

MINUTES

STATE OF WASHINGTON

ENERGY FACILITY SITE EVALUATION COUNCIL

May 8, 2000 – Regular Meeting

Rowe Six Conference Center – Building 1
4224 6th Avenue SE
Lacey, 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 Fish and Wildlife	Jenene Ratassepp
Department of Ecology	Charles Carelli
Department of Health	Ellen Haars
Military Department	Diane Offord
Department of Natural Resources	Gayle Rothrock
Department of Transportation	Gary Ray
Utilities and Transportation Commission	C. Robert Wallis
City of Chehalis	Fred Rider
Port of Bellingham	Bob Hilpert (via phone)
Whatcom County	Dan McShane

Others in Attendance

EFSEC Staff

Allen Fiksdal
Mike Mills
Irina Makarow

Assistant Attorney General

Meredith Morton

Office of Administrative Hearings

Nan Thomas, (Sumas 2 ALJ)

Counsel for the Environment (Sumas 2)

Mary Barrett

Guests

Dave Fraley & Laura Schinnell, Energy Northwest
John Mudge, Critical Issues Council
Rose Spogen, Critical Issues Council
Dave Spogen, Critical Issues Council
Cindy Custer, Bonneville Power Administration
Jeff Soth, Rebound

Item 3: Approval of Minutes –April 10, 2000

Draft minutes of the April 10, 2000 meeting were presented for approval. Staff member Mike Mills indicated two corrections; the first on page three, heading “Adjudicative” Law Judge Contract, changed to “Administrative” Law Judge Contract; and on page six, under Item 9, Legislation, second paragraph, third line, spelling for Senator “Spenell” changed to Senator “Spanel.”

The April 10, 2000 draft minutes were approved, with the two corrections.

Item 4: Adoption of Proposed Agenda

The proposed agenda was presented. Chair Ross suggested modifications to the agenda order to accommodate scheduling constraints. This included moving Chehalis Generation Facility to Item 5, Energy Northwest Nuclear Projects to Item 6, and Sumas 2 Generation Facility to Item 7.

The revised agenda was adopted

Item 5: Chehalis Generation Facility

Site Certification Agreement Amendment

(Allen Fiksdal reporting)

Mr. Fiskdal reported that a Pre-hearing Conference was held on May 2, 2000 to develop an issues list and discuss administrative matters. The Adjudicative Hearing is scheduled for May 24-26, 2000, in Hearing Room 2 of the Cherberg Building at the Capitol Campus in Olympia. The hearings may need to be extended into the next week. A Public Witness Hearing will take place on May 24, at 7:00 P.M. in the Chehalis Middle School. Just prior to the hearings beginning, an additional pre-hearing conference will be held at the UTC, on May 22 at 9:00 A.M.

Mr. John Mudge, Critical Issues Council (CIC), stated that he wanted to be on record as objecting to the public hearing being held during the adjudication hearing. Mr. Mudge felt there was not sufficient time to incorporate new information from the public hearing into the adjudication process, should it be necessary. He felt that there should be at least a week or two between these two processes. Mr. Mudge also expressed his belief that it is EFSEC’s responsibility to coordinate with other federal agencies. Since the natural gas pipeline issue is not under EFSEC jurisdiction, CIC urged that it’s EFSEC’s responsibility to coordinate with the Federal Energy Regulatory Commission (FERC) because of local concerns regarding potential pipeline impacts.

Ms. Rose Spogen asked if there is a law that prevents EFSEC from sending a recommendation to the Governor that the facility can’t be built until the pipeline route has been approved. Council member Wallis indicated the request was noted by the Council. He added that during the hearing process there is opportunity to raise such factual and legal issues formally; allowing other parties the opportunity to respond. The Council then has the opportunity to make a judgment regarding the issue.

Item 6: Energy Northwest Nuclear Projects (WNP-2 and 1/4) and Satsop Combustion Turbine (CT) Project

WNP-2 Operations

(Dave Fraley reporting)

Mr. Dave Fraley, of Energy Northwest, reported he and Ms. Laura Schinell were present to report on project activities. Mr. Kiel is attending leadership academy this month.

Ms. Schinell reported a resolution was passed at the April 27, 2000 Executive Board Meeting, renaming WNP-2 to Columbia Generating Station. An amendment request reflecting this change and a copy of the board's resolution will be sent to EFSEC. Chair Ross noted that the name change should not present any confusion during emergency situations, and requested assurances that efforts would be made to inform the public of the name change.

