DEQ received the following public comments on the Best Available Emissions Reduction (BAER) Assessment submitted by Amazon Data Services, Inc. for the PDX 109 facility (DEQ air permit number 25-0062-ST-01).

#### Commenters:

- Oregon Legislators
- Climate Solutions
- Green Energy Institute and Northwest Environmental Defense Center



May 5, 2023

To: Oregon Department of Environmental Quality

Re: Best Available Emissions Reduction (BAER) assessment submitted by Bloom Energy on behalf of Amazon Data Services, Inc.

As legislators from multiple districts in Oregon, we write to express our deep concern regarding Amazon's proposal to construct oxidized gas fuel cells as baseload power for at least one of its Oregon data centers.

The Climate Protection Program sets a cap on emissions of fuel suppliers, including gas utilities. By proposing to interconnect to the GTN Express pipeline, Amazon has avoided that provision of the CPP and would be subject to the Best Available Emissions Reduction standard instead. As you are aware, the legislature passed HB 2021, our 100% Clean Energy Law, two years ago and set our IOUs on a decarbonization pathway. Outside of IOU territory, Oregon's COUs largely procure clean hydropower from BPA and have increasingly augmented this energy supply with renewables. The CPP and HB 2021 together provide two major pillars of the regulatory framework for decarbonization in Oregon. Amazon's proposal to construct oxidized gas fuel cells skirts this framework and would be an extreme outlier in the electricity sector. This technology generates electricity by oxidizing feedstock such as natural gas. Although the gas is not combusted, there are still significant associated GHG emissions. Additionally, we are concerned about methane leaks from gas distribution points associated with the project, including the GTN Express pipeline and proposed intertie. The impact of methane on climate change is 86 times greater than CO<sub>2</sub>. This proposal runs contrary to the strong trend in the technology industry of shifting to 100% clean energy for data center operations, evades our decarbonization targets, and sets Oregon backward on our clean energy transition.

We are particularly concerned that Amazon, a company with a publicly stated goal to become carbon neutral across its operations by 2025, has proposed building gas fuel cells in Oregon. We note that no other major technology company operating data centers in our state has proposed constructing new fossil fuel infrastructure to provide baseload power for one or more of its facilities.

Moreover, the BAER assessment lacks a sufficient alternatives analysis. As one example, it does not take a hard look at the potential to provide some or all of the power needs for the PDX 109 facility with rooftop or ground mounted solar. Additionally, we question the assertion that the oxidized gas fuel cells would be run as a continuous power source for only a six-year period. This duration seems infeasible given the time and expense involved in permitting and construction of both the fuel cells and the GTN Express intertie. We are concerned that the duration of fuel cell operation will ultimately be much longer.

Permitting for expansion of the GTN Express pipeline is currently pending at the Federal Energy Regulatory Commission. Governor Inslee, Senator Merkley, Senator Wyden and many advocacy groups have urged the Commission to reject the proposed expansion. Its approval is far from certain, and if rejected will be fatal to Amazon's proposal.

The bottom line is we cannot allow construction of <u>new</u> fossil fuel infrastructure with a potential lifespan of decades at the very nascence of our state's clean energy transition. We strongly urge you to acknowledge the marked divergence from Oregon's decarbonization path presented by this proposal, to recognize the insufficiency of this BAER assessment, and to reject Amazon's permit application.

Sincerely,

Pam Marsh

Representative Pam Marsh, HD 05

Representative Khanh Pham, HD 46

Representative Mark Gamba, HD 41

Senator Jeff Golden, SD 3

Senator Michael Dembrow, SD 23

Representative Tom Andersen, HD 19

/ In Anderson

Representative Maxine Dexter, HD 33



May 5, 2023

To: Oregon Department of Environmental Quality

Re: Best Available Emissions Reduction (BAER) assessment submitted by Bloom Energy on behalf of Amazon Data Services, Inc.

Climate Solutions appreciates the opportunity to comment on the Best Available Emissions Reduction (BAER) assessment submitted by Bloom Energy on behalf of Amazon Data Services, Inc. (ADS). We recognize that DEQ issued a request for additional information to ADS related to this BAER assessment on April 13, 2023. We will submit supplementary comments if and when a response is received by DEQ.

