



STATE OF WASHINGTON

## ENERGY FACILITY SITE EVALUATION COUNCIL

PO Box 43172 • Olympia, Washington 98504-3172

### September 12, 2006 Monthly Meeting Minutes

#### 1. CALL TO ORDER

Chair Jim Luce called the September 12, 2006 monthly meeting to order at 925 Plum Street S.E., Building 4, Room 308, at 1:30 p.m.

#### 2. ROLL CALL

##### Council members present were:

Dick Fryhling	Community, Trade & Economic Development
Hedia Adelsman	Department of Ecology
Jeff Tayer (via phone)	Department of Fish and Wildlife
Judy Wilson	Department of Natural Resources
Tim Sweeney	Utilities and Transportation Commission
Patti Johnson	Kittitas County
Jim Luce	Chair

##### Staff in attendance were:

Allen Fiksdal – EFSEC Manager, Irina Makarow – Siting Manager, Mariah Laamb – Council Secretary

##### Guests in attendance were:

Gary Sprague – Washington Department of Fish and Wildlife, Darrel Peoples – Attorney for Kittitas Valley project, James Hurson – Attorney for Kittitas County, Scott Williams – Puget Sound Energy, Tim McMahan – Stoel Rives, Tom Krueger – Pacific Mountain Energy Center, Ted Beatey – Pacific Mountain Energy Center, Brad Peck – Pacific Mountain Energy Center, Laura Schinnell – Energy Northwest, Katy Chaney – URS Corp, Cindy Custer – Bonneville Power Administration, Joe Long – Grays Harbor Energy, Susan Beck

##### Guests attending via phone:

Mike Tribble – Counsel for the Environment, Karen McGaffey – Perkins Coie, Liz Thomas – Preston, Gates & Ellis, Grant Bailey – Golder & Associates

### 3. ADOPTION OF PROPOSED AGENDA

The agenda was presented to the Council for amendments or additions. The agenda was adopted as presented.

### 4. MINUTES

Staff presented the following minutes for approval: August 8, 2006 monthly meeting and the August 9, 2006 and August 15, 2006 special meetings.

**MOTION – Approval of the minutes of the August 8, 2006 monthly meeting and the August 9, 2006 and August 15, 2006 special meetings. Council member Dick Fryhling made the motion and Council member Judy Wilson seconded it. The Council voted on the motion and it passed unanimously.**

### 5. PACIFIC MOUNTAIN ENERGY CENTER

<i>Submittal of Application for Site Certification</i>	<i>Tom Krueger, Energy Northwest</i>
--	--------------------------------------

On September 12, 2006, Energy Northwest submitted an application for site certification for the Pacific Mountain Energy Center, proposed for Kalama, Washington. Ms. Laura Schinnell and Mr. Tom Krueger presented a summary of the project to the Council and answered questions.

Allen Fiksdal, EFSEC Manager, recommended that the Council send out a Request for Proposal (RFP) to consultants, to secure the services of an independent consultant to review the application. The consultant will assist the Council in its SEPA scoping activities and prepare a SEPA scoping document. He also presented a proposed review process and schedule for Council discussion.

Council member Hedia Adelman pointed out that it would be good to coordinate the SEPA and the Land Use hearings if at all possible. Chair Luce affirmed that staff will coordinate meetings that can be scheduled for the same time as possible, along with focusing on key issues to proceed to the adjudicative process in a timely manner.

Mr. Fiksdal indicated that the first public information meeting on the project would be held within 60 days of receipt of the application, so it will be scheduled for the end of October or early November to meet the Council's rules. Staff will determine in the near future whether the land use and scoping meetings, and a site visit can all be scheduled for the same time. EFSEC is the lead agency for reviewing the application and therefore will be responsible for preparing the Environmental Impact Statement on the project.

Energy Northwest recognizes this project as a milestone for its company as this is the first Integrated Gas Combined Cycle (IGCC) power plant proposed in Washington State and is looking forward to working with staff and Council on this new application.

## 6. BP CHERRY POINT PROJECT

<b>SCA Amendment</b>	<b>Irina Makarow, EFSEC Staff</b>
----------------------	-----------------------------------

The BP Cherry Point Project has requested changes to their Site Certification Agreement (SCA) and Ms. Makarow has presented the changes to the Council in a red-lined draft document. BP responded to questions from the Council and a copy was provided to the Council for review. A Determination of Non-Significance (DNS) was signed on September 11, 2006 for the SCA amendment.

A public meeting will be held at the Ferndale Library on Tuesday, October 3, 2006, from 6:30 – 8:30 p.m. This is an opportunity for the public to learn about the proposed changes to the Cherry Point Cogeneration Project and to submit their comments. Notice will be sent out this week to all persons on the BP mailing list. Council members plan to visit the site the same day prior to the evening meeting.

## 7. KITTITAS VALLEY WIND POWER PROJECT

<b>Hearings/Meetings Schedule</b>	<b>Irina Makarow, EFSEC Staff</b>
-----------------------------------	-----------------------------------

Ms. Makarow reported on the meetings taking place in the month of September for the Kittitas Valley Wind Power Project. There will be three meetings to accept public comment, oral and written. First is Tuesday, September 12, 2006, at 7 p.m. at South Seattle Community College in Seattle. Following that are two in Ellensburg at the Kittitas County Fairground on Wednesday, September 20<sup>th</sup> and Thursday, September 21<sup>st</sup>, starting at 7 p.m.

