



Bryan Wolfe, Chair ■ Barry Beyeler, Vice Chair ■ Hanley Jenkins II ■ Trey Senn ■ Renee Dowlin ■ Paul Sumner ■ John Mohlis

**Energy Facility Siting Council  
Minutes  
November 21, 2014**

Minutes Approved at the  
January 30, 2015 EFSC Meeting

**Oxford Suites Hermiston  
1050 N. 1<sup>st</sup> Street  
Hermiston, OR 97838**

**Call to Order:** The meeting was called to order at 9:00 a.m. by Chair Wolfe.

**Roll Call:** Chair Bryan Wolfe, Trey Senn, Hanley Jenkins II, Renee Dowlin and Barry Beyeler were present. Council Member Jenkins arrived during Agenda Item C.

Oregon Department of Energy (Department) representatives present were Oregon Department of Energy Director Michael Kaplan, Siting Division Administrator Todd Cornett, Ginny Gustafson, Duane Kilsdonk, Matt Lawyer, Sisily Fleming, Shanda Shribbs, Eric Desmarais, Jason Sierman, Sue Oliver, Cliff Voliva and Jessica Shipley.

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

**Agenda Modifications:** There were no modifications to the agenda.

**A. Consent Calendar (Action Item):**

**Minutes for July 18, 2014:**

**Action:** A motion was made by Councilor Beyeler, and seconded by Councilor Senn, to approve the July 18, 2014 minutes as presented by staff.

**Vote:** Sumner, Absent, Jenkins, Absent; Beyeler, yes; Dowling, Yes; Wolfe, yes; Senn, yes.  
Motion carried.

**90 Day Look Ahead:** Mr. Cornett discussed the 90 day look ahead and the general nature of what is in the report. Mr. Cornett sought input from the Council as to whether they would like to receive more detailed project updates on a more regular basis. The Council agreed that updates via the 90 day or via online webinar would be sufficient should the staff member not need to be at the meeting for any other reason. Chair Wolfe encouraged the Council to be in contact with staff should any specific questions arise outside of the 90 day report.

**Council Secretary Report:** Mr. Cornett welcomed the Director of the Department, Michael Kaplan. Director Kaplan gave a quick overview of his appointment and his plans to move



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forward to build and repair the credibility of the agency, not only to the legislature but also to the stakeholders. He stated that his goal is to find staff that are not only incredibly qualified but also very passionate about what they do. There was additional discussion on the move and the challenges that have happened in the process.

Chair Wolfe asked when the agency had to move. Mr. Kaplan stated that there is no definitive clock but the agency is working hard to find an adequate space.

Chair Wolfe congratulated Director Kaplan on his selection and encouraged his vision moving forward.

Mr. Cornett announced that Maxwell (Max) Woods is the new Senior Siting Analyst. Mr. Cornett introduced Jason Sierman as the temporary Rulemaking Coordinator as well as Jessica Shipley, a Senior Policy Analyst with the Policy Division, who is the agency's climate expert. Mr. Cornett announced that Jack Billings was the nominee for the position that would be vacated by Chair Wolfe.

Mr. Cornett gave the formal announcement of the closure of the Hermiston Office by the end of December 2014.

Mr. Cornett stated that Shilo Ray has a new job at the Department of Corrections, Eric Desmarais is now in the Salem office and Duane Kilsdonk and Sue Oliver's positions will be transferred to Salem at the end of the year.

Councilor Mohlis asked when Jack Billing's confirmation hearing would be. Mr. Cornett stated that it would be December 9, 2014. Chair Wolfe asked Mr. Cornett to provide the Council details as they become available.

Item C was moved to the time slot for item B as the Council awaited the arrival of Councilor Jenkins.

**C. Schedule of Fees (ORS 469.441) (Action Item Item):** Sisily Fleming, Siting Fiscal Analyst, gave a presentation on the statutory requirement for a semi-annual schedule of fees pursuant to ORS 469.441. The Council is required to adopt a fee schedule by January 1 of each odd number year. Ms. Fleming gave details as to how the department made changes to ensure that the costs reflected in the fee schedule were more accurate and ensured a more predictable fee process.

Mr. Cornett requested that Ms. Fleming describe the full cost recovery process. Ms. Fleming discussed the process and how the department works to ensure a 100 percent cost recovery for project-related expenses.



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Vice Chair Beyeler asked at what point the department informs the applicant of when they are approaching the 75 percent mark or 50 percent mark of available funds. Ms. Fleming stated that she is constantly monitoring the funds and the applicant is notified as they reach the 75 percent mark.

