

SITE CERTIFICATION AGREEMENT

BETWEEN

THE STATE OF WASHINGTON

AND

WALLULA GENERATION, L.L.C.



For the

WALLULA POWER PROJECT

WALLA WALLA COUNTY, WASHINGTON

Executed _____; 2002

ENERGY FACILITY SITE EVALUATION COUNCIL

OLYMPIA, WASHINGTON

**SITE CERTIFICATION AGREEMENT
FOR THE WALLULA POWER PROJECT**

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SITE CERTIFICATION AGREEMENT

**WALLULA POWER PROJECT
between
THE STATE OF WASHINGTON
and
WALLULA GENERATION, L.L.C.**

This Site Certification Agreement (SCA or Agreement) is made pursuant to Chapter 80.50 of the Revised Code of Washington (RCW) by and between the State of Washington, acting by and through the Governor of the State, and Wallula Generation, L.L.C. (Wallula Gen), 100 Bayview Circle, Suite 500, Newport Beach, California, 92660.

Wallula Gen filed, as required by law, an application with the Energy Facility Site Evaluation Council (EFSEC or Council) for site certification for the construction and operation of a natural gas-fired electric generation facility in Walla Walla County, Washington. The Council reviewed the application, conducted public and adjudicative hearings, and by order, recommended approval of the Application by the Governor. On _____ (date), the Governor approved the Site Certification Agreement authorizing Wallula Gen to construct and operate the Wallula Power Project (Project). The Council will administer this Agreement for the State of Washington.

The parties hereby now desire to set forth all terms, conditions, and covenants relating to such site certification in this Agreement pursuant to Chapter 80.50.100 (1) RCW.

The effective date of this Agreement shall be _____ (date), 2002.

ARTICLE I. SITE CERTIFICATION

A. Site Description

1. The Site on which the Wallula Power Project is to be constructed and operated is located in Walla Walla County, Washington, and is more particularly described in Attachment 1.A to this Agreement.
2. The route of the combined water supply and gas supply corridors is described with particularity in Attachment 1.B. The Certificate Holder shall provide the Council with the final legal description of the combined water supply and gas supply corridors no later than six (6) months after pipeline construction is completed. This final legal description will be added to Attachment 1.B of this Agreement.
3. The Benton County property, or Benton County (PM 10) property, is an approximately 640 acre site located in Section 35, T. 7 N., R. 30 E., of Benton County, Washington. No later than ninety (90) days before the beginning of any site preparation associated with the Project, the Certificate Holder shall provide fully executed and recorded deeds, easements and covenants applicable to the Benton County property to the Council for approval. Such executed deeds, easements and covenants shall be added to Attachment 1.C of this Site Certification Agreement.

B. Site Certification

The State of Washington hereby authorizes Wallula Generation, L.L.C., (Wallula Gen or Certificate Holder), to construct and operate the Wallula Power Project as described in Article I.C subject to the terms and conditions set forth in Council Order No. 772, Findings of Fact and Conclusion of Law, and Order Recommending Site Certification on Condition, and this Site Certification Agreement. Such construction and operation shall be located within the areas designated for construction described herein, and in the Application, and is described in Attachment 1 to this Agreement. In addition, this Agreement incorporates the settlements and stipulated agreements made between Wallula Gen and parties to the adjudicatory hearings set forth in Attachments 2 through 11 to this Agreement.

This Site Certification Agreement authorizes the Certificate Holder to begin construction within ten (10) years of the effective date of this Agreement; *provided*, however, that the construction schedule that the Certificate Holder submits pursuant to Article IV.A of this Agreement

demonstrates its intention, and good faith basis to believe, that construction shall be completed within twenty four (24) months of beginning construction.

If the Certificate Holder does not begin construction within five (5) years of the effective date of this Agreement, the Certificate Holder shall report to the Council its intention to continue and shall certify that the statements and conditions contained in the Application are still valid and applicable, or identify any changes and propose appropriate resulting changes in the Site Certification Agreement to address changes. Construction may begin only upon prior Council authorization, upon the Council's finding that no changes to the Site Certification Agreement are necessary or appropriate, or upon the effective date of any necessary or appropriate changes to the Site Certification Agreement.

C. Project Description

1. Major Plant Components

The Wallula Power Project is a nominal 1,300 megawatt (MW) gas-fired combined cycle, electric generating facility. The physical portion of the power plant will occupy approximately 60 acres within the 175-acre site. The Wallula Power Project will consist of two (2) independent power blocks. Duct-burners and inlet evaporative cooling will be utilized to maximize power plant output for peak summer operating conditions.

