Oregon Department of ENERGY

Energy Facility Siting Council Meeting

Virtual Meeting – Teleconference and Zoom

October 22-23, 2020
Opening Items:

- Call to Order
- Roll Call
- Announcements
Announcements:

• Reminder that this meeting is being held in its entirety via teleconference and webinar.

• Reminder to Council and to anyone addressing the Council to please remember to state your full name clearly, and do not use the speakerphone feature, as it will create feedback.

• You may sign up for email notices by clicking the link on the agenda or the Council webpage.

• You are also welcome to access the online mapping tool and any documents by visiting our website.

• Those participating by phone, 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:

- For those signed onto the webinar, please do not broadcast your webcam.
- Please silence your cell phones.
- Please use the “Raise Your Hand” feature in Webex to speak during the public comment period.
- 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

- Consent Calendar
- Council Secretary Report
Safe Public Meetings and Hearings Rulemaking
Public Hearing

October 22, 2020
Christopher M. Clark, Siting Policy Analyst & Rules Coordinator
Hearing Overview

• Summary of Proposed Rules

• Procedural History

• Conduct of Hearing
Summary of Proposed Rules

• Proposed new rule is intended to allow the Council or Chair to waive any provision of rule requiring that a public meeting or public hearing be held in person or in a specific geographical area, if the Council or Chair finds that in-person attendance at the meeting or hearing would present a risk to public health or safety or the health and safety of the participants.

• Rule does not apply to public meetings or hearings that must be held in person or in a specific geographical area under ORS chapter 469 or contested case hearings under ORS chapter 183.
## Procedural History

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<td>TBD</td>
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<tr>
<td>Permanent Rules are Effective</td>
<td>TBD</td>
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</tbody>
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Conduct of Hearing

• If you wish to provide oral comments:
  • Please “raise your hand” using the Webex Application at this time.
  • When your name is called, state your name and the name of any organization you represent for the record.
  • Summarize any written material and email it to the address below.
  • The Council will not respond to questions or comments during the hearing.

• Written comments must be received by 6:00 pm to be considered. Email all written comments or materials to: efsc.rulemaking@oregon.gov
Safe Public Meetings & Hearings
Rulemaking Hearing
Council Review of Amended Wildlife Monitoring and Mitigation Plans for Wheatridge Renewable Energy Facility I and II (WREFI and WREFII)

October 23, 2020
Sarah Esterson, Senior Siting Analyst, Oregon Department of Energy
Overview

• Mitigation Plan Amendments
  • Overview of Plan Amendments/Review Process
  • Relation to Site Certificate
  • Council Scope of Review

• Facility and Facility Site Location

• Staff Recommendations
Request to Amend WMMP

Post Construction Bird/Bat Fatality Monitoring (PCFM) Program

• Update terminology to reflect current industry standard descriptions of post construction monitoring methods;
• More detail on the standardized carcass search methods and search strategy proposed for each target size classes;
• Update searcher efficiency trial language and update number of carcasses placed for each target size class;
• Update incidental finds language to clarify how those finds would be incorporated into fatality rates;
• Update the fatality estimator from Shoenfeld to the United States Geological Survey’s Generalized Mortality Estimator (GenEst) tool
Review Process

• ODOE and certificate holder consulted with ODFW on proposed changes (December through September)

• ODOE and ODFW reviewed citations, literature and GenEst
  o Further evaluated basis for search plot size, interval and correction factors
Council Scope of Review

Condition PRE-FW-02 (WREFI and WREFII):

Prior to construction, the certificate holder shall finalize and implement the Wildlife Monitoring and Mitigation Plan (WMMP).... The WMMP may be amended from time to time by agreement of the certificate holder and the Oregon Energy Facility Siting Council (“Council”). Such amendments may be made without amendment of the site certificate. The Council authorizes the Department to agree to amendments to this plan. The Department shall notify the Council of all amendments, and the Council retains the authority to approve, reject, or modify any amendment of the WMMP agreed to by the Department.
Basis for condition allowing Department review of plan amendments =

ORS 469.402:

“If the Energy Facility Siting Council elects to impose conditions on a site certificate or an amended site certificate, that require subsequent review and approval of a future action, the council may delegate the future review and approval to the State Department of Energy if, in the council’s discretion, the delegation is warranted under the circumstances of the case”
## WREFII Facility Overview

