

Department of Energy

528 COTTAGE STREET N.E., SALEM, OREGON 97310 PHONE 378- 8446

Energy

1.10.D.4
ENERGY

July 20, 1977

RECEIVED
JUL 25 1977

METRO SERVICE DISTRICT

Chuck Kemper
Metropolitan Service District
1220 SW Morrison
Portland, OR 97205

Dear Chuck,

The Oregon Department of Energy and I wish to thank you for your attendance and contributions to the Local Agency Energy Conservation meeting held July 12..

It is apparent there is a great deal of excellent energy conservation work being conducted on the local level. All agencies can make valuable contributions to Oregon's energy conservation effort.

The Department of Energy stands ready to assist you in your efforts.

We enclose a brief resume of the participants' remarks, roster of attendees, and a resume of new Oregon energy legislation.

Hope to see you in the near future.

Sincerely,

Frank J. Quinlan, Coordinator
Community Energy Conservation

FJQ:sj
Enclosures

MINUTES
LOCAL AGENCY ENERGY CONSERVATION PROGRAM
July 12, 1977

Those participating in the "Local Agency Energy Conservation Program" on Tuesday, July 12, 1977, had the following comments to make regarding local energy conservation programs and state government:

Walt Wojcik, Director of General Services, City of Salem: An advisory committee has been approved by the City Council to look into saving energy in local facilities. The nine committee members work on the following energy related issues: (1) energy efficient transportation, (2) density problems and locating housing, (3) implementing LCDC goal 13, (4) recycling, (5) coordinating private and public efforts to conserve energy. A major problem to overcome is changing building designs. Changes also have to be made in heating and lighting systems. Thus far energy savings in city facilities could provide enough power for at least 84 homes. Mr. Wojcik suggests more CETA people should be hired to do surveys, studies, and energy audits.

Paul Bunn, Polk County Planning Department: Changes have been made in lighting used in the Courthouse. The Planning Department is beginning to work on goal 13. Specific needs requested were guidelines for goal 13 related to agricultural residues and energy savings.

Evan White, PUC: Mr. White briefly discussed the history of utility rates and the upward spiral of rate changes. Since rates are not scientifically determined, PUC is now doing a cost analysis and specifically looking at marginal costs. PUC is trying to strike a balance for setting rates while moving toward giving customers better price signals. Signals should reflect resource savings.

Quentin D. Erickson, Washington County Courthouse: A 10% curtailment in energy consumption was requested. A survey was done and action taken to reduce energy consumption. Energy usage was curtailed as a result of: (1) shutting off water circulation pumps, (2) eliminating the cooling systems in drinking fountains, (3) turning off stairwell heating, (4) using stickers on light switches, (5) cutting lights that were not in use.

Stanton LeSieur, Unified Sewerage Agency: There was no person assigned to energy conservation. Increases in the utility budget resulted in an investigation into how energy was being used. As a result of peak demands, more effort was put into controlling the flow of energy used. One solution to the high costs was using a methane-operated generator at peak times.

Owen Osborne, Oregon State University: The state has submitted a proposal to ERDA to start an energy extension service. This service would provide information for energy conservation and residential development.

Bill Mackie, Yamhill County Energy Office: The County Energy Office was formed in April for the following reasons: (1) provide private consultation with homeowners, (2) provide on-site inspections, (3) make public information available on solar power, wood and agricultural waste and weatherization. The Yamhill County Energy Committee consists of 15 members working to assist the energy office in devising an energy comprehensive plan. More work must be done in the area of building standards. Funding for the work comes from CETA grants.

M. W. Benton Smith, Energy Coordinator, Marion County: Efforts to conserve energy in Marion County include: (1) reducing lighting, (2) conducting systematic burn tests on boilers, (3) reducing heat in the winter and increasing heat in the summer, (4) reducing street lighting, (5) insulating pipes. There was an approximate 10% savings on utility bills.

Barbara Ross, Benton County, Commissioner: An Energy Conservation Committee was formed to increase public awareness. The Committee is trying to look at the comprehensive land use plan in relation to energy usage.