Each power block will nominally be rated at 650 MW and consist of two (2) General Electric Model PG7241FA combustion gas turbine-generators, one General Electric D-11 steam turbine-generator, two heat recovery steam generators (HRSGs) and one 11-cell wet mechanical-draft cooling tower. Each combustion gas turbine-generator will generate approximately 167 MW of gross generation under ISO ambient conditions. Each steam turbine-generator will generate approximately 333 MW of gross generation. A natural gas/air mixture is combusted in the combustion gas turbine-generator compressors. The hot combustion gases then exit the combustion gas turbine-generator compressors and enter the HRSGs where the hot gases convert water into superheated steam and additional heat as needed from gas-fired "duct" burners in the HRSG inlet duct. The steam then is delivered to the steam turbine-generators to produce additional electrical energy. The hot gases exit each HRSG through a 175-foot-tall and 20-foot diameter steel exhaust stack with aircraft warning lights designed in accordance with U.S. Fish and Wildlife Service (USFWS) guidelines and Federal Aviation Agency (FAA) Advisory Circulars. Nitrogen oxide (NO_x) and carbon monoxide (CO) reduction catalysts are included in the HRSG ductwork to reduce power plant emissions. The stacks include continuous emissions

monitoring systems and sampling ports, exterior ladders and platforms, lighting and grounding systems. The steam from the steam turbine exhausts to a water-cooled condenser that condenses the steam to water (condensate). The condensate is then pumped back to the HRSG feed-water system for reuse. The water from the cooling-water system is pumped to the wet mechanical-draft cooling tower, where the heat is transferred to the atmosphere. The wet mechanical-draft cooling tower cools the water in the closed loop circulating water system by spraying hot circulating water over a large surface area using a fan to pull air through the falling water. As part of the cooling process a portion of the circulating water is evaporated and will be replaced with well water makeup.

2. Emission Controls

Emission controls technology, necessary to meet the proposed air quality standards, will be provided. NO_x emissions will be controlled to 2.5 parts per million (ppm) during normal steady state by a combination of dry low-NO_x combustion in the combustion gas turbine-generators and selective catalytic removal (SCR) systems in the HRSGs. CO emissions will be controlled to not more than 2 ppm during normal steady state by using low emission combustors in the combustion gas turbines and an oxidation catalyst system in the HRSGs. The levels of NO_x and CO will be higher during initial plant commissioning and when the combustion gas turbine-generators are in the startup or shutdown modes during commercial operations.

3. Fuel Supply

The Wallula Power Project will be supplied by natural gas tapped off of the PG&E Gas Transmission-Northwest (GTN) transmission line located 5.9 miles to the southeast of the Site and delivered to the Site via a newly installed 20-inch lateral pipeline. The natural gas pipeline lateral will be constructed, owned and operated by GTN and subject to Federal Energy Regulatory Commission (FERC) jurisdiction. The Site will accept natural gas at 500 pounds per square inch absolute (psia) pressure and above and use a pressure reducing, separation and gas metering station, located next to the power plant proper, to provide natural gas at the required lower operating pressures needed by the combustion gas turbines and HRSG duct-burners. Diesel oil will be used for the emergency diesel generator and diesel fire pump operation.

4. Water Supply System

The power plant makeup supply water will be provided from two sources. One source is the single on-site deep well, and the second source is from ten (10) Boise Cascade Corporation fiber farm wells.

5. Water Discharge System

There is no direct aquatic discharge from the Site to any surface water. Stormwater will be collected in a stormwater infiltration pond.

All cooling tower blowdown will be cleaned and filtered by a sidestream treatment system and reverse osmosis system and then directed to a brine concentrator, where clean water will be captured and reused in the power plant, and the brine concentrate will be directed to two (2) evaporation ponds. Solids produced by the brine concentrator will be periodically excavated from the evaporation ponds and shipped to a disposal site that is properly licensed to receive the solids, as needed.

All sanitary wastes will be collected and pumped to an on-site sanitary waste system.

