



STATE OF WASHINGTON

ENERGY FACILITY SITE EVALUATION COUNCIL
PO Box 43172 • Olympia, Washington 98504-3172

August 12, 2008 Monthly Meeting Minutes

1. CALL TO ORDER

Chair Jim Luce called the August 12, 2008 monthly meeting to order at 905 Plum Street S.E., Room 301, at 1:30 p.m.

2. ROLL CALL

Council members present were:

Jim Luce (via phone)	Chair
Dick Fryhling	Community, Trade & Economic Development
Dick Byers	Utilities and Transportation Commission
Jeff Tayer	Department of Fish and Wildlife
Judy Wilson	Department of Natural Resources
Hedia Adelman (excused)	Department of Ecology

Staff in attendance were:

Allen Fiksdal - EFSEC Manager, Stephen Posner, Compliance Manager, Jim LaSpina - EFS Specialist, and Kyle Crews, AAG AGO.

Guests in attendance were:

Bob Ross - Chehalis Power, Todd Gatewood - Grays Harbor Energy, Jennifer Diaz - Puget Sound Energy, Dan Rottler - Puget Sound Energy, Ron Barkelman - David Evans and Associates, Brock Applegate - WDFW, Bruce Marvin - Counsel for the Environment, Darrel Peebles - Attorney, Scott Williams - Puget Sound Energy Wild Horse, Michael Goldstein - Grays Harbor Energy, Mark Anderson - Community, Trade & Economic Development Energy Policy and Tim McMahon - Attorney

Guests attending via phone:

Dave Nylander - Energy Northwest, Karen McGaffey - Perkins Coie, and Dan Rottler, PSE.

3. ADOPTION OF PROPOSED AGENDA

The agenda was presented to the Council for amendments or additions. An additional "Other" item was added to the agenda and the agenda was adopted as modified.

4. MINUTES

The July 8, 2008 monthly meeting minutes were presented for approval. Council members Tayer and Wilson noted they were not present at the July 8, 2008 meeting so they would not be voting to approve the minutes.

Motion: Council member Fryhling moved the Council approve the July 8, 2008 meeting minutes as presented. The motion was seconded by Council member Byers. The motion was approved.

5. PROJECT UPDATES

Wild Horse Wind Power Project

<i>Project Update</i>	<i>Jennifer Diaz, PSE</i>
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Ms. Jennifer Diaz from Puget Sound Energy (PSE) introduced Plant Manager for the Wild Horse Wind Power Project (Wild Horse) Mr. Dan Rottler (via phone). Ms. Diaz reported July's Production was 66,150 MWh, capacity factor of 38.9 %. The Solar Demonstration Project generated approximately 89,839 KWH over the past month.

She noted that the Post-Construction Site Restoration Plan, field assessments were conducted this past spring to monitor and evaluate the success of post-construction habitat restoration following the first full year of recovery of the site in accordance with Article IV.F.9 of the SCA, and that the annual monitoring of restored and reference site plots selected in coordination with WDFW will continue through the third year post-construction in accordance with the approved plan. Ms. Diaz said that information gathered will be reported annually over the next 3 years in the form of written reports which will be issued to TAC members for review. The first report was issued to EFSEC and the TAC on July 9th. Objectives for the first year of monitoring as described in the Restoration Plan, included analysis of site conditions to determine erosion activity and level of weed infestation. First year monitoring results indicate that revegetation efforts are proving successful in controlling erosion and populations of non-native weed species, which satisfies the monitoring goals for the first year following revegetation activities.

Ms. Diaz said that the monthly Discharge Monitoring Report (DMR) was submitted to EFSEC and the DOE on August 4th. PSE was pleased to report there were no stormwater events or issues during the month of July and the site remains in compliance with the stormwater permit. PSE also met with Ecology inspectors at Wild Horse on August 1st. This was not a formal site inspection but rather an opportunity to meet Linda Jameson from the Central Regional Office in Yakima and to get her acquainted with Wild Horse and the proposed Expansion Area. Linda will be taking over Bryan Neet's position as stormwater inspector at Wild Horse. Bryan has accepted a new position within Ecology.

<i>SCA Amendment Request</i>	<i>Allen Fiksdal, EFSEC Manager</i>
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EFSEC Manager Allen Fiksdal reported that approximately 30 people attended the August 6, 2008 public hearing in Ellensburg on the request to amend the Wild Horse Site Certification Agreement to expand the project by 29 turbines. Council member Tayer noted many of the commenter's expressed general support for the amendment, but noted that there are some issues regarding the conservation easement, protection of springs, and road construction. Council member Fryhling noted that commenter's thought the Technical Advisory Committee was working well.

Council members discussed aspects of completing the conservation easement prior to approval of the amendment request, the difficulty of sagebrush restoration, and some of the SCA requirements that may not be obtainable.

Mr. Darrel Peoples representing PSE noted that the conservation easement was not a SCA condition. He also said that PSE would submit a response to the comments that EFSEC has received in a week or two.

Kittitas Valley Wind Power Project

Update	<i>Jim LaSpina, Staff</i>
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Mr. Jim LaSpina, EFSEC Specialist, reported that EFSEC staff had received some pre-construction submittals required by the SCA. He also reported that contracts for plan review by other agencies are being finalized.

