BEFORE THE STATE OF WASHINGTON ENERGY FACILITY SITE EVALUATION COUNCIL

In the Matter of:

Application Docket No. EF-220355

Innergex Renewable Development USA, LLC,

Wautoma Solar Energy Project Applicant

REPORT TO THE GOVERNOR ON APPLICATION DOCKET NO. EF-220355

Table of Contents

I. Executive Summary
A. Application
B. Recommendation
II. Detailed Summary of the Application and the Council's Review Process
A. Innergex Renewable Energy and the Wautoma Solar Energy Facility
B. The Council and the Application review Process
C. Informational Public Hearing
D. Land Use Consistency Hearing
E. Compliance with Chapter 80.50 RCW and State Environmental Policy Act
F. Tribal Engagement
G. Adjudicative Proceeding7
III. RCW 80.50.010 STANDARD FOR RECOMMENDATION
IV. CONCLUSION AND RECOMMENDATION
Signatures
Attachment 1: Final Adjudicative Order11
Attachment 2: Index of Supporting Documentation
Attachment 3: File Name Abbreviations and Acronyms
Attachment 4: Certificate of Service

I. Executive Summary

A. Application

Innergex Renewable Energy, USA, LLC (Innergex or Applicant) has applied under the Energy Facility Site Locations Act, RCW 80.50, for site certification to construct and operate the Wautoma Solar Energy Facility (Project or Facility) in unincorporated, northwest Benton County. Innergex proposes a 470 MW solar photovoltaic (PV) facility that would include a 470 MW battery energy storage system (BESS). The Project would interconnect with the Bonneville Power Administration (BPA) transmission system.

B. Recommendation

The Energy Facility Site Evaluation Council (EFSEC or Council) recommends the Governor approve the Wautoma Solar Energy Project. The Council also recommends that certain conditions be imposed if the application is approved, as detailed in this recommendation.

The Council carefully considered: (1) the policies set forth in RCW 80.50.010 regarding the need for abundant clean energy sources to meet the state's greenhouse gas reduction goals and to mitigate the effects of climate change while ensuring through reasonable methods that all energy facilities will produce minimal adverse impacts on the environment; (2) public comments; (3) the record, findings and conclusions of the Council's adjudicative order; (4) the agency's State Environmental Policy Act review and mitigated determination of nonsignificance; (5) the issues raised during staff-level coordination with affected federally recognized tribes; and (6) commitments made by the Applicant in its Application, at hearings, and in other relevant documents.

The Council concludes that the conditions identified in this report and set forth in the accompanying draft Site Certification Agreement (SCA) are reasonable methods to minimize the adverse impacts of the proposed Project on the environment and to consider the broad interests of the public including affected tribes. The Council finds that with the recommended mitigation measures, the proposed Project meets the requirements of applicable law and comports with the policies and intent of Chapter 80.50 RCW.

II. Detailed Summary of the Application and the Council's Review Process

A. Innergex Renewable Energy and the Wautoma Solar Energy Facility

The Application: Innergex filed its application for site certification for the Project on June 9, 2022, and amended it on August 23, 2024, and October 9, 2024.

The Applicant is a wholly owned subsidiary of Innergex Renewable Energy Inc., headquartered in Longueuil, Canada. Innergex operates 4,328 MW of gross installed capacity from its 88 facilities in Canada, the United States, France, and Chile. Its expertise is in hydroelectricity, wind power, solar energy, and energy storage.

The Project: The Facility is proposed to be located approximately 12.5 miles north of the city of Sunnyside and one mile south of the intersection of State Routes 241 and 24 in unincorporated northwest Benton County. It would be located on 35 privately owned, leased parcels of agriculturally zoned land known as Robert's Ranch. The leased boundary encompasses 5,852 acres. The lands are currently used for sheep grazing with limited crop cultivation.

The Application seeks authority to generate up to 470 MW of solar PV energy from approximately 1.3 million solar panels. A 470 MW battery energy storage system, along with ancillary equipment, is included in the project. The facility would connect to the on-site, BPA owned, Wautoma Substation, via a .25-mile overhead transmission line. The Project footprint will be 2,974 acres.

B. The Council and the Application review Process

EFSEC is an agency of the State of Washington established under RCW 80.50.010. One of the EFSEC Council's responsibilities is to review applications from private developers for authorization to construct and operate specified energy facilities, including alternative energy resource facilities that choose to apply for certification under RCW 80.50.060(1)(b). After reviewing the application and receiving information from the public, other agencies, and affected Tribes, the Council develops a recommendation for the Governor on whether to approve the application, and if so, on what conditions. If the Council recommends approval, it provides a draft site certification agreement that includes its recommended conditions for signature by the Governor and the applicant. In developing a recommendation, the Council's mandate is to balance the need for abundant energy at a reasonable cost with the broad interests of the public. RCW 80.50.010; see also WAC 463-47-110.

Council representatives participating in this process are Kathleen Drew, Council Chair; Elizabeth Osborne, Department of Commerce (Commerce); Eli Levitt, Department of Ecology (Ecology); Mike Livingston, Department of Fish and Wildlife, (WDFW); Lenny Young, Department of Natural Resources, (DNR); Stacey Brewster, Washington Utilities and Transportation Commission, (UTC); Paul Gonseth, Washington State Department of Transportation (WSDOT); and Dave Sharp, Benton County. Administrative Law Judge, Dan Gerrard, was appointed by the Office of Administrative Hearings, through an interagency agreement with EFSEC, to facilitate the adjudicative process.

The Council's review of Innergex's application for site certification consisted of multiple separate and distinct procedural steps. A detailed summary of the activities associated with each step is provided below.

C. Informational Public Hearing

EFSEC must conduct an informational public hearing in the County of the proposed project not later than sixty days following the receipt of an application.¹ This hearing shall consist of a

¹ RCW 80.50.090(1), WAC 463-26-025.

presentation of the proposed project by the applicant, and the general public shall be afforded an opportunity to provide written or oral comments.²

Consistent with this requirement, the Council conducted an informational public hearing on August 8, 2022, in Benton County. Pursuant to RCW 80.50.090(1) and WAC 436-26-025, the Applicant and EFSEC staff gave presentations about the Project proposal and EFSEC application review process, respectively. The Counsel for the Environment was introduced and provided a description of the duties of this position. EFSEC provided public notice and invited the public to comment at this hearing.

