BEFORE THE
ENERGY FACILITY SITING COUNCIL
OF THE STATE OF OREGON

In the Matter of Request for Amendment 6 of Klamath Cogeneration Project Site Certificate	))))	~~PROPOSED~~ FINAL ORDER

DRAFT

October 27, 2026

Changes from Proposed Order to Draft Final Order are presented in redline track-changes

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ABBREVIATIONS AND ACRONYMS

ADT	average daily trips
AMD	Amendment
ASC	Application for Site Certificate
BMP	best management practice
Certificate holder	Klamath Energy, LLC
Council or EFSC	Energy Facility Siting Council
CT	Combustion Turbine
CTWSRO	Confederated Tribes of Warm Springs Reservation of Oregon
Department	Oregon Department of Energy
DOGAMI	Department of Oregon Geology and Mineral Industries
DSL	Department of State Lands
Facility	Klamath Cogeneration Project
GPM	Gallons Per Minute
HRSG	Heat Recovery Steam Generator
KCP	Klamath Cogeneration Project
kV	kilovolt
MW	megawatt
NPDES	National Pollutant Discharge & Elimination System
OAR	Oregon Administrative Rule
ODAg	Oregon Department of Agriculture
ODEQ	Oregon Department of Environmental Quality
ODFW	Oregon Department of Fish and Wildlife
ODOE	Oregon Department of Energy
ORS	Oregon Revised Statutes
pRFA	Preliminary Request for Amendment
RFA	Request for Amendment
SAG	Special Advisory Group
SSWTP	Klamath Falls' Spring Street Wastewater Treatment Plant

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I. INTRODUCTION

On July 10, 2026, Klamath Energy LLC (certificate holder) filed Request for Amendment 6 of the Klamath Cogeneration Project Site Certificate (Request or RFA6).

As described below, Klamath Cogeneration Project (facility) is an approved, operational, combined-cycle power generation facility with up to 525 megawatts (MW) of generating capacity, and related or supporting facilities, located in Klamath County, Oregon.

As described in Section I.C., *Requested Amendment*, RFA6 seeks Energy Facility Siting Council (EFSC or Council) authorization to amend Condition IV.P(9) of the site certificate to allow for the disposal of heat recovery steam generator (HRSG) boiler blowdown water through the City of Klamath Falls' wastewater treatment plant. (see Attachment A of this order).

To issue an amended site certificate, the Council must find determine that the preponderance of evidence on the record supports the following conclusions:

1. The facility as amended complies with all applicable laws and Council standards, and
2. The proposed change will not increase the gross carbon dioxide emissions that are reasonably likely to result from the operation of the facility by more than three percent (3%) above the estimated gross carbon dioxide emissions used to determine compliance with the applicable carbon dioxide standard in the site certificate or amended site certificate most recently issued before September 25, 2021.

In accordance with OAR 345-027-0371~~365~~, ~~the Oregon Department of Energy (Department), as staff to~~ the Energy Facility Siting Council (EFSC or Council), issues this ~~Proposed~~ Final Order recommending approval of the Request, subject to the existing and amended site certificate conditions set forth in this Order. This Order, and the analysis and recommendations contained therein do not constitute a final determination by the Council.

I.A. SITE CERTIFICATE PROCEDURAL HISTORY

The Council issued the Final Order and Site Certificate for the facility on August 27, 1997, approving a single, combined-cycle combustion turbine cogeneration facility capable of producing about 300 MWs (net) of electricity while providing about 200,000 lbs. per hour of steam to off-site industrial use and consisting of three major pieces of equipment: one combustion turbine, one HRSG, and one steam turbine generator and related or supporting facilities to be located on a 20 acre site boundary in Klamath County, Oregon. The Site Certificate has been amended five times:

- **Amendment 1 (April 27, 1998):** The Final Order on RFA1 approved the facility to construct either a single combustion turbine combined-cycle or a ~~two combustion~~two-combustion turbine combined-cycle cogeneration facility. And authorized a generating

capacity for the energy facility of up to 500 MW (net) at zero steam to off-site industrial use, based on a two combustion turbine combined-cycle cogeneration facility.

- **Amendment 2 (December 27, 1998):** The Final Order on RFA2 approved a 500 kV interconnection with PacifiCorp's existing Meridian to Captain Jack 500 kV transmission line which is located about 3,500 feet to the north of the approved power plant site. The 500 kV interconnection would consist of a 500 kV switchyard and a realignment of a portion of the Meridian to Captain Jack 500 kV line. The 500 kV interconnection would be an alternative to, and not a replacement for, the approved 230 kV interconnection. RFA2 expanded the site boundary from 15 to 20 acres for the new switchyard.
- **Amendment 3 (November 9, 2007):** The Final Order on RFA3 was issued on September 21, 2007 along with an Order to Offset CO2 Emissions. RFA3 approved the transfer of ownership and operations of the facility from the City of Klamath to Klamath Energy, LLC. Klamath Energy LLC is a subsidiary of PPM Energy, Inc. A supplemental order on RFA3 was issued on July 25, 2008 to address the CO2 Offset requirements.
- **Amendment 4 (March 27, 2009):** The Final Order on RFA4 approved the nominal 525 MW generation and modification of the applicable financial assurance amount and elimination of the requirement that the facility use water pursuant to a water right permit held by the City of Klamath Falls but instead allow the use of water pursuant to an existing water right certificate.
- **Amendment 5 (January 25, 2013):** The Final Order on RFA5 approved the Restated and Amended 5th site certificate to reflect removal of conditions that were determined to be no longer applicable and revise conditions that were still relevant but required updating per previous amendments. The updated conditions focused on the modification of the carbon dioxide emissions standard and an update of financial assurance information, and the deletion of conditions which had either been superseded or for which the requirements had been met or completed, the elimination of references to the City of Klamath Falls' ownership of the facility, and the restatement and updating of the contents of the site certificate to reflect operational facility.

I.B. APPROVED FACILITY DESCRIPTION

The Klamath Cogeneration Project is an approved, operational combined-cycle power generation facility, with related or supporting facilities that occupies 20 acres within a 20-acre site boundary. The following is a description of the facility as provided in the 5th Amended site certificate; under OAR 345-025-0006(3), the facility must be designed, constructed and operated substantially as described in the site certificate.

The facility is in Klamath County, approximately 3 miles southwest of the City of Klamath Falls, sited on entirely privately-owned land zoned for High Industrial Use. The private landowner is Collins Products and the facility is adjacent to the Collins Wood Products site.

I.B.1. Site Boundary

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The approved site boundary is 20 acres in Klamath County on High-Industrial-zoned land.

I.B.2. Energy Facility

The energy facility is an approved and operational combined-cycle, combustion turbine cogeneration energy facility as defined under ORS 469.300.[1]

The facility is approved to have a nominal electric generating capacity of up to 525 MW (net) at annual average site conditions with no steam to off-site industrial use and using natural gas as the fuel. The expected ratings for the two (2) natural gas combustion turbine facility at annual average conditions (48 degrees F) adjusted to site elevation are: Gross power output is estimated at approximately 535 MW at zero steam to off-site industrial use, and 514 MW at 200,000 pounds per hour of steam to off-site industrial use. Net power output is estimated as approximately 525 MW at zero steam to off-site industrial use, and 504 MW at 200,000 pounds per hour of steam to off-site industrial use.

The facility is a combined-cycle, combustion turbine cogeneration facility, based on two combustion turbines:

- The facility consists of five major pieces of equipment:
  - 2 combustion turbines
  - 2 heat recovery steam generators (HRSGs) approx. 110 feet tall, and
  - 1 steam turbine generator.
- Included in the facility description are:
  - 1 turbine generator building about 70 feet tall
  - 2 HRSG emission stacks that are approximately 150 feet tall;
  - 1 mechanical evaporation cooling tower about 50 feet tall;
  - 1 auxiliary boiler with an exhaust stack that is about 125 feet tall;
  - 1 approximately 30-foot-high, above-ground 200,000 gallon fuel oil storage tank;
  - 1 electrical substation with outdoor transformers and switches;
  - 1 approximately 125,000 square-foot stormwater retention/evaporation pond;
  - on-site parking;
  - and a variety of storage tanks and other structures.
- The electric and transmission system that includes an electric power system and a 500-kV electric transmission interconnection line segment to PacifiCorp's Meridian to Captain Jack 500-kV transmission line;
- Nitrous Oxide (NOx) control systems;
- A continuous emissions monitoring system;
- A fire protection system;
- Water treatment systems; and
- A stormwater drainage system.

[1] ORS 469.300(6); ORS 469.300(12)(a)(A)(ii)

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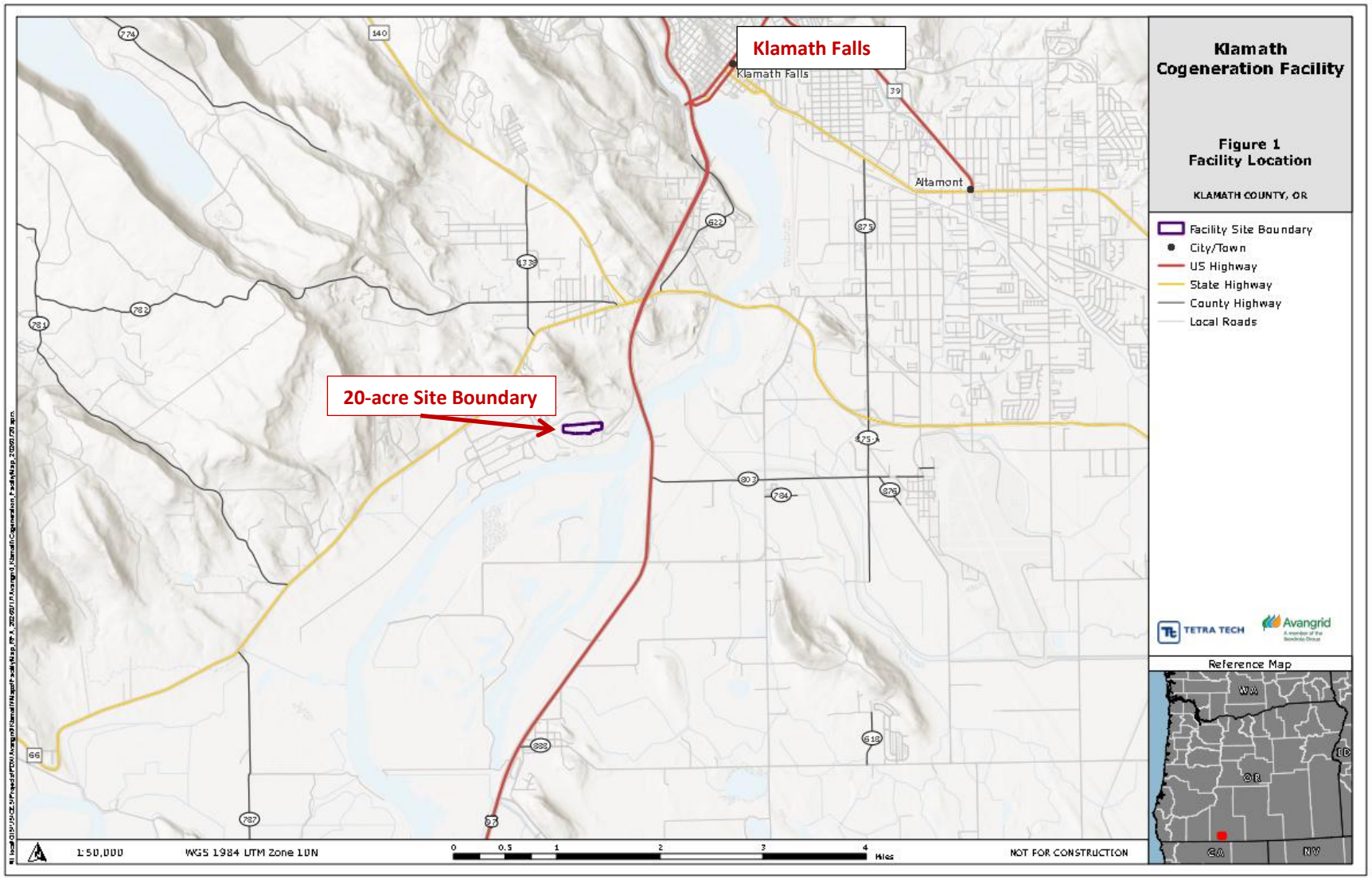
I.B.3. Related or Supported Facilities

The approved facility includes the following Related or Supporting Facilities:

- A steam pipeline to carry steam from the facility to the Collins Products' plant and a pipeline to return condensed steam and water to the facility. The steam pipeline is above ground, about 18 inches in diameter and about a mile long. The return pipeline is above ground, about six inches in diameter and about one mile long.
- A natural gas interconnection with Pacific Gas Transmission Company's Medford Lateral natural gas pipeline which crosses Collins property adjacent to the facility. The interconnection is about 12 inches in diameter and less than 300 feet long.
- A 500-kV switchyard that interconnects with a realigned segment of PacifiCorp's Meridian to Captain Jack 500-kV electric transmission line (the 500-kV realignment).
- An underground pipeline to supply cooling water to the facility. The pipeline carries treated wastewater from the City of Klamath's Spring Street Wastewater Treatment Plant. It is about 14 to 16 inches in diameter and about six miles long.
- An underground pipeline to return wastewater from the facility to the City's existing sewer system. This line is about eight inches in diameter and about two miles long.
- An underground water line to supply good quality water to the facility from the City's existing water system. This line is about six inches in diameter and about two miles long.

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Figure 1: Approved Site Boundary



I.C. REQUESTED AMENDMENT

RFA6 seeks Energy Facility Siting Council (EFSC or Council) authorization to amend **Condition IV.P(9)** of the site certificate as follows and as described in detail in the subsequent sections of this Order:

> "KCP HRSG boiler blowdown shall be ~~used as makeup water to the cooling tower. KCP cooling tower blowdown shall be reduced by automating the chemical treatment and blowdown system to allow the cooling tower to operate at the highest practical number of cycles of concentration~~ discharged to the City of Klamath Falls' Wastewater Treatment Plant as described in the Industrial Wastewater Discharge Permit issued by the City of Klamath Falls to Certificate Holder."
> (ASC, F-3, V-3, Final Order on AMD6)

The certificate holder seeks to amend Condition IV.P(9) to allow for the disposal of HRSG blowdown water through Klamath Falls' wastewater treatment plant consistent with current operation as the facility, as authorized under the permit issued by the City of Klamath Falls to the Certificate Holder (See RFA Attachment 1) and in response to the Oregon Department of Energy's (ODOE) compliance recommendations in its January 22, 2025 Operational Compliance Review Report. The original condition language was meant to maximize water use efficiency at the facility, however upon discussing permitting options with the City of Klamath Falls, operating as described in the proposed modified Condition IV.P(9) language allowed for better use of water and treatment of wastewater from the facility. RFA6 does not request any changes to the site boundary, nor does it propose new components or changes to the approved facility components. RFA6 requested changes to update the site certificate condition language to reflect the current requirements of the wastewater discharge permit for the City of Klamath Falls for the operational facility. ~~The Department provides a~~An evaluation ~~and recommendations~~ is provided in Section III.E Waste Minimization Standard.

II. COUNCIL REVIEW PROCESS FOR AMENDMENT PROCESS

Under OAR 345-027-0350(4)(c), an amendment to a site certificate is required. A change to a condition in the site certificate is needed to reconcile to the current operational protocols of the facility, including compliance with the existing local wastewater disposal permit with City of Klamath Falls.[2] Because RFA6 proposes to change an existing condition, a site certificate amendment is required.

II.A. SCOPE OF COUNCIL REVIEW

Under OAR 345-027-0375(2)(a) and (c), Scope of Council Review for Amendments, in making a decision to grant or deny a request for an amendment the Council must determine that the

[2] See OAR 345-027-0350(1)-(3) for a list of other changes that require an amendment, including a transfer of ownership, application of later adopted laws, or construction deadline extension.

preponderance of evidence on the record supports a following that the facility as amended complies with all applicable laws and Council standards; and that the proposed change will not increase the gross carbon dioxide emissions that are reasonably likely to result from the operation of the facility by more than three percent (3%) above the estimated gross carbon dioxide emissions used to determine compliance with the applicable carbon dioxide standard in the site certificate or amended site certificate most recently issued before September 25, 2021.

Applicable Division 27 Rule Requirements

A site certificate amendment is necessary under OAR 345-027-0350(4) because the certificate holder requests to design, construct, and operate the facility in a manner different from the description in the site certificate and would require modification to existing conditions in the site certificate.

The recommended findings of fact and conclusions of law provided in this order in Section III., *Evaluation of Council Standards*, support the recommendations under OAR 345-027-0375.

II.B. AMENDMENT PROCESS

The standard amendment review process, set forth in OAR 345-027-0360 through 345-027-0375, is the default review process and applies to the Council's review of a request for amendment proposing a change described in OAR 345-027-0350(2), (3), (4), or (5).[3] These steps are detailed in Section II.B., *Amendment Process*, below. A site certificate amendment is necessary under OAR 345-027-0350(4) because the RFA6 requests modification to an existing site certificate condition.

II.B.1. Request for Amendment

On May 22, 2026, the certificate holder submitted preliminary Request for Amendment 6 (pRFA6). The Department posted the pRFA6 to the project webpage and issued a Public Notice of the pRFA6 on May 26, 2026. The Department sent reviewing agency notices on the pRFA6 to state reviewing agencies, the Klamath County Special Advisory Group (SAG), Tribal governments (Klamath Tribes and Confederated Tribes of Warm Springs) and local governments (City of Klamath Falls) on July 6, 2027 requesting comments by July 20, 2026.

The Department sent specific coordination emails to the Oregon Department of Environmental Quality (DEQ) and the City of Klamath Falls. On July 24, 2026, the DEQ provided written comments on the pRFA6 and their review of the proposed changes.[4] Those comments are found in Attachment B of this order. In their comments, DEQ Wastewater Permit Reviewer noted that the DEQ had been in coordination with the certificate holder and City of Klamath Falls on this wastewater permit, and other permits, and had no issues of compliance on record

[3] OAR 345-027-0351(2).

[4] KCPAMD6Doc14 pRFA6 Reviewing Agency Comment DEQ 2026-07-24

for the facility with the permit or the facility and they did not think RFA6 would have any impacts on current DEQ role of water quality permits issued to the facility. On July 27, 2026, the Department received an email from the City of Klamath Falls stating there were no issues with the facility or compliance with the existing Industrial Wastewater Discharge Permit for the facility.[5]

The Department determined pRFA6 to be complete on July 6, 2026. On July 10, 2026, the certificate holder filed a complete RFA6 under OAR 345-027-0363(6) that included all revisions to pRFA6 and all additional information requested by the Department.

II.B.2. Proposed Order

The Department issued a~~A~~ Public Notice of the complete RFA6, Proposed Order, and Public Hearing ~~was issued~~ concurrently with the P~~p~~roposed ~~this~~ Order and sent via mail or email to individuals identified in OAR 345-027-0367(4) on July 27, 2026.[6] Due to the simplicity of the proposed change, Council reviewed and waived the in-person requirement for the Public Hearing on the Proposed Order at the March 20, 2026 EFSC meeting[7]. The Public Hearing was~~ill be~~ held in-person~~,~~ and remotely/virtually on Friday, August 21, 2026 ~~at 10:00 AM~~ at the scheduled EFSC meeting~~, to be held in-person~~ in The Dalles. Information on how to participate in the remote/virtual hearing was included in the Public Notice. In addition to the option to provide oral comments during the public hearing, the Council also accepted written comments until the close of the public comment period on August 28, 2026 at 5:00 PM Pacific Time.

The Public Notice of the Proposed Order initiate~~s~~d a public comment period on RFA6 and the Proposed Order. The comment period include~~s~~d a new public comment process, based on recently amended rules effective October 24, 2025. The new public comment process includes additional steps and deadlines, as presented in the table below.

Table 1: Proposed Order Public Comment Process and Deadlines

Process Step	Explanation	Deadline[1]
Comment Period	Opportunity to provide comments with sufficient specificity.[2]	July 27– Aug 28, 2026 5:00 PM Pacific Time
Certificate holder/Department responses	Opportunity for certificate holder and Department to identify whether comments were raised with sufficient specificity, and to respond	September 11, 2026 By 5:00 PM Pacific Time

[5] KCPAMD6Doc15 pRFA6 Reviewing Agency Comment KFalls 2026-07-27

[6] (A) All persons on the Council's general mailing list as defined in OAR 345-011-0020;
(B) All persons on any special mailing list established for the facility;
(C) The reviewing agencies for the facility, as defined in OAR 345-001-0010(52); and
(D) The property owners on the list provided under OAR 345-027-0360.