#### 1. This Proposal Runs Contrary to Oregon's Overall Climate Policy

A BAER assessment is required by DEQ for stationary sources applying for Air Quality Permits with emissions exceeding 25,000 metric tons of CO2e. Rather than procure gas from a utility subject to the Climate Protection Program declining limit, or cap, ADS seeks to interconnect to the GTN XPress pipeline to procure gas as a feedstock for fuel cells. Thus, DEQ has treated the project as a stationary source.

The Climate Protection Program and HB 2021 represent two major pillars in Oregon's decarbonization pathway. Together, they are intended to drive down emissions incrementally over time. Nearly all of Oregon's data centers are on a clean energy pathway. Some are located in the service territory of an Investor Owned Utility subject to HB 2021. Others procure clean energy from a Consumer Owned Utility, invest in and procure energy from renewable energy generating facilities, and/or utilize limited quantities of Renewable Energy Certificates. Every major technology company operating data centers in Oregon has voluntarily committed to a full clean energy transition by 2030. Amazon itself has publicly stated: "We are on a path to running 100% of our business on renewable energy by 2025—five years ahead of our original target of 2030." <sup>1</sup>

A few examples of the industry standard in Oregon may prove useful as background for evaluating this proposal.

- Apple has committed to a 100% carbon across its entire business by 2030.<sup>2</sup>
- Google has committed to to decarbonize its electricity supply and operate on 24/7 carbonfree energy, everywhere, by 2030.<sup>3</sup>
- Meta has committed to reaching net zero emissions across its value chain in 2030.4

<sup>&</sup>lt;sup>1</sup> Amazon becomes the world's largest corporate purchaser of renewable energy (aboutamazon.com)

<sup>&</sup>lt;sup>2</sup> Apple commits to be 100 percent carbon neutral for its supply chain and products by 2030 - Apple

<sup>&</sup>lt;sup>3</sup> https://sustainability.google/progress/energy/

<sup>&</sup>lt;sup>4</sup> Climate - Meta Sustainability (fb.com)

This proposal to use oxidized gas fuel cells as baseload power for at least one of ADS's data centers runs counter to the strong efforts of nearly all technology companies operating data centers in Oregon to swiftly transition to clean energy. It also starkly conflicts with Amazon's own ambitious goal to run 100% of its business on renewable energy by 2025. ADS has sought to identify loopholes in Oregon's regulatory framework in order to develop this new fossil fuel infrastructure. The proposal falls outside the purview of HB 2021 and avoids the CPP cap on fuels by pursuing an interconnection to the GTN XPpress pipeline. According to the BAER assessment, GHG emissions associated with these oxidized gas fuel cells at one data center are 88,660 tons per year. This proposal is an extreme outlier in Oregon's IT sector. We question the assertion in this BAER assessment that ADS would operate fuel cells for just six years before transitioning to a different, ostensibly cleaner, power source. The time and expense involved in permitting, building, and operating the fuel cells does not justify this brief period of operation. We are concerned that this fossil fuel based power source could in fact be operational for much longer.

We remind DEQ of the strong standards stipulated in Executive Order 20-04. State agencies shall exercise any and all authority and discretion vested in them by law to help facilitate Oregon's achievement of the GHG emissions reduction goals set forth in the Order. Agencies shall consider and integrate climate change, climate change impacts, and the state's GHG emissions reduction goals into their planning, budgets, investments, and policy making decisions.

#### 2. Multiple Clean Energy Opportunities Existed at the Time PDX 109 Was Constructed

According to the Port of Morrow, construction of PDX 109 began in late 2020.<sup>5</sup> At that time, the ecosystem of renewable energy facilities powering data centers was already extensively built out. Below are two examples:

- Apple had executed a 200 MW power purchase agreement with Avangrid Renewables LLC for energy supplied by the Montague Wind Farm, which became operational in October 2019.6
- In 2018, Meta announced it would finance construction of six large solar projects to offset power use at its Prineville campus, which the company says will generate enough clean electricity to run all five data centers at the site.<sup>7</sup>

Both the Apple and Meta agreements were finalized a few years before construction of PDX 109. The current tech industry standard of seeking all available clean energy opportunities had been solidified. Yet ADS apparently did not pursue investment in renewable energy projects to power PDX 109 nor did the business seek rooftop solar, ground mounted solar, or any other renewable energy source on the property or adjacent properties. Further, ADS apparently did not consider the possibility that it would not be able to procure sufficient clean energy from a COU or other energy provider. Lack of foresight does not justify this proposal to use a fossil fuel based energy source.