The Council received a total of 15 oral comments during the informational public hearing and an additional 17 written comments. The comments included both support and opposition to the Project. Comments expressed concern for wildlife, shrub-steppe habitat, zoning, agricultural lands, traffic, visual impacts, waste disposal, the EFSEC review process, and economic opportunities.

D. Land Use Consistency Hearing

Subsequent to the informational public hearing, EFSEC must conduct a land use consistency hearing pursuant to RCW 80.50.090(2) and WAC 463-26-050. The Council must then decide whether the proposed site is consistent and in compliance with local land use plans and zoning ordinances.³

The Council held a Land Use Consistency hearing on August 8, 2022, to determine whether the Project's use of the proposed site is consistent with local or regional land use plans and zoning ordinances in effect at the time the Application was submitted.⁴ Information was provided by both the Applicant and the County during this hearing. The Council determined the Project to be inconsistent with Benton County land use plans and zoning ordinances in effect as of June 9, 2022, the filing date of the application⁵.

E. Compliance with Chapter 80.50 RCW and State Environmental Policy Act

The Council must comply with State Environmental Policy Act (SEPA), Chapter 43.21C RCW, which requires consideration of probable significant adverse environmental impacts of certain government actions, including approval or denial of an application to site an energy facility, and possible mitigation. EFSEC SEPA rules are set out in Chapter 463-47-WAC. The Council's responsible SEPA official is the EFSEC Director.⁶ If the Council's SEPA official finds that any adverse environmental impacts can be mitigated to nonsignificant levels, they may issue a mitigated determination of non-significance.

² WAC 463- 26-025.

³ RCW 80.50.090(2); see also WAC 463-26-110.

⁴ RCW 80.50.090, WAC 463-14-030.

⁵ EFSEC Order 886

⁶ WAC 463-47-051.

On May 24, 2024, EFSEC's Director, Sonia Bumpus, issued a Mitigated Determination of Nonsignificance (MDNS) followed by a 14-day public comment period. On June 14, 2024, EFSEC finalized its SEPA threshold determination with minimal changes to the MDNS. All mitigation measures identified in the Revised MDNS (RMDNS) have been included within the draft Site Certification Agreement.⁷ Director Bumpus determined these measures can reduce all identified project impacts to a level of nonsignificance.

F. Tribal Engagement

Consistent with RCW 80.50.060(8), EFSEC seeks ways to avoid, minimize, or mitigate any adverse effects on tribal resources and rights and aims to include methods for increased protection of tribal cultural resources, archaeological sites, and sacred sites in its recommended conditions for energy facility siting. EFSEC recognizes that the Wautoma Solar project is located within the traditional territories of the Confederated Tribes and Bands of the Yakama Nation (Yakama Nation) and the Wanapum Tribe, with periodic use of the area from the Nez Perce and Confederated Tribes of the Umatilla Indian Reservation as well.

RCW 80.50.060(8) requires EFSEC to provide early and meaningful participation and input from federally recognized tribal governments that possess resources, rights, or interests reserved or protected by federal treaty, statute, or executive order in the area where an energy facility is proposed, including early and meaningful participation and input during the siting review process and in ongoing compliance monitoring of proposed energy facilities.

Following the receipt of the Application for Site Certification on June 9, 2022, EFSEC notified affected tribal governments and provided directions for application review on July 18, 2022. Government-to-government consultation is distinct from the required regulatory public comment periods and staff-level engagement. For this Wautoma Solar Project, in response to EFSEC's invitation, neither the Yakama Nation nor other recognized Tribes requested formal government-to-government consultations; rather, technical-level staff coordination occurred. Feedback from the Yakama Nation Cultural Resource Program (CRP) staff was considered during the development of the mitigation measures identified in the Revised MDNS. EFSEC provided continued notifications to affected tribal governments throughout the process, including notices of public meetings, the land use consistency hearing, and the SEPA comment period.

The Department of Archeological and Historic Preservation's (DAHP) predictive model for cultural resources identified areas as having potential for cultural resources. EFSEC, DAHP, and Yakama Nation CRP staff engaged in coordination and technical level review. Yakama Nation CRP staff provided comments regarding the cultural resource surveys. Feedback from Yakama Nation CRP staff was considered into the SEPA threshold determination and issuance of the RMDNS. In their technical review of the applicant's cultural resources survey and in review of the project overall, Yakama Nation CRP staff requested full avoidance of precontact archaeological resources.

⁷ See Wautoma RMDNS, dated June14, 2024.

The following mitigation measures included in the RMDNS, the ASC, and/or the draft SCA address some of the mitigation requests⁸ presented by Yakama Nation CRP:

- If a site identified as being avoided within the Wautoma Project Boundary Area is going to be altered during construction or operations, the Applicant must consult with DAHP, any concerned Tribes, and EFSEC. An archaeological excavation permit through DAHP is required prior to any alteration.
- Prior to the start of construction, the applicant must submit to EFSEC a Concurrence Letter from DAHP stating approval of the revised Cultural Resources Survey Reports.
- Prior to the start of construction, the Applicant must submit updated Unanticipated Discovery plans outlining steps taken to avoid precontact archaeological resources, including avoidance mechanisms proposed in the initial cultural resource reports. These plans must be developed in coordination with EFSEC, DAHP, and the Yakama Nation.
- Mitigation discussions must be ongoing once site impacts are fully assessed by EFSEC, the Yakama Nation, and DAHP. These discussions should occur on a case-by-case basis and include both the Yakama Nation and DAHP.

G. Adjudicative Proceeding

The Council's adjudicative process, its participants, and the Council's findings and conclusions regarding the contested issues are set out in detail in the Adjudicative Order, Order No. 896, Attachment 1 to this Recommendation.⁹

The Adjudicative Order, pursuant to RCW 34.05.461(4), confined its scope to two issues: (1) whether the Council should recommend that the state preempt, for the site, Benton County's zoning ordinances prohibiting major solar facilities on agricultural land, and (2) if so, what conditions the Council should include in a draft certification agreement to consider the purposes of the preempted ordinances.

Based on legal arguments and testimony presented by the Applicant and Benton County and public comments presented in the adjudication, the Council determined that it was appropriate to recommend preemption of Benton County's zoning ordinances as to the proposed Facility. The Council also determined that the conditions included in the Revised MDNS for decommissioning, gravel use, soil monitoring, and soil management sufficiently consider the purposes of the preempted Benton County zoning provisions that would be affected by the construction and operation of the Facility.

