

MINUTES

STATE OF WASHINGTON

ENERGY FACILITY SITE EVALUATION COUNCIL

March 13, 2000 – Regular Meeting
WSU Building, Conference Room 308
925 Plum Street SE, Building 4
Olympia, Washington

Item 1: Call to Order

The meeting was called to order at 1:30 p.m. by Chair Deborah Ross. A quorum was present.

Item 2: Roll Call

Chair	Deborah Ross
Department of Agriculture	Daniel Jemelka
Department of Community, Trade, and Economic Development	Heather Ballash
Department of Ecology	Charles Carelli
Department of Fish & Wildlife	Jenene Ratassepp
Department of Health	Ellen Haars
Military Department	Glen Woodbury
Department of Natural Resources	Gayle Rothrock
Department of Transportation	Gary Ray
Utilities & Transportation Commission	C. Robert Wallis
Port of Bellingham	Bob Hilpert (via phone)

Others in Attendance

EFSEC Staff Mike Mills Irina Makarow Diane Burnett	Counsel for the Environment (Sumas 2) Mary Barrett
Assistant Attorney General Meredith Morton	Counsel for the Environment (Chehalis Power) Melissa Burke-Cain
Perkins Coie LLP Karen McGaffey	Guests Jim Thorton, Golder Associates Rose Spogen, John Mudge, Critical Issues Council
Energy Northwest Bill Kiel (via phone) Dave Fraley (via phone)	Joan Marchioro, Asst. Attorney General Jeff Soth, Rebound Danielle Dixon, NW Energy Coalition

Steve Skurla, Dept of Ecology (via phone)
Rob Rodger, Benton County Clean Air
Authority (via phone)

Item 3: Approval of Minutes – January 18, 2000 and February 14, 2000

The draft minutes from the January 18, 2000 Special Council Meeting and the February 14, 2000 Regular Council meeting were approved, with one change.

Item 4: Adoption of Proposed Agenda

The proposed agenda was adopted.

Item 5: Sumas 2 Generation Facility, Application No. 99-1

DEIS Issuance

(Irina Makarow reporting)

Ms. Makarow reported to the Council that the DEIS for Sumas Energy 2 arrived at the EFSEC office last Monday and it is at the printer. The copies will be mailed on Wednesday, March 15. There is also a 50-page summary document, which will be mailed to EFSEC's mailing lists and sent to the local Whatcom County libraries and the State Library. A Notice of DEIS Availability will be mailed to the transmission line corridor mailing list.

Adjudication/Intervention

(Irina Makarow reporting)

Ms. Makarow reported to the Council that staff have set dates for the adjudication and intervention periods for Sumas Energy 2. The DEIS will be officially issued on March 15, 2000 and will be open for comment until 5:00 p.m. on April 17, 2000; that date is the closing date for intervention as well. Staff will be issuing an additional notice to its mailing lists, reminding interested persons that the DEIS and the intervention closing date fall on the same date.

Staff have also set up two public comment hearings; one in Bellingham on April 3, 2000 at the Whatcom County Council Chambers and the second in Sumas on April 4, 2000 at the American Legion Hall. Both of these hearings have been publicized in local newspapers. The Council has also scheduled the initial pre-hearing conference for April 24 from 1:00 p.m. to 5:00 p.m., at the Labor & Industries Building in the auditorium, in Tumwater.

Chair Ross informed the Council members that in their packets was a green sheet, which should be considered a suggested timeline for both the Chehalis and Sumas hearing schedules. Some of these dates are not official yet, but were being provided to give the Council members an idea of the timeframes for the adjudication hearings for both projects. Chair Ross noted that the last date on the green sheet should be July 17th.

Chair Ross also raised an additional issue regarding contracts with the Department of Ecology for wastewater discharge permits that the Council would include with its recommendation to the Governor. EFSEC staff has been told that Department of Ecology will be unable to prepare the wastewater discharge and wetlands permits for the Council. The Chair and Mr. Fiksdal have discussed this issue and are proposing that the applicants prepare the proposed 401/CZM certification and wastewater discharge permit. These proposed permits would then be included in the adjudicative process.

Ms. Joan Marchioro, Assistant Attorney General assigned to Ecology, informed Chair Ross that Ecology staff have not made a firm decision yet whether to assist with the preparation of the 401 certification for the Sumas project and that they were meeting the next day to discuss this issue.

Chair Ross indicated this might still be an issue for the Council to consider at a later date but no action was required from the Council on this subject at this time.

Mr. Mills reported to the Council that staff is discussing the appointment of a Hearings Officer with the Administrative Hearings Office for the Sumas proceedings. The Council will be kept informed on this matter.