Jim Collell, Energy Coordinator, Benton-Linn: As a result of the winterization program, there were 525 -- 550 homes insulated. The program consists of on-site visits and counseling. Weatherization and solar energy classes are also offered at Linn-Benton College. CETA staff members have been used to implement the program. Mr. Collell suggested an overall program be developed that would include home repairs with installing insulation. The state needs to pump more money into home improvement.

Lana Nelson, Tri-Met: Currently in the Tri County area, 118,000 rides (422 buses) a day are provided. Tri-Met is revolving to a multi-model approach to ride sharing -- using public transportation with other transportation. In the near future, vanpooling will be used. Tri-Met is looking at problems related to land use and energy in an attempt to solve transportation problems.

Chuck Kemper, Metropolitan Service District: The two operations related to energy savings in the MSD regions are (1) zoo, and (2) solid waste. MSD is currently studying plans to improve maintenance at the zoo in order to save energy.

Phase I of the energy recovery system is under way. Publishers Paper Company is a potential contractor for the facility since municipal solid waste can be used as a permanent energy source. Despite air quality constraints, more projects should be undertaken in energy recovery from solid waste. High energy costs are having a significant impact on industry, and, as a result, there will be a greater demand for a refuse derived fuel product.

Patti Pride, Multnomah County: Multnomah County is just beginning an energy program. Lights and air conditioning have been cut back in the courthouse. Energy audits and winterization programs are also under way.

Bob Peirce, McMinnville Water and Light: After the infra-red flyover, McMinnville Water and Light has been pushing weatherization programs. Homeowners have been contacted individually about potential energy savings through weatherization. The Chamber of Commerce has coordinated efforts with the utility to keep public awareness up.

Virgil Adams, City of Corvallis Planner: Developing an energy plan for both cities and counties creates several problems. Retrofitting homes in the city is becoming difficult when winterization programs keep changing. Also, there is a problem with funding. Currently funding is only for low income families. Middle income families and renters are excluded from receiving aid.

Bruce Wade, Portland Development Commission: Weatherization programs are under way and being funded by the Federal Community Development Fund. The program has been in operation for three years and improvements have been made in low income homes. People in higher income brackets have not been addressed.

Michael McAlvage, Coos-Curry COG: Even though there is no energy department the Coos-Curry COG is developing an energy comprehensive conservation plan. A workshop has been held on alternative forms of energy. Curry County has formed an energy committee to try to get energy efficient buildings. A more formalized approach to energy problems is needed so that cities and counties will look at the long range impact of an energy plan. Funding problems must also be addressed.

Rosemary Boss, Lane Transit District: A transportation program has been developed to instruct various groups about the value of public transportation. She suggests subsidized fairs to encourage more people to use public transportation. State governments should look at the amount and type of energy used by employees to get to and from work.

Nancy Swank, League of Oregon Cities: The following problems should be addressed: (1) no money for small cities, (2) conflicts between standards, (3) ways to get information disseminated.

Jim Miller, Lane Council of Governments: Both Eugene and the City of Springfield are studying energy conservation and its role in land use planning. In doing an energy study, all agencies involved in energy conservation must be coordinated. Included in the study will be: (1) a land use base similar to the work done by CRAG (Weinstein & Associates), (2) conservation targets from an energy efficient standpoint, (3) transportation targets. The study will be a basis for (1) more detailed planning, i.e. weatherization, (2) guidelines for LCDC.

Dick Mathews, LCDC Economist: LCDC will work with DOE to develop guidelines for land use and energy.

Jim Sitzman and Larry McCord, CRAG: Report number 2 of the CRAG Region Energy Analysis, "Energy Housing Information Base", has been completed.

The approach used by CRAG ties energy use to land use. Other aspects of the work includes making energy use density patterns and showing areas dependent on different fuel sources. The following segments have been studied: (1) supply/demand, (2) transportation, (3) housing, (4) industry.