RCW 80.50.110 grants the Governor the authority to preempt state and local laws governing the regulation of energy facilities. This authority was upheld by *Residents Opposed to Kittitas Turbines v. EFSEC, 165 Wn.2d 275, 197 P.3d 1153 (2008)*, and subsequently with *Friends of the Columbia Gorge, Inc, and Save our Scenic Area vs. Energy Facility Site Evaluation Council and Governor Gregoire, et. al., 178 Wash.2d 320 (2013) No. 88089-1,* when the Court affirmed not only the Governor's authority to preempt local land use provisions but also unequivocally agreed

⁸ Yakama Nation CRP requested more mitigation for potential impacts to traditional cultural places and cumulative impacts than was incorporated. Please see the RMDNS and the associated staff memo for more detail on the EFSEC Director's reasoning for not including all Yakama Nation CRP's requests.

⁹ See Attachment 1, Order 892.

the Energy Facility Site Location Act (EFSLA – RCW 8.50) supersedes the Growth Management Act (GMA – RCW 36.70A). The Department of Commerce, the agency charged with administering the GMA, itself concluded that its regulations should accommodate situations where the state has explicitly preempted all local land use regulations, as for example, in the siting of major energy facilities under RCW 80.50.110. WAC 365-195-745(1).

III. RCW 80.50.010 STANDARD FOR RECOMMENDATION

State law establishes policies that inform how the Council is to exercise its authority to develop a recommendation to the Governor on an application for site certification.

With regard to the need for clean energy facilities and the interests of the public, RCW 80.50.010 provides as follows:

It is the policy of the state of Washington to reduce dependence on fossil fuels by recognizing the need for clean energy in order to strengthen the state's economy, meet the state's greenhouse gas reduction obligations, and mitigate the significant near-term and long-term impacts from climate change while conducting a public process that is transparent and inclusive to all with particular attention to overburdened communities. It is the policy of the state of Washington to recognize the pressing need for increased energy facilities, and to ensure through available and reasonable methods that the location and operation of all energy facilities . . . will produce minimal adverse effects on the environment, ecology of the land and its wildlife, and the ecology of state waters and their aquatic life.

It is the intent to seek courses of action that will balance the increasing demands for energy facility location and operation in conjunction with the broad interests of the public.

State policy mandates the development of power that satisfies renewable energy requirements. Washington's greenhouse gas emissions reduction requirements include a statewide 45 percent reduction by 2030, 70 percent reduction by 2040, and 95 percent reduction by 2050.¹⁰ The Climate Commitment Act contemplates that meeting Washington's climate goals will require coordinated, comprehensive, and multisectoral implementation of policies, programs, and laws.¹¹ Among the State's economic and climate policies is the Clean Energy Transformation Act (CETA), which requires all electric utilities serving retail customers in Washington to be greenhouse gas neutral by 2030. By 2045, utilities cannot use offsets anymore and must supply Washington customers with electricity that is 100 percent renewable or non-emitting. It is amid this broader policy context, that the Washington legislature recognizes in RCW 80.50.010 the need for clean energy and has directed the Council to encourage the development of clean energy sources and the provision of abundant clean energy at reasonable cost.

¹⁰ RCW 70A.45.020(1)(a)(ii)–(iv).

¹¹ RCW 70A.65.005(2).

In summary, in its recommendation to the Governor, the Council must carefully consider the evidence in the record and seek a balance between the need for clean energy at a reasonable cost and the need to ensure that the location of energy facilities will produce minimal adverse effects on the environment.

IV. CONCLUSION AND RECOMMENDATION

The Council has considered the application for site certification, the adjudicative record, the RMDNS, the public comments, and staff coordination with Yakama Nation staff. As a result of this review, the Council finds that the Project should be approved as conditioned. The Council is persuaded that the Project presents no significant impacts to wildlife movement corridors, shrub-steppe habitat, agricultural lands, visual aesthetics, archaeological and architectural resources, traditional cultural properties, and water resources among other factors

The record before the Council supports the decision to recommend approval, subject to the restrictions and other mitigations, and protective measures identified in the SCA, RMDNS, and ASC. These elements will, in the Council's judgement, minimize the adverse local impacts of the Project as much as is reasonable consistent with the balancing of policies described in RCW 80.50.010.

Signatures

WASHINGTON ENERGY FACILITY SITE EVALUATION COUNCIL

Elizabeth Osborne

Department of Commerce

Stacey Brewster Utilities and Transportation Commission

Lenny Young

Department of Natural Resources

David Sharp

Benton County

Eli Levitt

Department of Ecology

vingston

Department of Fish and Wildlife

Paul Gonseth Department of Transportation

NOTICE TO PARTIES: In accordance with WAC 463-30-335, administrative relief may be available through a petition for reconsideration of the Recommendation Package to the Governor. The Council requires requests for reconsideration to address all of the filing party's concerns raised by the Recommendation Package in a single petition. Petitions for reconsideration must be filed within 20 days of the service of this Order and the Recommendation Package to the Governor. If any such petition for reconsideration is filed timely, the deadline for answers is fourteen days after the date of service of each such petition. The formatting of petitions for reconsideration shall be governed by WAC 463-30-120 and shall be limited to 50 pages.

Attachment 1: Final Adjudicative Order

BEFORE THE STATE OF WASHINGTON ENERGY FACILITY SITE EVALUATION COUNCIL

In the Matter of the Application of:	DOCKET NO. EF-220355
Innergex Renewable Development USA, LLC,	COUNCIL ORDER NO. 896
Wautoma Solar Energy Project	ADJUDICATIVE ORDER
Applicant	RECOMMENDING PREEMPTION OF
	LOCAL LAND USE LAWS

OVERVIEW

In this Order, the Energy Facility Site Evaluation Council (Council or EFSEC) sets forth its determination, based on the adjudicative record, to recommend preemption of Benton County's ban on major solar facilities on agriculturally zoned property with respect to the proposed Wautoma Solar Project (Project) site.

The evidence presented through the adjudicative hearing convinces us that the declining water supply from the aquifer beneath the Project site means the land is of relatively marginal agricultural value. The Council appreciates that the Applicant's lease of the Project land will allow the multigenerational farm family owners to obtain revenue, while continuing to farm on land outside the project footprint on a scale that is more consistent with the reduced water availability. The Project site otherwise poses only minimal impacts and takes advantage of close proximity to an interconnection point with the Bonneville Power Administration transmission line.