<table>
<thead>
<tr>
<th>Certificate Holder:</th>
<th>Wheatridge Wind II, LLC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parent Company:</td>
<td>NextEra Energy Resources, LLC</td>
</tr>
</tbody>
</table>
| Type of Facility:   | 550 MW wind and solar facility, to be built in phases  
                      Phase 1 (under construction): 200 MW (80 wind turbines)  
                      Phase 2 (approved): 350 MW wind/solar (up to 172 wind turbines or 900 acres of solar facility components, or any combination not to exceed 350 MW) |
| Facility Location:  | Morrow and Umatilla counties (approved)  
                      Morrow (under construction) |
WREFl Facility Overview

Certificate Holder: Portland General Electric Company

Type of Facility: 100 MW wind (under construction)

Facility Location: Morrow County
Recommendations

- Based on review, ODOE and ODFW recommend approval of the updated methodology for the PCFM Program, and approval of amended WMMPs.
Agenda Item D
(Action Item)

Initiation of Protected Areas, Scenic Resources, and Recreation Rulemaking

October 23, 2020
Christopher M. Clark, Siting Policy Analyst & Rules Coordinator
Overview

• Background
• Need and Authority for Rules
• Recommended Scope and Objectives
• Potential Impacts on Stakeholders
• Method for Obtaining Input
• Projected Timeline
• Council Deliberation & Decision
Background

• In the 2020-2022 Rulemaking Schedule Update, Council authorized staff to begin preliminary review of the Protected Areas, Scenic Resources and Recreation Standards.

• Rulemaking is intended to ensure that the standards and associated rules are up to date, clear, and consistent with the Council’s review process.
The Protected Areas Standard provides that, except for certain transmission lines and pipelines:

• The Council may not issue a site certificate for a facility proposed to be located in a Protected Area.

• To issue a site certificate for a facility proposed to be located outside of a protected area, the Council must find that, taking into account mitigation, the construction and operation of a facility is not likely to result in significant adverse impacts to a Protected Area.

• Protected Areas are listed in the rule.
Areas Protected under the Standard Include

- National Parks
- National Monuments
- Wilderness Areas
- National and State Wildlife Refuges & Wildlife Areas
- National Coordination Areas
- National and State Fish Hatcheries
- National Recreation and Scenic Areas
- State Parks and Waysides
- State Natural Heritage Areas
- State Estuarine Sanctuaries
- State Scenic Waterways
- Wild and Scenic Rivers
- OSU Agricultural Experimental Stations & Research Forests
- BLM National Landscape Conservation System Lands
The Scenic Resources Standard provides that to issue a site certificate for most facilities, the Council must find that the design, construction and operation of the facility, taking into account mitigation, is not likely to result in significant adverse impact to scenic resources and values identified as significant or important in local land use plans, tribal land management plans and federal land management plans for any lands located within the analysis area described in the project order.
• The Recreation Standard provides that to issue a site certificate for most facilities, the Council must find that the design, construction and operation of a facility, taking into account mitigation, are not likely to result in a significant adverse impact to important recreational opportunities in the analysis area as described in the project order.

• Rule provides criteria that Council must consider when judging whether or not a recreational opportunity is important.

Photo: Oregon State Parks
Need and Authority for Rules

• ORS 469.470(2) requires the Council to adopt standards for the siting, construction, and operation of energy facilities.

• ORS 469.501 identifies areas designated for protection by the state or federal government, and impacts of the facility on recreation, scenic, and aesthetic values as areas that may be addressed by Standards.

• The Protected Areas and Scenic Resources Standards were last amended in 2007. The Recreation standard was last amended in 2002.
Scope & Objectives

• Objectives of rulemaking is to ensure that the language of the Standards clearly identifies important resources the Standard intends to protect, and to ensure that the Standards are consistent with the policy set forth in ORS 469.310.

• Staff recommends the following issues be addressed by proposed rules:
  • Evaluating options to provide notice to Protected Area managers
  • Improving consistency in the scope of required findings between the Standards
  • Updating and clarifying the list of Protected Areas
  • Considering Outstanding Resource Waters as Protected Areas
  • Clarifying exceptions in the Protected Areas Standard
  • Addressing scenic resources or values identified in state land management plans

• In addition Staff recommends Council consider additional issues rules raised by stakeholders.
BREAK
Potential Impacts on Stakeholders

- Proposed rules could result in some potential fiscal or economic impacts on applicants if resources protected under the standards are expanded, including:
  - Increased information and analysis needed to satisfy the standards
  - Additional costs of mitigation or avoidance of impacts.