[7] https://www.oregon.gov/energy/facilities/Council%20Meetings/2026-03-19-20-EFSC-Agenda.pdf See Agenda Item H.

Table 1: Proposed Order Public Comment Process and Deadlines

Process Step	Explanation	Deadline[1]
	with explanation of deficiencies or additional information, evaluation and proposed conditions.	
Commenter Reply	Opportunity for commenter to supplement their initial comments or determine whether the issue is resolved by the certificate holder or Department's additional information, evaluation or proposed conditions.	September 16, 2026 By 5:00 PM Pacific Time
Certificate holder/Department sur-replies	Final opportunity for certificate holder and Department to resolve issues raised, based on any clarification or supplemental information provided in commenter replies.	September 18, 2026 By 5:00 PM Pacific Time

Notes:
1. If no comments are received by the August 28, 2026 deadline, the subsequent process steps and deadlines will not apply.
2. OAR 345-027-0367(7) explains that to provide comments with "sufficient specificity," comments should reference recommended findings of fact, conclusions of law or conditions of approval identified in the Proposed Order to which you object; identify the Council standard or other applicable state and local requirements on which your objection is based; and/or, present facts or statements supporting your objection.

Public Comments on Proposed Order

At the close of the public comment period, the Department received a total of 5 comments: 2 from reviewing agencies, one from the certificate holder, one from a Councilmember, and one from a member of the public. (Comments received are in Attachments B and C). The certificate holder's responses to comments are in Attachment D. The Department's evaluation of public comments is in Attachment E and is summarized below:

Evaluation of Issues

- Issue 01 (Rodriguez): Facility Should be Decommissioned Due to CO2 Emissions

Comment Summary

Mr. Rodriguez expressed concern about allowing methane-powered turbines in Oregon due to their CO2 emissions; he argued that the project should be decommissioned and a decommissioning schedule released to the public.

Department Evaluation

Mr. Rodriguez's comments did not specifically identify a council standard the proposed project may contradict, nor does the substance of the comment relate to an existing Council standard. The proposed amendment is a minor change to the configuration of the already-approved facility to bring the site certificate in line with how the facility was constructed. The amendment does not relate to the CO2 emissions of the facility, and does not in any way provide the Council with the ability to require facility decommissioning.

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Issue 02 (EFSC Councilor Calderon): Water use, re-use, and waste minimization

- Comment Summary

Councilor Calderon asked a technical question regarding the increase in water use associated with the amendment, and made a general statement regarding the general importance of water use, re-use, and waste minimization with respect to Council standards.

Department Evaluation

The Certificate Holder responded to Councilor Calderon's technical question by confirming that no additional water would be used with the amendment because the amendment just updates the Site Certificate to reflect what was built; the amendment would not actually change existing water use at the facility.

Councilor Calderon's comments regarding water and the waste minimization standard appear to be directed as broader, program-related comments. However, they do identify the measures the facility will continue to employ to minimize wastewater. The Department believes that such measures are indeed consistent with OAR 345-22-0120, which requires wastewater minimization, and the project continues to be consistent with this standard with the proposed amendment.

Department Evaluation of Comments:

Reviewing agency comments were received on pRFA6 from Oregon Department of Environmental Quality (ODEQ) and the City of Klamath Falls submitted comments in support of the requested amendment change.

The certificate holder submitted oral and written comments in response to Council comments and questions at the Public Hearing.

The Department issued its evaluation of comments and certificate holder responses, and sent it's evaluation via email to all eligible commenters on the Proposed Order on September 2, 2026. Replies from commenters were due by 5:00 PM Pacific Time on September 16, 2026. No replies were received by the deadline, and as a result no sur-replies were submitted by the deadline of 5:00 PM Pacific Time on September 18, 2026.

II.B.3. Draft Final Order

~~No later than 21 days after the deadline for sur-replies, or if no comments are received, no later than 21 days after the close of the record of the Proposed Order, the Department must issue a~~

~~draft of the Final Order (draft Final Order).[8] The draft Final Order will include written analysis of any comments on the Proposed Order, including analysis of any responses, replies, and sur-replies, and indicate whether it recommends any changes to the Proposed Order.[9] If the Department recommends any changes, it will include them in a draft Final Order.~~

On October 27, 2026, the Department issued a draft Final Order. Attachment C to this draft Final Order includes the Public Comments received on the Proposed Order. Attachment D contains the Certificate Holder's responses to those comments. Attachment E contains the Department's written evaluation of the public comments, including all responses. There were no replies or sur-replies submitted in response to the Certificate Holder's and the Department's responses to comments. All recommended changes to the Proposed Order are described in the evaluation and shown in this draft Final Order in track changes. No substantive changes have been made from the Proposed Order to the Draft Final Order, based on the evaluation of public comments and responses received.

Concurrent with issuing the ~~draft~~ draft Final Order, the Department ~~will~~ issued a Notice of the Draft Final Order which ~~will be~~was mailed or emailed to all persons, agencies, or organizations who commented during the public comment period. [10] The Department also~~will~~ posted an announcement of the Draft Final Order on the Department's webpage for the facility. ~~The Notice of the Draft Final Order will include the date of Council's review.~~

II.B.4. Final Order

At the meeting designated in the Notice of the ~~draft~~ draft Final Order (November 20, 2026), Council will review the ~~draft~~ draft Final Order including all related comments, responses, replies, sur-replies, and the Department's analysis, if applicable. During Council's review of the ~~draft~~ draft Final Order, the Department may summarize the analysis it conducted to produce the order.[11] During its review, Council, at its discretion, may pose questions to the Department, the Department of Justice, persons who commented on the Proposed Order, and/or the certificate holder.[12]

After reviewing the written analysis of the comments, responses, replies, and sur-replies, along with the ~~draft~~ Draft Final Order, the Council, based on the considerations described in OAR 345-027-0375[13] must either grant or deny issuance of an amended site certificate in a written Final Order. The Council's Final Order may adopt, modify or reject the Department's draft Final

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~~[8] The Department may issue the draft of the final order at a later date, but the Department must post an update of the date by which it will issue the draft of the Final Order on the Department's webpage for the facility. OAR 345-027-0371(2).~~

~~[9] OAR 345-027-0371(1).~~

[10] OAR 345-027-0371(3).

[11] OAR 345-027-0371(5).

[12] OAR 345-027-0371(6).

[13] See Section II.A., *Scope of Council Review*, in this Order.

Order. If the Council grants issuance of an amended site certificate, the Council must then issue an amended site certificate, which is effective upon execution by the Council Chair and by the certificate holder.[14]

Judicial review of the Council's final order either granting or denying an amended site certificate is as provided in ORS 469.403(3).[15]

III. EVALUATION OF COUNCIL STANDARDS

Under ORS 469.310, the Council is charged with ensuring that the "siting, construction and operation of energy facilities shall be accomplished in a manner consistent with protection of the public health and safety." ORS 469.401(2) further provides that the Council must include in the amended site certificate "conditions for the protection of the public health and safety, for the time for completion of construction, and to ensure compliance with the standards, statutes and rules described in ORS 469.501 and ORS 469.503."[16] The Council implements this statutory framework by adopting findings of fact, conclusions of law, and conditions of approval concerning the ability of the certificate holder and facility to continue to demonstrate compliance with EFSC standards set forth in OAR Chapter 345, Divisions 22 and 24 as well as all other applicable statutes, rules and standards (including those of other state or local agencies).

This Order includes the ~~Department's~~ Council's analysis of whether the certificate holder and facility, with the proposed RFA6 changes, would continue to meet each applicable Council standard (with mitigation and subject to compliance with existing and recommended new and amended conditions, as applicable), based on the information in the record.

III.A. Standards Potentially Impacted by Request for Amendment 6

As provided above, under OAR 345-027-0375, in making a decision to grant or deny issuance of an amended site certificate, the Council must determine that the preponderance of evidence on the record supports that the facility, with the proposed change, complies with the applicable laws or Council standards that protect a resource or interest that could be affected by the proposed change. These standards are evaluated in Sections III.C, III.D, and III.E. of this order.

- General Standards of Review (OAR 345-022-000)
- Public Services (OAR 345-022-0110)
- Waste Minimization (OAR 345-022-0120)

Under OAR 345-027-0375, to issue an amended site certificate, the Council must determine that the preponderance of evidence on the record supports the conclusion that the facility,

[14] OAR 345-027-0371(7).
[15] OAR 345-027-0371(8).
[16] ORS 469.401(2).

with the proposed change, complies with the applicable laws or Council standards that protect a resource or interest that could be affected by the proposed change.

Section III.B., *Standards Not Likely to Be Impacted by Request for Amendment 6*, of this order describes why the proposed changes in RFA6 would not impact resources protected under other Council standards and applicable rules and how Council's previous findings and site certificate conditions may be relied upon for compliance.

III.B. Standards Not Likely to Be Impacted by Request for Amendment 6

As described throughout this order, RFA6 solely requests a change to existing condition language to reflect the current wastewater discharge permit requirement issued to the facility by the City of Klamath. In RFA6, the certificate holder seeks Council approval to amend Condition IV.P(9) of the site certificate to allow for the disposal of HRSG boiler blowdown water through the City of Klamath Falls' wastewater treatment plant. Based on the minimal scope of the amendment request, with the exception of the evaluation provided in Section III.A. Standards Potentially Impacted by Request for Amendment 6 of this order, the ~~Department recommends~~ Council finds that the standards listed below are not likely to be impacted by RFA6 and therefore are not further evaluated in this order. The ~~Department recommends~~ Council relies~~y~~ on its findings and conclusions for these standards as presented in the Final Order on Amendment 5 (January 2013), incorporated herein by reference.

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Table 2: Standards Not Likely to be Impacted by Request for Amendment 6

EFSC Standard	OAR Citation & Hyperlink to Full Text	~~Department~~ Evaluation ~~and Recommendations~~ of Applicability to RFA6 Proposed Changes
Organizational Expertise	345-022-0010	RFA6 does not propose any changes to ownership or operations of the existing facility. The ~~Department recommends the~~ Council rel~~y~~ies on previous findings that the facility complies with this standard.
Structural	345-022-0020	RFA6 does not propose any changes that would alter Council's previous findings. The ~~Department recommends the~~ Council relies~~y~~ on previous findings that the facility complies with this standard.
Soil Protection	345-022-0022	RFA6 does not propose any changes that would alter Council's previous findings. The ~~Department recommends the~~ Council relies~~y~~ on previous findings that the facility complies with this standard.
Land Use	345-022-0030	RFA6 does not propose any changes that would alter Council's previous findings. The ~~Department recommends the~~ Council relies~~y~~ on previous findings that the facility complies with this standard.
Protected Areas	345-022-0040	RFA6 does not propose any changes that would alter Council's previous findings. The ~~Department recommends the~~ Council relies~~y~~ on previous findings that the facility complies with this standard.
Retirement and Financial Assurance	345-022-0050	RFA6 does not propose any changes that would alter Council's previous findings. The facility is operational and the certificate holder has submitted evidence of current bonds required for the facility in the 2025 Annual Operations Report. The ~~Department recommends the~~ Council continues to find that the facility complies with this standard.
Fish & Wildlife Habitat	345-022-0060	RFA6 does not propose any changes that would alter Council's previous findings. The ~~Department recommends the~~ Council relies~~y~~ on previous findings that the facility complies with this standard.
Threatened & Endangered Species	345-022-0070	RFA6 does not propose any changes that would alter Council's previous findings. The ~~Department recommends the~~ Council relies~~y~~ on previous findings that the facility complies with this standard.

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Table 2: Standards Not Likely to be Impacted by Request for Amendment 6

EFSC Standard	OAR Citation & Hyperlink to Full Text	~~Department~~ Evaluation ~~and Recommendations~~ of Applicability to RFA6 Proposed Changes
Scenic Resources	345-022-0080	RFA6 does not propose any changes that would alter Council's previous findings. The ~~Department recommends the~~ Council relies~~y~~ on previous findings that the facility complies with this standard.
Historic, Cultural & Archaeological Resources	345-022-0090	RFA6 does not propose any changes that would alter Council's previous findings. The ~~Department recommends the~~ Council relies~~y~~ on previous findings that the facility complies with this standard.
Recreation	345-022-0100	RFA6 does not propose any changes that would alter Council's previous findings. The ~~Department recommends the~~ Council relies~~y~~ on previous findings that the facility complies with this standard.
Wildfire Prevention and Risk Mitigation	345-022-0115	RFA6 proposes to allow boiler blowdown wastewater to go directly to a wastewater treatment plant rather than to be reused in the cooling towers, which is based on final facility design. Standards triggered for this review must have applicability to the scope of the change. RFA6 does not propose any changes that would increase or change internal or external wildfire risk.
Carbon Dioxide (CO2) Emissions	345-024-0500	RFA6 does not propose any changes that would impact the facility's gross carbon dioxide emissions or alter Council's previous findings made in the Final Order on Request for Amendment 5 or existing site certificate conditions under this standard in the 5th Amended and Restated Site Certificate. ~~The Department recommends that, u~~Under OAR 345-027-0375(2)(c), the Council continues to rely on previous findings that the facility complies with this standard.
CO2 Monetary Offset Rate	345-024-0580	RFA6 does not propose any changes that would alter Council's previous findings made in the Final Order on Request for Amendment 5 or existing site certificate conditions under this standard in the 5th Amended and Restated Site Certificate.~~.~~ The ~~Department recommends~~ Council continues to rely on previous findings that the facility complies with this standard.
Other Oregon Rules & Regulations		

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Table 2: Standards Not Likely to be Impacted by Request for Amendment 6

EFSC Standard	OAR Citation & Hyperlink to Full Text	~~Department~~ Evaluation ~~and Recommendations~~ of Applicability to RFA6 Proposed Changes
Oregon Noise Control Regulation	340-035-0035	RFA6 does not propose any changes that would alter Council's previous findings. The ~~Department recommends the~~ Council relies~~y~~ on previous findings that the facility complies with this regulation.
Oregon Removal-Fill Law	141-085-0500 through 141-085-0785	RFA6 does not propose any changes that would alter Council's previous findings. The ~~Department recommends the~~ Council relies~~y~~ on previous findings that the facility complies with this regulation.
Oregon Water Rights	345-022-0000(1)(b); 345-021-0010(1)(o)(F)	RFA6 does not propose any changes that would alter Council's previous findings. The ~~Department recommends the~~ Council relies~~y~~ on previous findings that the facility complies with this regulation.

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III.C. GENERAL STANDARD OF REVIEW: OAR 345-022-0000

(1) To issue a site certificate for a proposed facility or to amend a site certificate, the Council shall determine that the preponderance of evidence on the record supports the following conclusions:

(a) The facility complies with the requirements of the Oregon Energy Facility Siting statutes, ORS 469.300 to 469.570 and 469.590 to 469.619, and the standards adopted by the Council pursuant to 469.501 or the overall public benefits of the facility outweigh any adverse effects on a resource or interest protected by the applicable standards the facility does not meet as described in section (2);

(b) Except as provided in OAR 345-022-0030 for land use compliance and except for those statutes and rules for which the decision on compliance has been delegated by the federal government to a state agency other than the Council, the facility complies with all other Oregon statutes and administrative rules identified in the project order, as amended, as applicable to the issuance of a site certificate for the proposed facility. If the Council finds that applicable Oregon statutes and rules, other than those involving federally delegated programs, would impose conflicting requirements, the Council shall resolve the conflict consistent with the public interest. In resolving the conflict, the Council cannot waive any applicable state statute.

******

(4) In making determinations regarding compliance with statutes, rules and ordinances normally administered by other agencies or compliance with requirements of the Council statutes if other agencies have special expertise, the Department of Energy shall consult with such other agencies during the notice of intent, site certificate application and site certificate amendment processes. Nothing in these rules is intended to interfere with the state's implementation of programs delegated to it by the federal government.[17]

*****[18]

III.C.1. Findings of Fact

The General Standard of Review requires the Council to find that a facility complies with all applicable laws, rules, and standards, or the overall public benefits of the facility outweigh any adverse effects on a resource or interest protected by the applicable standards the facility does not meet. The scope and applicability of standards, laws, rules, and ordinances that must be

[17] OAR 345-022-0040, effective April 2, 2025.

[18] The information requirements included in the standard are omitted from the language above, but evaluated within recommending findings of fact below.

considered in making a decision to grant or deny issuance of an amended site certificate are established under OAR 345-027-0375. As described in *Section II.A., Scope of Council Review*, for OAR 345-027-0375(2)(a), Scope of Council Review for Amendments, in making a decision to grant or deny a request for an amendment the Council must determine that the preponderance of evidence on the record supports a following that the facility as amended complies with all applicable laws and Council standards.

Upon consideration of the facts and evidence in the record for Request for Amendment 6, as well as the Final Orders on the ASC and Amendment 5 which are incorporated herein by reference, the ~~Department recommends~~ Council finds that the General Standard of Review has been satisfied.

Council typically addresses mandatory and applicable site specific conditions, as established in OAR 345-025-0006 and OAR 345-025-0010, under the General Standard of Review. Mandatory conditions (OAR 345-025-0006) are established in rule and are required to be imposed in every EFSC-issued site certificate; therefore, findings of fact or conclusions of law are not needed. The mandatory conditions are listed in the 5th Amended and Restated Site Certificate Section III.A: Mandatory Conditions in Conditions 1 through 12. The mandatory condition established under OAR 345-025-0006(3)(a) requires that the certificate holder design, construct, operate, and retire the facility substantially as described in the site certificate. This mandatory condition is represented in Mandatory Condition III.A.2 of the 5th Amended and Restated Site Certificate (2013):

> (2) The Facility shall be designed, constructed, operated and retired:
> (a) Substantially as described in this Restated and Amended Site Certificate;
> (b) In compliance with the requirements of ORS Chapter 469, applicable Council rules, and applicable state and local laws, rules and ordinances in effect at the time this Restated and Amended Site Certificate is issued; and
> (c) In compliance with all applicable permit requirements of other state agencies.

RFA6 was submitted by the certificate holder in order to align the site certificate condition language for the wastewater discharge for HRSG boiler blowdown to the City of Klamath and its wastewater discharge permit. No other changes are proposed or requested. Both DEQ and City of Klamath confirmed that the proposed change is allowable and there are no concerns with the change in process for wastewater discharge and treatment.

As described in the sections that follow, the ~~Department recommends that the~~ Council finds that a preponderance of evidence on the record supports the conclusion that the facility would continue to comply with the applicable requirements of ORS chapter 469, siting standards adopted by the Council under OAR chapter 345, and all other Oregon statutes and administrative rules applicable to an original site certificate application.

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III.C.2. Conclusions of Law

The ~~Department recommends that the~~ Council finds that the certificate holder would continue to satisfy the requirements of OAR 345-022-0000, that the facility will comply with all laws and Council standards, and that, subject to existing and the recommended amended site certificate condition described in this Order, the facility continues to comply with the Council's General Standard of Review.

III.D. PUBLIC SERVICES: OAR 345-022-0110

> *(1) Except for facilities described in sections (2) and (3), to issue a site certificate, the Council must find that the construction and operation of the facility, taking into account mitigation, are not likely to result in significant adverse impact to the ability of public and private providers within the analysis area described in the project order to provide: sewers and sewage treatment, water, storm water drainage, solid waste management, housing, traffic safety, police and fire protection, health care and schools.*
>
> *(2) The Council may issue a site certificate for a facility that would produce power from wind, solar or geothermal energy without making the findings described in section (1). However, the Council may apply the requirements of section (1) to impose conditions on a site certificate issued for such a facility.*
>
> *(3) The Council may issue a site certificate for a special criteria facility under OAR 345-015-0310 without making the findings described in section (1). However, the Council may apply the requirements of section (1) to impose conditions on a site certificate issued for such a facility.* [19]
>
> ***** [20]

III.D.1. Findings of Fact

RFA6 does not propose any changes to the current operational facility but it does request to change condition language for the requirements of HRSG boiler blowdown water discharge to align with the current, approved permit from the City of Klamath Falls. There is no change in the service provider (City of Klamath Falls). The ~~Department~~ Council has reviewed the record on the facility and the RFA6 and current Industrial Wastewater Discharge Permit for the facility, including discharge of the HRSG boiler blowdown water and ~~recommends that~~the Council finds that with RFA6 requested changes, the facility will continue to comply with the Public Health and Safety conditions described above. In addition, in the site certificate, wastewater

[19] OAR 345-022-0040, effective April 2, 2025.

