Councilmembers Present:

Bill Lynch, Chair
Liz Green-Taylor, Department of Commerce
Cullen Stephenson, Department of Ecology
Joe Stohr, Department of Fish and Wildlife
Andrew Hayes, Department of Natural Resources
Dennis Moss, Utilities and Transportation Commission

Local Government and Optional State Agencies:
Christina Martinez, Department of Transportation
Bryan Snodgrass, City of Vancouver
Jeff Swanson, Clark County
Larry Paulson, Port of Vancouver

Staff in Attendance:

Stephen Posner, EFSEC Manager
Tammy Talburt, Commerce Specialist 1
Sonia Bumpus, Siting Specialist
Kali Wraspir, Administrative Assistant

Assistant Attorney General:

Ann Essko, Assistant Attorney General

Guests in Attendance:

Irina Makarow, BergerABAM
Adam Torem, Utilities and Transportation Commission
Richard Downen, Grays Harbor Energy Project
Mark Miller, PacifiCorp Energy
Jan Aarts, Cardno ENTRIX
Kelly Flint, Tesoro Savage
Jay Derr, Van Ness Feldman

Guests in Attendance Via Phone:

Eric Melbardis, Kittitas Valley Wind Project, EDPR Renewables
Jennifer Diaz, Puget Sound Energy, Wild Horse Wind Power Project
Karen McGaffey, Perkins Coie
Bronson Potter, City of Vancouver
OLYMPIA, WASHINGTON, JUNE 17, 2014

1:32 P.M.

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PROCEEDINGS

CHAIR LYNCH: Good afternoon and welcome. Today is June 17, 2014, and it's the regular Council meeting of the Energy Facility Site Evaluation Council.

Could we please have Staff call the roll?

MS. TALBURT: Department of Commerce?

MS. GREEN-TAYLOR: Liz Green-Taylor here.

MS. TALBURT: Department of Ecology?

MR. STEPHENSON: Cullen Stephenson here.

MS. TALBURT: Department of Fish and Wildlife?

MR. STOHR: Joe Stohr is here.

MS. TALBURT: Department of Natural Resources?

MR. HAYES: Andy Hayes is here.

MS. TALBURT: Utilities and Transportation Commission?

MR. MOSS: Dennis Moss for the UTC.

MS. TALBURT: Local Governments and Optional State Agencies: Department of Transportation?

MS. MARTINEZ: Christina Martinez here.

MS. TALBURT: City of Vancouver?
MR. SNODGRASS: Bryan Snodgrass here.

MS. TALBURT: Clark County?

MR. SWANSON: Jeff Swanson is here.

MS. TALBURT: Port of Vancouver?

MR. PAULSON: Larry Paulson here.

MS. TALBURT: Chair, there is a quorum.

CHAIR LYNCH: Thank you.

And you will see that -- well, first of all, let's take a look at the agenda for today's Council hearing.

Are there any proposed additions to the agenda?

Okay. Then let's go ahead and turn to the Council meeting minutes. We have two sets of minutes to approve, the May 20, 2014 regular hearing, and then the May 28, 2014 land use consistency hearing that we held down in Vancouver. And after the Councilmembers have had a chance to look through these, I'll entertain a motion for approval.

MR. STEPHENSON: I'll move for approval of the May 20th Council meeting minutes.

CHAIR LYNCH: Do we have a second?

MR. HAYES: I'll second.

CHAIR LYNCH: It's been moved and seconded that we approve the regular Council minutes from May 20th.

All those in favor say "aye."

MULTIPLE SPEAKERS: Aye.

CHAIR LYNCH: Opposed?
Motion carries.
And can we have a motion on the May 28, 2014 minutes?

MR. STEPHENSON: I have a change.

CHAIR LYNCH: Oh, there's been a proposed change by
Councilmember Stephenson.

MR. STEPHENSON: On page 6 of the meeting minutes
when we're doing our introductions -- just for the record, I
think this needs to get changed -- I'm introduced as Mr. Cullen,
and the name is Mr. Stephenson, just for the notes, that shows
that the Councilmembers are there.

CHAIR LYNCH: Thank you. So your name is just not
like Cher or Prince?

MR. STEPHENSON: You can call me Mr. Cullen if you
want informally.

CHAIR LYNCH: With that correction, are there any
other changes?

Can I have a motion on the minutes with that
correction?

MR. HAYES: Chair, I'll move that we adopt the
minutes from the May 28, 2014 meeting.

CHAIR LYNCH: Do I have a second?

MR. MOSS: I'll second that.

CHAIR LYNCH: It's been moved and seconded that we
approve the minutes as corrected, the May 28, 2014 hearing.