6. Electrical Interconnection

The electrical power from the Wallula Power Project will be generated by six generators at 18 kilovolts (kV) and stepped up to the 500 kV transmission voltage. A 5.1 mile 500 kV transmission line will be constructed from the dead end transmission structure, located in the substation at the power plant, to a switchyard located adjacent to the existing Bonneville Power Administration (BPA) McNary to Lower Monumental transmission line. The 500 kV transmission line will be constructed, owned and operated by BPA and subject to BPA jurisdiction.

ARTICLE II. DEFINITIONS

Where used in this Site Certification Agreement the following terms shall have the meaning set forth below:

1. "Application" means the Application for Site Certification designated No. 2001-01, filed by Wallula Gen with EFSEC on August 20, 2001 for the Wallula Power Project, and incorporated by reference herein, including all revisions to the Application.
2. "Approval" (by EFSEC) means an affirmative action by EFSEC or its authorized agents regarding documents, plans, designs, programs, or other similar requirements submitted pursuant to this Agreement.
3. "Associated Facilities" means storage, transmission, handling, or other related and supporting facilities located on the Site described in Article I.C, the access road and the makeup water supply pipeline. "Associated Facilities" does not mean the natural gas pipeline lateral which will be owned and operated by GTN and subject to FERC jurisdiction, or the electrical transmission line which be owned and operated by BPA and subject to BPA jurisdiction.
4. "Beginning of Commercial Operation" or "Start of Commercial Operation" means the time that the first electricity produced by the Wallula Power Project is delivered for commercial sale to the electrical power grid.
5. "Beginning of Construction", or "Start of Construction" means for the Site: the initiation of any actual construction activities such as form work, rebar, and pouring concrete for the power block structures; for the construction of the natural gas and makeup water supply pipeline laterals: excavation of the natural gas and makeup water supply pipeline trenches; for the access road: the start of earthwork and road foundation construction; and for the electrical transmission line: the pouring of footings for, or the erection of, transmission line structures and switchyard.
6. "Beginning of Operation" or "Start of Operation" means the first time that natural gas is combusted in any combustion turbine.
7. "Benton County property", or "Benton County (PM 10) property" means the approximately 640 acre site located in Section 35, T. 7 N., R. 30 E., of Benton County, Washington.

8. "BPA" means Bonneville Power Administration.
9. "BMAC" means the Blue Mountain Action Council.
10. "BMP" means Best Management Practices.
11. "BEF" means the Bonneville Environmental Foundation.
12. "CARM" means the Cultural and Archeological Resources Monitor.
13. "Certificate Holder" means Wallula Generation, L.L.C. (Wallula Gen), or its successor.
14. "Close of Project Operations" means termination of this Site Certification Agreement after any commercial operation has occurred.
15. "CFE" means the Counsel for the Environment.
16. "CFR" means Code of Federal Regulations.
17. "CQA" means Construction Quality Assurance.
18. "Combustion Turbine" means a natural gas-turbine configured to drive an electric generator.
19. "CTUIR" means the Confederated Tribes of the Umatilla Indian Reservation.
20. "County" means Walla Walla County, Washington.
21. "DMR" means Discharge Monitoring Report.
22. "Ecology" or "Department of Ecology" means the Washington State Department of Ecology.
23. "EFSEC" or "Council" means the Washington State Energy Facility Site Evaluation Council, or such other agency or agencies of the state of Washington as may hereafter succeed to the powers of EFSEC for the purpose of this Agreement.

24. “Environmental Monitor” or “EM” means the responsible person who monitors, has “stop-work” authority and reports environmental impacts as a result of construction.
25. “FERC” means the Federal Energy Regulatory Commission.
26. “Generation Facility” means the four natural gas-fired combined cycle combustion gas turbine units with heat recovery steam generators, two steam turbine units, two 11-cell cooling towers and associated equipment, buildings and structures.
27. “GHG” means greenhouse gases.
28. “GTN” means PG&E Gas Transmission-Northwest.
29. “LMEC” means the Last Mile Electric Cooperative.
30. “NOI” means Notice of Intent.
31. “NPDES” means National Pollutant Discharge Elimination System.
32. “OAHP” means the Washington State Office of Archaeology and Historic Preservation.
33. “PM-10” means particulate matter with an aerodynamic diameter less than or equal to a nominal 10 micrometers as measured by a reference method based on 40 Code of Federal Regulations (CFR) Part 50 Appendix J and designated in accordance with 40 CFR Part 53, or by an equivalent method designated in accordance with 40 CFR Part 53.
34. “RCW” means Revised Code of Washington.
35. “Renewal Application” means any application or information submitted with a request for renewal or revision of the authorization to discharge wastewater, stormwater and sanitary sewer wastes in accordance with the conditions and requirements of Articles VI.D through F and Articles VII. B through I of this Site Certification Agreement.
36. "Site" means the property identified in Attachment 1.A, located in Walla Walla County, Washington, on which the Generation Facility is to be constructed and operated.