[20] The information requirements included in the standard are omitted from the language above, but evaluated within recommending findings of fact below.

minimization from HRSG boiler blowdown was imposed under the Waste Minimization Standard, as evaluated below.

III.D.2. Conclusions of Law

Based on the foregoing analysis, the ~~Department recommends the~~ Council continues to find that operation of the facility, with proposed changes, are not likely to result in significant adverse impacts to the ability of public and private providers to provide the services listed in OAR 345-022-0110.

III.E. WASTE MINIMIZATION: OAR 345-022-0120

Except for facilities described in sections (2) and (3), to issue a site certificate, the Council must find that, to the extent reasonably practicable:

(a) The applicant's solid waste and wastewater plans are likely to minimize generation of solid waste and wastewater in the construction and operation of the facility, and when solid waste or wastewater is generated, to result in recycling and reuse of such wastes;

(b) The applicant's plans to manage the accumulation, storage, disposal and transportation of waste generated by the construction and operation of the facility are likely to result in minimal adverse impact on surrounding and adjacent areas.

(2) The Council may issue a site certificate for a facility that would produce power from wind, solar or geothermal energy without making the findings described in section (1). However, the Council may apply the requirements of section (1) to impose conditions on a site certificate issued for such a facility.
(3) The Council may issue a site certificate for a special criteria facility under OAR 345-015-0310 without making the findings described in section (1). However, the Council may apply the requirements of section (1) to impose conditions on a site certificate issued for such a facility. [21]
***** [22]

III.E.1. Findings of Fact

Wastewater

The changes proposed in RFA6 relate to wastewater minimization measures imposed under existing conditions. ~~.~~ The ~~Department~~ Council has reviewed the site certificate and identified the following existing conditions related to wastewater:

[21] OAR 345-022-0040, effective April 2, 2025.

[22] The information requirements included in the standard are omitted from the language above, but evaluated within recommending findings of fact below.

(4) The Certificate Holder shall maintain a wastewater minimization and reuse plan for operation substantially as described in the ASC, page V-1, which is in Appendix B to this Restated and Amended Site Certificate

(6) The Certificate Holder shall minimize and reuse wastewater generated during operation to the extent reasonably practicable and substantially as described in the ASC, pages F-2 through 3, and V-3 and 4, which are in Appendix B to this Restated and Amended Site Certificate.

(7) During operation, the Certificate Holder shall minimize the amount of sanitary wastewater by using water flow restricting devices on bathroom and locker room sinks and showers, and by using low water consumption water closets. (ASC, V-3)

(8) KCP water treatment demineralizers shall use programmable logic controls set to maximize resin efficiency so as to reduce overall water consumption during resin regeneration and backwashing. (ASC, V-3)

(9) KCP Heat Recovery Steam Generator boiler blowdown shall be used as makeup water to the cooling tower. KCP cooling tower blowdown shall be reduced by automating the chemical treatment and blowdown system to allow the cooling tower to operate at the highest practical number of cycles of concentration. (ASC, F-3, V-3)

RFA6 requests the following changes to existing Condition IV.P(9):

> **Recommended Amended Waste Minimization Condition 9 (OPR):**
> KCP HRSG boiler blowdown shall be ~~used as makeup water to the cooling tower. KCP cooling tower blowdown shall be reduced by automating the chemical treatment and blowdown system to allow the cooling tower to operate at the highest practical number of cycles of concentration~~ discharged to the City of Klamath Falls' Wastewater Treatment Plant as described in the Industrial Wastewater Discharge Permit issued by the City of Klamath Falls to Certificate Holder."
> (ASC, ~~F-3, V-3~~, Final Order on AMD6)

The certificate holder has requested to amend Condition IV.P(9) to allow for the disposal of HRSG boiler blowdown water through Klamath Falls' wastewater treatment plant consistent with current operation as the facility, as authorized under the permit issued by the City of Klamath Falls to the certificate holder (See Attachment 1 of RFA6) and in response to the Oregon Department of Energy's (ODOE) compliance recommendations in its January 22, 2025 Operational Compliance Review Report. The original condition language was meant to minimize wastewater at the facility, however upon discussing permitting options with the City of Klamath Falls, operating as described in the proposed modified Condition IV.P(9) language allowed for better use of water and treatment of wastewater from the facility and is consistent with the current operational Wastewater Discharge Permit from the City of Klamath Falls. As stated in

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the 5th Amended and Restated Site Certificate, under Section V.B.10, the Wastewater Discharge Permit is neither included in, or governed by, the site certificate.

The certificate holder first reported it was not in compliance with Condition IV.9 in the 2022 Annual Operations Report because "HRSG blowdown was not used as cooling tower make up as it is considered "treated" water. Cooling tower chemistry is automated and checked." The certificate holder also reported that they were working on an amendment request to resolve the discrepancy between condition language and current operations under the current permit. In the Department's 2024 review of the 2023 Annual Operations Report, the Department noted that an amendment request still needed to be submitted. In December 2025, the certificate holder submitted pRFA6 to resolve the issue and to align condition language to reflect the current, approved operating Wastewater Discharge Permit from the City of Klamath Falls. A review of the current permit indicates it was re-issued for the facility in 2023 pursuant to an updated City Sewer Use Ordinance and includes the specific requirements and conditions from the City specific to wastewater discharge from the facility.

Further, the specific requirements for the disposal of HRSG boiler blowdown water were approved in the Final Order on the ASC and prior to the actual construction and permitting of the facility by the City of Klamath Falls for the discharge permit for the HRSG boiler blowdown water and once constructed and operational, the actual requirements from the City of Klamath Falls for discharge had changed and the specific site certificate condition language and references in the Appendix B, were no longer necessary or applicable. The facility operates in compliance with the City of Klamath's required Industrial Wastewater Discharge Permit for the facility (See RFA6 Attachment 1).

Reviewing agency comments on RFA6 were received from Oregon Department of Environmental Quality (DEQ) and the City of Klamath Falls, Wastewater Program.[23] These comments are included in Attachment B of this order. DEQ submitted comments on pRFA6 that noted there were no issues or concern about the proposed change, and there was no history or issue of non-compliance with wastewater permits for the facility. (See Attachment B: Reviewing Agency Comments of this order). DEQ is in regular coordination with the City of Klamath Falls regarding the permit and the water discharge from the facility. Comments from the City of Klamath Falls noted that the facility operates in compliance with the existing permit.

The requested condition change allows boiler blowdown water to be treated through the Industrial Wastewater Discharge Permit rather than requiring that the boiler blowdown be used in the cooling towers. This change is allowable/consistent with the 2023 Industrial Wastewater Discharge Permit because on page 2 of 13 (of the permit) it expressly allows for discharge of: cooling tower effluent; and low volume waste as described in 40CFR 432.11(b)(c)(d). Boiler blowdown water is specifically listed in 40 CFR 423.11(b) as a low volume waste. For these reasons, and based on the ~~Department's~~ Council's review of the procedural history, the ASC,

[23] KCPAMD6Doc14 pRFA6 Reviewing Agency Comment DEQ 2026-07-24; KCPAMD6Doc15 pRFA6 Reviewing Agency Comment KFalls 2026-07-27

and prior amendments and the 5th Amended and Restated Site Certificate and the current wastewater discharge permit from the City of Klamath Falls, the ~~Department recommends that~~ Council finds that with the proposed changes to the condition, the facility will continue to comply with the waste minimization standard.

The ~~Department's~~ Council's review of RFA6 included a review of the ASC, subsequent amendments, and the 5th Amended and Restated Site Certificate including a review of the Site Certificate's Appendix B cited in the existing Waste Minimization conditions. Based on the ~~Department's~~ Council's review of related site certificate conditions that could be affected by the requested amendment the ~~Department recommendeds~~Council makes minor amendments to Waste Minimization Conditions (4) and (6) to remove the related now-obsolete references to Appendix B. The ~~Department~~ Council provides its evaluation ~~and recommendations~~ below:

Page V-1 of the 5th Amended and Restated site certificate's Appendix B is broad and unspecific but because reuse of the boiler blowdown was originally part of their wastewater minimization plan, the ~~Department recommends the~~ condition should be amended for consistency:

> ~~Recommended~~ **Amended Waste Minimization Condition IV.P(4):**
>
> The Certificate Holder shall maintain a wastewater minimization and reuse plan for operation. ~~substantially as described in the ASC, page V-1, which is in Appendix B to this Restated and Amended Site Certificate.~~
> [ASC, Final Order on AMD6]

Appendix B and the existing Waste Minimization Condition (6) cite ASC p V-4 for the certificate holder's original representation of reusing boiler blowdown water in the cooling towers. ~~The Department recommends amending the~~This condition should be amended to remove this reference for consistency:

> ~~Recommended~~ **Amended Waste Minimization Condition IV.P(6):**
>
> The Certificate Holder shall minimize and reuse wastewater generated during operation to the extent reasonably practicable. ~~and substantially as described in the ASC, pages F-2 through 3, and V-3 and 4, which are in Appendix B to this Restated and Amended Site Certificate.~~
> [ASC, Final Order on AMD6]

III.E.2. Conclusions of Law

Based on the foregoing analysis, and subject to compliance with the existing and recommended amended site certificate conditions described above, the ~~Department recommends the~~ Council continues to find that the certificate holder's wastewater plans are likely to minimize generation of wastewater in the operation of the facility, with the proposed changes, result in recycling and reuse of such wastes, and will manage the accumulation, storage, disposal and transportation of wastes in a manner that will result in minimal adverse impacts to surrounding and adjacent areas.

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IV. ~~PROPOSED~~ CONCLUSIONS AND ORDER

Based on the recommended findings of fact and conclusions of law included in this order, under OAR 345-027-0375, the ~~Department recommends~~ Council finds that the preponderance of evidence on the record, including the record of RFA6, and of the *Final Order on the ASC* and *Final Order on Request for Amendment 5*, supports the following conclusions:

1. The facility, with the proposed changes, complies with the requirements of the Energy Facility Siting Statutes ORS 469.300 to 469.520.

2. The facility, with the proposed changes, complies with all applicable standards adopted by Council pursuant to ORS 469.501, in effect on the date Council issues its Final Order.

Accordingly, the ~~Department recommends~~ Council finds that the facility, with the proposed changes, complies with the General Standard of Review OAR 345-022-0000 and OAR 345-027-0375. The ~~Department recommends that the~~ Council finds, based on a preponderance of the evidence on the record, that the site certificate may be amended as requested.

The ~~Department therefore recommends that the~~ Council therefore approves Request for Amendment 6 of Klamath Cogeneration Project Site Certificate and issue the 6th Amended Site Certificate included as Attachment A to this Order.

Issued October 27,~~July 27~~, 2026

BY THE OREGON DEPARTMENT OF ENERGY

~~_____~~

~~Todd Cornett, Assistant Director For Siting~~

ATTACHMENTS

Attachment A: ~~Draft 6th~~Sixth Amended Site Certificate (red-line)
Attachment B: Reviewing Agency Comments on pRFA6
Attachment C: Public Comments received on Proposed Order
Attachment D: Certificate Holder responses to Comments
Attachment E: Department's evaluation of comments.

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Notice of Appeal Statement

Judicial review of this Order is as provided under ORS 469.403 and 469.405(1). Notwithstanding ORS 183.482 and 183.484, judicial review of the Council's approval of a request for an amendment to a site certificate is conferred solely on the Supreme Court. Only the certificate holder or persons who submitted comments on the Request for Amendment in compliance with council rules may seek judicial review. A person who seeks judicial review is limited to the issues the person raised in their comments.

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Attachment A

DRAFT Sixth Amended Site Certificate

~~FIFTH~~ SIXTH RESTATED AND AMENDED SITE CERTIFICATE

FOR THE

KLAMATH COGENERATION PROJECT

ISSUED BY

OREGON ENERGY FACILITY SITING COUNCIL
625 MARION STREET NE
SALEM OR 973013737

PHONE: 5033784040
FAX: 5033737806

~~JANUARY 25, 2013~~TBD

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~~FIFTH~~ SIXTH RESTATED AND AMENDED SITE CERTIFICATE FOR THE KLAMATH COGENERATION PROJECT

INTRODUCTION

This Restated and Amended Site Certificate for the Klamath Cogeneration Project (KCP or "the Facility") is issued and executed in the manner provided by ORS Chapter 469, by and between the State of Oregon (State), acting by and through its Energy Facility Siting Council (EFSC or "the Council"), and Klamath Energy LLC (Klamath Energy or Certificate Holder), a direct subsidiary of Iberdrola Renewables, LLC (IR). The purpose of this Restated and Amended Site Certificate is to remove conditions that are no longer necessary, and to revise conditions that are still relevant, but which require updating.

The findings of fact, reasoning and conclusions of law underlying the terms and conditions of this Restated and Amended Site Certificate are set forth in the following documents, which by this reference are incorporated herein: (a) the Council's Final Order for the KCP Application for Site Certificate (dated November 6, 1996) which the Council granted on August 15, 1997, (b) the Council's Final Order for the KCP Request for Amendment (dated October 6, 1997) which the Council granted on April 17, 1998, (c) the Council's Final Order for the KCP Request for Amendment No. 2, which the Council granted on December 11, 1998, (d) the Council's Final Order approving the KCP Application to Transfer Site Certificate, which the Council granted on September 21, 2007, (e) the Council's Final Order for the KCP Request for Amendment No. 4 (dated November 25, 2008) which the Council granted on March 27, 2009, ~~and~~ (f) the Council's Final Order for the Request for Amendment No. 5, which the Council granted on January 25, 2013, and (g) the Council's Final Order for the Request for Amendment No. 6, which the Council granted on DATE (collectively the "Final Orders").

In interpreting this Restated and Amended Site Certificate, any ambiguity will be clarified by reference to, in the following priority: (a) this Sixth Restated and Amended Site certificate, (b) the Fifth Restated and Amended Site certificate; (c) the Final Order granted on January 25, 2013 for Amendment No. 5 to the Site Certificate, (~~c~~d) the Final Order granted on March 27, 2009 for Amendment No. 4 to the Site Certificate, (~~d~~e) the Final Order granted on September 21, 2007 approving the Request to Transfer Site Certificate, (f) the Final Order granted on December 11, 1998 for Amendment No. 2 to the Site Certificate, (g) the Final Order granted on April 17, 1998 for Amendment No. 1 to the Site Certificate, (~~g~~h) the Final Order granted on August 15, 1997 for the Application for Site Certificate, (~~h~~i) the 500-Megawatt Exemption Final Order, and, if necessary, (~~i~~j) the record of the proceedings which led to those Orders.

The terms used in this Restated and Amended Site Certificate shall have the same meaning as set forth in ORS 469.300 and Oregon Administrative Rules (OAR) 345-01-010, except where otherwise stated or where the context clearly indicates otherwise. "Department" means the Oregon Department of Energy.

I. SITE CERTIFICATION

A. To the extent authorized by State law and subject to the conditions set forth herein, the State approves and authorizes the City to construct, and the Certificate Holder to operate and retire a natural gas-fired combustion turbine cogeneration Energy Facility, together with certain Related or Supporting Facilities, at the Site as described in section II of this Restated and Amended Site Certificate, near Klamath Falls, Oregon. ORS 469.401(1). [Amendment #3]

B. This Restated and Amended Site Certificate shall be effective until it is terminated pursuant to OAR 345-27-110, or the rules in effect on the date that termination is sought, or until the Restated and Amended Site Certificate is revoked pursuant to ORS 469.440 and OAR 345-29-100, or the statutes and rules in effect on the date that revocation is ordered. ORS 469.401(1)

C. This Restated and Amended Site Certificate does not address, and is not binding with respect to, matters which were not addressed in the Council's Final Order. These 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). Some of these matters are identified in Section V of this Restated and Amended Site Certificate.

D. Both the State and the Certificate Holder shall abide by local ordinances and state law and the rules of the Council in effect on the date this Restated and Amended Site Certificate is executed. ORS 469.401(2). In addition, upon a clear showing of a significant threat to the 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).

E. For a permit, license or other approval addressed in and governed by this Restated and Amended Site Certificate, the Certificate Holder shall comply with applicable state and federal laws adopted in the future and related to that permit, license or other approval to the extent that such compliance is required under the respective state agency statutes and rules. ORS 469.401(2).

F. Subject to the conditions herein, this Restated and Amended Site Certificate binds the State and all counties, cities and political subdivisions in this State as to the approval of the Site and the construction, operation and retirement of the Facility as to matters that are addressed in and governed by this Restated and Amended Site Certificate. ORS 469.401(3).

G. Each affected state agency, county, city and political subdivision in Oregon with authority to issue a permit, license or other approval addressed in or governed by this Restated and Amended Site Certificate shall, upon submission of the proper application and payment of the proper fees, but without hearings or other proceedings, issue such

permit, license or other approval subject only to conditions set forth in this Restated and Amended Site Certificate. ORS 469.401(3).

H. After issuance of this Restated and Amended Site Certificate, each state agency or local government agency that issues a permit, license or other approval for the KCP shall continue to exercise enforcement authority over such permit, license or other approval. ORS 469.401(3).

I. After issuance of this Restated and Amended Site Certificate, the Council shall have continuing authority over the Site and may inspect, or direct the Department to inspect, or request another state agency or local government to inspect, the Site at any time in order to assure that the Facility is being operated consistently with the terms and conditions of this Restated and Amended Site Certificate. ORS 469.430.

II. DESCRIPTION OF THE FACILITY AND SITE

In the event of a conflict between the descriptions of the Facility in this Restated and Amended Site Certificate and the Council's Final Orders, this Restated and Amended Site Certificate shall control. Note: Amendment No. 1 to the KCP Site Certificate allowed for the option of building either a 318-megawatt (MW) net output facility based on one combustion turbine configuration or a 525-MW net output facility based on a two combustion turbine configuration.[1] Amendment No. 2 to the KCP Site Certificate allowed for the option of either a 230-kilovolt (kV) electrical interconnection transmission line or a 500-kV electrical interconnection transmission line. Since the KCP has been constructed as a 525-MW net output two combustion turbine facility with a 500-kV electrical interconnection line, various changes were made to the KCP Site Certificate upon approval of Amendment No. 3 to reflect these facts. Amendment No. 4 to the Site Certificate, which revised the amount necessary to comply with the financial assurances standard and made changes to the water rights section to reflect the proper water right pursuant to which water is used for the KCP's operation, did not change the description of the facility and site. Amendment No. 5 to the Site Certificate, i.e., this Restated and Amended Site Certificate, which removes conditions that are no longer necessary (e.g., conditions which have been superseded or for which the Certificate Holder has completed the required actions) and revises conditions that are still relevant, but which require updating, does not change the description of the facility and site.

A. Description of the Amended Facility

A.1. The Energy Facility

The Energy Facility is a combined-cycle, combustion turbine (CT) cogeneration facility, based on two combustion turbines (CT).

[1] The KCP was initially described as a nominal 500-MW natural gas-fired electric cogeneration facility. As a consequence of upgrading the combustion turbines, Klamath Energy increased the facility's electrical output by 25 megawatts and lowered the plant heat rate by about 100 BTU/kwh. The Department analyzed the upgrades under OAR 345-027-0050(3) and concluded they did not necessitate amendment of the KCP site certificate. The Department's analysis was summarized in a letter from Adam Bless, ODOE, to Mike Roberts, Iberdrola Renewables, dated December 31, 2008.

Major Structures and Equipment

The two-CT Energy Facility will be capable of producing up to 525 megawatts (net) of electricity at site conditions when providing zero pounds per hour of steam to off-site industrial use. The combustion turbines will burn only natural gas. The auxiliary boiler will burn primarily natural gas, but may burn low-sulfur oil as a backup fuel. The on-site emergency diesel generator will burn low-sulfur oil. The estimated life of the Energy Facility is at least 30 years. The two-CT Energy Facility is shown in the RFA, Fig., B-3, which is included in this Restated and Amended Site Certificate as Appendix A.

The two-CT Energy Facility consists of five major pieces of equipment: two CTs, two heat recovery steam generators (HRSGs), and one steam turbine generator.