The Council also finds that the conditions included in the Revised MDNS for project decommissioning, gravel use, soil monitoring, and soil management should be required in consideration of the state, local governmental, and community interests in protecting agricultural land and the purposes of the Benton County zoning provisions that would be preempted for the Project.

The County argues that the Council should decline to preempt its zoning for the site because there are no mitigation measures that can sufficiently protect state and local interests in preventing the conversion of local agricultural lands of long-term commercial significance ("ALLTCS"). However, the County's designation of ALLTCS did not consider parcel-specific circumstances, and in reviewing an application for site certification, this Council has the authority and responsibility to consider site-specific arguments advanced for either overriding or upholding zoning restrictions. The Council is charged with weighing the need for abundant clean energy against other important interests, including the need to preserve valuable agricultural land. In this case, the Council finds that the balance of interest tips in favor of preempting local land use regulations to enable the siting of the Project at the proposed site.

EFSEC will forward the adjudicative record and this Order to the Governor. The Council will also send a Recommendation to the Governor per RCW 80.50.100 that considers the adjudicative record and findings of this Order, the SEPA record, public comments, and input received from federally recognized tribes.

TABLE OF CONTENTS

OV	ERV	/IEW
I.	BA	CKGROUND
	A.	EFSEC AND THE APPLICATION REVIEW PROCESS
	B.	REVIEW OF INNERGEX'S APPLICATION PRIOR TO THE ADJUDICATIVE
		HEARING
II.	AD	JUDICATION
	A.	JURISDICTION AND AUTHORITY
	B.	ISSUES ADJUDICATED
	C.	PARTICIPANTS AND EXHIBITS
D.	FIN	DINGS OF FACT
	E.	PUBLIC COMMENTS
	F.	ARGUMENTS PRESENTED BY THE PARTIES 10
		1. Benton County
		2. Applicant
III.	DIS	SCUSSION AND DECISION11
	Α.	LEGAL STANDARD11
	В.	COUNCIL'S DETERMINATIONS ON THE ISSUES
		1. Issue 1: Preemption of inconsistent zoning 12
		2. Issue 2: Conditions to recognize the purpose of preempted ordinances
IV.	OR	2 DER

I. BACKGROUND

A. EFSEC AND THE APPLICATION REVIEW PROCESS

The Energy Facility Site Evaluation Council (EFSEC or Council) is an executive branch agency created by Chapter 80.50 RCW. The Council's responsibilities include recommending to the Governor whether applications to construct proposed energy facilities on sites located within the state of Washington should be granted.

The Council Chair is appointed by the Governor with the advice and consent of the Senate. The Departments of Commerce, Ecology, Fish and Wildlife, Natural Resources, and the Utilities and Transportation Commission appoint members to the Council, as does the county or city in which the proposed project is to be sited.¹

The Council for the Wautoma Solar Energy Project consists of Council Chair Kathleen Drew and members Elizabeth Osborne, Department of Commerce; Eli Levitt, Department of Ecology; Lenny Young, Department of Natural Resources; Mike Livingston, Department of Fish and Wildlife; Stacey Brewster, Utilities and Transportation Commission; Paul Gonseth, Department of Transportation; and David Sharp, Benton County.

Chapter 80.50 RCW sets out the Council's required procedural steps for reviewing an ASC.²

Part of what the Council considers in reviewing an application is local land use plans and zoning ordinances applicable to proposed facility sites. RCW 80.50.090(2) requires the Council to "conduct a public hearing to determine whether or not the proposed site is consistent and in compliance with city, county, or regional land use plans or zoning ordinances on the date of the application."

If EFSEC determines the proposed site to be inconsistent with local land use provisions, it subsequently holds an adjudicative proceeding to consider preemption. The Council is required to determine, based on that proceeding, whether to recommend to the governor that the state preempt the land use plans, zoning ordinances, or other development regulations for a site or portions of a site for the energy facility or alternative energy resource proposed by the applicant. WAC 463-28-060.

The Council must also comply with the State Environmental Policy Act, RCW 43.21C and WAC 463-47. The EFSEC Director, as the agency's "responsible official" under SEPA, must make a threshold determination as to whether the project is likely to have significant adverse environmental impacts requiring the preparation of an environmental impact statement. The outcome of this threshold determination can affect whether the Council must hold an adjudicative hearing on the application, as otherwise required by RCW 80.50.090(4) to hear general testimony in support of or opposition to the application. If the Director determines that the environmental

¹ RCW 80.50.030 allows the Departments of Agriculture, Health, Military, and Transportation the option to appoint a representative to the Council for any project of specific interest to those agencies. In this matter, the Department of Transportation appointed Council member Gonseth.

² See RCW 80.50.071–.100; see also Chapters 463-26 and 463-30 WAC.

impact of the proposed facility is not significant or will be mitigated to a nonsignificant level, the Council may limit the adjudicative hearing to the issue of whether any land use plans or zoning ordinances with which the proposed site is inconsistent should be preempted. RCW 80.50.090(4)(b).

The Council considers the application, public comments, its adjudicative order, the Director's SEPA determination, and any government-to-government consultations with affected federally-recognized tribal governments in developing its final recommendation to the Governor. The Council is required to send its report and make its recommendation to the Governor as to approval or rejection of an ASC within twelve months of receipt of a complete application, or such later time as mutually agreed by the Council and the Applicant.³

If the Council recommends approval of an application for certification, it must also submit a draft certification agreement with the report. The Council must include conditions in the draft certification agreement to implement the provisions of RCW 80.50 including conditions to protect state, local governmental, or community interests, or overburdened communities affected by the construction or operation of the facility, and conditions designed to recognize the purpose of laws or ordinances, or rules or regulations promulgated thereunder, that are preempted or superseded pursuant to RCW 80.50.110. RCW 80.50.100(2).

The state is authorized to preempt the regulation and certification of the location, construction, and operational conditions of certification of the energy facilities included under RCW 80.50.060. RCW 80.50.110(2). *See also* WAC 463-28-020.

B. REVIEW OF INNERGEX'S APPLICATION PRIOR TO THE ADJUDICATIVE HEARING

On June 9, 2022, Innergex Renewable Development USA, LLC, submitted to the Energy Facility Site Evaluation Council an application for site certification (Application or ASC) of the proposed Wautoma Solar Energy Project site in unincorporated Benton County.

