



Oregon

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To: Energy Facility Siting Council

From: Todd Cornett, Assistant Director for Siting/Council Secretary

Date: June 9, 2023

Subject: Agenda Item E (Action Item): Summit Ridge Wind Farm – Request to add Banco Santander and Key Bank to the Council’s Pre-Approved Financial Institution List for the June 23, 2023 EFSC Meeting

Attachments: Attachment 1: Banco Santander Company Evaluation (David Skidmore)
Banco Santander Company Credit Ratings
Attachment 2: Key Bank Company Evaluation (David Skidmore)
Key Bank Company Evaluation

RECOMMENDED COUNCIL ACTION

Staff recommends the Council add Banco Santander to the Council’s list of pre-approved financial institutions authorized to act as issuers of financial instruments to meet the Council’s Retirement and Financial Assurance Standard. Staff also recommends the Council not add Key Bank to the Council’s list of pre-approved financial institutions authorized to act as issuers of financial instruments to meet the Council’s Retirement and Financial Assurance Standard.

BACKGROUND

In May 2015 the Council approved a process for the annual approval of bond and letter of credit templates and a pre-approved financial institution list for site certificate holder’s use in obtaining the financial assurance instruments for the retirement of their facilities. If a site certificate holder wishes to use a firm not on the list, Council approval is required. The most recent update to the pre-approved list occurred at the Council meeting June 1, 2023.

Last month, Summit Ridge Wind LLC, a wholly owned subsidiary of Aypa Power, LLC, and the site certificate holder for the Summit Ridge Wind Farm, requested Council consideration to add Banco Santander and Key Bank to the Council’s pre-approved list. David Skidmore, Chief Audit Executive in ODOE’s Director’s Office, reviewed the qualifications of Banco Santander and Key Bank and concluded that Banco Santander demonstrates sufficient financial strength to act as an issuer for coverage provided to the State of Oregon. However, Key Bank’s long-term outlook is currently graded as “negative” by Standard and Poor’s and Moody’s, and therefore Staff is not recommending Council add Key Bank to the pre-approved list. Mr. Skidmore’s evaluations are attached to this staff report.