The Energy Facility includes a turbine generator building about 70 feet tall and the following related structures: two HRSGs that are approximately 110 feet tall; two HRSG emission stacks that are approximately 150 feet tall; a mechanical evaporation cooling tower about 50 feet tall; an auxiliary boiler with an exhaust stack that is about 125 feet tall; an approximately 30-foot-high, above-ground 200,000 gallon fuel oil storage tank; an electrical substation with outdoor transformers and switches; an approximately 125,000 square-foot stormwater retention/evaporation pond; on-site parking; and a variety of storage tanks and other structures. The Energy Facility includes four major systems: the power generation system, the cycle cooling system, the control system, and the electric and transmission system.

The power generation system includes three primary components: the combustion turbine generators, the HRSGs, and the steam turbine generator.

The cycle cooling system includes a water-cooled steam surface condenser, an evaporative mechanical induced draft cooling tower consisting of eight cells, boiler and cooling tower water chemical treatment systems, and a component cooling system.

The control system includes distributed control systems, an uninterruptible power supply, and an instrument air system.

The electric and transmission system includes an electric power system and a 500-kV electric transmission interconnection line segment to PacifiCorp's Meridian to Captain Jack 500-kV transmission line.

The Energy Facility also includes NOx control systems, a continuous emissions monitoring system, a fire protection system, water treatment systems and a stormwater drainage system.

Capacity and Output

The Energy Facility is authorized to have a nominal electric generating capacity of up to 525 MW (net) at annual average site conditions with no steam to off-site industrial use and using natural gas as the fuel.

The expected ratings for the two CT Energy Facility at annual average conditions (48 degrees F) adjusted to site elevation are:

Gross power output is estimated as approximately 535 MW at zero steam to off-site industrial use, and 514 MW at 200,000 pounds per hour of steam to off-site industrial use.

Net power output is estimated as approximately 525 MW at zero steam to off-site industrial use, and 504 MW at 200,000 pounds per hour of steam to off-site industrial use.

(see Appendix B of this Restated and Amended Site Certificate - RFA, Exhibit B, p. B-6, Footnotes 1 and 2):

The Energy Facility will be designed to achieve a capacity factor in excess of 93 percent. Actual capacity factor will depend on dispatch of the Energy Facility, operating and maintenance considerations, and other factors. The forced outage rate for the Energy Facility is expected to be about two percent. The Energy Facility will be designed to operate as a dispatchable facility capable of stable operation from at least 50 up to 100 percent of its rated output and with multiple starts.

Water Use

The Energy Facility will reuse treated effluent from the City's Spring Street Wastewater Treatment Plant (SSWTP) for its major source of water. This water will be used in the cooling tower system for evaporative cooling. The two-CT Energy Facility is estimated to use up to about 2,325 gallons per minute (gpm) (about 3.35 million gallons per day) of treated effluent on an annual average basis. (For the two-CT Energy Facility, see the RFA, Exhibit O, Table O-1, in Appendix B to this Restated and Amended Site Certificate.)

The Energy Facility will obtain good quality water from the City's existing municipal water supply system. The Energy Facility is estimated to use about 160 gpm (about 0.23 million gallons per day) of this water on an annual average basis.

The Energy Facility will obtain good quality water from Collins to make steam for Collins. Based on a Collins steam demand of 200,000 lbs/hr, the Energy Facility is estimated to use about 400 gpm of Collins' water on an annual average basis. This water will reduce by an equal amount the amount of water that Collins uses to make its own steam. Of the 400 gpm, about 200 gpm will be condensed steam and about 200 gpm will be from a Collins' groundwater well. The Energy Facility will dispose of its wastewater (both process wastewater and sanitary wastewater) to the SSWTP. The two CT Energy Facility is estimated to produce up to about 695 gpm (about 1.0 million gallons per day) of wastewater on an annual average basis.

A.2. Related or Supporting Facilities

The Facility will include the following Related or Supporting Facilities:

A steam pipeline to carry steam from the Energy Facility to the Collins plant and a pipeline to return condensed steam and water to the Energy Facility. The steam pipeline will be above ground, about 18 inches in diameter and about a mile long. The return pipeline will be above ground, about six inches in diameter and about one mile long.

A natural gas interconnection with Pacific Gas Transmission Company's recently built Medford Lateral natural gas pipeline which crosses Collins property adjacent to the Energy Facility Site. The interconnection will be about 12 inches in diameter and less than 300 feet long.

A 500-kV switchyard that interconnects with a realigned segment of PacifiCorp's Meridian to Captain Jack 500-kV electric transmission line (the 500-kV realignment), as described in the Final Order for Amendment No. 2 (the 500-kV interconnection alternative). [Amendment #2]

A new underground pipeline to supply cooling water to the Energy Facility. The pipeline will carry treated wastewater from the SSWTP. It will be about 14 to 16 inches in diameter and about six miles long.

A new underground pipeline to return wastewater from the Energy Facility to the City's existing sewer system. This line will be about eight inches in diameter and about two miles long.

A new underground water line to supply good quality water to the Energy Facility from the City's existing water system. This line will be about six inches in diameter and about two miles long.

B. Location of the Facility

The locations of the Energy Facility and the related or supporting facilities for the amended KCP are the same of those for the KCP as originally approved in August 1997.

B.1. The Energy Facility Site

The Energy Facility Site is about one-half mile west of the U.S. Highway 97 bridge over the Klamath River. It is on about 20 acres of land owned by Collins Products. The Site is within Klamath County and is outside the City limits and the Urban Growth Boundary. The Site is in Section 18 of Township 39 South, Range 9 East, in Klamath County, Oregon. The location of the Facility is shown in the ASC, Fig. C-1, which is included in this Restated and Amended Site Certificate as Appendix C.

B.2. Related or Supporting Facility Sites

The routes of the related or supporting Facilities, as originally approved, are shown in the ASC, Fig C-1. The KCP's June 30, 1999 semiannual construction report confirmed that the 500-kV interconnection alternative had been selected. Therefore, the following description of that alternative applies. [Amendment #2]

The KCP energy facility site with the 500-kV interconnection alternative shall be located on about 20 acres of land owned by Collins Products as shown in Figure 1 of the Request for Amendment No. 2. The location of the 500-kV realignment shall be as shown in Figure 2 of the Request for Amendment No. 2. [Amendment #2]

The Certificate Holder shall ensure that the 500-kV switchyard is designed, constructed, operated and retired substantially as described in the Final Order for Amendment No. 2 and in accordance

with the conditions of this Restated and Amended Site Certificate and Amendment No. 2 that are applicable to the KCP switchyard. [Amendment #2]

The Certificate Holder shall ensure that the realigned segment of the Meridian to Captain Jack 500-kV transmission line is designed and constructed substantially as described in the Final Order for Amendment No. 2 and in accordance with the conditions of this Restated and Amended Site Certificate and Amendment No. 2 that are applicable to the design and construction of the KCP electrical interconnection and transmission facilities. [Amendment #2]

This Restated and Amended Site Certificate contains no provisions or conditions that are intended to apply to the electrical operation of and transmission of electricity over the realigned segment of the Meridian to Captain Jack 500-kV transmission line. [Amendment #2]

The route of the steam and condensate return pipelines is entirely on land owned by Collins. It runs between the Energy Facility and the Collins plant to the southwest. It is within Section 18 of Township 39 South, Range 9 East, and Sections 13 and 24 of Township 39 South, Range 8 East. The route of the natural gas interconnection is entirely on Collins property. It is immediately south of the Energy Facility. It is within Section 18 of Township 39 South, Range 9 East.

The route of the underground cooling water supply pipeline begins at the SSWTP. Within City limits, the route is within existing City street rights-of-way. It crosses the Link River attached to the underside of an existing bridge near the north end of Lake Ewauna. Upon leaving City limits, the route follows an existing roadway corridor. Near Memorial Park, it follows an existing City sewer force main easement to Highway 97 and then runs within Highway 97 right-of-way until it reaches Collins property. From this point it crosses Collins property to the Energy Facility. The route is within Sections 32 and 33 of Township 38 South, Range 9 East, and Sections 5, 8, 7 and 18 of Township 39 South, Range 9 East.

The entire length of the route of the underground wastewater return pipeline is next to the cooling water supply pipeline. It begins at the Energy Facility, crosses Collins property and joins Highway 97 right-of-way just north of the bridge across the Klamath River. From there it follows Highway 97 right-of-way north to the intersection with Highway 66. Near the Highway 66 intersection, it connects into the City's existing sewer force main. It is within Sections 18 and 7 of Township 39 South, Range 9 East.

The route of the underground potable water line begins at an existing City potable water main near the intersection of Highway 66 and Weyerhaeuser Road. The route is within existing county street rights-of-way from Highway 66 along Weyerhaeuser Road until it reaches Collins property. It then goes east across Collins property to the Energy Facility. It is within Section 13 of Township 39 South, Range 8 East, and Section 18 of Township 39 South, Range 9 East.

III. CONDITIONS REQUIRED BY COUNCIL RULES

The following conditions in this Restated and Amended Site Certificate are specifically required by OAR 345-27-020 (Mandatory Conditions in Site Certificates), OAR 345-27-023 (Site Specific Conditions), OAR 345-27-028 (Monitoring Conditions), OAR 345-24-060 (Public Health and Safety Standards for Pipelines), OAR 345-24-090 (Design Standards for Transmission Lines) and in OAR 345, division 26 (Construction and Operation Rules for

Facilities) to address Facility and site-specific conditions and requirements. These conditions shall apply in addition to, and should be read together with, the additional specific conditions in section IV of this Restated and Amended Site Certificate to ensure compliance with the standards, statutes and rules described in ORS 469.501 and 469.503.

In addition to all other conditions stated in this Restated and Amended Site Certificate, the Certificate Holder is subject to all conditions and requirements contained in the rules of the Council and local ordinances and state law in effect on the date this Restated and Amended Site Certificate is executed, except that upon a clear showing of a significant threat to the 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).

In the event any of the conditions in this Restated and Amended Site Certificate conflict with or are inconsistent with a requirement in OAR chapter 345, or a condition in the Council's Final Orders, this Restated and Amended Site Certificate shall control.

As the holder of the Restated and Amended Site Certificate, the Certificate Holder shall be responsible for ensuring compliance with all provisions of this Restated and Amended Site Certificate.

A. Mandatory Conditions in Site Certificates OAR 345-27-020

(1) The Certificate Holder shall submit to the Department a legal description of the Site to be appended to this Amended and Restated Site Certificate prior to construction.

(2) The Facility shall be designed, constructed, operated and retired:

(a) Substantially as described in this Restated and Amended Site Certificate;

(b) In compliance with the requirements of ORS Chapter 469, applicable Council rules, and applicable state and local laws, rules and ordinances in effect at the time this Restated and Amended Site Certificate is issued; and

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

(3) Construction of the Facility must begin and be completed by dates specified in section IV.A of this Amended and Restated Site Certificate.

(4) No construction, including clearing of a right-of-way, except for the initial survey, may commence on any part of the Facility until the Certificate Holder has adequate control, or has the statutory authority to gain control, of the lands on which clearing or construction will occur.

(5) The Certificate Holder shall submit to the State of Oregon, through the Council, a bond or comparable security, satisfactory to the Council, in an amount specified in section IV.D. of this Restated and Amended Site Certificate adequate to restore the Site to a useful condition.

The security the Council determines to be satisfactory is described in section IV.D of this Restated and Amended Site Certificate.

(6) If mitigation is required after an affirmative finding by the Council under any standards of OAR Chapter 345, Division 22 or Division 24, the Certificate Holder, in consultation with affected state agencies and local governments designated by the Council, shall develop specific mitigation plans consistent with Council findings under the relevant standards. Such plans must be approved by the Department prior to the beginning of construction or, as appropriate, operation.

(7) The Certificate Holder shall prevent any condition, over which the Certificate Holder has control, from developing on the Site that would preclude restoration of the Site to a useful condition.

(8) Conditions related to Facility retirement and Site restoration:

(a) The Certificate Holder shall establish a financial mechanism or instrument satisfactory to the Council that will ensure funds will be available to adequately retire the Facility and restore the Site. The financial mechanism the Council determines to be satisfactory is described in section IV.D of this Restated and Amended Site Certificate;

(b) At least five years prior to planned retirement of the Facility, the Certificate Holder shall submit a retirement plan to the Council for approval. The plan shall describe how the Site will be restored adequately to a useful condition, including options for post-retirement land use, information on how impacts to fish, wildlife and the environment will be minimized during the retirement process and measures to protect the public against risk or danger resulting from post-retirement Site conditions; and

(c) The Facility shall be retired after its useful life in accordance with the approved final retirement plan, pursuant to OAR 345-27-110.

(9) This Restated and Amended Site Certificate includes as conditions those representations from the Application for Site Certificate for the KCP, the Requests for Amendments Nos. 1, 2, 3, and 4 to the KCP, and the relevant supporting record deemed by the Council to be binding commitments on the part of the Certificate Holder. The conditions that the Council deems to be binding commitments on the part of the Certificate Holder are listed in Section IV of this Restated and Amended Site Certificate and Appendices.

(10) 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 its surroundings and/or proposed future use. Upon completion of construction, the Certificate Holder shall dispose of all temporary structures not required for future use and all timber, brush, refuse and flammable or combustible material resulting from the clearing of land or from construction of the Facility.

(11) The Facility shall be designed, engineered and constructed to avoid potential dangers to human safety presented by seismic hazards affecting the Site as defined in ORS 455.447(1)(d), and including amplification, that are expected to result from the reasonably probable seismic event.

(12) The transfer of the site certificate from the City to Klamath Energy shall not occur until Klamath Energy delivers to EFSC evidence that:

(a) The City and Klamath Energy or PPM have entered into the Cooling Water Agreement described in the July 17, 2007 Memorandum of Understanding included in the Request for Transfer and the September 12, 2007 letter from Jeff Ball and Peter Van Alderwerelt to Adam Bless.

(b) The City and Klamath Energy or PPM have executed the agreement for Klamath Energy to discharge process waste water and sanitary waste water to the SSWTP, to be discharged under the SSWTP's NPDES permit

(c) The City has received the Order of the Circuit Court of Klamath County, validating the City's legal authority to enter into and perform its obligations in connection with the transfer, as described in item 4.3 of the Memorandum of Understanding dated July 17, 2007 and included in the Request for Transfer,

(d) The Federal Energy Regulatory Commission (FERC) has issued such approvals as are necessary for Klamath Energy to proceed with the acquisition of the Facility

(e) Contracts for delivery of steam to the steam host have been transferred from the City to Klamath Energy or PPM,

(f) Title V and Title IV air quality permits are transferred by DEQ from the City to Klamath Energy or PPM, and

(g) Klamath Energy or PPM delivers to the Council a letter of credit in the amount of $8.6 million that replaces the Termination Fund maintained by the Certificate Holder to satisfy Conditions IV.D.3, IV.D.4 and IV.D.5. [Amendment #3] The amount of the letter of credit shall be reduced to $4.511 million (1st Quarter 2009 dollars) upon the Council's approval of Amendment 4. [Amendment #4]

B. Site Specific Conditions OAR 345-27-023

(1) The Certificate Holder shall notify the Department, the State Building Codes Division and the Department of Geology and Mineral Industries promptly if Site investigations or trenching reveal that conditions in the foundation rocks differ significantly from those described in the Application for Site Certificate or the Request for Amendment for the KCP. The Council may, at such time, require the Certificate Holder to propose additional mitigating actions in consultation with the Department of Geology and Mineral Industries and the Building Codes Division.

(2) The Certificate Holder shall notify the Department, the State Building Codes Division and the Department of Geology and Mineral Industries promptly if shear zones, artesian aquifers, deformations or clastic dikes are found at or in the vicinity of the Site.

(3) The Certificate Holder shall restore the reception of radio and television at residences and commercial establishments in the primary reception area to the level present prior to operations of the transmission line, at no cost to residents experiencing interference resulting from the transmission line.

C. Monitoring Conditions OAR 345-27-028

(1) The Certificate Holder shall establish, in consultation with affected state agencies and local governments, monitoring programs, as provided in section IV of this Restated and Amended Site Certificate, for impact on resources protected by the standards of OAR Chapter 345, Divisions 22 and 24, and to ensure compliance with the Restated and Amended Site Certificate. The programs shall be subject to the review and approval of the Council.

(2) For each monitoring program that it establishes, the Certificate Holder shall have quality assurance measures that are reviewed and approved by the Department prior to commencement of construction or commencement of commercial operation, as provided in section IV of this Restated and Amended Site Certificate.

(3) If the Certificate Holder becomes aware of a significant environmental change or impact attributable to the Facility, the Certificate Holder shall submit to the Department as soon as possible a written report identifying the issue and assessing the impact on the Facility and any affected conditions of this Restated and Amended Site Certificate.

D. Public Health and Safety Standards for Pipelines OAR 345-24-060

(1) For the purposes of conditions in section III.D, "pipelines" means the KCP 300-foot (approximately) natural gas interconnection between the Energy Facility and the PGT Medford lateral pipeline.

(2) Pipelines shall be constructed in accordance with the requirements of the U.S. Department of Transportation as set forth in Title 49, Code of Federal Regulations, Part 192.

(3) Pipelines shall be designed so that noise resulting from operation of compressor stations and other Related or Supporting Facilities shall not violate standards specified in OAR Chapter 340, Division 35. Pipelines shall have mechanical structures that allow the pipeline to be sealed off, in the event of leakage, in a manner that will minimize the release of flammable materials. This is rebuttably presumed to be satisfied by the requirements of Title 49, Code of Federal Regulations, Part 192.

(4) The Certificate Holder shall develop a program using the best available practicable technology to monitor pipelines to ensure protection of public health and safety.

E. Design Standards for Transmission Lines OAR 345-24-090

For the purposes of conditions in section III.E., "transmission line" means the 500-kV transmission line described in the Final Order for Amendment No. 2 to the site certificate. [Amendment #3]

(1) The transmission line shall be designed so that alternating current electric fields shall not exceed 9 kV per meter at one meter above the ground surface in areas accessible to the public.

(2) The transmission line shall be designed so that induced currents resulting from the transmission line and Related or Supporting Facilities will be as low as reasonably achievable. The Certificate Holder must develop and implement a program which shall provide reasonable assurance that all fences, gates, cattleguards, trailers, or other objects or structures of a permanent nature that could become inadvertently charged with electricity shall be grounded through the life of the line.

(3) The transmission line shall be designed, constructed, and operated in a manner consistent with the 1993 edition of National Electrical Safety Code (American National Standards Institute, Section C2, 1993 Edition).

F. Construction and Operation Rules for Facilities OAR 345- 26

(1) Compliance Plans (OAR 345-26-040)

Following receipt of this Restated and Amended Site Certificate or an amendment of this Restated and Amended Site Certificate, the Certificate Holder shall implement a plan that verifies compliance with all terms and conditions of this Restated and Amended Site Certificate and applicable statutes and rules. This plan shall be documented and maintained for Department or Council inspection.

(2) Annual Status Report for Non-nuclear Facilities (OAR 345-26-080)

General Reporting Obligation for non-nuclear facilities. The Certificate Holder shall, within 120 days of the end of each calendar year, submit an annual report to the Council addressing the subjects listed in this condition. The reporting date may be changed by mutual agreement of the Council Secretary and the Certificate Holder. To the extent that information required by this condition is contained in reports the Certificate Holder submits to other state, federal or local agencies, excerpts from such other reports may be submitted to satisfy this condition. The Council reserves the right to request full copies of such excerpted reports.

Contents of Annual Report:

(a) Facility Status: An overview of Site conditions, the status of facilities under construction, and a summary of the operating experience of facilities that are in operation. This section of the annual report shall describe any unusual events, such as earthquakes, extraordinary windstorms, major accidents, or the like,

which occurred during the year and which had a significant adverse impact on the Facility.

(b) Reliability and Efficiency of Power Production: For electric power plants:

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

(B) The efficiency with which the power plant converts fuel into electric energy. If fuel chargeable to power heat rate was evaluated when the Facility was sited, efficiency shall be calculated using the same formula and assumptions, but using actual data.

(c) Status of Surety Information: The annual report shall provide documentation demonstrating that the bond or other security provided under section III.A.(5) of this Restated and Amended Site Certificate is in full force and effect and will remain in full force and effect for the term of the next reporting period.

(d) Industry Trends: The annual report shall discuss any significant industry trends that may affect the operations of the Facility.

(e) Monitoring Report: A list and description of all significant monitoring and mitigation activities performed during the previous year in accordance with the terms and conditions of this Restated and Amended Site Certificate, a summary of the results of those activities, and a discussion of any significant changes to any monitoring or mitigation program, including the reason for any such changes.

(f) Compliance Report: The Certificate Holder shall report all instances where it has not complied with a condition of this Restated and Amended Site Certificate. For ease of review, this section of the report shall use numbered subparagraphs corresponding to the applicable sections of this Restated and Amended Site Certificate.