Additionally, we question whether the same constraints in procuring clean energy articulated by ADS in this BAER assessment for PDX 109 also apply to the company's other Oregon data centers. If so, will the company seek to use oxidized gas fuel cells for those facilities as well? If that is intended, the BAER assessment must indicate as such because the associated GHG emission levels will be

<sup>&</sup>lt;sup>5</sup> 020-Port-of-Morrow-SBP-update.pdf (portofmorrow.com)

<sup>&</sup>lt;sup>6</sup> Avangrid, Apple Commend Renewable Energy Partnership - North American Windpower (nawindpower.com)

<sup>&</sup>lt;sup>7</sup> Massive solar projects will power Facebook's Prineville data centers - oregonlive.com

exponentially higher. We urge DEQ to request additional information clarifying whether ADS plans to utilize the same type of fuel cells for its other data center facilities in Oregon.

## 3. The BAER Assessment is Wholly Insufficient

Pursuant to OAR 340-271-0310, a BAER assessment <u>must</u> include the following components:

- Identification of sources of covered emissions
- Identification of strategies that could reduce covered emissions
- Estimation of covered emissions reductions that could be achieved by implementing each strategy
- Impacts of implementing each strategy, including positive and negative economic, energy, environmental and health impacts, such as impacts on other air contaminants
- Estimate of time required to implement each strategy
- Identification of information, resources, and documents used to inform the BAER assessment

We refer to and rely on DEQ's request for additional information, and here simply focus on the alternatives analysis.

As part of its assessment, ADS is required to take a hard look at alternatives to the oxidized gas fuel cell technology. We find the assessment does not adequately assess the following clean energy alternatives that could provide some or all of the baseload power needs for the PDX 109 facility:

- Rooftop solar on site
- Ground mounted solar on site
- ADS built solar or wind on adjacent properties
- Solar or wind procured from microgrids community-based renewables
- Utility scale renewables, including those in development that may become operational during the proposed timeline of oxidized fuel cell operation (e.g. the Pinegate Renewables Echo Solar Project, which is in the direct vicinity of Boardman and will potentially interconnect to the UEC system).

We reiterate, as mentioned above, that the PDX 109 facility was constructed in 2021/2022. A lack of foresight regarding clean energy procurement at the time of facility development has apparently been a factor in ADS's assessment that its only option to provide baseload power for this facility is oxidized gas fuel cells. As a specific example, ADS states in the BAER assessment that "many of ADS' facilities were not constructed with the expectation for a rooftop PV facility and would need significant modifications to accept the additional weight such a facility would represent." Given Amazon's stated goal to become carbon neutral by 2025, we question the significant lack of foresight apparent in constructing facilities that are apparently wholly incapable of supporting rooftop solar. DEQ must not allow this proposal to move forward simply because of these considerable planning errors.

We also urge DEQ to require ADS to estimate the GHG emissions associated with methane leaks at distribution points, including the GTN XPress pipeline and ADS's proposed interconnection. These leaks could present potentially significant sources of GHG emissions. In 2014, the GTN pipeline

leaked more than 1,000 cubic feet of gas near Moyie Springs in North Idaho.<sup>8</sup> As DEQ is aware, the impact of methane on climate change is 86 times greater than CO2.

The GTN XPress pipeline is currently undergoing review by FERC for a proposed capacity expansion. Attorney General Rosenblum, Senator Wyden, Senator Merkley, and Governor Inslee have stated their opposition to the expansion. We question whether ADS's proposal will be feasible in the event that FERC denies the GTN XPress permit.

#### 4. DEQ 2023 Climate Rulemaking is Ongoing

We note that DEQ has undertaken a 2023 rulemaking with a broad scope that includes proposed new rules for BAER assessments. This rulemaking will be ongoing through spring and early summer. It is untenable for DEQ to undertake this rulemaking and review a BAER assessment concurrently. The final promulgation of rules could very well change BAER assessment requirements and timing. Given the significance of ADS's proposal, we believe it is prudent to delay a decision on this BAER assessment until DEQ finalizes and promulgates new rules.

