

AMENDMENT NUMBER TWO
TO THE
SITE CERTIFICATE
FOR THE
KLAMATH COGENERATION PROJECT
(Amendment No. 1 to the April 1998 Amended Site Certificate for the Klamath Cogeneration
Project)

The Site Certificate dated August 1997 and amended April 1998 (Amended Site Certificate) is amended as follows:

1. Notwithstanding any provision of the Amended Site Certificate to the contrary, the KCP electrical transmission facilities may include either:
 - a) A 230 kV switchyard and a 230 kV electric transmission line, both as described in the Amended Site Certificate (the 230 kV interconnection alternative); or
 - b) A 500 kV switchyard that interconnects with a realigned segment of PacifiCorp's Meridian to Captain Jack 500 kV electric transmission line (the 500 kV realignment), both as described in the Final Order for Amendment No. 2 (the 500 kV interconnection alternative).
2. The KCP energy facility site with the 500 kV interconnection alternative shall be located on about 20 acres of land owned by Collins Products as shown in Figure 1 of the Request for Amendment which is Appendix 1 to this Amendment No.2. The location of the 500 kV realignment shall be as shown in Figure 2 of the Request for Amendment which is Appendix 2 to this Amendment No. 2.
3. If the City selects the 500 kV interconnection alternative, the City shall ensure that the 500 kV switchyard is designed, constructed, operated and retired substantially as described in the Final Order for Amendment No. 2 and in accordance with the conditions of the Amended Site Certificate and this Amendment No. 2 that are applicable to the KCP switchyard.
4. If the City selects the 500 kV interconnection alternative, the City shall ensure that the realigned segment of the Meridian to Captain Jack 500 kV transmission line is designed and constructed substantially as described in the Final Order for Amendment No. 2 and in accordance with the conditions of the Amended Site Certificate and this Amendment No. 2 that are applicable to the design and construction of the KCP electrical interconnection and transmission facilities.
5. The Amended Site Certificate and this Amendment No. 2 contain no provisions or conditions that are intended to apply to the electrical operation of and transmission of electricity over the realigned segment of the Meridian to Captain Jack 500 kV transmission line.

6. Prior to commencement of construction of the KCP, the City shall notify the Office of Energy of the interconnection alternative that it will construct. If the City selects the 500 kV interconnection alternative, the provisions and conditions of the Amended Site Certificate that relate only to the 230 kV interconnection alternative shall not apply. If the City selects the 230 kV interconnection alternative, the provisions and conditions of this Amendment No. 2 that relate only to the 500 kV interconnection alternative shall not apply.

The following conditions are added to Section IV.C. (Organizational, Managerial and Technical Expertise) of the Amended Site Certificate:

1. The City may not begin to construct a 500 kV switchyard until PacifiCorp has obtained from Klamath County a conditional use permit to realign the Meridian to Captain Jack 500 kV transmission line as described in the Final Order on the Request for Amendment No. 2.
2. The City may not begin to construct a 500 kV switchyard until the City and PacifiCorp have entered into one or more agreements concerning the 500 kV electrical interconnection of the KCP to the Meridian to Captain Jack 500 kV transmission system and operation of the KCP 500 kV switchyard.

The following condition is added to Section IV.E. (Land Use) of the Amended Site Certificate:

1. The City may not begin to construct a 500 kV switchyard until the City has obtained from Klamath County a conditional use permit to expand the energy facility site as described in the Final Order on the Request for Amendment No. 2.

The following conditions are added to Section IV.F. (Structural) of the Amended Site Certificate:

1. If the City selects the 500 kV interconnection alternative, the City shall ensure that the 500 kV switchyard is designed to meet the requirements of the Uniform Building Code, the Oregon Structural Specialty Code, and applicable industry standards, including American Society of Civil Engineers (ASCE) 7-95 (Minimum Design Loads for Buildings and Other Structures) and Institute of Electrical and Electronics Engineers (IEEE) Standard 693 (Recommended Practices for Seismic Design of Substations). The City shall ensure that the equipment selected for the 500 kV switchyard conforms to the performance criteria provided in IEEE 693. (letter dated Sept. 30, 1998 from PKE to OE)
2. If the City selects the 500 kV interconnection alternative, the City shall ensure that additional detailed geotechnical analyses are performed as necessary for the switchyard site prior to final design of the 500 kV switchyard. The City shall ensure that foundations for the 500 kV line termination structures and major switchyard equipment are designed with consideration given to the specific geological conditions including the effects of reasonably

anticipated seismic events for the energy facility site. (letter dated Sept. 30, 1998 from PKE to OE)

3. If the City selects the 500 kV interconnection alternative, the City shall implement an inspection and maintenance program for the 500 kV switchyard. The program shall include scheduled visual inspections of electrical connections, structural components and switchyard apparatus, and periodic testing of breakers, switches and mechanical equipment. The program shall be designed to enable the City or its representative to identify and correct mechanical and structural failures that may have resulted from seismic events, or which could result from reasonably anticipated seismic events for the energy facility site. (letter dated Sept. 30, 1998 from PKE to OE)

4. If the City selects the 500 kV interconnection alternative, the City shall ensure that the realigned segment of the Meridian to Captain Jack 500 kV transmission line is designed and constructed substantially as described in the third paragraph of Section E.6. of the Final Order for Amendment No. 2. (letter dated Sept. 30, 1998 from PKE to OE)

Condition 5, Section IV.J. (Fish and Wildlife Habitat) of the Amended Site Certificate is deleted and replaced with the following:

If the City selects the 230 kV interconnection alternative, the City shall, as soon as practicable after Project financing, and before the completion of construction, provide the funds necessary, not to exceed \$15,000 in 1998 dollars, to repair the Haymaker Dike located in the ODFW Klamath Wildlife Area. The City shall coordinate this funding with the ODFW.

If the City selects the 500 kV interconnection alternative, the City shall, as soon as practicable after Project financing, and before the completion of construction, provide the funds necessary, not to exceed \$20,000 in 1998 dollars, to repair the Haymaker Dike located in the ODFW Klamath Wildlife Area. The City shall coordinate this funding with the ODFW.

The following condition is added to Section IV.K. (Threatened and Endangered Species) of the Amended Site Certificate:

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

The following condition is added to Section IV.L. (Scenic and Aesthetic Values) of the Amended Site Certificate:

1. If the City selects the 500 kV interconnection alternative, the City shall ensure that the realigned segment of the Meridian to Captain Jack 500 kV transmission line utilizes lattice tower structures with a dull surface to reduce reflectivity.

The following condition is added to Section IV.Q. (Noise) of the Amended Site Certificate:

1. If the City selects the 500 kV interconnection alternative, the City shall ensure that the realigned segment of the Meridian to Captain Jack 500 kV transmission line is designed and constructed so as to comply with the applicable noise regulations in OAR 340-35-035(1)(b).

IN WITNESS WHEREOF, this Amendment Number Two has been executed by the State of Oregon, acting by and through its Energy Facility Siting Council, and the City of Klamath Falls.

Terry Edvalson, Chair,
Energy Facility Siting Council

Date _____

On behalf of the City of Klamath Falls,
James R. Keller, City Manager

Date _____

On behalf of the City of Klamath Falls,
Todd Kellstrom, Mayor

Date _____