

1 **BEFORE THE ENERGY FACILITY SITING COUNCIL**
2 **OF THE STATE OF OREGON**

3
4 IN THE MATTER OF THE SITE CERTIFICATE FOR)
5 THE PORT WESTWARD GENERATING PROJECT) **FINAL ORDER**
6 REQUEST FOR AMENDMENT NO. ONE)

7
8 **Summary**

9 The Energy Facility Siting Council (“Council”) approves this amendment request.

10
11 **I. Summary and Background of the Request for Amendment**

12 On September 25, 2003, Portland General Electric Company (“PGE” or the “Certificate
13 Holder”) submitted to the Council its Request for First Amendment to the Site Certificate
14 for the Port Westward Generating Project (“PWGP” or the “Project”). PGE proposed to
15 amend the Site Certificate for the Port Westward Generating Project (“Site Certificate”) to
16 add a natural gas compression station and a dead-end transmission structure at the energy
17 facility, to increase the number of transformers from four to six, and to switch the location
18 of the settling basin and tanks within the energy facility site. It also proposed to build
19 potable and demineralized water lines, a 13.8 kV backup electricity line, and
20 communications lines between the PGE Beaver Generating Plant and the energy facility.
21 PGE also requested permission to add the option to obtain water for the energy facility
22 from PGE’s existing industrial water right. Finally, PGE requested permission to develop
23 only one of the two proposed generating units, or to develop both units of the energy
24 facility in two distinct phases.

25
26 The Council issued the Final Order in the Matter of the Application for a Site Certificate
27 for the Port Westward Generating Project (“Final Order;” except in the title of this
28 document and the title of final section) and granted the Site Certificate on November 8,
29 2002. PGE has not begun construction of the Project.

30
31 **A. Name and Address of the Certificate Holder**

32
33 Portland General Electric Company
34 121 SW Salmon Street
35 Portland, OR 97204

36 The individual responsible for submitting the request:

37 Arya Behbehani-Divers
38 Portland General Electric Company
39 121 SW Salmon Street
40 3WTC-BR03
41 Portland, OR 97204
42 503-464-8141

1
2 **B. Description of the Facility**

3 The Council granted the Site Certificate for the facility on November 8, 2002. The facility
4 is a 560 megawatt (“MW”) natural-gas-fired, combined-cycle generating facility. The
5 facility will be located in Columbia County, Oregon, about seven miles by road northeast
6 of the City of Clatskanie. PGE has not begun construction of the facility.
7

8 **II. Description of the Proposed Amendment**

9 PGE proposed the following changes to the energy facility. Revised Figures B-1
10 (Attachment 6) and B-2 (Attachment 7) of the amendment request depict the physical
11 changes:
12

- 13 • Expanding the Certificate Holder’s water supply options to include PGE’s existing
14 industrial water right.
15
- 16 • Adding a natural gas compression station to house electric compressors with 1,000 to
17 7,000 horsepower total. The compression station building will be about 120 feet long
18 by 60 feet wide by 24 feet high.
19
- 20 • Adding a dead-end transmission structure, which would be constructed prior to or in
21 lieu of the switchyard. The structure will be about 100 feet high.
22
- 23 • Increasing the number of transformers from four to six (or two transformer banks of
24 three each) without changing the overall dimensions of the energy facility; and
25 switching the location of the settling basin and tanks within the energy facility site to
26 facilitate connection to the Port of St. Helens water discharge facility.
27

28 *These items are consistent with the Council’s findings and conditions in*
29 *the Final Order approving the Site Certificate and would not alone*
30 *trigger a site certificate amendment under OAR 345-027-0050.*
31 *However, because PGE has proposed other changes that require an*
32 *amendment, it included these changes in its request and demonstrated*
33 *compliance with the relevant siting standards.*
34

- 35 • Adding additional related and supporting facilities, including potable and
36 demineralized water lines, a 13.8 kV backup electricity line, and communications lines,
37 all of which will be constructed about 3 feet below ground between the PGE Beaver
38 Generating Plant and the energy facility or the PGE water intake structure. The
39 corridor for the demineralized water line, 13.8 kV distribution line, and the
40 communications lines will be about 1,200 feet long and will follow an existing
41 roadway between the energy facility site and the PGE Beaver Generating Plant. The
42 corridor for the portion of the potable water line between the potable water storage
43 tank and the raw water line corridor will be about 1,700 feet long. The remainder of
44 the potable water line will follow the raw water line corridor to the energy facility site.
45 The demineralized water line will be about 4” in diameter and the potable water line
46 will be about 2” in diameter.

- 1
2 • Authorizing the Certificate Holder the option of constructing the energy facility in two
3 distinct phases (“Phase 1” and “Phase 2”), in effect constructing one generating unit at
4 a time. The Certificate Holder would construct Phase 1 first, and Phase 1 could stand
5 alone if the Certificate Holder chose not to proceed with Phase 2.
6

7 Revised Figure B-1 (Attachment 6 of the request) illustrates the elements of the
8 facility associated with each phase. As depicted therein, Phase 1 would include, in
9 part, the southernmost generating unit (“Unit 1”), including a combustion turbine
10 generator, heat recovery steam generator, steam generator, one step-up transformer
11 bank, auxiliary transformer, and cooling tower. The Phase 1 elements are depicted
12 in blue in Figure B-1. Phase 1 would also include all of the energy facility
13 components common to the two units and the related or supporting facilities,
14 except the switchyard. The switchyard would be constructed with the northernmost
15 generating unit (“Unit 2”) and associated facilities as part of Phase 2. The common
16 elements to be constructed as part of Phase 1 are depicted in pink in Figure B-1 and
17 the Phase 2 elements are depicted in green. Figure B-1 also depicts “treatment
18 areas” in yellow or orange outlines associated with each phase. These are the areas
19 where PGE would install foundations for each phase.
20

21 **III. Procedural History**

22 **A. Department of Energy Review Steps**

23 **1. The Certificate Holder’s Request**

24 PGE submitted the Request for First Amendment to the Site Certificate for the Port
25 Westward Generating Project on September 25, 2003.
26

27 PGE notified the Department of Energy (“Department”) on October 2, 2003, that the
28 Division of State Lands has issued the Port of St. Helens a removal/fill permit for the
29 Port’s wastewater outfall project, including associated piping. PWGP will use the Port’s
30 wastewater system as provided in the Site Certificate.
31

32 PGE submitted additional information in a letter dated October 20, 2003. That letter
33 clarified terms used in Figure B-1 and requested that the Council strike the term
34 “essentially identical” in the reference to the combustion turbines that may be used in the
35 two units because turbines built at different times may not be identical.
36

37 **2. Notice to the Site Certificate Holder**

38 On October 8, 2003, the Department mailed notice to PGE, pursuant to OAR 345-027-
39 0070(1)(c), that it would issue a proposed order no later than November 21, 2003.
40

41 **3. Review by Other Agencies, Local Governments and Tribes**

42 The Department, pursuant to OAR 345-027-0070(1)(a), identified potentially affected
43 agencies, local governments and tribes and asked them to review the request for
44 amendment. The Department mailed a copy of the amendment request along with a review
45 report form on September 25, 2003, to those agencies, local governments and tribes and

1 asked them to reply by October 17, 2003. The Department sent the request to the
2 following agencies, local governments and tribes:

3		
4	Department of Geology and Mineral Industries	Department of Fish and Wildlife
5	Division of State Lands	Department of Agriculture
6	Water Resources Department	Department of Parks and Recreation
7	State Historic Preservation Office	Department of Environmental Quality
8	Office of State Fire Marshall	Public Utilities Commission
9	Building Codes Division	Department of Forestry
10	Northwest Power and Conservation Council	Department of Transportation
11	Dept. of Land Conservation and Development	Department of Aviation
12	City of Astoria	City of Rainier
13	City of Saint Helens	City of Clatskanie
14	City of Columbia City	Columbia County
15	Confederated Tribes of the Grand Ronde	Clatsop County
16	Confederated Tribes of the Warm Springs	Chinook Indian Tribe
17	Confederated Tribes of the Siletz	

18
19 **4. Agency Replies**

20 On October 7, 2003, Jerry Sauter, water rights program analyst, Water Resources
21 Department (“WRD”), wrote that WRD has no issues with PGE using water from its
22 existing water right as proposed in the amendment request.

23
24 On October 13, 2003, Dennis Griffin, State Historic Preservation Office (“SHPO”)
25 Archeologist, requested clarification in Conditions D.11(1) and (3) regarding the
26 obligation of the Certificate Holder to have a qualified archeologist notify and confer with
27 SHPO about all artifacts and cultural materials that might be found during the pre-
28 construction cultural survey or during construction. The Department recommended
29 conditions in Section IV.B. to address the issues that SHPO raised. No other agency or
30 tribe stated objections to the requested amendment or recommended conditions.

31
32 **5. Initial Public Notice**

33 On September 25, 2003, the Department mailed a notice of the request for amendment to
34 all persons on the Council’s general mailing list and persons on the Council’s special
35 mailing list for the Project, pursuant to OAR 345-027-0070(1)(b). The notice asked for
36 comments to the Department by October 17, 2003.

