

# MINUTES

## STATE OF WASHINGTON

### ENERGY FACILITY SITE EVALUATION COUNCIL

#### July 10, 2000 – Regular Meeting

Rowe Six Conference Center – Building 1  
4224 6<sup>th</sup> Avenue SE  
Lacey, Washington

#### Item 1: Call to Order

The meeting was called to order at 1:30 p.m. by Acting Chair Bob Wallis. A quorum was present.

#### Item 2: Roll Call

<b>Acting Chair</b>	Bob Wallis
<b>Department of Agriculture</b>	Daniel Jemelka
<b>Department of Community, Trade &amp; Economic Development</b>	Heather Ballash
<b>Department of Fish and Wildlife</b>	Jenene Ratassepp
<b>Department of Ecology</b>	Charles Carelli ( <i>via phone</i> )
<b>Department of Health</b>	Ellen Haars
<b>Military Department</b>	Glenn Woodbury
<b>Department of Natural Resources</b>	Gayle Rothrock
<b>Department of Transportation</b>	Gary Ray
<b>Utilities and Transportation Commission</b>	Dick Byers
	Dennis Moss (Sumas)

#### Others in Attendance

**EFSEC Staff**  
Mike Mills  
Irina Makarow

**Guests**  
John Mudge, Critical Issues Council  
Scott Noll, Newport Northwest  
Bob Divers, Newport Northwest  
Daniel Jacobson, Newport Northwest  
Robert Kahn, Newport Northwest  
Darrel Peeples, Newport Northwest

#### Item 3: Approval of Minutes –June 12, 2000

The Council approved the draft minutes of the June 12, 2000 meeting as presented.

**Item 4: Adoption of Proposed Agenda**

Newport Northwest-Wallula Project item was moved to Item 5. The remainder of the agenda was accepted.

The revised agenda was adopted.

**Item 5: Newport Northwest – Wallula**

***Request for Potential Site Study***

*(Mike Mills reporting)*

Mr. Mills introduced Darrel Peeples, counsel, who was representing Newport Generation, a California-based energy development company, that had recently formed Newport Northwest, LLC, for the purpose of developing a proposed power plant near Wallula, Washington, in Walla Walla County. The proposed project would be a natural gas-fired combined cycle combustion turbine project of approximately 1300 megawatts on a 183 acre site zoned heavy industry site on the East side of SR 12.

Mr. Peeples stated that by letter dated June 30, 2000, Newport Northwest had requested that the Council initiate a Potential Site Study, and submitted the required \$10,000 fee. The company is also prepared to deposit an additional \$140,000 prior to the start of the study to cover the initial cost projection. Mr. Peeples reviewed the objectives that the company wishes to achieve through the study and indicated that they are looking forward to working with all parties to identify and scope key issues to assist in developing a complete application.

Mr. Peeples introduced Scott Noll, Vice President-Development, for Newport Generation, who will be the lead for Newport Northwest for the Wallula Project. Mr. Noll provided background information on Newport Generation executives, their experience in the energy industry, and the types of projects they have been involved with.

Mr. Wallis expressed the Council’s interest in working with Newport Northwest to use the study to benefit processing of an application.

***Jones and Stokes Contract Amendment***

*Mike Mills reporting*

Mr. Mills presented Amendment No. 4 to the Council’s contract with Jones and Stokes Associates for them to conduct the Potential Site Study for the Wallula Project. The Council is required to commission its own independent consultant to study a potential site and Jones and Stokes is under contract to perform such studies. Amendment No. 4, Task 2, would obligate \$120,000 for Jones and Stokes to conduct a preliminary study of the proposed Wallula Project.

During discussion of the proposed amendment, Council members expressed interest in not having Jones and Stokes begin work until full funding for the study was received from Newport Northwest. It was suggested that approval of the contract amendment could be contingent upon receipt of the additional \$140,000.

It was noted that the stated objectives of the study are intended to address the Council’s goals for improving the overall application review process.

**Motion:** It was moved and seconded to approve Amendment No. 4, Task 2, to the Jones and Stokes Associates contract to authorize work on a Potential Site Study for the Wallula Project; provided that work is not to begin until the Council receives the additional \$140,000 from Newport Northwest.

**Action:** The motion passed unanimously.

**Item 6: Sumas 2 Generation Facility, Application No. 99-1**

***Adjudication/Schedule***

*(Mike Mills reporting)*

Mr. Mills reported that arrangements for the adjudicative hearings to be held in Bellingham the week of July 24 and Olympia the following week, have been finalized. Two evening sessions to receive public comment are also set for Bellingham on Tuesday, July 25, and at Everson on July 27. Staff will confirm individual travel plans with members after today's meeting.

