

**ENERGY FACILITY SITING COUNCIL
OF THE
STATE OF OREGON**

**Site Certificate
for the
Klondike III Wind Project**

June 30, 2006

The Oregon Energy Facility Siting Council
SITE CERTIFICATE FOR THE KLONDIKE III WIND PROJECT

I. INTRODUCTION

The Oregon Energy Facility Siting Council (Council) issues this site certificate for the Klondike III Wind Project (the facility) in the manner authorized under ORS Chapter 469. This site certificate is a binding agreement between the State of Oregon (State), acting through the Council, and Klondike Wind Power III LLC (certificate holder) authorizing the certificate holder to construct and operate the Klondike III Wind Project in Sherman County, Oregon.

The findings of fact, reasoning and conclusions of law underlying the terms and conditions of this site certificate are set forth in the Council's Final Order on the Application issued on June 30, 2006. In interpreting this site certificate, any ambiguity will be clarified by reference to the following, in order of priority: (1) this Site Certificate, (2) the Final Order on the Application and (3) the record of the proceedings that led to the Final Order on the Application.

The definitions in ORS 469.300 and OAR 345-001-0010 apply to terms used in this site certificate, except where otherwise stated or where the context clearly indicates otherwise.

II. SITE CERTIFICATION

1. To the extent authorized by state law and subject to the conditions set forth herein, the State authorizes the certificate holder to construct, operate and retire a wind energy facility, together with certain related or supporting facilities, at the site in Sherman County, Oregon, as described in Section III of this site certificate. ORS 469.401(1).
2. This site certificate is effective until it is terminated under OAR 345-027-0110 or the rules in effect on the date that termination is sought or until the site certificate is revoked under ORS 469.440 and OAR 345-029-0100 or the statutes and rules in effect on the date that revocation is ordered. ORS 469.401(1).
3. This site certificate does not address, and is not binding with respect to, matters that were not addressed in the Council's Final Order on the Application. Such matters include, but are not limited to: building code compliance, wage, hour and other labor regulations, local government fees and charges and other design or operational issues that do not relate to siting the facility (ORS 469.401(4)) and permits issued under statutes and rules for which the decision on compliance has been delegated by the federal government to a state agency other than the Council. 469.503(3).
4. Both the State and the certificate holder shall abide by local ordinances, state law and the rules of the Council in effect on the date this site certificate is executed. ORS 469.401(2). In addition, upon a clear showing of a significant threat to public health, safety or the environment that requires application of later-adopted laws or rules, the Council may require compliance with such later-adopted laws or rules. ORS 469.401(2).
5. For a permit, license or other approval addressed in and governed by this site certificate, the certificate holder shall comply with applicable state and federal laws adopted in the future to the extent that such compliance is required under the respective state agency statutes and rules. ORS 469.401(2).

- 1 6. Subject to the conditions herein, this site certificate binds the State and all counties, cities and
2 political subdivisions in Oregon as to the approval of the site and the construction, operation
3 and retirement of the facility as to matters that are addressed in and governed by this site
4 certificate. ORS 469.401(3).
- 5 7. Each affected state agency, county, city and political subdivision in Oregon with authority to
6 issue a permit, license or other approval addressed in or governed by this site certificate shall,
7 upon submission of the proper application and payment of the proper fees, but without
8 hearings or other proceedings, issue such permit, license or other approval subject only to
9 conditions set forth in this site certificate. ORS 469.401(3).
- 10 8. After issuance of this site certificate, each state agency or local government agency that
11 issues a permit, license or other approval for the facility shall continue to exercise
12 enforcement authority over such permit, license or other approval. ORS 469.401(3).
- 13 9. After issuance of this site certificate, the Council shall have continuing authority over the site
14 and may inspect, or direct the Oregon Department of Energy (Department) to inspect, or
15 request another state agency or local government to inspect, the site at any time in order to
16 ensure that the facility is being operated consistently with the terms and conditions of this
17 site certificate. ORS 469.430.

III. DESCRIPTION

1. The Facility

(a) The Energy Facility

18 The energy facility is an electric power generating plant with an average electric
19 generating capacity of approximately 91 megawatts and a peak generating capacity of not more
20 than 272.25 megawatts that produces power from wind energy. The facility consists of not more
21 than 165 wind turbines, each with a peak generating capacity of not more than 1.65 megawatts.
22 Turbines are mounted on tubular steel towers. The turbine towers are about 265 feet tall at the
23 turbine hub and have an overall height of about 400 feet including the radius swept by the
24 turbine blades. The energy facility is described further in the Final Order on the Application.

(b) Related or Supporting Facilities

25 The facility includes the following related or supporting facilities described below and in
26 greater detail in the Final Order on the Application:

- 27 • Power collection system
- 28 • Substations and interconnection system
- 29 • Meteorological towers
- 30 • Operations and maintenance building
- 31 • Control system
- 32 • Access roads
- 33 • Temporary laydown and staging areas

Power Collection System

34 A power collection system operating at 34.5 kilovolts (kV) transports power from each
35 turbine to a collector substation. Most of the collection system is in underground segments but
36 may include aboveground segments, not exceeding 5.5 miles in combined length, mounted on
37

1 monopole support structures. Power from the eastern section of the facility is transmitted to a
2 substation near Schoolhouse on an aboveground power line operating at 230-kV approximately
3 3.5 miles in length, supported on wood or steel poles.

4 Substations and Interconnection System

5 The facility includes two substations. One is located near the BPA Klondike Schoolhouse
6 Substation, and the other is located near Webfoot. The power generated by the facility
7 interconnects with the regional transmission grid through the BPA Klondike Schoolhouse
8 Substation.

9 Meteorological Towers

10 The facility includes three permanent meteorological (met) towers. The met towers are
11 non-guyed steel towers approximately 80 meters in height.

12 Operations and Maintenance Building

13 The facility includes an operations and maintenance (O&M) building of approximately
14 5,000 square feet.

15 Control System

16 A fiber optic communications network links the wind turbines to a central computer at
17 the O&M building. A "supervisory, control and data acquisition" (SCADA) system collects
18 operating and performance data from each wind turbine and the project as a whole and provides
19 remote operation of the wind turbines.

20 Access Roads

21 The facility includes access roads to provide access to the turbine strings. Access roads
22 connect to graveled turbine turn-out and pad areas at the base of each wind turbine. The roads are
23 approximately 20 feet wide and constructed with crushed gravel.

24 Temporary Laydown and Staging Areas

25 During construction, the facility includes temporary laydown areas used to stage
26 construction and store supplies and equipment during construction.

2. Location of the Proposed Facility

27 The facility is located approximately 4 miles east of Wasco, in Sherman County, Oregon,
28 about 5 miles south of the Columbia River. The site is in Townships 1 and 2 North and Ranges
29 17, 18 and 19 East Sections. The facility is located on land subject to lease agreements with
30 several landowners.

IV. CONDITIONS REQUIRED BY COUNCIL RULES

31 This section lists conditions required by OAR 345-027-0020 (Mandatory Conditions in
32 Site Certificates), OAR 345-027-0023 (Site Specific Conditions), OAR 345-027-0028
33 (Monitoring Conditions) and OAR Chapter 345, Division 26 (Construction and Operation Rules
34 for Facilities). These conditions should be read together with the specific facility conditions
35 listed in Section V to ensure compliance with the siting standards of OAR Chapter 345,
36 Divisions 22 and 24, and to protect the public health and safety. In these conditions, "Office of
37 Energy" means the Oregon Department of Energy, and the other definitions in OAR 345-001-
38 0010 apply.