Greg Kauffman, Clackamas County: An energy task force has been formed to do an audit of county buildings. Educational efforts include fairs and classes for those who want to weatherize. Community action agencies have also developed information referral services and helped to implement weatherization programs.

DS:sj
36-
7/14/77

PARTICIPANTS
Local Agency Energy Conservation Program

Bruce S. Wade
Portland Development Commission
1500 SW First
Portland, OR 97201

Sabin Lamson
Lane County Social Services
Housing & Energy Program
170 E. 11th Avenue
Eugene, OR 97401

Virgil Adams
City of Corvallis
Planning Division
City Hall
Corvallis, OR

Michael C. McAlvage
Coos Curry Council of Governments
P. O. Box 647
North Bend, OR 97459

Rosemary Boss
Lane Transit District
P. O. Box 2710
Eugene, OR 97402

Jim Miller
Lane Council of Governments
125 E. 8th
Eugene, OR 97401

Greg Page
City Manager's Office
P. O. Box 1967
Eugene, OR 97401

Jim Sitzman
C.R.A.G.
527 S. W. Hall
Portland, OR 97201

Larry McCord
C.R.A.G.
527 S. W. Hall
Portland, OR 97201

Paul Bunn
Polk Co. Planning Dept.
County Courthouse
Dallas, OR 97338

Evan White
PUC
3rd Floor, L & I Bldg.
Salem, OR 97310

Quentin D. Erickson
Washington Co. Courthouse
150 N. First
Hillsboro, OR 97123

Stanton LeSieur
Unified Sewerage Agency
Room 302
150 N. 1st St.
Hillsboro, OR 97123

Owen D. Osborne
School of Engineering
O. S. U.
Corvallis, OR 97331

Bill Mackie
Yamhill Co. Energy Office
Courthouse
McMinnville, OR 97128

W. Benton Smith
Energy Coordinator
Marion County
202 High Street
Salem, OR 97301

Dick Mathews
L.C.D.C.
Land Use Economist
1175 Court St NE
Salem, OR 97310

Chuck Kemper
Metropolitan Service District
1220 SW Morrison
Portland, OR 97205

Participants - Page 2

Lana Nelson
Tri-Met
520 SW Yamhill
Portland, OR 97204

Nancy Swank
League of Oregon Cities
P. O. Box 928
Salem, OR 97308

Jim L. Collell
Energy Coordinator
Benton-Linn CSA
460 SW Madison # 13
Corvallis, OR 97330

Barbara Ross
Benton County
Courthouse
Corvallis, OR 97330

Bob Peirce
McMinnville Water & Light
130 N. Baker
McMinnville, OR 97128

Gordon Fultz
Assoc. of Oregon Counties
P. O. Box 12729
Salem, OR 97309

Vernon McManus
Office of Emergency Services
Multnomah County
1021 SW 4th, Rm. B-8
Portland, OR 97204

Walter K. Wojcik
Director, General Services
City of Salem
555 Liberty St. SE
Salem, OR 97301

Dave Paoli
Public Transit Division
Oregon Dept. of Transportation
Salem, OR 97310

Patti Pride
605 County Courthouse
Portland, OR 97204

Marty Windon
123 S. Molalla Ave.
Molalla, OR 97038

Greg Kauffman
511 Main St.
Oregon City, OR 97045

Oregon Department of Energy
1977 Energy Conservation Legislation
Final Summaries - 18 July 77

I. Relating to Residential Energy Conservation

a. Programs by Energy Suppliers

House Bill 2157 requires the six investor-owned gas and electric utilities to provide weatherization services to their residential space heating customers. These services include 1) information about home energy conserving actions; 2) on-site inspections resulting in cost estimates for various energy conservation measures; 3) arrangement of installation of insulation, weather-stripping, and storm doors and windows, as examples; 4) arrangement of financing through the utility or a commercial lending institution at a maximum six-and-one-half percent interest rate. The difference between the 6 1/2 percent interest rate and the market rate up to 12 percent for these types of loans will be made up by a tax credit to lending institutions. Mobile home dwellers are specifically excluded. Renters may take advantage of these services if the owner of the dwelling, who is fully responsible, consents. Payment of services rendered may appear on the regular utility bill.

