

MINUTES

STATE OF WASHINGTON

ENERGY FACILITY SITE EVALUATION COUNCIL

August 20, 2001 – Special Council Meeting

EFSEC Offices
925 Plum Street
Building 4, Room 308
Olympia, Washington 98504-3172

Item 1: Call to Order

Acting Chair Charles Carelli called the meeting to order at 1:00 p.m. A quorum was present.

Item 2: Roll Call

EFSEC COUNCIL MEMBERS

Community, Trade & Economic Development
Department of Ecology
Department of Fish & Wildlife
Department of Natural Resources
Utilities and Transportation Commission
Department of Transportation
Department of Agriculture

Heather Ballash
Charles Carelli
Jenene Fenton
Tony Ifie
Dick Byers
Gary Ray
Linda Crerar

EFSEC STAFF AND COUNSEL

Mike Mills
Michelle Elling
Robert Fallis, AAG, EFSEC

Irina Makarow
Mariah Laamb

GUESTS

Darrel Peeples, Newport NW
Grant Bailey, Jones and Stokes

Doug Pearman, SAIC
Laura Schinnell, Energy Northwest

Item 3: Approval of Minutes – July 9, 2001

Deferred to next month's Council meeting

Item 4: Sumas Energy 2

<i>Jones and Stokes Contract Amendment for Wetlands Mitigation Review and Flooding Modeling</i>	<i>Irina Makarow, EFSEC Staff</i>
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Ms. Makarow provided background on staff’s recommendation to amend the Jones and Stokes contract to: 1) address additional issues in developing the Supplemental Environmental Impact Statement (SEIS) for the Sumas Energy 2 (SE2) Second Revised Application; 2) review of the process the applicant proposes to use to conduct the un-steady state Flood Modeling Analysis; and 3) conduct a review of the Wetlands Mitigation Plan to evaluate compliance with the requirements of the 401 Water Quality Certification process.

At the August 13, 2001 Council meeting, staff had reported that the Department of Ecology didn’t have the resources to review the wetlands mitigation being proposed for the revised SE2 project. In addition, the Council had identified the need to review flood modeling work being prepared by the applicant. At the Council’s request, Jones and Stokes had prepared a proposed scope and budget to complete this additional work.

Ms. Makarow referred members to a letter dated August 16, 2001 from Jones and Stokes, that described the scope and budget for conducting additional flood modeling analysis, and 401 wetlands review; and expanding the number of issues to be covered in the SEIS. Ms. Makarow briefly reviewed the more detailed scope and cost estimates prepared by Jones and Stokes attached to their proposal.

Review of Unsteady State Flood Modeling for SE2 Site (Attachment A): For this review, Jones and Stokes would provide an independent evaluation of the usability of Whatcom County’s unsteady state model for evaluating the impact of the SE2 facility on flooding in the Sumas area. Their review would address the following:

- Can Whatcom County’s unsteady state model be used, in its current state of development, to provide reliable information on changes in flood elevations resulting from construction of the plant?
- Are reliable data available for modeling the 10-, 25-, and 50-year floods, and if not, would this lack of data significantly decrease the utility of the model for assessing flood impacts from the projects?
- Is the unsteady model of the river basin sensitive enough to clearly define impacts that the project would have on the various floods, given the assumptions that have been made in constructing the model and calibrating it?
- When could the results of such an evaluation be available?

To address these concerns, Jones and Stokes proposes to conduct interviews with individuals familiar with the modeling that has been performed; compare the county’s unsteady state model with a model prepared for the city of Sumas, and the impact parameters used in those models; and prepare a written evaluation of the likely utility, reliability, and limitations of the unsteady model for determining how the construction of the site would impact flooding and flood routing in the site vicinity. It was pointed out that the scope does not include actual flood modeling. Jones and Stokes are estimating the total cost for this evaluation at \$31,460.

Wetlands Mitigation Review (Attachment B):

Because Ecology is unable to do this review, Jones and Stokes is proposing to review the revised Wetlands Mitigation Plan using the typical state regulations and criteria to see how the proposed plan matches up to review guidelines and criteria. Jones and Stokes will coordinate its review with Ecology staff who performed the earlier work, along with other department or applicant representatives. Jones and Stokes will prepare draft and final versions of a technical memorandum summarizing the adequacy of the revised Wetlands Mitigation Plan and highlighting any revisions necessary to bring the plan into agreement with state review criteria. In addition, text will be prepared that can be incorporated into the SEIS describing the changes and the adequacy of the plan. The cost estimate for this work is \$17,440.

