



Oregon

Kate Brown, Governor



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To: Energy Facility Siting Council

From: Sisily Fleming, Fiscal Analyst

Date: November 6, 2020

Subject: Agenda Item B.3 (Action Item):
Consideration of Citibank's proposed changes to Letter of Credit form for the Summit Ridge Wind (SRW) Farm at the November 19, 2020 EFSC Meeting

Attachments: Attachment 1: Citibank's proposed edits to Letter of Credit Template for SRW

STAFF RECOMMENDATION

The Oregon Department of Energy (Department) recommends the Energy Facility Siting Council (Council) approve Citibank's proposed changes to the Letter of Credit for the Summit Ridge Wind Farm site certificate.

BACKGROUND AND REQUEST FOR ACTION

At the August 21, 2020 meeting, Council added Citibank to the list of pre-approved financial institutions, based on request by the Summit Ridge Wind Farm certificate holder, Summit Ridge Wind, LLC. Council reviews and evaluates financial institutions to determine whether the entity is appropriate for issuing the financial assurance instruments for the retirement of energy facilities. The Council's approval included one exception. Council did not approve of Citibank's proposal to strike the word "prompt" from the following statement:

If a draft made by Beneficiary does not conform to the terms and conditions of this Letter of Credit, we will give Beneficiary prompt notice that the demand for payment will not be affected.

Citibank requests that the statement be modified as follows to eliminate ambiguous interpretation of "prompt":

*If a draft made by Beneficiary does not conform to the terms and conditions of this Letter of Credit, we will give Beneficiary prompt notice **within three business days** that the demand for payment will not be affected.*

RECOMMENDED COUNCIL ACTION

The Department recommends Council approve Citibank's proposal to replace the word "prompt" with "three business days" in the Letter of Credit for the Summit Ridge Wind Farm.