All those in favor say "aye."
MULTIPLE SPEAKERS: Aye.

CHAIR LYNCH: Opposed?

Motion carries.

And would anybody who's on the telephone who wishes to identify themselves who otherwise wouldn't be reporting to the Council, if you choose to, please identify yourself now.


MR. MELBARDIS: Eric Melbards, EDP Renewables, Kittitas Valley Wind Power Project.

MS. McGAFFEY: Karen McGaffey, Perkins Coie.

MR. POTTER: Bronson Potter, Vancouver City Attorney's Office.

CHAIR LYNCH: Thank you. Let's go ahead and proceed.

And you may remember that at our last Council hearing, that right when we were ready to take updates from people, the phone system was out.

And so my question for you, Ms. Diaz, is: What did you do?

MS. DIAZ: Well, I can pull up my April update, but let me start off with my May. If you wouldn't mind, I'll start with that.

CHAIR LYNCH: Oh, no. Please go ahead and start with your April.

MS. DIAZ: With the April? Okay. Just a moment.
Let me bring it up here. I didn't prepare to bring that.

April.

All right. So for the record, my name is Jennifer Diaz. I'm the environmental manager for Puget Sound Energy at the Wild Horse Wind and Solar Facility.

For April the only nonroutine update I have is a site inspection was completed following a significant rain-on-snow event. No stormwater was observed leaving the site, and road and stormwater BMP maintenance was completed following the inspection.

And in accordance with the Wildlife Incident Reporting and Handling System, site staff completed annual training on the proper procedures for reporting all avian and wildlife incidents found within the project boundary.

And that's for April.

For May the only nonroutine update I have falls under the safety heading. Site staff participated in an emergency response drill with Kittitas Valley Fire and Rescue and Airlift Northwest. The drill scenario included rescuing a victim from a wind turbine followed by emergency helicopter transport by Airlift Northwest.

And that's all I have for those two months.

CHAIR LYNCH: Very good.

Does anyone have any questions for Ms. Diaz?

Thank you, Ms. Diaz.
And could we hear from Mr. Melbardis, please,
Kittitas Valley Wind Project?

MR. MELBARDIS:  Yes.  Good afternoon EFSEC Council Chair and Staff.  There is nothing nonroutine in my report, although it has been rather windy and our production has been higher than normal.  And we are also in the process of doing our spring/summer weed spraying for noxious weed control.

CHAIR LYNCH:  Any questions for Mr. Melbardis?

Thank you, Mr. Melbardis.

MR. MOSS:  Mr. Chairman?

CHAIR LYNCH:  Oh, excuse me.

Mr. Moss?

MR. MOSS:  I just noticed in the record -- so our records are accurate -- that the date on the Kittitas Valley report is June 17, 2013.  That should probably be 2014.

CHAIR LYNCH:  Thank you, Mr. Moss.  We will make that correction that it's -- it is June 17, 2014.

MR. MELBARDIS:  I apologize for the typo.

CHAIR LYNCH:  That's fine.  Thank you, Mr. Melbardis.

If we can hear now from Ms. Khounnala, Columbia Generating Station, and then WNP 1 and 4?

Ms. Khounnala, are you on the line?

MR. POSNER:  Chair Lynch?

CHAIR LYNCH:  Yes?

MR. POSNER:  She may not be on the line.  We had an
issue with our call-in phone number. And we sent out an e-mail earlier, but she may not have gotten it with the new number, so she doesn't sound like she's on the line.

CHAIR LYNCH: Okay. I thought I heard her earlier, but I must be mistaken.

So let's skip forward to Mr. Miller with the Chehalis Generation Facility.

MR. MILLER: Good afternoon, Chair Lynch and Councilmembers. My name is Mark Miller, and I am the plant manager at PacifiCorp Energy Chehalis Generation Facility. I have no nonroutine comments today.

CHAIR LYNCH: And it's Chehalis that is -- it's your facility that is still looking to complete the mitigation?

MR. MILLER: Yes.

CHAIR LYNCH: Yes.

MR. MILLER: Our environmental policy staff have scheduled a meeting with the EFSEC Staff next Tuesday; am I correct there, Mr. Posner?

MR. POSNER: That is correct.

MR. MILLER: Yeah. So myself and two other individuals. One's from Salt Lake and one from the Olympia area will be here to discuss mitigation options --

CHAIR LYNCH: Okay.

MR. MILLER: -- to try to move this forward as Chair has desired.
CHAIR LYNCH: Okay. Very good.

Any questions for Mr. Miller?

Thank you, Mr. Miller.