1 The obligation of the certificate holder to report information to the Department or the
2 Council under the conditions listed in this section and in Section V is subject to the provisions of
3 OAR 345-001-0040, which addresses information that may be exempt under the Oregon Public
4 Records Law. To the extent permitted by law, the Department and the Council will not publicly
5 disclose information that may be exempt from public disclosure under ORS 192.502 *et seq.* or
6 ORS 469.560 if the certificate holder has clearly labeled such information and stated the basis for
7 the exemption at the time of submitting the information to the Department or the Council. If the
8 Council or the Department receives a request for the disclosure of the information, the Council or
9 the Department, as appropriate, will make a reasonable attempt to notify the certificate holder
10 and will refer the matter to the Attorney General for a determination of whether the exemption is
11 applicable, pursuant to ORS 192.450.

12 In addition to these conditions, the site certificate holder is subject to all conditions and
13 requirements contained in the rules of the Council and in local ordinances and state law in effect
14 on the date the certificate is executed. Under ORS 469.401(2), upon a clear showing of a
15 significant threat to the public health, safety or the environment that requires application of later-
16 adopted laws or rules, the Council may require compliance with such later-adopted laws or rules.

17 The Council recognizes that many specific tasks related to the design, construction,
18 operation and retirement of the facility will be undertaken by the certificate holder's agents or
19 contractors. Nevertheless, the certificate holder is responsible for ensuring compliance with all
20 provisions of the site certificate.

21 (1) OAR 345-027-0020(1): The Council shall not change the conditions of the site certificate
22 except as provided for in OAR Chapter 345, Division 27.

23 (2) OAR 345-027-0020(2): Except as provided in OAR 345-027-0023(6), before beginning
24 construction, the certificate holder shall submit to the Office of Energy a legal description
25 of the site.

26 (3) OAR 345-027-0020(3): The certificate holder shall design, construct, operate and retire the
27 facility:

28 (a) Substantially as described in the site certificate;

29 (b) In compliance with the requirements of ORS Chapter 469, applicable Council rules,
30 and applicable state and local laws, rules and ordinances in effect at the time the site
31 certificate is issued; and

32 (c) In compliance with all applicable permit requirements of other state agencies.

33 (4) OAR 345-027-0020(4): The certificate holder shall begin and complete construction of the
34 facility by the dates specified in the site certificate. (*See conditions (26) and (27).*)

35 (5) OAR 345-027-0020(5): Except as necessary for the initial survey or as otherwise allowed for
36 transmission lines or pipelines under this section, the certificate holder shall not begin
37 construction, as defined in OAR 345-001-0010, or create a clearing on any part of the site
38 until the certificate holder has construction rights on all parts of the site. For the purpose of
39 this rule, "construction rights" means the legal right to engage in construction activities. For
40 transmission lines or pipelines, if the certificate holder does not have construction rights on
41 all parts of the site, the certificate holder may nevertheless begin construction, as defined in
42 OAR 345-001-0010, or create a clearing on a part of the site if:

43 (a) The certificate holder has construction rights on that part of the site; and

(b) The certificate holder would construct and operate part of the facility on that part of the site even if a change in the planned route of the transmission line or pipeline occurs during the certificate holder's negotiations to acquire construction rights on another part of the site.

- (6) OAR 345-027-0020(6): If the Council requires mitigation based on an affirmative finding under any standards of Division 22 or Division 24 of this chapter, the certificate holder shall consult with affected state agencies and local governments designated by the Council and shall develop specific mitigation plans consistent with Council findings under the relevant standards. The certificate holder must submit the mitigation plans to the Office and receive Office approval before beginning construction or, as appropriate, operation of the facility.
- (7) OAR 345-027-0020(7): The certificate holder shall prevent the development of any conditions on the site that would preclude restoration of the site to a useful, non-hazardous condition to the extent that prevention of such site conditions is within the control of the certificate holder.
- (8) OAR 345-027-0020(8): Before beginning construction of the facility, the certificate holder shall submit to the State of Oregon, through the Council, a bond or letter of credit, satisfactory to the Council, in an amount specified in the site certificate to restore the site to a useful, non-hazardous condition. The certificate holder shall maintain a bond or letter of credit in effect at all times until the facility has been retired. The Council may specify different amounts for the bond or letter of credit during construction and during operation of the facility. (*See Condition (32).*)
- (9) OAR 345-027-0020(9): The certificate holder shall retire the facility if the certificate holder permanently ceases construction or operation of the facility. The certificate holder shall retire the facility according to a final retirement plan approved by the Council, as described in OAR 345-027-0110. The certificate holder shall pay the actual cost to restore the site to a useful, non-hazardous condition at the time of retirement, notwithstanding the Council's approval in the site certificate of an estimated amount required to restore the site.
- (10) OAR 345-027-0020(10): The Council shall include as conditions in the site certificate all representations in the site certificate application and supporting record the Council deems to be binding commitments made by the applicant.
- (11) OAR 345-027-0020(11): Upon completion of construction, the certificate holder shall restore vegetation to the extent practicable and shall landscape portions of the site disturbed by construction in a manner compatible with the surroundings and proposed use. Upon completion of construction, the certificate holder shall dispose of all temporary structures not required for facility operation and all timber, brush, refuse and flammable or combustible material resulting from clearing of land and construction of the facility.
- (12) OAR 345-027-0020(12): The certificate holder shall design, engineer and construct the facility to avoid dangers to human safety presented by seismic hazards affecting the site that are expected to result from all maximum probable seismic events. As used in this rule "seismic hazard" includes ground shaking, landslide, liquefaction, lateral spreading, tsunami inundation, fault displacement and subsidence.

- 1 (13) OAR 345-027-0020(13): The certificate holder shall notify the Office of Energy, the State
2 Building Codes Division and the Department of Geology and Mineral Industries promptly
3 if site investigations or trenching reveal that conditions in the foundation rocks differ
4 significantly from those described in the application for a site certificate. After the Office
5 receives the notice, the Council may require the certificate holder to consult with the
6 Department of Geology and Mineral Industries and the Building Codes Division and to
7 propose mitigation actions.
- 8 (14) OAR 345-027-0020(14): The certificate holder shall notify the Office, the State Building
9 Codes Division and the Department of Geology and Mineral Industries promptly if shear
10 zones, artesian aquifers, deformations or elastic dikes are found at or in the vicinity of the
11 site.
- 12 (15) OAR 345-027-0020(15): Before any transfer of ownership of the facility or ownership of
13 the site certificate holder, the certificate holder shall inform the Office of Energy of the
14 proposed new owners. The requirements of OAR 345-027-0100 apply to any transfer of
15 ownership that requires a transfer of the site certificate.
- 16 (16) OAR 345-027-0020(16): If the Council finds that the certificate holder has permanently
17 ceased construction or operation of the facility without retiring the facility according to a
18 final retirement plan approved by the Council, as described in OAR 345-027-0110, the
19 Council shall notify the certificate holder and request that the certificate holder submit a
20 proposed final retirement plan to the Office within a reasonable time not to exceed 90 days.
21 If the certificate holder does not submit a proposed final retirement plan by the specified
22 date, the Council may direct the Office to prepare a proposed a final retirement plan for the
23 Council's approval. Upon the Council's approval of the final retirement plan, the Council
24 may draw on the bond or letter of credit described in section (8) to restore the site to a
25 useful, non-hazardous condition according to the final retirement plan, in addition to any
26 penalties the Council may impose under OAR Chapter 345, Division 29. If the amount of
27 the bond or letter of credit is insufficient to pay the actual cost of retirement, the certificate
28 holder shall pay any additional cost necessary to restore the site to a useful, non-hazardous
29 condition. After completion of site restoration, the Council shall issue an order to terminate
30 the site certificate if the Council finds that the facility has been retired according to the
31 approved final retirement plan.
- 32 (17) OAR 345-027-0023(4): If the energy facility or related or supporting facility is a
33 transmission line, the certificate holder shall restore the reception of radio and television at
34 residences and commercial establishments in the primary reception area to the level present
35 prior to operations of the transmission line, at no cost to residents experiencing interference
36 resulting from the transmission line.
- 37 (18) OAR 345-027-0023(5): If the facility includes any high voltage transmission line under
38 Council jurisdiction:
39 (a) The certificate holder shall design, construct and operate the transmission line in
40 accordance with the requirements of the National Electrical Safety Code (American
41 National Standards Institute, Section C2, 1997 Edition); and
42 (b) The certificate holder shall develop and implement a program that provides
43 reasonable assurance that all fences, gates, cattle guards, trailers, or other objects or