37. "Site Certification Agreement" or "SCA" or "Agreement" means this formal written Agreement between Wallula Gen and the State of Washington, which governs the construction and operation of the Wallula Power Project, including all Attachments hereto and exhibits, modifications, amendments, and documents incorporated herein.
38. "Site Preparation" means any of the following activities: clearing, grading, filling, pre-loading, surcharge fill placement, excavation, and preparation of lay down areas, as they apply to all areas of the Site, the makeup water supply pipeline lateral, the access road, and to those sections of the natural gas pipeline lateral and the 500 kV electrical transmission line interconnection located on the Site.
39. "SPCCP" means the Spill Prevention, Control, and Countermeasures Plan.
40. "SWPPP" means the Stormwater Pollution Prevention Plan.
41. "UBC" means the Uniform Building Code.
42. "WAC" means Washington Administrative Code.
43. "Wallula Gen" means Wallula Generation, L.L.C., a Delaware Limited Liability Company formed to develop, permit, finance, construct, own and operate the Wallula Power Project, or its successors. Wallula Gen will manage all of the affairs of the Wallula Power Project, and will exercise the rights and perform the obligations under this SCA. Wallula Gen shall be the guarantor of the Wallula Power Project's performance and ability to perform these obligations.
44. "Wallula Power Project" or "Project" means the Generation Facility and its associated facilities. The specific components of the Wallula Power Project are identified in Article I.C.
45. "WWWA" means the Walla Walla Watershed Alliance.
46. "WDFW" means the Washington Department of Fish and Wildlife.
47. "WSU Energy Program" means the Washington State University Cooperative Extension Energy Program.

48. "Wetland" means a wetland as designated in the Application and stipulation with the Washington Department of Fish and Wildlife (WDFW).
49. "WSDOT" means the Washington Department of Transportation.
50. "USFWS" means the United States Fish and Wildlife Service.
51. "WUTC" means the Washington State Utilities and Transportation Commission.

ARTICLE III. GENERAL CONDITIONS

A. Legal Relationship

1. This Agreement shall bind the Certificate Holder, its subsidiary corporations, affiliated partnerships, contractors, subcontractors, and their successors in interest, and the state and any of its departments, agencies, divisions, bureaus, commissions, boards, or its political subdivisions, subject to all the terms and conditions set forth herein, as to the approval of the Site, the Generation Facility, and the construction and operation of the Wallula Power Project.

2. This Agreement, which includes those commitments made by the Certificate Holder in the Application (the Application is hereby incorporated by reference), constitutes the whole and complete agreement between the state of Washington and the Certificate Holder, and supersedes any other negotiations, representations, or agreements, either written or oral. This Agreement incorporates the settlements and stipulated agreements made between Wallula Gen and parties to the adjudicatory hearings set forth in Attachments 2, 3, 4, 5, 6, 7, 8, 9, 10 and 11 to this Agreement, as well as the other Attachments listed on page 88 of this Agreement.

B. Enforcement

1. This Agreement may be enforced by resort to all remedies available at law or in equity.

2. This Agreement may be suspended or revoked pursuant to Chapter 34.05 RCW and Chapter 80.50 RCW, for failure by the Certificate Holder to comply with the terms and conditions of this Agreement, for violations of Chapter 80.50 RCW and rules promulgated thereunder, or for violation of any applicable resolutions or orders of EFSEC.

3. When any action of the Council is required by or authorized in this Site Certification Agreement, the Council may, but shall not be required to, conduct a hearing pursuant to Chapter 34.05 RCW.

C. Notices and Filings

Filing of any documents or notices required by this Agreement with EFSEC shall be deemed to have been duly made after delivery to EFSEC's offices in Thurston County. Notices to be

served on the Certificate Holder shall be deemed to have been duly made three days after deposited in first class mail, postage prepaid, addressed to the Certificate Holder, at 100 Bayview Circle, Suite 500, Newport Beach, California, 92660.

