Opening Items:

- Call to Order
- Roll Call
- Announcements
Announcements:

• For those attending in person:
  • Comment Registration Cards are available on the table.
  • GovDelivery Sign Up Cards to receive project information by email are also on the table

• Those participating via the AT&T phone line, please mute your phone and if you receive a phone call, please hang up from this call and dial back in after finishing your other call
Announcements continued:

- If you would like to address the Council, please do not use the speaker phone feature, because it will create feedback.

- For those signed onto the webinar, please do not broadcast your webcam.

- Please silence your cell phones.

- Energy Facility Council meetings shall be conducted in a respectful and courteous manner where everyone is allowed to state their positions at the appropriate times consistent with Council rules and procedures. Willful accusatory, offensive, insulting, threatening, insolent, or slanderous comments which disrupt the Council meeting are not acceptable. Pursuant to Oregon Administrative Rule 345-011-0080, any person who engages in unacceptable conduct which disrupts the meeting may be expelled.
Agenda Item A

- Council Secretary Report
## Boardman to Hemingway Transmission Line

### Schedule of Draft Proposed Order Public Hearings

<table>
<thead>
<tr>
<th>Quorum/Noticed EFSC Meeting</th>
<th>Location</th>
<th>Other Info</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>Malheur County</td>
<td>Other EFSC matters addressed from 3:00-4:30 pm</td>
</tr>
<tr>
<td>Yes</td>
<td>Baker County</td>
<td></td>
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<tr>
<td>Yes</td>
<td>Union County</td>
<td></td>
</tr>
<tr>
<td>Maybe</td>
<td>Umatilla County</td>
<td></td>
</tr>
<tr>
<td>Yes</td>
<td>Morrow County</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Ontario</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Baker City</td>
<td></td>
</tr>
<tr>
<td></td>
<td>City of La Grande</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Pendleton</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Boardman</td>
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</table>

<table>
<thead>
<tr>
<th></th>
<th>Tue 18</th>
<th>Wed 19</th>
<th>Thu 20</th>
<th>Wed 26</th>
<th>Thu 27</th>
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</thead>
<tbody>
<tr>
<td>Time</td>
<td>4:30 PM – 8:00 PM*</td>
<td>4:30 PM – 8:00 PM*</td>
<td>4:30 PM – 8:00 PM*</td>
<td>4:30 PM – 8:00 PM*</td>
<td>3:00 PM – 8:00 PM*</td>
</tr>
</tbody>
</table>

*Subject to change. Final times, dates and locations for the DPO hearings will be issued in the Notice of the DPO.*
Agenda Item B

Montague Wind Power Facility: Construction Update and Results of Wildlife Surveys (Information Item)

March 22, 2019
Sarah Esterson, Senior Siting Analyst
Facility Background

- **Approved Facility**: 404 MW wind; 269 wind turbines
- **Location**: Gilliam County; approx. 33,000 acres
- **Certificate Holder**: Montague Wind Power Facility, LLC
- **Parent Company of Certificate Holder**: Avangrid Renewables, LLC, the U.S. division of Iberdrola, S.A
## Site Certificate History

<table>
<thead>
<tr>
<th>Certificate</th>
<th>Date</th>
<th>Changes</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Original Site Certificate</strong></td>
<td>September 2010</td>
<td></td>
</tr>
<tr>
<td><strong>First Amended Site Certificate</strong></td>
<td>June 2013</td>
<td>1\textsuperscript{st} Deadline Extension, Wind Turbine Spec Change</td>
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<tr>
<td><strong>Second Amended Site Certificate</strong></td>
<td>December 2015</td>
<td>2\textsuperscript{nd} Deadline Extension</td>
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<tr>
<td><strong>Third Amended Site Certificate</strong></td>
<td>July 2017</td>
<td>Wind Turbine Spec Change</td>
</tr>
<tr>
<td><strong>Fourth Amended Site Certificate</strong></td>
<td>Under Review</td>
<td>Wind, solar, battery, site boundary changes</td>
</tr>
</tbody>
</table>
## Approved Vs. Final Design

<table>
<thead>
<tr>
<th>Facility Component</th>
<th>Approved</th>
<th>Final Design</th>
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<tbody>
<tr>
<td>Peak Generating Capacity (MW)</td>
<td>404</td>
<td>202</td>
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<tr>
<td>Wind Turbines</td>
<td>269</td>
<td>56</td>
</tr>
<tr>
<td>Meteorological Towers</td>
<td>8</td>
<td>2</td>
</tr>
<tr>
<td>Collector Substation</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Operations and Maintenance Facility</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>230 kV Transmission Line (miles)</td>
<td>17.8</td>
<td>10.8</td>
</tr>
<tr>
<td>Access Roads (acres)</td>
<td>199</td>
<td>65.3</td>
</tr>
<tr>
<td>Temporary Areas (acres)</td>
<td>1,797</td>
<td>671.8</td>
</tr>
</tbody>
</table>
## Phase 1 – Construction Status

