



**Energy Facility Siting Council
Minutes
March 15, 2013**

Minutes approved at 5/3/2013 EFSC
Meeting

Agriculture Building, Basement Hearing Room
Salem, OR 97301

Call to Order: The meeting was called to order at 8:31 a.m. by Chair Wolfe.

Roll Call: Chair Bryan Wolfe, Barry Beyeler, John Mohlis, Paul Sumner, Hanley Jenkins II, and Renee Dowlin and Trey Senn were present.

Oregon Department of Energy (ODOE) representatives present were ODOE Director Lisa Schwartz, Siting Division Administrator Todd Cornett, Ginny Gustafson, Chris Green, Jo Morgan, Sue Oliver, Duane Kilsdonk, Andrea Goodwin, Cliff Voliva, Shilo Ray, and Lee Willeman.

EFSC Counsel Renee France, Department of Justice (DOJ), was also present.

Agenda Modifications and Announcements: Mr. Cornett noted one modification to the agenda; agenda item N, a solar presentation by Terrance Mayer of ODOE, is cancelled and will be rescheduled for a future meeting. Chair Wolfe announced that there will be two public comment periods during the meeting. Chair Wolfe elaborated on the benefits of the Department's GovDelivery service, and noted the availability of sign-up sheets for that service.

Chair Wolfe announced that the public comment periods for the Klamath Falls Bioenergy, Helix Wind Facility Amendment 2, and Port Westward Amendment are closed and Council will not be accepting comments on those three projects.

A. Consent Calendar (Action Item):

Minutes for 01/15/13:

Action: A motion was made by Councilor Mohlis, and seconded by Councilor Beyeler, to approve the minutes of the January 15, 2013 meeting as drafted.

Vote: Sumner, yes; Jenkins, yes; Dowlin, yes; Senn, yes; Wolfe, yes; Beyeler, yes; Mohlis, yes; Motion carried.

Project Updates: Mr. Cornett acknowledged the 90 day look ahead and that there were additional project updates on the agenda.

Council Secretary Report: Mr. Cornett announced that Meiko Christiansen had retired and ODOE is in the process of hiring her replacement. The Limited Duration Siting Analyst position in the Hermiston Office has been filled by Eric Desmarais. Mr. Cornett announced that the Siting Division has standardized the titles of staff. He also gave a brief overview of the Reviewing Agency Training that

ODOE staff provided to the reviewing state agencies. This training is part of a continuing effort to make the process clearer for all participants.

B. 1. Biglow Canyon Wind (BCW) Financial Assurance for Site Restoration (Action Item): Duane Kilsdonk, ODOE Siting Compliance Officer, explained that the certificate holder, Portland General Electric, is requesting a change in its letter of credit issuer from US Bank to the Bank of Nova Scotia. He stated that Renee France, Oregon Department of Justice, reviewed the change and confirmed that the Bank of Nova Scotia has offered the same form of letter of credit as the previous issuer. Mr. Kilsdonk stated that the ODOE Loan Development staff has reviewed the financial qualifications of this issuer and found that the Bank of Nova Scotia demonstrates sufficient assets and financial performance to provide assurance coverage.

Action: A motion was made by Councilor Beyeler, and seconded by Councilor Mohlis to approve the form and issuer of the letter of credit proposed by the site certificate holder to provide Biglow Canyon Wind's financial assurance for restoration of the facility site.

Vote: Senn, yes; Wolfe, yes; Beyeler, yes; Dowlin, yes; Sumner, yes; Mohlis, yes; Jenkins, yes; Motion Carried.

2. Port Westward Generating Project (PWG Financial Assurance for Site Restoration for Unit 1 (Action Item): Duane Kilsdonk, ODOE Siting Compliance Officer, explained that since December 2006, PGE has provided the required financial assurance for Port Westward One through an Irrevocable of Standby letter of credit from US Bank. On March 8, 2013, PGE proposed to add decommissioning amounts for the new Plant, Port Westward II, to both its existing letter of credit from US Bank and to a new letter of credit issued by the Bank of Nova Scotia. Both banks will fulfill the financial assurance obligations of the Site Certificate. The start of construction for Port Westward II is tentatively scheduled for April 1, 2013. Mr. Kilsdonk also stated that Renee France, Oregon Department of Justice, reviewed the forms and confirmed that the Bank of Nova Scotia has offered the same form of letter of credit as US Bank. Mr. Kilsdonk said that ODOE Loan Development staff has reviewed the financial qualifications of this issuer and found that the Bank of Nova Scotia demonstrates sufficient assets and financial performance to provide assurance coverage.