D. Rights of Inspection

Throughout the duration of this Agreement, the Certificate Holder shall provide access to the Site, the Generation Facility, all associated facilities therein and their respective rights of way, any wetland or wildlife mitigation areas, and all records relating to the construction and operation of the Wallula Power Project, to designated representatives of EFSEC in the performance of their official duties. Such duties include, but are not limited to, monitoring, sampling, and inspections to verify the Certificate Holder's compliance with this Agreement.

E. Retention of Records

The Certificate Holder shall retain such records as are necessary to demonstrate the Certificate Holder's compliance with this Agreement.

F. Consolidation of Plans

Any plans required by this Agreement may be consolidated with other such plans, if such consolidation is approved in advance by EFSEC.

G. Site Certification Agreement Compliance Monitoring and Costs

The Certificate Holder shall pay to the Council such reasonable monitoring costs as are actually and necessarily incurred during the construction and operation of the Wallula Power Project to assure compliance with the conditions of this Agreement as required by Chapter 80.50 RCW. The amount and manner of payment shall be prescribed by EFSEC pursuant to applicable rules and procedures.

Payment to Walla Walla County for plan review and inspection services shall be made in accordance with the requirements of Article III.H below, the Settlement Agreement in Attachment 11, and any interlocal agreement entered into between the Council and Walla Walla County.

H. Permit Fees and Socioeconomic Impact Fees.

The Certificate Holder shall pay Walla Walla County \$1.2 million in permit fees and socioeconomic impact fees, as shown below. The Certificate Holder shall fund a \$50,000 interest bearing suspense account for unanticipated, extraordinary expenses related to the Project. The Certificate Holder shall make the payments on the dates shown below. The Certificate Holder shall promptly notify Walla Walla County of the Date of Financial Close and First Loan Draw. The fee payment schedule shall be no more accelerated than the schedule shown below.

	Date of Financial Close and First Loan Draw	12 Months Later	Total
Socio-Economic Impact Fee	\$100,000	\$100,000	\$ 200,000
Building Permit Fee	\$500,000	\$500,000	\$1,000,000
Suspense Account	\$50,000		\$50,000
Total	\$650,000	\$600,000	\$1,250,000

I. Site Restoration

The Certificate Holder is responsible for site restoration pursuant to Council rules. The Certificate Holder shall submit its initial site restoration plan as required by WAC 463-42-655 to the Council in accordance with the requirements set out in Article IV.E of this Agreement. The Certificate Holder may not begin site preparation until the Council has approved such an initial site restoration plan. A detailed site restoration plan shall be submitted consistent with Council Rules.

J. EFSEC Liaison

The Certificate Holder shall designate a person to act as a liaison between EFSEC and Wallula Gen.

K. Changes in Project Management

The Certificate Holder shall notify EFSEC of any change in the management of, or responsibilities for, the Wallula Power Project.

L. Amendment or Modification of Agreement

1. This Agreement may be amended pursuant to EFSEC rules and procedures then in effect. Any requests by the Certificate Holder for amendments to this Agreement shall be made in writing.
2. A change in ownership of the Wallula Power Project shall require an amendment to this Agreement. An application for change in ownership shall provide an analysis of the effects of such change on the areas identified under Chapters 463-36, 463-39 and 463-42 WAC or as subsequently amended, and demonstrate that the successor is able and willing to comply with all terms and conditions of this Agreement.

3. Any change of terms or conditions of Attachment 12 - Notice of Construction (NOC), Attachment 13 - Prevention of Significant Deterioration (PSD), Title V Air Operating Permit, or this Site Certification Agreement required by federal law or regulations, shall be governed by applicable law and regulation and shall not require modification of this Site Certification Agreement in the manner prescribed in L.1, above. Any changes in the terms or conditions of Attachment 1 – Site Legal Description, or as provided in Articles VII.I and VII.J of this Agreement, shall not require modification of this Site Certification Agreement in the manner prescribed in Article III.L.1 above, unless otherwise required by the Council.
4. In circumstances where the Wallula Power Project causes a significant adverse impact on the environment not previously analyzed or anticipated by this Agreement or where such impacts are imminent, EFSEC may impose specific conditions or requirements on the Certificate Holder as a consequence of such a situation, in addition to the terms and conditions of this Agreement. Such additional conditions or requirements initially shall be effective for not more than ninety (90) days, and may be extended once for an additional ninety day period if deemed necessary by EFSEC.
5. Future amendments to this Site Certification Agreement shall be incorporated as Attachments to this Agreement.