The application requested site certification for the construction and operation of a solar photovoltaic (PV) project with a battery storage system. The Project's proposed location is in unincorporated Benton County, 12.5 miles northeast of the city of Sunnyside and 1 mile south of the State Route (SR) 241 and SR 24 interchange. The Project would be a 470-megawatt PV generation facility coupled with a 4-hour battery energy storage system (BESS) sized to the maximum capacity of the Project, as well as related interconnections and ancillary support infrastructure. Applicant Exhibit ("Appl. Ex.") 2.

On August 8, 2022, the Council conducted a hybrid in-person/virtual land use consistency hearing, to hear testimony regarding whether the Project was consistent and in compliance with Benton County's local land use provisions.

³ RCW 80.50.100(1)(a).

Some Council members, along with interested members of the public, assembled in Benton County on the afternoon of November 2, 2022, for a site visit that included a tour of the proposed site.

On November 15, 2022, the Council issued Council Order 886, Order Finding Project Inconsistent with Land Use Regulations, which found the Project, as proposed by the Applicant, was inconsistent with Benton County's local zoning regulations. Council Order 886.

Council Order 866 set the matter for adjudication to consider whether to recommend preemption of Benton County's land use and zoning regulations. *Id*.

Council Order 866 further set out, "[i]f the environmental impact of the proposed facility is determined by the EFSEC responsible official to be non-significant or if the facility's impacts will be mitigated to a non-significant level, the Council may limit the topic of the general adjudicative proceeding required by RCW 80.50.090(4) to whether any land use plans or zoning ordinances with which the proposed site is determined to be inconsistent should be preempted." *Id.* at 6.

On May 15, 2024, EFSEC's SEPA responsible official, Director Sonia Bumpus, issued the State Environmental Policy Act (SEPA) threshold determination. Appl. Ex. 15.

The SEPA threshold determination concluded that "EFSEC has identified conditions that would allow it to issue a DNS [determination of nonsignificance], or the applicant has clarified or changed their proposal to include additional measures that allow EFSEC to issue a DNS. The DNS should be identified as mitigated. . . . *Id.* at 31.

Director Bumpus further, "identified no probable significant adverse environmental impacts if the mitigation measures identified in part B are included in a DNS and in the Site Certification Agreement" and recommended "a Mitigated Determination of Nonsignificance with a 14-day public comment period." *Id.* at 32.

On June 14, 2024, EFSEC issued a Final Revised Mitigated Determination of Nonsignificance (MDNS). Appl. Ex. 16.

The Final MDNS determined that various mitigation measures were appropriate to minimize the proposal's impact to adjoining land that would remain in agricultural use, and to conserve soil and soil quality and provide for the land being returned to agricultural use if it ceases to operate as an energy facility. *Id.* at 9–10.

On June 20, 2024, the Council issued an *Order Commencing Agency Adjudication* delegating authorities to Administrative Law Judge Dan Gerard. That order set a deadline of July 12, 2024, for receipt of petitions for intervention and scheduled a telephonic pre-hearing conference for

July 22, 2024. The Applicant and Benton County were considered parties of right to the adjudication per EFSEC rule.⁴ Counsel for the Environment (CFE) was a party by statute.⁵ No other parties elected to participate in these proceedings.

As required by WAC 463-60-116(2), Innergex filed its revised Application on August 23, 2024.

II. ADJUDICATION

A. JURISDICTION AND AUTHORITY

The Energy Facility Site Evaluation Council has jurisdiction over the subject matter of this adjudicative proceeding and the parties to it under the regulatory authority established in Chapter 80.50 RCW. See RCW 80.50.040(7), RCW 80.50.060(1)(b)(ii), WAC 463-30-080, and WAC 463-28-060.

The Council conducted this adjudicative proceeding as part of its application review process pursuant to the Administrative Procedure Act, Chapter 34.05 RCW, as required by RCW 80.50.090(3) and Chapter 463-30 Washington Administrative Code (WAC).

B. ISSUES ADJUDICATED

Consistent with the *Order Commencing Agency Adjudication* the scope of the adjudication was limited to two issues:

1. If the Energy Facility Site Evaluation Council (EFSEC or Council) should recommend to the Governor that the state preempt the land use plans, zoning ordinances, or other development regulations for the site for the alternative energy resource proposed by Innergex Renewable Development USA, LLC, for Wautoma Solar Energy Project (Applicant).

2. If the Council approves the Applicant's request for preemption, what conditions the Council should include, if any, in a draft certification agreement to consider state or local governmental or community interests affected by the construction or operation of the alternative energy resource and the purposes of laws or ordinances, or rules or regulations promulgated thereunder that are preempted pursuant to RCW 80.50.110(2).

C. PARTICIPANTS AND EXHIBITS

The Council, assisted by the administrative law judge, presided over a virtual adjudicative hearing on September 25, 2024.⁶ These hearings allowed for each party's witnesses to provide testimony under oath and then submit to cross-examination. Council members also posed their own questions to the witnesses. As part of the adjudicative hearing process, the Council held a virtual public comment meeting on the evening of Thursday, October 3, 2024.

⁴ See WAC 463-30-060(1) and WAC 463-30-050.

⁵ See RCW 80.50.080; see also WAC 463-30-060(3).

⁶ Council member Levitt was not present at the virtual hearing on September 25. He independently reviewed the transcript and exhibits admitted to the record in preparation for deliberations.

Energy Facility Site Evaluation Council Quorum: Kathleen Drew, EFSEC Chair Elizabeth Osborne, Department of Commerce Mike Livingston, Department of Fish and Wildlife Lenny Young, Department of Natural Resources Stacey Brewster, Utilities and Transportation Commission David Sharp, Benton County Paul Gonseth, Department of Transportation

Presiding Officer: Administrative Law Judge Dan Gerard

Applicant: Innergex Renewable Development USA LLC Representatives: Erin Anderson, Attorney; Andrew Lewis, Attorney Witnesses: Laura O'Neill, Wally Jossart, Leslie McClain, Robin Robert,

Participating Party: Benton County Representative: LeeAnne Holt, Attorney Witnesses: Greg Wendt, Michelle Mercer,

Participating Party: Counsel for the Environment Representative: Yuriy Korol, Assistant Attorney General

Exhibits: Applicant's Exhibits 2 through 6, 8 through 12, 14 through 28 were admitted. Benton County's Exhibits A through E were admitted.