<table>
<thead>
<tr>
<th>Date</th>
<th>Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>September 2017</td>
<td>Meteorological Tower Installation</td>
</tr>
<tr>
<td>November 2018</td>
<td>Roads, Foundations, Electrical System</td>
</tr>
<tr>
<td>March 2019</td>
<td>Wind Turbine Delivery/Installation</td>
</tr>
<tr>
<td>July 2019</td>
<td>Wind Turbine Installation/Transmission Line</td>
</tr>
<tr>
<td>October 2019</td>
<td>Wind Turbine Commissioning</td>
</tr>
<tr>
<td>December 2019</td>
<td>Operational</td>
</tr>
</tbody>
</table>
Survey Results Update

**Condition 10** - Department to present survey results to Council

**Pre-construction Surveys**

- Habitat Assessment (Condition 31)
- Protocol-level T&E Species Survey (Condition 94)
- Raptor Nest Surveys (Condition 95 and 96)
Agenda Item C

Oregon Climate Authority / Legislative Update
(Information Item)

March 22, 2019
Janine Benner, Director
Robin Freeman, Government Relations
Lesley Jantarasami, Senior Climate Policy Analyst
STATE GHG EMISSIONS REDUCTION GOALS

Existing 2007 Goals (ORS 468.205):
1. arrest emissions growth by 2010
2. reduce emissions to 10% below 1990 levels by 2020
3. reduce 75% below 1990 levels by 2050

New HB 2020 Proposed Goals to achieve a reduction in GHG emissions levels to at least:
1. 45% below 1990 levels by 2035
2. 80% below 1990 levels by 2050
PURPOSES OF THE PROGRAM:

• Achieving reduction of regulated GHG emissions to levels at least 45% below 1990 levels by 2035, and 80% below 1990 levels by 2050
• Promoting GHG emissions sequestration and mitigation
• Promoting climate adaptation/resilience
• Assisting households, businesses, and workers affected by Oregon’s economic transition
REGULATED EMISSION SOURCES UNDER OREGON CLIMATE ACTION PROGRAM (OCAP)

- **Transportation fuels**: Diesel, gasoline, propane, and natural gas supplied in Oregon used in vehicles

- **Electricity**: All electricity generated in Oregon, and electricity imported for use in the state

- **Natural gas**: All gas supplied in Oregon for use in buildings

- **Large industrial sources**: Facilities emitting over 25,000 tons CO2e from natural gas use, emissions from specific manufacturing processes, and landfills

- **Other fossil fuels**: Propane, home heating oil, and distillate fuels used in non-transportation
COVERED ENTITIES

• Air contamination sources $\geq$ 25,000 metric tons CO2e
• Generators of electricity in this state regardless of whether $\geq$ 25,000 metric tons CO2e
• “Electric system managers” - any entity that operates or markets electricity generating facilities, or purchases wholesale electricity to manage the load for wholesale or retail electricity customers within a balancing authority area that is at least partially located in Oregon, including but not limited to:
  (a) Electric companies
  (b) Electricity service suppliers
  (c) Consumer-owned utilities
  (d) Bonneville Power Administration
  (e) Electric generation and transmission cooperatives
COVERED ENTITIES (continued)

- Natural gas marketers (minus emissions from gas sold to directly regulated air permit holders or electricity entities)
- Natural gas utilities (minus emissions from gas already accounted for above)
- Fuel distributors (e.g., transportation fuels, propane, home heating oil, and non-transportation distillate fuels)

- Exemptions for closed land disposal sites; cogeneration facilities owned or operated by a public university or by OHSU; and de minimus fuel importers
- Exclusions for certain types of emissions (e.g., aviation, marine, locomotive fuels; from COUs <25,000 metric tons; certain emissions associated with generation of renewable energy)
  - Temporary exclusion for semiconductor and related device manufacturing
ANNUAL ALLOWANCE BUDGET (CAP)

• Baseline = verified average of the three most recent years prior to 2021 of covered entities’ collective total anthropogenic GHG emissions

• Cap = baseline in the year 2021, then declines by a constant amount
  • 2022-2035: Reduction to at least 45% below 1990 emissions levels by 2035.
  • 2036-2050: Reduction to at least 80% below 1990 emissions levels by 2050.
1. Primary market = State auctions or state allocation