M. Order of Precedence

In the event of an inconsistency in this SCA, the inconsistency shall be resolved by giving precedence in the following order:

1. Applicable federal and state of Washington statutes and regulations;
2. The body of this Site Certification Agreement;
3. Attachment 15, Council Order No. 772, Findings of Fact, Conclusions of Law, and Order Recommending Approval of Site Certification On Condition;
4. Any other provision, term or material incorporated herein by reference or otherwise incorporated.

ARTICLE IV. SUBMITTALS REQUIRED PRIOR TO CONSTRUCTION

A. Construction Schedule

Thirty (30) days prior to beginning of site preparation, the Certificate Holder shall submit an overall construction schedule to EFSEC, with copies to Walla Walla County. Construction progress reports shall be filed monthly within thirty (30) days after the end of each month when construction activities take place. Notices of significant changes in the construction schedule shall be filed with EFSEC and Walla Walla County within fifteen (15) days of the schedule change.

B. Clearing and Grading Plan

Ninety (90) days prior to the beginning of site preparation, the Certificate Holder shall develop and submit to EFSEC, with copies to the Department of Ecology (Ecology), the Washington Department of Fish and Wildlife (WDFW) and Walla Walla County, a clearing and grading plan that includes the Site, the access road from Dodd Road and the makeup water supply pipeline lateral. This clearing and grading plan shall include identification of, and methods of protection for, the Habitat Reserve area along the western edge of the Site, delineated wetlands and wetland buffers (as described in Exhibit 3.4.2.1-2 Wetland Delineation Ratings, and Assessment of Functions and Values Report of the Application). Adjacent upland habitats within the Habitat Reserve area shall be protected from ground disturbance during construction and operation of the Project. Limited ground disturbance will be allowed only as necessary to accomplish weed management objectives within the Habitat Reserve area. The Certificate Holder shall not begin site preparation prior to obtaining approval from the Council of the clearing and grading plan.

C. Construction Plans and Specifications

1. Ninety (90) days prior to the beginning of construction of any individual project component, the Certificate Holder shall submit to EFSEC or its designated representative for approval, those construction plans, specifications, drawings and design documents that demonstrate compliance with Agreement conditions. The design documents shall include, but are not limited to, conceptual design studies, flow diagrams, system descriptions, detailed design drawings, plans, specifications, and vendor guarantees for equipment and processes as appropriate. The Certificate Holder shall not begin construction until it receives approval from EFSEC to do so.

Walla Walla County will provide plan review and construction inspection services on behalf of and pursuant to an inter-local

agreement with EFSEC, except those related to electrical logic and control and boiler inspections, and other exceptions as indicated in Attachment 11, Exhibit 4, to this Agreement.

It is understood that the complete design plans for the project will not be available at the beginning of construction. Design of individual Project systems/structures will start prior to the beginning of construction and continue for up to eighteen (18) months after the beginning of the start of construction. The Certificate Holder shall provide Walla Walla County with design plans as early in the design development process as practicable in order to afford Walla Walla County an opportunity for meaningful review and shall in good faith incorporate Walla Walla County's comments thereupon.

Prior to commencing construction of any selected portion of the Project located within Walla Walla County, the Certificate Holder shall provide Walla Walla County with final design plans of such selected portion of the Project. As other final design plans and details of all buildings, structures, facilities and Project components under the ownership control of the Certificate Holder located herein become available, the Certificate Holder shall provide such design plans and details for Walla Walla County review and approval. The Certificate Holder shall deliver all such final plans upon completion of the Certificate Holder's internal plan review and receipt of final stamped plans, but no later than thirty (30) days prior to the beginning of construction of the structures or systems that are part of the design plans and details. Further, the Certificate Holder shall thereafter continue to provide Walla Walla County such design plans as they are revised, as soon as practicable prior to implementation, so that Walla Walla County may review such design plans for conformity with intentions of the parties in this Agreement and the terms and conditions of this Agreement. These design plans will implement the agreed project mitigation specified herein.

Walla Walla County will provide the Certificate Holder comments, if any, within thirty (30) days of receipt of said drawings or design plans. However, there may be times where a shortened or extended review time may be required. The Certificate Holder and Walla Walla County will mutually agree on the specific requirements for such shortened or extended review time. If Walla Walla County, in its review of such design plans, identifies any element of the design that is not in conformity with the intention of the parties to this Agreement and the terms and conditions of this SCA, the Certificate Holder shall modify such plans so that they do conform. Walla Walla County will be provided copies of all design plans required by EFSEC for the construction of the Project. If the design plans are to be approved by

EFSEC, Walla Walla County may also independently comment on such design plans to the Certificate Holder, EFSEC and other specified state of Washington agency design plan reviewers.

