



SIERRA CLUB Oregon Chapter

1413 SE HAWTHORNE BLVD
PORTLAND OR 97214-3640
VOICE/FAX: (503) 238-0442

Sierra Club Position Paper on Siting Issues for the Energy Facility Siting Task Force

The Oregon Chapter of the Sierra Club with more than 13,500 members appreciates the opportunity to respond to the call for Position Papers.

The Sierra Club has been involved in energy siting issues beginning with the original NTEC, Oregon's Nuclear and Thermal Energy Council. NTEC was established by the state to correlate the need for energy facilities against other needs for uses of the state's resources, such as land, water, and air. The goal was protection of public health, safety, and the environment.

In 1975 with the establishment of the Oregon Energy Department the original NTEC was transformed to a new body, EFSC (Energy Facility Siting Council). The Council has responsibility for insuring that the siting, construction, and operation of major energy facilities is consistent with protection of public health and safety; and in compliance with state energy and environmental protection policies.

EFSC was also given "super-siting" authority. The statewide land goals could be met by an EFSC determination.

Over the years the Sierra Club has been involved in rule making and in public testimony before NTEC and EFSC. We participated in the statutory revisions to the 1975 law made by SB 1016 in 1993 and SB 951 in 1995. We also participated in the subsequent rule-making process to implement those changes.

There continues to be a statewide interest in this siting for several reasons. The externalities imposed by a non-linear energy facility may extend far beyond the specific site. The facility and its related or supporting facilities may take considerable acreage. In the case of linear facilities needing a site certificate, they may go through many local jurisdictions. A "one-stop" state certificate may be more convenient, efficient, and reassuring to the applicant.

As shown by the Pacific Energy Systems, Inc. presentation at the May 16, 1996 Energy Facility Siting Task Force briefing, site certificates for generating facilities is the high activity workload of the Council.

One Earth. One Chance



Printed on 100% postconsumer
waste paper



The first question to be asked of the site certificate applicant for a generating facility is "whether the facility is needed?" The need for facility standard (Division 23) is the gateway. If the applicant can demonstrate need, then the other standards come into play. The need standard is definitely more than a proxy for global warming concerns. It was in place long before the Legislative Assembly adopted a global warming strategy.

Market forces and least cost plans based on economics may not properly value limited natural resources like clean air and water, and also land when the proposed site will use public land.

The need standard helps to assure that limited natural resources are not dedicated to unnecessary energy facilities. The current process, unlike the least cost plan processes, allows a fair chance for intervenors to demonstrate a facility is not needed.

As electric supply moves from provision by integrated utilities to a disaggregated structure with competing independent power producers proposing most new facilities, the need standard becomes more essential. If the standard is deleted, then Oregon is saying it is willing to be an energy farm for regional and out-of-region distribution, and willing to share the "dry hole" risk via the allocation of natural resources to proposed plants.

The need standard should stay intact. The global warming rules should be a separate standard to apply to all generation proposals since some may qualify to be exempt from the need standard by law or by council rule.

The finding that the facility meets need should be made before issuing a site certificate. Otherwise Oregon would be engaged in "site banking" with certificates conditional until the applicant met the need standard in a separate Council proceeding. Such a process might turn into a competitive "beauty contest" as we have seen for the 500 MW exemption provided by SB 951.

The Oregon siting process prevented the Pebble Springs nuclear power plant. Without that process our state might have been subjected to the same folly as the WPPSS debacle in Washington state.

Washington and California have siting bodies. While the threshold in each state is 250 MW, many gas fired proposals for Oregon exceed these thresholds. Doing away with a statewide siting council would send a message encouraging large generating facilities to come to Oregon.

The other standards were reviewed and hammered out following SB1016 and SB 951 in many workshops participated in by agency representatives, the energy providers with their attorneys and consultants, and public interest groups. The Sierra Club was present and reminded others of the necessity of keeping the public informed, and having extensive public access to the siting process.

EFSC should have the authority to adopt new standards or delete existing standards through the rule making process.

It is vital to preserve the siting process with a role for EFSC and the public. Siting is basically a land use decision. Is an energy facility the best use of the site? The EFSC process provides an answer taking state concerns into account.

Also EFSC with its Office of Energy staff is in a better position to apply pertinent standards than are many local jurisdictions. There is no shopping around for a more lenient local jurisdiction. Also the study area for a Notice of Intent (345-01-010(48)), and impact areas for the Project Order (345-15-160(g)) may extend far beyond a local jurisdiction.

EFSC has a continuing role through the construction, operation and retirement of the facility with Division 26 (Construction and Operation of Facilities) and Division 27 (Site Certificate Conditions, Amendment, Transfer, and Termination). These divisions were also carefully reviewed in workshops and EFSC deliberations. There is a statewide interest in the safe operation and retirement of these facilities. EFSC is a better entity to perform such oversight than many local jurisdictions would be.

Moving to a local jurisdiction for siting may open a can of worms. How receptive would the local body be to public interest input from Oregonians from outside its boundaries? For an example of statewide interest, when the Newberry Geothermal Demonstration Project went through the Environmental Impact Statement process there were comments from people and organizations throughout Oregon.

A generating facility's water requirements may have downstream quantity and quality impacts that would concern downstream jurisdictions, and the public interest in fisheries and water resources. Could these be effectively represented before a local body?

In conclusion the siting of energy facilities is a statewide issue with a strong public interest component. We support the present system. We did lobby against the "failure to raise an issue in person or in writing prior to the close of the record of the public hearing ... precludes consideration of the issue in a contested case" (SB 951, Section 11(2)(e) when lobbying the legislature. So while we are not completely satisfied with the present process, we strongly oppose further weakening. We ask the Task Force to recommend to continue the present siting system.

Fred Hirsch
Fred Hirsch
Geothermal Coordinator
Oregon Chapter
Sierra Club
(541)752-0342
P.O. Box 884
Corvallis, OR 97330