MR. MILLER: All right. Thanks.

CHAIR LYNCH: Let me hear from Mr. Downen now from Grays Harbor Energy Center.

MR. DOWNEN: Good afternoon, Chair Lynch and Councilmembers. I got a question for Kali, to start.

Did the new sheet get in the packets today?

MS. WRASPIR: Yes.

MR. DOWNEN: Okay. I updated the sheet this morning, so I wanted to make sure that you had the same information that I have.

My name is Rich Downen. I'm the plant manager at Grays Harbor Energy. I've got a few non or off-normal items to talk about, so I'll just go through those with you. If you have your sheets, then I'll start with Item 3.2.

Grays Harbor was unavailable 14 days during the month of May as we performed our annual maintenance outage for the year, so we had things torn apart. We had a lot of contractors onsite, which takes us up to Item 1.2.

One of the contractors injured his hand. It was a Bay Valve employee. And while they were pulling a valve out of the plant, they dropped the valve actuator, and it smashed a finger of one of the contractors. He was driven to the local
hospital and got stitches and came back to work. So that was a contractor employee, not a Grays Harbor Energy employee.

Under "Environmental," Item 2.3, we made notification to EFSEC Staff that we will be performing our annual RATA testing in August. We also submitted Draft No. 3 of the engineering report to EFSEC and Department of Ecology for review and comment.

And per the revised schedule of compliance that is part of that engineering report that's ongoing, we've implemented some of those pollution prevention measures that we talked about in meetings past. We altered the circ water and condensate system chemical injection concentrations.

Under 2.5.1, there, the circ water system, it's a ratio of those two chemicals that are listed. They're just a blend from Nalco, the chemical provider to the plant. We raised the ratio of those two chemicals to reduce overall phosphate discharge, and in the condensate system we've adjusted our procedure actually for ammonia injection to tighten up the control so that we have -- reduces the ammonia and the nitrogen content specifically in the discharge.

So those are the changes that we've taken to try to proactively just reduce things by changing the way we operate those chemical systems versus mitigation methods which could come later. But those are the steps that we've taken so far.

CHAIR LYNCH: Okay.
MR. DOWNEN: That's all the off-normal things, but I would be happy to answer any questions that you might have.

CHAIR LYNCH: Any questions for Mr. Downen?

No questions. Thank you, Mr. Downen.

MR. DOWNEN: All right. Thank you.

CHAIR LYNCH: Now it's time for an update on Tesoro Savage, that project. And my understanding is that following the Staff update, Mr. Derr, who represents Tesoro Savage on this project, would like to address the Council.

So, Ms. Bumpus?

MS. BUMPUS: Good afternoon, Chair Lynch and Councilmembers. Thank you. Mr. Posner is going to be providing an update to you on the land use part of this project update.

In my project update to you at last month's Council meeting, I informed the Council that Staff would be working with our consultant and the applicant to complete the Phase II SEPA scoping document. That document was to be provided to the Council about two weeks before this Council meeting, but based on information that we have gained through our discussions, multiple discussions and meetings with the applicant and EFSEC's consultant, we have reached a point where we believe that a review would be needed of the documents that the applicant has completed thus far. We'd want to have our consultant do a review of the information in those documents completed by the applicant before we can bring the Phase II document to
completion for the Council.

I did just want to let you know that we did make substantial progress on the Phase II document, but we just feel that it's difficult to bring that document to completion and identify the methodologies without having a chance to look at the applicant's information and their documents.

And so what -- to change our -- our plan in our course forward, Staff would like to have that analysis done by our consultant and then provide that document once it's complete to the Council along with the draft EIS.

CHAIR LYNCH: Thank you, Ms. Bumpus.

When talking with Staff earlier, I thought it would be more efficient for the Council to have a more completed document than have something that was just partially completed. And you're trying to review that and then getting another document later, so the idea is that you'll be getting a much more complete package and have an opportunity to review that and make your comments back to Staff at that time rather than having something that could change and not the best use of your time reviewing a document that is not as complete.

Mr. Posner?

MR. POSNER: I would just add concerning that in our review at the Staff level -- just to reiterate what Sonia has said and Chair Lynch -- looking at one document, it was difficult to get a sense of how that's going to translate into,
you know, a draft document, draft EIS. And we believe that had
the Council, having both of those draft documents in front of
them, looking at them together would be a more efficient review
process and believe it would save a lot of time.

So, essentially, the Council will have an opportunity
to look at both documents alongside each other, so that's all I
really had to say on that.

Do Councilmembers have any questions?

CHAIR LYNCH: And I believe that there's a -- I'm
sorry. I missed part of what you said.