Mr. Cornett asked Ms. Fleming to discuss the billing process and the lag time associated with billing from state agencies. Ms. Fleming explained that the timeline between when a reviewing agency work is completed and when a bill is submitted to payment can be about a three month time period. By constantly tracking work and time of staff and reviewing agencies, the department is able to capture more real time funding issues with monthly statements.

Chairman Wolfe noted that he is thoroughly impressed with the work done by the division and the department and encouraged the continued efforts to more accurately account for funds associated with projects.

**Action:** A motion was made by Councilor Mohlis and seconded by Councilor Senn to approve the schedule of fees as presented by staff.

**Vote:** Wolfe, Yes; Senn, Yes; Mohlis, Yes; Sumner, Absent; Jenkins, Absent; Beyeler, Yes; Dowlin, Yes. Motion carried.

Item B was resumed after the conclusion of Item C and the arrival of Councilor Jenkins.

**B. EFSC 2015 Meeting Dates (Action Item):** Matt Lawyer, Siting Division Assistant, provided information to the Council regarding future Council meeting dates. Following discussion, Council members decided to confirm the 2015 meeting dates as follows:

January 29, 30

March 12, 13

May 14, 15

July 16, 17

September 17, 18

December 3, 4

**Action:** A motion was made by Councilor Mohlis, and seconded by Councilor Jenkins, that the Council approve the agreed-upon meeting dates.

**Vote:** Jenkins, Yes; Beyeler, Yes; Dowlin, Yes; Wolfe, Yes; Senn, Yes; Mohlis, Yes; Sumner, Absent. Motion carried.



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**D. The Climate Trust's 5-Year Report (Information Item):** Sheldon Zakreski, The Climate Trust, gave a presentation on the purpose of the report, information on the CO2 standard, information about the Climate Trust, Facility overview, Project Selection and Overview, The Climate Trust's Performance and Lessons Learned.

Vice Chairman Beyeler asked if the standards for generating facilities were still based on the 17 percent less than the best efficiency that is currently in use. Mr. Zakreski responded that it is in fact designed to be set at 17 percent below the most efficient generating facility at the time.

Councilor Mohlis asked how the cool concrete worked with the Climate Trust. Mr. Zakreski explained that there were less CO2 emissions using the facility that makes cool concrete than if they used Portland cement.

Councilor Dowlin gave words of encouragement for the Climate Trust as she experiences their efforts first hand as a member of their board representing EFSC.

Chairman Wolfe stated that he is pleased that the perception has changed with the Climate Trust. He stated that five years ago the perception was that they passed off money to projects outside of Oregon and now they are bringing as many projects to Oregon as possible and keeping the money in Oregon.

Mr. Cornett referred the Council to the rule language and asked whether there is further need to reevaluate the rule relative to the current CO2 standard in Oregon as well as the \$1.27 per ton of carbon. He stated that the Council has the opportunity to change this or make recommendations.

Chair Wolfe said that we are in uncertain times with the new EPA information. He stated that there may be a statewide carbon tax and recommended that any changes be addressed as the EPA information comes out.

Sean Penrith stated that existing power plants are subject EPA 111B and new facilities will be subject to EPA 111D. The Climate Trust will be evaluating how the CO2 standard interlocks with EPA 111B. The carbon tax exists but the carbon offset is a monetary pathway tax so the interest of the Climate Trust is really working with peers and colleagues at ODOE, PUC and others to understand the most effective design that would take into account the CO2 standard, not to undermine the standard but to build it in a complimentary way. Mr. Penrith stated that with Councilor Dowlin on the Board she has heard the discussions about how the Climate Trust interacts in a meaningful way to participate in the dialog around the carbon tax and EPA 111D. There have been ongoing conversations with ODOE, PUC and others around these same conversations.



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Councilor Mohlis thanked Councilor Dowlin for her time on the Climate Trust Board.

Chair Wolfe announced a recess with the meeting to resume at 11:15 a.m.

**E. Appreciation of Chairman Wolfe:** Director Michael Kaplan, Vice Chairman Barry Beyeler, Council Secretary Todd Cornett and Division Assistant Matt Lawyer gave a farewell presentation to Chairman Bryan Wolfe.

**F. Helix Wind Power Facility (Action Item):** Eric Desmarais, Siting Analyst, provided information on the expiration of the site certificate on the Helix Wind Power Facility. Pursuant to OAR 345-027, the site certificate has expired. Based on that expiration, under OAR 345-027-0110(9) the Council is required to issue an order terminating the site certificate.