By Fall of 1977, PGE, PPL, Northwest Natural Gas, Cascade, Cal-Pac, and Idaho Power will submit descriptions of their weatherization programs for approval by the Public Utility Commissioner. The Commissioner will, by rule, adopt a formula by which the utilities may charge their customers for the cost of weatherization services. Elements of this and other weatherization programs will be coordinated between the Public Utility Commissioner and the Director of the Department of Energy.

House Bill 3265 requires that the 31 publicly-owned utilities and the 300+ fuel oil dealers provide weatherization services to their residential space heating customers. These services include providing 1) information about available weatherization services; 2) technical assistance concerning various methods of saving energy, including an inspection of the customer's home and cost estimate of energy saving measures; 3) a list of registered contractors near to the customer who provide weatherization services, and 4) information about low-interest loan programs through lending institutions.

A maximum six-and-one-half percent annual interest rate for weatherization loans has been specified in HB 3265. A tax credit to lending institutions will account for the difference between the six-and-one-half percent and a maximum twelve percent market annual interest rate which otherwise may have been charged for these same types of loans.

Mobile home dwellers are specifically excluded from the weatherization services provided in HB 3265. Renters may participate if their written lease is for more than three years at the time weatherization services are requested. All eligible customers must request weatherization services during a time when the dwelling is occupied.

By Fall 1977, publicly-owned utilities and fuel oil dealers will submit

descriptions of their weatherization programs to the Department of Energy for approval. HB 3265 expires on January 1, 1982.

Senate Bill 371 requires all energy suppliers producing, delivering, transmitting or furnishing heat, light and power to provide energy conservation information services. Such services include answers to questions from the general public concerning energy conservation and energy saving devices, providing inspections, and making suggestions concerning the construction and siting of both buildings and residences.

The Public Utility Commissioner will oversee the implementation of the energy conservation information services provided by investor-owned utilities in accordance with prescribed rules for regulated utilities. The Director of the Department of Energy will prescribe rules for publicly-owned utilities and oil heat dealers supplying these services.

b. Weatherization Tax Credit

House Bill 2701 allows a personal income tax credit of twenty-five percent of the cost of weatherizing, to a maximum of \$125, for the individual taxpayer who improves the energy efficiency of their principal residence, excluding mobile homes. The credit can be used only by the owner of the dwelling and claimed only once in any taxable year. The credit applies to such items as caulking, weatherstripping, insulation, vapor barrier materials, timed thermostats, dehumidifiers and storm windows and doors.

These weatherization items must be installed in the dwelling after January 1, 1977 but before January 1, 1985. As proof of installation, the taxpayer must submit a statement with his or her tax forms which certifies that the work done meets state energy conservation standards. This statement must be signed by an insulation or general contractor who is registered with the State Builder's Board or signed by a building official or inspector who is certified by Oregon Law.

If the taxpayer is receiving any amount of assistance, aid, grant, refund or subsidized (low-interest) loan, s/he cannot claim a tax credit. Similarly, those costs that are claimed as a credit cannot be used as a tax deduction when computing state taxable income or added to the basis of property for depreciation purposes or for gain or loss on sale or other disposition of property.

c. Benefits for Elderly, Low-Income Persons

Senate Bill 4 appropriates \$4 million to the Department of Revenue for a low-income elderly home weatherization program. In order to qualify for

up to \$300 reimbursement for weatherization expenses, the applicant must be 60 years of age or older on January 1, 1977, and have applied for and received an owner property tax refund in 1977 based on 1976 income and taxes. In addition, the 1977 assessed value of the applicants' home must be less than \$30,000 and the annual household income less than \$7,500.

