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

NOTICE
OF
PUBLIC COMMENT OPPORTUNITY AND PUBLIC MEETINGS
FOR THE
SATSOP COMBUSTION TURBINE PROJECT
(GRAYS HARBOR ENERGY CENTER)
REQUEST TO AMEND THE SITE CERTIFICATION AGREEMENT

6:30 PM - July 13, 14, & 15, 2010

LOCATION
Montesano City Hall
112 North Main Street, Second Floor
Montesano, Washington 98563

MAP

Satsop Combustion Turbine Project – Request to Amend the Site Certification Agreement

Description of Proposal: Grays Harbor Energy LLC (the Certificate Holder) is proposing to rename the existing Satsop Combustion Turbine (CT) Project as the Grays Harbor Energy Center, and to increase the facility capacity by approximately 650 megawatts (MW) to a total of approximately 1,300 MW. As with the existing facility, the addition would consist of two gas turbines and one steam turbine in a 2-on-1 configuration that would generate electricity to supply growing regional electrical demand. The proposed facilities are referred to throughout this document as Units 3 and 4. The proposed facilities would be constructed on the Grays Harbor Energy Center site. The fuel will be natural gas only, and will be supplied by an existing pipeline that was constructed as part of the initial site development.

The Site Certification Agreement (SCA) allowing construction and operation of the first units (now referred to as Units 1 and 2) was previously approved by the State of Washington in 1996 and modified in 2001. The new facilities would be located entirely within the boundaries of the previously permitted site. However, the Certificate Holder has temporarily leased land from the Grays Harbor County Public Development Authority to serve as a laydown area for the construction phase. The Certificate Holder is applying to the Energy Facility Site Evaluation Council (EFSEC) for an amendment to the existing SCA to allow construction and operation of Units 3 and 4.

Proponent: Grays Harbor Energy LLC, PO Box 26, Satsop, WA, 98583.
Location of Proposal: The site is located approximately 4 miles southwest of the town of Elma, in Grays Harbor County, Washington. The site is located approximately 0.5 mile south of the Chehalis River. The 1,600-acre Satsop Development Park surrounds the site on all four sides.

Units 3 and 4 would be constructed entirely within the boundaries of the approximately 22-acre Satsop Combustion Turbine (Grays Harbor Energy Center) project site. A 10-acre site immediately northeast of the project site, to be used for construction laydown would be temporarily leased from the Grays Harbor County Public Development Authority.


EFSEC conducted an environmental review under the State Environmental Policy Act (SEPA) from November 20, 2009 to January 8, 2010. After consideration of public comments, the EFSEC Manager issued a Mitigated Determination of Nonsignificance (MDNS) on February 12, 2010. The MDNS proposed mitigation measures to reduce potential impacts to Air, Water, Animals, Noise, Light and Glare, and Transportation to below the level of significance. The MDNS and associated SEPA checklist are posted at: http://www.efsec.wa.gov/satsop.shtml

Public Comment Opportunity: written comments will be accepted before, during and after the Public Meetings, as described below. NOTE: Members of the public may also pose written questions before the public meetings on July 13 and 14, and ask questions orally during those meetings. These questions will be addressed by the panels of experts at those meetings. See the chart later in this notice for a schedule summary.

Please Note: All written public comments must be received in the EFSEC office no later than 5 pm on Monday, August 2, 2010. Written comments may also be submitted at the July 13th, 14th, and 15th meetings.

EFSEC is scheduling three meetings to allow questions from the public, to ensure that public concerns are heard. Please note the following schedule:

