BEFORE THE ENERGY FACILITY SITING COUNCIL
OF THE STATE OF OREGON

In the Matter of the Application by                   )
Northwest Natural Gas Co.                             )
for Amendment No. 5 to its                            )
Site Certificate for the Mist Underground            )
Natural Gas Storage Facility                          )
ORDER APPROVING                                      )
AMENDMENT No. 5                                       )

I. Introduction and Background

On September 30, 1981, the Energy Facility Siting Council ("Council", or "EFSC") issued an Energy Facility Site Certificate to the Oregon Natural Gas Development Corporation ("ONG") for an underground natural gas storage facility at the Mist site, near Mist, Oregon, in Columbia County. The Site Certificate has been amended four times, most recently in July 1997. In 1990 ONG assigned the site certificate to its parent company, Northwest Natural Gas ("NNG").

On February 27, 1998, NNG submitted a Request to Amend Site Certificate ("Request"). The amendment requested will involve no physical changes to the facility, its boundaries or its operations. The amendment would adopt current administrative rules at OAR 345-027-0050, 0060, 0070 and 0080 for amending the Site Certificate and would make those rules applicable to all future amendment requests. The Council approves this amendment request.

II. Description of the Amendment Request

The Council's amendment rules, OAR Chapter 345, Division 27 do not currently apply to the Mist Site Certificate. OAR 345-01-030. Instead, the site certificate authorizes two specific processes for council decision-making on amendments, depending on the nature of the amendment. One process (Section VII.A - E) applies "if future unforeseen developments cause the construction or operation of the underground storage reservoir or related and supporting facilities to present a danger to public health, safety or welfare, or if Federal law requires a change."

The second process, at Section VII.F of the site certificate, provides:

"For amendments not affecting the public health, safety or welfare and where ONG and EFSC agree that it is desirable to amend this site certificate ONG may file with the EFSC an application for an amendment to the site certificate agreement, which application shall state the necessary reasons therefore. The EFSC may grant such application without further proceedings at its regular public meeting."
The process set forth above does not require public notice, notice to other agencies or affected local governments, or opportunity for hearings. NNG wishes to replace the amendment process set forth in Section VII.A through F with the process set forth in the Council's current rules at OAR Chapter 345 Division 27. This amendment does not apply all of the rules in Division 27 to the Mist facility, but only rules OAR 345-027-0050, 0060, 0070 and 0080.

III. Procedure for Amendment #5
The Request was submitted on February 27, 1998. The amendment does not affect the public health, safety or welfare. Therefore the provisions of Section VII.F of the Site Certificate apply. In accordance with the procedure set forth in the Site Certificate, Section VII.F, the Council may grant the application without further proceedings at its regular meeting of March 13, 1998.

IV. Compliance with EFSC Standards
This amendment does not include any changes to the site or to the facility or its operation. The only change is an administrative change in the process for reviewing future amendments. Therefore no Council standards are affected.

V. Order for the Site Certificate Amendment
The process set forth in Section VII of the original site certificate provided a minimum of opportunity for public notice and comment. The proposed amendment would make the amendment process for NNG consistent with that used for other site certificate holders, provides greater opportunity for public notice and comment, and is a process which the Council has adopted in rule.

The Council grants the NNG Request for Amendment #5 to the Mist Site Certificate and orders that the Site Certificate be amended as requested. Section VII of the Mist Site Certificate is deleted in its entirety, and replaced with new Section VII which shall read:

"Amendments to this site certificate shall be governed by duly adopted rules of the Energy Facility Siting Council for the amendment of site certificates. As of the date of the execution of this amendment, the Council rules applicable to the amendment of this Site Certificate are OAR 345-027-0050, 0060, 0070 and 0080."

March 13, 1998
Date

Terry Edvalson, Chair
Energy Facility Siting Council