Beginning after the date the Governor signs Senate Bill 4 into law (by July 28, 1977), eligible homeowners who incur costs for weatherizing their home and provide the Department of Revenue with satisfactory evidence that they have done so, will receive a voucher for up to \$300 to recover their costs.

However, the applicant must not be eligible for any federal weatherization program in order to benefit from Senate Bill 4. Since federal programs are aimed primarily at households with incomes below the poverty level, Senate Bill 4 is designed mainly for householders with income levels between the poverty level (roughly \$4,000) and \$7,500.

Weatherization reimbursements can be for one homestead only and will be paid according to priority based on the date of the claim. Vouchers will be honored until the \$4 million in the state fund has been expended.

House Bill 3007 provides a \$50 refund for fuel and utility rate relief to taxpayers who 1) are 60 years of age or older before the end of the calendar year for which they claim homeowner or renter property tax refund; 2) have a household income of less than \$5,000; and 3) are eligible and file for an owner or renter refund from the Department of Revenue. (Reference: Oregon Revised Statutes 310.640-310.657).

For refunds granted in October, 1977 and October, 1978, the taxpayer will receive either rental assistance for that year or a renter refund plus fuel and utility rate relief refund for that year, whichever is greater.

The bill calls for \$7 million out of the state's General Fund to be appropriated to the Department of Revenue from July 1, 1977 through June 31, 1979. At this time, no additional money has been appropriated to replenish the Fund once monies have been spent.

d. Benefits for Veterans

House Bill 2156 requires that in order to acquire a veteran's loan for a home built prior to July 1, 1974, (when state insulation standards went into effect for newer homes) that the home must meet new "retrofit" weatherization standards set by the Department of Commerce. As a veteran, the cost of these energy conservation improvements can be added to the principal of the VA loan.

If after a VA inspection the home must be weatherized in order to obtain VA financing, the veteran has 120 days after the loan has been issued to bring the house up to weatherization standards. Time extensions can be granted and exceptions to full compliance with the standards can be made in certain cases.

House Bill 2156 has provisions for mobile home purchases and is available to eligible veterans who would like to improve the energy efficiency of their home.

Senate Bill 477 applies to all veterans intending to install solar, wind or geothermal energy devices in their homes. A loan of up to \$3,000 may be granted, provided the alternate energy device will meet or exceed ten percent of the total energy requirements of the home. Along with the Department of Veterans' Affairs, the Department of Energy will establish minimum performance criteria for such systems and use these standards to certify the devices.

e. Programs for Alternative Energy Devices

Senate Bill 339 provides a tax credit to any Oregon homeowner who installs a solar, wind or geothermal energy device in their principal or secondary residence. Twenty-five percent of the investment cost, or a maximum \$1,000 may be claimed provided the alternative energy device meets minimum performance criteria set by the Department of Energy and has been certified by the Department. Taxpayers are eligible for only one credit per year and must claim it during the year the device has been certified. If the amount of the credit exceeds the taxpayer's liability, the credit may be claimed for five successive years until it is fully used. The credit will take effect beginning tax years January 1, 1978 and apply to all installations made that year.

Property equipped with solar energy heating or cooling systems is exempt from ad valorem property taxation, and the exemption applies to any installation made on or after January 1, 1976 but before January 1, 1998.

Senate Joint Resolution 18 requires that the Extension Service at Oregon State University, with assistance from the University of Oregon, develop and distribute information to the public about solar energy. Specifically, information relating to the construction and use of solar energy for heating and cooling will be addressed. County extension agents will distribute this information through their existing publications and communication networks.

II. Relating to Increased Energy Efficiency

House Bill 2155 mandates maximum lighting standards for all public buildings constructed on or after July 1, 1978. A voluntary lighting standard will be established for all existing buildings built prior to July 1, 1978.

For the industrial and commercial establishments affected by this bill, more efficient design and management of the lighting systems in buildings will result in energy and dollar savings. In setting the new standards, consideration will be given to the heating and cooling systems of the building as well as safety and costs.