Additional Documents Considered: Council Order 886 Finding Project Inconsistent with Land Use Regulations Agreed Stipulation of Facts

D. FINDINGS OF FACT

The Council makes the following findings of fact based on the record in this case.

1. The real property that is the subject of the Wautoma Solar Energy Project Application for Site Certification – Volume I consists of the thirty-five (35) parcels ("Subject Properties"). Appl. Ex. 2 at 16.

2. The Subject Properties collectively total five thousand eight hundred fifty-two (5,852) acres. *Id*.

3. The Subject Properties are all located within Benton County's Growth Management Act Agriculture District (GMAAD). *Id*.

4. The amount of land constituting the Project Area is approximately 4,573 acres of the total Subject Properties. *Id*.

5. The Project is proposed primarily on land leased from: Robert and Marilyn Ford; Wautoma Energy LLC; Robert Ranch 5+1 LLC; Et Al Michael V Robert; High Valley Land LLC; Jean Emile Robert; and Robin Robert in Benton Co, WA. *Id.* at 13–14, 280.

6. Within the Project Area a smaller area of approximately 2,978 acres, will be unavailable for agricultural use during the operational period of the project. Stipulation of Facts.

7. In general, the Project Area is on relatively flat terrain with slopes of less than 3%. Appl. Ex. 2 at 17.

8. There are 649,153 acres of GMAAD-zoned land in Benton County. Stipulation of Facts.

9. Benton County classifies all GMAAD zoned land within the County as ALLTCS. Testimony of Greg Wendt.

10. The total area of the Subject Property (5,852 acres) makes up 0.9% percent (ninetenths of one percent) of the total GMAAD zoned land in Benton County (649,153 acres) and the area that would be unavailable for agricultural use (2,978 acres) during the life of the Project is slightly less than one half of one percent (0.45%) of the total GMAAD zoned land in Benton County. Stipulation of Facts.

11. The aquifer on the Subject Property has been in decline for numerous years, necessitating the landowners to either drill deeper wells or curtail their farming operations to account for the depleted water supply. Testimony of Robin Robert.

12. EFSEC's Revised MDNS retained all conditions on Land Use proposed in the ASC and included additional conditions. Appl. Ex. 2 at 17.

13. Applicant agrees to the imposition of all MDNS conditions in a site certification agreement. *Id*.

14. Benton County conducts land use planning and zoning under the Growth Management Act, Chapter 36.70A RCW. *Id*.

15. The purpose of Benton County's Growth Management Act Agricultural District (GMAAD) zone is

to meet the minimum requirements of the State Growth Management Act (Chapter 36.70A RCW) that mandates the designation and protection of agricultural lands of long term commercial significance. [Benton County Code chapter 11.17] protects the GMA Agricultural District (GMAAD) and the

activities therein by limiting non-agricultural uses in the district to those compatible with agriculture and by establishing minimum lot sizes in areas where soils, water, and climate are suitable for agricultural purposes.

Benton County Exhibit B (BC Ex. B); Benton County Code (BCC) 11.17.010.

16. BCC 11.17 outlines allowable uses of GMAAD lands outside of agriculture. Specifically, the following uses are permissible: floriculture, horticulture, nursery and general farming, agricultural buildings, agricultural related industries such as wineries, breweries, and distilleries, agricultural stands, bakeries, single family dwellings, manufactured homes constructed after 1976, commercial specialty/exotic domesticated animal raising, aquaculture, adult family homes, community club houses, grange halls, and other nonprofit organization halls, commercial establishments that primarily provide custom agricultural land grading, plowing, planting, cultivating, harvesting and soil preparation services, personal airstrips, schools, churches, commercial and private kennels, communication facilities, 1 wind turbine with related support structure, meteorological towers, commercial stables, private stables, and riding academies. BC Ex. B; BCC 11.17.040.

17. BCC 11.17 further outlines allowable uses of GMAAD lands with the issuance of a Conditional Use Permit (CUP). These permissible conditional uses include, but are not limited to, slaughterhouses, meat-packing plants, feedlots, commercial dairy, hog, poultry, and rabbit operations, commercial establishments for the transportation of agricultural products, covered arenas, rodeo events, livestock sales rings, and working animal events, commercial airstrips, solid waste treatment facilities related to on-site processing of agricultural products, solid waste disposal sites, off-site hazardous waste treatment and storage facilities, asphalt manufacturing, child day care facilities, bio-diesel and alcohol fuel productions, commercial storage facilities, underground natural gas storage facilities, non-agricultural accessory uses that promote or sustain the continuation of the agricultural uses of a parcel, overnight lodging within a structure primarily used for processing of beer, wine, or spirits, event facilities for weddings, receptions, meetings/retreats, bed and breakfast facilities, filed mazes, sleigh rides, animal rides, and petting zoos, commercial sand and gravel pits, stone quarries, or other material extractions, veterinary clinics, shooting ranges, agri-tourism accommodations, agricultural research facilities, commercial agricultural establishments which store, repair, or sell irrigation, mechanical, and excavation services, and winery/brewery/distillery facilities. BC Ex. B; BCC 11.17.070.

18. The Board of County Commissioners for Benton County adopted Benton County Ordinance Amendment (OA) 2021-004, on December 21, 2021. OA 2021-004 removed the CUP option for "commercial solar power generator facility, major" from the GMAAD. The Board stated that removal of the CUP option for commercial solar power generator facility, major would help the County to 1) protect long-term commercially agricultural lands, 2) limit incompatible & non-agricultural uses in the GMAAD, 3) conserve critical areas and habitat, 4) protect visual resources, and 5) protect the County's rural character. BC Ex. D at 3; Appl. Ex. 11 at 4.

19. Prior to December 21, 2021, the Project could have applied for a conditional use permit in the GMAAD per former BCC 11.17.070(cc).

20. There are no like-in-kind land use replacement requirements (such as a requirement to provide the same acreage of suitable GMAAD land for that taken up by siting a non-agricultural use) contained within any of the BCC's conditional use permits for GMAAD lands.

E. PUBLIC COMMENTS

On October 3, 2024, EFSEC held a public hearing per RCW 80.50.090(4)(a) and RCW 80.50.100(1)(b) to provide members of the public an opportunity to provide commentary in support or opposition to the matters in the adjudication.