Ms. Schinell indicated that the name has been officially changed. Mr. Mills noted that EFSEC staff, for administrative purposes, will recognize the new name. Staff will review the request and make recommendations to the Executive Committee on how to proceed with formally recognizing the change to Columbia Generating Station.

Ms. Schinell reported the facility is currently at 61% power at the request of Bonneville Power Administration, due to the hydro system flushing water. This will also save fuel for next Spring when the price for power will be much higher. Currently, Columbia Generating Station has been online 197 days.

Dry Cask Storage

(Mike Mills reporting)

Mr. Mills reported that the Council has received a request from Energy Northwest to amend the Site Certification Agreement to allow for a dry cask storage facility to be built on the Columbia Generating Station site. Mr. Mills noted that he is working Lynn Albin from the Department of Health's Division of Radiation Protection, Environmental Monitoring Section, in reviewing this proposal. Both Mr. Mills and Ms. Albin have met with Bill Kiel over the past several months on this issue. Ms. Albin will be at the June 5, Executive Committee, and the June 12, Council meetings to report to the Council on this proposal. Energy Northwest is also prepared to brief the Council at subsequent meetings.

Chair Ross requested Energy Northwest's amendment request be made available to Council.

WNP-1/4 Site Restoration Progress Report

(Dave Fraley reporting)

Mr. Dave Fraley reported that three slightly radioactive pieces of material were recently found in a block storage building at WNP-1. The objects were found to be part of an assembly used in the process of making radiography images during construction of Project 1. Such images are used to inspect and verify if welds were done properly. Energy Northwest health physics technicians determined that the parts were used for shielding.

Mr. Fraley further reported that they have received approval from the Department of Energy (DOE) for the disposal of asbestos disposal in the 1/4 landfill. Energy Northwest is currently working with consultants to have the plan for conducting this activity in place prior to the solicitation of contractor bids. A copy of that plan will be made available the Council.

The removal of equipment and materials from the site is ongoing. They expect this effort to be completed over the next four months. Cleanup of outside materials is being consolidated into a single laydown area. The sale of buildings went very well and all but two of over 30 structures were sold and are being taken off the site. The second phase of removal/disposal is scheduled for next month.

Chair Ross asked when the Benton Redevelopment Initiative (BRI) report would be completed. Mr. Fraley responded that it was done, but he had not seen it yet. Mr. Fraley will make this available to Council members.

Mr. Fraley reported that three radioactive sources were found in a block building at WNP-1. The sources were used for radioactive x-rays on welds; the material is depleted uranium. These sources were active twenty years ago, but the half-life is such that they are only waste at this time. The sources originally belonged to a contractor who has now transferred his license to the Department of Energy (DOE). Energy Northwest is working with DOE to dispose of the material. The material remains locked in the building and proper procedures for handling radioactive materials have been followed.

Chair Ross asked for an update on the tritium discovered just west of the WNP-2 site. Mr. Fraley responded that DOE is getting a lot of pressure through the Hanford Advisory Board to come up with a remediation plan. The monitoring is now monthly; there is talk about putting in more wells. Chair Ross asked if the plume was anywhere in the vicinity of the dry cask storage area. Mr. Fraley noted that it was not known at this point if there is plume. Only one of the sample wells gave indication that there was, none of the others have.

The Council expressed an interest in getting continued updates on DOE plans to remediate the waste burial site and its possible affect on Energy Northwest facilities.

WNP-1/4 Lease to Tri-City Railroad Company ***(Dave Fraley reporting)***

Mr. Fraley stated that Tri-City Railroad Company has asked Energy Northwest to lease the rail lines on the WNP-1/4 site for a period of one year with an option to extend. The purpose of this lease is to store train locomotives, in support of the local engine refurbishing facility. No Tri-City Railroad Co. employees will be relocated to the site, nor will any train engine refurbishing activity take place on the property. This lease activity will not pose any undue risks to human health and safety and will not interfere with site restoration. Energy Northwest indicated that benefits include the track being repaired, surveyed and recertified. A draft lease was included with the Council packets.