The Department of Commerce has until January 1, 1978, to establish both the mandatory and the voluntary lighting standards. The Department of Energy will be responsible for designing and implementing a plan to foster public acceptance of the voluntary standards for existing buildings.

House Bill 3309 authorizes the Department of Commerce to establish voluntary energy conservation standards for the management of public buildings. The standards provide a flexible way to achieve energy savings in individual buildings and will encompass the operation of mechanical and human systems as well as building design. Energy consumption and savings will be calculated with a goal of 20 percent energy reduction by 1980. Although the system is voluntary, substantial energy and dollar savings can be achieved by those establishments that participate in this effective total energy management program.

The Department of Commerce will issue rules establishing energy conservation management standards by January 1, 1978. The Department of Energy is charged with creating a program for voluntary acceptance of the adopted standards.

Senate Bill 370 requires that the Energy Conservation Board adopt a voluntary energy efficiency rating system for single-family homes. Available by January 1, 1978 the ratings will be used by realtors to aid those people buying or selling a home. For example, the more energy efficient a home is, the higher the rating and the more attractive it is to the potential buyer.

The rating system itself will be developed by the Energy Conservation Board, a section of the Department of Commerce. The Department of Energy will be responsible for publicizing the availability of the rating system and encouraging its use. The rating system will be available by January 1, 1978.

Senate Bill 665 authorizes individual electrical meters for each unit of a multi-family residential building built after January 1, 1978. People living in newly constructed apartments or townhouses will be aware of their individual energy use and will be able to regulate energy consumption within their own unit.

The Department of Commerce will establish rules for installing electrical meters in multi-family dwellings. Central metering will be possible if it can be established that total electrical consumption in the dwelling would be less without individual meters. Actual evaluations will be made by certified building inspectors according to the Department of Commerce rules.

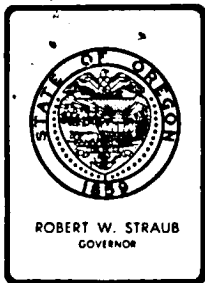
SB 665 becomes effective upon adoption of the relevant rules by the Department of Commerce, by January 1, 1978.

Senate Bill 818 prohibits the sale of new gas-fired, forced-air central space heating equipment, swimming pool heaters, clothes dryers or domestic ranges which are not equipped with electric ignition devices in place of pilot lights starting January 1, 1979. These ignition devices must comply with rules adopted by the American Gas Association and the Department of

Commerce. Retailers who have such appliances in their inventory as of January 1, 1979, may continue to sell them after January 1, 1979. The Act specifically exempts gas appliances in recreational vehicles.

For further information, please contact the Oregon Department of Energy, 528 Cottage Street, NE, Salem, Oregon 97310, telephone (503) 378-4040.

MH:sio



Department of Energy

528 COTTAGE STREET N.E., SALEM, OREGON 97310 PHONE 378-4129

RECEIVED
JUL 25 1977

METRO SERVICE DISTRICT

PRESS ADVISORY

July 22, 1977

On July 20, 1977, Oregon's Energy Facility Siting Council (EFSC) adopted general standards for the siting of energy facilities in the state. Adoption of new general standards, accomplished under new procedural rules, responds to the Supreme Court's March, 1977 decision to remand to the Council its certification of Portland General Electric Company's Pebble Springs nuclear generation plants.

The complex issues of that action have generated a great deal of public interest, controversy and media attention. Now, the Council will again address PGE's application by adopting specific standards for the Pebble Springs plants. The Council is determined to proceed in an orderly and expeditious manner to reach a decision in the Pebble Springs case. At the same time, the Council will exercise every possible precaution to (1) avoid further litigation when a decision has been made and (2) to prevail should such litigation occur.

The Oregon media have followed the Council's activities with diligent and accurate reportage and thoughtful commentary. To assist those efforts in the coming months, the Oregon Department of Energy (DOE), which provides staff support for the Council, will maintain close contact with all media through regular channels. Additionally, DOE personnel will be available to respond to specific requests for information on Council matters as well as other energy-related subjects.