37
38 **6. Public Comments on the Request**

39 Mr. Paul Langner, property manager for the Port of St. Helens, wrote in support of PGE’s
40 amendment request.

41
42 In a letter dated October 14, 2003, Mr. Otto Moosburner commented on noise issues
43 related to installing a natural gas compressor at the energy facility site. Mr. Moosburner
44 lives across the Columbia River in Washington. His residence is identified in the
45 Contested Case Proceedings, the ASC and the Final Order as Site 6.

1 Mr. Moosburner's residence is 5,700 feet from the energy facility. The closest noise
2 sensitive receptor is 4,780 feet from the energy facility. PGE's noise engineer did his
3 analysis for the request for amendment for the nearer site.

4
5 Mr. Moosburner noted in his letter that with the acoustical insulation that PGE's noise
6 consultant used in his analysis the theoretical noise level 10 feet from the compressor
7 building will be 69 dBA and that the analysis showed it would be at an acceptable level
8 4,780 feet from the building. He then requested that the Council impose two conditions:
9 (1) require independent certification that the Certificate Holder installed the insulation in
10 the building housing the compressor station according to specifications; and (2) require a
11 one-time sound measurement 10 feet from the building when the compressor station is in
12 operation. He noted that the purpose of the sound measurement would be to validate the
13 theoretical value determined by the analysis.

14
15 The Council does not adopt the specific conditions that Mr. Moosburner requested. The
16 discussion of Mr. Moosburner's request follows below. However, the Council adds
17 clarifying text to the description of the compressor building to specify that the Certificate
18 Holder provide acoustical insulation in the building. The Council's decision is consistent
19 with the discussion of noise in Section 1.6(b)(iii) and Attachment 4 of PGE's request for
20 amendment.

21
22 In response to comments from Mr. Moosburner, the Council clarifies on page 4, Section
23 C.1.a, Major Structures and Equipment, of the proposed Amended Site Certificate that the
24 Certificate Holder will install acoustical insulation in the building that it constructs to
25 house the natural gas compressors. The Council adopts the highlighted language in the
26 following phrase: "***a natural gas metering station; a natural gas compressor station
27 with electric compressors of 1,000 to 7,000 horsepower total, enclosed in a building with
28 acoustical insulation***."

29
30 The Council does not adopt the conditions that Mr. Moosburner proposed because they do
31 not relate directly to the rule with which the facility must comply. The Council must find
32 that the energy facility is able to operate within the requirements of OAR
33 340-035-0035(1)(b)(B)(i). The findings in Section O, below, demonstrate that the energy
34 facility will be able to operate within that rule with the addition of a natural gas
35 compressor in an acoustically-insulated building.

36
37 Mr. Moosburner requested that the Council impose conditions that go far beyond the
38 requirements of OAR 340-035-0035(1)(b)(B)(i). He would have the Council require
39 independent certification that the insulation is installed according to specifications. The
40 product specifications of brand-name materials used in individual components of an
41 energy facility do not relate directly to energy facility siting. The installation
42 specifications of components of a building would fall under the appropriate building code
43 if they are regulated at all.

44
45 PGE offered information about several products of the International Cellulose Corporation.
46 It demonstrated that use of such products can attenuate the noise from a compressor

1 building and that with such attenuation the addition of the compressor will not cause the
2 energy facility to exceed the noise requirements of OAR 340-035-0035(1)(b)(B)(i). The
3 Council does not require the Certificate Holder to use those specific products. It requires
4 the Certificate Holder to meet the conditions in Section E.1.a of the Site Certificate.

5
6 Likewise, there is no need for separate sound measurements 10 feet from the compressor
7 building to validate theoretical estimates. The nearest sensitive receptor is 4,780 feet from
8 the energy facility. Conditions in Section E.1.a require the Certificate Holder to meet the
9 DEQ noise standard at that site, at Mr. Moosburner's house, and at two other locations.
10 Determining the noise level 10 feet from the compressor building will not confirm whether
11 the energy facility complies with OAR 340-035-0035(1)(b)(B)(i).

12 13 **7. Proposed Order**

14 The Department issued its proposed order on October 21, 2003.

15 16 **8. Public Notice of Proposed Order**

17 On October 21, 2003, the Department mailed a notice of its proposed order to all persons
18 on the Council's general mailing list and persons on the Council's special mailing list for
19 the Project, pursuant to OAR 345-027-0070(1)(b). The notice asked for comments to the
20 Department by November 21, 2003.

21 22 **9. Comments on the Proposed Order**

23 In a letter dated October 27, 2003, to Ms. Janet Prewitt, Assistant Attorney General,
24 Oregon Department of Justice, Mr. Paul Langner, Port of St. Helens, confirmed that the
25 Port supports PGE's request to apply water from Permit 41506 for general industrial use in
26 the area to be developed as the Port Westward Generating Project.

27
28 Through verbal communications with the Department, Dennis Griffin, State Historic
29 Preservation Office ("SHPO") Archeologist, requested further clarification in Condition
30 D.11(1) regarding the obligation of the Certificate Holder to have a qualified archeologist
31 notify and confer with SHPO about discoveries during the pre-construction cultural survey
32 and about the responsibility to propose mitigation if the discoveries are significant. The
33 Council modifies that condition in Section IV.B. to address the issue that SHPO raised.

34
35 No other agency or tribe stated objections to the proposed order.

36
37 The Department received a letter from George and Betty Weldon, dated October 31, 2003,
38 that discussed property issues related to the electrical transmission line corridor. The
39 comments did not relate to the amendment request.

40
41 On October 21, 2003, the Department received a letter from Warren Nakkela, a director of
42 the Beaver Drainage Improvement Company, Inc., ("District"). Mr. Nakkela raised issues
43 relating to a levee that is under the approved site of the energy facility. The Department
44 forwarded a copy of the letter to PGE. This is a property issue that PGE will need to
45 resolve with the District prior to beginning construction. The matter does not relate to the
46 amendment request.

1
2 **B. Council Review Steps**

3 **1. Council Notice**

4 The Department mailed the request for amendment and a memo summarizing the request
5 to the Council on September 25, 2003. On October 22, 2003, the Department mailed the
6 proposed order to the Council and to persons who had requested it. On November 25,
7 2003, the Department mailed its Recommended Final Order and Recommended First
8 Amended Site Certificate to the Council.

9
10 **2. Council Action**

11 The Council took action on the amendment request at its regular meeting at St. Helens,
12 Oregon, on December 5, 2003.

13
14 **IV. Proposed Changes to Site Certificate**

15 OAR 345-027-0060(1)(d) requires that a Certificate Holder must include in a request for
16 an amendment to a Site Certificate: “The specific language of the site certificate,
17 including affected conditions, that the certificate holder proposes to change, add or delete
18 by an amendment.”

19
20 **A. Site Certificate Holder’s Proposed Changes**

21 PGE proposed changes to specific conditions with additions double-underlined and
22 deletions shown by a strikethrough of the Site Certificate. The changes are summarized
23 below. Attachment 1 to this Order is a “redline” version of the Site Certificate, showing
24 the adopted changes, incorporating Sub-sections IV.A and IV.B.

- 25
26 **1. Title Page**: PGE proposed changes that reflect the new amendment.
27
28 **2. Page 1, Section A, Introduction**: PGE proposed changes that update the procedural
29 references for the site certificate.
30
31 **3. Page 2, Section B, Site Certification, New Condition 10**: PGE proposed to add a new
32 condition to Section B to clarify that, unless otherwise stated, all conditions of the
33 Site Certificate apply jointly and severally to Phases 1 and 2.
34
35 **4. Page 3, Section C.1.a, Major Structures and Equipment**: PGE proposed to eliminate
36 the phrase “essentially identical” from the description of the two combustion turbine
37 generators and to rely instead on the later reference to “comparable combustion
38 turbines” to describe in general the types of turbines it would employ. This is
39 consistent with allowing the flexibility of building in two phases, which might result
40 in the use of comparable, but not identical, turbines.
41
42 **5. Page 3, Section C.1.a, Major Structures and Equipment**: PGE proposed to change the
43 description of the transformers to increase the number of transformers from four to
44 six (or two transformer banks of three each). This modification will not change the
45 overall dimensions of the energy facility, and there is no change to the number of
46 auxiliary transformers.