- Impacts would only apply to future applications and would be highly dependent on the size, type, and location of a proposed facility.
Method for Obtaining Rulemaking Advice

• Staff recommends Council solicit advice from the public to assist in the development of proposed rules before initiating formal rulemaking proceedings.

• In addition to advice on the scope and issues for rulemaking, staff recommends Council request stakeholder input whether rule changes would have a fiscal impact, what the extent of that impact would be and whether rule changes could have a significant adverse impact on small businesses.

• An opportunity for formal public comments will also be provided after Council issues its Notice of Proposed Rulemaking.
# Projected Rulemaking Timeline

<table>
<thead>
<tr>
<th>Permanent Rulemaking Steps</th>
<th>Projected Date</th>
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<tbody>
<tr>
<td>Council Initiation of Rulemaking</td>
<td>October 22, 2020</td>
</tr>
<tr>
<td>Staff Solicits Written Advice</td>
<td>Nov-Dec 2020</td>
</tr>
<tr>
<td>Council considers Proposed Rules/Issues NOPR</td>
<td>Jan 2021</td>
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<tr>
<td>Rulemaking Hearing &amp; Public Comment Deadline</td>
<td>March 2021</td>
</tr>
<tr>
<td>Council Consideration of Public Comments/Permanent Rules</td>
<td>March 2021 (or later)</td>
</tr>
<tr>
<td>Permanent Rules are Effective</td>
<td>April 2021 (or later)</td>
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</table>
Recommendations

- Staff recommends Council initiate informal proceedings to develop proposed revisions to the Council’s Protected Areas, Scenic Resources, and Recreation Standards and associated rules. Staff has provided its preliminary analysis of issues it has identified to be addressed through this project in Attachment 1.

- Staff further recommends the Council solicit and consider written advice from stakeholders to assist in the development of proposed rules and the associated fiscal impact statements. In addition to soliciting advice on the issues and alternatives identified by staff, staff recommends Council consider additional issues or alternatives identified in stakeholder advice.
Council Decision

**Option 1**
Initiate Rulemaking and solicit advice as recommended.

**Option 2**
Initiate Rulemaking and solicit advice, with modifications

**Option 3**
No Action
Agenda Item E
(Action Item)

Biennial Fee Update

October 23, 2020
Sisily Fleming, Fiscal Analyst, ODOE
Biennial Fee Update

ORS 469.441(1)

• Council shall update the schedule of fees not later than January 1 of each odd-numbered year

• The schedule of fees shall be designed to recover the council’s actual costs

• Fees shall be based on actual, historical costs incurred by the council and department to the extent historical costs are available.

• Fees shall reflect the size and complexity of the project
# Biennial Fee Update

Adjustments proposed for inflation:

<table>
<thead>
<tr>
<th>NOTICE OF INTENT (NOI)</th>
<th>Proposed 1/1/21</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OPTION A: Customized NOI Approach (Applies to all Facility Types)</strong></td>
<td></td>
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<tr>
<td>Initial Filing Fee</td>
<td>$5,000</td>
</tr>
<tr>
<td>Custom NOI Fee (Based on Cost Estimate)</td>
<td>not less than $40K</td>
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<tr>
<td></td>
<td>No Change</td>
</tr>
<tr>
<td><strong>OPTION B: Standard NOI Approach</strong></td>
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</tr>
<tr>
<td>Natural Gas Fired Generation</td>
<td>$57,000</td>
</tr>
<tr>
<td>BioFuels</td>
<td>$68,000</td>
</tr>
<tr>
<td>Electrical Transmission</td>
<td>$131,000</td>
</tr>
<tr>
<td>Pipeline Transmission</td>
<td>$131,000</td>
</tr>
<tr>
<td>Wind, Solar, Geothermal, &amp; All Other Generation</td>
<td>$40,000</td>
</tr>
</tbody>
</table>
Boardman Coal Plant Shutdown