The attached general standards apply to applications for all energy facilities. With respect to the Pebble Springs case, the Council has requested that interested parties submit topics for specific standards by July 29, 1977. The next step will be on August 9, when the Council will:

1. Determine which petitioners will be accepted as intervenors based on a determination that those petitioners have adequately shown how they have an interest in the case. Petitions to continue as intervenors have been filed by Lloyd Marbet and Harold Christiansen. Petitions to intervene have been filed by the Public Utility Commission, the Oregonians Concerned for Energy and Economic Balance (OCEEB), by the Fusion Energy Foundation, by the Energy Conservation Coalition and by the Josephine County Nuclear Safeguards Committee. Both DOE and PGE are "parties" in the case.
2. Determine the scope of issues in the re-opened proceedings.
3. Determine the extent to which the Pebble Springs record must be updated with additional evidence and/or testimony in order to make adequate findings on each standard.

4. Determine what additional or more specific standards should be considered in rule-making.
5. Set a date in September by which pre-filed testimony must be submitted for subsequent hearings and,
6. Set dates for two separate public hearings, the first to measure the Pebble Springs Site Certificate Application against those general standards for which no specific standards are required; and a second hearing to adopt specific standards for Pebble Springs. It is anticipated that both hearings will commence in October.

Several DOE staff members have expertise in this matter. Specifically, Dr. W. Kelly Woods (378-6916) is Executive Coordinator for the Council; Don Godard (378-6469) is DOE's Supervisor for Siting and Regulation; Richard Sandvik, Assistant Attorney General (229-5528); William Sanderson (378-4129) is Program Manager for Public Affairs; Dr. Fred Miller, DOE Director, will continue a policy of direct contact with reporters, commentators and editors.

#

GENERAL STANDARDS FOR ISSUANCE OF SITE CERTIFICATES

_____.010 Purpose: The purpose of rules _____.010 through _____.025 is to establish general standards that applicants for site certificates must meet. The Council will apply the general standards in reaching a decision for or against issuance of a site certificate for the construction and operation of an "energy facility" and its "related or supporting facilities", as those terms are defined in ORS 469.300(10) and (13), respectively. The same general standards will be applied by the Council in deciding whether an existing site certificate should be amended to the extent and in the manner amendment is authorized by the site certificate. When the Council deems necessary and appropriate, it will adopt additional or more specific standards. Rules will be adopted sufficiently in advance of the close of testimony at a hearing to allow the parties to address the rule, or if after the close of testimony, in sufficient time to allow the parties an opportunity to supplement their testimony to offer evidence relating to the new rule.

_____.015(1) Interpretation:

(a) These rules shall be interpreted so as to effectuate the purposes of ORS 469.300 through 469.570, 469.990, and 469.992 governing energy facility siting in Oregon. The fundamental policy of that law is set out in ORS 469.310.

(b) For the purposes of Rules _____.025(2), (3) and (4), in determining what is "reasonably practicable", the Council will reach a conclusion in most cases by finding whether a proposed facility complies with the requirements of other agencies, such as the Federal Nuclear Regulatory Commission or the Oregon Department of Environmental Quality. See ORS 469.400.

(2) Definitions:

(a) The definitions set out in ORS 469.300 (1975), as amended by Section 1 of B-Engrossed Senate Bill 272, are hereby incorporated as the definitions to be used in interpreting these rules, unless a particular term is otherwise specifically defined within the terms of these rules.

(b) The term "facility" means an energy facility and its related or supporting facilities.

(c) The term "operation" of a facility includes the accumulation, storage, transportation and disposal of waste and by-products from such facility.

_____.020 Affirmative Recommendation -- Criteria:

The Council will make a determination as to whether each of its applicable standards, including any additional or more specific standards than those contained herein, has been met by an applicant for a site certificate. If such standards are met, the Council will recommend issuance of a site certificate.