Acting Chair, Bob Wallis referred members to two letters from the Utilities and Transportation Commission (WUTC) concerning their representation on the Council. The first, dated July 10 from recent appointment Dick Byers, indicates that he is recusing himself from the Sumas proceedings because of previous work he did in assisting parties in examining issues and develop case strategy. Mr. Byers letter notes that Dennis Moss, an Administrative Law Judge with the Commission, will serve as the WUTC representative for the Sumas adjudication. The second letter dated July 10 from WUTC, officially announces the appointment of Mr. Moss to serve as the Council member for Sumas. The letter also indicates that Mr. Wallis will continue to represent the Commission through the Chehalis amendment review process and complete his responsibilities as Acting Chair.

**Item 7: Chehalis Generation Facility**

***Site Certification Agreement Amendment-Status***

*(Irina Makarow reporting)*

Irina Makarow reported that the Council held a public hearing on June 19, 2000, to receive comments on the Prevention of Signification Deterioration (PSD) air quality permit. At the hearing seven persons provided comments on the draft permit. Several written comments have also been received.

Ms. Makarow reported that the U.S. Environmental Protection Agency (EPA), a co-signor on the PDS permit with EFSEC and Ecology, has contacted staff and indicated that they are actively reviewing this amendment and will require additional time to review the proposed permit. A meeting has been scheduled for July 18 for EFSEC and Ecology to meet with EPA staff to discuss their role in the review process and any issues that they have identified that may require additional information or analysis.

Mr. Mills noted that the Council has a deliberative session scheduled after today's meeting to begin reviewing the record and the filings from the adjudicative hearings that were completed in late May.

**Item 8: Energy Northwest Columbia Generating Station, WNP-1/4, and Satsop Combustion Turbine (CT) Project**

***Columbia Generating Station Operations***

*(Mike Mills reporting)*

Mr. Mills reported that the Columbia Generating Station (Columbia) had returned to full power following an automatic shutdown on June 26 caused by an electrical short in a transformer monitoring unit in the outside transformer yard. The plant shutdown safely and Energy

Northwest crews pinpointed the cause of the short to a frayed wire in one of the monitoring units. During the shutdown, a number of maintenance tasks were completed.

The shutdown, after 245 days of continuous operation, coincided with the unplanned outages of several other plants in the region, and other events that resulted in dramatic increases of the cost of power on the West Coast. These conditions raised a lot of interest in the status of Columbia—the cause of the outage and when it would resume operations. At the same time, a range fire on the Hanford site that burned 192,000 acres, threatened, but never reached the Columbia site. Council staff, working with Energy Northwest, provided daily updates to the Governor’s Office, Military Department, Department of Health, and the Department of Community, Trade and Economic Development Energy Policy Group, on startup activities.

Jenene Ratassepp asked if the range fire had burned the Rattlesnake Wildlife Mitigation Project site. Mr. Mills responded that he had flown over the area last week and it appeared that the project site had burned. Ms. Ratassepp asked Mr. Mills to follow-up with Fish and Wildlife staff to determine the status of the project and if any maintenance or replacement of the irrigation system was necessary.

Staff is also working with other key state and local agencies to develop a contact list for persons to use in directing information requests or non-emergency notifications to the appropriate Energy Northwest or state/local staff. Mr. Mills is working with Maillian Uphaus, Military Department, and Energy Northwest’s Bill Kiel, and a meeting has been scheduled for early August to meet with the other organizations to develop a notification protocol.

### ***Dry Cask Storage***

***Mike Mills reporting***

On May 4, 2000, Energy Northwest submitted a request to amend the WNP-2 Site Certificate Agreement to allow for the construction of a dry cask storage facility on the plant site. Mr. Mills reported that staff has been working with the Executive Committee and Rich Heath to review the role of the state and the federal Nuclear Regulatory Commission (NRC) in the siting of a dry cask storage of spent fuel at licensed reactor sites. The state’s regulatory interests have been identified as: examining the environmental effects of constructing the storage site; ensuring coverage in onsite and offsite emergency plans; and providing an ongoing radiological environmental monitoring capability at the storage site and surrounding area.

Mr. Mills indicated that EFSEC manager, Allen Fiksdal, the Council’s responsible official for the State Environmental Policy Act (SEPA), had completed an evaluation of the proposal and issued a Mitigated Determination of Non-Significance (DNS). In determining that the proposed storage facility would not have a probable/significant adverse impact on the environment, two mitigation conditions were cited – emergency plans should be amended to recognize the potential for accidental releases from the facility; and the dry cask site will be incorporated into the plant’s Radiological Environmental Monitoring Program (REMP), with results reported annually. The Mitigated DNS was issued on July 7 and provides for a 14-day public comment period.

### **Item 9: Other**

#### ***Administrative Support***

***Mike Mills reporting***

Mr. Mills recognized the contribution that Ms. Anna White, Office Assistant, has made in supporting the Council during the past several months. Ms. White did an excellent job in keeping administrative matters current while the lead secretary position was vacant, and most

recently has helped in preparing for the Sumas adjudication. Acting Chair Wallis commended Ms. White and all staff for their work during this very busy time.

**Item 10: Adjournment**

The meeting adjourned at 2:17 p.m.