Did you talk about the land use consistency hearing?

MR. POSNER: No. I'm sorry. I haven't gone there
yet. I just wanted to add just a comment or two just to kind of
reinforce what Sonia was saying about sort of moving in a
slightly different direction than, you know, what we had talked
about earlier about providing the matrix as a standalone
document to review and that we feel it would be a cleaner
process to have them looking -- the Councilmembers looking at
them together, so...

CHAIR LYNCH: And why don't you go ahead and talk
about the land use consistency process.

MR. POSNER: Okay.

CHAIR LYNCH: And then once you do that, I'll have
Councilmembers ask questions if they have any.

MR. POSNER: Okay. So the land use hearing was held
on May 28th in Vancouver. I'll just give you a quick update on some of the numbers.

We had 14 speakers who testified. Eight of those speakers provided exhibits, which are all posted on our website, and, hopefully, you all have had a chance to look at all of those. And we haven't done a thorough analysis of the exhibits. Staff has reviewed them.

And just a couple comments, things that we talked about at the land use hearing, basic information. For the site to be determined consistent with land use, local land use, it needs to be consistent with local zoning and/or land use plans. The site zoning designation for where this project is proposed to be sited is heavy industrial. You heard that during the land use hearing. I just thought it would be important to reiterate that.

Based on what we have reviewed at the Staff level, I would like to recommend that the Council consider scheduling an executive session to go over the information in detail, and I propose the date of July 10th.

And we have reviewed -- our attorney, Ann Essko, and I have reviewed the need for an executive session and feel that it clearly falls under the RCW, Section 42.30.110(i).

And so in an earlier e-mail -- an e-mail to Councilmembers last week, I believe I asked all of you to bring your calendars with you so we could talk about dates for the
executive session, so I would like to just propose the 10th of
July, which is a Thursday.

CHAIR LYNCH: Do you want people to say now if
they're unavailable?

MR. POSNER: Yes. If you're prepared to commit to
that date, that would be fine. If you want to -- if you need to
think about it, I'm fine waiting, but I wanted to propose that
date.

MR. MOSS: Do you have a time in mind?

MR. POSNER: 1:30.

MR. MOSS: How long would it take?

MR. POSNER: I would say about two hours; allow two
hours.

MR. MOSS: It would be better for me if it were in
the morning.

MR. POSNER: Okay. And we do have flexibility all
day. I just proposed 1:30, since that's our normal time, but we
can work with Councilmembers on that date, whatever time works
best.

CHAIR LYNCH: How about we -- Councilmembers, maybe
we can talk to Stephen after the hearing. It might be a better
use of our time right now and -- and then just move forward with
the rest of our hearing today. But see if July 10th will work
for you and if the morning or afternoon is better.

MR. POSNER: Okay. That's fine. That works well.
CHAIR LYNCH: And I know that -- and just a short follow-up.

In Vancouver we were presented with two very different interpretations of the statute and what the Council's role was in interpreting that statute. And I remember Councilmember Stohr having some questions about how has this been interpreted before and what are our responsibilities, and we'll be able to go through that as part of the executive session.

Are there any questions for either Ms. Bumpus or Mr. Posner on Tesoro?

MS. GREEN-TAYLOR: Chair, I have a question.

CHAIR LYNCH: Ms. Green-Taylor?

MS. GREEN-TAYLOR: Thank you. I just wanted to clarify.

We will be getting the draft of the Phase II scoping and the draft EIS at the same time; is that what you said?

MS. BUMPUS: You'll be receiving the -- well, let me back up.

So, first, we will do the analysis. Cardno ENTRIX will do the analysis and -- of the documents that the applicant has prepared thus far. They'll identify methodologies and will fill that information into the matrix. And we'll also identify where there are additional studies needed or more information needed. We'll fill the document in with that information as
well.

And then once we've completed the document, we'll provide that, that final version to you along with the draft EIS. The draft EIS would be a version that Staff is comfortable with, as far as presenting to the Council for publishing, but, obviously, you would have the Phase II scoping matrix as a technical guidance tool for your review of the preliminary or draft draft EIS.

MS. GREEN-TAYLOR: Okay. I was previously under the impression that the Phase II scoping would be driving the content of the EIS; is that not correct?

MS. BUMPUS: It is what -- what Staff has referred to as a technical guidance document for the development of the preliminary draft EIS, and so it -- it is driving that, but there is likely additional work that will need to be done once we get the information that the applicant has at this time and then do a gap analysis of that information.

So the document will likely evolve a little bit in that we will -- we may see that there's other studies or other analysis that EFSEC wants to do in the draft EIS.