1 structures of a permanent nature that could become inadvertently charged with electricity
2 are grounded or bonded throughout the life of the line.

3 (19) OAR 345-027-0023(6): If the proposed energy facility is a pipeline or a transmission line or
4 has, as a related or supporting facility, a pipeline or transmission line, the Council shall
5 specify an approved corridor in the site certificate and shall allow the certificate holder to
6 construct the pipeline or transmission line anywhere within the corridor, subject to the
7 conditions of the site certificate. If the applicant has analyzed more than one corridor in its
8 application for a site certificate, the Council may, subject to the Council's standards,
9 approve more than one corridor. Before beginning operation of the facility, the certificate
10 holder shall submit to the Office a legal description of the permanent right-of-way where
11 the applicant has built the pipeline or transmission line within an approved corridor. The
12 site of the pipeline or transmission line subject to the site certificate is the area within the
13 permanent right-of-way.

14 (20) OAR 345-027-0028: The following general monitoring conditions apply:

15 (a) The certificate holder shall consult with affected state agencies, local governments
16 and tribes and shall develop specific monitoring programs for impacts to resources
17 protected by the standards of divisions 22 and 24 of this chapter and resources addressed by
18 applicable statutes, administrative rules and local ordinances. The certificate holder must
19 submit the monitoring programs to the Office of Energy and receive Office approval before
20 beginning construction or, as appropriate, operation of the facility.

21 (b) The certificate holder shall implement the approved monitoring programs described in
22 section (a) and monitoring programs required by permitting agencies and local
23 governments.

24 (c) For each monitoring program described in sections (a) and (b), the certificate holder
25 shall have quality assurance measures approved by the Office before beginning
26 construction or, as appropriate, before beginning commercial operation.

27 (d) If the certificate holder becomes aware of a significant environmental change or
28 impact attributable to the facility, the certificate holder shall, as soon as possible, submit a
29 written report to the Office describing the impact on the facility and any affected site
30 certificate conditions.

31 (21) OAR 345-026-0048: Following receipt of the site certificate, the certificate holder shall
32 implement a plan that verifies compliance with all site certificate terms and conditions and
33 applicable statutes and rules. As a part of the compliance plan, to verify compliance with
34 the requirement to begin construction by the date specified in the site certificate, the
35 certificate holder shall report promptly to the Office of Energy when construction begins.
36 Construction is defined in OAR 345-001-0010. In reporting the beginning of construction,
37 the certificate holder shall describe all work on the site performed before beginning
38 construction, including work performed before the Council issued the site certificate, and
39 shall state the cost of that work. For the purpose of this exhibit, "work on the site" means
40 any work within a site or corridor, other than surveying, exploration or other activities to
41 define or characterize the site or corridor. The certificate holder shall document the
42 compliance plan and maintain it for inspection by the Office of Energy or the Council.

43 (22) OAR 345-026-0080: The certificate holder shall report according to the following
44 requirements:

1 (a) General reporting obligation for non-nuclear facilities under construction or
2 operating:

3 (i) Within six months after beginning construction, and every six months thereafter
4 during construction of the energy facility and related or supporting facilities, the certificate
5 holder shall submit a semiannual construction progress report to the Council. In each
6 construction progress report, the certificate holder shall describe any significant changes to
7 major milestones for construction. The certificate holder shall include such information
8 related to construction as specified in the site certificate. When the reporting date coincides,
9 the certificate holder may include the construction progress report within the annual report
10 described in this rule;

11 (ii) The certificate holder shall, within 120 days after the end of each calendar year
12 after beginning construction, submit an annual report to the Council addressing the subjects
13 listed in this rule. The Council secretary and the certificate holder may, by mutual
14 agreement, change the reporting date.

15 (b) To the extent that information required by this rule is contained in reports the
16 certificate holder submits to other state, federal or local agencies, the certificate holder may
17 submit excerpts from such other reports to satisfy this rule. The Council reserves the right
18 to request full copies of such excerpted reports.

19 (c) In the annual report, the certificate holder shall include the following information for
20 the calendar year preceding the date of the report:

21 (i) Facility Status: An overview of site conditions, the status of facilities under
22 construction, and a summary of the operating experience of facilities that are in operation.
23 In this section of the annual report, the certificate holder shall describe any unusual events,
24 such as earthquakes, extraordinary windstorms, major accidents or the like that occurred
25 during the year and that had a significant adverse impact on the facility;

26 (ii) Reliability and Efficiency of Power Production: For electric power plants,

27 (A) The plant availability and capacity factors for the reporting year. If equipment
28 failures or plant breakdowns had a significant impact on those factors, the certificate holder
29 shall describe them and its plans to minimize or eliminate their recurrence;

30 (B) The efficiency with which the power plant converts fuel into electric energy.
31 If the fuel chargeable to power heat rate was evaluated when the facility was sited, the
32 certificate holder shall calculate efficiency using the same formula and assumptions, but
33 using actual data; and

34 (C) The facility's annual hours of operation by fuel type and, every five years
35 after beginning operation, a summary of the annual hours of operation by fuel type as
36 described in OAR 345-024-0590(5);

37 (iii) Status of Surety Information: Documentation demonstrating that bonds or letters
38 of credit as described in the site certificate are in full force and effect and will remain in full
39 force and effect for the term of the next reporting period;

40 (iv) Industry Trends: A discussion of any significant industry trends that may affect
41 the operations of the facility;

42 (v) Monitoring Report: A list and description of all significant monitoring and
43 mitigation activities performed during the previous year in accordance with site certificate
44 terms and conditions, a summary of the results of those activities, and a discussion of any
45 significant changes to any monitoring or mitigation program, including the reason for any
46 such changes;

(vi) Compliance Report: A description of all instances of noncompliance with a site certificate condition. For ease of review, the certificate holder shall, in this section of the report, use numbered subparagraphs corresponding to the applicable sections of the site certificate;

(vii) Facility Modification Report: A summary of changes to the facility that the certificate holder has determined do not require a site certificate amendment in accordance with OAR 345-027-0050; and

(viii) Nongenerating Facility Carbon Dioxide Emissions: For nongenerating facilities that emit carbon dioxide, a report of the annual fuel use by fuel type and annual hours of operation of the carbon dioxide emitting equipment as described in OAR 345-024-0630(4).