Four members of the public provided comment. All speakers were part of the Robert family, lessors of a portion of the proposed project site: David Robert, Randy Robert, Michael Robert, and Robin Robert.

The commentary from each of the speakers was consistent. The Roberts described the site area as remote.

The aquifer from which the Roberts extract water for their crops has been dwindling for years, which they asserted has made their prior approach to farming no longer feasible or profitable.

The Roberts stated the siting area for the proposed project is, in their opinion, not really prime farmland.

The Roberts stated the Project would generate income for them as generational farmers and shared their view that the Project would allow the aquifer to recharge during its duration.

There were no comments in opposition to the Project at the public hearing on October 3, 2024.

F. ARGUMENTS PRESENTED BY THE PARTIES

1. Benton County

Benton County argued that, "[t]here are no proposed conditions for the Project that sufficiently recognize and address the State and local interests against the permanent conversion of protected local agricultural lands of long-term commercial significance." Benton County's Post-Hearing Brief at 1.

Benton County further argued that there are "no conditions to address the narrow issue of mitigating the loss of GMAAD lands during the life of the project." *Id.* at 3.

Benton County averred that the conditions of Revised MDNS are meant to mitigate any significant impacts on the environment, not on the land use regulations. *Id.* at 4.

While Benton County requested the Council to recommend against preemption of its land use regulations, it requested that if the Council recommends preemption, all the conditions in the Revised MDNS and Table A5 of Applicant's application be included in the draft certification agreement. *Id.* at 5.

2. Applicant

The Applicant argued that the Energy Facility Site Locations Act (EFSLA) controls preemption rather than the Growth Management Act, because of the court's decision in *Residents Opposed to Kittitas Turbines v. State Energy Facility Site Evaluation Council (EFSEC)*, 165 Wn.2d 275, 197 P.3d 1153 (2008), commonly referred to as the "ROKT" decision. Applicant Innergex's Post Hearing Brief at 3.

The Applicant further argued that the mitigation requirements contained within the Revised MDNS sufficiently address the Project's potential impacts to Benton County's GMAAD and Agricultural Lands of Long Term Economic Significance. *Id.* at 5.

III. DISCUSSION AND DECISION

A. LEGAL STANDARD

The procedures the Council must follow in determining whether to recommend to the Governor that the state preempt land use plans, zoning ordinances, or other development regulations for a site or portions of a site for an energy facility, or alternative energy facility are outlined in WAC 463-28. EFSEC's rules do not set forth an explicit standard for determining whether to recommend preemption of local land use provisions. However, EFSEC's rules generally provide that when acting on an application for certification, the Council bases its decisions on the policies and premises set forth in RCW 80.50.010. WAC 463-14-020. The Legislature, through its enactment of RCW 80.50, has set out to

reduce dependence on fossil fuels by recognizing the need for clean energy in order to strengthen the state's economy, meet the state's greenhouse gas reduction obligations, and mitigate the significant near-term and long-term impacts from climate change while conducting a public process that is transparent and inclusive to all with particular attention to overburdened communities.

RCW 80.50.010.

The Washington Supreme Court has held that the Growth Management Act, pursuant to which Benton and other counties adopt their land use plans and promulgate their zoning ordinances, does not repeal EFSEC's preemption power over state and local laws and regulations under RCW 80.50.110(2). *Residents Opposed to Kittitas Turbines*, 165 Wn.2d at 308–310. However, if

the Council recommends preemption, it must include conditions in the draft certification agreement which consider state or local governmental or community interests affected by the construction or operation of the energy facility or alternative energy resource and the purposes of laws or ordinances, or rules or regulations promulgated thereunder that are preempted pursuant to RCW 80.50.110(2). WAC 463-28-070.

B. COUNCIL'S DETERMINATIONS ON THE ISSUES

1. Issue 1: Preemption of inconsistent zoning

The Council finds it is appropriate to recommend preemption of Benton County's prohibition on major solar facilities on agriculturally zoned land as it applies to the proposed Project site.

The Council finds that the state's interest in the development of abundant, affordable clean energy, as stated in RCW 80.50.010, would be well-served by a solar facility at this location, which presents relatively low land use conflict. The policies that Benton County seeks to advance with its prohibition on major solar facilities on all agricultural lands, when considered in light of the circumstances of this site, are not sufficient to overcome that conclusion.

The Council finds it is not tenable to argue that all agriculturally zoned land must be protected without exception against clean energy development. The Least-Conflict Solar Siting on the Columbia Plateau report, developed by Washington State University at the Legislature's direction, posited that lower productivity agricultural lands could be considered as potential low-conflict locations with respect to agricultural impacts when siting commercial scale solar.

In contrast to its marginal agricultural value, the site affords unique advantages for a solar facility. The site is ideally situated to take advantage of regional Bonneville Power Administration interconnection with transmission facilities that are already on the site, rather than requiring the construction of distribution lines across intervening lands. Testimony of Leslie McClain.

The Revised MDNS does not identify any other significant adverse impacts that cannot be mitigated through the recommended mitigation measures. The site is well-suited to the policy directives of RCW 80.50.010. Its remoteness helps to avoid aesthetic and recreational impacts on the surrounding community. Testimony of Leslie McClain. And its character as previously disturbed agricultural land helps avoid the need to site the Project in more sensitive habitat.

Benton County argues the Council should decline to recommend preemption in this case, because the 2,978 acres that would be occupied by project infrastructure will be unavailable for agricultural use during the operation of the Project. Benton County's Brief at 3–4, 7.) The County cites the Growth Management Act's requirement for local jurisdictions to designate and protect Agricultural Lands of Long-Term Commercial Significance ("ALLTCS") in support of its argument that the Council should give effect, without exception, to the County's prohibition on major solar facilities in the agricultural zone. *Id.* at 5.

On the record of this adjudication, and for this specific site, the Council finds the County's arguments unpersuasive. In *Residents Opposed to Kittitas Turbines*, 165 Wn.2d 275, the state Supreme Court held that the specific mandates of EFSLA take precedence over the more generally applicable Growth Management Act when a conflict between the two arises. In such circumstances, the more specific law—in this case, EFSLA—should be given effect, and zoning provisions adopted by a county under the GMA can be preempted to authorize the siting of an energy facility pursuant to EFSLA.