CHAIR LYNCH: So what you're saying is Staff determined it was hard to just look at the matrix by itself --

MS. BUMPUS: Exactly.

CHAIR LYNCH: -- and determine how that translated into the draft, proposed draft EIS.
So with both of those together, you'll be able -- the matrix makes more sense because you can look at that and then see how that translates into the draft EIS, but this by no means forecloses the opportunity for Councilmembers to have additional input into this. It was just more how do we save the members time and save the Staff time by having a more refined product for your review.

MS. GREEN-TAYLOR: So the draft EIS that we will be getting at the same time that we get the matrix is not the draft EIS that's going to be put out for public comment; is that correct?

MS. BUMPUS: Well, so I did want to just correct myself. I kind of used some words interchangeably. I said "draft draft EIS." "Preliminary draft."

The document that you would be reviewing would be the draft draft EIS. Sorry for the confusion there, but it's the draft draft EIS. And then once we're able to publish it, then you would have your draft EIS.

MS. GREEN-TAYLOR: Okay. So this is still an iterated process. The draft EIS that we'll be looking at along with the matrix will not be the draft that's put out for public comment? That's a subsequent draft?

MS. BUMPUS: It would, I imagine, depend on your feedback. If there were any issues that the Council had after looking at the document, we would take those into consideration
as far as, you know, publishing the document. I think we would have comments from you guys.

MR. POSNER: Yeah. I would just add that what we hope to do is -- you know, there's like three phases. There was a scoping document that the Council approved, and then an offshoot of that was the matrix, if you will, which will lead to the preliminary draft EIS.

I think it would be helpful when Councilmembers look at the documents that you have all three documents in front of you and so you can see how we started with the approval, the scope, and then you went to the matrix, and now you have the draft and then you can see how the process unfolded.

And my hope is that the document that we submit to you, we will have gone through it at the Staff level and with our independent consultant to the point that we can -- that we at the Staff level can provide the Council assurance that we believe this is ready to go out to the public, but we want you to look at it first and see if you agree.

So, you know, essentially, we're doing all the technical Staff level work before you see it because there's quite a bit of work that needs to be done and we feel that is really appropriate for the Staff to be doing that work.

But, you know, as we agreed earlier in earlier meetings, for the Council to take a look at the document, the draft EIS, before it becomes a public document for the public to
review, so, hopefully, that helps clarify.

MS. GREEN-TAYLOR: Yes, that does. Thank you.

CHAIR LYNCH: Any other questions for Staff?

MS. MARTINEZ: I have a question.

CHAIR LYNCH: Ms. Martinez?

MS. MARTINEZ: Mr. Posner, I thought we also agreed to review the draft methodologies before the draft EIS was written so that we were going to agree on what would get studied in the EIS before a lot of time and energy was spent developing the EIS.

So now what I'm hearing is those methodologies are kind of set in stone, we're going to get a copy of the matrix, and a preliminary draft EIS that's, for the most part, ready to be published.

And I'm just curious. You know, will there really be opportunity to influence how things are analyzed and what gets analyzed at this stage in the game, or are you really thinking this is pretty much ready to go?

MR. POSNER: Well, my response would be that even the so-called "draft methodologies" -- and these are the methodologies that we, you know, working with our consultant and with the applicant, have come to agreement that we believe are appropriate methodologies, but that that would all -- everything that we send to you would be essentially opened for your comment and review.
And if you felt that the wrong methodology was used, we'd certainly want to hear that from you, or if you felt that something needed to be modified, that, you know, a general data set or a source of data was incorrect or wrong, then we'd want to hear from you on that for sure.

MS. MARTINEZ: Okay. That's all. Thank you.

CHAIR LYNCH: Mr. Hayes?

MR. HAYES: So I think I share what I perceive to be Ms. Martinez' and Ms. Green-Taylor's concerns about moving forward in this way. It seems to me the Phase II scoping is only useful as a scoping document, if it actually is part of the scoping process, in terms of our having an opportunity to form what goes into the EIS.

So it seems a bit unorthodox for me to roll the scoping into the draft documents, if it is indeed meant as a scoping, part of the scoping process, but I could be comfortable with it as long as the understanding is clear that it may be that once we look at that scoping document -- just to back up.

I mean, the reason why we thought the -- at least the reason I thought that the Phase II scoping was useful was that we had fairly little detail on the sort of Phase I process where we sort of identified some larger issues but not a lot of specificity on how we're going to address those and so -- so from my standpoint, that's what was useful about the Phase II sort of phased process.
So as long as Staff is comfortable with the idea that the Council may come -- after reading the Phase II scoping and the draft document may come back with substantive concerns about approaches or methodologies, et cetera, that may require going back to the drawing board, then I'm comfortable with that process. But I just want to make sure that expectation is established upfront.