**Action:** A motion was made by Councilor Beyeler and seconded by Councilor Mohlis that the Council approve the final order to terminate the Helix Wind Power Facility Site Certificate.

**Vote:** Senn, Yes; Mohlis, Yes; Sumner, absent, Jenkins, Yes; Beyeler, Yes; Dowlin, Yes; Wolfe, Yes. Motion carried.

**G. Perennial Wind Chaser Station (Action Item):** Eric Desmarais, Energy Facility Siting Analyst, gave a brief overview of the rule requirements regarding appointing hearing officer and requested the Council appoint David Petersen as the hearings officer for the Perennial WindChaser Station.

**Action:** The motion was made by Councilor Dowlin, and seconded by Councilor Jenkins, to appoint David Petersen as the Hearings Officer for the Perennial WindChaser Station.

**Vote:** Beyeler, Yes; Dowlin, Yes; Wolfe, Yes; Senn, Yes; Mohlis, Yes; Sumner, Absent; Jenkins, Yes. Motion Carried.

#### **H. Public Comments:**

**Irene Gilbert**, La Grande, Oregon, gave comments regarding the Council rules and the roles of the Council.

Chair Wolfe announced a recess to get lunches, with the meeting to reconvene at 12:30 pm.

**I. Process Improvement Update (Working Lunch/Information Item):** Shanda Shribbs, Siting Division Operations Analyst, provided an update to the annual work plan. She stated that GIS is still in process and we are making steady progress in coordination with the agency as a whole as well as other state agencies. She discussed the financial templates that are now complete and in action and will be a great tool to ensure that the agency is better prepared to do the



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annual assessments. She gave an update on how the compliance matrix program is coming along and stated that the division is nearly complete in analyzing the site certificates for the matrix associated with their conditions.

Mr. Shribbs provided an overview of the Council Member Guide. Ms. Shribbs explained the items included in the guide were complete and the guide will be a living set of documents, which will be updated as needed.

Ms. Shribbs discussed the efforts of the division and the communications group to revise the handouts for the public. The handouts have been revised and updated to include the best information and reduce the amount of paper required to distribute the information. Ms. Shribbs also discussed how much of the information contained in the new Council Member Guide and the new handouts would be used as reference material for the new applicant guide.

Ms. Shribbs discussed the recent reviewing agency training and the continued success it has in outreach to the reviewing agencies. She gave details of the plan the division has to move forward in the reviewing agency training plan. The items may include videos, online tutorials and webinars for ease of access to the trainings.

Ms. Shribbs gave the council a brief overview of the new project management plan the division is piloting and discussed how the plan could serve to account for time as well as ensure dates and deadlines are met more accurately.

Ms. Shribbs also discussed the Siting Records Management System that has been in development for the last six months. The program would serve as a one stop shop for all records associated with the siting projects and files associate with those projects.

Ms. Shribbs provided a follow-up to the project updates and gave the Council some information relevant to the release of the Jordan Cove draft environmental statement. In addition, she gave details as to how the department is coordinating the efforts of obtaining the comments on the FERC draft environmental impact statement (DEIS). She stated that Andrea Goodwin and Maxwell Woods will be providing comments on behalf of the department.

Councilor Jenkins asked if Renee France will be doing the Department of Justice DEIS review. Ms. Shribbs responded that Anika Marriot would be the one responsible for that review.

Ms. Shribbs let the Council know that she had included a list of all the meetings that will be held on the release of the DEIS.

**J. Rulemaking Update (Information Item):** Jason Sierman, Rulemaking Coordinator provided an update on the progress of the division 27 rulemaking advisory committee.



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Mr. Sierman discussed the timeline from when the rulemaking began and where the department needed to go in order to complete the draft language and get to the public process.

Mr. Sierman described the Council's role during the discussion as one that would guide the rulemaking process. They could halt the rulemaking, move forward with a more truncated process or move on with the recommendations of the rulemaking advisory committee.

Mr. Sierman gave a detailed overview of how the current process works and where that process caused some concern among the rulemaking advisory committee.

Staff and the Council engaged in detailed discussions regarding the process, the amendment requirements, the advisory committee input, and options for completing the division 27 amendment process. Following those discussions, the Council directed staff to draft two sets of rule language: A redraft of Division 27, as well as draft language on an expedited amendment process.

**K. Public Comments:**

**Irene Gilbert**, La Grande, Oregon, gave comments regarding the amendment standard process that was being proposed.

The meeting was adjourned at 2:45 p.m.