The County admits that it designates all agricultural land in the county, without exception (constituting 59 percent of the land under county and city zoning jurisdiction) as ALLTCS. Testimony of Greg Wendt. The record of this adjudication also demonstrates that the county's designation does not closely consider factors, such as limited water availability, that may cause individual properties to have relatively lower agricultural value. (*See Id.*; Testimony of Leslie McClain.)

The Applicant presented uncontested evidence to indicate that the subject property has only marginal value as agricultural land with the potential to continue contributing to Benton County's agricultural industry:

- The site is extremely arid (receiving only 5-6 inches of rain per year) and is not very well suited for dryland farming. Testimony of Leslie McClain.
- The subject property's agricultural value is largely dependent on irrigation by a groundwater right in an aquifer that is steadily declining from over-withdrawal. *Id.*; Testimony of Wally Jossart; Testimony of Robin Robert. Without making prohibitively expensive investments in a deeper well to continue chasing sinking groundwater, the currently achievable pumping rate only allows irrigation of between 700 and 750 of the 6,000 combined acres to which the property's water rights are appurtenant. Testimony of Leslie McClain.
- The property owners entered into the solar facility lease with the Applicant as a way of generating revenue to continue growing alfalfa for cattle and wine grapes, while reducing water withdrawals to possibly allow for aquifer recovery. Testimony of Wally Jossart; Testimony of Robin Robert. They intend to bank the portion of the water right they will no longer need. Testimony of Robin Robert.

For the foregoing reasons, the Council finds it is appropriate to recommend preemption of the Benton County Code provisions that would prohibit construction and operation of the Project at the proposed site.

2. Issue 2: Conditions to recognize the purpose of preempted ordinances

The Council finds that the conditions related to land use in the Application for Site Certification (ASC) and Revised MDNS should be imposed to consider the purposes of Benton County's preempted land use plans and zoning ordinances at this site.

The Applicant and Benton County agreed that if preemption is recommended, then all the conditions proposed in the Revised MDNS should be imposed. The Applicant additionally concurred that the measures contained in Section A5 of the ASC would be appropriate conditions in a site certification agreement. No supplemental conditions have been proposed by Benton County or the Counsel for the Environment.

In its post-hearing brief, Benton County argues that the Applicant proposes "no conditions to address the narrow issue of mitigating the loss of GMAAD lands during the life of the project." Benton County's Post-Hearing Brief at 3. (County witnesses readily admitted, however, that it is impossible to create replacement agricultural land.) The County then argues, that because "there are no conditions proposed to offset the interests of the state, local government, and community in protecting those lands... the Council cannot satisfy the conditions requirement of RCW 80.50.100(2) and should recommend denial of the Revised Application." *Id.* at 4.

The County's argument is unavailing for two reasons. First, EFSEC's rules clarify that the Council need only include certification conditions "which *consider*. . . the purposes of laws or ordinances. . . preempted." WAC 463-28-070 (emphasis added). EFSLA does not require the imposition of conditions that fully offset any impact to the purposes of preempted ordinances.

Second, the Revised MDNS evaluated land use as an element of the environment and contains multiple conditions intended to mitigate the Project's impacts to land use and to preserve the opportunity to return the property to agricultural use if the facility is no longer in operation. Appl. Ex. 16 at 9–11. These measures were developed with input from Washington State Department of Agriculture staff and address project decommissioning, gravel use, soil monitoring, and soil management. Both the Applicant and Benton County agree these mitigation measures are appropriate if the Council recommends preemption. And as noted above, Benton County proposed no supplemental conditions.

For the foregoing reasons, the Council finds that the conditions related to land use in the ASC and Revised MDNS should be included as requirements of site certification in order to consider the purposes of the zoning ordinances that would be preempted.

IV. ORDER

The Council hereby recommends that with respect to the proposed Wautoma Solar Project site, the state preempt Benton County's prohibition on major solar facilities on agriculturally zoned property.

The Council further recommends that the conditions included in the Revised MDNS for project decommissioning, gravel use, soil monitoring, and soil management should be required as conditions of site certification for the Wautoma Solar Project in consideration of the state, local

governmental, and community interests in protecting agricultural land that would be affected by the construction or operation of the alternative energy resource, as well as the purposes of the Benton County zoning provisions that would be preempted for the Project.

DATED and effective at Olympia, Washington, on the 20th day of November 2024.

WASHINGTON ENERGY FACILITY SITE EVALUATION COUNCIL

Kathleen Drew Chair

Eli Levitt

Department of Ecology

Department of Commerce

Mike Livingston Department of Fish and Wildlife

Elizabeth Osborne

Stacey Brewster Utilities and Transportation Commission

Department of Transportation

Lemy Young

Department of Natural Resources

David Sharp Benton County

NOTICE TO PARTIES: In accordance with WAC 463-30-335, parties may petition for reconsideration of the Council's recommendation package to the Governor. The Council requires requests for reconsideration to address all of the filing party's concerns raised by the recommendation package in a single petition. Petitions for reconsideration must be filed within 20 days of the service of the recommendation package to the Governor. If any such petition for reconsideration is timely filed, the deadline for answers is fourteen days after the date of service of each such petition. The formatting of petitions for reconsideration shall be governed by WAC 463-30-120 and shall be limited to 50 pages.

Attachment 2: Index of Supporting Documentation

Attachment 3: File Name Abbreviations and Acronyms

Recommendation to the Governor - Wautoma Solar Project

File Name Abbreviations and Acronyms

APP	Appendix
ASC	Application for Site Certification
ATTACH	Attachment
BEN	Benton County
CFE	Counsel for the Environment
CONFIDENTIAL	Unredacted (non-public) version that contains confidential information or other information exempt from public disclosure under RCW 42.56
DecServ	Declaration of Service
DEP	Deposition
EIS	Environmental Impact Statement
EXH	Exhibit
FEIS	Final Environmental Impact Statement
INN	Innergex (applicant)
MOT	Motion
OBJ	Objection
OCAA	Order Commencing Agency Adjudication
PHC	Pre-hearing Conference
РНО	Pre-hearing Order
REDACTED	These versions were redacted by the applicant. Unless the file name or first page are marked "Redacted by EFSEC," they have not been redacted in accordance with the Washington State Public Records Act.
REV	Revised Version
_S	Supplemental Exhibit/Testimony
SCA	Site Certification Agreement
_T	Testimony
_X	Cross-exhibit

Attachment 4: Certificate of Service