- 1
2 **6.** Page 4, Section C.1.a, Major Structures and Equipment: PGE proposed to reference
3 a dead-end transmission structure, which it would construct prior to or in lieu of a
4 switchyard. The dead-end transmission structure will be built in lieu of the
5 switchyard if PGE constructs only Phase 1. If PGE constructs both phases of the
6 energy facility, it would construct the dead-end transmission structure as part of
7 Phase 1 and the switchyard as part of Phase 2.
8
9 **7.** Page 4, Section C.1.a, Major Structures and Equipment: PGE proposed to reference
10 a natural gas compressor station with electric compressors with a total of 1,000 to
11 7,000 horsepower. The Certificate Holder would enclose the compressors
12 completely within the compressor station building, which will have acoustical
13 insulation.
14
15 **8.** Page 4, Section C.1.a, Major Structures and Equipment: PGE proposed to include a
16 new paragraph describing the Certificate Holder's option to develop Unit 1 only, or
17 to develop Unit 1 and Unit 2 in two distinct phases. The new paragraph explains
18 which facility components would be constructed with Phase 1. The remaining
19 components would be constructed with Phase 2 if the Certificate Holder pursued
20 construction of Unit 2. (See clarifications in Sub-section B.)
21
22 **9.** Page 5, Section C.1.a, Output: PGE proposed to describe the energy facility output
23 on a per unit basis. As described therein, the net electric power output for the energy
24 facility operating as base load with both generating units will be 560 MW, which
25 equals 280 MW per generating unit. With power augmentation, the net output rises
26 to 650 MW, which equals 325 MW per unit.
27
28 **10.** Page 5, Section C.1.a, Fuel Use: PGE proposed to describe the energy facility fuel
29 use on a per unit basis. As described therein, the energy facility, with two units
30 combined, will use 4,600 MM Btu per hour of natural gas at full load with the duct
31 burners in operation at the average annual site condition. This equals 2,300 MM Btu
32 per hour per generating unit.
33
34 **11.** Page 5, Section C.1.a, Water Use: PGE proposed to expand the water supply options
35 for PWGP to include PGE's existing industrial water right for 11.3 cubic feet per
36 second ("cfs"). PGE's water right (Permit No. 41506) is appurtenant to PGE's
37 852-acre parcel, which includes the 17.5-acre PWGP energy facility site. The point
38 of diversion for the water right is the existing PGE intake structure for the PGE
39 Beaver Generating Plant. PGE uses a portion of the water right to supply water to
40 the Beaver Generating Plant. PGE will use the remainder for PWGP, and PGE will
41 obtain any additional water necessary to meet the energy facility's needs pursuant to
42 a contract to use up to 8.3 cfs of the Port of St. Helen's municipal water right.
43
44 **12.** Page 6, Section C.1.a, Wastewater: PGE proposed to clarify that the average volume
45 of process blowdown is estimated on a two-unit basis.
46

- 1 **13. Page 6, Section C.1.b, Natural Gas Pipeline:** PGE proposed to reflect the addition of
2 1,000 to 7,000 compressor horsepower to the energy facility site to maintain 300 to
3 520 psig gas pressure at the Port Westward Industrial Area with a total capacity of
4 310 million standard cubic feet/day.
5
- 6 **14. Page 6, C.1.b, Water Supply Pipeline:** PGE proposed to clarify the location of the
7 existing PGE water intake facility, which is the point of diversion for both PGE’s
8 industrial water right and the Port’s municipal water right.
9
- 10 **15. Page 7, Section C.1.b, Wastewater Pipeline; and, Page 9, Section C.2.b, Wastewater**
11 **Pipeline Corridor:** PGE proposed to remove the descriptor “reclaimed” from the
12 Wastewater Pipeline and Wastewater Pipeline Corridor headings. As defined in the
13 Oregon Revised Statutes governing water law (ORS 537.131), “reclaimed water” is
14 water that is used for municipal purposes, treated, and then reapplied for a direct
15 beneficial purpose or controlled use. The wastewater to be carried in PGE’s
16 wastewater pipeline will not be reapplied for a direct beneficial purpose, but will
17 instead be discharged to the Columbia River after being collected in a settling basin
18 pursuant to the Port of St. Helen’s NPDES permit.
19
- 20 **16. Page 7, Section C.1.b, Utility Lines Between Energy Facility Site and PGE Beaver**
21 **Generating Plant; and, Page 9, Section C.2.b, Utility Line Corridor Between Energy**
22 **Facility Site and PGE Beaver Generating Plant:** PGE proposed to add new
23 paragraphs describing additional demineralized and potable water lines, a 13.8 kV
24 backup electricity line, and communications lines that the Certificate Holder will
25 install underground between the energy facility and the PGE potable water tank and
26 between the energy facility and the Beaver Generating Plant.
27
- 28 **17. Page 8, Section C.2.a, The Energy Facility Site:** PGE proposed to remove about
29 1.5 acres from the boundary of the energy facility site. The boundaries of the
30 17.5-acre site will be delineated from the remainder of PGE’s 852-acre parcel by a
31 boundary fence, as depicted on the site plan, Figure B-2 (Attachment 7 to the
32 request). PGE will lease the acreage to be removed from the southern corner of the
33 energy facility site to the Port of St. Helens to house the Port’s water outfall system.
34
- 35 **18. Page 11, Section D.2, Organizational Expertise, Condition 7:** PGE proposed to
36 amend the condition requiring the Certificate Holder to enter into a contract with the
37 Port of St. Helens for use of the Port’s water right to require PGE to contract for “up
38 to” 8.3 cfs rather than “at least” 8.3 cfs. This would allow PGE to meet all or a
39 portion of the energy facility’s water supply needs by using PGE’s existing industrial
40 water right.
41
- 42 **19. Page 12, Section D.3, Retirement and Financial Assurance, Condition 5:** PGE
43 proposed to amend the condition governing bonding to revise the amount of bonding
44 or letter of credit required per phase if the energy facility is developed in phases. This
45 is accomplished by adding a new Condition 5(a) and expanding Condition 5(c).
46

- 1 **20.** Page 13, Section D.3, Retirement and Financial Assurance, Condition 9: PGE
2 proposed to amend the condition governing submission of an independent Phase I
3 Environmental Site Assessment of the energy facility site to clarify that the
4 assessment must be completed within 10 years after the date of commercial operation
5 of Unit 1. In other words, if the energy facility is developed in phases, the Certificate
6 Holder's duty to submit the assessment will be triggered by commercial operation of
7 the first unit even if the second unit begins commercial operation at a later date.
8
- 9 **21.** Page 17, Section D.6, Soil Protection, Condition 1: PGE proposed to amend the
10 general soil protection condition to clarify that Conditions D.6(1) through (6) also
11 apply to retirement of the facility. This addresses the recent amendments to OAR
12 345-022-0022, which added retirement to the list of activities analyzed in the soil
13 protection standard.
14
- 15 **22.** Page 20, Section D.8, Fish and Wildlife Habitat, Condition 7: PGE proposed to
16 amend the condition requiring relocation of the osprey nest to clarify that the
17 Certificate Holder must relocate the nest only once, prior to construction of Phase 1.
18
- 19 **23.** Page 21, Section D.8, Fish and Wildlife Habitat, Condition 13: PGE proposed to
20 amend the condition requiring execution of a conservation easement to mitigate for
21 impacts to non-native grassland to clarify that the Certificate Holder must execute the
22 easement only once, prior to construction of Phase 1.
23
- 24 **24.** Page 22, Section D.8, Fish and Wildlife Habitat, Condition 22: PGE proposed to
25 amend the condition requiring submission of a summary report to ODFW and the
26 Department identifying the revegetation actions taken by the Certificate Holder to
27 clarify that the Certificate Holder must submit the report within one year after
28 completion of each phase if the Certificate Holder develops the energy facility in
29 phases.
30
- 31 **25.** Page 25, Section D.11, Historic, Cultural, and Archeological Resources, Condition 5:
32 PGE proposed to amend the condition requiring coordination with the Tribes to
33 require the Certificate Holder to notify the Tribes prior to construction of each unit if
34 the Certificate Holder develops the energy facility in phases.
35
- 36 **26.** Page 26, Section D.15, Carbon Dioxide Standard, Condition 1: PGE proposed to
37 revise the reference to the applicable index used to calculate the monetary path
38 payment in 2002 dollars to cross-reference Condition D.3(5), rather than D.3(5)(e), in
39 recognition of the proposed change in the numbering of the Section D.3 conditions.
40
- 41 **27.** Page 32, Section D.15, Carbon Dioxide Standard, New Condition 11: PGE proposed
42 to add a new condition to the set of conditions governing application of the Carbon
43 Dioxide standard to the energy facility. The new condition clarifies that the
44 Certificate Holder may meet the appropriate carbon dioxide emissions standard and
45 monetary path payment requirements on a unit-by-unit basis if the Certificate Holder

1 constructs only Unit 1 (Phase 1), or constructs Units 1 and 2 in two distinct phases
2 (Phases 1 and 2).

3
4 **28.** Page 34, Wetlands and Removal/Fill Permit, Condition 1: PGE proposed to amend
5 the condition requiring the Certificate Holder to obtain the removal/fill permit prior
6 to construction of the energy facility to clarify that the Certificate Holder would
7 obtain one permit for the entire facility prior to the construction of Phase 1.

8
9 **29.** Page 34-35, Public Health and Safety, Conditions 2, 3, 6, 7, and 8: PGE proposed to
10 amend the Public Health and Safety conditions pertaining to design of the
11 transmission lines to extend the design requirements to include the 13.8 kV backup
12 distribution line.

13
14 **30.** Page 35, Water Pollution Control Facilities Permit, Condition 1: PGE proposed to
15 amend the condition requiring the Certificate Holder to obtain a WPCF permit prior
16 to commercial operation of the energy facility to clarify that the Certificate Holder
17 must obtain the permit only once, prior to construction of Phase 1.

18
19 **31.** Page 36, Mandatory Conditions, Condition 2: PGE proposed to amend the condition
20 requiring the Certification Holder to submit a legal description of the energy facility
21 site prior to construction to clarify that the Certificate Holder must submit the legal
22 description of the entire site only once, prior to construction of Phase 1.

23
24 **32.** Pages 36 and 37, Section F.1, Mandatory Conditions, Conditions 5 and 6: PGE
25 proposed to amend the conditions governing beginning and completing construction
26 to require a report at the beginning and completion of construction of each phase if
27 the Certificate Holder develops the energy facility in phases.

