction and maintenance work unless that work is critical and time sensitive for system reliability or safety.” BPA Press Release dated March 16, 2020, <https://www.bpa.gov/news/newsroom/Pages/BPAs-recent-actions-in-responding-to-COVID-19.aspx>

pandemic² and allows certain wind projects an extra year to come online and receive the same level of tax credits. The Certificate Holder still plans on beginning commercial operation of the Facility by the end of 2021 but requests a delay in the construction deadline so the project could still qualify for production tax credits under the new IRS guidance if there are unforeseen delays.

- **Potential Equipment and Workforce Delays Due to COVID-19.** The global pandemic has raised concerns about delays in equipment delivery and workforce in many industries, including the energy sector. Suppliers have notified the Certificate Holder of possible delays in equipment delivery due to pandemic-related supply chain issues. Oregon Governor Brown has labeled the energy sector as essential workers, and a flexible work environment – free of near-term construction deadlines – is a reasonable consideration for adapting to changing conditions. The Certificate Holder is not making a specific claim of construction completion delay due to the COVID-19 pandemic at this time, but seeks to modify the construction completion deadline to allow for future unforeseen circumstances.

2. Proposed Change 2 – Amend Micrositing Corridors

The Certificate Holder has identified design refinements where minor changes to the locations of related or supporting facilities and associated micrositing corridors could result in reduced impact or are necessary to comply with a Site Certificate condition. For example, shifting a road to an edge of a field can reduce impacts on agricultural activities while still maintaining access to turbines, or merging multiple parallel collector routes into a single corridor can reduce the construction footprint needed to install these facilities. Additionally, the turbine micrositing corridors were developed to allow for the flexibility to determine the final turbine locations within 900-foot-wide corridors before construction.³ However, the approved corridors for related or supporting facilities do not offer the same flexibility, and as a result are misaligned with the final turbine layout. The Certificate Holder is requesting to add 534 acres to the micrositing corridor for relating and supporting facilities (i.e., access roads and buried 34.5 kV collection system; and, to reflect the shift in previously approved facility to new corridors, the Certificate Holder also requests that 85 acres be removed from the approved micrositing corridor. No change to the Site Boundary is proposed and all turbines will be within the existing approved turbine micrositing corridors.

The Certificate Holder has completed field surveys as required by the Site Certificate for the new corridors and confirms that amending the micrositing corridors for related or supporting facilities is consistent with the findings and

²“Treasury Department and the IRS recognize that the COVID-19 pandemic is causing delays in the development of certain facilities eligible for the PTC.” IRS Notice 2020-41, <https://www.irs.gov/pub/irs-drop/n-20-41.pdf>

³ Golden Hills Wind Project Final Order, May 15, 2009, Page 16.

analysis presented in the Final Order on the Application for Site Certificate and subsequent amendments, specifically the Final Order on the Fifth RFA (See Attachment 1, Facility Maps). The area to be added to the micrositing corridors is larger than needed to construct and operate the project but reflect the Certificate Holder's survey area around proposed facilities. In most cases, the Certificate Holder surveyed a 150-foot buffer around the limits of disturbance to ensure there are no sensitive resources near areas to be developed. For example, of the 534 acres added in the request, the Certificate Holder expects only about 100 acres will be used for construction. Further, over 4,139 acres of the approved micrositing corridors will not be developed due to the reduction in the number of turbines. Therefore, the addition of area to the micrositing corridors will result in overall less impact than previously approved by the council.

3. Proposed Change 3 - Revised Condition Language

The Certificate Holder seeks to revise certain conditions of approval related to avoidance, minimization, and mitigation measures for cultural resources to clarify the language and reaffirm the intent of the Council in the condition language. Specifically, the Certificate Holder seeks to revise the conditions to reflect the current practice of avoiding cultural resources that are eligible or unevaluated for listing on the National Register of Historic Place (NRHP) and clarify applicability of construction buffers.