(23) OAR 345-026-0100: The certificate holder shall promptly notify the Office of Energy of any changes in major milestones for construction, decommissioning, operation or retirement schedules. Major milestones are those identified by the certificate holder in its construction, retirement or decommissioning plan.

(24) OAR 345-026-0105: The certificate holder and the Office of Energy shall exchange copies of all correspondence or summaries of correspondence related to compliance with statutes, rules and local ordinances on which the Council determined compliance, except for material withheld from public disclosure under state or federal law or under Council rules. The certificate holder may submit abstracts of reports in place of full reports; however, the certificate holder shall provide full copies of abstracted reports and any summarized correspondence at the request of the Office of Energy.

(25) OAR 345-026-0170: The certificate holder shall notify the Office of Energy within 72 hours of any occurrence involving the facility if:

(a) There is an attempt by anyone to interfere with its safe operation;

(b) A natural event such as an earthquake, flood, tsunami or tornado, or a human-caused event such as a fire or explosion affects or threatens to affect the public health and safety or the environment; or

(c) There is any fatal injury at the facility.

V. SPECIFIC FACILITY CONDITIONS

The conditions listed in this section include conditions based on representations in the site certificate application and supporting record. The Council deems these representations to be binding commitments made by the applicant. These conditions are required under OAR 345-027-0020(10). The certificate holder must comply with these conditions in addition to the conditions listed in Section IV. This section includes other specific facility conditions the Council finds necessary to ensure compliance with the siting standards of OAR Chapter 345, Divisions 22 and 24, and to protect the public health and safety. For conditions that require subsequent review and approval of a future action, ORS 469.402 authorizes the Council to delegate the future review and approval to the Department if, in the Council's discretion, the delegation is warranted under the circumstances of the case.

1. Certificate Administration Conditions

(26) The certificate holder shall begin construction of the facility within three years after the effective date of the site certificate. Under OAR 345-015-0085(9), a site certificate is effective upon execution by the Council Chair and the applicant. The Council may grant an

extension of the deadline to begin construction in accordance with OAR 345-027-0030 or any successor rule in effect at the time the request for extension is submitted.

- (27) The certificate holder shall complete construction of the facility within five years after the effective date of the site certificate. Construction is complete when: 1) the facility is substantially complete as defined by the certificate holder's construction contract documents, 2) acceptance testing has been satisfactorily completed and 3) the energy facility is ready to begin continuous operation consistent with the site certificate. The certificate holder shall promptly notify the Department of the date of completion of construction. The Council may grant an extension of the deadline for completing construction in accordance with OAR 345-027-0030 or any successor rule in effect at the time the request for extension is submitted.
- (28) The certificate holder shall construct a facility substantially as described in the site certificate and may select one of two turbine types: the GE 1.5-megawatt wind turbine or the Vestas V82 1.65-megawatt wind turbine.
- (29) The certificate holder shall obtain all necessary state and local permits or approvals required for construction, operation and retirement of the facility or ensure that its contractors obtain the necessary state and local permits or approvals.
- (30) Before beginning construction, the certificate holder shall notify the Department in advance of any work on the site that does not meet the definition of "construction" in OAR 345-001-0010 or ORS 469.300 and shall provide to the Department a description of the work and evidence that its value is less than \$250,000.
- (31) Before beginning construction and after considering all micrositing factors, the certificate holder shall provide to the Department a detailed map of the proposed facility, showing the final locations where facility components are proposed to be built in relation to the 300-foot and 900-foot corridors shown on Figures P-1 through P-6 of the site certificate application (as revised March 1, 2006). In accordance with Condition (2), the certificate holder must submit a legal description of the site to the Department. For the purposes of this site certificate, the term "legal description" means a description of location by reference to a map and geographic data that clearly and specifically identifies the physical location of all parts of the facility. Notwithstanding OAR 345-027-0020(2), for the purposes of this site certificate, construction of parts of a wind facility within micrositing corridors is comparable to construction of pipelines or transmission lines within Council-approved corridors as described in OAR 345-027-0023(6). Before beginning operation of the facility, the certificate holder shall submit to the Department a legal description for those parts of the facility constructed within micrositing corridors. The final site of the facility includes the final turbine site corridors and other facility components as described in the final order on the site certificate application and in this site certificate.
- (32) Before beginning construction, the certificate holder shall submit to the State of Oregon through the Council a bond or letter of credit in the amount of \$2.201 million (in 2005 dollars) naming the State of Oregon, acting by and through the Council, as beneficiary or payee.
- (a) The certificate holder shall adjust the amount of the bond or letter of credit annually, using the following calculation:

(i) Adjust the gross cost of \$7,098,773 (2005 dollars) to present value, using the U.S. Gross Domestic Product Implicit Price Deflator, Chain-Weight, as published in the Oregon Department of Administrative Services' "Oregon Economic and Revenue Forecast" or by any successor agency (the "Index"). If at any time the Index is no longer published, the Council shall select a comparable calculation to adjust 2005 dollars to present value.

(ii) Adjust the estimated scrap value by an index factor derived from the Producer Price Index values, not seasonally adjusted, reported by the U.S. Department of Labor, Bureau of Labor Statistics, "Commodities: Metals and metal Products: Carbon steel scrap" (Series ID: WPU101211). Using the average monthly index value for the 12 months ending with December of the year preceding the year in which the adjustment is made as the numerator and the average monthly index value for the 12 months ending with December 2005 (277.2) as the denominator, multiply the estimated scrap value of \$149 per ton (2005 dollars) by the resulting factor. If at any time the Producer Price Index Values are no longer published, the Council shall select a comparable calculation to adjust the estimated scrap value.

(iii) Multiply the adjusted scrap value (ii) per ton by 36,367.65 tons and subtract the resulting value from the adjusted gross cost (i).

(iv) Add 1 percent of the subtotal (iii) for the adjusted performance bond amount, 10 percent of the subtotal (iii) for the adjusted administration and project management costs, and 20 percent of the subtotal (iii) for the adjusted future developments contingency.

(v) Add the subtotal (iii) to the sum of percentages (iv) and round the resulting total to the nearest \$1,000 to determine the adjusted financial assurance amount for the reporting year.

(b) The certificate holder shall use a form of bond or letter of credit approved by the Council.

(c) The certificate holder shall use an issuer of the bond or letter of credit approved by the Council.

(d) The certificate holder shall describe the status of the bond or letter of credit in the annual report submitted to the Council under Condition (22).

(e) The bond or letter of credit shall not be subject to revocation or reduction before retirement of the facility site.

(33) If the certificate holder elects to use a bond to meet the requirements of Condition (32), the certificate holder shall ensure that the surety is obligated to comply with the requirements of applicable statutes, Council rules and this site certificate when the surety exercises any legal or contractual right it may have to assume construction, operation or retirement of the energy facility. The certificate holder shall also ensure that the surety is obligated to notify the Council that it is exercising such rights and to obtain any Council approvals required by applicable statutes, Council rules and this site certificate before the surety commences any activity to complete construction, operate or retire the energy facility.

(34) Before beginning construction, the certificate holder shall notify the Department of the identity and qualifications of the engineering, procurement and construction ("EPC") contractor(s) for specific portions of the work. The certificate holder shall select EPC contractors that have substantial experience in the design and construction of similar facilities. The certificate holder shall report to the Department any change of major construction contractors.