MR. POSNER: Right. And I believe it is, and I think that what we found is that to really know whether the methodology is correct, I think it will be very helpful to actually see how that is translated into a narrative in a document so that I think that it might be more difficult for Councilmembers to really make that call with just looking at the matrix.

So it was really an attempt to kind of consolidate but also just make it a more efficient review process for Councilmembers and -- but, you know, essentially everything is still on the table when you get it. But our hope is that we're going to provide you with documents that meet what we think is, you know, the scope of the -- should be the scope of the EIS so there won't be a whole lot of, you know, extensive rewrites or edits or comments. But, certainly, we're open to that if Councilmembers feel it's necessary.

MR. HAYES: Okay. Thank you.

CHAIR LYNCH: Any other questions for Mr. Posner or
Ms. Bumpus? Thank you.

Mr. Derr?

MR. DERR: Yeah.

CHAIR LYNCH: And just for the record, would you please identify yourself.

MR. DERR: I will, yeah.

For the record, I'm Jay Derr, D-e-r-r, with the law firm of Van Ness Feldman, and we represent Tesoro Savage, the applicant for this project. And I think I'm largely here speaking to you to kind of offer similar reassurance and understanding of the iterative nature of this process.

We support, I think Staff's conclusion, that the best way to move this forward is to get into the drafting of the draft EIS, get that document in the shape that your Staff and consultant think covers the ground it needs to cover to then show you that with the matrix that then explains the methodologies, the data sets that were used for that, because then we were otherwise in this discussion of, Well, how about this data set? How about this methodology?

Well, I don't know. What's it going to show?

Well, I don't know. We haven't done it because we don't know if that's the one that they want us to do.

And we got -- to confess -- I think got a little stuck in trying to figure out what's the best way to proceed with you, so our sense was, is let's get into the draft EIS
document.

And, again, they've got a huge team both between EFSEC's consultant and our consultants that think we've covered the ground on what's available and what needs to happen. But, again, we'll present to you a document that we think does that, and then you'll have the opportunity to look at that. And we understand that if between now and then some things become available that you say, Hey, we need to look at this as well.

That's part of what's recognized, and I think we all know that there are several other projects -- and now a State study -- that's also looking at at least two key issues on this project that are, frankly, some of the more complicated. And that's the marine vessel -- kind of downriver transportation impact issues that are not really about the site. They're about the transport once it gets on the boat -- and the rail transport, which is kind of up before it gets to the site. And those are things that other projects are looking at, those are things the State's looking at, and so we may all learn some things as those get done that are relevant to this document and relevant to your decision-making.

So I think for that reason as well, recognizing that we will have drafted something -- and you all may say we need to take a fresh look at the approach, but that's, frankly, still going to be a more efficient process, we think, than kind of waiting and waiting and waiting on a matrix until -- or trying
to give you a matrix that doesn't give you enough clarity on how
that works to make that go.

The other thing. I'd remind Council about the SEPA
process; that even the publication of the draft document is not
the end of the evaluation of the project nor its impacts; that
there's now a whole public review process. And the public will
weigh in and the public may say that there's different ways of
looking at this or a different methodology that needs to be
considered, and then the job of the final EIS is to address
those comments.

So we're not even done with this and what it's all
going to say when we get a draft EIS ready for publication, and
I think from our perspective, the last two public events on the
project -- both your land use consistency hearing and then a
hearing that the City Council had -- sort of really demonstrates
that everybody wants to get on with understanding the facts
about the project. Wants to get on with the environmental
impact statement so that, from our perspective, also drives us
to urge moving forward with that process because when we get
those assessments completed, that information out in the public
forum, then everybody can look at the facts. Everybody can look
at the impacts. Everybody can look at the mitigation and figure
out whether they think it covers the ground that it needs to
cover or not, so for that reason, I think even the public debate
will benefit from getting this document moving forward and out
there for public review.

I wanted to close, really, with just a comment about schedule, because I'm sure some of you know, or all of you suspect, we're not going to hit the one-year -- we're not going to be finished with the one-year time frame under the statute, so we get that. And so we need to -- we've started the discussion with Staff about saying, Okay. We need to talk about an extension of that time. The statute says we sort of agree on a date, but we agree it's not going to be August of this year. We're not sure what the date's going to be.

I do think from our perspective, to give you a little bit of sense of where we think this may be headed, is we have been working on portions of the draft EIS, especially portions that were kind of clear to understand how to tackle, and we expect that a significant chunk of the preliminary draft document should be available for us to transmit to Staff by the end of June.