28
29 **Discussion.** The discussion in Section V demonstrates that the proposed amendments
30 comply with the Council's standards and other applicable laws and regulations.

31
32 **B. Council's Changes**

33 The Council makes certain changes to the Site Certificate to conform other parts of the Site
34 Certificate with the requested amendment, to clarify the intent of conditions, and to use a
35 consistent style.

36
37 **1.** Page 1, Title: Revise Title as follows: First Amended Site Certificate for the Port
38 Westward Generating Project.

39
40 **2.** Page 2, Section B, Site Certification, Condition 10; and page 4, Section C.1.a, Major
41 Structures and Equipment : The Council clarified that Phase 1 includes all related or
42 supporting facilities.

43
44 **3.** Page 4, Section C.1.a, Major Structures and Equipment: In response to comments from
45 Mr. Otto Moosburner, the Council clarified that the Certificate Holder will use

1 acoustical insulation in the building that it constructs to house the natural gas
2 compressors.

3
4 **4. Page 4, Section C.1.a, Major Structures and Equipment:** PGE’s proposal to include a
5 new paragraph describing the Certificate Holder’s option to develop Unit 1 only or to
6 develop Unit 1 and Unit 2 in two distinct phases inadvertently left out the option of
7 developing the whole facility at one time, as the Site Certificate currently allows. The
8 Council clarified that it was not PGE’s intention to remove the option of building the
9 whole facility at once, so the Council added that clarification to the description.

10
11 **5. Page 9, Section C.2.a, Utility Line Corridor Between the Energy Facility Site and the**
12 **PGE Beaver Generating Plant.** The Council clarified that the potable water tank is
13 located separately from the Beaver Generating Plant.

14
15 **6. Page 24, Section D.11, Historic, Cultural and Archeological Resources, Condition 1:**
16 **At the request of SHPO, the Council modified Condition (1) to ensure that the**
17 **Certificate Holder reports to SHPO and the Department the recommendations of its**
18 **qualified archeologist of significance or non-significance of all artifacts or cultural**
19 **materials discovered in the pre-construction survey. The modifications also authorize**
20 **SHPO to determine whether any discovered artifacts or cultural materials are**
21 **significant; and, the modifications require the Certificate Holder to recommend**
22 **mitigation measures to the Council as appropriate.**

23
24 **7. Page 24, Section D.11, Historic, Cultural and Archeological Resources, Condition 3:**
25 **At the request of SHPO, the Council modified Condition (3) to require the Certificate**
26 **Holder to report SHPO and the Department the determination of its qualified**
27 **archeologist of significance or non-significance of all artifacts or cultural materials**
28 **found during construction. The modifications also authorize SHPO to determine that**
29 **any artifacts or cultural materials are significant.**

30
31 **8. Page 33, Section D.15, Carbon Dioxide Standard, Condition 11.** The Council modified
32 the proposed condition to clarify its applicability and to simplify it. The original
33 proposal inadvertently referred only to construction activities instead being generally
34 applicable.

35
36 **9. Identification of the Amendment Number in the Site Certificate:** Following its
37 convention, the Council inserted the number of the amendment at the end of each
38 modified condition except where all changes were scrivener’s.

39
40 **10. Scrivener’s Changes:** The Council approved scrivener’s changes to conform the
41 amendments to the style of the First Amended Site Certificate.

42
43 **Discussion.** These proposed changes conform the requested amendments to the Site
44 Certificate style.

1 **Conclusion.** The Council adopts the amendments to Site Certificate descriptions and
2 conditions discussed in Section IV(A) and (B) and shown in the attached redlined version
3 of the Site Certificate, pursuant to the findings in Section V.
4

5 **V. Compliance with Siting Standards**

6 In addressing the standards set forth in this section, the Council assesses the impacts of the
7 changes proposed in the amendment request and the compliance with applicable standards,
8 pursuant to OAR 235-027-0070(9).
9

10 OAR 345-027-0070(9) provides:

11 In making a decision to grant or deny issuance of an amended site
12 certificate, the Council shall apply the applicable substantive criteria, as
13 described in OAR 345-022-0030, in effect on the date the certificate holder
14 submitted the request for amendment and all other state statutes,
15 administrative rules, and local government ordinances in effect on the date
16 the Council makes its decision. The Council shall consider the following:

- 17 (a) For an amendment that enlarges the site, the Council shall
18 consider, within the area added to the site by the amendment,
19 whether the facility complies with all Council standards; * * *
20

21 This is an amendment that changes and enlarges the site. The following discussion of
22 applicable standards, substantive criteria, state statutes, administrative rules, and local
23 government ordinances addresses the current versions of Chapter 345, Divisions 22 and
24 24, rules and other applicable criteria.
25

26 **A. Organizational Expertise Standard, OAR 345-022-0010**

27 This standard has four paragraphs. The first two paragraphs, -0010(1) and -0010(2), relate
28 to application qualifications and capability and the final two paragraphs, -0010(3) and -
29 0010(4), relate to third-party permits.
30

31 **Applicant Qualification and Capability, OAR 345-022-0010(1)**

32 To issue a site certificate, the Council must find that the applicant has the
33 organizational expertise to construct, operate and retire the proposed facility
34 in compliance with Council standards and conditions of the site certificate.
35 To conclude that the applicant has this expertise, the Council must find that
36 the applicant has demonstrated the ability to design, construct and operate
37 the proposed facility in compliance with site certificate conditions and in a
38 manner that protects public health and safety and has demonstrated the
39 ability to restore the site to a useful, non-hazardous condition. The Council
40 may consider the applicant's experience, the applicant's access to technical
41 expertise and the applicant's past performance in constructing, operating
42 and retiring other facilities, including, but not limited to, the number and
43 severity of regulatory citations issued to the applicant.
44

1 **Discussion.** The proposed changes to the facility are within the scope of PGE’s overall
2 responsibilities to construct, operate, and retire the facility. The findings in the Final Order
3 apply. This amendment will not impact PGE’s qualifications as the Certificate Holder.
4

5 **Conclusion.** The Council finds that the Certificate Holder meets the requirements of
6 OAR 345-022-0010(1).
7

8 **Applicant Qualification and Capability OAR 345-022-0010(2)**

9 The Council may base its findings under section (1) on a rebuttable
10 presumption that an applicant has organizational, managerial and technical
11 expertise, if the applicant has an ISO 9000 or ISO 14000 certified program
12 and proposes to design, construct and operate the facility according to that
13 program.
14

15 **Discussion.** OAR 345-022-0010(2) is not addressed herein because the Certificate Holder
16 does not have an ISO 9000 or 14000 certified program.
17

18 **Third-Party Services and Permits, OAR 345-022-0010(3)**

19 If the applicant does not itself obtain a state or local government permit or
20 approval for which the Council would ordinarily determine compliance but
21 instead relies on a permit or approval issued to a third party, the Council, to
22 issue a site certificate, must find that the third party has, or has a reasonable
23 likelihood of obtaining, the necessary permit or approval, and that the
24 applicant has, or has a reasonable likelihood of entering into, a contractual
25 or other arrangement with the third party for access to the resource or
26 service secured by that permit or approval.
27

28 **Discussion.** PGE requested an amendment to Condition (7) of Section D.2 to allow the
29 Certificate Holder to contract with the Port of St. Helens for “up to” 8.3 cfs of the water
30 right held by the Port under the Permit to Appropriate the Public Waters, issued by the
31 State of Oregon, Water Resources Department (“WRD”), Permit No. 53677. The
32 condition currently requires the Certificate Holder to contract for “at least” 8.3 cfs.
33

34 PGE requested the amendment because it has an existing industrial water right for 11.3 cfs
35 and part of that is available to supply a portion of the 8.3 cfs needed to serve the energy
36 facility (Permit to Appropriate Public Waters, issued by the State of Oregon, WRD, Permit
37 No. 41506). The water right has the same permitted point of diversion as the Port’s water
38 right at the existing intake facility owned by PGE for the Beaver Generating Plant.
39

40 Although PGE’s water right certificate specifies the Beaver Generating Plant location,
41 ORS 540.520(9) and OAR 690-380-2340 allow a water right holder to change a water
42 right for a specific industrial use to a general industrial use if the water right holder meets
43 certain requirements and it gives notice to WRD. On that basis, PGE requested to have the
44 option to contract with the Port for less than 8.3 cfs of the Port’s municipal water right and
45 to meet the remainder of the energy facility’s water needs by using water from PGE’s
46 existing industrial water right.

1
2 To approve the requested change, the Council must find that PGE may make the described
3 change to its water right. ORS 540.520(9) provides that a water right holder may change
4 from specific industrial use to general industrial use without applying for a water right
5 transfer if:

- 6
7 (a) The quantity of water used for the general industrial use is not
8 greater than the rate allowed in the original water right and not
9 greater than the quantity of water diverted to satisfy the authorized
10 specific use under the original water right;
11 (b) The location where the water is to be used for general industrial use
12 was owned by the holder of the original water right at the time the
13 water right permit was issued * * *

14
15 The statute also requires that the water right holder provide specific information to WRD
16 about the change. ORS 540.520(9)(c). The statute does not require any action by WRD to
17 complete the change in use. OAR 690-380-2340(3) sets out the requirements for notice to
18 WRD.

