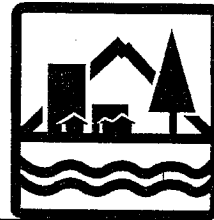

Solar Rulemaking Advisory Committee

October 15, 2010
Redmond, Oregon



Project Purpose

- Help the state land use policy makers become better informed about the relationship between commercial solar energy development and commercial farm and ranch activities.
- Consider the process for siting large scale, commercial solar energy generation facilities of Oregon's farm and ranch lands.
- Consider if existing rules address the right questions to encourage a proper balance between farm and ranch land protection and proper renewable energy development.
- Discuss statewide land use policy not specific projects.

Rulemaking Principles

- Rules should be amended only if:
 - Shown to inadequately protect farm and ranch land; and/or
 - Shown to unreasonably regulate the siting of solar facilities on farm and ranch land.

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Statewide Planning Goals

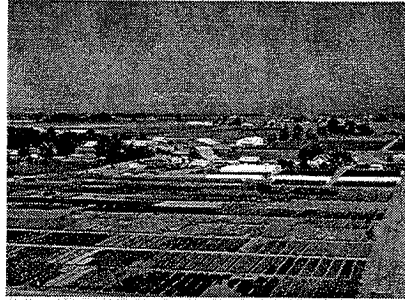
1. Citizen Involvement
2. Land Use Planning
3. Agricultural Lands
4. Forest Lands
5. Natural Resources, Scenic, Historic Areas and Open Space
6. Air, Water and Land Resources Quality
7. Areas Subject to Natural Hazards
8. Recreational Needs
9. Economic Development
10. Housing
11. Public Facilities and Services
12. Transportation
13. Energy Conservation
14. Urbanization
15. Willamette River Greenway
16. Estuarine Resources
17. Coastal Shorelines
18. Beaches and Dunes
19. Ocean Resources

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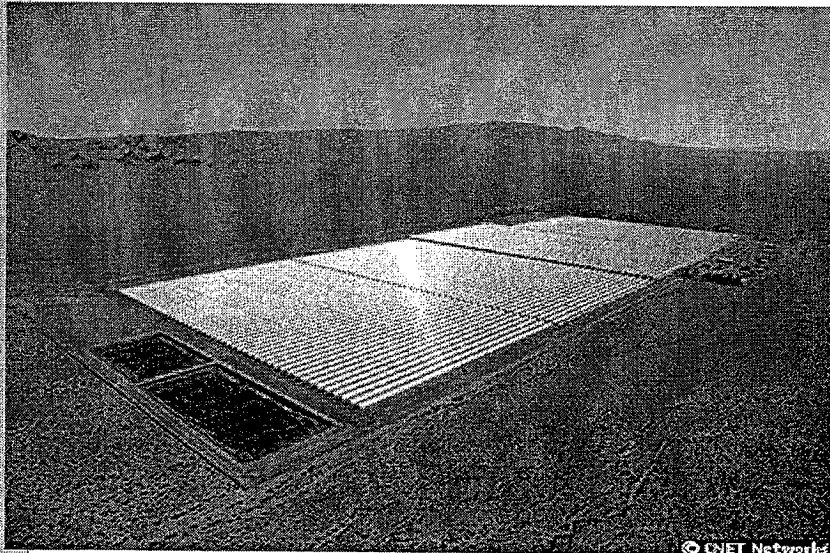
Goal 3 – Agricultural Lands

- To preserve and maintain agricultural lands

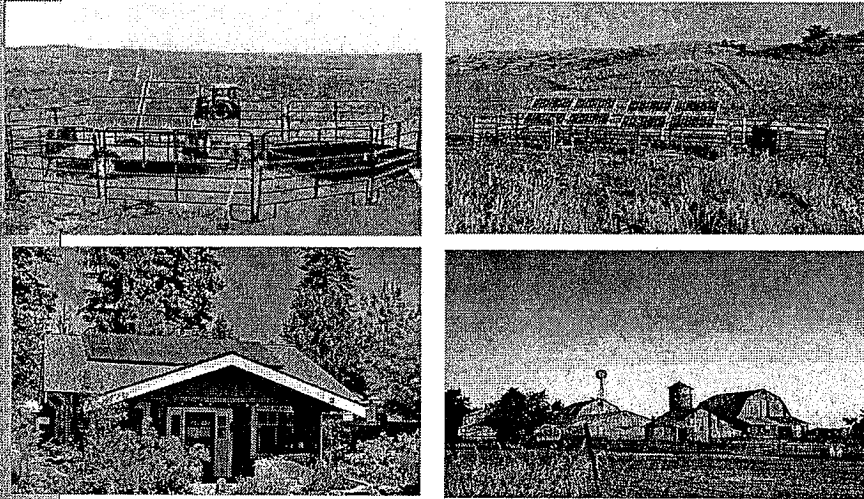
Agricultural lands shall be preserved and maintained for farm use, consistent with existing and future needs for agricultural products, forest and open space and with the state's agricultural land use policy expressed in ORS 214.243 and 215.700.