(g) Facility Modification Report: The report shall summarize changes to the Facility which the Certificate Holder has determined do not require an amendment to this Restated and Amended Site Certificate in accordance with OAR 345-27-050.

(3) Schedule Modification (OAR 345-26-100)

The Certificate Holder shall promptly notify the Department of any changes in major milestones for construction, decommissioning, operation, or retirement schedules. Major milestones shall be as identified by the Certificate Holder in its construction, retirement, or decommissioning plan.

(4) Correspondence With Other State or Federal Agencies (OAR 345-26-105)

The Certificate Holder and the Department shall exchange with other state or federal agencies copies of all 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. Abstracts of reports may be submitted in place of full reports; however, full copies of abstracted reports must be provided at the request of the Department.

(5) Construction Report (OAR 345-26-125)

During construction of the Energy Facility and related or supporting facilities, the Certificate Holder shall submit semiannual Construction Progress Reports to the Council. Any significant changes to major milestones for construction shall be highlighted in the report.

(6) Notification of Incidents (OAR 345-26-170)

The Certificate Holder shall notify the Department 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;

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

IV. CONDITIONS PURSUANT TO COUNCIL STATUTORY AUTHORITY

The following conditions are presented by subject area only as an aide to their use and shall apply and should be read together. Where appropriate, citations in parentheses show the basis of the condition.

A. General Conditions

A.1. The conditions in this section IV.A.1 are based on statements that the applicant made in its Application for Site Certificate (ASC) (November 6, 1996), its Requests for Amendments (RFAs) Nos. 1 and 2 (October 6, 1997) or in other correspondence with the Department.

(1) The general arrangement of the KCP Energy Facility shall be substantially similar to that shown in the ASC, Figure B-3, or in the RFA No. 1, Figure B-3, which are attached as Appendix A to this Restated and Amended Site Certificate.

(2) The Energy Facility and its related or supporting facilities shall be located substantially as shown in the ASC, Figure C-1 which is attached as Appendix C to this Restated and Amended Site Certificate.

(3) The KCP fuel oil storage tank shall be surrounded by a secondary containment structure with a barrier of sufficient non- permeability and sufficient volume to contain the full contents of the tank and precipitation and comply with the applicable provisions of 40 CFR Part 112 and OAR chapter 340, division 47. The tank secondary containment area

shall have a fire protection system that complies with applicable NFPA standards for fuel oil storage. (ASC, B-2, F-6)

(4) The Energy Facility shall include a fire protection pump house and a fire suppression system. (ASC, B-2)

(5) KCP tanks which store hazardous substances as defined in ORS chapter 465 shall have secondary containment with a barrier of sufficient non-permeability and sufficient volume to comply with applicable federal and Oregon laws pertaining to the storage of such hazardous substances. (ASC, B-2)

(6) The Energy Facility structures shall be architecturally designed to be visually compatible with the surrounding area and the Energy Facility site shall include landscaping. (ASC, B-3)

(7) The combustion turbines shall be surrounded with acoustically insulated enclosures to reduce noise levels to acceptable occupational exposure levels and to provide containment for automatic fire suppression equipment. (ASC, B-5)

(8) The steam turbine condenser system shall include a non- condensable gas removal system and shall be designed to condense all steam from the HRSG(s) in the event a steam turbine trip occurs. (ASC, B-6)

(9) The condenser system shall include redundant condensate pumping capability substantially similar to that described in the ASC, page B-6 which is in Appendix B to this Restated and Amended Site Certificate.

(10) The cooling tower shall include a fire protection system in accordance with applicable NFPA standards pertaining to the specific materials selected for the cooling tower. (ASC, B-6)

(11) The cooling tower makeup water pumping station shall include redundant pumping capability substantially similar to that described in the ASC, page B-7 which is in Appendix B to this Restated and Amended Site Certificate.

(12) The boiler and cooling tower chemical treatment storage areas shall include secondary containment with a barrier of sufficient non-permeability and sufficient volume to contain any chemical from spills or tank failures. (ASC, B-7, F-4)

(13) The Energy Facility shall have a state-of-the-art, integrated microprocessor-based control system substantially similar to that described in the ASC, page B-7 which is in Appendix B to this Restated and Amended Site Certificate.

(14) The Energy Facility control system shall include an uninterruptible power supply to provide emergency power to critical equipment in the event of a power outage. (ASC, B-8) The KCP shall include an on-site emergency diesel generator. Except for brief periods for testing or maintenance, the emergency diesel generator may operate only to provide on-site power during conditions when the Energy Facility is not operating and power is

not otherwise available. The emergency diesel generator shall have a capacity no greater than 500 net kilowatts.

(15) DELETED (This Condition related to the 230-kV transmission line option, and since the 500-kV electrical interconnection option was used instead, this condition is no longer relevant.)

(16) The Energy Facility shall include a fire protection system substantially similar to that described in the ASC, page B-9, which is in Appendix B to this Restated and Amended Site Certificate.

(17) Regenerant wastewater from mixed bed demineralizers shall be neutralized and combined with cooling tower blowdown and discharged to the City's municipal wastewater system substantially as described in the ASC, page B-9, which is in Appendix CB to this Restated and Amended Site Certificate.

(18) The Energy Facility shall include a stormwater drainage system substantially as described in the ASC, page B-10, or in the RFA No. 1, page B-5, and the ASC, page V-3, which are in Appendix B to this Restated and Amended Site Certificate.

(19) KCP hazardous solid wastes shall be managed in accordance with applicable local and state regulatory standards and requirements and substantially as described in the ASC, page B-10, which is in Appendix B to this Restated and Amended Site Certificate.

(20) KCP non-hazardous solid wastes shall be managed substantially as described in the ASC, page B-10, which is in Appendix B to this Restated and Amended Site Certificate.

(21) Stormwater collected at the Energy Facility Site, but away from equipment locations, shall be discharged to an on-site stormwater retention/evaporation pond. (ASC, F-3)

(22) The wastewater pumping station at the Energy Facility Site shall include redundant pumping capability substantially as described in the ASC, page B-10 which is in Appendix B to this Restated and Amended Site Certificate.

(23) The Facility shall comply with the list of applicable federal, state and local safety codes and standards, as described in the ASC, pages B-13 and 14 (which are in Appendix B to this Restated and Amended Site Certificate), as modified by the comments of the Building Codes Division Agency Report, dated December 9, 1996, InterDepartment Memo dated December 13, 1996 from R. Tamerhoulet to M. Long, which is in Appendix D to this Restated and Amended Site Certificate.

(24) KCP construction-related waste materials shall be managed and disposed substantially as described in the ASC, pages F-1 and 2, which are in Appendix B to this Restated and Amended Site Certificate.

(25) The Certificate Holder shall recycle to the extent reasonably practicable spent lube oil and hydraulic fluids from major equipment. (ASC, F-4)

(26) All Energy Facility Site area drains which are reasonably likely to contain oil contamination shall be routed to the oil/water separator. Skimmed oil from the separator shall be provided to a licensed oil recycler. (ASC, F-4)

(27) The Certificate Holder shall provide a concrete basin at each large electrical transformer to capture any oil that might spill during a transformer failure or maintenance operation. Spilled oil and replaced oil shall be recycled to the extent reasonably practicable. (ASC, F-4)

(28) The Energy Facility site natural gas fuel system shall be designed constructed and operated substantially as described in the ASC, page F-6, which is in Appendix B to this Restated and Amended Site Certificate.

(29) The Certificate Holder shall manage non-fuel hazardous substances and shall include facilities substantially as described in the ASC, pages F-6 and F-7, which are in Appendix B to this Restated and Amended Site Certificate.

(30) The Certificate Holder shall meet or exceed the safety and health requirements listed in the ASC, page F-7, which is in Appendix B to this Restated and Amended Site Certificate.

(31) Before commencing construction, the Certificate Holder shall obtain an NPDES General Permit 1200-C for construction of the Facility. (ASC, M-1)

(32) Before commencing construction, the Certificate Holder shall obtain an amendment to the NPDES permit for the SSWTP to allow the reuse of effluent for the KCP. (ASC, M-1)

(33) Before commencing construction, the Certificate Holder shall obtain an Air Contaminant Discharge Permit for the Facility.

(34) DELETED (This Condition related to the 230-kV transmission line option, and since the 500-kV electrical interconnection option was used instead, this condition is no longer relevant.)

(35) Ground disturbance from construction of the KCP shall be limited to: the Energy Facility Site; a temporary construction parking and laydown area near the Energy Facility Site substantially as shown in the ASC, Fig. X-2, or in the RFA No. 1, Fig. X-1 (which are in Appendix C to this Restated and Amended Site Certificate); transmission line pole/structures and associated access roads, pulling areas, and construction areas; and a 40-foot width (approximate) for pipeline burial and construction equipment access which shall be located within construction rights-of-way. (ASC, N-27 and X-1)

(36) The Facility shall not construct or use an underground storage tank. (RMI 12/20/96 letter to the Department)

A.2. The conditions in this section IV.A.2 are not based on representations that the applicant made in its ASC, its RFAs, or in other correspondence with the Department.

(37) The KCP may burn only natural gas, as primary fuel, and low-sulfur oil as a backup fuel for the auxiliary boiler. The KCP may burn only low-sulfur fuel in the emergency diesel generator.

(38) Construction of the Facility shall commence on or before March 5, 2000 (which is 30 months from the date the original Site Certificate was executed).

(39) Construction of the Facility shall be completed on or before September 5, 2002 (which is five years from the date the original Site Certificate was executed). Construction completion of the Facility shall be the commercial operation date of the Facility.

(40) The Council may grant an extension of the construction commencement date and the construction completion date in accordance with OAR 345-27-030, or any successor rule, in effect at the time the request for extension is requested.

(41) The Certificate Holder shall provide to the Department as part of any request to amend the Restated and Amended Site Certificate a list of the names and mailing addresses of all owners of record, as shown on the most recent property tax assessment roll, of property located within the Site, and within 100 feet of the Site where the Site is within an urban growth boundary, and within 250 feet of the Site where the Site is outside an urban growth boundary and not within a farm or forest zone, and within 500 feet of the Site where the Site is within a farm or forest zone. "Site" as used herein means all land upon which the Facility is located and includes the Energy Facility Site and all land upon which related or supporting facilities are located.

(42) The Certificate Holder or its authorized representative shall report to the Department within 72 hours of discovery any material violation of any condition of the Restated and Amended Site Certificate by the Certificate Holder or any of its contractors, subcontractors or agents. The Certificate Holder or its authorized representative shall report to the Department within 24 hours of discovery if the Certificate Holder or any of its contractors, subcontractors or agents creates any condition by construction or operation of the Facility that endangers the public health and safety.

B. 500-MW Exemption and Carbon Dioxide Emissions Standard

As part of this Restated and Amended Site Certificate, and as noted below, most of section IV.B has been deleted because these conditions are no longer required (refer to correspondence in Appendix D). In interpreting the remaining conditions in section IV.B of this Restated and Amended Site Certificate, any ambiguity will be clarified by reference to, and in the following priority, : (a) this Restated and Amended Site Certificate, (b) the Final Order granted on Month XX, 2013 for Amendment No. 5 to the Site Certificate, (c) the Final Order granted on March 27, 2009 for Amendment No. 4 to the Site Certificate, (d) the Final Order granted on September 21, 2007 approving the Request to Transfer Site Certificate, (e) the Final order granted on December 11, 1998 for Amendment No. 2 to the Site Certificate, (f) the Final Order granted on April 17, 1998 for the Amendment No. 1 to the Site Certificate, (g) the Final Order granted on August 15, 1997 for the Application for Site Certificate, (h) the 500 Megawatt Exemption Final Order, and if necessary, (i) the record of the proceedings which led to those Orders.

(1) DELETED – Condition requirements have been superseded. (This condition, which related to the CO2 offset requirement, has been superseded, e.g., see the Council's Order dated September 21, 2007 in Appendix D to this Restated and Amended Site Certificate. This condition is no longer relevant because the Certificate Holder has satisfied all the CO2 offset requirements for the operating life of the KCP.) [Amendment #5]

(2) DELETED – Condition requirements have been met. (This condition, which related to providing an executed steam sales contract before beginning construction, is no longer relevant because its requirements have been met and construction has been completed.) [Amendment #5]

(3) DELETED – Condition requirements have been met. (This condition, which related to establishing an escrow account before commencing construction, is no longer relevant because its requirements have been met and construction has been completed.) [Amendment #5]

(4) DELETED – Condition requirements have been met. (This condition, which related to implementation of an offset portfolio before commencing construction, is no longer relevant because its requirements have been met and construction has been completed.) [Amendment #5]

(5) DELETED – Condition requirements have been met. (This condition, which related to achieving commercial operation, is no longer relevant because its requirements have been met, i.e., commercial operation has been achieved.) [Amendment #5]

(6) DELETED – Condition requirements have been superseded. (This condition, which related to the implementation and maintenance of a contingency fund for the CO2 offset requirement, has been superseded, e.g., see the Council's Supplemental Order dated July 25, 2008 in Appendix D to this Restated and Amended Site Certificate.) [Amendment #5]

(7) DELETED – Condition requirements have been superseded. (This condition, which related to the disposition of financial returns resulting from implementation of the KCP's carbon offset portfolio, has been superseded, e.g., see the Council's Supplemental Order dated July 25, 2008 in Appendix D to this Restated and Amended Site Certificate. This condition is no longer relevant because the Certificate Holder is no longer required to monitor or report to the Council regarding the performance of the KCP's carbon offset portfolio.) [Amendment #5]

(8) DELETED – Condition requirements have been superseded. (This condition, which related to CO2 offset monitoring and verification programs has been superseded, e.g., see the Council's Supplemental Order dated July 25, 2008 in Appendix D to this Restated and Amended Site Certificate.) [Amendment #5]

(9) DELETED – Condition requirements have been superseded. (This condition, which related to the availability of financial records for the CO2 offset program, has been superseded, e.g., see the Council's Supplemental Order dated July 25, 2008 in Appendix D to this Restated and Amended Site Certificate.) [Amendment #5]

(10) DELETED – Condition requirements have been superseded. (This condition, which related to reporting requirements for the CO2 offset program, has been superseded, e.g., see the Council's Supplemental Order dated July 25, 2008 in Appendix D to this Restated and Amended Site Certificate.) [Amendment #5]

(11) DELETED – Condition requirements have been superseded. (This condition, which related to a requirement for ongoing consultation regarding the CO2 offset program, has been superseded, e.g., see the Council's Supplemental Order dated July 25, 2008 in Appendix D to this Restated and Amended Site Certificate.) [Amendment #5]

(12) DELETED – Condition requirements have been met. (This condition, which related to the apportionment of funding for the CO2 offset portfolio, is no longer relevant because its requirements have been met.) [Amendment #5]

(13) DELETED – Condition requirements have been superseded. (This condition, which related to the waste methane to electricity portion of the CO2 offset program, has been superseded, e.g., see the Council's Supplemental Order dated July 25, 2008 in Appendix D to this Restated and Amended Site Certificate. This condition is no longer relevant because the Certificate Holder is no longer required to monitor or report to the Council regarding the performance of the KCP's carbon offset portfolio.) [Amendment #5]

(14) DELETED – Condition requirements have been superseded. (This condition, which related to the photovoltaics portion of the CO2 offset program, has been superseded, e.g., see the Council's Supplemental Order dated July 25, 2008 in Appendix D to this Restated and Amended Site Certificate. This condition is no longer relevant because the Certificate Holder is no longer required to monitor or report to the Council regarding the performance of the KCP's carbon offset portfolio.) [Amendment #5]

(15) DELETED – Condition requirements have been superseded. (This condition, which related to the geothermal heating portion of the CO2 offset program, has been superseded, e.g., see the Council's Supplemental Order dated July 25, 2008 in Appendix D to this Restated and Amended Site Certificate. This condition is no longer relevant because the Certificate Holder is no longer required to monitor or report to the Council regarding the performance of the KCP's carbon offset portfolio.) [Amendment #5]

(16) DELETED – Condition requirements have been superseded. (This condition, which related to the FAT portion of the CO2 offset program, has been superseded, e.g., see the Council's Supplemental Order dated July 25, 2008 in Appendix D to this Restated and Amended Site Certificate. This condition is no longer relevant because the Certificate Holder is no longer required to monitor or report to the Council regarding the performance of the KCP's carbon offset portfolio.) [Amendment #5]

(17) DELETED – Condition requirements have been superseded. (This condition, which related to the matching funds under the FAT portion of the CO2 offset program, has been superseded, e.g., see the Council's Supplemental Order dated July 25, 2008 in Appendix D to this Restated and Amended Site Certificate. This condition is no longer relevant

because the Certificate Holder is no longer required to monitor or report to the Council regarding the performance of the KCP's carbon offset portfolio.) [Amendment #5]

(18) DELETED – Condition requirements have been superseded. (This condition, which related to how funds for the FAT portion of the CO2 offset program were to be used, has been superseded, e.g., see the Council's Supplemental Order dated July 25, 2008 in Appendix D to this Restated and Amended Site Certificate. This condition is no longer relevant because the Certificate Holder is no longer required to monitor or report to the Council regarding the performance of the KCP's carbon offset portfolio.) [Amendment #5]

(19) DELETED – Condition requirements have been superseded. (This condition, which related to the holding of the KCP's CO2 credits by the Council, has been superseded, e.g., see the Council's Supplemental Order dated July 25, 2008 in Appendix D to this Restated and Amended Site Certificate. This condition is no longer relevant because the Certificate Holder is no longer required to monitor or report to the Council regarding the performance of the KCP's carbon offset portfolio.) [Amendment #5]

(20) The annual water use by the Facility shall meet the following requirements:

(a) The Facility shall not use more than 160 gallons per minute (gpm) on an annual average basis (8,760 hours) from sources other than the SSWTP effluent during all times when the SSWTP is permitted to deliver effluent to the Facility. This limit shall not include water supplied as steam to the steam host.

(b) All other water used by the Facility shall be effluent from the SSWTP, except when the SSWTP is not allowed to deliver effluent to the Facility. During such times the Facility shall use only storm water collected on the Site, or in the event storm water is not available, another temporary source of backup water approved by the Council.

(c) Facility wastewater flows shall all be delivered to a sanitary sewer for delivery to the SSWTP. Should the City modify its SSWTP NPDES permit to allow alternative wastewater treatment, disposal, and/or reuse, the wastewater will be returned to the City in compliance with the then prevailing conditions of the City NPDES permit in effect at the time.

(21) Before beginning construction, the Certificate Holder shall provide to the Council the plant performance guarantee from the executed contracts for the design and construction of the Facility showing a net full power heat rate of no greater than 6795 Btu per kWh (HHV) and showing the expected nominal electric generating capacity of the Facility at average annual conditions with no steam load and using natural gas as the fuel, which shall include liquidated damages provisions adequate to enforce the guarantee. The Certificate Holder shall, as part of the post-construction completion compliance status certification report, provide capacity and heat rate performance test data showing that the nominal electric generating capacity of the Energy Facility is no more than 500 MW and

that the heat rate is no more than 6795 Btu per kWh (HHV) with no steam load and using natural gas as the fuel.

(22) Within two months after the completion of the first full year of commercial operation of the Energy Facility, the Certificate Holder shall report to the Council the Energy Facility's net full power heat rate as determined by a 100 hour test. Such test will be completed within one year of commercial operation of the Energy Facility (Year One Test). Based on such test the Certificate Holder shall certify the nominal electric generating capacity (Year One Capacity) and the net full power heat rate (Year One Heat Rate) of the Energy Facility on a new and clean basis, as defined in ORS 469.503(2)(e)(G). The net full power heat rate shall be measured as the total fuel input divided by the net kWh production over the 100 hour test period, adjusted for difference between the actual ambient Site conditions and average annual conditions. If the adjusted net full power new and clean heat rate is greater than the Target Heat Rate of 6,795 Btu (HHV) per kWh with no steam supplied to off-site industrial use and natural gas as the fuel or 7,212 Btu (HHV) per kWh for 200,000 pounds of steam per hour exported and natural gas as the fuel, or a linear interpolation or extrapolation of these values (at average annual ambient conditions based on the steam energy equivalent of steam at a pressure of 375 pounds per square inch gauge and a temperature of 455 degrees Fahrenheit, in each case measured at the point of interconnection of the Energy Facility with KCP's off-site industrial use), the Certificate Holder shall perform a second 100 hour test no later than one year following the completion of the first 100 hours test. If, following the second 100 hour test, the net full power heat rate exceeds the adjusted new full power heat rate just described, then the Certificate Holder shall develop, present to the Council for approval, and implement, a program to offset the incremental CO2 emissions resulting from the higher heat rate. This requirement to offset the incremental CO2 emissions resulting from the higher heat rate determined from the second 100 hour test shall only apply to the first 318 MW of nominal electric generating capacity. The higher heat rate demonstrated by the second 100 hour test shall then become the Target Heat Rate.