- 1 (35) The certificate holder shall contractually require all construction contractors and
2 subcontractors involved in the construction of the facility to comply with all applicable
3 laws and regulations and with the terms and conditions of the site certificate. Such
4 contractual provisions shall not operate to relieve the certificate holder of responsibility
5 under the site certificate.
- 6 (36) During construction, the certificate holder shall have an on-site assistant construction
7 manager who is qualified in environmental compliance to ensure compliance with all
8 construction-related site certificate conditions. During operation, the certificate holder shall
9 have a project manager who is qualified in environmental compliance to ensure compliance
10 with all ongoing site certificate conditions. The certificate holder shall notify the
11 Department of the name, telephone number, fax number and e-mail address of these
12 managers and shall keep the Department informed of any change in this information.
- 13 (37) Within 72 hours after discovery of conditions or circumstances that may violate the terms
14 or conditions of the site certificate, the certificate holder shall report the conditions or
15 circumstances to the Department.
- 16 (38) Notwithstanding OAR 345-027-0050(2), an amendment of the site certificate is required if
17 the proposed change would increase the electrical generation capacity of the facility and
18 would increase the number of wind turbines or the dimensions of existing wind turbines.

2. Land Use Conditions

- 19 (39) The certificate holder shall construct the public road improvements described in the site
20 certificate application to meet or exceed road standards for the road classifications in the
21 County's Transportation System Plan and Zoning Ordinance because roads will require a
22 more substantial section to bear the weight of the vehicles and turbine components than
23 would usually be constructed by the County.
- 24 (40) The certificate holder shall cooperate with the Sherman County Road Department to ensure
25 that any unusual damage or wear caused by construction of the facility is repaired by the
26 certificate holder. Upon completion of construction, the certificate holder shall restore the
27 county roads to at least their pre-project condition, to the satisfaction of the county public
28 works department.
- 29 (41) The certificate holder shall ensure that no equipment or machinery is parked or stored on
30 any county road except while in use.
- 31 (42) The certificate holder shall not locate any aboveground facility structure (including wind
32 turbines, O&M building, substations and meteorological towers but not including
33 aboveground transmission lines and junction boxes) within 30 feet from any property line
34 or within 50 feet from the right-of-way of any arterial or major collector road or street and
35 shall not allow any architectural feature, as described in Sherman County Zoning Ordinance
36 Section 4.2, to project into these required setbacks by more than 2 feet.
- 37 (43) The certificate holder shall locate aboveground transmission lines, junction boxes, access
38 roads and temporary construction laydown and staging areas to minimize disturbance with
39 farming practices and, wherever feasible, shall place turbines and transmission
40 interconnection lines along the margins of cultivated areas to reduce the potential for

1 conflict with farm operations. The certificate holder shall place aboveground transmission
2 lines and junction boxes along public road rights-of-way to the extent practicable.

3 (44) The certificate holder shall include traffic control procedures in contract specifications for
4 construction of the facility. The certificate holder shall require flaggers to be at appropriate
5 locations at appropriate times during construction to direct traffic and to ensure minimal
6 conflicts between harvest and construction vehicles. The certificate holder shall submit a
7 final transportation plan to Sherman County before beginning construction.

8 (45) Before beginning construction of the facility, the certificate holder shall record Farm
9 Management Easements on the properties on which the certificate holder locates wind
10 power generation facilities. The certificate holder shall record these easements in the real
11 property records of Sherman County and shall file copies of the recorded easements with
12 the Sherman County Planning Director.

13 (46) The certificate holder shall remove from Special Farm Assessment the properties on which
14 it locates the facility and shall pay all property taxes due and payable after the Special Farm
15 Assessment is removed from such properties.

16 (47) During operation, the certificate holder shall avoid impact on cultivated land to the extent
17 reasonably possible when performing facility repair and maintenance activities.

3. Cultural Resource Conditions

18 (48) Before beginning construction, the certificate holder shall provide to the Department a map
19 showing the final design locations of all components of the facility and areas that would be
20 temporarily disturbed during construction and also showing the areas that Archaeological
21 Investigations Northwest, Inc. (AINW) surveyed in 2005, as described in the site certificate
22 application. The certificate holder shall hire qualified personnel to conduct field
23 investigation of all areas of permanent or temporary disturbance that AINW did not
24 previously survey and shall provide a written report of the field investigation to the
25 Department. If any significant historic, cultural or archaeological resources are found
26 during the field investigation, the certificate holder shall ensure that construction and
27 operation of the facility will have no impact on the resources. The certificate holder shall
28 instruct all construction personnel to avoid the areas where the resources were found and
29 shall implement other appropriate measures to protect the resources.

30 (49) The certificate holder shall ensure that a qualified person instructs construction personnel in
31 the identification of cultural materials.

32 (50) The certificate holder shall ensure that construction personnel cease all ground-disturbing
33 activities in the immediate area if any archaeological or cultural resources are found during
34 construction of the facility until a qualified archaeologist can evaluate the significance of
35 the find. The certificate holder shall notify the Department and the State Historic
36 Preservation Office (SHPO) of the find. If the archaeologist determines that the resource is
37 significant, the certificate holder shall make recommendations to the Council for mitigation,
38 including avoidance or data recovery, in consultation with the Department, SHPO and other
39 appropriate parties. The certificate holder shall not restart work in the affected area until the
40 certificate holder has demonstrated to the Department that it has complied with the
41 archaeological permit requirements administered by SHPO.

- 1 (51) The certificate holder shall ensure that construction personnel proceed carefully in the
2 vicinity of the mapped alignment of the Oregon Trail. If any intact physical evidence of the
3 trail is discovered, the certificate holder shall avoid any disturbance to the intact segments,
4 by redesign, re-engineering or restricting the area of construction activity. The certificate
5 holder shall promptly notify the Department and the State Historic Preservation Office
6 (SHPO) of the discovery. The certificate holder shall consult with the Department and with
7 SHPO to determine appropriate mitigation measures.
- 8 (52) To offset adverse visual effects to the setting of the Oregon Trail alignment, the certificate
9 holder shall:
- 10 (a) Document the pre-construction setting of the Oregon Trail alignment from the John
11 Day River canyon to Biggs through photographs and videotape; and
- 12 (b) Enhance the existing Oregon Trail historical marker off I-84 at Biggs with an
13 additional educational and interpretive display in cooperation with the Sherman County
14 Development League and the Sherman County Historical Society.

4. Geotechnical Conditions

- 15 (53) Before beginning construction, the certificate holder shall conduct a site-specific
16 geotechnical investigation and shall report its findings to the Oregon Department of
17 Geology & Mineral Industries (DOGAMI). The certificate holder shall conduct the
18 geotechnical investigation after consultation with DOGAMI and in general accordance with
19 the site-specific seismic hazard report and the engineering geologic report guidelines that
20 have been adopted by the Oregon Board of Geologist Examiners. The guidelines are
21 available through the Board and in the DOGAMI publication O-00-04 (2000).
- 22 (54) The certificate holder shall design and construct the facility in accordance with
23 requirements set forth by the State of Oregon's Building Code Division and any other
24 applicable codes and design procedures.
- 25 (55) The certificate holder shall design, engineer and construct the facility to avoid dangers to
26 human safety presented by non-seismic hazards. As used in this condition, "non-seismic
27 hazards" include settlement, landslides, flooding and erosion.