Action: The motion was made by Councilor Mohlis, and seconded by Councilor Jenkins to approve the form and issuer of letter of credit proposed by the site certificate holder to provide Port Westward Generating Project's Financial Assurance for restoration of the facility site of Unit 1.

Vote: Sumner, yes; Dowlin, yes; Wolfe, yes; Jenkins, yes; Mohlis, yes; Beyeler, yes; Senn, yes; Motion Carried.

Port Westward Generating Project (PWG) Financial Assurance for Site Restoration for Unit 2 (Action Item): Chris Green, ODOE Energy Facility Siting Analyst, explained that the information for this action item is the same as for Unit 1, but required a separate motion to approve.

Action: The motion was made by Councilor Beyeler, and seconded by Councilor Mohlis to approve the form and issuer of letter of credit proposed by the site certificate holder to provide Port Westward Generating Project's Financial Assurance for restoration of the facility site of Unit 2.

Vote: Senn, yes; Sumner, yes; Wolfe, yes; Mohlis, yes; Jenkins, yes; Dowlin, yes; Beyeler, yes; Motion Carried.

3. Port Westward Generating Project (PWG Financial Assurance for Monetary Path Payment for Unit 2 (Action Item): Chris Green, ODOE Energy Facility Siting Analyst, provided information regarding the form and issuer of the letter of credit proposed by the site certificate holder (PGE) to provide Port Westward Generating Project's financial assurance for monetary path payments under the Council's Carbon Dioxide standard for Unit 2. The Council asked clarifying and informational questions. There was discussion regarding the amount on the draft letter of credit, and clarification that Council approval relates only to the form and issuer, and not to the amount of the letter of credit.

Action: The motion was made by Councilor Jenkins, and seconded by Councilor Mohlis to approve the form and issuer of the letter of credit proposed by the site certificate holder to provide Port Westward Generating Project's Financial Assurance for the monetary path payments under the council's carbon dioxide standard for Unit 2.

Vote: Dowlin, yes; Wolfe, yes; Mohlis, yes; Senn, yes; Jenkins, yes; Beyeler, yes; Sumner, yes; Motion Carried.

C. Request to Appoint Hearing Officers (Action Items): Jo Morgan, ODOE Energy Facility Siting Analyst, gave a brief overview of the rule requirements regarding appointing hearing officers and requested the Council appoint hearings officers for the South Dunes Power Project, Troutdale Energy Center, Brush Canyon Project, and Saddle Butte Wind Park.

Action: The motion was made by Councilor Mohlis, and seconded by Councilor Senn, to appoint Anne Davies as the Hearings Officer for the South Dunes Power Project.

Vote: Sumner, yes; Dowlin, yes; Wolfe, yes; Mohlis, yes; Senn, yes; Beyeler, yes; Jenkins, yes; Motion Carried.

Action: The motion was made by Councilor Beyeler, and seconded by Councilor Jenkins, to appoint Anne Davies as the Hearings Officer for the Troutdale Energy Center Project.

Vote: Mohlis, yes; Sumner, yes; Senn, yes; Jenkins, yes; Beyeler, yes; Dowlin, abstain; Wolfe, yes; Motion carried.

Action: The motion was made by Councilor Mohlis, and seconded by Councilor Beyeler, to appoint Kevin Shuba as the Hearings Officer for the Brush Canyon Project.

Vote: Beyeler, yes; Mohlis, yes; Jenkins, yes; Senn, yes; Wolfe, yes; Dowlin, yes; Sumner, yes; Motion Carried.

Action: The motion was made by Councilor Beyeler, and seconded by Councilor Sumner, to appoint Kevin Shuba as the Hearings Officer for the Saddle Butte Wind Park.

Vote: Mohlis, yes; Senn, yes; Dowlin, yes; Jenkins, yes; Sumner, yes; Beyeler, yes; Wolfe, yes; Motion Carried.