Item 6: Chehalis Generation Facility

Site Certification Agreement Amendment

(Mike Mills reporting)

Review

Chair Ross, having recused herself from involvement in the Chehalis Generation Facility SCA Amendment, asked Mr. Mills to lead the discussion.

Mr. Mills reported to the Council members that staff has scheduled a public meeting in Chehalis on March 16, 2000, beginning at 7:00 p.m. at the WF West (Chehalis) High School. The request for intervention closes on March 22, 2000 and the pre-hearing conference is scheduled for March 27, 2000 at 1:00 p.m. in Lacey at the Attorney General's Conference Center. There are other tentative dates in May listed on the green sheet in the Council's packets.

Mr. Mills also reported that staff have received a letter from the Attorney General's Office appointing Melissa Burke-Cain, Assistant Attorney General, as Counsel for the Environment for the Chehalis Generation Facility proceedings. Ms. Burke-Cain was in the audience and introduced herself. Mr. Mills further reported that Lewis County has appointed Mr. Ken Sabin as the Lewis County Representative to the Council on this matter. He will be attending the public information meeting on March 16, 2000.

Mr. Mills also reported that the Department of Ecology would not be able to prepare the water quality permits for the Council. Staff will wait until later in the week to decide how to proceed.

Chair Ross informed the Council that member Heather Ballash has agreed to act as the Facilitator for the Chehalis Generation Facility proceedings. She asked for a motion to formally recognize this appointment.

Motion: It was moved and seconded that Heather Ballash be appointed Facilitator for the Chehalis proceedings.

Action: The motion passed unanimously. Chair Ross abstained from the vote.

Item 7: Energy Northwest Nuclear Projects (WNP-2 and 1/4) and Satsop Combustion Turbine (CT) Project

WNP-2 Operations

(Bill Kiel reporting)

Bill Kiel, Energy Northwest, reported on WNP-2 Operations. The plant is operating at full power; it had only two minor power reductions in the past month. They also conducted an emergency drill on February 22nd, and have a number of other drills scheduled this year leading up to the graded ingestion exercise in September 2000.

Energy Northwest will offer a tour of the plant to the public on Friday, March 24th. And finally, the sample results of the ground water wells around the plant have been returned and the highest concentrations of tritium were found to be at the well site on the old Department of Energy (USDOE) waste burial grounds just west of the WNP-2 site. All other well tests showed normal levels. USDOE is continuing to evaluate the results.

WNP-1/4 Site Restoration

(Mike Mills & Steve Skurla reporting)

Revised Landfill Plans: Mr. Mills reported to the Council that in their packets was a request from Energy Northwest to revise their WNP-1/4 Landfill Operation and Closure Plans, to allow for asbestos-containing transite material, from the six cooling towers, to be removed and placed in the WNP-1/4 demolition landfill. Mr. Steve Skurla of the Department of Ecology, in Kennewick, was asked to review this request, which he has done. In a letter dated February 24th, Mr. Skurla advised the Council of Ecology's recommendation for disposal of the material. In preparing his recommendation, Mr. Skurla coordinated his review with Rob Rodger of the Benton County Clean Air Authority. Mr. Mills asked Mr. Skurla to review the recommendation outlined in his letter to the Council.

Mr. Skurla reported that the transite material is classified as a Category II non-friable asbestos-containing material under federal rules, which means that as long as it is intact, and not broken, it is not regulated as asbestos. Therefore, this transite material can be approved for disposal in an inert and demolition landfill. He indicated that Mr. Rodger had provided a list of requirements for Energy Northwest and its contractors to follow during the removal, transportation, and disposal stages, including what procedures must be followed if the material breaks.

Chair Ross asked if Energy Northwest had received a copy of Mr. Skurla's recommendations and Mr. Kiel indicated they had. Chair Ross then asked Mr. Kiel if the recommendations in the letter were acceptable and he responded that they had already incorporated them into their bid package.

Motion: It was moved and seconded that the Chair be authorized to communicate to Energy Northwest they will be allowed to dispose of the material in accordance with the conditions recommended by the Department of Ecology.

Action: The motion passed unanimously.

Chair Ross expressed her appreciation to Mr. Skurla, Mr. Rodger, and Energy Northwest for their assistance in the review; and to Bonneville Power Administration for funding this project. She asked that Energy Northwest convey her appreciation to Bonneville. Mr. Mills also stated he wanted to recognize the cooperation staff received from Ecology and Rob Rodger.

Mr. Mills informed the Council of a letter in their packets from Bonneville Power Administration summarizing ongoing WNP-1/4 restoration activities. Chair Ross indicated that she planned to bring this letter to the Executive Committee on Monday, March 20, to discuss several requests for assistance that Bonneville is making to the Council.

