



OREGON ENERGY FACILITY SITING COUNCIL

*W. Bryan Wolfe, Chair
Bob Shiprack, Council Member
Trey Senn, Council Member*

*Lori Brogotti, Vice Chair
Jacob Polvi, Council Member
Barry Beyeler, Council Member*

MINUTES

September 10, 2010

**5000 Discovery Center Drive
The Dalles, OR 97058**

Call to Order and Roll Call: Chair Bryan Wolfe called the meeting to order at 9:35 a.m. Council Members present were, Bryan Wolfe, Trey Senn, Lori Brogotti, Bob Shiprack, Barry Beyeler and Jacob Polvi. Chair noted a quorum and that Trey Senn would be participating via telephone. Oregon Department of Energy Staff present was: Tom Stoops, Division Administrator/Council Secretary and Sue Oliver. John White participated via telephone also. Janet Prewitt, Senior Assistant Attorney General was also present.

I. AGENDA ITEMS

A. Montague Wind Facility:

The matter was brought before the Council by Siting Officer John White via phone. Although additional comment and testimony were not allowed, there were three individuals present who commented on their concerns regarding the Oregon Trail. The concerns were resolved and the contested case hearing was found to be not necessary and closed. With that the Siting Officer requested Council to approve the Final Order for the Montague Wind Facility.

Action: A motion was made and seconded to approve the Final Order granting the Montague Wind Facility Site Certificate. Vote: Polvi, Yes; Brogotti, Yes; Senn, Yes; Beyeler, Yes; Shiprack, Yes; Wolfe, Yes. The motion passed unanimously.

B. Energy Generation Areas (EGA):

Jan Prewitt, Department of Justice (DOJ) provided copies of advice summarizing several months of conversation regarding Energy Generation Areas (EGA) and provided topical highlights from that advice. Highlights included:

- Umatilla County's request for the Siting Council to repeal the EGA in Umatilla County as it was listed in Council Rules.
- The Siting Council's role is to identify and define EGA for various kinds of facilities based on a statute definition adopted around 1995, but has not established any, with the exception of the one in Umatilla County.

- Energy Generation Areas are part of the Siting Council's jurisdiction; the Siting Council retains the authority to identify EGA through rulemaking, which they are currently not utilizing.

Q: Bob Shiprack asked if EGA would mean that sub-jurisdictional projects would be subject to EFSC jurisdiction.

A: The current rule would allow the accumulation of small generating plants within an EGA until these small projects had an effect similar to the 35 Megawatt limit. The Siting Council would then have jurisdiction; however, the extent of the Council's authority would be based on their rulemaking.

Q: Barry Beyeler asked if transmission lines would fall under Siting Council authority.

A: Yes, depending on the length. Within an EGA, transmission lines create more issues because they do not fall within the definition of the EGA; however, there is a synergy between transmission lines and widely separated renewable energy generation facilities that need transmission lines.

Q: Have the Association of Oregon Counties (AOC) and related agencies been involved in these discussions?

A: Tom Stoops has had discussions about this issue and the Council adopting a rule on the issue. Last year Umatilla County petitioned to have the EGA status removed because it was the only EGA in the state and representatives wanted to level the playing field; an EGA could be one way of addressing the issue.

Mr. Beyeler recommended that Oregon Department of Energy (ODOE) and the Counties should have dialogue on this issue and provide a report to the Council at the December meeting before the Siting Council proceeds with EGA rulemaking. Ms. Brogoitti stated that Council should consider holding a public meeting

Umatilla County Commissioner Larry Givens stated that Counties should be involved in decisions on the structure of EGA. Mr. Givens offered to participate in dialogue with the Siting Council and ODOE.

Action: A motion was made and seconded to refer work to staff for appropriate action/discussions to generate ideas and fresh strategies. Staff would make a report to the Siting Council no later than the December meeting.

Vote: Polvi, Yes; Brogoitti, Yes; Senn, Yes; Beyeler, Yes; Shiprack, Yes; Wolfe, Yes.

The motion passed unanimously.

C. Federal National Environmental Policy Act, NEPA:

Jennifer Kuiper, an ODOE Environmental Consultant from AMEC, spoke about the Notice of Intent (NOI) to construct two 500 Kilovolt transmission lines which has commenced the federal permitting process required by NEPA. Kuiper gave an overview of the Act and shared that they hoped to begin construction by 2012.

The Council took a short break, and the chair reconvened the meeting.

D. Cascade Crossing 500 kV Transmission Project:

Michael Mikolitas, Portland General Electric, General Manager Cascade Crossing Transmission Project, provided a presentation on the Project. The Project was proposed because the current power grid was insufficient to fulfill the required reliability of the power grid. Cascade Crossing includes approximately 210 miles of transmission lines, three new substations, upgrades to existing substations. The project would start at Boardman and end in Salem.

There is an existing PGE line at Willamette Valley, but studies are currently underway to evaluate if the corridor needs to be reinforced, the existing line removed and two new lines installed.