2. Secondary market = Allowance trading between companies

3. Offset market = Project developers sell offset credits
ALLOWANCE RESERVES & DIRECT ALLOCATION

<table>
<thead>
<tr>
<th>Reserves setting aside a % of annual allowance budget:</th>
<th>Entities proposed to receive some amount of direct allocation at no cost:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allowance price containment reserve</td>
<td>Investor-Owned Utilities</td>
</tr>
<tr>
<td>Electricity price containment reserve</td>
<td>Electric System Managers</td>
</tr>
<tr>
<td>Emissions-intensive, trade-exposed process reserve account</td>
<td>Natural Gas Utilities</td>
</tr>
<tr>
<td>Voluntary renewable electricity generation reserve</td>
<td>Emissions-Intensive, Trade-Exposed (EITE) Industries</td>
</tr>
</tbody>
</table>
ENERGY ASSISTANCE PROGRAMS

- PUC is directed to require investor-owned utilities to prioritize use of auction proceeds for energy assistance programs, including:
  - Rate design based solutions
  - Bill assistance, weatherization, energy efficiency, transportation electrification measures and grid modernization
  - Participation by low-income residential customers in conservation programs that further reduce the out-of-pocket costs for energy efficiency measures
EXPENDITURE REQUIREMENTS

• Proceeds from state auctions must be used in a manner consistent with state constitutional requirements and for activities that advance the purposes of OCAP

• In addition, to the maximum extent feasible, cost-effective, and consistent with law:
  • Prioritize projects that benefit impacted communities
  • Complement efforts to achieve and maintain local air quality
  • Provide opportunities for Indian tribes, members of impacted communities, and businesses owned by women or members of minority groups to participate and benefit from efforts to reduce GHG emissions
  • Make use of domestically produced products
  • Promote low carbon economic development opportunities
  • Provide assistance to help households businesses and workers
NEW FUNDS FOR SPECIFIC PURPOSES

<table>
<thead>
<tr>
<th>Climate Investments Fund</th>
<th>Transportation Decarbonization Account</th>
<th>Just Transition Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authorizes biennial legislative allocations as follows:</td>
<td>• Requires Proceeds that are constitutionally dedicated to the state Highway Trust Fund will be deposited in this account.</td>
<td>• Higher Education Coordinating Commission</td>
</tr>
<tr>
<td>• 10 percent for projects, programs, and activities that benefit Indian tribes;</td>
<td>• Those funds will be designated for highway fund eligible state, county, local, or metropolitan planning organization projects that also achieve the Oregon Climate Action Program goals.</td>
<td>• 50% set aside in Reserve Account to provide financial support to dislocated workers</td>
</tr>
<tr>
<td>• A percentage not to exceed ___ allocated to the Oregon Climate Action Program Operating Fund;</td>
<td></td>
<td>• Just Transition Program</td>
</tr>
<tr>
<td>• No less than $___ allocated to the Just Transition Fund;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Provides direction on types of investments that may be made with the remainder of the funds.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Any funds determined to be subject to Article VIII, section 2 (1)(g), of the Oregon Constitution (i.e., revenues from royalty fees from fossil fuel mining/extraction in Oregon), will be transferred to the Common School Fund.
ENERGY PROJECT EXAMPLES

- **Energy efficiency and energy conservation in buildings**, low-income weatherization and support of affordable housing that is transit oriented or located near employment centers.

- **Electrical grid decarbonization efforts**, including but not limited to investments in energy generation from renewable resources, distributed energy resources, transmission and storage projects for renewable energy, demand response, community solar projects and other community-scale renewable energy projects.

- Development in Oregon of **clean energy infrastructure or technologies**, low carbon infrastructure or technologies, carbon capture and storage or carbon-free infrastructure and technologies.

- **Transportation**, including but not limited to investments in transportation electrification, transit, fuel and energy efficiency in vessels powered by marine engines.

- To assist businesses and industries with more **emissions-efficient equipment and processes**.