5. Hazardous Materials, Fire Protection & Public Safety Conditions

- 28 (56) The certificate holder shall notify the Department within 72 hours of any accidents
29 including mechanical failures on the site associated with construction or operation of the
30 facility that may result in public health and safety concerns.
- 31 (57) Before beginning construction, the certificate holder shall submit a Notice of Proposed
32 Construction or Alteration to the Federal Aviation Administration (FAA) identifying the
33 proposed final locations of the turbines and related or supporting facilities. The certificate
34 holder shall notify the Department of the FAA's response as soon as it has been received.
- 35 (58) To protect the public from electrical hazards, the certificate holder shall enclose the facility
36 substations with appropriate fencing and locked gates.
- 37 (59) The certificate holder shall not locate turbine towers within 450 feet of any residence or
38 public road.

- (60) The certificate holder shall construct turbine towers that are smooth steel structures with no exterior ladders or access to the turbine blades and shall install locked access doors accessible only to authorized personnel.
- (61) The certificate holder shall follow manufacturers' recommended handling instructions and procedures to prevent damage to towers or blades that could lead to failure.
- (62) The certificate holder shall have an operational safety monitoring program and shall inspect turbine blades on a regular basis for signs of wear. The certificate holder shall repair turbine blades as necessary to protect public safety.
- (63) The certificate holder shall install and maintain self-monitoring devices on each turbine, connected to a fault annunciation panel or supervisory, control and data acquisition (SCADA) system at the operations and maintenance building, to alert operators to potentially dangerous conditions, and the certificate holder shall immediately remedy any dangerous conditions. The certificate holder shall maintain automatic equipment protection features in each turbine that would shut down the turbine and reduce the chance of a mechanical problem causing a fire.
- (64) The certificate holder shall install generator step-up transformers at the base of each tower in locked cabinets designed to protect the public from electrical hazards and to avoid creation of artificial habitat for raptor prey.
- (65) The certificate holder shall construct turbines on concrete foundations and shall cover the ground within a minimum 10-foot radius with non-flammable material. The certificate holder shall maintain the non-flammable pad area covering during operation of the facility.
- (66) During construction and operation of the facility, the certificate holder shall develop and implement fire management plans in consultation with local fire control authorities to minimize the risk of fire and to respond appropriately to any fires that occur on the facility site. In developing the fire management plans, the certificate holder should take into account the dry nature of the region and should address risks on a seasonal basis.
- (67) During construction and operation of the facility, the certificate holder shall ensure that service vehicles are equipped with a shovel and portable fire extinguisher of a 4A50BC or equivalent rating.
- (68) During construction, the certificate holder shall ensure that construction vehicles and equipment are operated on graveled areas to the extent possible and that open flames, such as cutting torches, are kept away from dry grass areas.
- (69) Upon the beginning of operation of the facility, the certificate holder shall provide to the North Sherman County Rural Fire Protection District and to the Moro Rural Fire Protection District copies of the approved site plan indicating the identification number assigned to each turbine and the location of all facility structures. During operation of the facility, the certificate holder shall provide to the North Sherman County Rural Fire Protection District and to the Moro Rural Fire Protection District the names and telephone numbers of facility personnel available to respond on a 24-hour basis in case of an emergency on the facility site.
- (70) During operation, the certificate holder shall ensure that all on-site employees receive annual fire prevention and response training by qualified instructors or members of the

1 local fire department and that all employees are instructed to keep vehicles on roads and off
2 dry grassland, except when off-road operation is required for emergency purposes.

3 (71) During construction, the certificate holder shall require that all on-site construction
4 contractors develop and implement a site health and safety plan that informs workers and
5 others on-site what to do in case of an emergency and that includes the locations of fire
6 extinguishers and nearby hospitals, important telephone numbers and first aid techniques.

7 (72) During operation, the certificate holder shall develop and implement a site health and safety
8 plan that informs employees and others on-site what to do in case of an emergency and that
9 includes the locations of fire extinguishers and nearby hospitals, important telephone
10 numbers and first aid techniques.

11 (73) The certificate holder shall use hazardous materials in a manner that protects public health,
12 safety and the environment and shall comply with all applicable local, state and federal
13 environmental laws and regulations.

14 (74) If a spill or release of hazardous materials occurs during construction or operation of the
15 facility, the certificate holder shall notify the Department within 72 hours and shall clean up
16 the spill or release and dispose of any contaminated soil or other materials according to
17 applicable regulations. The certificate holder shall make sure that spill kits containing items
18 such as absorbent pads are located on equipment and storage facilities to respond to
19 accidental spills and shall instruct employees handling hazardous materials in the proper
20 handling, storage and cleanup of these materials.

21 (75) Before beginning construction, the certificate holder shall cooperate with the Oregon
22 Department of Transportation to implement public safety improvements to the shoulders of
23 State Highway 206 by bearing the cost of constructing two viewpoint turn-offs (one on each
24 side of the highway) within the highway right-of-way in suitable locations from where the
25 public may safely view the wind turbines without entering private property or interfering
26 with facility operations.

6. Water, Soils, Streams & Wetlands Conditions

27 (76) The certificate holder shall conduct all construction work in compliance with an Erosion
28 and Sediment Control Plan (ESCP) satisfactory to the Oregon Department of
29 Environmental Quality and as required under the National Pollutant Discharge Elimination
30 System (NPDES) Storm Water Discharge General Permit #1200-C. The certificate holder
31 shall include in the ESCP any procedures necessary to meet local erosion and sediment
32 control requirements and storm water management requirements.

33 (77) During construction, the certificate holder shall limit truck traffic to designated existing and
34 improved road surfaces to avoid soil compaction, to the extent possible.

35 (78) The certificate holder shall cover turbine pad areas with gravel or other non-erosive
36 material immediately following exposure during construction and shall maintain the pad
37 area covering during operation of the facility.

38 (79) During construction, the certificate holder shall avoid impacts to waters of the state in the
39 following manner:

(a) The certificate holder shall bore under the intermittent drainage channel identified in Appendix J-1 of the site certificate application in any location where the underground collector system would cross the channel.

(b) The certificate holder shall locate transmission line support structures outside of the drainage channel and the wetland identified in Appendix J-1 of the site certificate application in any location where an aboveground transmission line crosses over the channel or the wetland area.

(c) After the final turbine design locations have been identified, if construction would occur in any locations not previously investigated as described in Appendix J-1 of the application, the certificate holder shall conduct a pre-construction investigation to determine whether any jurisdictional waters of the state exist in those locations. The certificate holder shall submit a written report on the pre-construction investigation to the Department of Energy and to the Department of State Lands for approval before beginning construction and shall ensure that construction of the facility would have no impact on any jurisdictional water identified in the pre-construction investigation.

(80) During construction, the certificate holder shall ensure that the wash down of concrete trucks occurs only at a contractor-owned batch plant or at tower foundation locations. If such wash down occurs at tower foundation locations, then the certificate holder shall ensure that wash down wastewater does not run off the construction site into otherwise undisturbed areas and that the wastewater is disposed of on backfill piles and buried underground with the backfill over the tower foundation.

(81) The certificate holder shall restore areas that are temporarily disturbed during construction according to the methods, monitoring procedures and success criteria described in the Revegetation Plan that is incorporated in the Final Order on the Application as Attachment B and as amended from time to time. During operation, the certificate holder shall restore areas that are temporarily disturbed during facility maintenance or repairs according to the same methods and monitoring procedures.

(82) During facility operation, the certificate holder shall routinely inspect and maintain all roads, pads and trenched areas and, as necessary, maintain or repair erosion control measures.