(23) The Certificate Holder shall, for each calendar year following the year in which the 100-hour test described above is completed, certify to the Council, based on a 100-hour test conducted as described in Condition IV.B.(22) that the net full power heat rate is no greater than three percent above the Target Heat Rate. In the event that the Certificate Holder fails to make such certification, within sixty days following the end of each calendar year, the Certificate Holder shall, at its option, either:

(a) Within 17 months, implement corrective measures to achieve a net full power heat rate of not more than one and one-half percent greater than the heat rate (based upon a 100-hour heat rate test as described in Condition IV.B.(22); or

(b) Develop, present to the Council for approval, and implement, a program to offset the incremental CO2 emissions resulting from the new, higher heat rate in which case the new, higher heat rate shall become the Target Heat Rate. This requirement to offset the incremental CO2 emissions resulting from the new,

higher heat rate shall only apply to the first 318 MW of nominal electric generating capacity.

(24) DELETED – Condition requirements have been met. (This condition, which related to the methodology for calculating offset funds and selection and contracting funds for the CO2 offset program, is no longer relevant because its requirements have been met, i.e., the necessary funds have been paid and the Certificate Holder has satisfied all the CO2 offset requirements for the operating life of the KCP.) [Amendment #5]

(25) DELETED – Condition requirements have been met. (This condition, which related to the separation of escrow accounts, is no longer relevant because its requirements have been met, i.e., the necessary funds have been paid and the Certificate Holder has satisfied all the CO2 offset requirements for the operating life of the KCP.) [Amendment #5]

(26) The combustion turbine units shall be fueled solely with natural gas or with synthetic gas with a carbon content per MMBtu no greater than natural gas. This fuel limitation does not apply to the use of oil in the auxiliary boiler or the emergency diesel generator.

(27) DELETED – Condition requirements have been met. (This condition, which related to the KCP's obligations to provide CO2 offset funds, is no longer relevant because its requirements have been met, i.e., the necessary funds have been paid and the Certificate Holder has satisfied all the CO2 offset requirements for the operating life of the KCP.) [Amendment #5]

C. Organizational, Managerial and Technical Expertise

(1) For operations after the transfer of the Site Certificate from the City to Klamath Energy, the Council has found that Klamath Energy meets the Organization Expertise Standard. [Amendment #s 3 and 5]

(2) The Certificate Holder shall promptly notify the Council if for any reason it does not provide the services to develop, construct and operate the KCP described in this Restated and Amended Site Certificate. [Amendment #5]

(3) The Certificate Holder shall retain a fully qualified engineering, procurement and construction (EPC) firm to construct the KCP.

(4) Prior to construction, the Certificate Holder shall identify for the Council the EPC contractor chosen to construct the Facility. Prior to commercial operation, the Certificate Holder shall identify for the Council the contractor chosen to operate the Facility. The Certificate Holder shall report to the Council any change in EPC contractor or operator.

(5) Any matter of non-compliance under this Restated and Amended Site Certificate shall be the responsibility of the Certificate Holder. Any notice of violation issued will be issued to the Certificate Holder. Any civil penalties levied shall be levied on the Certificate Holder. [Amendment #3]

(6) The Certificate Holder shall contractually require the EPC contractor and all independent contractors and subcontractors involved in the construction and operation of the Facility to comply with all applicable laws and regulations and with the terms and conditions of this Restated and Amended Site Certificate. After transfer of the Site Certificate to Klamath Energy, the Certificate Holder shall require independent contractors and subcontractors involved in the operation of the Facility to comply with all applicable laws and regulations and with the terms and conditions of this Restated and Amended Site Certificate. Such contractual provision shall not operate to relieve the Certificate Holder of responsibility under this Restated and Amended Site Certificate. [Amendment #s 3 and 5]

(7) The Certificate Holder may not begin to construct a 500-kV switchyard until PacifiCorp has obtained from Klamath County a conditional use permit to realign the Meridian to Captain Jack 500-kV transmission line as described in the Final Order on the Request for Amendment No. 2. [Amendment #2]

(8) The Certificate Holder may not begin to construct a 500-kV switchyard until the Certificate Holder and PacifiCorp have entered into one or more agreements concerning the 500-kV electrical interconnection of the KCP to the Meridian to Captain Jack 500 kV transmission system and operation of the KCP 500-kV switchyard. [Amendment #2]

D. Financial Assurance

For Conditions IV.D.(3), IV.D.(4) and IV.D.(5) of this Restated and Amended Site Certificate, the index by which the future value of money shall be converted to 1st Quarter 2009 dollars shall be the Implicit Price Deflator for the Gross Domestic Product as published by the U.S. Bureau of Economic Analysis of the Department of Commerce or a successor agency. These values are published annually each February in the "Economic Report of the President".

(1) DELETED – Condition requirements have been superseded. (This condition, which related to Bond Indenture requirements during the City of Klamath Falls ownership of the KCP, has been superseded because the City no longer owns the KCP and Bond Indenture requirements pertaining to the current owner, i.e., the Certificate Holder, are adequately addressed through other conditions contained within this Restated and Amended Site Certificate.) [Amendment #5]

(2) DELETED – Condition requirements have been superseded. (This condition, which related to Bond Indenture requirements during the City of Klamath Falls ownership of the KCP, has been superseded because the City no longer owns the KCP and Bond Indenture requirements pertaining to the current owner, i.e., the Certificate Holder, are adequately addressed through other conditions contained within this Restated and Amended Site Certificate.) [Amendment #5]

(3) The Certificate Holder shall maintain a separate fund established to provide for termination or decommissioning costs (the Decommissioning Fund), with such fund allowed to consist of a balance of cash, Investment Securities, and other holdings to be available to pay costs of termination or decommissioning, including Site restoration, of

the project. The Decommissioning Amount shall be $4.511 million in 1st Quarter 2009 dollars. [Amendment #4]

(4) The Decommissioning Fund established under Condition IV.D.(3). may be drawn upon by the Certificate Holder for only termination or decommissioning costs, including Site restoration.

(5) In lieu of funding part or all of the Decommissioning Fund with cash or Investment Securities or other holdings, the Certificate Holder may cause a performance and payment bond, surety bond or letter of credit to be delivered to the Council which bond(s) or letter of credit must be reasonably satisfactory to the Department.

E. Land Use

(1) The Certificate Holder shall mitigate visual impact of the Facility as viewed from Highway 97 by using neutral color schemes and landscaping. (Klamath County Conditional Use Permit 29-95, as amended in December 1997)

(2) Access to the Energy Facility Site for construction and operation shall be from Highway 97 and shall be subject to Oregon Department of Transportation approval. [Amendment #5]

(3) Any performed work or construction on Oregon Department of Transportation (ODOT) right-of-way as a result of the KCP shall require application and permits from ODOT. (Klamath County Conditional Use Permit 54-97 and City of Klamath Falls' Conditional Use Permit 6-CUP-96)

(4) The Certificate Holder shall obtain all necessary permits from the City of Klamath Falls and Klamath County prior to operation and shall comply with all applicable codes and regulations. (City of Klamath Falls' Conditional Use Permit 6-CUP-96)

(5) Any changes in or alterations to the electric transmission line corridor or alignment on lands within the City of Klamath Falls' jurisdiction shall be approved by the City's Planning Division prior to construction. (City of Klamath Falls' Conditional Use Permit 6-CUP-96) Such review by the City Hearings Officer does not eliminate the need for Council review, if otherwise required.

(6) DELETED – Condition requirements have been met and/or completed. (This condition, which related to the City of Klamath Falls obtaining a Conditional Use Permit prior to construction of the 500 kV switchyard, is no longer relevant because the KCP's 500 kV switchyard has been constructed.) [Amendment #5]

F. Structural Standard

(1) The Certificate Holder shall maintain the stability of the existing fill slopes by ensuring that surface water runoff is controlled and directed away from the slopes and by locating heavy loads and foundations at least 20 feet from the crest of existing fill slopes. (ASC, page G-17, G.1)

(2) The Certificate Holder shall locate transmission line structures away from rockfall areas or design the structures to withstand rockfalls. (ASC, page G-17, G.1)

(3) The foundations of the KCP Energy Facility's structures shall be supported on bedrock or, in areas that are susceptible to settlement, Energy Facility foundations and pipelines shall be placed on engineered fill. (ASC, page G-17, G.2)

(4) DELETED – Condition requirements have been met and/or completed. (This condition, which related to potential soil property testing requirements for transmissions and pipeline locations, is no longer relevant because the KCP transmission line and pipelines have been constructed.) [Amendment #5]

(5) DELETED – Condition requirements have been met and/or completed. (This condition, which related to the potential for encountering methane gas during construction of the KCP, is no longer relevant because the KCP construction has been completed.) [Amendment #5]

(6) DELETED – Condition requirements have been met and/or completed. (This condition, which related to requirements for the completion of geotechnical work as part of the KCP's construction, is no longer relevant because these requirements have been met and construction has been completed.) [Amendment #5]

(7) DELETED – Condition requirements have been met and/or completed. (This condition, which related to potential requirements for a "shake" analysis as part of the geotechnical work to be performed during the KCP's construction, is no longer relevant because KCP construction has been completed.) [Amendment #5]

(8) DELETED – Condition requirements have been met and/or completed. (This condition, which related to the requirement to provide DOGAMI with the completed site-specific geotechnical report as soon as it was available, is no longer relevant because this requirement has been met and KCP construction has been completed.) [Amendment #5]

(9) DELETED – Condition requirements have been met and/or completed. (This condition, which related to potential additional requirements for KCP structural design and construction, is no longer relevant because KCP construction has been completed.) [Amendment #5]

(10) The design and construction of the Facility shall be consistent with Seismic Zone 3 requirements, and in compliance with the applicable laws and regulations administered by the DCBS.

(11) DELETED – Condition requirements have been met and/or completed. (This condition, which related to obtaining all necessary state and local building permits during construction and prior to operation, is no longer relevant because this requirement has been met, KCP construction has been completed and operation initiated.) [Amendment #5]

(12) The Certificate Holder shall ensure that the 500-kV switchyard is designed to meet the requirements of the Uniform Building Code, the Oregon Structural Specialty Code, and applicable industry standards, including American Society of Civil Engineers (ASCE) 7¬95 (Minimum Design Loads for Buildings and Other Structures) and Institute of Electrical and Electronics Engineers (IEEE) Standard 693 (Recommended Practices for Seismic Design of Substations). The Certificate Holder shall ensure that the equipment selected for the 500-kV switchyard conforms to the performance criteria provided in IEEE 693. (Letter dated Sept. 30, 1998 from PKE to OE) [Amendment #2]

(13) DELETED – Condition requirements have been met and/or completed. (This condition, which related to potential additional geotechnical analyses prior to the final design of the 500 kV switchyard, is no longer relevant because the final design of the 500 kV switchyard and its construction have been completed.) [Amendment #5]

(14) The Certificate Holder shall implement an inspection and maintenance program for the 500-kV switchyard. The program shall include scheduled visual inspections of electrical connections, structural components and switchyard apparatus, and periodic testing of breakers, switches and mechanical equipment. The program shall be designed to enable the Certificate Holder or its representative to identify and correct mechanical and structural failures that may have resulted from seismic events, or which could result from reasonably anticipated seismic events for the energy facility site. (Letter dated Sept. 30, 1998 from PKE to OE) [Amendment #2]

(15) The Certificate Holder shall ensure that the realigned segment of the Meridian to Captain Jack 500-kV transmission line is designed and constructed substantially as described in the third paragraph of Section E.6. of the Final Order for Amendment No. 2. (Letter dated Sept. 30, 1998 from PKE to OE) [Amendment #2]

G. Retirement and Site Restoration

(1) The Certificate Holder shall not dispose of hazardous wastes on the Site, store hazardous wastes on the Site for more than 90 days, or dispose of non-hazardous wastes on the Site. Any storage on the Site of non-hazardous wastes shall comply with applicable federal, state and local regulations. (RMI 12/20/96 letter to the Department)

(2) The Certificate Holder shall contain accidental spills at the Energy Facility Site on-site by containment structures and procedures designed to minimize or prevent any off-site releases. (RMI 12/13/96 letter to the Department)

(3) In the event that construction of the Facility is begun but not completed, or the Facility is closed permanently before the end of its useful life, the Site shall be restored to a useful condition.

H. Soil Protection

(1) DELETED – Condition requirements have been met and/or completed. (This condition, which related to the stormwater runoff management during construction of the KCP, is no longer relevant because KCP construction has been completed.) [Amendment #5]

(2) DELETED – Condition requirements have been met and/or completed. (This condition, which related to soil erosion control during construction of the KCP, is no longer relevant because KCP construction has been completed.) [Amendment #5]

(3) DELETED – Condition requirements have been met and/or completed. (This condition, which related to soil erosion control during construction of the KCP, is no longer relevant because KCP construction has been completed.) [Amendment #5]

(4) DELETED – Condition requirements have been met and/or completed. (This condition, which related to wind erosion control during construction of the KCP, is no longer relevant because KCP construction has been completed.) [Amendment #5]

(5) The Certificate Holder shall develop, in consultation with appropriate agencies, an erosion control plan for construction activities that incorporates Best Management Practices. The Certificate Holder shall also develop a post-construction re-vegetation plan. This plan shall address restoration, to the extent practicable, of natural vegetation affected by Facility construction, and shall minimize erosion potential in affected areas over the life of the KCP. The Certificate Holder shall develop and implement these plans substantially as described in the ASC, page N-12, and in RMI's 10/9/96 letter to the Department, page 1 which are in Appendix B and Appendix D, respectively, to this Restated and Amended Site Certificate.

(6) DELETED – Condition requirements have been met and/or completed. (This condition, which related to post-construction restoration of temporarily disturbed areas, is no longer relevant because KCP construction has been completed.) [Amendment #5]

(7) The Certificate Holder shall locate the KCP's transmission line structures so as to avoid steeper slopes wherever practicable. (ASC, page G-9; RMI 12/13/96 letter to the Department)

(8) During operation of the Facility, the Certificate Holder shall direct stormwater runoff at the Energy Facility Site to an on-site retention-evaporation pond. During operation, the Certificate Holder shall not discharge or otherwise release runoff from the Energy Facility Site. If stormwater runoff is used for on-site cooling tower makeup, cooling tower blowdown shall be discharged as wastewater to a sanitary sewer for delivery to the SSWTP.

(9) Access for transmission line and pipelines construction and maintenance shall utilize existing roads wherever practicable and temporary access roads shall only be constructed where there is no existing access road.

I. Protected Areas

There are no conditions specifically related to protected areas.

J. Fish and Wildlife Habitat

(1) The Certificate Holder shall operate the KCP's cooling tower system so as to comply with applicable limits for total dissolved solids (TDS) in KCP's industrial wastewater discharge permit, and in no event shall the TDS level in KCP's cooling tower system exceed 3,360 parts per million in the cooling water on an annual average basis.

(2) The Certificate Holder shall locate facilities to maximize the use of existing utility corridors and previously disturbed and currently developed areas, whenever feasible. (ASC, page N-12, N.1)

(3) DELETED – Condition requirements have been met and/or completed. (This condition, which related to post-construction restoration of temporarily disturbed areas, is no longer relevant because KCP construction has been completed.) [Amendment #5]

(4) The Certificate Holder shall mitigate for the permanent loss of Category 3 habitat by creating habitat or restoring lost habitat at a 1:1 ratio to that lost, substantially as described in the ASC, page N-12, which is in Appendix B to this Restated and Amended Site Certificate. The Certificate holder shall coordinate these efforts with the ODFW as requested in their December 12, 1996 Agency Report to the Department, page 5 which is in Appendix D to this Restated and Amended Site Certificate.

(5) DELETED – Condition requirements have been met and/or completed. (This condition, which related to providing $20,000 to ODFW before the completion of the KCP's construction, is no longer relevant because this requirement has been met and KCP construction has been completed.) [Amendment #5]

(6) The Certificate Holder shall manage its discharge of wastewater to a sanitary sewer for delivery to the SSWTP so as to comply with applicable limitations for temperature in the industrial wastewater discharge permit for the KCP, and any related provisions in the Reclaimed Water Use Plan for the KCP as required under the City's SSWTP NPDES permit. (ODFW Agency Report, December 12, 1996; RMI 1/20/97 letter to DEQ)

(7) The Certificate Holder shall not disturb the bed or banks of the Klamath River during construction, operation or retirement. No direct water withdrawals from the Klamath River shall occur. The Energy Facility shall not directly discharge wastewater into the Klamath River.

K. Threatened and Endangered Species

(1) The Certificate Holder shall manage the KCP's consumption of effluent from the SSWTP and its wastewater discharge to a sanitary sewer for delivery to the SSWTP such that the Facility's net consumption of effluent is no more than 3.65 cubic feet per second (1,640 gallons per minute) on an annual average basis (8,760 hours). Net consumption means the difference between the amount of effluent provided by the SSWTP to the KCP and the amount of wastewater discharged to a sanitary sewer for delivery to the SSWTP from the KCP.

(2) The Certificate Holder shall ensure that the realigned segment of the Meridian to Captain Jack 500-kV transmission line incorporates design features to prevent electrocution of raptors, such as those recommended in "Suggested Practices for Raptor Protection on Power Lines: The State of the Art in 1996" (Avian Power Line Interaction Committee. 1996. Edison Electric Institute/Raptor Research Foundation, Washington, D.C.). [Amendment #2]

L. Scenic and Aesthetic Values

(1) The Certificate Holder shall paint the Energy Facility in a neutral color to help it blend naturally into the hill to the north. (ASC, page S-6, S.1)

(2) The Certificate Holder shall plant low-maintenance trees such as ponderosa pine, juniper and black cottonwood around the perimeter of the Energy Facility to aid in visually screening the Energy Facility. (ASC, page S-6, S.1)

(3) The Certificate Holder shall locate the KCP's transmission line structures so as to reduce their visual impacts. (ASC, page S-6, S.2)

(4) DELETED (This Condition related to the 230-kV transmission line option, and since the 500-kV electrical interconnection option was used instead, this condition is no longer relevant.)

(5) The Certificate Holder shall limit and direct outdoor nighttime lighting to the extent necessary to maintain safe conditions so as to minimize disturbance to the nearby residential area.

(6) The Certificate Holder shall ensure that the realigned segment of the Meridian to Captain Jack 500-kV transmission line utilizes lattice tower structures with a dull surface to reduce reflectivity. [Amendment #2]

M. Historic, Cultural and Archaeological Resources

(1) The Certificate Holder shall design, construct and operate the KCP facilities located on Collins property so as to avoid adverse impact to those qualities of the Weyerhaeuser archaeological site (OR-KL- 40) which make it eligible for listing on the National Register of Historic Places. (ASC, pages T-8, 10, T.3; RMI 10/2/96 letter to the Department)

(2) Prior to construction of the transmission line and cooling water supply pipeline a qualified individual shall flag the perimeter of each of the three archaeological sites, Cogen 1, Cogen 2 and Cogen 3. The Certificate Holder shall design, construct and maintain the transmission line and cooling water supply pipeline so as to avoid disturbance to any of these sites. If disturbance to any of these sites is unavoidable, the Certificate Holder shall obtain the necessary permit from the State Historic Preservation Office prior to beginning any activity that would disturb the site. (RMI 10/2/96 letter to the Department)

(3) If archaeological sites or objects are found during construction of the KCP or related Project activities, the Certificate Holder shall halt earth-disturbing activities in the vicinity of the find. The Certificate Holder shall notify the SHPO, the Department and the Klamath Tribe and a qualified archaeologist shall evaluate the find and recommend appropriate action after consultation with the SHPO, the Department and the Klamath Tribe. (ASC, page T-10, T.2) The Certificate Holder shall not restart work in the affected area until it has complied with the applicable permit requirements administered by the SHPO currently set forth in OAR chapter 736, division 51.