19
20 PGE provided copies of its industrial water use certificate and a letter to WRD regarding
21 its intention to change the use from specific to general industrial use and to use the permit
22 to supply water to the new energy facility as Attachments 2 and 3 of its request for
23 amendment. Its letter to WRD, dated June 23, 2003, conforms to the information
24 requirements of OAR 690-380-2340(3) and ORS 540.520(9)(c). The letter describes
25 PGE's long term lease-purchase agreement and states that "[t]he amount of water used for
26 general industrial purposes is not greater than the rate and volume allowed in the original
27 water right and the location of general use is within the above-described lease/purchase
28 area." The letter described PGE's ownership interest in the property. PGE provided
29 portions of its lease/purchase arrangement for the land showing that it acquired its interest
30 in the entire parcel of land at the same time, before issuance of the original water right.
31 The Port of St. Helens confirmed its support for the change from specific to general
32 industrial use in its letter of October 27, 2003.

33
34 The requirements of ORS 540.520(9) (a) and (b) are satisfied. In addition, Jerry Sauter of
35 WRD wrote the Department that WRD has no issues with PGE using water from its
36 existing water right as proposed in the request. The Council finds that PGE has met the
37 statutory and rule requirements to change the use from a specific industrial use to a general
38 industrial use and that PGE's existing water right is available to supply water to PWGP.
39 Thus, PGE has demonstrated that even with the requested change, adequate water will be
40 available to meet all the needs of the facility.

41
42 PGE's amendment request to allow the Certificate Holder to contract for less than 8.3 cfs
43 with the Port of St. Helens does not alter the likelihood that PGE will be able to enter into
44 the required contact with the Port of St. Helens for less water than previously
45 contemplated. Therefore, the proposed amendment will not change the findings in Section
46 D.2.c of the Final Order regarding third party permits.

1
2 **Conclusion.** The Council finds that the Certificate Holder meets the requirements of
3 OAR 345-022-0010(3).
4

5 **Third-Party Services and Permits, OAR 345-022-0010(4)**

6 If the applicant relies on a permit or approval issued to a third party and
7 the third party does not have the necessary permit or approval at the time
8 the Council issues the site certificate, the Council may issue the site
9 certificate subject to the condition that the certificate holder shall not
10 commence construction or operation as appropriate until the third party
11 has obtained the necessary permit or approval and the applicant has a
12 contract or other arrangement for access to the resource or service secured
13 by that permit or approval.
14

15 **Discussion.** The request will not affect the findings in the Final Order or conditions in the
16 Site Certificate relating to acquiring third party permits or contracts.
17

18 **Conclusion.** The Council finds that the Certificate Holder meets the requirements of
19 OAR 345-022-0010(4).
20

21 **B. Retirement and Financial Assurance Standard, OAR 345-022-0050**

22 To issue a site certificate, the Council must find that:

- 23 (1) The site, taking into account mitigation, can be restored adequately
24 to a useful, non-hazardous condition following permanent cessation
25 of construction or operation of the facility.
26 (2) The applicant has a reasonable likelihood of obtaining a bond or
27 letter of credit in a form and amount satisfactory to the Council to
28 restore the site to a useful, non-hazardous condition.
29

30 **Discussion.** In Section D.3 of the Final Order, the Council found that, with the imposition
31 of the conditions in Section D.3 of the Site Certificate, the applicant demonstrated that it
32 could adequately restore the site to a useful, non-hazardous condition following facility
33 retirement. One of the conditions requires the Certificate Holder to submit a bond or letter
34 of credit in the amount of \$8,640,000 (in 2002 dollars as of the second quarter) to the
35 State of Oregon prior to beginning construction of the facility.
36

37 PGE provided retirement fund calculations for the phased retirement that are consistent
38 with the methodology that the Council used in its Final Order. Those calculations
39 demonstrate that the appropriate amount of the bond or letter of credit for Phase 1 is
40 \$4,700,000 (2002 dollars as of the second quarter). PGE proposed to amend Condition (5)
41 to add a new Condition (5)(a) and to amend Condition (5)(c) (currently Condition (5)(b)).
42 The new and modified conditions would provide that, if the Certificate Holder develops
43 the energy facility in phases, the Certificate Holder shall provide a bond or letter of credit
44 in the amount of \$4,700,000 (2002 dollars) prior to the beginning of construction of Phase
45 1, and to increase the bond to \$8,640,000 (2002 dollars) prior to the beginning of
46 construction of Phase 2.

1
2 The findings in the Final Order regarding PGE’s ability to obtain a bond or letter of credit
3 for the lesser amount apply to this request.
4

5 **Conclusion.** The Council finds that the Certificate Holder meets the requirements of
6 OAR 345-022-0050.
7

8 **C. Structural Standard, OAR 345-022-0020**

9 (1) Except for facilities described in sections (2) and (3), to issue a site
10 certificate, the Council must find that:

- 11 (a) The applicant, through appropriate site-specific study, has
12 adequately characterized the site as to seismic zone and expected
13 ground motion and ground failure, taking into account
14 amplification, during the maximum credible and maximum
15 probable seismic events; and
16 (b) The applicant can design, engineer, and construct the facility to
17 avoid dangers to human safety presented by seismic hazards
18 affecting the site that are expected to result from all maximum
19 probable seismic events. As used in this rule "seismic hazard"
20 includes ground shaking, landslide, liquefaction, lateral
21 spreading, tsunami inundation, fault displacement, and
22 subsidence;
23 (c) The applicant, through appropriate site-specific study, has
24 adequately characterized the potential geological and soils
25 hazards of the site and its vicinity that could, in the absence of a
26 seismic event, adversely affect, or be aggravated by, the
27 construction and operation of the proposed facility; and
28 (d) The applicant can design, engineer and construct the facility to
29 avoid dangers to human safety presented by the hazards
30 identified in subsection (c).***
31

32 **Discussion.** The new utilities and above-ground facilities proposed in this amendment
33 request will be located within the same Seismic Zones analyzed in the Final Order. In the
34 Final Order, Section D.5, the Council found that the applicant met the structural standard,
35 with the eight conditions set forth in Section D.5 of the Site Certificate. The conditions
36 require more detailed seismic hazard evaluations and geotechnical investigations prior to
37 beginning construction of the facility. The Site Certificate conditions requiring additional
38 investigations and reports prior to construction will apply equally to the new facilities
39 proposed in this amendment request. The “treatment areas” for Phases 1 and 2 in revised
40 Figure B-1 show where the Certificate Holder will prepare foundations for each phase.
41

42 **Conclusion.** The Council finds that the proposed changes to the facility meet the
43 requirements of OAR 345-022-0020.
44

45 **D. Soil Protection Standard, OAR 345-022-0022**

1 To issue a site certificate, the Council must find that the design,
2 construction, operation and retirement of the facility, taking into account
3 mitigation, are not likely to result in a significant adverse impact to soils
4 including, but not limited to, erosion and chemical factors such as salt
5 deposition from cooling towers, land application of liquid effluent, and
6 chemical spills.

7
8 **Discussion.** In the Final Order, Section D.6, the Council found that the applicant met the
9 soil protection standard, provided certain conditions were met. Because the new utilities
10 and above-ground structures proposed in this amendment request are located either within
11 or immediately adjacent to the approved energy facility site, and therefore on the same
12 types of soils, the Council's findings extend equally to these new structures. In addition,
13 the new structures require the same type of construction activities as the original proposal
14 and, in the case of the new lines, mostly follow existing road and pipeline corridors to
15 minimize soil disturbance.

16
17 The ten conditions in Section D.6 of the Site Certificate require the Certificate Holder to
18 employ soil erosion and sediment runoff control measures during construction and
19 operation; use native seed mixes to restore vegetation to the extent practicable and
20 landscape disturbed portions of the site upon completion of construction; protect soil from
21 chemical spills on site; and minimize drift from cooling towers. The conditions can
22 accommodate the proposed phased development.

23
24 However, due to the recent amendment of this administrative rule to include both operation
25 and retirement, Condition D.6(1) must be revised to apply the soil protection conditions to
26 all activities within the site, including retirement. The findings and associated conditions
27 in Section D.3 (Retirement and Financial Assurance) of the Final Order demonstrate that
28 the site can be restored to a useful, nonhazardous condition upon retirement. Any
29 additional soil protection measures unique to retirement may be applied to the site by the
30 site restoration plan, which will be submitted to the Council within two years of retirement
31 pursuant to Condition D.3(2). With this change to Condition D.6(1), the Council finds that
32 the amendments are consistent with the Soil Protection Standard and associated findings in
33 the Final Order.

34
35 **Conclusion.** The Council finds that the proposed changes to the facility meet the
36 requirements of OAR 345-022-0022.