_____.025 Mandatory Findings: In order to carry out the policy directive of ORS 469.310, the Council shall recommend issuance of the site certificate only if it finds that:

(1) There will be a need for the proposed energy facility based upon evidence that:

(a) There will be a demand, based on objective forecasting analyses, for the energy to be supplied by the proposed energy facility. Evidence relating to demand shall include, but not be limited to, identification of major customer classes giving rise to the demand, actual and projected population growth of the area to be served by the proposed energy facility, energy price data and projections, income data and projections relating to the population to be served by the energy facility, employment data and projections relating to the area to be served by the energy facility, actual and projected data concerning conservation and its effects on demand, and alternative energy resource programs in existence at the time of application or likely to be implemented during the period covered by the applicant's demand forecast.

(b) The proposed facility is a prudent method of meeting all or a part of the demand from an economic cost standpoint taking into account the energy supply system of which it will be a part and other alternatives reasonably available to the applicant. For the purposes of this rule,

alternatives include but are not limited to conservation and energy production and generation methods or facilities not regulated by the Council.

(2) Risk of injury to the public health and safety in Oregon, or in adjacent areas that might be directly impacted, from the construction, operation or retirement of the facility will be reduced to that extent which is reasonably practicable. For the purposes of this subsection, "operation" of the facility includes:

(a) Those items specified in Rule _____.015(2)(c);

(b) Abnormal operation or malfunction of the facility's systems or equipment;

(c) Adverse impacts upon the facility resulting from reasonably foreseeable natural events;

(d) Acts of theft from or sabotage at the facility;

(e) Interaction of the facility with existing activities carried on in its vicinity.

(3) Reasonably foreseeable disruption to and adverse impacts upon the environment in Oregon, or in adjacent areas that might be directly impacted, including but not limited to those caused by discharges of chemicals, waste, heat, moisture, sanitary wastes and radioactivity from the construction, operation and retirement of the facility will be reduced to that extent which is reasonably practicable.

(4) The applicant will make beneficial use of wastes and by-products produced by construction and operation of the

proposed facility, including but not limited to heat, to the extent that such beneficial use is reasonably practicable.

(5) (a) With respect to site certificate applications filed after July 1, 1975, siting, construction and operation of the proposed facility will be carried out in conformance with state-wide planning goals and in conformance with comprehensive land use plans and zoning ordinances of political subdivisions in which the facility is to be located in effect on the date of filing of the notice of intent or the application for the facility, whichever is earlier.

(b) With reference to any site certificate application filed prior to July 1, 1975, siting, construction and operation of the proposed facility will be carried out in conformance with state-wide planning goals and in conformance with comprehensive land use plans and zoning ordinances of political subdivisions in which the facility is to be located in effect at the time of the Council's decision on such application.

(6) Construction and operation of the proposed facility will be conducted in a manner to avoid adverse impacts upon historic or archaeological sites, to the extent that relocation of the facility on the site can be accomplished consistent with the Council's other standards.

(7) The requirements for water used in construction and operation of the facility can be met without infringing upon the existing water rights of other persons.

(8) The applicant has the organizational, managerial and technical expertise to construct, operate and retire the proposed facility. To this end, the applicant shall present evidence relating to:

(a) The applicant's previous experience, if any, in constructing, operating and retiring similar facilities;

(b) The qualifications of the applicant's personnel who will be responsible for constructing, operating and retiring the facility; and

(c) The qualifications of any architect-engineer, major component vendor or prime contractor upon whom the applicant will rely in constructing, operating and retiring the facility.

(9) The applicant, together with all co-owners, possesses or has reasonable assurance of obtaining the funds necessary to cover estimated construction costs, operating costs for the design lifetime of the facility, including but not limited to related fuel cycle costs, and the estimated costs of retiring the facility.

(10) (a) The applicant has identified the major and reasonably foreseeable socio-economic impacts on individuals and communities located in the vicinity of the proposed facility resulting from construction and operation, including but not limited to anticipated need for increased governmental services or capital expenditures.

(b) The affected area can absorb the projected industrial and population growth resulting from construction and operation of the facility.