In conclusion, we urge DEQ to recognize that this proposal represents a divergence from the tech sector's strong momentum toward achieving a clean energy transition in Oregon. The bottom line is we cannot allow construction of new fossil fuel infrastructure with a potential lifespan of decades at the very nascence of our state's clean energy transition. We request that DEQ recognize the insufficiency of this BAER assessment and reject Amazon's permit application.

Sincerely,

Joshua Basofin

Toshua Basofin

Clean Energy Policy Manager Climate Solutions

<sup>8</sup> Environmental and faith groups oppose plans to pump more gas through an Inland Northwest pipeline | Local News | Spokane | The Pacific Northwest Inlander | News, Politics, Music, Calendar, Events in Spokane, Coeur d'Alene and the Inland Northwest





May 5, 2023

Greenhouse Gas Program
Oregon Department of Environmental Quality
Via email to baer.comments@deq.oregon.gov

The Green Energy Institute at Lewis & Clark Law School is a nonprofit energy and climate law and policy institute within Lewis & Clark's top-ranked environmental, natural resources, and energy law program. The Northwest Environmental Defense Center (NEDC) is an independent non-profit organization that has worked for over 50 years to protect the environment and natural resources of the Pacific Northwest.

GEI appreciated the opportunity to participate in the Rulemaking Advisory Committee (RAC) for the Department of Environmental Quality's (DEQ) Climate Protection Program (CPP). NEDC submitted written comments over the course of the rulemaking. GEI and NEDC respectfully offer these comments on the CPP's first Best Available Emissions Reduction (BAER) assessment, dated March 24, 2023.

In 2019, Amazon pledged that it would reach net zero emissions by 2040. Two years later it received a Standard Air Contamination Discharge Permit from DEQ to operate a data center in Eastern Oregon (PDX109). Amazon constructed that data center without (1) confirming that the local utility could meet Amazon's electricity demands; (2) incorporating into its design any consideration for future rooftop solar installation; (3) purchasing or renting neighboring property to host solar or, at the very least, installing solar on its own property where possible; or (4) accounting for potential transmission constraints that could provide its facility with clean, renewable electricity. Now the company claims the need to acquire additional power generation to address the energy gap that "currently exists[.]" In short, Amazon put itself in a position so that it can frame its preferred solution—to a debacle it likely knew about at the time of permitting—as the only available solution. Amazon's preferred solution is one that results in greenhouse gas (GHG) emissions that exceed 25,000 MT CO<sub>2</sub>e when Oregon is on a path to reducing its GHG emissions and when Amazon purports to desire "to address the climate crisis and solve the challenges of decarbonizing our economy."

DEQ should reject Amazon's Assessment and direct the company to submit an analysis that:

<sup>&</sup>lt;sup>1</sup> https://sustainability.aboutamazon.com/environment/the-climate-pledge

<sup>&</sup>lt;sup>2</sup> Bloom Energy, Best Available Emissions Reduction Assessment at 1 (March 24, 2023) (hereinafter "Amazon's Assessment").

<sup>&</sup>lt;sup>3</sup> https://sustainability.aboutamazon.com/environment/the-climate-pledge

- Meets the regulatory requirements;
- Provides appropriate citations for its sources;
- Fully considers all potential options, including any combination of options; and
- Avoids reliance on the GTN.

# I. <u>Amazon's BAER Assessment Demonstrates Why the CPP Rules Should Not Permit New</u> Sources of GHG Emissions

Over the course of the CPP rulemaking, we repeatedly raised concerns about DEQ's proposal to regulate stationary source emissions through a BAER approach and its decision to leave such sources outside of the cap. Amazon's BAER Assessment substantiates our concerns. Instead of pointing to binding emissions limits that the company is required to meet, DEQ must now vet Amazon's subjective analysis which rationalizes the company's decision to increase GHG emissions. Additionally, Amazon is evading the CPP's cap by procuring natural gas directly from the GTN rather than obtaining it from Cascade Natural Gas company, a local distribution company that is subject to the CPP's cap. We recommend DEQ consider the opportunities available in the ongoing 2023 Climate Rulemaking to more strictly regulate stationary source emissions, avoid undermining Oregon's ability to meet its GHG reduction goals, and stop emitters from gaming the regulatory system.