37
38 **E. Land Use Standard, OAR 345-022-0030**

- 39 (1) To issue a site certificate, the Council must find that the proposed
40 facility complies with the statewide planning goals adopted by the
41 Land Conservation and Development Commission.
- 42 (2) The Council shall find that a proposed facility complies with section
43 (1) if:
- 44 (a) The applicant elects to obtain local land use approvals under
45 ORS 469.504(1)(a) and the Council finds that the facility has
46 received local land use approval under the acknowledged

1 comprehensive plan and land use regulations of the affected
2 local government; or

3 (b) The applicant elects to obtain a Council determination under
4 ORS 469.504(1)(b) and the Council determines that:

5 (A) The proposed facility complies with applicable
6 substantive criteria as described in section (3) and the
7 facility complies with any Land Conservation and
8 Development Commission administrative rules and
9 goals and any land use statutes directly applicable to
10 the facility under ORS 197.646(3);

11 (B) For a proposed facility that does not comply with one
12 or more of the applicable substantive criteria as
13 described in section (3), the facility otherwise
14 complies with the statewide planning goals or an
15 exception to any applicable statewide planning goal is
16 justified under section (4); or

17 (C) For a proposed facility that the Council decides,
18 under sections (3) or (6), to evaluate against the
19 statewide planning goals, the proposed facility
20 complies with the applicable statewide planning goals
21 or that an exception to any applicable statewide
22 planning goal is justified under section (4).***

23
24 **Discussion.** The proposed changes to the facility do not alter the Council’s findings in the
25 Final Order that the facility complies with the applicable substantive criteria of the
26 Columbia County Zoning Ordinance and Comprehensive Plan. PGE does not propose to
27 expand the footprint of the energy facility site, nor do the amendments require the
28 consideration of any new substantive criteria. The new dead-end transmission structure
29 and compression station will be located entirely within the boundaries of the energy
30 facility site, and the additional utility lines will be located below ground mostly in existing
31 roadways and utility line corridors between the energy facility site and the PGE Beaver
32 Generating Plant or the potable water tank, within the 852-acre parcel leased by PGE. In
33 the event that the Certificate Holder uses the existing water system for the PGE Beaver
34 Generating Plant, it is also located within PGE’s 852-acre parcel.

35
36 All of the portions of the facility affected by the proposed amendment will be sited within
37 the Resource Industrial-Planned Development (“RIPD”) zone, which permits the proposed
38 facilities with conditions, pursuant to Columbia County Zoning Ordinance (“CCZO”),
39 Sections 681 (Purpose), 683 (Uses Permitted Under Prescribed Conditions), 684
40 (Standards), and 1503 (Conditional Uses). Based on its analysis in Attachment D to the
41 Final Order, the Council found that the energy facility and its related or supporting
42 underground pipelines and transmission lines meet the County zoning criteria.

43
44 The changes proposed to the energy facility site and the new related or supporting
45 pipelines and transmission line in the RIPD zone are of the same type as the facilities for
46 which the Council has already found compliance. No new or different effects of the

1 proposed changes have been identified that are relevant to any approval criterion or
2 standard in the county's land use regulations or comprehensive plan. As a result, the
3 Council's findings on the initial application adequately address compliance with the Land
4 Use Standard, and it is not necessary to amend or supplement the five conditions imposed
5 in Section D.4 of the Site Certificate.

6
7 **Conclusion.** The Council finds that the proposed changes to the facility meet the
8 requirements of OAR 345-022-0030.

9
10 **F. Protected Area Standard, OAR 345-022-0040**

- 11 (1) Except as provided in sections (2) and (3), the Council shall not
12 issue a site certificate for a proposed facility located in the areas
13 listed below. To issue a site certificate for a proposed facility located
14 outside the areas listed below, the Council must find that, taking into
15 account mitigation, the design, construction and operation of the
16 facility are not likely to result in significant adverse impact to the
17 areas listed below. Cross-references in this rule to federal or state
18 statutes or regulations are to the version of the statutes or regulations
19 in effect as of August 28, 2003:***

20
21 **Discussion.** Recent amendments to OAR 345-022-0040 changed the list of protected areas
22 to include those areas designated as of August 28, 2003 (the list previously referenced
23 those areas designated as of March 29, 2002). This amendment does not affect this
24 amendment request because there are no newly-designated protected areas within the
25 vicinity of the energy facility.

26 In Section D.7 of the Final Order, the Council found that the energy facility would meet
27 the protected areas standard and included no conditions in the Site Certificate for this
28 standard. Because the new utilities and above-ground structures proposed herein will be
29 minor structural additions or modifications within the energy facility site, and the new
30 utility lines will mostly follow existing roads and utility corridors within the PGE parcel
31 and will be buried and distant from the Protected Areas, the findings in the Final Order are
32 sufficient to demonstrate compliance with the Protected Areas standard.

33
34 **Conclusion.** The Council finds that the proposed changes to the facility meet the
35 requirements of OAR 345-022-0040.

36
37 **G. Fish and Wildlife Habitat Standard, OAR 345-022-0060**

38 To issue a site certificate, the Council must find that the design,
39 construction, operation and retirement of the facility, taking into account
40 mitigation, are consistent with the fish and wildlife habitat mitigation goals
41 and standards of OAR 635-415-0025 in effect as of September 1, 2000.

42
43 **Discussion.** The areas affected by the proposed amendment are within the Analysis Area
44 considered in the Final Order or within the right-of-way of a developed road. In Section
45 D.8 of the Final Order, the Council found that, with the imposition of the 24 conditions set

1 forth in Section D.8 of the Site Certificate, the energy facility would be consistent with the
2 ODFW fish and wildlife habitat goals and standards. To ensure that the existing
3 conditions adequately address phased development, PGE proposed to amend Conditions
4 (7) and (13) of Section D.8 to clarify when the Certificate Holder is responsible to perform
5 particular mitigation activities in the event of phased development. In, addition, PGE
6 proposed to modify Condition (22) to clarify that the Certificate Holder must submit a
7 revegetation report to ODFW within one year of completion of construction of each phase.
8
9

10 **Conclusion.** The Council finds that the proposed changes to the facility meet the
11 requirements of OAR 345-022-0060.
12

13 **H. Threatened and Endangered Species Standard, OAR 345-022-0070**

14 To issue a site certificate, the Council, after consultation with appropriate
15 state agencies, must find that:

- 16 (1) For plant species that the Oregon Department of Agriculture has listed
17 as threatened or endangered under ORS 564.105(2), the design,
18 construction, operation and retirement of the proposed facility, taking
19 into account mitigation:
20 (a) Are consistent with the protection and conservation program, if
21 any, that the Oregon Department of Agriculture has adopted
22 under ORS 564.105(3); or
23 (b) If the Oregon Department of Agriculture has not adopted a
24 protection and conservation program, are not likely to cause a
25 significant reduction in the likelihood of survival or recovery of
26 the species; and
27 (2) For wildlife species that the Oregon Fish and Wildlife Commission
28 has listed as threatened or endangered under ORS 496.172(2), the
29 design, construction, operation and retirement of the proposed facility,
30 taking into account mitigation, are not likely to cause a significant
31 reduction in the likelihood of survival or recovery of the species.
32

33 **Discussion.** The new utilities and above-ground structures proposed by this amendment
34 will be located mostly within the energy facility site and roadway and water line corridors
35 analyzed in the Final Order for impacts on listed plant and wildlife species or within the
36 right-of-way of a developed road. In Section D.9 of the Final Order, the Council found
37 that, with the imposition of the eight conditions in Section D.9 of the Site Certificate, the
38 energy facility will not have an adverse impact on any threatened, endangered, or
39 candidate plant species or their habitat. In addition, as discussed below in Section 1.6, the
40 new compressor station will not raise the total noise emissions of the energy facility.
41 Therefore, the Council's findings that noise from the facility will not impact any listed
42 species is equally applicable to the requested amendments. The findings in the Final Order
43 are sufficient to demonstrate compliance with this standard.
44

45 **Conclusion.** The Council finds that the proposed changes to the facility meet the
46 requirements of OAR 345-022-0070.

1
2 **I. Scenic and Aesthetic Values Standard, OAR 345-022-0080**

- 3 (1) Except for facilities described in sections (2), to issue a site
4 certificate, the Council must find that the design, construction,
5 operation and retirement of the facility, taking into account
6 mitigation, are not likely to result in significant adverse impact to
7 scenic and aesthetic values identified as significant or important in
8 applicable federal land management plans or in local land use plans
9 in the analysis area described in the project order. ***

10
11 **Discussion.** In Section D.10 of the Final Order, the Council concluded that, with the
12 imposition of the seven conditions set forth in Section D.10 of the Site Certificate, the
13 energy facility would meet the Scenic and Aesthetic Values Standard. The dead-end
14 transmission structure and compression station will be located within the energy facility
15 site and, in the context of the other structures within the energy facility site, the visual
16 impact of the additional facilities will be slight. Similarly, the change in the number of
17 transformers within the facility footprint and the relocation of the settling basin and tanks
18 will also be visually slight in the context of the energy facility in its entirety. Furthermore,
19 the additional utility lines will be buried mostly within previously disturbed corridors and
20 roadways within the PGE parcel, and with the existing conditions, will not adversely affect
21 scenic and aesthetic values. Thus, the Council's findings in Section D.10 of the Final
22 Order apply equally to the new facilities to demonstrate compliance with the Scenic and
23 Aesthetic Values Standard and no additional conditions beyond those currently set forth in
24 Section D.10 are necessary.

25
26 **Conclusion.** The Council finds that the proposed changes to the facility meet the
27 requirements of OAR 345-022-0080.