(83) During operation, the certificate holder shall not use any water or chemicals for washing turbine blades unless the certificate holder demonstrates to the satisfaction of the Department before any blade-washing begins that:

(a) Oregon Department of Environmental Quality (DEQ) regulations do not require a permit for the proposed blade-washing activity or, if a permit is required, that the proposed blade-washing activity is authorized under a general permit issued by DEQ; and

(b) In conducting blade-washing activities, the certificate will use water only from its approved on-site well and that the use of water will not exceed 5,000 gallons per day.

7. Transmission Line & EMF Conditions

(84) The certificate holder shall install the 34.5-kV collector system underground to the extent practical. Where geotechnical conditions or other engineering considerations require, the certificate holder may install segments of the collector system aboveground in developed or agricultural areas that are Category 6 habitat, but the total length of aboveground segments

1 must not exceed 5.5 miles. The certificate holder shall construct aboveground segments of
2 the collector system using single or double circuit monopole design as described in the site
3 certificate application and shall not locate any aboveground segments within 200 feet of
4 any existing residence.

5 (85) At least 30 days before beginning preparation of detailed design and specifications for the
6 electrical transmission lines, the certificate holder shall consult with the Oregon Public
7 Utility Commission staff to ensure that transmission line designs and specifications are
8 consistent with applicable codes and standards.

9 (86) Before beginning construction, the certificate holder shall obtain a permit, substantially in
10 the form of the draft permit incorporated in the Final Order on the Application as
11 Attachment D, from the Oregon Department of Transportation authorizing the location,
12 installation, construction, maintenance and use of buried cables within the right-of-way of
13 State Highway 206.

14 (87) To protect public safety, the certificate holder shall design and maintain the transmission
15 lines so that:

16 (a) Alternating current electric fields during operation do not exceed 9 kV per meter at
17 one meter above the ground surface in areas accessible to the public.

18 (b) Induced voltages during operation are as low as reasonably achievable.

19 (88) The certificate holder shall take reasonable steps to reduce or manage human exposure to
20 electromagnetic fields, including but not limited to:

21 (a) Constructing the 230-kV transmission line to ensure that conductors have a minimum
22 clearance of 30 feet from the ground at mid-span under maximum sag conditions.

23 (b) Constructing aboveground segments of the 34.5-kV transmission line to ensure that
24 conductors have a minimum clearance of 25 feet from the ground at mid-span under
25 maximum sag conditions.

26 (c) Constructing underground segments of the 34.5-kV transmission line at least 36-
27 inches below the surface of the ground.

28 (d) Providing to landowners a map of underground and overhead transmission lines on
29 their property and advising landowners of possible health risks.

8. Plants, Wildlife & Habitat Protection Conditions

30 (89) During construction and operation of the facility, the certificate holder shall implement a
31 plan to control the introduction and spread of noxious weeds. The certificate shall develop
32 the weed control plan in consultation with the Sherman County Weed Control Manager.

33 (90) The certificate holder shall design all aboveground transmission line support structures
34 following the practices suggested by the Avian Powerline Interaction Committee (APLIC
35 1996, referenced in the site certificate application, p. P-33) and shall install anti-perching
36 devices on transmission pole tops and cross arms where the poles are located within ½ mile
37 of turbines.

38 (91) If construction begins after 2006, the certificate holder shall review the ONHIC and
39 USFWS databases and consult with Frank Isaacs, Oregon State University Cooperative
40 Wildlife Unit (or other expert designated by ODFW) on an annual basis before beginning
41 construction to determine whether bald eagles or peregrine falcons have been observed in
42 or near the site of the facility. The certificate holder shall report the results of the database

review and consultation to the Department and to ODFW and, if there have been new observations of bald eagles or peregrine falcons in the area, the certificate holder shall implement appropriate measures to protect the species from adverse impact, as approved by the Department and ODFW.

- (92) The certificate holder may construct turbines and other facility components within the 900-foot corridors shown on Figures P-1 through P-6 of the site certificate application (as revised March 1, 2006), subject to the following requirements addressing potential habitat impact:

(a) The certificate holder shall not construct any facility components within areas of Category 1 habitat and shall avoid temporary disturbance of Category 1 habitat.

(b) The certificate holder shall design and construct facility components that are the minimum size needed for safe operation of the energy facility.

(c) To the extent possible, the certificate holder shall construct facility components in the locations shown on Figure C-2 of the site certificate application.

(d) If the certificate holder must change the layout of facility components from what is shown on Figure C-2 due to microsite considerations, the certificate holder shall, to the extent possible, construct facility components within the 300-foot corridors shown on Figures P-1 through P-6 of the site certificate application (as revised March 1, 2006).

(e) The certificate holder may construct facility components outside the 300-foot corridors if necessary due to microsite considerations, except that the certificate holder shall not construct any facility components outside the 900-foot corridors shown on Figures P-1 through P-6 of the site certificate application (as revised March 1, 2006) or cause any temporary disturbance outside those 900-foot corridors.

- (93) The certificate holder shall implement measures to mitigate impacts to sensitive wildlife habitat during construction including, but not limited to, the following:

(a) Preparing maps to show sensitive areas, such as nesting or denning areas for sensitive wildlife species, that are off limits to construction personnel.

(b) Ensuring that a qualified person instructs construction personnel to be aware of wildlife in the area and to take precautions to avoid injuring or destroying wildlife or significant wildlife habitat.

(c) Avoiding unnecessary road construction, temporary disturbance and vehicle use.

- (94) During construction, the certificate holder shall protect the area within a 1300-foot buffer around active nests of the following species during the sensitive period, as provided in this condition:

Species	Sensitive Period	Early Release Date
Swainson's hawk	April 1 to August 15	May 31
Golden eagle	February 1 to August 31	May 31
Ferruginous hawk	March 15 to August 15	May 31
Burrowing owl	April 1 to August 15	July 15

During the year in which construction occurs, the certificate holder shall use a protocol approved by the Oregon Department of Fish and Wildlife (ODFW) to determine whether there are any active nests of these species within a half-mile of any areas that would be disturbed during construction. If a nest is occupied by any of these species after the beginning of the sensitive period, the certificate holder shall not engage in high-impact construction activities (activities that involve blasting, grading or other major ground

disturbance) or allow high levels of construction traffic within 1300 feet of the nest site. In addition, the certificate holder will flag the boundaries of the 1300-foot buffer area and shall instruct construction personnel to avoid any unnecessary activity within the buffer area. The certificate holder shall hire an independent biological monitor to observe the active nest sites during the sensitive period for signs of disturbance and to notify the Department of any non-compliance with this condition. If the monitor observes nest site abandonment or other adverse impact to nesting activity, the certificate holder shall implement appropriate mitigation, in consultation with ODFW and subject to the approval of the Department, unless the adverse impact is clearly shown to have a cause other than construction activity. The certificate holder may begin or resume high-impact construction activities before the ending day of the sensitive period if any known nest site is not occupied by the early release date. If a nest site is occupied, then the certificate holder may begin or resume high-impact construction before the ending day of the sensitive period with the approval of ODFW, after the young are fledged. The certificate holder shall use a protocol approved by ODFW to determine when the young are fledged (the young are independent of the core nest site).

(95) The certificate holder shall conduct wildlife monitoring as described in the Wildlife Monitoring and Mitigation Plan that is incorporated in the Final Order on the Application as Attachment A and as amended from time to time.