  - **Planning or implementation of climate action planning** by local governments and metropolitan planning organizations.
# REQUIRED REPORTS

<table>
<thead>
<tr>
<th>Name</th>
<th>From</th>
<th>To</th>
<th>Due Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Report on temporary exclusion</td>
<td>Carbon Policy Office</td>
<td>Joint Committee on Climate Action</td>
<td>Sept 15, 2024</td>
</tr>
<tr>
<td>Report on EITE benchmarks</td>
<td>Carbon Policy Office</td>
<td>Joint Committee on Climate Action</td>
<td>Nov 1 of every second compliance period</td>
</tr>
<tr>
<td>Market Activity Report</td>
<td>Carbon Policy Office</td>
<td>Joint Committee on Climate Action</td>
<td>Six months after each compliance period</td>
</tr>
<tr>
<td>Biennial Expenditure Report (1)</td>
<td>Recipients of Climate Investments Fund</td>
<td>Carbon Policy Office</td>
<td>Annually</td>
</tr>
<tr>
<td>Biennial Expenditure Report (2)</td>
<td>Recipients of Transportation Decarbonization Investments Account</td>
<td>ODOT</td>
<td>Annually</td>
</tr>
<tr>
<td>Biennial Expenditure Report (3)</td>
<td>Carbon Policy Office</td>
<td>Governor; Joint Committee on Climate Action</td>
<td>Jan 1 of each even-numbered year</td>
</tr>
<tr>
<td>Biennial Expenditure Report (4)</td>
<td>ODOT</td>
<td>Governor; Joint Committee on Climate Action</td>
<td>Jan 1 of each even-numbered year</td>
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<tr>
<td>Biennial Expenditure Audit</td>
<td>Independent third-party jointly selected by Carbon Policy Office/ODOT</td>
<td>Governor; Joint Committee on Climate Action</td>
<td>Jan 1 of each even-numbered year</td>
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<tr>
<td>Biennial Climate Action Investment Plan</td>
<td>Carbon Policy Office</td>
<td>Environmental Justice Task Force; Governor; Joint Committee on Climate Action</td>
<td>June 1 each even-numbered year</td>
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<tr>
<td>EJ Task Force Review Report</td>
<td>Environmental Justice Task Force</td>
<td>Governor; Joint Committee on Climate Action</td>
<td>Aug 1 each even-numbered year</td>
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<tr>
<td>Biennial Statewide Energy Burden Report</td>
<td>HCS and ODOE</td>
<td>Governor; Legislative Assembly</td>
<td>Nov 1 each even-numbered year</td>
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<td>Unnamed progress report (1)</td>
<td>DAS (Carbon Policy Office)</td>
<td>Joint Committee on Climate Action</td>
<td>Sept 15, 2020</td>
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<tr>
<td>Unnamed progress report (2)</td>
<td>Carbon Policy Office</td>
<td>Joint Committee on Climate Action</td>
<td>Sept 15, 2031</td>
</tr>
</tbody>
</table>
NEW COMMITTEES

• Joint Legislative Committee on Climate Action
• Compliance Offsets Protocol Advisory Committee
• Rulemaking Advisory Committee
• Citizen’s Advisory Committee
CHANGES TO EXISTING AUTHORITIES

• HB 2020 transfers DEQ’s GHG Emissions Registration and Reporting authorities and staff to the Carbon Policy Office.

• HB 2020 amends EFSC statute to remove authorities related to the Carbon Dioxide Emissions Standards and make unenforceable any site certificate conditions related to the CO2 Standards.

  • *Required Rulemaking:* The bill directs EFSC to complete rulemaking to amend or repeal any rules adopted by the Council relating to the CO2 standard as necessary to bring Council rules into compliance with the amendments made by the bill.

  • Any site certificate amendment approved by EFSC on or after January 1, 2021, shall remove all conditions and provisions related to the CO2 standard from the site certificate.

• Transitional provisions in bill governing qualified organizations

  • These provisions will be repealed on the date that the Legislative Counsel receives written notice from EFSC that the Council has confirmed that all qualified organizations that received payment of offset funds pursuant to ORS 469.503 (2)(c)(C) (2017 Edition) have ceased to be involved in the investment of the offset funds.
Thank You

Lesley Jantarasami
lesley.jantarasami@oregon.gov
Agenda Item D

The Climate Trust (Information Item)

March 22, 2019
Sheldon Zakreski, Chief Operating Officer, The Climate Trust
Outline

- About The Climate Trust
- Purpose of the Five Year Report
- About the CO₂ Standard
- Our Performance
- HB 2020 and the future of the CO₂ Standard
- Closing Thoughts
Mission: The Climate Trust mobilizes conservation finance to maximize environmental returns

- Non-profit Organization – 1997
- Committed to projects – $46M
- Climate impact- eliminated annual emissions from over 525,000 homes
- Over 95 emission reduction projects
- Compliance and voluntary programs
  - NW Natural Smart Energy, Washington CO2 Standard, develop and sell California Compliance and voluntary offsets
What’s the Purpose?