There are two sections in particular. And I would comment on one of the benefits of the scoping matrix in the discussion is we have come up with some new thoughts and ideas of how to address both the marine vessel and the rail transport issues and the risk assessments, and so we're doing some different new work on that. For that reason, that information we don't expect to have ready to transmit until probably late July, and so we're thinking about submitting to Staff some
information in late June, the balance of the information late July.

And then, of course, the question mark is if it's good -- which we think it will be -- then maybe it's a couple months to be ready for your review. If your Staff thinks it's got holes in it, then it may be a different time frame to get that ready for your review. But that, at least, I think, gives you some sense of when we think we'll have the environmental analysis done, and if it's as we hope, then we'd be -- we think we'd be ready by fall for you to look at it, for a draft document to publish, and then we move into the public vetting and kind of the -- what is Phase III, or whatever it would be, of the SEPA review process.

So I'm here just to urge you to take Staff's recommendation to let us bring you both the matrix and a draft document -- or draft draft, I guess she called it, document together because I think you'll be able to understand better how the methodologies and the data work or don't work and analyzing the impacts, if we do it that way, and I am hopeful that we can have that for you; have it to your Staff by July and have it for you by late summer or early fall.

And I'm happy to answer questions if you have any.

CHAIR LYNCH: Thank you, Mr. Derr. And I just wanted to just respond briefly about why we're doing the things that we're doing.
First of all, I wanted to say that me and the other Councilmembers and the Staff certainly share your client's concern for moving expeditiously through this process, and I think that's why we're actually doing the things that we're doing.

The decision to have more input from Councilmembers upfront was my decision. It's a little bit different than what traditionally happens with SEPA, but each day, each Council meeting when I sit here and I hear the roll call, I feel like the manager of one of the teams at the All-Star Game. I just thought, you know, what a great group of Councilmembers, and it makes sense to have not only their input, but their input early in the process. So by getting their input early in the process, that saves us time for the substantive decisions that are made later when there's a question of adequacy of the EIS.

So rather than wait till the very end and have Councilmembers question why is it that we're doing something one way and not looking at other particular avenues, it just seemed to make sense, to save time in the long run, and to be more efficient by having their input early.

And so even though we're still talking in terms of scoping, the scoping was actually done at the first meeting when we said, Let's -- the Staff said, Let's go forward, and the Council -- with this general approach, and the Council said, Yes.
And so even though we're talking about refining the scoping, it's -- essentially what we're doing is we're using the flexibility that SEPA gives a lead agency to streamline the process so that we can work to a quicker substantive approval by the organization.

And I was just looking through some of the SEPA WACs today, and one of them says -- and I'm just looking at WAC 197-11-055(2)(a)(ii), which certainly will put people to sleep if they want to dig through that, but that says, "Preliminary steps or decisions are sometimes needed before an action is sufficiently definite to allow meaningful environmental analysis."

And there's some other provisions like that, and I believe that our Council's actions are consistent with the provisions in the WAC. And the need to be thorough, particularly with some aspects of this decision, really bring home when you look at just a 2010 Court of Appeals decision involving the City of Spokane Valley. That was Lanzce G. Douglass, Incorporated v. City of Spokane Valley.

In that case, although it just involved an MDNS, the Court said the proposed development, the impacts from that were not sufficiently discussed in terms of whether in cases of a fire evacuation there was sufficient means for the populus to evaluate and also for emergency vehicles to access the area.
And so that was just a -- you can see somewhat of the analogies that are presented between that case and here, although it's not perfect. So the need to be thorough in some aspects are -- and a lot of the aspects are important because the last thing anybody wants is a remand back to this Council.

MR. DERR: Agreed.

CHAIR LYNCH: I think we can all agree with that. Are there any other comments that Councilmembers would like to make?

Thank you, Mr. Derr.

MR. DERR: All right. Thank you.

CHAIR LYNCH: Do we have anything else in front of us, Mr. Posner?

MR. POSNER: I don't believe so.

CHAIR LYNCH: Anything else that Councilmembers would like to bring up today?

Now, Ms. Khouunnala, have you joined us yet?

Well, next time we'll hear three months of updates from you.

Thank you. And with that, we're adjourned.

(Whereupon, the meeting was adjourned at 2:16 p.m.)
CERTIFICATE

STATE OF WASHINGTON )
 ) ss
COUNTY OF KING )

I, SHELBY KAY K. FUKUSHIMA, a Certified Shorthand Reporter and Notary Public in and for the State of Washington, do hereby certify that the foregoing transcript is true and accurate to the best of my knowledge, skill and ability.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 30th day of June, 2014.