(96) To mitigate for potential adverse impacts to bat species, the certificate holder shall contribute \$10,000 per year for three years, beginning in the first year of operation, to fund research toward better understanding wind facility impacts to bats and to develop mitigation solutions. In consultation with the Oregon Department of Energy and the Oregon Department of Fish and Wildlife, the certificate holder shall select an appropriate bat conservation organization to receive this funding.

(97) Before beginning construction of the facility, the certificate holder shall acquire the legal right to create, maintain and protect a habitat mitigation area for the life of the facility by means of an outright purchase, conservation easement or similar conveyance and shall provide a copy of the documentation to the Department. Within the habitat mitigation area, the certificate holder shall improve the habitat quality as described in the Habitat Mitigation Plan that is incorporated in the Final Order on the Application as Attachment C and as amended from time to time.

9. Visual Effects Conditions

(98) To reduce the visual impact of the facility, the certificate holder shall:

(a) Mount nacelles on smooth, hollow steel towers, approximately 20 feet in diameter at the base.

(b) Paint all towers uniformly in a neutral white or light gray color.

(c) Paint the substation buildings in a neutral color to blend with the surrounding landscape.

(d) Not allow any advertising to be used on any part of the facility or on any signs posted at the facility, except that the turbine manufacturer's logo may appear on turbine nacelles.

(e) Use only those signs required for facility safety or required by law, except that the certificate holder may erect a sign near the operations and maintenance building to identify the wind energy facility.

(f) Maintain any signs allowed under this condition in good repair.

(99) The certificate holder shall design and construct the operation and maintenance building to be generally consistent with the character of similar buildings used by commercial farmers or ranchers in the area and shall paint the building in a neutral color to blend with the surrounding landscape.

(100) The certificate holder shall not use exterior nighttime lighting except:

(a) The minimum turbine tower lighting required by the Federal Aviation Administration.

(b) Security lighting at the operations and maintenance building and at the substations, provided that such lighting is shielded or downward-directed to reduce glare.

(c) Minimum lighting necessary for repairs or emergencies.

10. Noise Control Conditions

(101) To reduce noise impacts at nearby residential areas, the certificate holder shall:

(a) Confine the noisiest operation of heavy construction equipment to the daylight hours.

(b) Require contractors to install and maintain exhaust mufflers on all combustion engine-powered equipment; and

(c) Establish a complaint response system at the construction manager's office to address noise complaints.

(102) Before beginning construction, the certificate holder shall present information demonstrating to the satisfaction of the Department that the requirements of either (a) or (b) have been met at properties R3, R4, R5, R6 and R7 (as shown on the Noise Buffer and Receptor Locations map in the Application Supplement, Tab X, Item vi):

(a) The certificate holder has obtained a legally effective easement or real covenant pursuant to which the owner of the property authorizes the certificate holder's operation of the facility to increase ambient statistical noise levels L_{10} and L_{50} by more than 10 dBA at the appropriate measurement point. A legally effective easement or real covenant shall: include a legal description of the burdened property (the noise sensitive property); be recorded in the real property records of the county; expressly benefit the certificate holder; expressly run with the land and bind all future owners, lessees or holders of any interest in the burdened property; and not be subject to revocation without the certificate holder's written approval.

(b) For any property for which the certificate holder has not obtained a legally effective easement or real covenant as described in (a), the certificate holder has identified the final design locations of all turbines to be built and has performed a noise analysis, in accordance with OAR 340-035-0035(1)(b)(B)(iii)(IV), demonstrating that the total noise generated by the facility would meet the ambient degradation test at the appropriate measurement point when all turbines are placed in their final design locations. The certificate holder shall perform the noise analysis using the Sound Propagation Model for Outdoor Noise Sources (SPM 9613, Version 2) and shall assume the following input parameters:

(i) The maximum sound power level guaranteed by the manufacturer.

(ii) Temperature of 52° F (11° C).

(iii) Relative humidity of 70 percent.

(iv) No ground effect.

(v) No barrier effects.

11. Waste Management Conditions

- (103) The certificate holder shall provide portable toilets for on-site sewage handling during construction and shall ensure that they are pumped and cleaned regularly by a licensed contractor who is qualified to pump and clean portable toilet facilities.
- (104) During operation, the certificate holder shall discharge sanitary wastewater generated at the O&M building to a licensed on-site septic system in compliance with county permit requirements. The certificate holder shall design the septic system design with a capacity that is less than 2,500 gallons per day.
- (105) The certificate holder shall implement a waste management plan during construction that includes but is not limited to the following measures:
- (a) Training employees to minimize and recycle solid waste.
 - (b) Minimizing the generation of wastes from construction through detailed estimating of materials needs and through efficient construction practices.
 - (c) Recycling steel and other metal scrap.
 - (d) Recycling wood waste.
 - (e) Recycling packaging wastes such as paper and cardboard.
 - (f) Collecting non-recyclable waste for transport to a landfill by a licensed waste hauler.
 - (g) Segregating all hazardous wastes such as used oil, oily rags and oil-absorbent materials, mercury-containing lights and lead-acid and nickel-cadmium batteries for disposal by a licensed firm specializing in the proper recycling or disposal of hazardous wastes.
- (106) The certificate holder may dispose of waste concrete on site with the permission of the landowner and in accordance with OAR 340-093-0080 and other applicable regulations. The certificate holder shall dispose of waste concrete on site by placing the material in an excavated hole, covering it with at least three feet of topsoil and grading the area to match existing contours. If the waste concrete is not disposed of on site, the certificate holder shall arrange for proper disposal in a landfill.
- (107) The certificate holder shall implement a waste management plan during operation that includes but is not limited to the following measures:
- (a) Training employees to minimize and recycle solid waste.
 - (b) Recycling paper products, metals, glass and plastics.
 - (c) Collecting non-recyclable waste for transport to a landfill by a licensed waste hauler.
 - (d) Segregating all hazardous wastes such as used oil, oily rags and oil-absorbent materials, mercury-containing lights and lead-acid and nickel-cadmium batteries for disposal by a licensed firm specializing in the proper recycling or disposal of hazardous wastes.

VI. SUCCESSORS AND ASSIGNS

To transfer this site certificate or any portion thereof or to assign or dispose of it in any other manner, directly or indirectly, the certificate holder shall comply with OAR 345-027-0100.

VII. SEVERABILITY AND CONSTRUCTION

If any provision of this agreement and certificate is declared by a court to be illegal or in conflict with any law, the validity of the remaining terms and conditions shall not be affected,

1 and the rights and obligations of the parties shall be construed and enforced as if the agreement
2 and certificate did not contain the particular provision held to be invalid.

VIII. GOVERNING LAW AND FORUM

3 This site certificate shall be governed by the laws of the State of Oregon. Any litigation
4 or arbitration arising out of this agreement shall be conducted in an appropriate forum in Oregon.

IX. EXECUTION

5 This site certificate may be executed in counterparts and will become effective upon
6 signature by the Chair of the Energy Facility Siting Council and the authorized representative of
7 the certificate holder.

8 **IN WITNESS WHEREOF**, this site certificate has been executed by the State of Oregon, acting
9 by and through its Energy Facility Siting Council, and by Klondike Wind Power III LLC.

ENERGY FACILITY SITING COUNCIL

KLONDIKE WIND POWER III LLC

By: Hans Neukomm
Hans Neukomm, Chair
Oregon Energy Facility Siting Council

By: Allan Query
Print: ALLAN QUERY

Date: 6/30/06

Date: 07/12/2006