**CO₂ Standard requires it.** Qualified organization must produce a report every 5 years following the year it first received monetary pathway funds and until it has spent at least 80% on all of the offset funds it has received.

**Discuss performance.** Document the qualified organization’s performance administering the funds and what’s been the impact of our offset project purchase decisions.

**Make recommended changes to the CO₂ Standard.** Provide a regular opportunity for the qualified organization to recommend changes for Council to consider and to propose to the legislature.
What’s the Oregon CO₂ Standard?

**Site Certificate applicants.** Only applies to proposed fossil energy generation facilities seeking a site certificate.

**Benchmark.** CO₂ emissions 17% below best available control technology for a natural gas plant.

**Not an emissions standard.** Compliance options are technology-based and price-based.
What options do site certificate applicants have?

**Build a Cogeneration Plant.** Produce both heat and electricity. Production of heat displaces natural gas for heating use, which reduces CO₂ emissions. Site certificate holder must report activities on an ongoing basis to EFSC.

**Direct Offset Project Management.** Manage offset portfolio internally or hire third party contractor to manage portfolio. Site certificate holder must report activities on an ongoing basis to EFSC.

**Monetary Pathway.** Site certificate holder pays a Qualified Organization and if EFSC approves, the holder has complied with the CO₂ Standard. **TCT is the QO,** which takes on the risk of meeting QO obligations to EFSC.

Everyone has selected the Monetary Pathway option to date.
Monetary Pathway

• **Management Requirements**
  - Commit 60% of offset funds within two years of facility’s construction start date
  - Buy new offsets
  - Spend no more than 20% on management
  - Retire delivered offsets on behalf of the Oregon Program

• **Reporting Requirements**
  - Annual facility status report
  - 5 Year Report
  - Annual audit submitted and presented to EFSC

![Current Rate - $\text{\textbackslash metric ton of CO2}](chart.png)

- Offset Purchase Funds
- Offset Management Funds

Selection & Contracting: Additional 5% or $0.105 per metric ton
Performance

Four key performance metrics

Timeliness. Performance against committing 60% of offset funds within two years of facility construction start date or receipt of funds.

Financial. Status on funds obligated and remaining unobligated funds across the facilities that have made monetary payments.

Oregon Impact. Extent to which offset purchase funds have a direct financial and environmental benefit in Oregon.

Climate Impact. The effect of our purchasing decisions on reducing emissions in the past and the future.
Timelines

- Klamath Cogeneration Project (PPM)
- Coyote Springs Unit 2
- Mist Facility
- Hermiston Power Project
- Port Westward
- Molalla
- Port Westward 2
- Klamath Cogeneration Project (Iberdrola)
- Carty
- Mist 2017

Avg. = 15.5 months

N/A - site certificate predated Standard
## Financial

<table>
<thead>
<tr>
<th>Site Certificate Holder</th>
<th>Facility</th>
<th>Offset Purchase Funding</th>
<th>Obligated Funds</th>
<th>Unobligated Funds</th>
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</thead>
<tbody>
<tr>
<td>Avangrid</td>
<td>Klamath Cogen (PPM)</td>
<td>$1,592,845</td>
<td>$1,594,804</td>
<td>$0</td>
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<td>Avangrid</td>
<td>Klamath Cogen (Avangrid)</td>
<td>$2,649,222</td>
<td>$265,223</td>
<td>$2,383,999</td>
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<tr>
<td>Avista</td>
<td>Coyote Springs</td>
<td>$2,114,477</td>
<td>$1,501,333</td>
<td>$613,144</td>
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<tr>
<td>Calpine</td>
<td>Hermiston</td>
<td>$3,722,321</td>
<td>$2,530,154</td>
<td>$1,192,167</td>
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<tr>
<td>NW Natural</td>
<td>Mist</td>
<td>$18,855</td>
<td>$18,857</td>
<td>$0</td>
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<td>NW Natural</td>
<td>Mollala</td>
<td>$26,913</td>
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<tr>
<td>NW Natural</td>
<td>Mist 2017</td>
<td>$42,551</td>
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<td>$0</td>
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<td>Portland General Electric</td>
<td>Port Westward</td>
<td>$4,320,452</td>
<td>$3,243,419</td>
<td>$1,077,033</td>
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<td>Portland General Electric</td>
<td>Port Westward 2</td>
<td>$3,532,388</td>
<td>$1,322,105</td>
<td>$2,210,283</td>
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<td>Portland General Electric</td>
<td>Carty</td>
<td>$6,332,879</td>
<td>$4,551,645</td>
<td>$1,781,234</td>
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<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>$24,352,903</strong></td>
<td><strong>$15,097,008</strong></td>
<td><strong>$9,257,860</strong></td>
</tr>
</tbody>
</table>
Oregon Focus