(4) Prior to construction, the Certificate Holder shall coordinate with the Klamath Tribes to arrange for Tribal monitors to be present during ground-disturbing activities associated with construction of the KCP. The Certificate Holder shall reasonably compensate Tribal monitors. (Klamath Tribes letter to the Department, undated, received by the Department June 1996)

N. Recreation

There are no conditions specifically related to recreation.

O. Socio-Economic Impacts

(1) The Certificate Holder shall use water from the City's municipal water supply system to meet the KCP's service and potable water requirements and may use water from Collins Product's Well No. 6 to meet make-up water needs. (ASC, pages B-4 and U-4; Fig F-1; Fig B-1) [Amendment #4]

(2) DELETED – Condition requirements have been met and/or completed. (This condition, which related to working hours of construction crafts during KCP construction, is no longer relevant because KCP construction has been completed.) [Amendment #5]

(3) DELETED – Condition requirements have been met and/or completed. (This condition, which related to parking areas during KCP construction, is no longer relevant because KCP construction has been completed.) [Amendment #5]

(4) Access to the Energy Facility Site during construction and operation shall be from U.S. Highway 97 onto a private road on Collins property as described in the ASC, pages U-6 and 7, which are in Appendix B to this Restated and Amended Site Certificate.

(5) DELETED – Condition requirements have been met and/or completed. (This condition, which related to obtaining an Approach Road Permit from the ODOT prior to KCP construction, is no longer relevant because KCP construction has been completed.) [Amendment #5]

(6) The KCP Energy Facility shall include a fire protection system substantially as described in the ASC, page U-9, which is in Appendix B to this Restated and Amended Site Certificate.

P. Waste Minimization

(1) The Certificate Holder shall maintain a solid waste reduction and recycling program for hazardous and non-hazardous solid wastes for operation substantially as described in the ASC, page V-1, which is in Appendix B to this Restated and Amended Site Certificate.

(2) The Certificate Holder shall reuse or recycle hazardous and non-hazardous solid waste generated during construction to the extent reasonably practicable and substantially as described in the ASC, pages F-1, U-4, and V-1, which are in Appendix B to this Restated and Amended Site Certificate.

(3) The Certificate Holder shall reuse or recycle hazardous and non-hazardous solid waste generated during operation to the extent reasonably practicable and substantially as described in the ASC, pages U-5, and V-2 and 3, which are in Appendix B to this Restated and Amended Site Certificate.

(4) The Certificate Holder shall maintain a wastewater minimization and reuse plan for operation ~~substantially as described in the ASC, page V-1, which is in Appendix B to this Restated and Amended Site Certificate~~.

(5) DELETED – Condition requirements have been met and/or completed. (This condition, which related to the minimization and reuse of wastewater generated during KCP construction, is no longer relevant because KCP construction has been completed.) [Amendment #5]

(6) The Certificate Holder shall minimize and reuse wastewater generated during operation ~~to the extent reasonably practicable and substantially as described in the ASC, pages F-2 through 3, and V-3 and 4, which are in Appendix B to this Restated and Amended Site Certificate~~.

(7) During operation, the Certificate Holder shall minimize the amount of sanitary wastewater by using water flow restricting devices on bathroom and locker room sinks and showers, and by using low water consumption water closets. (ASC, V-3)

(8) KCP water treatment demineralizers shall use programmable logic controls set to maximize resin efficiency so as to reduce overall water consumption during resin regeneration and backwashing. (ASC, V-3)

(9) KCP HRSG boiler blowdown shall be ~~used as makeup water to the cooling tower. KCP cooling tower blowdown shall be reduced by automating the chemical treatment and blowdown system to allow the cooling tower to operate at the highest practical number of cycles of concentration~~discharged to the City of Klamath Falls' Wastewater Treatment Plant as described in the Industrial Wastewater Discharge Permit issued by the City of Klamath Falls to Certificate Holder. ~~(ASC, F-3, V-3)~~

(10) During operation of the KCP, waste materials shall be contained on the Energy Facility Site, within the Site perimeter fence, and screened from view from the nearby residential area.

Q. Noise

(1) DELETED – Condition requirements have been met and/or completed. (This condition, which related to construction activity noise limitations during KCP construction, is no longer relevant because KCP construction has been completed.) [Amendment #5]

(2) The Certificate Holder shall place its combustion turbines and associated electrical generators, and the steam turbine and associated electrical generator inside an acoustically insulated building.

(3) DELETED – Condition requirements have been met and/or completed. (This condition, which related to post-commercial operation noise testing verification, is no longer relevant because this requirement has been met.) [Amendment #5]

(4) The Certificate Holder shall design the HRSG(s) and stack(s) with resonant frequency above the lowest natural frequency of the exhaust from the combustion turbine(s).

(5) DELETED – Condition requirements have been met and/or completed. (This condition, which related to the requirement for consultation with Klamath County to minimize impacts of construction noise during KCP construction, is no longer relevant because KCP construction has been completed.) [Amendment #5]

(6) DELETED (This Condition related to the 230-kV transmission line option, and since the 500-kV electrical interconnection option was used instead, this condition is no longer relevant.)

(7) The Certificate Holder shall specify a cooling tower such that the actual noise levels associated with operation of the KCP comply with the applicable noise regulations in OAR 340-035-035(1)(b).

(8) The Certificate Holder shall ensure that the realigned segment of the Meridian to Captain Jack 500-kV transmission line is designed and constructed so as to comply with the applicable noise regulations in OAR 340-35-035(1)(b). [Amendment #2]

R. Wetlands

There are no conditions specifically related to wetlands.

S. Water Rights

Pursuant to agreement with Collins Products as the holder of Certificate of Water Right No. 48602, the Certificate Holder may use water for general industrial use as authorized by Certificate of Water Right No. 48602 and ORS 540.520(9). [Amendment #4]

T. Public Health and Safety

(1) The Certificate Holder shall design and operate its cooling tower substantially as described in the ASC, Table M-1 on page M-4, or in the RFA No. 1, Table M-1, which are in Appendix B to this Restated and Amended Site Certificate.

(2) The Certificate Holder shall monitor, in accordance with its Reclaimed Water Use Plan approved by DEQ, the effluent it receives from the SSWTP for the presence of pathogens. The Certificate Holder shall operate its cooling tower water system in accordance with the Reclaimed Water Use Plan and the industrial wastewater discharge permit for the Facility so as to prevent public health hazards from cooling tower drift (aerosols).

V. MATTERS NOT ADDRESSED IN OR GOVERNED BY THIS AMENDED SITE CERTIFICATE

A. Federally-Delegated Programs ORS 469.503(3)

The following programs are not within the Council's jurisdiction and are not governed by this Restated and Amended Site Certificate because they are federally delegated programs:

(1) The Air Contaminant Discharge Permit program administered by DEQ, which includes, but is not limited to, the federally delegated new source review requirements of the Clean Air Act and the Prevention of Significant Deterioration (PSD) program. This authority is in ORS Chapter 468A; OAR Chapter 340, Divisions 20, 21, 22, 25, and 31;

(2) The National Pollutant Discharge Elimination System (NPDES) permit program administered by DEQ - Water Quality Division, which regulates and permits stormwater runoff and industrial wastewater discharges to public waters, directly or indirectly through discharge to a local sanitary sewer;

(3) The program regulating the design, operation, monitoring and removal of underground storage tanks that contain certain toxic and hazardous materials, including petroleum products, administered by DEQ, under ORS Chapter 466; OAR Chapter 340, Division 150; and the program relating to the generation, treatment, storage and disposal of hazardous wastes, administered by DEQ, under ORS Chapter 466; OAR Chapter 340, Divisions 100 through 113;

B. Requirement Which Do Not Relate to Siting ORS 469.401(4)

The following programs are not within the Council's jurisdiction and are not governed by this Restated and Amended Site Certificate because the programs address design-specific construction or operating standards and practices not related to siting:

(1) The Oil Spill Contingency and Prevention Plan program, administered by DEQ Water Quality Division under ORS 468B and OAR Chapter 340, Division 47, which regulates the transport, storage, handling and spill control and prevention of petroleum products;

(2) Regulations of building, structure design and construction practices by the Oregon Building Codes Division under ORS Chapters 447, 455, 460, 476, 479, and 480; OAR Chapter 918, Divisions 225, 290, 301, 302, 400, 440, 460, 750, 770, and 780;

(3) Various programs addressing fire protection and fire safety and the storage, use, handling, and emergency response for hazardous materials and community right to know laws for hazardous materials, administered by the Oregon State Fire Marshal's Office, under ORS Chapters 453, 476, and 480; OAR Chapter 837, Divisions 40 and 90;

(4) The program addressing design and safety standards for natural gas pipelines and electric transmission lines administered by the Oregon Public Utilities Commission, Safety Section under ORS Chapter 757; OAR Chapter 860, Division 24;

(5) Regulations on the size and weight of truck loads on state and federal highways administered by the Oregon Department of Transportation under ORS Chapter 818; OAR Chapter 743, Division 82;

(6) The program regulating the possession, use and transfer of radioactive materials administered by the Oregon State Health Division (OSHD) under ORS Chapter 453; OAR Chapter 333, Divisions 100-119;

(7) Regulations of domestic water supply systems regarding potability administered by OSHD under ORS Chapter 448;

(8) Permits required from the Oregon Department of Transportation (ODOT) to "connect" the construction and operation access road for the KCP into a state highway;

(9) Permits required from ODOT to place a structure within, or to cross, a state highway right-of-way;

(10) An Industrial Wastewater Discharge Permit from the City of Klamath Falls to discharge KCP wastewater to the City's Spring Street Wastewater Treatment Plant; and

(11) Building permits required and administered by Klamath County.

VI. AMENDMENT OF RESTATED AND AMENDED SITE CERTIFICATE

The Certificate Holder and the Council recognize that, because of the length of time that may pass between the date on which this Restated and Amended Site Certificate is executed and the date on which construction will commence, and that will pass between the time construction is commenced and the Facility is retired, it may be necessary to amend this Restated and Amended Site Certificate. Amendments shall be made in accordance with OAR Chapter 345, Division 27 or Council procedural rules regarding amendments in effect at the time the amendment is sought.

VII. SUCCESSORS AND ASSIGNS

This Restated and Amended Site Certificate, or any portion thereof, may not be transferred, assigned, or disposed of in any other manner, directly or indirectly, except in compliance with OAR 345-27-~~100~~ 0400 or Council rules in effect at the time such action is sought.

VIII. SEVERABILITY AND CONSTRUCTION

If any provision of this Restated and Amended Site 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, and the rights and obligations of the parties shall be construed and enforced as if the Restated and Amended Site Certificate did not contain the particular provision held to be invalid.

IX. GOVERNING LAW AND FORUM

This Restated and Amended Site Certificate shall be governed by the laws of the State of Oregon. Any litigation or arbitration arising out of this Restated and Amended Site Certificate shall be conducted in an appropriate forum in Oregon.

IN WITNESS WHEREOF, this Restated and Amended Site Certificate has been executed by the State of Oregon, acting by and through its Energy Facility Siting Council, and Klamath Energy LLC.

ENERGY FACILITY SITING COUNSEL

By:_____

~~W. Bryan Wolfe~~Cynthia Condon, Chair Date

KLAMATH ENERGY LLC

By:_____

Date

By:_____

Date

Attachment B:

Reviewing Agency Comments on pRFA6

Outlook

RE: Time Sensitive -Requesting DEQ review on Preliminary Request for Amendment 6 for the Klamath Cogeneration Project

From STERGER Justin * DEQ <Justin.STERGER@deq.oregon.gov>
Date Fri 7/24/2026 9:50 AM
To ISAAK Patty * DEQ <Patty.ISAAK@deq.oregon.gov>; HIATT Mike * DEQ <Mike.HIATT@deq.oregon.gov>
Cc SLOAN Kathleen * ODOE <Kathleen.SLOAN@energy.oregon.gov>

1 attachment (333 KB)
RE: Email Summary of Public Notice of Receipt of Preliminary Request for Amendment 6 for the Klamath Cogeneration Project;

Hi Kathleen,

Apologies for the delayed response as I've been away on leave.

I did confer with the City of K. Falls about this amendment when I saw the notice back in May 2026. The Cogen has an industrial pretreatment discharge permit, issued by the City for discharge to their publicly owned treatment works. The City confirmed they do not have issues with the proposed language amendment (email thread attached for your reference).

DEQ is in the process of renewing the City's NPDES permit for discharge to surface water (which includes the Cogen return effluent) and does not have concerns from that perspective as the City regulates the return effluent via their pretreatment program and the language changes are for clarification purposes.

Let me know if you need anything else.

Thank you.

Justin W. Sterger
Senior Water Quality Permit Writer
Oregon Department of Environmental Quality
475 NE Bellevue Dr., Suite 110
Bend, OR 97701
Direct: (541) 714-0206
Email: Justin.Sterger@deq.oregon.gov

From: ISAAK Patty * DEQ <Patty.ISAAK@deq.oregon.gov>
Sent: Thursday, July 23, 2026 2:37 PM
To: STERGER Justin * DEQ <Justin.STERGER@deq.oregon.gov>; HIATT Mike * DEQ <Mike.HIATT@deq.oregon.gov>
Cc: SLOAN Kathleen * ODOE <Kathleen.SLOAN@energy.oregon.gov>
Subject: FW: Time Sensitive -Requesting DEQ review on Preliminary Request for Amendment 6 for the Klamath Cogeneration Project

Hello Justin,
I believe you may have some knowledge on this. Could you please take a look at what Kate is inquiring about? 971-701-4913

Thanks!
Patty

From: CRUSE Martha * DEQ <Martha.CRUSE@deq.oregon.gov>
Sent: Thursday, July 23, 2026 2:09 PM
To: ISAAK Patty * DEQ <Patty.ISAAK@deq.oregon.gov>; FERRIS Cynthia * DEQ <Cynthia.FERRIS@deq.oregon.gov>
Cc: SLOAN Kathleen * ODOE <Kathleen.SLOAN@energy.oregon.gov>
Subject: Fw: Time Sensitive -Requesting DEQ review on Preliminary Request for Amendment 6 for the Klamath Cogeneration Project

Thank you for the additional information Kathleen. I anticipate there may be a couple more forwards, but we will get you to the correct person!

Hello Patty, ODOE is looking for confirmation/feedback on the site certificate for the Cogen facility. As this also has an air permit, I am cc'ing Cynthia just in case. Per Kathleen's email, the updates are for clarification, so I am not sure we will have many comments if any.

Martha Cruse (Pronouns: she, her, hers)
Stormwater Quality Inspector, Eastern Region
Oregon Department of Environmental Quality
355 Timbermill Drive
Klamath Falls, OR 97601
Work Cell: (503) 926-1430
martha.cruse@deq.oregon.gov

Department of Environmental Quality : 1200 Series Construction Stormwater Permits - General Use : Water Quality Permits : State of Oregon
Department of Environmental Quality : Industrial Stormwater Permits : Water Quality Permits : State of Oregon
Oregon DEQ - Login

From: SLOAN Kathleen * ODOE <Kathleen.SLOAN@energy.oregon.gov>
Sent: Thursday, July 23, 2026 1:35 PM
To: CAVINESS Lizz * DEQ <Lizz.CAVINESS@deq.oregon.gov>
Cc: CRUSE Martha * DEQ <Martha.Cruse@deq.oregon.gov>
Subject: Re: Time Sensitive -Requesting DEQ review on Preliminary Request for Amendment 6 for the Klamath Cogeneration Project

Thank you.

To clarify & for more context, this is an operational facility with an existing Industrial Wastewater Discharge Permit from the City of Klamath Falls. The condition language changes requested to the existing site certificate is to remove obsolete references and citations in existing site condition language that are not reflective of how the facility was actually permitted by the city. No changes to the permit are requested or proposed.

Permit is attached

Thanks!

Kate

From: CAVINESS Lizz * DEQ <Lizz.CAVINESS@deq.oregon.gov>
Sent: Thursday, July 23, 2026 1:10 PM
To: SLOAN Kathleen * ODOE <Kathleen.SLOAN@energy.oregon.gov>
Cc: CRUSE Martha * DEQ <Martha.Cruse@deq.oregon.gov>
Subject: RE: Time Sensitive -Requesting DEQ review on Preliminary Request for Amendment 6 for the Klamath Cogeneration Project

Hello Kathleen,

I've copied the stormwater inspector, Martha Cruse, on this email. She is the person who reviews plans and will be better able to address this issued.

Martha – Can you look at Kathleen's email and let her know if there are any concerns please?

Thank you!

Lizz Caviness
Eastern Region Stormwater and Statewide UIC Permits Coordinator
DEQ - Bend Regional Office
Direct: 541-633-2024
Pronouns: she/her

From: SLOAN Kathleen * ODOE <Kathleen.SLOAN@energy.oregon.gov>
Sent: Thursday, July 23, 2026 11:06 AM
To: CAVINESS Lizz * DEQ <Lizz.CAVINESS@deq.oregon.gov>
Subject: Time Sensitive -Requesting DEQ review on Preliminary Request for Amendment 6 for the Klamath Cogeneration Project

Hi Liz.

I reached out via email on a project review that we (Oregon Dept of Energy- Siting Division) are doing for a requested amendment to the Klamath Cogeneration Project (an operating facility) about a wastewater discharge permit. Info is on this webpage: Energy : Klamath Cogeneration Project : Facilities : State of Oregon The amendment request and permit are avail on the webpage. The change to the site certificate (issued by the Energy Facility Siting Council) is to true up condition language so it reflects the current permit requirements for the discharge of the cooling tower blowdown water. I know that is alot but that is the only actual change. We just want to get DEQ input on whether or not there are any DEQ concerns with the City of Klamath Falls Permit issued to facility.

I know you are short staffed and super busy so I am trying teams to see if there is a way I can get an email or a review on this one from someone in DEQ. We are on a tight turnaround on our end to get this issued. Thanks!

From: CAVINESS Lizz * DEQ <Lizz.CAVINESS@deq.oregon.gov>
Sent: Monday, July 6, 2026 3:36 PM
To: SLOAN Kathleen * ODOE <Kathleen.SLOAN@energy.oregon.gov>
Subject: Automatic reply: Email Summary of Public Notice of Receipt of Preliminary Request for Amendment 6 for the Klamath Cogeneration Project

Hello,

Due to recent staffing departures and ongoing recruitment efforts, response times and submittal processing may be delayed. If you require immediate assistance or have an urgent question, please contact me via Teams or reply to this email with the words *Urgent* or *Time Sensitive* and I will work to prioritize your issue.

Thank you for your patience and understanding during this period of transition.

Sincerely,

Lizz Caviness
Stormwater and UIC Permit Coordinator
DEQ - Bend Regional Office
Direct: 541-633-2024
Pronouns: she/her

Outlook

RE: Requesting review on Klamath Cogeneration Project

From Arjen DeHoop <adehoop@klamathfalls.city>
Date Mon 7/27/2026 6:23 AM
To SLOAN Kathleen * ODOE <Kathleen.SLOAN@energy.oregon.gov>
Cc Tyler West <twest@klamathfalls.city>

Good morning Kathleen,

Currently, Klamath Energy is compliant with those requirements within their current IWDP #12-02-2023. Please let me know if you have any further questions or concerns.

Thank you.

Arjen deHoop
IPP Administrator
City of Klamath Falls Wastewater Division
1200 South Spring Street
Klamath Falls, OR, 97601
541-851-2402
adehoop@klamathfalls.city
www.klamathfalls.city

From: SLOAN Kathleen * ODOE <Kathleen.SLOAN@energy.oregon.gov>
Sent: Thursday, July 23, 2026 2:42 PM
To: Arjen DeHoop <adehoop@klamathfalls.city>
Subject: Fw: Requesting review on Klamath Cogeneration Project

CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.

Good Afternoon,

I wanted to make sure you had a copy of the permit in question (See attached).

Let me know if you have any questions.

Thanks,

Kathleen Sloan

Senior Siting Analyst

ODOE Siting Division

Ph: 971.701.4913

State of Oregon: Facilities - Energy Facility Siting

Stay connected!

OREGON DEPARTMENT OF ENERGY

From: SLOAN Kathleen * ODOE <Kathleen.SLOAN@energy.oregon.gov>
Sent: Thursday, July 23, 2026 9:51 AM
To: twest@klamathfalls.city <twest@klamathfalls.city>
Subject: Requesting review on Klamath Cogeneration Project

Good Morning Tyler,

I found your name and contact info on the City's Wastewater Management page. I am a siting analyst with the Oregon Department of Energy that is working on a request for an amendment to a condition in an existing site certificate for a permitted and operating energy facility in Klamath County. It is the Klamath Cogeneration Project and facility info and all the documents in the request can be found on the project webpage here: Energy : Klamath Cogeneration Project : Facilities : State of Oregon

We sent a notification and request to City on July 7, 2026 and I am following up with you as it is a fairly straightforward ask for the current status of an existing Industrial Wastewater Permit from the City to the Facility. It is available on the webpage but I am also attaching to this email for ease of review.