<table>
<thead>
<tr>
<th>Topic</th>
<th>Meeting</th>
<th>Written Questions</th>
<th>Oral Questions</th>
<th>Oral Comments</th>
<th>Written Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project overall</td>
<td>July 13</td>
<td>July 8 (best) or July 13</td>
<td>July 13</td>
<td>July 13</td>
<td>August 2</td>
</tr>
<tr>
<td>Noise issues</td>
<td>July 13</td>
<td>July 8 (best) or July 13</td>
<td>July 13</td>
<td>July 13</td>
<td>August 2</td>
</tr>
<tr>
<td>Air quality</td>
<td>July 14</td>
<td>July 8 (best) or July 14</td>
<td>July 14</td>
<td>July 14</td>
<td>August 2</td>
</tr>
<tr>
<td>Water resources</td>
<td>July 14</td>
<td>July 8 (best) or July 14</td>
<td>July 14</td>
<td>July 14</td>
<td>August 2</td>
</tr>
<tr>
<td>NPDES hearing</td>
<td>July 15</td>
<td>July 8 (best) or July 15</td>
<td>July 15</td>
<td>July 15</td>
<td>August 2</td>
</tr>
<tr>
<td>Water quality</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Project overall</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1 The NPDES proposed permit changes will be presented in a separate, formal hearing on July 15.
July 13th and 14th Meetings Format
The Noise, Air, and Water Resources discussions will be held in an expert panel format. Each discussion topic will be addressed by an expert panel consisting of Grays Harbor Energy consultants and representatives of state and local regulatory agencies. The panel process will be moderated. After the panelists complete their presentations, Council members will have the opportunity to ask questions. Then, questions for the panel from the public will be taken in the following order:

- Questions submitted to the EFSEC email or post office boxes prior to the meeting.
- Questions submitted in writing during the meeting.
- Open microphone for both comments and questions.

EFSEC encourages the public to pre-submit questions to the panels, at the e-mail or street address below by 5:00 PM July 8, 2010.

Notice of Public Meeting: Project Proposal and Noise – July 13, 2010, 6:30 PM: EFSEC will hold a Public Meeting in which the applicant will make a presentation describing its proposal to expand the existing facility. Following the applicant’s presentation an expert panel will discuss the potential noise impacts of the proposed expansion. The discussion will begin with a presentation on the characteristics of noise. The applicant’s proposed mitigation measures will also be discussed. The public will be afforded an opportunity to ask questions of the panel and present oral or written comments on these topics. The meeting will conclude when comments and questions are concluded, or at 9 p.m., whichever is earlier.

Notice of Public Meeting: Air Quality and Water Resources – July 14, 2010, 6:30 PM
EFSEC will hold a public meeting in which an expert panel will address the anticipated impacts of the proposed expansion to air quality. Following this air quality discussion, EFSEC will hold an expert panel discussion on water resources. The water resources discussion will address potential impacts of the proposed expansion of water resources. The applicant’s proposed mitigation measures will also be discussed. The public will be afforded an opportunity to ask questions of the panels and present oral or written comments on these topics. The meeting will conclude when comments and questions are concluded, or at 9 p.m., whichever is earlier.

Notice of Public Hearing: Proposed Issuance of National Pollutant Discharge Elimination System (NPDES) Permit – July 15, 2010, 6:30 PM: Posted is a modified NPDES Permit, No. WA-002496-1, for the Satsop CT Power Project, it will be subject to appropriate changes or adjustments as may result from public comments, the public hearing record, or the U.S. Environmental Protection Agency (EPA) review. The current permit was issued in May 2008 and this draft has been revised to correct errors made in the original document. The tentative determination is based on a draft permit that sets forth the following: 1) proposed effluent limitations; 2) schedules of compliance; and 3) other terms and special conditions. Details about this determination are contained in a fact sheet describing the permit conditions and any changes proposed for this facility, which is attached to the draft permit.

Notice of Public Meeting to Accept Public Comment on Proposed Expansion: – July 15, 2010: Immediately following the public hearing for the proposed NPDES Permit, EFSEC will reopen the public meetings of July 13-14 to accept comments on any aspect of the proposed expansion. The public will be afforded an opportunity to present oral or written comments.
Additional Information

More specific information about the proposed Project is available on EFSEC’s Internet site at: http://www.efsec.wa.gov/Satsop_Amend%205.shtml, or you may call Jim LaSpina, EFSEC Siting Specialist at (360) 956-2047, or email: jim.laspina@commerce.wa.gov.

/S/___________________________________________ Date: __July 1, 2010________

Al Wright, EFSEC Manager
EFSEC, P.O. Box 43172, Olympia, WA, 98504-3172
(360) 956-2121