• Funded 18 projects
  • $7.9M commitment
• In-state purchases currently 52 cents to the dollar
• Retired 1.2M metric tons
  • Equivalent to annual energy use from 143,000 homes
Climate Impact

- Funded 38 projects
  - $15.1M obligation
- Retired 3M metric tons
  - Equivalent to annual energy use from 288,000 homes
  - Forecast to retire an additional 580,000 metric tons based on current commitments

*Farm Power Mist Meadow Dairy Digester Project, Tillamook*
The Future of the CO$_2$ Standard
Cap & Trade - HB 2020

Top legislative priority. Covers 80% of the economy. Start date January 1, 2021

Cap declines over time. Current ~56M mt CO₂e to 14m mtCO₂e in 2050.

8% Offsets Limit. TCT active in policy discussion. Plan to be active in the market.

Amends CO₂ Standard. Sunsets for facilities. Sunsets for TCT when certain milestones met

The Climate Trust is supportive of how HB 2020 addresses the CO2 Standard
What are those milestones?

We’ve spent at least 80% of the offset funds.
- Approximately $24.3M.
- Current forecast is to spend all of our offset purchase funds in the mid-2020s.
- Depends on yet to be identified future offset project performance.

We submit a final report.
- Due to Council the year after the year we spent at least 80% of all of our offset funds.
The Final Report


Agree on core metrics. Recommend TCT and Council agree in advance on core metrics in the Final Report. Provides clarity, transparency, and enables us to ensure we’re tracking and archiving the right data.

Proposed metrics.

- Financial report on funds spent by facility;
- Oregon impact report on economic and climate impact of Oregon projects that were funded;
- Projects report on funds received by each project and emission reductions generated

Open to discussion
Takeaways

Met the 60% of funds committed in two years requirement in 15.5 months on average.

Obligated $15.1M of $24.3M of offset purchase funds received.
  $13.1M spent to date. $2M obligated to contracts with future deliveries.

52% of obligated dollars spent in Oregon.

Retired offsets equivalent to eliminating annual emissions from 288,000 homes.

Supportive of HB 2020 amendments to the CO₂ Standard.

Propose core metrics on financial, Oregon impact and project detail for the final report.
THANK YOU
Agenda Item E

PUBLIC COMMENT
BREAK
Agenda Item F
(Information Item)

Summit Ridge Wind Farm:
Presentation on Draft Proposed Order on
Request for Amendment 4

March 22, 2019

Presented by:
Luke May, Siting Analyst
Sarah Esterson, Siting Analyst
Presentation Overview

• Certificate Holder, Facility Description, Site Boundary Location
• Request for Amendment 4 (RFA4)
• RFA4 Procedural History
• Council Scope of Review
• Continuation of Council’s Review of the Draft Proposed Order and Comments
## Facility Overview

<table>
<thead>
<tr>
<th>Certificate Holder:</th>
<th>Summit Ridge Wind, LLC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Certificate Holder Parent Company:</td>
<td>Pattern Renewables 2 LP; Subsidiary of Pattern Energy Group 2 LP</td>
</tr>
<tr>
<td><strong>Type of Facility</strong></td>
<td><strong>72 wind turbines (which would generate approximately 194.4 MW)</strong></td>
</tr>
</tbody>
</table>
| **Related or Supporting Facilities:** | **- collector substation**  
**- O&M building**  
**- meteorological towers**  
**- power collection system**  
**- transmission lines**  
**- SCADA**  
**- access roads and crane paths** |
Facility Site/Site Boundary Location 1 of 2

**Site Boundary**
- Contains approximately 11,000 acres
- Private land, within Wasco County

**Site Certificate History**
- Site Certificate effective August 19, 2011
- Site Certificate Amended three Times:
  - August 2015
  - November 2016
  - December 2017
RFA4 – Requested Modifications

Construction Deadline Extension
• Commencement deadline extended from August 19, 2018 to August 19, 2020
• Completion deadline extended from August 19, 2021 to August 19, 2023