The adjudicative hearings start at the Kittitas County Fairgrounds Events Center, Monday September 18, 2006 – Friday, September 22, 2006, with the detailed schedule available on the Council's website at [www.efsec.wa.gov](http://www.efsec.wa.gov).

## 8. PROJECT UPDATES

### Wild Horse Wind Power Project

<b>Construction Report</b>	<b>Scott Williams, Puget Sound Energy</b>
----------------------------	---

Mr. Williams reported that the Wild Horse Wind Power Project has 76 % of the roads completed, approximately ½ of the turbines assembled, tested and operating. They expect to have all the turbines assembled, testing and operating by the end of the year.

### Columbia Generation Station

<b>Operational Status</b>	<b>Allen Fiksdal, EFSEC Manager</b>
---------------------------	-------------------------------------

The Columbia Generation Station is operating at 100 % power and has done so for 432 day consecutively. This is their longest period of time of continuous operations. All plant systems are functioning normally.

<b>Emergency Plan Exercise</b>	<b>Allen Fiksdal, EFSEC Manager</b>
--------------------------------	-------------------------------------

Mr. Mike Mills is participating in a planned and graded exercise of the Emergency Response Plan for the Columbia Generation Station along with Energy Northwest and federal/state/local emergency response members. Over 200 utility, federal, state and local responders are participating in today's exercise. Mr. Mills represents the Council at the state Emergency

Operations Center at Camp Murray. A formal report assessing the level of preparedness in responding to a radiological emergency at the plant will be issued by the Federal Emergency Management Act (FEMA) following the exercise.

<b><i>Visitor's Center</i></b>	<b><i>Allen Fiksdal, EFSEC Manager</i></b>
--------------------------------	--

Mr. Fiksdal reported to the Council that Energy Northwest supports the Reach Interpretive Center and agreed to contribute \$100K toward community outreach thru the Reach Center. They also would like to amend their site certificate agreement (SCA) no longer requiring a visitor, and closing Resolution 225. The amendment would eliminate the need for a visitor's center, based on the support of this requirement being met thru the Reach Center. Staff plans to bring the SCA to the Council for action in either October or November.

#### **WNP-1**

<b><i>Offsite Mitigation Project Update</i></b>	<b><i>Allen Fiksdal, EFSEC Manager</i></b>
---	--

Mr. Fiksdal provided a written update from Mr. Mills regarding the parcels of interest in the Amon Creek Basin project. The Trust for Public Land (TPL) indicated that the survey and appraisal of the Michel/Solback parcel will be completed by the end of September and if approved by the sellers and funders, TPL would purchase the property, approximately 60 acres, with a closing date on or before February 6, 2007. The Department of Transportation (Department) reports that Ecology has agreed to give the Department 3 acres credit for the Michel and Watts properties needed to satisfy their wetlands mitigation requirement related to the SR 240 project. The City of Richland is looking at the 24 acre Department of Natural Resources (DNR) parcel that abuts Claybell Park for future park development and preserving open space. DNR has identified that parcel as property that it wants to sell and is aware of the City's interest. The City of Richland is currently looking at various funding sources and expects to take a proposal to their Parks Commission in the near future and possibly before their City Council in October.

#### **Chehalis Generation Facility**

<b><i>Title V Air Permit Approval</i></b>	<b><i>Irina Makarow, EFSEC Staff</i></b>
---	--

Ms. Makarow reported there have been no comments on the Title V Air Permits from the Environmental Protection Agency (EPA).

#### **Satsop CT Project**

<b><i>August 9 Site Tour</i></b>	<b><i>Allen Fiksdal, EFSEC Manager</i></b>
----------------------------------	--

The August 9 site visit was attended by Council members and staff. Joe Long, Operations and Maintenance Manager, and Dave Furstenwerth, Plant Electrician accompanied the Council on the tour. The project remains in a deferred status, while Invenergy pursues power marketing opportunities.

### **9. EFSEC RULES**

#### **Air Rules**

<b><i>Mercury Emissions – CR 101</i></b>	<b><i>Irina Makarow, EFSEC Staff</i></b>
--	--

Ms. Makarow reported that a CR 101 was filed on mercury emissions. EFSEC is planning to proceed with rulemaking as opposed to adopting Ecology's rules by reference. EFSEC's

determination to not wait for Ecology's process is predicated on the knowledge that EFSEC may have a project(s) before them with potential mercury emissions where action would be required prior to the Ecology rules being final.

<b><i>Carbon Dioxide – Questions</i></b>	<b><i>Allen Fiksdal, EFSEC Manager</i></b>
--	--

Mr. Fiksdal reported that EFSEC is undertaking rulemaking for implementation of Chapter 80.70 RCW, Washington State's Carbon Dioxide (CO2) Mitigation Law passed in 2004. He has prepared some questions to help develop guidelines to determine a list of Independent Qualified Organizations that could receive funds from energy facilities to invest in projects to mitigate CO2. Those questions have been sent out to EFSEC's rulemaking mailing list and comments can be provided back to Allen Fiksdal, by mail or email. There is a deadline for comments of September 15, 2006.

## **10. CHAIR'S REPORT**

Chair Luce reported that he has been focusing on preparations for the adjudicative hearings of the Kittitas Valley Wind Power Project.

## **11. OTHER**

Stephen Posner was hired as an Energy Facility Site Specialist and starts Monday, September 18, 2006.

## **12. ADJOURN**

The meeting was adjourned at 2:35 p.m.