



Oregon

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To: Oregon Energy Facility Siting Council

From: Chase McVeigh-Walker, Senior Siting Analyst

Date: October 11, 2019

Subject: Agenda Item B (Action Item): Shepherds Flat Central – Council Review of Proposed Order on Request for Amendment 2 (RFA2) for the October 25, 2019 EFSC Meeting

Attachments: Attachment 1: Draft Proposed Order on Request for Amendment 2

Background

Shepherds Flat Central (facility) is an operational wind energy facility located in both Gilliam and Morrow County, south of Interstate Highway 84, between State Highway 19 and 74. The facility includes approximately 116 wind turbines with a maximum generating capacity of 290 megawatts, a 34.5 kV electrical collection system, a collector substation, a 230 kV interconnection transmission line, two meteorological towers, a field workshop, supervisory control and data acquisition system, and access roads.

The certificate holder, South Hurlburt Wind, LLC (certificate holder), a wholly owned subsidiary of Caithness Energy, LLC, a subsidiary of Caithness Equities Corporation, submitted a complete Request for Amendment 2 (amendment request or RFA2) on September 23, 2019. The amendment request seeks Council's approval of a second amended site certificate to: amend site certificate Condition 26, authorizing a lower minimum aboveground wind turbine blade tip clearance, from 25 to 21.5 meters, for two specific wind turbines (Turbines 368 and 370, or T368 and T370) based on a proposed "repowering" demonstration activity that would replace wind turbine blades and modify nacelles on the two turbines. The amendment is being reviewed under the Type B amendment review process.

On September 24, 2019, the Oregon Department of Energy (Department) issued its draft proposed order (DPO) recommending that Council approve RFA2. On the same day, the Department also issued a notice of a public comment period on the amendment request and DPO. The comment period extends from September 24 through October 15, 2019, which represents a 21-day comment period. This amendment request is being processed under Council's Type B review process, and therefore does not include a public hearing on the draft proposed order nor an opportunity to request a contested case proceeding on the proposed order. Due to an administrative issue, approximately 33 individuals will receive three extra days

in the comment period, closing on October 18, 2019. Those individuals were sent a separate notice informing them of the comment period.

During the Department's review of the amendment request (prior to the issuance of the Draft Proposed Order), the Department received one comment from a reviewing agency, the Oregon Department of Fish and Wildlife (ODFW). ODFW's comment is included as Attachment B of the DPO. The DPO is included as Attachment 1 to this staff report.

As of the issuance of this staff report, no comments on the DPO have been received. Any written comments received during the comment period will be transmitted to Council electronically, prior to the October 25 Council meeting. All comments will also be included in an attachment to the proposed order, which will be prepared and released after the close of the public comment period. At the October 25, 2019 Council meeting, the Department will present to Council a summary of the RFA2, the DPO, comments received on the DPO, and the Department's proposed order which will be prepared after the close of the public comment period.

Summary of Draft Proposed Order

Pursuant to OAR 345-027-0365, the Draft Proposed Order addresses each of the Council standards, and comments received on the record during the completeness review phase, and recommends that Council find that the facility, with proposed modifications, would comply with, or based on compliance with existing and recommended amended site certificate conditions, each of the Council standards.

As presented in the Draft Proposed Order, the Department does not recommend any changes in conditions between the existing Site Certificate and the Draft Proposed Order on RFA2 for the following standards and applicable rules. As such, these standards are not further addressed in this staff report. However, the Department has conducted a full review of these standards, which can be found in the respective sections of the DPO.

- Organizational Expertise
- Soil Protection
- Land Use
- Protected Areas
- Retirement and Financial Assurance
- Threatened and Endangered Species
- Scenic Resources
- Historic, Cultural and Archeological Resources
- Recreation
- Public Services
- Waste Minimization
- Cumulative Effects Standard for Wind Energy Facilities

- Siting Standards for Transmission Lines
- Removal-Fill Law
- Water Rights

Based on the scope of the requested amendment, the draft proposed order includes analysis and findings and recommended new or amended site certificate conditions related to the following standards:

Division 22 Standards

- General Standard of Review
 - Staff recommends Council adopt new Site Certificate Condition 104 to specify that the status of the proposed RFA2 actions to be reported to the Department, allowing the Department the ability to track activities and applicable requirements for the activity.
- Structural Standard
 - Staff recommends Council adopt new Site Certificate Condition 105 to address foundation crack issues identified at wind turbine 368 and potential load fatigue issues at wind turbines 368 and 370.
- Fish and Wildlife Habitat
 - Staff recommends minor administrative changes to Condition 83 to update the referenced location of the Wildlife Monitoring and Mitigation Plan (WMMP), as an attachment to the *Final Order on Amendment #1*, to now represent the WMMP as an attachment to the *Final Order on Amendment #2*.
 - Staff recommends Council amend Site Certificate Condition 84 to clarify that the requirements of the Revegetation Plan apply to areas temporarily disturbed during the proposed activities associated with RFA2.

Division 24 Standards

- Public Health and Safety Standards for Wind Energy Facilities
 - Staff recommends Council amend Site Certificate Condition 26 to specify the minimum blade tip clearance for wind turbines T368 and 370, from 25 meters (82 feet) to 21.5 meters (70.5 feet).
 - Staff recommends Council adopt new Site Certificate Condition 106 to require the certificate holder to submit a Notice of Proposed Construction and Alteration to the FAA and ODA, accounting for the increase in maximum height at T368 and T370.

Other Applicable Regulatory Requirements Under Council Jurisdiction

- Noise Control Regulations
 - Staff recommends Council adopt new Site Certificate Condition 107 to require the certificate holder to provide manufacturer verified noise specifications for

T368 and 370, to verify ongoing compliance with applicable DEQ noise requirements.

Staff Recommendations

The Department recommends Council adopt the proposed order as the final order and grant an amended site certificate.

Attachments

Attachment 1: Draft Proposed Order on Request for Amendment 2

**Attachment 1: Draft Proposed Order on Request for Amendment 2 of the Shepherds Flat
Central Site Certificate**