DEQ's approach to Amazon's BAER assessment is especially pertinent given Washington's new legislation effectively requiring data centers and cryptocurrency to abide by Washington's clean energy law. Given the gaps in Oregon's HB 2021 (100% Clean Energy for All), Oregon can expect an influx of these high-electricity users, many of whom will follow in Amazon's footsteps if DEQ accepts the approach proposed by Amazon.

Accordingly, in evaluating Amazon's Assessment, DEQ should keep the purpose and policy of the CPP in mind. Any decision must both further Oregon's greenhouse gas (GHG) reduction goals and improve air quality in impacted communities. DEQ must resist approving an alternatives analysis that boxes the agency into accepting the company's solution. Such an approach would not only embolden Amazon in its Eastern Oregon operations but also set an unacceptable precedent for future BAER assessments.

#### II. Amazon's BAER Assessment Fails to Meet the Regulatory Criteria

Amazon's Assessment is not complete and accurate, as required by OAR 340-271-0310(1)(b). Not only was the Assessment incorrectly submitted by Bloom Energy, rather than the owner or operator of the covered stationary source,<sup>4</sup> but it also fails to provide the following information:

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<sup>&</sup>lt;sup>4</sup> OAR 340-271-0310(1).

- Production processes and flow charts of processes;<sup>5</sup>
- Estimates of quantity of fuels;<sup>6</sup>
- Identification and description of all "processes, . . . actions, and other strategies, methods and techniques for reducing covered emissions[;]" and
- A reference list of sources used to support development of the BAER Assessment.<sup>8</sup>

Aside from failing to address all strategies and alternatives, which we elaborate on in section III below, many of the statements in the BAER Assessment are not supported by any citations or source documents. Examples of statements that are made in the Amazon Assessment without any supporting documentation or reference:

- "No additional change in equipment is possible without impacting the quality of ADS' product. Therefore, additional on-site energy conservation is eliminated as technically infeasible."
- In discussing batteries, "large-scale battery storage requires additional infrastructure and available real estate. The results of overheating can be disastrous in battery farms, where batteries reside in fairly close proximity to one another."<sup>10</sup>
- "Based on the timeline for a solar PV energy generation facility in Lake County, Oregon, permitting alone may take up to three to four years, with another four years for construction." 11
- "[U]nderground CO2 injection and sequestering is currently illegal in Oregon." 12
- III. <u>Amazon Failed to Consider All Processes, Actions, Strategies, Methods and Techniques</u> for Reducing Covered Emissions
  - A. Amazon Failed to Support its Assertions Regarding Efficiency and Failed to Consider Other Behavioral Options

In the absence of supporting information about the efficiency of Amazon's facility, as we mentioned above, and given DEQ's authority to "verify information submitted in a BAER assessment" and to "consult with industry experts," we suggest that further investigation and confirmation of Amazon's operations are necessary to fully understand its energy efficiency efforts. While Amazon obliquely refers to efficiency measures its facility purportedly

<sup>6</sup> OAR 340-271-0310(2)(b)(B).

<sup>&</sup>lt;sup>5</sup> OAR 340-271-0310(2).

<sup>&</sup>lt;sup>7</sup> OAR 340-271-0310(2)(b)(C).

<sup>&</sup>lt;sup>8</sup> OAR 340-271-0310(2)(d)(F).

<sup>&</sup>lt;sup>9</sup> Amazon Application at 7.

<sup>&</sup>lt;sup>10</sup> Amazon Application at 10.

<sup>&</sup>lt;sup>11</sup> Amazon Application at 10.

<sup>&</sup>lt;sup>12</sup> Amazon Application at 13.

<sup>&</sup>lt;sup>13</sup> OAR 340-271-0320(4).

<sup>&</sup>lt;sup>14</sup> OAR 340-271-0320(5).

implements, it offers no details to substantiate its claims as DEQ noted in its recent letter to Amazon.

Relatedly, Amazon failed to consider as a strategy the option of reducing its operations or output until such time as non-GHG emitting electricity is available.

