



## STATE OF WASHINGTON

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

June 24, 2008 Special Meeting Minutes

### 1. CALL TO ORDER

Chair Jim Luce called the June 24, 2008 special 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	Chair
Dick Fryhling	Community, Trade & Economic Development
Jeff Tayer	Department of Fish and Wildlife
Judy Wilson	Department of Natural Resources
Dick Byers	Utilities and Transportation Commission
Hedia Adelsman (via phone)	Department of Ecology

#### Staff in attendance were:

Allen Fiksdal - EFSEC Manager, Stephen Posner - Compliance Manager, Jim LaSpina - EFS Specialist, Mike Mills - EFS Specialist, Tammy Talburt - Administrative Assistant, and Kyle Crews - AAG AGO.

#### Guests in attendance were:

Mark Anderson - Community, Trade & Economic Development Energy Policy, Rob Smith - Chehalis Power, Mark A. Miller - PacifiCorp, Kirk Lilley - K & L Gates, Stephen Bird - PacifiCorp, Jeff Erb - PacifiCorp, Kathleen Collins - PacifiCorp and Mike Gwyther - Chehalis Power Generation.

#### Guests attending via phone:

Karen McGaffey - Perkins Coie.

### 3. ADOPTION OF PROPOSED AGENDA

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

### 4. UPDATES

#### Greenhouse Gas

<i>Rule making</i>	<i>Allen Fiksdal, EFSEC Manager</i>
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Mr. Allen Fiksdal, EFSEC Manager presented to the Council for their approval a CR-103 for adaptation of Chapters 463- 80 and 85 WAC. Council member Dick Byers suggested that clarifying language be added to WAC 463-80-030 (2) (a) & (b) by adding "and" after subsection (a) and the word "or" after subsection (b).

**Motion: Council member Dick Byers moved that the Council approve the CR-103 with the clarifying language. The motion was seconded by Council member Dick Fryhling. The motion was approved.**

## **Chehalis Generation Facility**

### ***Ownership Transfer***

***Allen Fiksdal, EFSEC Manager***

Mr. Stephan Bird, PacifiCorp Energy Senior Vice President and Mr. Jeff Erb, Assistant General Counsel PacifiCorp Energy reported to the Council that PacifiCorp has requested the Council's approval for the ownership transfer as follows:

- Comply with the approved greenhouse gas mitigation plan for the Facility,
- Provide an additional \$1.5 million in funding for greenhouse gas offset projects to be approved by the Council, and
- Offer to install an auxiliary boiler to reduce CO<sub>2</sub> emissions associated with startup at the Facility.

Chair Luce reminded the Council that PacifiCorp has been grandfathered under RCW 80.70, placing no obligation upon PacifiCorp to provide CO<sub>2</sub> mitigation under 80.70 standards and that PacifiCorp has offered \$1.5 million for mitigation. Additionally, an auxiliary boiler which will shorten the startup time, therefore reducing the CO<sub>2</sub> emission produced from the lengthier startup. The changes to the SCA are specific to PacifiCorp its affiliates and are not binding to the Council in the event of a future ownership change. Chair Luce noted that future legislation could bring an opportunity for PacifiCorp to use the proposed CO<sub>2</sub> mitigation as CO<sub>2</sub> credits. At that time the Council would consider such credits awarded to PacifiCorp.

Mr. Allen Fiksdal, EFSEC manager noted that the question before the Council was to approve issuance of an Order to approve the requested transfer, and to issue a Resolution that would amend the Chehalis Site Certification Agreement upon the Council's receipt of a notice that the sale of Chehalis project to PacifiCorp was complete.

**Motion: Council member Judy Wilson moved that the Council approve the transfer of the Chehalis Generating Facility from Suez Energy Generation to PacifiCorp, issuance of the Order, the Resolution and amended Site Certification Agreement subsequent to the actual transfer. The motion was seconded by Council member Dick Fryhling. The motion was approved<sup>1</sup>.**

## **5. ADJOURN**

The meeting was adjourned at 1:58 pm.

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<sup>1</sup> NOTE: Council member Dick Byers recused himself from this item due to his role at the Utilities and Transportation Commission.