



Oregon

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To: Energy Facility Siting Council

From: Kellen Tardaewether, Senior Siting Analyst

Date: November 5, 2021

Subject: Agenda Item D (Action Item):
Bakeoven Solar Project Request for Amendment 1- Review of the Proposed Order for the Request for Amendment 1 of the Site Certificate for the November 18-19, 2021 EFSC Meeting

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

STAFF RECOMMENDATION

The Department recommends Council review the Proposed Order, and DPO comment at the November 19, 2021 Council meeting and take action to either approve or modify the Proposed Order as the Final Order and issue an amended site certificate.

At the November 19, 2021 Council meeting, the Department will present a summary of the changes proposed in Request for Amendment 1 (RFA1) of the site certificate, the draft proposed order (DPO), the comment received on the DPO, and the Department's evaluation of the DPO comment and changes in the Proposed Order. The Proposed Order is attached to this staff report as Attachment 1, and the one comment received on the record of the Draft Proposed Order is included as Attachment 2 to this staff report.

BACKGROUND

Bakeoven Solar Project is an approved solar photovoltaic energy generation facility, occupying or using up to 2,717 acres (6.1 sq. miles), with a nominal generating capacity of approximately 303 megawatts alternating current (MW). Other components include a 100 MW battery storage system, collector substation, operations and maintenance building, and an approximately 11-mile, 230 kilovolt transmission line. The facility site boundary includes approximately 10,615 acres. The facility is under construction and, based on final design, includes 60 MW (Phase 1) and 140 MW (Phase 2) of solar photovoltaic energy generation components.

PROPOSED AMENDMENT

RFA1 seeks Council approval to split the previously approved facility components into three facilities that would share facility components. Each of the three facilities would have a

separate certificate holder and own its own site certificate, all to be maintained by the current certificate holder owner, Avangrid Renewables, LLC as follows:

- Bakeoven Solar Project, 60 MW, existing certificate holder – Bakeoven Solar, LLC
- Daybreak Solar Project, 140 MW, new certificate holder – Day Break Solar, LLC
- Sunset Solar Project, 103 MW, new certificate holder – Sunset Solar, LLC

There are no modifications to the site boundary or facility components proposed in RFA1.

PROCEDURAL HISTORY SUMMARY

On September 27, 2021 the Department issued its Draft Proposed Order (DPO) on RFA1 and Public Notice of a comment period on the DPO and complete RFA1 extending from September 27, 2021 to October 27, 2021. On September 17, the Department deemed the RFA complete and the certificate holder filed the complete RFA with the Department on September 22, 2021. The Department posted its Type B Amendment Determination on the Bakeoven Solar Project webpage on September 27, 2021.

The Department received one comment on the DPO from the Oregon Department of Aviation (ODA). The comment letter from ODA stated that they had reviewed the proposed changes in RFA1 and did not have any concerns. This comment letter is included as Attachment 2 to this staff report.

On November 5, 2021, the Department issued both its Proposed Order recommending that Council approve RFA1, and notice of the Proposed Order.

This amendment request is being processed under Council's Type B review process, and therefore does not include a public hearing on the DPO, nor an opportunity to request a contested case proceeding on the Proposed Order.

RECOMMENDED COUNCIL ACTION

The Proposed Order addresses the Council Standards that would be impacted by the site certificate and facility splitting proposed in RFA1, and recommends that the Council find that the facility, based on compliance with new, existing, and recommended amended site certificate conditions would comply with each of the Council standards.

Based on the Department's review of RFA1, the Department recommends the following Council standards be evaluated as potentially impacted by the proposed amendment:

- General Standard of Review: OAR 345-022-0000
- Organizational Expertise: OAR 345-022-0010
- Land Use: OAR 345-022-0030
- Retirement and Financial Assurance: OAR 345-022-0050
- Fish and Wildlife Habitat: OAR 345-022-0060

The Proposed Order includes new analysis and new recommended findings, not previously relied upon by Council, or recommended amended conditions for the following standards:

- **General Standard of Review** (Recommended New Conditions):
 - Staff recommends adding new General Standard of Review Condition 7 to each site certificate (Bakeoven, Daybreak, and Sunset), which would require the submission of Shared Use Agreements between the three facilities. In accordance with proposed General Standard of Review Condition 7, if any certificate holder substantially modifies a shared related or supporting facility or ceases facility operation, each certificate holder would be obligated to submit an amendment determination request or request for amendment to the Department. The Shared use Agreements also clarify the ability of each certificate holder to use the facility components between facility site certificates and address retiring all facility components and restoring the site upon the cessation of any of the facilities. (Proposed Order page 30)
 - The certificate holder proposes language changes to several conditions in the amended and new site certificates. The proposed language change would be administrative which would allow flexibility in the timing of when the condition must be satisfied, depending on construction and commissioning schedule. The conditions they would apply to are listed in Proposed Order Table 3: *Site Certificate Conditions with Proposed Language Modification*. (Proposed Order page 33)
- **Organizational Expertise** (Recommended New Findings)

The Department evaluated the certificate holder's information in RFA1 regarding its financial capability and demonstrated ability to design, construct and operate similar facilities, determined that based on the analysis provided in the proposed order, evidence in the record, and subject to compliance with existing site certificate conditions, the facility would continue to comply with the Organizational Expertise Standard. (Proposed Order page 36)
- **Land Use** (Recommended new non substantive Findings) The Department recommends Council rely on its previous evaluation of compliance, including previously imposed site certificate conditions, to the Land Use Standard.
- **Retirement and Financial Assurance** (Recommended Amended Conditions):
 - Staff recommends Council amend Retirement and Financial Assurance Condition 5 and consider several administrative changes, and adjust the decommissioning cost estimate. The Decommissioning cost Council previously found to be a reasonable estimate to restore the site (original entire facility) to a useful, non-hazardous condition was \$23,036,000 million (Q1 2019) dollars. The Department provides Table 5: Proposed Amended Facility Decommissioning Cost Estimate and Unit Costs, which illustrates that costs associated with decommissioning and restoring the proposed three facilities, based on facility allocation proposed by the certificate holder. (Proposed Order page 47)
 - Since the proposal in RFA1 is to split the approved facility into three facilities, with shared facility components, and site certificates, the Department recommends amended Retirement and Financial Assurance Condition 5 for the Bakeoven,

Daybreak, and Sunset site certificates. Each condition would reflect the estimate to retire that portion of the shared facility components.

- Bakeoven Solar: The Department's estimated total for site restoration (rounded to the nearest \$1,000, and in Q2 2021 dollars) is \$6,850,000 million. (Proposed Order page 51)
- Daybreak Solar: The Department's estimated total for site restoration (rounded to the nearest \$1,000, and in Q2 2021 dollars) is \$10,729,000 million. (Proposed Order page 52)
- Sunset Solar: The Department's estimated total for site restoration (rounded to the nearest \$1,000, and in Q2 2021 dollars) is \$8,640,000 million. (Proposed Order page 53)
- **Fish and Wildlife Habitat** (Recommended Amended Condition):
The Department evaluated the certificate holder's information in RFA1 under the Council's Fish and Wildlife Habitat standard, and determined that based on the analysis provided in the proposed order, evidence in the record, and subject to compliance with existing site certificate conditions, the facility would continue to comply with the Fish and Wildlife Habitat Standard. (Proposed Order page 66)

ATTACHMENTS:

Attachment 1: Proposed Order on Request for Amendment 1

Attachment 2: Draft Proposed Order Comment