D. Port Westward Generating Project Amendment # 9 (PWG) (Action Item): Chris Green, ODOE Energy Facility Siting Analyst, explained that the request for Amendment #9 (RFA #9) includes

extending the deadline for completing construction of the facility by 24 months and extending the deadline to make full and beneficial use of water under a water right transfer by 12 months. Mr. Green also stated that there was one comment letter that did not expressly request a contested case hearing proceeding but could be construed to be a contested case request. Mr. Green recommended that the council treat it as a request for contested case proceeding and recommended that the Council deny the request as the Council doesn't have jurisdiction over the sole issue raised in the letter. The Council asked clarifying and informational questions.

Action: The motion was made by Councilor Mohlis, and seconded by Councilor Jenkins, to deny the request for the contested case proceedings on the Port Westward Generating Project Amendment #9.

Vote: Sumner, yes; Jenkins, yes; Dowlin, yes; Senn, yes; Wolfe, yes; Beyeler, yes; Mohlis, yes; Motion passed.

Action: The motion was made by Councilor Sumner, and seconded by Councilor Jenkins, to adopt the Final Order approving Amendment # 9 to the Site Certificate for the Port Westward Project.

Vote: Senn, yes; Wolfe, yes; Beyeler, yes; Dowlin, yes; Sumner, yes; Mohlis, yes; Jenkins, yes; Motion passed.

- E. Leaning Juniper II Amendment #2 (LJW) (Information Item):** Andrea Goodwin, ODOE Energy Facility Siting Analyst, gave a PowerPoint presentation and brief overview of the amendment and transfer request. The request includes dividing the facility into two separate the Site Certificates and transfer of LJIB to PGE. She stated that ODOE anticipates issuing the Proposed Order in late March or early April. The Council asked informative and clarifying questions.
- F. Montague Wind Amendment #1 (MWP) (Information Item):** Andrea Goodwin, ODOE Energy Facility Siting Analyst, gave PowerPoint presentation and a brief overview of the amendment and transfer request. She explained that the request includes an extension of the construction start and completion deadlines by two years, a reduction in the minimum blade tip clearance from 41 meters above ground to 20 meters above ground, and transfer of the site certificate to Portland General Electric.. She stated that ODOE anticipates issuing the proposed order in late March or Early April. The Council asked informative and clarifying questions.

Item Added to the Agenda (Action Items): Council Secretary Todd Cornett requested that the Council consider adding an item to the agenda. He referenced OAR 345-011-0025 and explained that the rule states that the Council shall not act on a matter not on the agenda unless a majority of the members present agree that the matter is so substantial and of such immediate concern that the Council should not defer action until the next regular meeting. Mr. Cornett explained that under the rule that the Council would need to vote to add the item to the agenda, then vote that the item added could not be deferred until the next Council meeting, and then finally vote on the action item. Mr. Cornett stated that the item to be added to the agenda would be the appointment of the City of North Powder as a Special Advisory Group (SAG) for the Boardman to Hemingway Transmission Line Project. He explained that the city was not included when the Council originally appointed the

Special Advisory Groups for this project. He also explained that preliminary application has been submitted and that the Department is in the process of sending the preliminary application to the reviewing agencies. Delay in consideration of the request to add the City of North Powder as a SAG would prevent the City from timely receiving the preliminary application.

Action: The motion was made by Councilor Sumner, and seconded by Councilor Senn, to add and agenda item for the council to consider appointing the governing body of the city of North Powder as the Special Advisory Group for the proposed Boardman to Hemingway Transmission Line Project.

Vote: Sumner, yes; Dowlin, yes; Wolfe, yes; Jenkins, yes; Mohlis, yes; Beyeler, yes; Senn, yes; Motion passed.

Sue Oliver, ODOE Energy Facility Siting Analyst, gave an overview of the Boardman to Hemingway Transmission Lion Project. She explained the necessity of having the city of North Powder as a SAG. The Council asked informative and clarifying questions.

Action: The motion was made by Councilor Sumner, and seconded by Councilor Mohlis, that that the Council find that the matter of appointing the governing body of the city of North Powder as the Special Advisory Group for the proposed Boardman to Hemingway Transmission Line Project is so substantial and of such immediate concern that the Council should not defer action until the next regular Council meeting.

