



Oregon

Kate Brown, Governor



550 Capitol St. NE

Salem, OR 97301

Phone: 503-378-4040

Toll Free: 1-800-221-8035

FAX: 503-373-7806

www.oregon.gov/energy

February 12, 2018

Mr. Dennis Winn
Klamath Energy, LLC
4940 Hwy 97 S.
Klamath Falls, OR 97603

Sent via email: Dennis.winn@Avangrid.com, Darren.cavanaugh@Avangrid.com

RE: Amendment Determination Request Pursuant to OAR 345-027-0057

Mr. Winn,

On January 23, 2018 the Oregon Department of Energy (ODOE or the Department) received an Amendment Determination Request (ADR) pursuant to OAR 345-027-0057 from Klamath Energy, LLC (certificate holder) for the Klamath Generation Peakers (facility) requesting to install new fire suppression systems and replace the existing Electronic Fire Alarm Control and Notification System. The ADR explains that existing fire suppression systems which are required under the Site Certificate (D.12(1)) would remain in place so as to maintain compliance with the site certificate conditions. As part of the same ADR, Klamath Energy also requested similar changes to the Klamath Cogeneration Project facility; the Department will issue a separate determination letter for the KCP facility request.

Under OAR 345-027-0057 a certificate holder may submit an amendment determination request in writing to the Department for a determination regarding whether a proposed change requires a site certificate amendment. The rule requires that the change request include a description of the proposed change, any maps or geospatial layers representing the effects and/or location of the proposed change(s), the certificate holder's evaluation of the requested determination(s) under OAR 345-027-0057(1),(2), and (3), and any additional information that the certificate holder believes will assist the Department's evaluation.

In accordance with OAR 345-027-0057, the Department reviewed Klamath Energy, LLC's amendment determination request. As presented in Attachment 1, the Department determined that the request: 1) includes all information required by OAR 345-027-0057(4), and 2) the requested addition of the proposed fire suppression systems and replacement of the

Electronic Fire Alarm Control and Notification System would not require a site certificate amendment for the reasons provided in Attachment 1.

OAR 345-027-0057(6) requires that after issuing its determination, the Department must provide the determination and ADR to Council, post the determination to the ODOE website, and at the next Council meeting, inform Council of the ADR and determination during the consent calendar agenda item.

Additionally, OAR 345-027-0057(6) also allows that at the request of a Council member, or the certificate holder, the Department must refer its determination to the Council for concurrence, modification, or rejection. Should such a request be made by a Councilmember or the certificate holder, the determination would be presented before EFSC at an upcoming Council meeting.

If there are any questions please contact me.

Sincerely,



Sean E. Mole, Siting Operations Analyst
Oregon Department of Energy
E: Sean.Mole@oregon.gov
P: (503)934-4005

Attachment 1: ODOE Amendment Determination Request Evaluation and Determination

Cc(via email distribution)

Oregon Energy Facility siting council
Todd Cornett, Oregon Department of Energy
Maxwell Woods, Oregon Department of Energy
Duane Kilsdonk, Oregon Department of Energy
Jesse Ratcliffe, Oregon Department of Justice

**Attachment 1: Oregon Department of Energy
Amendment Determination Request Evaluation and Determination**

Proposed Facility Modifications

The certificate holder describes in its ADR that it plans on making the following upgrades at the KGP facility:

- Replace the entire existing Electronic Fire Alarm control and Notification System.
- Install STAT-X aerosol special hazard suppression systems in the generator rooms. There is currently no automatic fire suppression system in these generator rooms.

The existing automatic packaged CO₂ fire suppression system for Combustion Turbine enclosures will remain in place and operational, as will the existing firewater loop system with hydrants, and portable fire extinguishers.

