



625 Marion St. NE Salem, OR 97301-3737 Phone: 503-378-4040 Toll Free: 1-800-221-8035 FAX: 503-373-7806 www.energy.state.or.us

0035

Office of Electricity Delivery and Energy Reliability Room 8H-033 U.S. Department of Energy 1000 Independence Avenue, S.W. Washington, DC 20585 Attn: Julia Souter, Western Regional Coordinator

November 23, 2005

EPAct05 Section 368 -- Programmatic EIS Scoping Comments.

The Oregon Department of Energy (ODOE) serves as staff to the Oregon Energy Facility Siting Council, which reviews and permits transmission lines greater than 230 kV and greater than 10 miles in length, and intrastate natural gas transmission lines over 16 inches in diameter and 5 miles in length. The Department offers the following comments at the scoping phase for the Programmatic EIS on the designation of federal energy corridors on federal lands under section 368 of the 2005 Energy Policy Act.

- 1. In its Notice of Intent to issue the PEIS, USDOE described a general approach towards establishing federal corridors, but provided little information on the actual corridors or the facilities within them. As the process moves forward, ODOE expects USDOE to use the PEIS as a "tiering" document. As corridor boundaries are better defined and physical facilities within those corridors are proposed, those more specific regional and intrastate decisions must be the subject of a more focused EIS, with the principles in the PEIS acting as a framework. The PEIS should explain how this will happen.
- 2. ODOE would echo the comments of others who have pointed out that transmission planning organizations in the Western US are already performing detailed congestion studies. These groups include the Western Energy Coordinating Council (WECC), Rocky Mountain Area Transmission Study (RMATS), the Northwest Transmission Assessment Committee (NTAC), the Seams Steering Group-Western Interconnect (SSGWI) and the Committee for Regional Electric Power Coordination (CREPC). ODOE is a participant in the WECC proposal to deliver congestion studies based on work done by these groups. Draft congestion studies have already been completed by the regional transmission assessment groups, and WECC proposes to deliver completed congestion studies to USDOE by mid 2006, in support of the congestion assessment that USDOE must perform under section 1221 of the Act. ODOE expects USDOE to incorporate previously published draft and final transmission assessment reports into the programmatic EIS to minimize re-work in the future.

- 3. Among the transmission studies taken into account, USDOE should include studies that forecast transmission needs under high-renewable/high efficiency scenarios, such as those proposed by the Clean and Diversified Energy Assessment Committee (CDEAC). USDOE should assume that electricity providers in Western states meet all state mandated renewable portfolio standards (RPS), and should consider scenarios that exceed them. In its Fifth Power Plan, the Northwest Power Planning Council includes a forecast in which Oregon, Washington and Idaho can meet load growth through 2025 without increased imports from Montana, Wyoming or Utah through a combination of in-state generation, in-state renewables and demand side management.
- 4. ODOE would also like to echo the comments of others who have pointed out that the energy corridors designated on federal lands under section 368 must line up with the national interest corridors designated under section 1221. Without having either the WECC congestion studies or the DOE's definition of a "national interest corridor", designation of energy corridors on federal land would be premature and would run the risk of not matching up with designated corridors on non-federal lands.
- 5. Little information has been published to date on the relationship between the federal corridors established under section 368 and the potential national interest corridors that DOE is authorized to designate under section 1221. ODOE expects that the PEIS will clearly articulate how USDOE will coordinate its actions under these two disparate sections of the Act.
- 6. USDOE has still not issued a draft definition either for "congestion" or "corridor" for comment. The definition of "congestion" is a key first step that drives all subsequent decisions. For congestion, USDOE should either endorse the meaning of congestion that is implicit in the above mentioned WECC studies, or offer a different definition and explain its reasoning.
- 7. Section 1221 of the Act contains explicit language regarding the permitting of proposed transmission facilities within designated corridors. Section 368 does not contain comparable language. The state's role in reviewing proposed facilities on federally designated corridors is unclear. At the November 2 PEIS scooping meeting in Portland, Oregon, the USDOE representative stated verbally that USDOE will likely take the position that the permitting language in section 1221 applies to section 368 corridors as well. USDOE should clarify the permitting process and the state's role in permitting transmission facilities on the federal corridors designated under section 368.
- 8. At a joint WECC-USDOE coordination meeting of November 10 in Portland, Oregon, USDOE offered a concept for corridors that it proposes to use for the national interest corridors under section 1221. We do not know if the federal energy corridors under section 368 would be designated using the same concept, but we have concerns about the concept USDOE described on November 10. For section 1221, USDOE thinks of corridors not as well defined paths, but broadly defined "areas" where congestion is a concern. It is unclear whether these corridors would have defined boundaries. The generation and load centers that bracket such corridors could be as distant as Montana and Los Angeles. Using this "area" concept, a designated corridor could encompass an entire state or even several states. This would have the (presumably unintended) consequence of preempting all state review in entire states or even in multi-state regions.