Chair Ross stated that she wanted assurance that cleanup and disposal protection provisions were included in the lease. Mr. Fraley agreed to check with the Department of Energy for the cleanup requirements. Ms. Haars requested that Item B, on Page 8, be modified to read that only licensed radioactive material is used on-site. Mr. Fraley indicated there would be no materials brought on-site. Ms. Haars stated that if there is a reference to radioactive material, it must be licensed radioactive material, unless exempted.

Motion: It was moved and seconded to approve the lease with Tri-City Railroad Company subject to representation by Energy Northwest that no unlicensed radioactive materials are brought onsite, and the lessee would be responsible for cleaning up and disposing of any leakage

or spills of hazardous materials.

Action: The motion passed unanimously.

Satsop Site, Wildlife Forever Lawsuit

(Meredith Morton reporting)

Ms. Morton indicated Thurston County Superior Court Judge McPhee delivered an oral ruling on April 24, and the order is now being drafted. His ruling affirmed that the Council and Governor had complied with RCW 80.50.300 in approving the termination of the WNP-3/5 Site Certification Agreement. Rich Heath has ordered a copy of the transcript of the ruling and it will be made available to the Council when received.

On behalf of the Council, Chair Ross expressed appreciation to both Ms. Morton and Mr. Heath.

Item 7: Sumas 2 Generation Facility, Application 99-1

DEIS/Public Comment Period Closes May 2

(Allen Fiksdal reporting)

Mr. Fiksdal reported that the DEIS/Public Comment period closed May 2. Staff is assembling comments to send to EFSEC's consultant, Jones and Stokes, who will be preparing the final DEIS. Staff has also been sending copies of all comments to Mary Barrett, Counsel for the Environment. Approximately 100 faxes came from the city of Abbotsford.

Adjudicative Proceedings/Scheduling

(Allen Fiksdal reporting)

A Pre-Hearing Conference is scheduled for May 15, 2000, at 1:00 P.M., at the Attorney General's Office in Tacoma. The adjudicative hearings are scheduled to begin on June 8, and public witness hearings will take place in both Bellingham and Sumas.

Item 8: Siting Task Force

Siting Task Force

(Deb Ross reporting)

Chair Ross reported that the budget that was passed by the legislature and approved by the Governor includes \$25,000 for an Energy Facilities Siting Task Force. It is an abbreviated version of the stand-alone siting legislation that didn't make it through the House and has the same deadline of December 1, 2000. It provides for eight non-voting members, but budget language doesn't indicate who is going to appoint them or what constituencies might be represented by the non-voting members. Senator Spanel will take time to talk with the legislative leaders, and determine how it will work. Chair Ross plans to meet with Margaret Choe, Director of CTED, who has responsibility for administering the \$25,000. Chair Ross has referred persons interested as non-voting members to Senator Spanel.

Item 9: Orca Natural Gas Pipeline Project

(Deb Ross Reporting)

Chair Ross reported that Mr. Fiksdal had a visit from developers of the proposed ORCA Natural Gas Pipeline Project. This pipeline would start at Sumas near the Canadian/US border and proceed in a roughly southwesterly direction to end in Port Townsend. The ORCA Pipeline representatives also met with Marilyn Showalter, Chair of the UTC, and Carol Jolly, of the Governor's Executive Policy office, as well as other state officials. A press release regarding the project has been issued. The developers of this pipeline are a consortium consisting of Westcoast Energy, from British Columbia, Cascade Natural Gas, and Puget Sound Energy, which are both local distribution companies. The pipeline representatives told EFSEC staff that they believe this

project is regulated by FERC, and that EFSEC will not be involved in siting this project since it is an interstate pipeline. After consulting with Rich Heath and Carol Jolly, a letter was sent to the developers asking for backup material as to why they consider this proposed facility to be under federal jurisdiction. A response hasn't been received as of today.

Item 10: Council Affairs

May 19 Workshop – Adjudicative Proceedings ***(Allen Fiksdal reporting)***

On May 19, a workshop on Adjudicative Proceedings will be held by Administrative Law Judge, Nan Thomas and Council member Heather Ballash. Meredith Morton will present information regarding ex parte communications. The purpose of this workshop is to have Council members learn about and understand the process of adjudicative proceedings. It will also provide an opportunity to have any questions on the process answered.

Item 11: Other

Item 12: Adjourn

The meeting adjourned at 2:31 P.M.