To: Energy Facility Siting Council

From: Chase McVeigh-Walker, Siting Analyst

Date: November 30, 2017

Subject: Information Item D: Summit Ridge Wind Farm Information Hearing on transfer Request for December 14, 2017 EFSC Meeting
Action item E: Summit Ridge Wind Farm presentation on Transfer Request for December 15, 2017 EFSC Meeting

BACKGROUND AND SUMMARY OF AMENDMENT REQUEST
Council issued a Final Order for the Summit Ridge Wind Farm on August 19, 2011, and subsequently approved two site certificate amendments, authorizing the construction and operation of a wind energy generation facility with a peak electric generating capacity of up to 194.4 megawatts (MW). The facility, which has not yet been constructed, is approved to be located in Wasco County.

On September 11, 2017, the Department received notice that Summit Ridge Wind Holdings, LLC sold the site certificate, including the ownership of all membership interests in Summit Ridge Wind, LLC to Pattern Renewables 2 LP (Pattern Development), a subsidiary of Pattern Energy Group 2 LP (Pattern Energy), the sole limited partner of Pattern Development. The transferee requests to transfer the site certificate due to a change in ownership of the site certificate holder, resulting in a change in the parent company from Summit Ridge Wind Holdings, LLC (SR Holdings), to a new parent company, Pattern Development. Neither the certificate holder nor the transferee has requested approval for any other facility modifications or changes to the terms and conditions of the site certificate.

As described in OAR 345-027-0100(7), before acting on the transfer request, the Council shall hold an Informational Hearing. The Department issued notice of the Information Hearing on November 8, 2017 and in the Council meeting agenda that will be issued by December 5, 2017. The Information Hearing will occur at the December 15, 2017 Council meeting in Boardman, OR. The Public Notice issued by the Department on November 8, 2017, established a comment deadline of December 15, 2017, and clarified that the Council will not accept comments on the transfer request after the close of the record of the informational hearing.
On November 8, 2017, the Oregon Department of Energy (Department) issued notice of the transfer request to all persons on the Council’s general mailing list, to the special list established for the facility, to an updated list of property owners supplied by the certificate holder, and to a list of reviewing agencies as defined in OAR 345-001-0010(52). The notice included a request for public comments and established a comment deadline of December 15, 2017.

The Council will hold a meeting in Boardman, OR on December 15, 2017. The meeting serves as the Informational Hearing and as the Council’s decision meeting. Pursuant to OAR 345-027-0100(7), the Informational Hearing is not a contested case hearing.

TRANSFER REQUEST PROCESS

1. Council Scope of Review

Revisions to OAR 345 Division 27 became effective on October 24, 2017. Because the Request for Transfer was received on October 23, 2017, the applicable procedural requirements for a transfer request are based on OAR 345 Division 27 in effect prior to October 24, 2017. Council rules describe the request for transfer of a site certificate at OAR 345-027-0100.

To approve the Request for Transfer, Council must find that the new owner of the certificate holder has the ability to satisfy the requirements of OAR 345-022-0010 (Organizational Expertise), OAR 345-022-0050 (Retirement and Financial Assurance), and if applicable, OAR 345-024-0710(1) (Carbon Dioxide). EFSC must also find that the new owner of the certificate holder is or will be lawfully entitled to possession or control of the site or facility.

Before acting on the transfer request, Council will hold an informational hearing. The informational hearing will be held during the Council’s December 15, 2017 Council meeting.

2. Staff Evaluation of the Transfer Request

The Department evaluated the certificate request to transfer the ownership of the Summit Ridge Wind, LLC site certificate from the current parent company of the site certificate holder, Summit Ridge Wind Holdings, LLC (SR Holdings), to Pattern Renewables 2 LP (Pattern Development), a new parent company. The Department will also evaluate any comments received during the informational hearing, to be conducted during the December 15, 2017 Council meeting pursuant to OAR 345-027-0100(7), and will incorporate any necessary modifications into the Final Order as directed by the Council.

STAFF CONCLUSION AND RECOMMENDED COUNCIL ACTION

The Department recommends that Council approve the transfer request, issue the final order as presented to the Council, and grant the Request for Transfer of a Site Certificate (Amendment #3) to the Summit Ridge Wind Farm.
If additional substantive information is received from the transferee regarding the organizational structure of Pattern Development or Pattern Energy, the compliance history, or comments on the transfer request are received prior to the close of the Informational Hearing, the information and comments will be evaluated and addressed by the Department. The Department’s evaluation of supplemental information and comments received would be presented, timing permitting, in an amended version of the draft of the Final Order and provided to Council prior to or during the December 15, 2017 Council meeting. If substantive comments are received at the Informational Hearing, it is possible that Council would not make a decision on the transfer request at the December 15 Council meeting, and rather, would review and decide at a subsequent Council meeting to allow for additional time to consider and address those substantive comments.