The Certificate Holder is requesting an amendment under OAR 345-027-0350(3) for Proposed Change 1 and under OAR 345-027-0350 (4) for Proposed Changes 2 and 3. The environmental conditions of the Site Boundary are unchanged since construction deadlines were last changed for the Facility in 2017 and overall the changes are minor and intended to reduce impacts. Therefore, the Certificate Holder requests a Type B review of RFA 6 per OAR 345-027-0351(3) and provides this Amendment Determination Request (ADR) for Type B Review pursuant to OAR 345-027-0357(3). This letter, supported by the accompanying RFA 6 submittal, addresses the submittal requirements for an amendment determination request for the Type B review process described in OAR 345-027-0351(4) and demonstrate that RFA 6 warrants a Type B review under the factors in OAR 345-027-0357(8):

The complexity of the proposed change;

The proposed changes are to align the construction schedule with the Certificate Holder's commercial arrangements, amend the micrositing corridor for shorter and more direct road and collector routes, and fix inconsistencies in Site Certificate conditions on cultural resources. These changes are not complex, but are typical of late-stage development of a wind facility. The Certificate Holder has completed all required resource surveys for the final layout and confirmed areas are suitable for wind development. Although this request seeks to add 534 acres to the micrositing corridor, not all areas will be disturbed by construction; rather, the Certificate Holder has surveyed a larger area to verify there no sensitive resources near proposed facilities. This level of due diligence reduces uncertainty and overall

complexity of proposed changes. Overall, the proposed changes will help facilitate commercial arrangements for the buildout of the Facility (for Phase 2) and minimize permanent impacts using minor facility layout modifications and clarify existing Site Certificate conditions.

The anticipated level of public interest in the proposed change;

For the last amendment to increase the turbine height, there were three public comments. The comments focused on setbacks, protection of the Columbia River Gorge viewpoints, and survey areas for resources for the Facility impact areas. The final design layout will use turbines that will be shorter than maximum turbine heights permitted and will meet all required setbacks. The turbine layout is consolidated towards the southern end of the Site Boundary, away from the Columbia River Gorge, thereby further reducing any visible impact. All temporary and permanent disturbance areas have been surveyed for cultural resources, wetlands, habitat, threatened and endangered species, and raptor nests per the Site Certificate conditions. New cultural resources in the amended micro-siting corridors are recommended as not eligible for listing on the National Register for Historic Places. Because RFA 6 does not present an impact or resource not previously reviewed or that does not require avoidance, minimization, and mitigation through an existing Site Certificate condition and does not propose any changes to the facilities not previously reviewed, the anticipated level of public interest in RFA 6 is anticipated to be minor and in support of the Facility.

The anticipated level of interest by reviewing agencies;

Agency input on RFA 6 will likely be low because the purpose of this amendment is relocating already approved related or supporting facilities within the same Site Boundary, and extending the construction completion date. The Certificate Holder understands that the Department will reach out to agencies as part of the amendment review process. The cultural survey report has been submitted to the State Historic Preservation Office, but given the recommendation of new resources as not eligible for listing on the National Register for Historic Places, little interest is anticipated. Moreover, the Certificate Holder has been coordinating with the agencies (Oregon Department of Fish and Wildlife, Oregon Department of Geology and Mineral Industries, Sherman County, Oregon Department of Environmental Quality) as part of pre-construction compliance.

The likelihood of significant adverse impact; and

The purpose of RFA 6 is to relocate already approved facilities within the same Site Boundary (amending the micro-siting corridors), extending the construction completion date, and clarifying cultural condition language. These proposed minor changes will result in neither significant adverse impacts the Council has not addressed in an earlier order nor an impact that affects a resource or interest protected by a Council standard. The proposed changes do not implicate any Council standard because the Certificate Holder will design, construct, operate, and

retire the Facility substantially as described in the Site Certificate. Consequently, the Facility as proposed will not result in a significant impact that the Council has not addressed which is why only one Site Certificate change is needed for RFA 6—to change the construction completion deadline. RFA 6 demonstrates that, based on the findings from the field surveys for the amended areas of micrositeing corridor and in consideration of compliance with the Site Certificate conditions, there is minimal to no likelihood of significant adverse impact.

The type and amount of mitigation, if any.

The final design will be a smaller Facility than permitted. Field surveys identified the same habitat types in the amended micrositeing areas than in previously surveyed micrositeing corridors, primarily cultivated agriculture (see Figure 1). Therefore, there will be the same type of habitat mitigation but less needed. In general, Site Certificate condition compliance provides for avoidance, minimization, and mitigation measures for Facility construction and operation although changes to the cultural conditions are proposed to clarify the language and reaffirm the intent of the Council in the cultural conditions language.

Together, this request letter and attachments are the ADR and written preliminary request for amendment (RFA 6) and satisfy all requirements including demonstrating that RFA 6 warrants a Type B review under the factors in OAR 345-027-0357(8).

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink that reads "Matt Hutchinson". The signature is written in a cursive, slightly slanted style.

Matt Hutchinson

cc: Brian Walsh/Avangrid Renewables
Elaine R. Albrich/DWT
Carrie Konkol/Tetra Tech
Anneke Solsby/Tetra Tech