Columbia Generating Station

Project Update	<i>Dave Nylander, Energy Northwest</i>
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Mr. Dave Nylander reported to the Council, that the Columbia Generating Station is operating at 100% Power on the 374th day on line. The permanent repairs to the Reactor and Turbine Building siding damaged by high winds continues with design and scaffold (mast climbers) erection. Beginning August 18, 2008, the main entrance to CGS will be closed for pavement resurfacing and road widening. Traffic will be rerouted through Gate 1-8 near the Industrial Development Complex. Construction work is due to be completed in September.

He stated that the Ecology inspection had progressed, Ecology is working with Energy Northwest to close the October 4, 2007 Administrative Order #5145 for the Industrial Development Complex. A close-out inspection was held on June 5-11, 2008 for this purpose. No problems or issues were identified, and all areas were found to be in good condition. On July 23, 2008, Ecology held a formal close-out meeting with Energy Northwest management and staff, during which Ecology indicated that all actions required by the Order have been satisfactorily completed. Ecology indicated they would prepare a letter that will formally document the closure of the Order. Ecology expressed their appreciation for Energy Northwest's immediate and proactive response to issues identified during the inspection and the requirements of the Order. A similar inspection to close out Columbia Generating Station Administrative Order #5143 is tentatively planned for the third week of September 2008.

Emergency Planning Update	<i>Stephen Posner, EFSEC Staff</i>
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Mr. Posner presented an update on Emergency Planning activities at the CGS. CGS, local, state and federal agencies are preparing for an evaluated exercise scheduled for Sept 9-11. A dress rehearsal was conducted on July 8-9. This is an ingestion exercise and is one of the requirements of the REP program. This exercise is designed to test the responsiveness of agencies in dealing with a release from CGS.

The exercise will be evaluated by FEMA through the observations of evaluators stationed at various locations during the Sept exercise. FEMA will first issue a draft report with their findings. Various levels of corrective action may be taken by the participating agencies depending of the findings. A final exercise report will be issued by FEMA within 90 days of the exercise date.

Satsop Combustion Turbine Project

Project Update	<i>Todd Gatewood, Grays Harbor Energy</i>
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Mr. Todd Gatewood, Grays Harbor Energy reported that there were no reportable accidents or injuries in the month of July; however, there was an on-site injury on the last day of June. An O&M Technician injured his knee while operating a manual valve. A MRI determined that he would require arthroscopic surgery. He is expected to be off work for a period of six (6) months for recovery. We conducted a safety stand down with all employees. We have also modified the area he was working in to provide a step to gain better access to the valve.

Mr. Gatewood said the all emissions testing completed; reports are being prepared for submittal. The final installation of Opacity Monitors is complete. Visual readings are

currently taking place. No have been no wastewater discharge violations. The unit operated for 7 days in July for 32,650 Mw hrs, this produced a 7% capacity factor for the month of July. Plant dedication ceremony has been changed to an Open House scheduled for September 18th.

Mr. Fiksdal notified the Council of noise complaints received by EFSEC staff from the plant's neighbors. Mr. Gatewood said the facility is in the process of researching various noise monitoring systems or possibly hiring a third party to conduct our noise level readings. Since this is early in the process we have not made a firm decision at this point. At the next EFSEC meeting Mr. Gatewood should be able to answer Chairman Luce's questions. Mr. La Spina said he would follow up on the issue.

Chehalis Generation Facility

<i>Project Update</i>	<i>Bob Ross, Chehalis Power</i>
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Mr. Ross reported the plant dispatch for June and July at approximately 30%. He also reported that the facility had operated more than 2,100 days without a Lost Time Accident. In addition, the facility has not received a noise complaint in more than a year. There have been no stormwater exceedances in more than a year.

Rule Making

<i>Transmission Siting</i>	<i>Allen Fiksdal, EFSEC Manager</i>
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Mr. Fiksdal reported that a CR 102 had been filed with the Code Revisers Office and that a public hearing on the proposed rules is scheduled for 2 pm on September 9, 2008 during the EFSEC monthly meeting in Olympia.

<i>Greenhouse gases reporting</i>	<i>Allen Fiksdal, EFSEC Manager</i>
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Mr. Fiksdal reminded the Council that EFSEC needed to start rulemaking for the reporting of greenhouse gasses as required by ESSHB 2815. He noted that the Department of Ecology was taking the lead on the greenhouse gas reporting and had already issued a CR 101 (Preproposal Statement of Inquiry). Mr. Fiksdal said he would be filing a CR 101 for this rulemaking shortly.

<i>Chapters 463-10, 43, 58, 60, & 62</i>	<i>Allen Fiksdal, EFSEC Manager</i>
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Mr. Fiksdal reported that there were some citations that need to be corrected and other changes due to changes to statues that were needed in several chapters of Title 463 WAC. Council members agreed and directed Mr. Fiksdal to file a CR 101 to start that rulemaking process.

6. OTHER

Chair Luce said that he would like the Council to start considering development of new rules for alternative energy resources. He noted that after EFSEC's review of some wind power projects, some of the issues arising from those reviews could be addressed by rules. He also noted that EFSEC will probably be getting more alternative energy applications and developing rules for these would be a good thing to do.

7. ADJOURN

The meeting was adjourned at 2:30 pm.