The requested change is to update the language of a condition on the facility site certificate specific to cooling tower blowdown wastewater discharge to reflect/align with the actual language and requirements of the current City permit. We have reviewed your permit and we feel we can do this by omitting some overly specific references in the original site certificate condition. We are not suggesting or intending to change YOUR permit; only revise our site certificate condition to align with it.

I just wanted to check with your office to see if there were any comments, concerns or potential issues or violations we might not be aware of on this facility or permit as we are reviewing the request.

Could you review and let me know in an email if there are any issues or concerns? Your input is appreciated.

Thanks,

Kathleen Sloan

Senior Siting Analyst

ODOE Siting Division

Ph: 971.701.4913

State of Oregon: Facilities - Energy Facility Siting

Stay connected!

OREGON
DEPARTMENT OF
ENERGY

Outlook

Fw: Proposed Order on Request for Amendment 6 of the Site Certificate for the Klamath Cogeneration Project

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From SLOAN Kathleen * ODOE <Kathleen.SLOAN@energy.oregon.gov>
Date Wed 7/29/2026 4:48 PM
To SLOAN Kathleen * ODOE <Kathleen.SLOAN@energy.oregon.gov>

Email Comment

From: Rich Rodriguez <rich1rodriguez@gmail.com>
Sent: Monday, July 27, 2026 5:13 PM
To: SLOAN Kathleen * ODOE <kathleen.sloan@energy.oregon.gov>
Subject: Proposed Order on Request for Amendment 6 of the Site Certificate for the Klamath Cogeneration Project

You don't often get email from rich1rodriguez@gmail.com. Learn why this is important

What on earth are we doing allowing methane- powered gas turbines in the state of Oregon?

Methane power gas turbines equals CO2 emissions.

This is contrary to the state's goal of reducing emissions.

This is contrary to the state's goal of reducing CO2!emissions!!!

This project should be wound down ASAP on a schedule announced to the public.

= Rich Rodriguez =
[phone number redacted by Department]

On iPhone, please excuse typos.

Friday, August 21, 2026 EFSC Meeting-20260821_093024-Meeting Recording

August 21, 2026, 4:30PM

Our next item on on the agenda is the Klamath Kojan amendment 6 Proposed Order and this is a public hearing.
So I'll turn it over to Miss Esterson, thank you very much.
Good morning, Chair Condon, Vice chair Brier and members of the Council.
Our presentation today includes an overview of the existing operational.
A brief overview of the changes proposed in request for Amendment 6.
We're gonna summarize our evaluation as presented in the proposed order and then we'll hand it over to our hearing officer; Our amazing Breylen Ammen. Is that how you pronounce it? Ammen. And he'll introduce and conduct the public hearing.

Next slide please, Nancy. And I now we're already behind one more cluster, but it it is causing issues.
To be that next slide, please, Nancy.
OK.
So the Klamath Cogeneration Facility is an operational. The Klamath Code generation Facility is an existing operational 525 MW natural gas fired cogeneration in Klamath County.
It's about 3 miles southwest of Klamath Falls, and it's located in an industrial zoned land on a site that's approximately 20 acres.
And if you're looking at the screen that shows the approximate location of the existing site.
The certificate holder is an LLC.
It's Klamath Energy LLC, which is a subsidiary of Avangrid Power LLC.
Next slide please.

request for amendment six of the site certificate proposes or seeks approval of a single condition change, and that's to change a condition that required boiler blow down water to be reused in cooling towers prior to the disposal.
Through to the wastewater treatment plant at the city of Klamath Falls.
And the change was to remove that obligation to process the wastewater through

the cooling towers. And just send it straight to the wastewater treatment facility.
So the next slide, this is the actual condition as it was imposed in the site certificate and the Red Line is the certificate holders proposal. This request is to align the process with how the facility was designed. It's not a change to the facility itself.
Next slide please.

So just a quick overview of where we're at in your amendment process.
So your amendment rules have 5 process steps as presented by the chevrons here on the slide. The first step is the certificate holders submital of a preliminary request for amendment that occurred on May 22nd. We reviewed for a few months. Then on July 10th we deemed the application complete.

And then on July 27th, we issued a proposed order recommending that the Council approve the requested condition change, along with several other condition changes that the department identified as necessary to align with the requested change. And in that proposed order, we recommended that Council grant the amendment request.

So following the proposed order step, which does include again this comment process that our hearing Officer will discuss in a little more detail following that step, the department will issue a draft final order and then Council will have an opportunity at a future Council meeting to review the Draft final order for a decision on whether to approve, modify, or deny the amendment request.

Next slide please.
So on this slide are all of your Council standards that applied to the original application for this facility?
There, next slide, please, Nancy, of these standards, there are only three that apply to this proposed change. So those are the three that are evaluated in the proposed order and those standards are the general standard of review, public services and waste minimization.

Next slide please.
So the general standard of review really establishes the preponderance of evidence requirements.

So that means that all of your findings of fact and compliance for the other standards have to be based on a preponderance of evidence.
So we overlay that on to the rest of your review.
OK.
So next slide please.
We'll overlay that to your review of the public services standards.
So and this standard related to this change we're asking, will this change have the potential to significantly impact public or private service providers of wastewater treatment?
So to answer that question, we reached out to the city of Klamath Falls.
Who the certificate holder already has an agreement to utilize their existing permit for wastewater treatment we.
Coordinated with city of Klamath Falls to validate our understanding of that agreement and the permit they confirmed there were no issues. And yes, it's illegally available pathway for wastewater treatment.
We also contacted DEQ with the same question, just to make sure that there were no concerns about how this waste water was being treated. Ultimately, so we recommend other under the public services standard that there are no significant issues to public service providers.
Next slide please.
And then it's the waste minimization standard. That's really the key here.
This is the standard that the condition in question or proposed to be changed was originally imposed under.
So, you know we're asking, OK, so if we change how wastewater is treated, does that no longer meet the standards, which requires that a certificate holder minimize their wastewater?
To the extent practical.
As well as waste and I mean the amount of wastewater as we understand it that's coming from boiler blow down is very fairly minimal in the first place.
And waste minimization.
The standard itself isn't really a threshold question.
There isn't a certain amount that we're looking for, at which point it would be significant.
It's just are they minimizing waste and wastewater to the greatest extent?
And in this instance, the facility simply wasn't designed to process that wastewater

through the cooling towers.
And we've recommended that it wouldn't have any effect on their ability to comply with the standard. And we also identified two other conditions that were imposed that kind of route back to the same process representation that came from the application.
So ultimately we're recommending 3 conditions be modified to align with.
The system and the process.
Without impact to the standard.
Next slide please.
I think that and so these are the conditions.
Four and six that we've recommended change to align with the process change.
OK.
Next slide.
And so our final recommendation in the proposed order is that these changes wouldn't affect compliance with any of the applicable standards and that the conditions can be amended.
And that the Council has the ability to grant the amendment request.
So I'll now hand it over to our hearing Officer Braylen to open and conduct the hearing.
Good morning.
Today is Friday, August 21st, 2026.
The time is 10:34 AM and I'm calling this hearing to order.
We are physically located in the Columbia River Hotel in The Dalles OR.
This hearing is also being held via teams with a call in option for those who cannot participate in person or via teams.
Today's hearing will be recorded and the presentations written comments and oral testimony are part of the decision record for this amendment request. Next slide please.
On July 27th, 2026, the department issued a public notice on request for Amendment 6 and the proposed order on Amendment 6 of Klamath Code Generation Project Site Certificate, which initiated a public comment period extending through next Friday, August 28th, 2026, and also.
Established today's public hearing.
Written comments must be received by the department by 5:00 PM on August 28, 2026 to be included in the record. To date, we have received one comment and that

comment has been provided to the Council. Next slide please.
All timely comments submitted during the public comment period will be subject to the following process.
The site certificate holder and the department will respond to all comments.
Their deadline is September 11th.
Commenters may submit written replies to the responses.
The deadline for this is September 16th and then the certificate holder and department may then submit a reply.
Two replies. The deadline for this step is September 18th.
Participants to the public comment process may request more time to submit their response, reply answer, reply to the Council, Secretary or Council chair, who shall grant the extension on showing of good 'cause.
Erson, who contends counsel should reject a request to amend a site certificate or that Council should, in its final order, reject or revise certain aspects of a department proposed order for a site certificate amendment, must comment in person or in writing prior to the close of the public.
Comment period and raise their issues with sufficient specificity to afford the Council, the department and the certificate holder an adequate opportunity to respond to the issues.
To raise an issue with sufficient specificity, commenters must identify the recommended findings of fact, conclusions of law or conditions of approval in the proposed order to which they object.
They must specify the Council standard or other applicable state and local requirements on which their objection is based, and they must present facts or statements supporting that objection. If a comment is not made with sufficient specificity, the Council will not make any changes to its final order based.
On that comment, next slide please.
Or this is the correct slide?
Comments written comments may be submitted via our comment portal, available through the link provided on the screen.
Which is also included in our project web page and in the notice written comments may also be emailed to Kathleen Sloan or mailed or hand delivered to the Oregon Department of Energy's office at 550 Capitol Street.
Northeast in Salem OR.
Next slide please.

Sorry, next slide, please.
The order of testimony for today's hearing will start with an opportunity for the certificate holder.
Then we will open to members of the public. The Council will then be given an opportunity to ask questions or request that certain areas be further evaluated, and finally, we will return to the certificate holder if they choose to respond to any issues raised today.
Let's start with a certificate holder.
Is anyone representing the current certificate holder that would like to provide comments on the record today?
I have a hand raised for Derek Green.
OK.
Alright Derek, I have unmuted your mic on my end.
You can go ahead and unmute and make your comments.

GD **Green, Derek** 1:17:01
Great. Thank you very much.
Can you hear me OK?

HO **HATCH Nancy * ODOE** 1:17:04
Yes, we can.

GD **Green, Derek** 1:17:06
All right, great. Thank you.
Well, good morning, chair Condon and members of the council and department staff and any other attendees as well, too. For the record, my name is Derek Green.
I'm an attorney with Davis Wright Tremaine, appearing here on behalf of the certificate holder.
Also attending virtually is Jeffrey Adarochero, the deputy general counsel for Evan Griffower.
Just very briefly, thank you to the Council for consideration and to the staff for working with certificate holders representatives.
Including my colleagues on this amendment, we certainly appreciate the time and agree with recommendations that are contained in the staff report. We look forward to the Council's review and if there are questions raised that are directed towards us,

we will work to ensure we have a resp.
Provided either here or in written comments before the close of the record. Thank you very much.

HATCH Nancy * ODOE 1:17:45
OK.
All right. Now we'll move to members of the public for any individuals wishing to provide testimony, please state your name, organization or group. If you are representing one and your e-mail and or physical address, Please note we need this information so that the department and certificate holder can.
Respond to your comments.
We'll start with those in the room. Then we'll request those online following by the followed by those on the phone.
Next slide please.
Nancy, do we have any filled out forms or is there anyone on zoom with their? There are no comments from the room.
Just a reminder on the screen, it tells you how to raise your hand. If you had a if you were online.
And at this point, there are no hands raised.
All right.
Are there any council members who would like to provide comments to the department or certificate holder?
Sorry I was.
I was thinking, Counselor Calderon.
Yeah. Denise Calderon.
For the record, just a small question.
So by not reusing the HRSG blowdown as originally presented in the application, how much additional cooling tower make up water is required?
That's my first question.
Thank you, councillor Calderone.
That's a technical question that I would have to.
I'm not sure if the certificate holder has the ability to answer that off the cuff.
It might be something we need to dig into, but we can certainly look into it. Mr. Green, do you happen to know the answer to that question?

Green, Derek 1:19:45
Thank you.
Unfortunately, I I do not, but we can certainly provide that information.
And actually I did just see checking direct check raise hand he might have additional information as well too.

HATCH Nancy * ODOE 1:20:10
Right, JD. Your initials.
I have a muted your mic.
You can unmute on your end and make your comment.

Durocher, Jeffrey 1:20:23
Thank you.
I'm just echoing Derek's comment that we would have to check that.
That quantity of water with the the plant staff and and get back to you about that.
Yeah, I don't.
I don't know that that number off the top of my head.

HATCH Nancy * ODOE 1:20:47
Thank you.
Yep, counselor. Denise.
Sorry, Council Member Denise Calderon for the record. Thank you.
I'm only asking because I'm I would like to know if reuse of the blow down would actually reduce the total wastewater generation.
I know that's not how you your ultimate design is, is now presently, but that was the original presented design in the application.
So This is why you're seeking this amendment correct.
So just.
Moving on from that, I would look forward to your response in the future.
I just want to make a broader observation for the record regarding the Council's waste minimization standard.
Right. So this facility already demonstrates significant beneficial reuse by using treated municipal effluent as its principal cooling water source. Water and wastewater systems are federally recognized as critical infrastructure.

Just so friendly reminder, which underscores the importance of understanding water. Management, as part of energy facility design.
So this amendment is a useful reminder that water reuse is not simply a waste management issue.
It is also a resource management consideration within the Council's existing waste minimization framework.
Thank you, Councillor Calderon.
All right. Would the certificate holder like to respond to any comments submitted to date?

GD **Green, Derek** 1:22:23
Thank you. Nothing at this time, we understand the record is still open and will provide any other additional comments by the time that closes.

HO **HATCH Nancy * ODOE** 1:22:32
Thank you.
The time is 10:52 and I will now close the hearing.
Thank you.
Thank you for those who commented on the phone.
And thank you for holding the public hearing.

From:	AMMEN Breylen * ODOE
To:	ElaineAlbrich@dwt.com; "rich1rodriguez@gmail.com"
Cc:	"jeffrey.durocher@avangrid.com"; "AllisonBainter@dwt.com"; "DerekGreen@dwt.com"; ESTERSON Sarah * ODOE
Subject:	Response to Comments - Klamath Cogeneration Amendment 6
Date:	Wednesday, September 2, 2026 4:29:00 PM
Attachments:	image001.png image002.png KCPAMD6 Public Comment Evaluation Cover Letter and Response 2026-09-02.pdf

Dear Commentor and Klamath Cogeneration RFA6 Team,

Please see the Department's attached response to comments submitted on the proposed order for amendment 6 of the Klamath Cogeneration Facility. The deadline for commentors to respond to this response is September 16, 2026. Please feel free to reach out if you have any questions.

Kind Regards,

OREGON DEPARTMENT OF ENERGY

Breylen Ammen
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Stay connected!

Oregon
Tina Kotek, Governor

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September 2, 2026

To Commenters
Sent via email

Dear Commenter,

The Oregon Department of Energy (Department or ODOE) provides this "Response to Comments" document per OAR 345-027-0367(8)(b), which summarizes and responds to all comments submitted during the comment period on Klamath Energy, LLC's (certificate holder) Request for Site Certificate Amendment 6 for Klamath Cogeneration Project (RFA6) and the Department's Proposed Order on RFA6. This evaluation, and the evaluation of any subsequent replies, will inform the draft of a Final Order that the Department will present to the Energy Facility Siting Council (EFSC or Council.)

The procedural timeline for the public participation process for RFA1 is presented below:

- Proposed Order on RFA6 was issued for public review and comment on July 27, 2026, establishing a 32-day comment period, which concluded on August 28, 2026;
- A public hearing was held on August 21, 2026 the Columbia River Hotel Conference Room, 3323 Bret Clodfelter Way, The Dalles, Oregon.
- At the conclusion of the comment period (August 28, 2026, at 5 p.m. Pacific), two commenters had submitted comments on the record.

This Response to Comments document addresses the comments received during the public comment period. A list of issues raised in comments, with the names of the commenters who raised them, is included in Table 1 below.

Replies must be received by **5:00 p.m. (Pacific) on September 16, 2026**, to be included in the record. If you have questions about the process or how to submit replies to the Department or certificate holder's responses to your comments during this timeframe, please don't hesitate to reach out.

Respectfully,

Breylen Ammen, Senior Siting Analyst
Oregon Department of Energy
550 Capitol St N.E., 1st Floor
Salem, OR 97301
P: 917-240-3577
E: breylen.ammen@energy.oregon.gov

cc via e-mail distribution:
Todd Cornett, Assistant Director of Siting, Oregon Department of Energy
Sarah Esterson, Senior Policy Advisor, Oregon Department of Energy
Patrick Rowe, Assistant Senior Attorney General, Oregon Department of Justice

Table 1: List of Issues and Commenters

Issue ID	Issue Summary	Commenter
01	Methane-power turbines should not be allowed in Oregon due to CO2 emissions. The project should be wound down as soon as possible, with a schedule for doing so publicly announced.	Rich Rodriguez
02	By not reusing the HRSG blowdown as originally presented in the application, how much additional cooling tower make up water is required? The facility demonstrates significant beneficial reuse by using treated municipal effluent as its principal cooling water source. Water and wastewater systems are federally recognized as critical infrastructure, which underscores the importance of understanding water management, as part of energy facility design. Water reuse is a resource management consideration within the Council's existing waste minimization framework.	EFSC Councilor Calderon

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Evaluation of Issues

Issue 01 (Rodriguez): Facility Should be Decommissioned Due to CO2 Emissions

Comment Summary

Mr. Rodriguez expressed concern about allowing methane-powered turbines in Oregon due to their CO2 emissions; he argued that the project should be decommissioned and a decommissioning schedule released to the public.

Department Evaluation

Mr. Rodriguez's comments did not specifically identify a council standard the proposed project may contradict, nor does the substance of the comment relate to an existing Council standard. The proposed amendment is a minor change to the configuration of the already-approved facility to bring the site certificate in line with how the facility was constructed. The amendment does not relate to the CO2 emissions of the facility, and does not in any way provide the Council with the ability to require facility decommissioning.

Issue 02 (EFSC Councilor Calderon): Water use, re-use, and waste minimization

Comment Summary

Councilor Calderon asked a technical question regarding the increase in water use associated with the amendment, and made a general statement regarding the general importance of water use, re-use, and waste minimization with respect to Council standards.

Department Evaluation

The Certificate Holder responded to Councilor Calderon's technical question by confirming that no additional water would be used with the amendment because the amendment just updates the Site Certificate to reflect what was built; the amendment would not actually change existing water use at the facility.

Councilor Calderon's comments regarding water and the waste minimization standard appear to be directed as broader, program-related comments. However, they do identify the measures the facility will continue to employ to minimize wastewater. The Department believes that such measures are indeed consistent with OAR 345-22-0120, which requires wastewater minimization, and the project continues to be consistent with this standard with the proposed amendment.

Outlook

Klamath Cogen RFA6 - Certificate Holder Response Comment

From Albrich, Elaine <ElaineAlbrich@dwt.com>
Date Fri 8/28/2026 11:00 AM
To ESTERSON Sarah * ODOE <sarah.esterson@energy.oregon.gov>; SLOAN Kathleen * ODOE <Kathleen.Sloan@energy.Oregon.gov>
Cc Durocher, Jeffrey <jeffrey.durocher@avangrid.com>; Green, Derek <DerekGreen@dwt.com>; Bainter, Allison <AllisonBainter@dwt.com>

Sarah and Kate –

This email provides Certificate Holder's written response to Councilor Calderon's questions and comments received during the August 21, 2026, public hearing on Klamath Cogeneration RFA6.

Summary of Question/Comment

- *Council Member Calderon asked how much additional cooling-tower make-up water is required when the boiler blowdown is not reused and whether reuse would reduce total wastewater generation. The certificate holder stated that it would need to consult plant staff and provide the information later.*

- *Council Member Calderon also noted that the facility already beneficially reuses treated municipal effluent as its principal cooling-water source and observed that water reuse can be both a waste-minimization and resource-management consideration*.

Response

Certificate Holder appreciates Council Member Calderon's comments and the opportunity to respond on the record. Certificate Holder's team confirmed with the Klamath operations team that the proposed amended site certificate condition will not result in the facility using any additional water. The proposed amendment, if adopted, simply aligns the site certificate's conditions with the facility's design and operation. The blowdown water has always gone to City of Klamath Fall's wastewater treatment system. The site certificate was adopted before Certificate Holder finalized the facility design and received the wastewater discharge permit from the City of Klamath Falls.

Elaine Albrich she/her
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