We cannot support the exclusion of states in the siting process, and we expect that the PEIS will define how states and stakeholders will be included at the regional and local levels.

- 9. ODOE is particularly concerned about language in the Act giving states one year to issue permits for proposed transmission facilities before facing FERC preemption. The starting point for this year is not described in the Act or anywhere else. Any federally imposed deadline for any state permitting process must start with the submittal of a complete application that meets the requirements for content and format set forth in state rules.
- 10. In contrast to the "area" concept described on November 10, USDOE should consider the corridor concept defined in Oregon under state rules at OAR Chapter 345 Division 26. In Oregon, a corridor is a broad area with defined borders that has been well studied and characterized for environmental, socio-economic, agricultural and other impacts. The corridor is well enough defined so that members of the public can see it on a map. Using this concept, a corridor can be wide enough to give developers great flexibility in choosing an actual alignment. For any proposed transmission line within a corridor, the state has ample evidence that all the relevant impacts have been identified and considered, regardless of what path the developer chooses. And, the public is able to comment meaningfully because they have something specific to comment on. A corridor can be quite wide, but the wider it is, the more work it takes to characterize. Corridors should be wide enough to give transmission developers the needed flexibility, but narrow enough so that they can be studied in appropriate detail.
- 11. Once designated, federal corridors designated under section 368 will likely drive the routing of transmission facilities on private land as well, because the corridors on private land must match up with the corridor on federal lands. For this reason, in analyzing the impact of corridors on federal lands, USDOE should also take into account the impacts on surrounding private lands as well.
- 12. Siting experience in Oregon teaches us that where there are transmission facilities, fixed energy facilities will follow. For example, the location of every new generating facility in Oregon in the last 10 years was chosen based on proximity to transmission. Therefore, impacts considered in the PEIS should consider the impacts of the generation facilities that the transmission lines will serve.
- 13. Within designated federal energy corridors, USDOE should specify well defined protected areas that are not suitable for transmission line routing. ODOE acknowledges that some new transmission across federal lands should be considered in the future. However, within those federal lands there are particularly valuable or sensitive areas that should be avoided and should be formally protected. These protected areas would act as islands within the larger corridors. In Oregon, we have done this by rule. USDOE should designate protected areas as part of the PEIS.
- 14. The PEIS should describe how the programmatic approach to corridor designation will address the impacts covered by existing laws at the state and federal level. ODOE expects that consistency with federal laws such as ESA, Clean Water Act, Clean Air Act will be addressed in the PEIS. The PEIS should also describe how USDOE will identify applicable state and local regulations and take those into account in designating corridors. In Oregon, the statutes at ORS 469.300 *et seq.* and the regulations at Oregon

Administrative Rule chapter 345 should be taken into account during any corridor designation process.

- 15. Much of the federal land in Oregon either is in agricultural use or borders private land that is in agricultural use. Much of the private land bordering federal land in Oregon is zoned for "Exclusive Farm Use". In addition to the impacts on cultural resources, habitat, socioeconomic impacts, public safety, and environmental justice, USDOE should inventory the agricultural uses in the areas proposed for consideration as energy corridors, and should consider the impacts on agriculture on affected and adjacent lands.
- 16. It is difficult to offer more specific comments at the scoping stage, because no actual corridors have been described. The PEIS should include detailed descriptions and easily accessible maps showing just what corridors are proposed.

The Department appreciates this opportunity to comment and looks forward to working with USDOE in the months to come.

Sincerely,

Adam Bless

Senior Energy Facilities Analyst Oregon Department of Energy

Som Blen