# B. Amazon's Assessment Fails to Consider a "Strategy" of Combining Options, Even if the Entire 24 MW Shortfall Cannot be Satisfied

Amazon's Assessment wrongly considers technologies in individual silos, and operates as if any alternative must satisfy the entire 24 MW shortfall to be viable. However, the BAER assessment requires the stationary source to consider "strategies," "actions," "methods," and "techniques," all words that suggest a plan to achieve an overall goal. Here, the goals of the CPP are to "reduce greenhouse gas emissions from sources in Oregon, achieve co-benefits from reduced emissions of other air contaminants, and enhance public welfare of Oregon communities, particularly environmental justice communities disproportionately burdened by the effects of climate change and air contamination." More specific to the task at hand, the goal of the BAER assessment is to find "actions the owner or operator must take to *limit* covered emissions from the covered stationary source." Accordingly, as DEQ recognized in its letter for additional information, any combination of strategies that reduce the covered emissions from Amazon's data center could satisfy the BAER standard.

In this case, the Amazon Assessment fails to consider any combination of existing technologies. For example, retrofitting existing buildings to host rooftop solar, and installing solar panels on available property, combined with some battery storage, could reduce some amount or all of the 24 MW shortfall. Such a solution would provide the added benefit of remaining available to the facility in the event the Boardman to Hemingway transmission line is not completed within the six-year timeframe estimated by the Amazon Assessment.

In evaluating Amazon's Assessment, DEQ should take its cue from EPA, in the context of the Clean Air Act's PSD program, which explained "there are compelling public health and welfare reasons for BACT to require all GHG reductions that are achievable." Amazon fails to evaluate any combination of strategies with the greatest potential to effectively reduce emissions.

<sup>&</sup>lt;sup>15</sup> OAR 340-271-0010(3).

<sup>&</sup>lt;sup>16</sup> OAR 340-271-0020(2) (emphasis added).

<sup>&</sup>lt;sup>17</sup> Or. Dept. of Env'l Quality, Letter to Amazon Data Servs. (Apr. 13, 2013), available at https://www.oregon.gov/deq/ghgp/Documents/BAER-AmazonPDX109requestinfo.pdf.

<sup>&</sup>lt;sup>18</sup> See U.S. ENVTL. PROTECTION AGENCY, PSD AND TITLE V PERMITTING GUIDANCE FOR GREENHOUSE GASES (2011),

https://www.epa.gov/sites/production/files/2015-12/documents/ghgpermittingguidance.pdf [hereinafter EPA GHG PERMITTING GUIDANCE]

## C. Available Solar or Wind with Transmission, and Battery Options

Amazon's Assessment fails to substantiate its assertion that solar or wind and transmission is unavailable. It fails to reflect that it surveyed any potential supply options in the area. In Lake County alone, the Obsidian Solar Center, with 400 MW of generating capacity, 50 MW of battery storage, and transmission, was approved and must commence construction by February of 2025.<sup>19</sup> The Archway Solar Energy Facility, a 400 MW facility with a gen-tie transmission line, is another project pending review.<sup>20</sup> Additionally, County permits for solar projects can be processed in 60 to 90 days. Lake County's website boasts multiple sites in North Lake with approval and seeking power purchase agreements.<sup>21</sup>

Amazon's information about battery storage is uninformed and unsupported. Amazon rejects battery storage because it "requires additional infrastructure and available real estate" and the "results of overheating can be disastrous[.]"22 PGE, of course, currently has a battery operating at its Wheatridge facility, providing 30 MW of capacity to PGE's system, which came fully online in the spring of 2022 and combines wind, solar, and storage. PGE also has been operating a 5 MW battery energy storage system in Salem for the last ten years—as part of a smart grid demonstration project. Both PGE and PacifiCorp are planning to meet HB 2021 targets by, in part, integrating wind, solar, and battery technologies.<sup>23</sup> PacifiCorp plans to add 7,855 MW of new solar resources, most paired with battery storage. Indeed, the trend for solar plus storage is only climbing; before adoption of the Inflation Reduction Act, generating capacity from hybrid projects increased 133% between 2020 and 2021 and by the end of 2021 8,000 MW of wind or solar was connected to storage. 24 The only downside noted for lithium ion batteries is the four-hour duration. In fact, even in Montana, Northwestern Energy (a traditional utility that favors fossil fuel generation), selected a 50 MW battery. According to EIA data, nearly 5 GW of battery energy storage capacity was operating in the United States as of the end of 2021, and 3 GW of that total came online in 2021 alone.<sup>25</sup>

Accordingly, there is simply no evidence to support Amazon's information on solar, wind, and battery options.