The two required permitting processes were initiated early this year; 36 months have been set as a goal for all three to be completed by 2012, construction to commence early 2013 and completed by 2015 with 85 percent of the line created next to existing corridors.

The Chair called for public comment.

Charles Gillis, who is representing the Friends of the Grande Ronde, mentioned that a ballot measure would be on the ballot soon, a non-binding resolution on the proposed energy facility. Mr. Gillis said that the results of the proposed ballot referendum would be objective. He urged the Siting Council to use the results of the non-binding resolution when making their decision. The vote on the ballot measure will happen in November 2010.

Josh Mathis, Wind Energy Horizon, said that Horizon representatives have appreciated the interest of the public; they are listening and appreciate the public process offered by EFSC. Mr. Mathis urged stakeholders to use the EFSC process to comment rather than utilize regular EFSC meetings for comments.

A break was taken for lunch.

During the break, Bob Repine, Director of ODOE, spoke to the effects of the economy on public agencies, even those that are not publicly funded. ODOE has had to limit its manufacturing and renewable portfolios. The renewable portfolio contains almost a

billion dollars worth of economical opportunities in the state and a tax credit investment worth about \$170 million. The legislators will have to wrestle with having created a demand for the green industry. Meanwhile, we need to focus on how we can use what we've established and build on it without losing the investments despite a limited budget. A future focus should be on how these programs can operate within budget constraints.

E. Carbon Dioxide Equivalents:

Andrea Simmons, Policy Advisor to ODOE, shared handouts that contained a solicitation for a workgroup on how to limit greenhouse gases. At the July meeting, a motion was passed to solicit persons who were interested in participating in the workgroup. The first meeting of the group was held on August 31st. The meeting lasted two and a half hours with most of that time being spent educating the members on greenhouse gas issues. The next meetings were set for September 27th and October 5th. After the group completes the planned work, they will present this information at the October 29th Siting Council meeting.

Q: At a previous meeting there was a question whether this issue could be addressed on a statutory or rule basis or whether a statutory change was needed?

A: The recommendation on this should determine if it would be better to consider it on a statutory or rule basis. Jan Prewitt plans to review the statutes with the Siting Council.

CONSENT CALENDAR

A. Council approval of EFSC Meeting Minutes:

There are no current minutes; they are still being prepared, because there were many public comments.

B. Summit Ridge Wind Project:

Sue Oliver, ODOE Siting Officer, provide an update for the Summit Ridge Wind Facility in Washington County. About 200 megawatts of power will be generated, which will be created by about 87 wind turbines. Potential impacts of the turbines and the local environment are being studied. The public has made no comments and the comment period closes at the end of September.

C. Rock Creek Wind Facility:

John White, ODOE Siting Officer, provided an overview of the Rock Creek Wind facility and requested that the council approve Gilliam county Commissioners as a Special Advisory Group to the Council and requested that the Council find that assistance is required to review the application for site certificate.

Action: A motion was made and seconded to approve Gilliam County Commissioners to serve as the Siting Council's special advisory group for the Rock Creek Wind Facility.

Vote: Polvi, Yes; Brogoitti, Yes; Senn, Yes; Beyeler, Yes; Shiprack, Yes; Wolfe, Yes.

The motion passed.

Action: A motion was made and seconded to approve the use of Golder Associates as the EFSC reviewing contractor for the Rock Creek Wind Facility.

Vote: Polvi, Yes; Brogoitti, Yes; Senn, Yes; Beyeler, Yes; Shiprack, Yes; Wolfe, Yes.

The motion passed.

D. Helix Ratification:

Action: A motion was made and seconded to ratify an earlier emergency decision by the Chair concerning the revised Letter of Credit for the Helix Wind Facility

Vote: Polvi, Yes; Brogoitti, Yes; Senn, Yes; Beyeler, Yes; Shiprack, Yes; Wolfe, Yes.

The motion passed.

E. 2011 EFSC Meeting Dates:

October 29th will be about carbon dioxide equivalents, the Summit Ridge Project, and a brief discussion about Council meetings in 2011. October 28th there will be a meeting with Washington State Facility Siting Commission and the group will be talking about integration and Wind Development. This meeting will be held in North Portland or Vancouver. The Commission will also meet on December 17th.

A suggestion of meeting dates included: January 28th, March 25th, April 13th, July 1st, August 19th, October 7th and December 2nd. July 1 is the Friday right before a four day weekend. Alternative dates included: February 11th, April 1st, May 27th, July 15th, September 2nd, October 21st and December 9th. The September 2nd date is Labor Day weekend, and would need to be rescheduled. The dates will be emailed to the Commission members, and the second schedule will be what the schedule is based on.

III. **PROJECT UPDATES:** Project updates were presented by Staff.

Public Comment: The Chair called for public comment. Barbara Robinson, naturalist and active in conversation in the Gorge, offered a public comment on Montague Wind. She asked about the bombing range and shared that managing the bombing range would be important to nature conservancy. The project developers were aware of this and were planning to avoid the area as much as possible, as well as manage it correctly.

The Council meeting was adjourned at 2:00 p.m.