_____________________________
SHELBY KAY K. FUKUSHIMA, CCR

My commission expires:
June 29, 2017
Kittitas Valley Wind Power Project
Monthly Project Update

June 17, 2013

Project Status Update

May Production Summary:
MWh 32,186 MWh
Wind 8.4 m/s or 18.7 mph
CF 42.9%

Safety:
No incidents

Compliance:
Project is in compliance as of June 11, 2014.

Sound:
No complaints

Shadow Flicker:
No complaints

Environmental:
None
EFSEC Monthly Operational Report

May, 2014

1. Safety:
   1.1. There were no accidents or injuries to plant staff during the month of May.
   1.2. One contractor was injured during the maintenance outage. A valve being removed from the plant was dropped by the contractors, and smashed one contractor employee’s fingers. He was driven by the contractor to the local hospital where he received stitches and returned to work.

2. Environmental:
   2.1. Submitted the April Discharge Monitor Report (DMR) for Outfall 001.
   2.2. Submitted the second quarter DMR for Storm Water to the Energy Facilities Site Evaluation Council (EFSEC).
   2.3. Notified EFSEC of the stack emissions testing and Relative Accuracy Test Audit (RATA) scheduled for August 2014.
   2.4. Submitted Draft #3 of the Engineering Report to EFSEC and the Department of Ecology for review and comment.
   2.5. Per the Revised Schedule of Compliance, we have implemented pollution prevention measures by altering our Circulating Water (CW) System and Condensate (CO) System chemical injection concentrations.
      2.5.1. In the CW System the ratio of 3DT195 to 3DT185 has been raised from 7:1 to 10:1 in an effort to reduce overall phosphate discharge.
      2.5.2. The CO System ammonia injection has been altered procedurally to provide more consistent control of the ammonia injection during plant transients and evolutions. The intent of this change is to reduce the ammonia and nitrogen in the discharge.

3. Operations & Maintenance:
   3.1. Grays Harbor operated 1 day during the month of May.
   3.2. The plant was unavailable for 14 days during the month of May for the performance of our 2014 annual maintenance outage.
   3.3. The capacity factor (CF) was 1.8% in May, and 10.7% YTD.
   3.4. The availability factor (AF) was 54.8% in May, and 90.4% YTD.

4. Noise and/or Odor:
   4.1. There were no complaints received during the month of May.

5. Site Visits:
   5.1. There were no site visits during the month of May.

6. Other:
   6.1. None
1813 Bishop Road Chehalis, WA 98532
Phone (360) 748-1300, FAX (360) 740-1891

12 June 2014

Safety:

- There were no recordable incidents this reporting period and the plant staff has achieved 4211 days without a Lost Time Accident.

Environment:

- Waste water monitoring results are in compliance with the permit limits for the month of May 2014.

Personnel:

- Authorized plant staffing level is currently 19 with 17 positions filled. The Operations Manager position and a Control Room Operator are open.

Operations and Maintenance Activities:

- The Plant generated 187,511 megawatt-hours at a capacity factor of 51.4% for the month of May and the year-to-date capacity factor is 51.4%.

Regulatory/Compliance:

- There were no air emissions deviations, waste-water or stormwater deviations or spills during the month of May 2014.

Other:

- Sound monitoring: There were no noise complaints to report.

Mark A. Miller
Manager, Gas Plant
PacifiCorp-Chehalis Power
1813 Bishop Road
Chehalis, WA 98532
360-827-6462

Chehalis Generation Facility
Below is the monthly operational/compliance update for Wild Horse. Please let me know if you have any questions.

**Wind Production:** May generation totaled 57,966 MWh for an average capacity factor of 28.58%.

**Solar Production:** The Solar Demonstration Project generated 99 MWh in May.

**Safety:** No lost-time accidents or safety incidents to report in May. Site staff participated in an emergency response drill with Kittitas Valley Fire & Rescue and Airlift Northwest. The drill scenario included rescuing a victim from a wind turbine followed by emergency helicopter transport by Airlift NW.

**Compliance/Environmental:** Nothing to report.
I. Columbia Generating Station Operational Status

Columbia is currently operating at 100% power, generating 1113 megawatts, and has been online for 357 days. This is a power generation record for continues days online for the station.

There are no other events, safety incidents, or regulatory issues to report.

II. WNP 1/4 Water Rights

There are no changes from the May 2014 status report. The water rights application for the WNP 1/4 site is proceeding. Energy Northwest continues to work with the Department of Energy and will support any Department of Ecology requests, as needed.