October 23, 2020
Lenna Cope, Senior Environmental Scientist, Portland General Electric
Boardman History

- Site Certificate Application first submitted February 28, 1973
- Site Certificate Approved March 24, 1975
- Began commercial operation August 3, 1980
- Amended nine times, last time May 2013
- Final Day of Operation October 15, 2020
  Total of 97,039,654 MWhr
D/D Approach

Boardman-Carty Separation Evaluation

Coal Yard Reclamation

Site Certificate Permitting

ID Power Negotiations

Decommissioning

• Clean out equipment
• Remove any remaining coal
• Vegetate coal yard
• Asset disposition

Ash Disposal Area Design and Closure

Overarching Activities

• HR management
• Operational activities
• Financial management

10/15/2020 Final Day of Operation
Buildings/Items to Remain

- Fire station
- Water tank
- Construction Sub
- Diesel fuel tank
- Transmission TBD
- Parking Lots
- Intake Structure
- Discharge channel
- 230kV transformer
- Rail throughout site
- Rail throughout site
End of Operations

• Proposed date to cease burning coal was established for October 16, 2020
  • Balance between operating into Q4 versus being stuck with significant coal on the ground on December 31, 2020
• Actual closure date October 15, 2020
• After the plant shuts down, workers not remaining for decommissioning will have their exit physicals, testing, and closeout activities
• Post-closure security will continue through 2021
Plant Workers

- PGE is committed to helping its employees at the Boardman Plant make successful life and employment transitions
  - Comprehensive retention and severance packages
  - Working with employees to find other positions within the company
  - Offering education and job training benefits
- Plant staff will be used for decommissioning
- Layoff/retirements will be phased with milestones at the end of:
  - Operation
  - 2020
  - Decommissioning
  - Demolition
Carty Independence

- Boardman and Carty plants share infrastructure that must be separated prior to demolition.
- Carty infrastructure separation includes:
  - Septic
  - Backup power
  - Potable water controls
  - Fire water line
  - Intake structure
- Carty reservoir operations being evaluated to minimize cost.
- Design and construction is outside of decommissioning fund.
- 2021 for construction work.
- Carty independence is the critical path for the decommissioning process.
Coal Yard Reclamation

- Reclamation ongoing, started late March, finish early November 2020
- Coal reclaimed for power production = ~39,700 tons through October 11
- Revegetate area at completion of reclamation
Ash Disposal Area Closure

- Ash disposal area
  - Designing geomembrane cap
  - Construction in 2021
  - 30 years of groundwater monitoring and O&M
Decommissioning: Agreements and Assets

- Update permitting and agreements
  - Carty Site Certificate Amendment in Q4 2020
  - Termination:
    - Multi-Species Candidate Conservation Agreement with Assurances (MSCCAA) in 2020
    - Boardman Site Certificate in 2021

- Asset disposition
  1. Other plants identified assets they want
  2. Look to scrappers or specific vendors to buy items
  3. Remaining material goes to demolition contractor
Idaho Power Negotiations

- Idaho Power (IPC) owns 10% of the plant; therefore, is responsible for 10% of cost
- Developing Memorandum of Understanding covering:
  - Reimbursement of asset transfers
  - Real property disposition
  - Working together during decommissioning/demolition
  - Budgeting
  - Long-term management of ash disposal area (groundwater monitoring, retaining share of liability)
Decommissioning and Demolition Schedule

- Decommissioning
  - October – November 2020 – plant stabilization
    - Contracting out safety oversight
  - December 2020 – June 2021 – make site cold, dark and dry
  - June 2021 – December 2021 – caretaker mode (minimal staff onsite)

- Demolition
  - Request for Qualifications – 2020
  - Request for Proposals/select demolition contractor – 2021
  - Demolition – 2022 through 2023
  - Site to be restored to gravel or vegetated with native plantings
## Costs