Vote: Senn, yes; Sumner, yes; Wolfe, yes; Mohlis, yes; Jenkins, yes; Dowlin, yes; Beyeler, yes; Motion passed.

Action: The motion was made by Councilor Senn, and seconded by Councilor Beyeler, that the Council appoint the governing body of the city of North Powder as a special Advisory Group to advise the Council in any site certificate or site certificate amendment proceedings for the Boardman to Hemingway Transmission Line Project.

Vote: Dowlin, yes; Wolfe, yes; Mohlis, yes; Senn, yes; Jenkins, abstain; Dowlin, yes; Beyeler, yes; Sumner, yes; Motion passed.

- G. Transmission Line Design (Information Item):** Doug Dockter, Idaho Power 500KV Projects Manager, gave a PowerPoint presentation on the process of transmission line design. He described the different types of tasks involved in designing a transmission line, including: route selection, references (standards)/codes, easements, structures, conductors, structure spotting, corona (noise), and Electric/Magnetic Fields (EMF). He provided samples of different kinds of conductors and insulators that were passed amongst the Council. The Council asked informative and clarifying questions.

Chair Wolfe acknowledged Lisa Schwartz, Director of ODOE, in attendance at the meeting.

Chair Wolfe also asked that Agenda Item I be moved up on the Agenda as the meeting was ahead of schedule.

- I. **Legislative Update (Information Item)**: Todd Cornett, ODOE Siting Division Administrator and Ginny Gustafson, ODOE Senior Policy Advisor, presented an update on legislative items having an impact on the Energy Facility Siting Council, Energy Siting Division, and the Oregon Department of Energy. The Council asked informative and clarifying questions.

Chair Wolfe announced the public comment period. There were no requests to make public comments, nor were there any requests to make phone comments.

Chair Wolfe announced a break to get working lunches, with meeting to reconvene at 12:15.

- J. **Antelope Ridge Wind Farm (AWF) (Information Item)**: Sue Oliver, ODOE Energy Facility Siting Analyst, gave an update on the status of the Antelope Wind Farm site certificate application. Ms. Oliver gave a brief overview of the history of the project, and explained that ODOE received comments from ODFW with some significant wildlife habitat concerns. She explained that the project is currently on a pause to complete a big game telemetry study on the elk and the deer in the project area. The Council asked informative and clarifying questions.

- K. **Saddle Butte Wind (SBS) (Information Item)**: Jo Morgan, ODOE Energy Facility Siting Analyst, Policy Analyst, gave a PowerPoint presentation and brief overview of the Saddle Butte Wind project. Ms. Morgan stated that ODOE anticipates having a Draft Proposed Hearing in June 2013. Council asked an informational question.

- L. **EFSC Amendment Process Potential Rulemaking Updates (Information Item)**: Lee Willeman, ODOE Policy Analyst, gave an update on the progress and next steps for the potential rule making process. Mr. Willeman gave an overview of the two EFSC Site Amendment workshops that were held in February and explained that the comments received during the workshops have been posted on ODOE's website. He explained that an advisory group will be established to review findings and consider potential changes. A Council member asked if they would have to appoint the advisory group. EFSC Counsel, Renee France, Department of Justice, said she would look into this further and let the council know.

- M. **EFSC Application for Site Certificate Process Improvement Proposals (Information Item)**: Todd Cornett, ODOE Siting Division Administrator and Ginny Gustafson, ODOE Senior Policy Advisor, provided an overview of potential changes to the public meeting component of the Site Certificate application processes which were recommended out of the process improvement effort. Ms. Gustafson explained that ODOE staff is proposing modifications to the Draft Proposed Order (DPO) hearing process. She stated that the objective is to increase efficiency and transparency in the process, and to ensure Council members are actively engaged in the DPO evaluation. Mr. Cornett also gave more information on the potential changes. Council members and ODOE staff discussed the logistics of having the DPO hearings included with the EFSC meetings; which would require the meetings to take place over two days. It was decided that ODOE would continue with the efforts to move forward with this process and anticipate using it for upcoming DPO hearing(s) in June.

- N. **Public Comment (Information Item)**: There were no comments. Chair Wolfe closed the comment period.

The meeting was adjourned at 2:07 p.m.