Condition Changes
• Condition 4.1
• Condition 4.2
## RFA4 Procedural History

<table>
<thead>
<tr>
<th>Requirement</th>
<th>Responsible Party</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preliminary Request for Amendment 4</td>
<td>Certificate Holder</td>
<td>August 17, 2018</td>
</tr>
<tr>
<td>Complete RFA4 Received</td>
<td>Certificate Holder</td>
<td>January 14, 2019</td>
</tr>
<tr>
<td>Draft Proposed Order Issued (Type B)</td>
<td>ODOE</td>
<td>January 16, 2019</td>
</tr>
<tr>
<td>Draft Proposed Order Re-Issued (Type A)</td>
<td>ODOE</td>
<td>February 1, 2019</td>
</tr>
<tr>
<td>Comment Period (37-days)</td>
<td>ODOE</td>
<td>January 16 – February 22, 2019</td>
</tr>
<tr>
<td>Public Hearing</td>
<td>EFSC</td>
<td>February 22, 2019</td>
</tr>
<tr>
<td>Proposed Order/Public Notice and Notice of Contested Case Issued</td>
<td>ODOE</td>
<td>TBD</td>
</tr>
<tr>
<td>Contested Case Proceeding</td>
<td>EFSC</td>
<td>TBD</td>
</tr>
<tr>
<td>Final Order/Amended Site Certificate</td>
<td>EFSC</td>
<td>TBD</td>
</tr>
</tbody>
</table>
Council’s Scope of Review

Construction Deadline Extension Requests:

• Whether there have been any “changes in facts or law” [345-027-0075(2)(b);
• Whether the facility complies with all Council standards (after considering any change in fact or law). The Council must make findings under the “preponderance of evidence” standard [OAR 345-027-0075(2)(b)]
• Consider “how many extensions it has previously granted” in determining whether to grant an amendment [OAR 345-027-0085(5)(c)]

Draft Proposed Orders:

• Review Draft Proposed Order
• Consider all comments received on record of Draft Proposed Order public hearing
• Provide comments to Staff for consideration in the Proposed Order
Council Rules for Deadline Extensions

If site certificate approved after October 2017 (NOT applicable to Summit Ridge):

• Deadline will be the later of
  • 3 years from the deadlines currently in effect or;
  • 2 years after granting an amendment, if the amendment went through a contested case proceeding [OAR 345-027-0085(3)(a-b)]

• Council may grant a maximum of 2 construction deadline extensions [OAR 345-027-0085(4)]

If site certificate approved before October 2017 (applicable to Summit Ridge):

• Council is not bound by the time constraints described above.
I think that we should discuss how we want to approach this slide. Or whether Patrick wants to draft the slide based on his overview of Council scope of review.

Luke May, 3/18/2019
Review of Public Comments

• All comments received on the record have been provided to Council and are available on ODOE website (PDF)

• Comments reviewed at Feb. 22, 2019 Council meeting
  • Certificate holder
  • Comments of similar scope (~1,000 comments received)
    • Issues raised include: economic feasibility of project; raptor surveys; habitat mitigation; Federal Eagle Protection; impacts to avian species; Oregon Supreme Court review of amendment rules; Division 21 rules relating to climate change and disaster resilience; visual concerns.
Comment Review Overview

Set 1: Division 27 Comments: “Invalid” rules; consideration of all comments; explanation of need and number (deadline extension)

Set 2: Plant and wildlife impact assessment; habitat mitigation

Set 3: O&M building water well; visual/noise impacts; public health and safety; facility generating capacity; roads
Comment Review - Set 1 – OAR Chapter 345 Division 27

• “Invalid rules”
• Consideration of all comments
• Explanation of need and number (deadline extension)
Friends of Columbia River Gorge

Comment 1
• Because the Request for Amendment was submitted pursuant to invalid rules, it cannot be processed and must be denied.

Response
• The rules were adopted by the Council are valid unless held otherwise by the Oregon Supreme Court.
• Prior rules that required the certificate holder to submit an amendment request at least 6 months in advance of the construction deadline are not applicable to this project because that rule was repealed.
Comment 2

- Pattern failed to adequately explain or demonstrate any need for the requested third round of two-year extensions

Response

- Rules do not require the Council to make a finding on the “explanation of need.”
- Rules do not provide evaluative criteria to determine the sufficiency of the reasons provided by the applicant.
- Certificate holder has cited to reasonable justifications as to why a construction deadline request is necessary.
- Council is required to evaluate the “how many” extensions it has previously granted in determining “whether to grant a request for amendment for a deadline extension.” [OAR 345-027-0085]
Comment 4
• The Council must be provided with, and must consider, all written comments received on the record of the hearing before taking any action.