28
29 **J. Historic, Cultural, and Archeological Resources Standard, OAR 345-022-0090**

- 30 (1) Except for facilities described in sections (2) and (3), to issue a site
31 certificate, the Council must find that the construction, operation and
32 retirement of the facility, taking into account mitigation, are not
33 likely to result in significant adverse impacts to:
34 (a) Historic, cultural or archaeological resources that have been
35 listed on, or would likely be listed on the National Register
36 of Historic Places;
37 (b) For a facility on private land, archaeological objects, as
38 defined in ORS 358.905(1)(a), or archaeological sites, as
39 defined in ORS 358.905(1)(c); and
40 (c) For a facility on public land, archaeological sites, as defined
41 in ORS 358.905(1)(c). * * *

42
43 **Discussion.** The new utilities and above-ground structures PGE proposed in this
44 amendment request will be located within the energy facility site and in the immediate
45 vicinity, between the energy facility and the Beaver Generating Plant, and the energy
46 facility and the PGE water intake structure. Historic, cultural and archaeological resources

1 within this area were addressed in the Final Order. In Section D.11 of the Final Order, the
2 Council found that, with the imposition of the conditions in Section D.11 of the Site
3 Certificate, the construction of the energy facility and its related or supporting facilities
4 would have no effect on identified cultural resources.

5
6 Because the new facilities will be within the area previously analyzed in the Final Order,
7 the Council's findings of compliance with the Historic, Cultural, and Archaeological
8 Resources standard apply equally to this amendment request. However, because PGE
9 proposed to amend the Site Certificate to accommodate phased development of the energy
10 facility, PGE proposed to modify Section D.11, Condition (5), to clarify that the Certificate
11 Holder shall notify the Tribes before beginning construction of each phase of the facility.

12
13 At the request of the State Historic Preservation Office, the Council also clarified in
14 Conditions (1) and (3) the responsibilities of the Certificate Holder if its qualified
15 archaeologist identifies artifacts or cultural material during the pre-construction survey or
16 during construction. (See also Section IV.B(6) and (7) above.)

17
18 **Conclusion.** The Council finds that the proposed changes to the facility meet the
19 requirements of OAR 345-022-0090.

20
21 **K. Recreation Standard, OAR 345-022-0100**

22 (1) Except for facilities described in section (2), to issue a site certificate, the
23 Council must find that the design, construction and operation of a facility,
24 taking into account mitigation, are not likely to result in a significant
25 adverse impact to important recreational opportunities in the analysis area as
26 described in the project order. The Council shall consider the following
27 factors in judging the importance of a recreational opportunity:

- 28 (a) Any special designation or management of the location;
- 29 (b) The degree of demand;
- 30 (c) Outstanding or unusual qualities;
- 31 (d) Availability or rareness;
- 32 (e) Irreplaceability or irretrievability of the opportunity. ***

33
34 **Discussion.** Recreational facilities and opportunities were reviewed in the Final Order,
35 and the new facilities proposed in this amendment request will be within the same analysis
36 area. In Section D.12 of the Final Order, the Council found that the energy facility would
37 not adversely affect recreational opportunities within a five-mile analysis area around the
38 energy facility site. The Council specifically addressed the potential impacts from noise,
39 traffic, water resource impacts and visual impacts, and found that no conditions were
40 needed to ensure compliance with the Recreation Standard.

41
42 The new utility lines will be underground and located entirely within the industrial-zoned
43 parcel. Therefore, the lines will not affect recreational opportunities in the analysis area.
44 In addition, the new and modified above-ground structures (dead-end transmission
45 structure, compression station, transformers, and relocated settling basin and tanks) will be
46 located entirely within the energy facility site and, in the context of the facility as a whole,

1 the subject components will not create any significant new visual intrusions within the site.
2 Furthermore, the noise analysis illustrates that the new compression station will not
3 increase noise emanating from the site beyond acceptable DEQ levels. (See Section V.O,
4 below).

5
6 **Conclusion.** The Council finds that the proposed changes to the facility meet the
7 requirements of OAR 345-022-0100.

8
9 **L. Public Services Standard, OAR 345-022-0110**

- 10 (1) Except for facilities described in sections (2) and (3), to issue a site
11 certificate, the Council must find that the construction and operation
12 of the facility, taking into account mitigation, are not likely to result
13 in significant adverse impact to the ability of public and private
14 providers within the analysis area described in the project order to
15 provide: sewers and sewage treatment, water, storm water drainage,
16 solid waste management, housing, traffic safety, police and fire
17 protection, health care and schools.***

18
19 **Discussion.** The new utilities and above-ground structures proposed by PGE are within
20 the public services analysis area reviewed in the Final Order. In Section D.13 of the Final
21 Order, the Council found that, with the imposition of the ten conditions of approval set
22 forth in Section D.13 of the Site Certificate, the facility would not adversely affect the
23 listed public services. The new utility lines and above-ground facilities will not alter the
24 operation of the energy facility in a manner that alters the impact of the facility on the
25 public services. In fact, the proposed addition of the PGE water right as a water supply
26 option will reduce the burden on public service providers by reducing the amount of water
27 that the Port of St. Helens must provide to the energy facility. The phased development
28 request merely alters the timing of development, but will not change the overall impact on
29 public services. Therefore, the amendment request is consistent with the findings in the
30 Final Order relating to the Public Services Standard.

31
32 **Conclusion.** The Council finds that the proposed changes to the facility meet the
33 requirements of OAR 345-022-0110.

34
35 **M. Waste Minimization Standard, OAR 345-022-0120**

- 36 (1) Except for facilities described in sections (2) and (3), to issue a site
37 certificate, the Council must find that, to the extent reasonably practicable:
38 (a) The applicant's solid waste and wastewater plans are likely
39 to minimize generation of solid waste and wastewater in the
40 construction, operation, and retirement of the facility, and
41 when solid waste or wastewater is generated, to result in
42 recycling and reuse of such wastes;
43 (b) The applicant's plans to manage the accumulation, storage,
44 disposal and transportation of waste generated by the
45 construction and operation of the facility are likely to result

1 in minimal adverse impact on surrounding and adjacent
2 areas. * * *

3
4 **Discussion.** The waste minimization standard was addressed in Section D.14 of the Final
5 Order. The Council imposed five conditions in Section D.14 of the Site Certificate to
6 ensure compliance with the waste minimization standard. The proposed amendments will
7 not alter the Certificate Holder's solid waste and wastewater generation and disposal plans.
8 Therefore, the Council's original findings are sufficient to demonstrate compliance with
9 the Waste Minimization standard and no additional conditions are necessary to maintain
10 compliance.

11
12 **Conclusion.** The Council finds that the proposed changes to the facility meet the
13 requirements of OAR 345-022-0120.

14
15 **N. Carbon Dioxide Standard**
16 **Standard for Base Load Gas Plants, OAR 345-024-0550**

17 To issue a site certificate for a base load gas plant, the Council must find
18 that the net carbon dioxide emissions rate of the proposed facility does not
19 exceed 0.675 pounds of carbon dioxide per kilowatt-hour of net electric
20 power output, with carbon dioxide emissions and net electric power output
21 measured on a new and clean basis. For a base load gas plant designed with
22 power or augmentation technology as defined in OAR 345-001-0010, the
23 Council shall apply the standard for a non-base load power plant, as
24 described in OAR 345-024-0590, to the incremental carbon dioxide
25 emissions from the designed operation of the power augmentation
26 technology.***

27
28 **Discussion.** The Council has amended the carbon dioxide ("CO₂") standard, set forth at
29 OAR 345-024-0500 through 345-024-0720, since it granted the Site Certificate. However,
30 the Council's findings in Section D.15 of the Final Order and the associated conditions are
31 sufficient to ensure compliance with the amended CO₂ standards. The new condition
32 proposed herein, discussed below, is required to address the proposed phased development.
33 In addition, a minor editorial change is necessary to reference the revised condition
34 numbers within the Retirement and Financial Assurance section of the Site Certificate.

35 PGE proposed to add a new condition, Condition (11), to Section D.15 of the Site
36 Certificate to accommodate construction of the project in one or two phases. As amended,
37 the condition will allow PGE to comply with the CO₂ standards on a unit-by-unit basis.
38 All CO₂ standards would apply separately to each phase. The Council clarified the
39 language of the condition to ensure its general applicability. The amended condition is
40 consistent with OAR 345-024-0500 because it ensures that the energy facility will comply
41 with the CO₂ emissions standards as each phase of the facility is constructed. PGE
42 provided calculations that showed that compliance with the CO₂ standard through the
43 monetary path would result in a payment requirement of about \$4,374,000 for offsets and
44 selection and contracting funds of about \$216,000 for a single phase as represented.
45

1 **Conclusion.** The Council finds that the proposed changes to the facility meet the
2 requirements of OAR 345-024-0550 through -0710.

3
4 **O. Noise OAR 340-035-0035(1)(b)(B)**

5 The Council applies and enforces the Department of Environmental Quality's ("DEQ")
6 noise standards for energy facilities under its jurisdiction. The DEQ noise regulations for
7 industrial and commercial noise sources apply to the Project. Under the DEQ regulations,
8 the generating facility would be located on a "previously unused industrial site" and
9 according to the regulations:

10
11 No person owning or controlling a new industrial or commercial noise
12 source located on a previously unused industrial or commercial site shall
13 cause or permit the operation of that noise source if the noise levels
14 generated or indirectly caused by that noise source increase the ambient
15 statistical noise levels, L₁₀ or L₅₀, by more than 10 dBA in any one hour, or
16 exceed the levels specified in Table 8, as measured at an appropriate
17 measurement point. OAR 340-035-0035(1)(b)(B)(i).