Mr. Fraley then reported to the Council on recent Site Restoration activities. Energy Northwest has been working with their consultants to get a clear understanding of the cost involved in the various restoration items listed in the plan. The other item of interest to the Council is that two staff from Energy Northwest went to the Kingdome in Seattle to observe and have discussions with Control Demolition, Inc., to learn about their techniques for demolishing large concrete structures. They would like to have them look at WNP-1/4 facilities to possibly conduct a test. He wanted to provide this information to the Council as an update and will continue to provide progress reports as restoration activities move along.

Mr. Fraley also reported that they have issued a bid package to sell over 30 non-reusable buildings on the WNP-1/4 site and those buildings that are not sold will be demolished. They have also prepared a package to perform the environmental survey of WNP-1/4 and when that survey is completed, they will share the results with the Council.

Chair Ross thanked Energy Northwest for providing the Council with these updates. She stated she is very encouraged by the fact that every time the Council meets, something new is occurring towards restoration.

Item 8: Northwest Power Enterprises, Starbuck Power Project

Potential Site Study

(Mike Mills reporting)

Mr. Mills reported on the status of Northwest Power Enterprises request that the Council conduct a potential site study for the Starbuck project. Staff was hopeful that the company would have approved the proposed budget for the study, but to date had not received that concurrence. Mr. Fiksdal will be contacting John Barratt regarding this and staff will keep the Council informed on when the study will be initiated.

Item 9: Legislation

Chair Ross reported on the status of bills that the Council has been tracking. The WNP-1/4 transfer legislation did pass with the water provisions removed, authorizing the transfer of all or portions of the WNP-1/4 sites to local jurisdictions. There was a provision made in the legislation to protect the state in the event that only a portion of the site was transferred; this was included at her request.

Another bill that passed covered pipeline safety. Natural gas pipelines would continue to be regulated by UTC, while oil pipeline safety would transfer to the Department of Ecology. EFSEC's interest is that if delegation occurs from the federal government, there would have to be some provisions made for EFSEC's role in siting pipelines.

The bill that would have established the legislative task force for the study of EFSEC did not make it out, but the Senate budget still contains some funding for the study. Chair Ross will be meeting with the steering committee members to discuss how to proceed.

Item 10: Council Affairs

Chair Ross – Chair Ross reported to the Council that the EFSEC office will not be moving to the Raad Building as previously reported.

Staff – Mr. Mills reported that Anna White was hired as the Office Assistant. She is working on the filing system in the office to bring it up to date and prepare items for archiving. He encouraged the Council members to stop by and meet her.

FY 2001 Contract Renewals – Mr. Mills reviewed the contract renewals proposed for fiscal year 2001 (July 1, 2000 – June 30, 2001). These contracts provide funding support to four agencies and six counties for WNP-2 emergency planning; and five state agencies for environmental and safety monitoring and permitting. Staff recommends approval of the contract renewals as outlined below.

Motion: It was moved and seconded that the Chair be authorized to sign “not-to-exceed” contracts at the levels shown below. Separate votes were taken on individual contracts, to allow the abstentions required by Council rules.

Action: The Council approved the motion with respect to each of the following contracts. Abstentions regarding specific contracts are indicated.

CONTRACT	FY 2001 PROPOSAL	ABSTENTIONS
<u>AUDIT/PERMITTING:</u>		
Ecology—Kennewick	\$27,039	Charles Carelli
Ecology – Lacey/Air	19,500	Charles Carelli
Ecology – Lacey/401 (conditional upon acceptance of department)	23,667	Charles Carelli
WSP – Fire	2,000	
L&I	2,240	
Fish & Wildlife (conditional upon report to Exec. Cmte.)	25,959	Jenene Ratassepp
Health	215,977*	Ellen Haars

CONTRACT

FY 2001 PROPOSAL

ABSTENTIONS

EMERGENCY PREPAREDNESS:

Military/EMD		Glen Woodbury
Planning	\$240,955	
Counties		
-Adams	14,500	
-Benton	128,500	
-Franklin	123,000	
-Grant	17,000	
-Walla Walla	14,912	
-Yakima	20,000	
EMD Total	\$558,867	
Health	437,251*	Ellen Haars
Agriculture	81,575	Daniel Jemelka
State Patrol	8,178	

* Does not include 7/1 salary increase

Chair Ross expressed her appreciation to Mr. Mills for all of his hard work in the preparation of these contracts.

Item 11: Adjourn

The meeting adjourned at 2:34 p.m.

Next Meeting: The next regular Council meeting is scheduled for April 10, 2000 at the Rowe Six Conference Center, 4224 6th Avenue SE, Lacey.