Ms. Makarow stated that staff is recommending that the Council approve Amendment # 18 to the Jones and Stokes contract authorizing the scope of work summarized above and described in more detail their August 16 letter, for a total cost of \$48,900.

Discussion followed on how the work Jones and Stokes is now being asked to do is different from what they normally would have done in preparing the SEIS, and, how the 401 permit would be handled. Ms Makarow responded that Jones and Stokes will now be able to analyze the flooding information in developing the SEIS (and prior to the adjudicative hearings). For the 401 permit, Jones and Stokes will have the lead in reviewing the wetlands utilization plan. Ecology will have an opportunity to comment when the SEIS goes out for public comment or during the hearings. It was also noted that a 401 permit will need to be issued for this project and it is likely that the Site Certification Agreement (SCA) would serve as the state's certificate, to be included either as a general condition or in an attachment.

Acting Chair Carelli added that while Ecology has an obligation to provide the 401 permit if asked, in this case, the department's program manager has indicated that they don't have the resources at this time to devote to the SE2 project to meet the review schedule set by the Council. It was also pointed out that the original Ecology 401 team members would now be available, on a very limited basis, to work with both the applicant and Jones and Stokes on advising how the proposed plan compares with state rules. Mr. Fallis indicated he would talk with Ecology counsel about how ex parte requirements might apply to using Ecology staff in the review process. Ms Makarow noted that staff is continuing to work with Ecology to examine ways that the department could overall support EFSEC project reviews. She expects Ecology may be prepared to present a proposal at the next Council meeting.

Member Heather Ballash stated that this approach - using the SEIS and SEPA process to integrate all environmental impacts into a single EIS document - could be viewed as a good test case for streamlining the process in the future. Other members expressed interest in seeing how it works for the SE2 project, to help determine if such an approach would merit further discussion in the rulemaking initiative currently underway.

Jenene Fenton made the following motion

Motion: That the Acting Chair be authorized to approve Amendment #18 to the Jones and Stokes Contract to carry out the SE2-related work described in their August 16, 2001 submittal; for a total cost of \$48,900.

Dick Byers seconded the motion

Action: The motion passed unanimously

Item 5: Columbia Generating Station

<i>Department of Health FY 2001 Emergency Preparedness Contract Amendment</i>	<i>Mike Mills, EFSEC Staff</i>
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Mr. Mills provided background information on the request from the Department of Health to amend their FY 2001 Emergency Preparedness Contract to cover an over expenditure of \$6,200. Since the August 13 regular Council Meeting, Mr. Mills had checked further with the Community, Trade and Economic Development (CTED) accounting office, and they feel it would be legal for them to pay the additional amount based on counsel Fallis' advice. The payment could be made pursuant to the Interlocal Cooperation Act and other general contracting factors. Member Dick Byers cautioned that while he understood that the services received were within the scope of the contract, it is important that our contractors stay within budget and bring funding or scope of work issues to the Council in a timely manner. He added that after the fact approvals put the Council in an awkward position and we need to ensure that proper controls are in place for managing contracts. Mr. Mills reviewed the Council's contracting process and the type of controls administered by staff in managing agency or consultant contracts.

Jenene Fenton made the following motion:

Motion: Approve Amendment A to the FY 2001 Department of Health-Emergency Preparedness Contract to increase funding by \$6,200.

Heather Ballash seconded the motion.

Action: The motion was approved, with Acting Chair Carelli abstaining.

Item 6: Satsop Combustion Turbine Project

<i>Grays Harbor County Contract-Plan Reviews</i>	<i>Mike Mills, EFSEC Staff</i>
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Mr. Mills reported that this item was added to the meeting agenda because he was able to complete negotiations last week with the Grays Harbor County, Planning and Building Division. They are agreeable to entering into a contract to review construction and building plans for the Satsop Combustion Turbine Project. The county's initial effort will focus on review of the grading and filling plans already submitted by Duke Energy/Energy Northwest. The county has committed to have those initial reviews completed by early September, to coincide with the Council's review of a number of plans and specifications that require Council approval prior to the beginning of construction.

Jenene Fenton made the following motion.

Motion: Approve a contract with Grays Harbor County to provide for building and safety plan reviews and on-site inspections associated with the Satsop Combustion Turbine Project, in an amount not to exceed \$40,000.

Heather Ballash seconded the motion.

Action: The motion passed unanimously.

Mr. Mills reported that staff is planning to bring the initial project plans and drawings to the Council at its September 10 meeting for review and approval

Item: 7 Adjourn

The meeting was adjourned at 1:48 p.m.