Rules Apply to Something Like This:



Not Something Like This:



Three Permitting Possibilities

- Conditional Use Permit – Smallest projects. Decision made by local planning commission after public hearing.
- Exception – Medium sized projects. Decision made by local elected officials after receiving planning commission recommendation and multiple public hearings.
- Energy Facility Siting Council (EFSC) – Largest Projects. State body holds public hearings, applies state and local land use laws, as well as other laws, and makes decisions.

Existing Rules – Agricultural Land

- OAR 660-033-0130(5) – Approval requires review by the governing body or its designate under ORS 215.296. Uses may be approved only where such uses:
 - Will not force a significant change in accepted farm or forest practices on surrounding lands devoted to farm or forest use; and
 - Will not significantly increase the cost of accepted farm or forest practices on lands devoted to farm or forest use.
- OAR 660-033-0130(17) – A power generation facility shall not preclude more than 12 acres from use as a commercial agricultural enterprise unless an exception is taken pursuant to OAR Chapter 660, Division 004
- OAR 660-033-0130(22) – A power generation facility shall not preclude more than 20 acres from use as a commercial agricultural enterprise unless an exception is taken pursuant to ORS 197.732 and OAR Chapter 660, Division 004

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Types of Exceptions

- “Reasons”
- “Physically Developed”
- “Irrevocably Committed”

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Reasons Exceptions

- OAR 660-004-0020 and 0022

Requires demonstration of “Reasons” why the policies embodied in the applicable Goal(s) shouldn’t apply and how the proposed location is especially well suited for the proposed use.

Requires an alternative analysis and an explanation why lands not requiring an exception can’t work.

Requires a demonstration that the long-term environmental economic, social and energy consequences resulting from the use at the proposed site with measures designed to reduce adverse impacts are not significantly more adverse than would typically result from the same proposal being located in other areas requiring a Goal exception.

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Basic Facts about Commercial Scale Solar Development

- Exciting time for solar industry.
- Increasing regionally, nationally and internationally.
- Need access to solar resource and transmission.
- Takes about 7.5 acres of solar panels to generate 1MW of electricity in this region.
- Solar developers tend to purchase rather than lease land.
- Costs \$4-5 million/MW to build.
- Low employee to acre/MW ratio.
- State & Local tax benefits not completely known but expected to be strong.
- Only a handful of projects actually applied for in Oregon so far. Most less than 10MW. All under 100-acres.
- Dept. of Energy rules discount solar by 2/3rds of “name plate” capacity (same as wind).
- Dept. of Energy rules require solar projects with a name place capacity of 105MW or more to be reviewed by the Energy Facility Siting Council (same as wind).
- State statute requires solar projects occupying 100 acres or more to be reviewed by the Energy Facility Siting Council.

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How Solar Compares

Project	Type	Capacity (MW)	Foot Print	Jobs	Zone
K.F. Bio Energy	Bio-mass	38.5MW	25 acres	30	HI
Bigelow Canyon	Wind	450MW - 150MW Ave.	177 acres across 25K	20	EFU
Teanaway Solar Res	Solar	75MW - 25MW Ave.	580 AC in 982 AC	5-35	Klittitas Co. WA
Hermiston Power Proj	Gas	546MW	17 acres	23	HI
Boardman	Coal	550MW	40-400 acres	110	MG

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Issues for Solar Development

- Land needs cause 12/20 thresholds to be crossed even with relatively small commercial projects.
- Exceptions process sometimes perceived as lengthy, costly and uncertain.
- Project arrangement and common ownership tenure suggest continued farm or ranch use of site unlikely.
- Locating in and amongst existing agricultural practices suggest potential for conflicts.
- Possibilities for community concern, as well as community advocacy.
- Other social and environmental issues possible, as with all large projects.

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Discussion Questions

- Are there other issues?
- Do the existing rules adequately protect farm and ranch land?
- Do the existing rules unreasonably regulate the siting of solar facilities on farm and ranch land.