<table>
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<tr>
<th>Task</th>
<th>Cost</th>
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<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planning &amp; design</td>
<td>$1,800,000</td>
<td>Demolition scrap credit</td>
<td>($5,828,000)</td>
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<tr>
<td>Decommissioning</td>
<td>$2,500,000</td>
<td>Employee retention and severance</td>
<td>$13,805,000</td>
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<tr>
<td>Coal yard reclamation</td>
<td>$2,750,000</td>
<td>Rail car lease termination</td>
<td>$447,000</td>
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<tr>
<td>Ash Disposal Area closure</td>
<td>$8,446,000</td>
<td>Inventory/Storeroom end of life removal</td>
<td>$8,100,000</td>
</tr>
<tr>
<td>Environmental assessment &amp; removal</td>
<td>$400,000</td>
<td>Inventory/Storeroom scrap credit</td>
<td>($810,000)</td>
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<tr>
<td>ERM abatement</td>
<td>$7,247,000</td>
<td>Site security</td>
<td>$250,000</td>
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<tr>
<td>Demolition</td>
<td>$25,504,000</td>
<td>Nominal cash flow of ongoing site operation and maintenance</td>
<td>$3,789,000</td>
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<tr>
<td>Construction management</td>
<td>$3,275,000</td>
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</tr>
<tr>
<td>10% Contingency on overall demolition</td>
<td>$3,603,000</td>
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</tr>
<tr>
<td></td>
<td></td>
<td>OVERALL TOTAL</td>
<td>$75,287,000</td>
</tr>
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</table>

IPC responsible for 10% of costs  
Schedule 145 collections through May 2020 = $58.9M
Summary

- Safety is critical and primary success factor
- Last day of operation 10/15/2020
- Managing staff accordingly
- Significant work to be performed over next several years
- Carty independence is the critical pathway
- Many groups across the company are providing input and support to the overall program
Agenda Item H
(Action Item)

Council Appointment to The Climate Trust’s Oregon Offset Committee

October 23, 2020
Todd Cornett, Siting Division Administrator/Council Secretary
The Climate Trust

- Sole Qualified Organization

OAR 345-001-0010(49)(c)(B) - Require that decisions on the use of the offset funds are made by a decision-making body composed of seven voting members of which three are appointed by the Council (emphasis added), three are Oregon residents appointed by the Bullitt Foundation or an alternative environmental nonprofit organization named by the body, and one is appointed by the applicants for site certificates that are subject to OAR 345-024-0550, 345-024-590, and 345-024-0620 and the holders of such site certificates; and

- The Climate Trust Board – original decision-making body

- The Oregon Offset Committee – current decision-making body
Council Appointees to Oregon Offset Committee

• **Ryan McGraw** – Formerly the President of Orion Energy Group, currently Vice President, Project Development, PacifiCorp.

• **Brad Hunter** – Vice President and Senior Business Lender with Craft3.

• **Arya Behbehani** – General Manager of Environmental and Licensing Services with Portland General Electric.
Council Appointment

• Appointment Options
  o Council Member - Cindy Condon has expressed interest
  o The Climate Trust Board Members
  o Solicitation

• Staff Recommendation – Appoint Council Member Condon to a four year term
Council Deliberation
Agenda Item I
(Action Item)

Safe Public Meetings and Hearings Rulemaking
Council Review of Public Comments & Possible Decision

October 23, 2020
Christopher M. Clark, Siting Policy Analyst & Rules Coordinator
Overview

• Background & Summary of Proposed Rules

• Procedural History

• Review of Public Comments & Recommended Responses

• Council Decision on Permanent Rules
Background

• Some rules require public meetings and hearings to be held in-person or in the “area affected.”

• COVID-19, wildfire, flooding, and winter storms can all present risks to the health and safety of the public or participants traveling to or attending in-person meetings.

• Executive Order 20-16 waived these requirements during the COVID-19 pandemic but was rescinded effective September 1, 2020.
Summary of Proposed Rules

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Review of Public Comments

• Council must fully consider all testimony provided at the hearing and all written comments received before October 22, 2020 at 6:00 pm.

• The Council may not consider comments received after the deadline unless it extends the comment deadline for all interested persons.

• Exact copies of all comments will be provided to the Council for consideration prior to the meeting. Staff will also provide a summary and analysis of any significant issues raised in comments.
# Council Decision on Permanent Rules

<table>
<thead>
<tr>
<th>Option 1</th>
<th>Option 2</th>
<th>Option 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adopt permanent rules as provided in the Notice of Proposed Rulemaking.</td>
<td>Adopt permanent rules with changes based on public comments.</td>
<td>Do not adopt permanent rules at this time.</td>
</tr>
</tbody>
</table>
Adjourn