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# EXCLUSIVE: Oregon developer reveals plan to build one of nation's biggest solar projects

The proposed 600-MW project in south-central Oregon could reach \$1B and includes an intriguing twist

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Utility solar took a big step forward in Oregon last fall when Avangrid Renewables' 56-megawatt Gala plant — more than five times the size of any previous project in the state — went online, [sending power to Apple Inc.](#)

What David Brown of Obsidian Renewables has in mind would take things to a whole new level.

The veteran solar developer told the Business Journal he will soon file paperwork with the state's Energy Facility Siting Council for a 600-megawatt project in northern Lake County. It would be among the nation's largest solar power plants, and there's an intriguing twist to the proposal: battery storage, either packaged with the solar or as a stand-alone project at the high desert site.

Brown said the project would cost between \$800 million and \$1.1 billion to build, depending on the size of the battery component.

Many obstacles can trip up renewable energy projects, even ones far less ambitious than Brown's envisioned Obsidian Solar Center at Fort Rock. But with this one, Brown faces one major hurdle in particular.



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Obsidian Renewables has built several utility-scale projects in Oregon, but nothing approaching the size of this new proposal.

“Thus far, all of our (smaller) projects have been developed under rules that require the utility to buy the power,” Brown said. “This one will be built only if there are utilities who want to buy the power.”

Brown thinks he could have a fighting chance at success because Northwest utilities are slated to lose a lot of coal-fired power generation in the next decade. Meanwhile, solar has become increasingly competitive with wind power, the large-scale renewable of choice in the region over the years.

“If you look at the recent filings by [Portland General Electric](#), [PacifiCorp](#) and [Puget Sound Energy](#), they all project a need for substantial generation resources,” he said. “Coal is going away and that isn’t going to change, despite what anyone in the Trump administration might want to think.”

In the long run, the Oregon utilities will need more renewables to meet state mandates, although how quickly they should bring new resources online [has been debated](#).

PacifiCorp put out requests for proposals for renewables late last year, but Brown said the utility appears zeroed in on Wyoming wind. Portland General Electric is likely to do its own, smaller renewables RFP in the coming months, for around 300 megawatts.

Brown said he’d respond to RFPs, but would “rather be in the long-range planning discussion,” reflecting the proposal’s novel nature, both for its size and the energy storage piece. He said the Fort Rock project could incorporate batteries capable of providing 150 megawatts of power for five hours. That’s bigger than anything operating in the United States, bigger even than a Tesla project in Australia that has drawn headlines.

The cost of battery energy storage has also been declining rapidly, and that trend would have to continue for the solar-plus-storage math on Brown’s project to work. If it did, the combo could provide the sort of flexible resource utilities desire.

A growing interest in pairing solar with storage was reflected in a recent Xcel Energy solicitation in Colorado, which drew 59 solar-plus-storage project bids.

“Solar with storage is more valuable than solar alone,” Brown said. “It lets you dispatch the facility at certain times of the day and times of the year that maximize the usefulness to the utility.”

For example, in the winter, the project could store wind power at night (when wind tends to blow stronger) for dispatch in the morning, when neither solar nor wind would be available and demand can be high, especially during a cold spell. In the summer, midday solar could be stored for use in the evening, when West Coast utilities are increasingly facing severe “ramps” as demand increases and solar power fades with the setting sun.

Brown said he has 7,000 acres under option for the project. The land is “very poor quality grazing land” near the California Oregon Intertie, a set of three major transmission lines that several utilities have ownership stakes in, including

PGE and PacifiCorp.

That, Brown said, puts utilities all up and down the West Coast in play, including in California, the state turning most ambitiously toward renewable energy.

A key to the project's viability is a federal investment tax credit for solar, worth 30 percent of the cost of a project if it's started before the end of 2019. The credit's value drops to 26 percent in 2020 then 22 percent in 2021 before settling permanently at 10 percent.

If he can find a buyer — or buyers; the site could actually house several plants adding up to 600 megawatts, Brown said — and get the project started before the end of next year, Brown thinks he can sell the power for around \$36/megawatt-hour.

“The best-located wind today would be somewhat less, but that’s because you can still get the full value of the production tax credit,” Brown said. “When this project comes online, you won’t.”

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