18
19 **Discussion.** DEQ noise regulations for industrial and commercial noise sources apply to
20 the energy facility. In Section E.1.a of the Final Order, the Council found that the energy
21 facility would meet the DEQ noise standards applicable to the facility, OAR 340-035-
22 0035(1)(b)(B)(i). With the exception of the compressor station and its associated meter
23 station and outdoor equipment, the other new utilities and above-ground facilities proposed
24 herein do not have the potential to alter noise levels at the facility.

25
26 The Council consulted with Mr. Kerrie G. Standlee, P.E., an acoustical engineer, who
27 reviewed the noise analysis of Mr. Albert G. Duble, P.E., that PGE provided. The
28 Council, through Mr. Standlee, confirmed that, with the addition of the compressor station
29 to the project, the total predicted future noise produced by the energy facility will comply
30 with the DEQ noise standard, OAR 340-035-0035(1)(b)(B)(i).

31
32 As explained above, this amendment request proposed to add electric compressors, with a
33 total of 1,000 to 7,000 horsepower, to the energy facility site to increase gas pipeline
34 compression. The compressors will be located within a steel building, about 120 feet long,
35 60 feet wide, and 24 feet high. The building will be insulated with an acoustical insulation
36 to attenuate the noise level of the compressors. The building will be located west of
37 Unit 2, on the western edge of the energy facility site.

38
39 PGE collected noise data from the 7,000 Hp gas fired compressor at the Northwest Natural
40 Gas Miller Station and, using those data, estimated that the loudest potential noise
41 produced by the new electric compressors will be 105 dBA at a point about 10 feet from
42 the compressors. PGE stated that, by enclosing the compressors in an insulated structure,
43 the noise radiating from them will be attenuated to a level that will not change the total
44 energy facility noise levels predicted in the Final Order at the nearest residence (located
45 approximately 4780 feet from the site).

1 Through his review of the PGE materials, Mr. Standlee determined that an error was made
2 in the estimation of the noise reduction that would be provided by the compressor building
3 at the PGE facility; and due to that error, the noise radiating from the energy facility would
4 be raised by 1 dBA over that predicted in the Final Order at the nearest residence. Based
5 on his analysis, the noise from the gas compressor plant would be 26 dBA at the nearest
6 residence instead of the 16 dBA reported by PGE. Thus, the total noise from the power
7 plant and the gas compressor plant would be 1 dBA higher than that shown in the Final
8 Order. The 1 dBA change would not be noticeable.

9
10 The final amount of noise that would radiate from the gas compressor building, associated
11 piping, and meter station will depend on the amount of transmission loss provided with the
12 compressor building walls and roof, the presence of sound absorption material inside the
13 building, the use of silencers on building vents, the sealing of building wall and roof
14 penetrations, and the use of noise controls such as pipe lagging on above ground piping, if
15 there is any. However, based on the fact that there is a significant number of available
16 mitigation measures that can effectively reduce the noise radiating from the compressor
17 plant, the Council finds that PGE can reduce the radiated noise to well below the noise
18 levels specified in the DEQ noise regulations, OAR 340-035-0035(1)(b)(B)(i) and
19 Washington Department of Ecology (“DOE”) noise regulations (WAC Chapter 173-60).

20
21 Based upon the information that PGE supplied with the amendment request, the conditions
22 set forth in Section E.1.a of the Site Certificate are sufficient to ensure compliance with the
23 DEQ noise standards. Specifically, Condition (4) will ensure that the noise from the entire
24 energy facility, including the compressors, will be measured within six months after the
25 start of commercial operation of the energy facility. These data will confirm that the type
26 of enclosure and insulation ultimately chosen for the compressor station will maintain
27 noise levels in compliance with OAR 340-035-0035(1)(b)(B)(i). Pursuant to Condition
28 (4)(c), if the noise levels do not comply with the applicable noise standards, the Certificate
29 Holder must take all actions necessary to ensure compliance. Because PGE has shown that
30 it is feasible to enclose and insulate the compressors in a manner that will ensure that the
31 energy facility will meet the noise standards with the addition of the compressor station, no
32 additional conditions are necessary to demonstrate compliance with the applicable noise
33 standards.

34
35 **Conclusion** The Council finds that the proposed changes to the facility meet the
36 requirements of OAR 340-035-0035(1)(b)(B)(i).

37
38 **P. Wetlands, OAR 345-022-0000**

39 Pursuant to OAR 345-022-0000, the Council must determine compliance with applicable
40 statutes, ORS 196.800-.990, and applicable Division of State Lands (“DSL”) regulations,
41 OAR 141-085-0005 *et seq.* relating to fill and other operations taking place within
42 wetlands. These regulations require persons to obtain a removal/fill permit if more than
43 50 cubic yards of material will be removed or altered within “waters of the state.” The
44 overall standard to be considered in granting a removal/fill permit is whether the proposed
45 activity would not “unreasonably interfere with the paramount policy of this state to

1 preserve the use of its waters for navigation, fishing and public recreation.”
2 ORS 196.825(2).

3
4 **Discussion.** In Section E.1.b of the Final Order, the Council found that the energy facility
5 would comply with OAR 345-021-0010(1)(j) and ORS 196.800-990, subject to issuance of
6 a Removal/Fill Permit substantially in the form of Attachment C to the Final Order prior to
7 commencement of construction of the facility.

8 To confirm that the proposed amendments would not impact any jurisdictional wetlands,
9 PGE conducted on-site delineation field studies of the areas to be impacted by the new
10 facilities. The delineation shows that the proposed construction of the new facilities will
11 create no additional impacts on any identified wetlands.

12
13 **Conclusion.** The Council finds that approval of this amendment request will satisfy the
14 Council’s obligation to determine compliance with DSL removal/fill permit requirements.

15
16 **Q. Public Health and Safety, ORS 469.401(2)**

17 The Council is required to impose conditions in the site certificate for the protection of
18 public health and safety.

19
20 **Discussion.** In Section E.1.c of the Final Order, the Council found that the energy facility,
21 if designed per the proposed conditions, will protect public health and safety. The subject
22 conditions primarily govern the design and placement of the transmission lines to
23 minimize alternating current electric fields and induced currents. To ensure that all
24 distribution and transmission lines associated with the facility are designed to reduce
25 electric fields and induced currents as low as reasonably achievable, PGE proposed to
26 amend Conditions (2), (3), (6), (7), and (8) of Section E.1.c. of the Site Certificate to
27 reference the new backup electricity line. With this modification, the Council’s existing
28 findings in Section E.1.c of the Final Order are sufficient to demonstrate compliance with
29 the Public Health and Safety standard.

30
31 **Conclusion.** The Council finds that the proposed changes to the facility continue to meet
32 the Council’s conditions that protect public health and safety, pursuant to ORS 469.401(2).

33
34 **VI. Conclusions**

35 The Council finds that the actions in the Certificate Holder’s request are consistent with
36 current Council rules, with other applicable statutes and rules, and with statewide land use
37 planning goals and would not cause a significant adverse impact to public health and safety
38 or the environment. In preparing this Order, the Council limited its consideration to the
39 effects that may be produced by the proposed change to the facility described in the
40 Certificate Holder’s Request for First Amendment to the Site Certificate for the Port
41 Westward Generating Project. In considering those effects, the Council reviewed state
42 statutes, administrative rules, and local government ordinances.

43
44 Based on the above findings, the Council concludes that it should amend the Site Certificate
45 for the Port Westward Generating Project as the Certificate Holder requests with

1 modifications to the conditions as noted above in Section IV and in Attachment 1 of this
2 Order.

3
4
5 **FINAL ORDER**
6

7 Based on the above findings of fact, discussions and conclusions of law, the Energy
8 Facility Siting Council determines that it shall approve Amendment Number One and that
9 the chairperson of the Council shall execute the Site Certificate Amendment in the form of
10 the “First Amended Site Certificate for the Port Westward Generating Project.” This
11 incorporates Attachments to the original Site Certificate for the Port Westward Generating
12 Project. The First Amended Site Certificate for the Port Westward Generating Project with
13 Attachments is attached to this Order and is incorporated by reference into this Order.

14
15 Ordered this 5th day of December 2003.
16
17
18
19
20

21
22 _____
23 Dr. Roslyn Elms-Sutherland
24 Chair, Oregon Energy Facility Siting Council

25 **ATTACHMENT 1**

26 FIRST AMENDED SITE CERTIFICATE (WITHOUT OTHER ATTACHMENTS) WITH ADOPTED
27 CHANGES SHOWN IN REDLINE
28

29 **ATTACHMENT 2**

30 FIRST AMENDED SITE CERTIFICATE WITH ATTACHMENTS
31

32 **NOTICE OF THE RIGHT TO APPEAL**

33 You have the right to appeal this order to the Oregon Supreme Court pursuant to
34 ORS 469.405. To appeal, you must file a petition for judicial review with the Supreme
35 Court within 60 days from the day this order was served on you. If this order was
36 personally delivered to you, the date of service is the date you received this order. If this
37 order was mailed to you, the date of service is the date it was mailed, not the day you
38 received it. If you do not file a petition for judicial review within the 60-day time period,
39 you lose your right to appeal.

40 /
41 /
42 /

ATTACHMENT 1

FIRST AMENDED SITE CERTIFICATE

(REDLINE)

BLANK

ATTACHMENT 2

FIRST AMENDED SITE CERTIFICATE

BLANK