Response
• The Council was provided all comments received before the close of the public record (record closed at 11:51 a.m. on February 22, 2019).
• The Department is currently creating an excel spreadsheet that contains the name, address, and e-mail address (if applicable) of all commenters. This will be provided as an attachment to the Department’s Proposed Order.
Comment Review - Set 2 – Plant and Wildlife Impacts and Mitigation
Wildlife Impacts and Mitigation

Smallwood
Comment 1: Habitat mitigation to include habitat loss from displacement
Comment 2: Applicability of USFWS’s Eagle Take Rule and Eagle Conservation Plan Guidance
Comment 3: Cumulative Impact Assessment
Comment 4: Post-Construction Monitoring and Mitigation
Comment 5: Detection Surveys
Plant and Wildlife Impacts and Mitigation

Friends of Columbia River Gorge
Comment 3: F&W Habitat and T&E Standards not satisfied; WCLUDO Section 19.030.C.5 not satisfied

Gilbert/Friends of Grande Ronde Valley
Comment 2a: Groundwater impacts
Comment 2c: Condition 10.7 and raptor/golden eagle protection
Comment 3: Weed Management Plan
Comment 4: Raptor nest surveys
Comment 6: Category 2 habitat mitigation
Comment 8: Wildlife Monitoring and Mitigation Plan
Comment 9: Condition 10.5 and seasonal restriction variance
Comment 10: Condition 10.13 and Survey Area
Comment Review - Set 3

- O&M building water well
- Visual/noise impacts
- Public health and safety
- Facility generating capacity
- Roads
Comment 1
• The Department inappropriately classified the water used at the O&M building as “domestic.” Comment argues that O&M water use is “industrial.”

Response
• The Department relied on prior discussions with the Oregon Water Resources Department (OWRD)
• OWRD interprets its own rules such that the distinction between “domestic” and “industrial” use is evaluated by the “nature of use,” as opposed to the nature of the entity applying for the use
Comment 2b

• Argues that the facts presented within the record demonstrate a significant visual impact to the Deschutes Wild and Scenic River

• Argues that RFA4 is not consistent with the Wasco County Comprehensive Plan Goal 5 and Goal 6

Response

• Council previously approved the facility, with visibility from 5 different turbine locations along the river

• Visual simulations provided as next slides
Viewpoint Locations in Relation to Site Boundary
Viewpoint 1: Game Commission Camp
Viewpoint 2: Bedsprings
Viewpoint 3: Snake In the Box
Comment 2d

• Turbine noise would result in a significant adverse impact to recreational opportunities.

Response

• Noise analysis utilized the Computer Aided Noise Abatement (CadnaA), version 3.72, 2009 software program.

• Includes sound propagation factors adopted from International Organization for Standardization’s (ISO) 9613 “Attenuation of Sound during Propagation Outdoors” to account for distance, atmosphere and ground attenuation.

• Atmospheric absorption was computed in accordance with ISO 9613-1 and ISO 9613-2 Simple Ground Procedure, which accounts for noise source, height, and distance.
Comment 5

• The Department’s recommended amended Condition 5.5, which would remove the restriction that the facility generating capacity be limited to 194.4 MW, would be inconsistent with OAR 345-025-0006(3) and ORS 469.407.

Response

• OAR 345-025-0006(3) is a mandatory condition included in all site certificate and requires that the certificate holder design, construct and operate the facility substantially as described in its ASC; and in compliance with other state permit requirements and any other applicable requirements. Removal of the generating capacity limitation does not absolve the certificate holder from its obligation to meet OAR 345-025-0006(3).

• The statute cited in the comment (ORS 469.407(1)), relates to base load gas plants, and is not applicable to Summit Ridge.
Comment 7

• Based on the site boundary, new or substantially modified roads required to support facility construction and operation would be needed and have not been included in the site certificate and therefore the Council’s General Standard of Review (OAR 345-022-0000) and all other OAR Chapter 345 Division 22 would not be satisfied.

Response

• Site boundary and approved micrositing corridor extends 1,300-feet from facility components. Once issued, the site certificate is a binding, contractual agreement between the certificate holder and the State of Oregon, which restricts construction activities to areas within the site boundary.
Comment 11
• Council’s prior approval of a variance to a WCLUDO setback requirement fails to comply with the Council’s Public Health and Safety Standards for Wind Facilities Standard (OAR 345-024-0010); the certificate holder failed to address the hazards associated with ice throw.

Response
• WCLUDO 19.030 addresses risks associated with tower collapse, not ice throw or blade failure.
• Condition 7.6 requires installation of software to shut down turbine operation if abnormal vibrations are detected.
• Department intends to clarify findings in its Public Health and Safety section of the Proposed Order to indicate that the precautions set forth in Condition 7.6 would monitor conditions that would indicate a risk for blade failure or ice throw.
• Wasco County confirmed that they consent to the setbacks.
Council Deliberation
Adjourn