Site Certificate Amendment Applicability

OAR 345-027-0050(4) contains the criteria used by ODOE and EFSC to determine when a proposed modification requires a site certificate amendment. The rule states:

OAR 345-027-0050: ...[A]n amendment to a site certificate is required to:

OAR 345-027-0050(4): Design, construct or operate a facility in a manner different from the description in the site certificate if the proposed change:

- (a) Could result in a significant adverse impact that the Council has not addressed in an earlier order and the impact affects a resource protected by Council standards;*
- (b) Could impair the certificate holder's ability to comply with a site certificate condition; or*
- (c) Could require a new condition or a change to a condition in the site certificate*

An amendment determination request assessment affirming any of the above criteria would necessitate that a site certificate amendment is required to make the requested changes. If the amendment determination request assessment affirms that none of the above criteria would be met, the proposed change can be completed without an amendment of the site certificate.

Evaluation under OAR 345-027-0050(4)(a)

A site certificate amendment is required pursuant to OAR 345-027-0050(4)(a) if the proposed change could result in a significant adverse impact that the Council has not addressed in an earlier order and the impact affects a resource protected by Council standards. In order to demonstrate compliance with Council's Standards (Division 22 and Division 24), the certificate

holder prepared and provided a compliance evaluation of the determinations being requested for the proposed facility modifications, the amendment determination request. OAR 345-027-0050(4)(c) directs the certificate holder to submit in writing the evaluation to the Department.

Public Service [OAR 345-022-0110]

The Department determined that the only proposed EFSC standard that could be affected by the requested changes is the Public Services standard. The Department evaluated the proposed fire suppression system additions and upgrades to determine whether the potential impacts to the provision of police and fire protection would impact the certificate holder's ability to comply with the Council's Public Services standard. The Department considers the impacts to Public Service resulting from the certificate holder's proposal to be unlikely given that there are no proposed alterations to existing components as articulated in the current Site Certificate (D.12(1)). Additionally, the proposed changes are intended to improve and increase fire safety and protection and therefore reduce the risk of fires requiring the services of local fire protection providers.

Evaluation Under OAR 345-027-0050(4)(b)

The second factor under OAR 345-027-0050(4) would require a site certificate amendment if the proposed change "could impair the certificate holder's ability to comply with a site certificate condition." Based on the evaluation provided under OAR 345-027-0050(4)(a), the proposed fire suppression system project would not be likely to impact the certificate holder's ability to comply with a site certificate condition.

Site certificate condition D.12(1) states: *The certificate holder shall maintain the on-site fire protection system in conformance with applicable fire codes and National Fire Protection Association standards. The fire protection system shall include provisions for a firewater loop system with hydrants placed near major equipment, an automatic CO₂-based fire suppression system for each of the facility's four combustion turbine compartments, and portable fire extinguishers.*

As noted in this assessment, the requested changes do not affect the existing fire protection system, described in condition D.12(1). Rather, the changes would add additional and updated fire safety systems. The change would not affect the certificate holder's ability to comply with an existing site certificate condition.

Evaluation Under OAR 345-027-0050(4)(c)

The final factor under OAR 345-027-0050(4) would require a site certificate amendment if the proposed change "could require a new condition or a change to a condition in the site certificate." Based on the evaluation provided under OAR 345-027-0050(4)(a), the proposed changes would not be likely to result in any new adverse impacts not previously evaluated by EFSC. The proposed changes are intended to improve and increase fire safety and protection and therefore reduce the risk of fires requiring the services of local fire protection providers. Therefore the Department does not consider new site certificate conditions necessary to satisfy an applicable rule, EFSC standard, or statute.

Determination

The Department finds that the proposed fire suppression system project would not cause a significant adverse impact to a resource protected by EFSC standards, and does not substantially impair Klamath Energy, LLC's ability to comply with site certificate conditions. Compliance with applicable EFSC Standards, state and local laws, rules, and ordinances are not expected to be affected by the requested change. In accordance with the requirements of OAR 345-027-0055(2), the certificate holder shall include a description of the modifications and the written evaluation in the Facility Modification Report as required by OAR 345-026-0080. ODOE will also document the change in an order associated with the next site certificate amendment. Finally, as noted in the cover letter, OAR 345-027-0057(6) requires that at the request of an Energy Facility Siting Council member, the Department's determination must be referred to the Council for concurrence, modification, or rejection. The Department will provide its determination to EFSC, informing Council of their rights under the rule. Should a Council member request to review the determination, the determination would go before EFSC at an upcoming Council meeting.