<sup>&</sup>lt;sup>19</sup> https://www.oregon.gov/energy/facilities-safety/facilities/Pages/OSC.aspx

<sup>&</sup>lt;sup>20</sup> https://www.oregon.gov/energy/facilities-safety/facilities/Pages/ASE.aspx

<sup>&</sup>lt;sup>21</sup> https://www.lakecountyor.org/government/solar\_projects/index.php

<sup>&</sup>lt;sup>22</sup> Amazon Application at 10.

<sup>&</sup>lt;sup>23</sup> Or. Pub. Util. Comm'n, Docket LC 80 (PGE's IRP and CEP); Docket LC 82 (PacifiCorp's IRP).

<sup>&</sup>lt;sup>24</sup> U.S. Dep't of Energy's Lawrence Berkeley Nat'l Lab, Univ. of Ca., Batteries Included: Top 10 Findings from Berkeley Lab Research on the Growth of Hybrid Power Plants in the United States (Apr. 2022), available at https://eta-publications.lbl.gov/sites/default/files/hybrid\_top\_10\_fact\_sheet.pdf

<sup>&</sup>lt;sup>25</sup> 2021 Form EIA-860 Data - Schedule 3, "Generator Data" (Operable Units Only).

# IV. Additional Information is Necessary to Fully Analyze the Amazon Assessment

We appreciate DEQ's letter of April 13, 2023, identifying a host of additional questions Amazon's Assessment has generated. We have identified some of those gaps in our comments above, and we look forward to reviewing the response from Amazon.

## V. Amazon's Intention to Connect to the GTN XPress is Especially Concerning

We leave DEQ with one final thought. Amazon's proposal to solve its energy shortage by using fuel from the GTN is especially problematic. The Attorneys General of Washington, Oregon, and California have objected to the GTN expansion for a number of reasons, including that the project poses serious environmental justice concerns.

According to comments from the Attorneys General of Oregon, Washington, and California to the Federal Energy Regulatory Commission in December 2022,

"[T]he Final EIS . . . fails to address the significance of the Project's climate impacts, employs an unreasonably narrow purpose and need statement and range of alternatives, and does not adequately assess the Project's climate impacts, impacts on environmental justice communities, or its wildfire risks."<sup>26</sup>

More specifically, the environmental justice implications of Amazon's preferred BAER selection are concerning. According to FERC, two of the three compressor station upgrades for the GTN Xpress will increase pollution near "minority" or "low-income" communities, and project impacts will be "predominantly borne by environmental justice communities."<sup>27</sup>

The ramifications of Amazon's BAER selection are wide-ranging and, if permitted to select its preferred solution, might help to justify the expansion of a pipeline that the Attorney General of Oregon has questioned. DEQ should not accept use of a technology as a BAER strategy that would offer support for a project opposed by the Oregon Attorney General. Further, we find it curious that Amazon will not be securing its fuel from Cascade (which falls under the CPP cap), but will instead be purchasing its fuel directly from the GTN. In the meantime, Cascade is continuing to assert to both the Washington Utilities Transportation Commission and the Oregon Public Utility Commission that it will have a growing need that will be supplied by GTN capacity (when building codes in Washington will result in building electrification and when it must implement huge amounts of energy efficiency in Oregon to come under the cap). In light of

<sup>&</sup>lt;sup>26</sup> Comments on the Final Environmental Impact Statement for the GTN Xpress project by the states of Washington, California, and Oregon, FERC Docket CP22-02 (Dec. 19, 2022), available at https://stateimpactcenter.org/files/AGActions\_20221220-5030\_2022.12.19-Final\_StatesComment\_FEIS.pdf

<sup>&</sup>lt;sup>27</sup> Fed. Energy Reg. Comm'n, Final Environmental Impact Statement for the GTN Xpress at 4-33, FERC Docket CP22-2-000 (Nov. 2022).

that, DEQ should question how Amazon has secured capacity on the GTN, and should dissuade a workaround that allows Amazon to obtain fuel in a way that avoids the cap.

In summary, Amazon impermissibly uses the BAER assessment process as a tool to gain regulatory approval for a situation of its own creation as a result of its own poor planning. Amazon must honestly assess the available processes, actions and strategies to find a means of reducing its GHG emissions.

Sincerely,

Carra Sahler Interim Director and Staff Attorney Green Energy Institute at Lewis & Clark Law School

Jonah Sandford Executive Director Northwest Environmental Defense Center