2. The Wallula Power Project buildings, structures, pipelines, and appurtenances shall be designed and constructed consistent with the requirements of the most current Uniform building and construction codes, ordinances, amendments, and referenced standards as adopted by Washington State and the local jurisdiction, Walla Walla County. Building and construction codes include, but are not limited, to the following: the Uniform Building Code (UBC); Fire and Life Safety Code; Ventilation and Indoor Air Quality Code; and the Washington State Energy Code; unless specifically exempt.
3. At a minimum, the Generation Facility shall be designed and constructed to comply with the Seismic Zone 2B standards of the UBC.

D. Construction Management Plan

Ninety (90) days prior to the beginning of site preparation, the Certificate Holder shall submit to EFSEC for review and approval, with copies to Ecology, WDFW and Walla Walla County, a detailed construction management plan for the Site, the access road from Dodd Road and the makeup water supply pipeline lateral, which covers the primary construction phases. The construction management plan generally shall be based on the mitigation measures outlined in Section 1.4 Mitigation Measures of the Application. To the extent that additional construction mitigations are required in accordance with this Agreement and attachments thereto, these will be drafted into the final construction management plan. To the extent that the additional construction management mitigations are in conflict with the Application, the additional construction mitigation requirements will take precedence. The Certificate Holder shall not begin site preparation prior to obtaining approval from the Council of the construction management plan.

E. Initial Site Restoration Plan

The Certificate Holder is responsible for site restoration pursuant to EFSEC rules. Ninety (90) days prior to the beginning of site preparation, the Certificate Holder shall develop and submit the initial site restoration plan to EFSEC for review and approval, with copies to Walla Walla County.

The initial site restoration plan shall also include the following elements:

1. A plan for restoration and basis for funding the restoration in the event that the Wallula Power Project is terminated before it has completed its planned useful operating life.

2. The provision of financial assurances to ensure that funding is available and sufficient for site restoration. Such financial assurances shall include evidence of pollution liability insurance coverage in an amount justified for the Wallula Power Project, and a site closure bond or other financial instrument or security in an amount justified in the initial site restoration plan.
3. Provisions for retaining and preserving systems and/or infrastructure deemed necessary for future use of the Site by Walla Walla County, such as the access road from Dodd road.
4. Provisions for retaining and protecting the Habitat Reserve area wetlands mitigation sites.
5. Provisions for retention or restoration of the water makeup supply pipeline lateral.
6. Provisions for protecting the Benton County property in accordance with the requirements of this Site Certification Agreement, the Notice of Construction permit, Attachment 12 to this SCA, or any future Notice of Construction permit or Title V Air Operating Permit, as applicable, issued for the Wallula Power Project by the Council by renewal or extension.
7. Provisions for abandoning water supply wells at the Close of Project Operations.
8. Provisions for retention, protection or abandonment of ground water quality monitoring wells on the Site.
9. Provisions for retention, protection or abandonment of evaporation ponds and stormwater systems including the stormwater infiltration pond on the Site.

Prior to beginning site preparation, the Certificate Holder must obtain approval from the Council of the initial site restoration plan, including, but not limited to, approval of the amount, type and issuer of the site closure bond, or other financial instrument or security.

F. Revegetation and Landscaping Plan

Ninety (90) days prior to the beginning of site preparation, the Certificate Holder shall submit to EFSEC for review and approval, with copies to the Ecology, the WDFW and Walla Walla County, a revegetation and landscaping plan which includes the Site, the access road from Dodd Road, the makeup water supply pipeline lateral, the natural gas pipeline lateral and the 640 acre

Benton County property. The revegetation and landscaping plan shall be developed in consultation with plant materials specialists from the Natural Resources Conservation Service's Pullman, Washington, Plant Materials Center and the WDFW shrub-steppe specialists. The Certificate Holder shall not begin site preparation prior to obtaining approval from the Council of the revegetation and landscaping plan. The revegetation and landscaping plan shall include the following elements:

1. The plan shall contain specific species mixes, seeding rates, site preparation, and planting specifications.
2. Native plant species shall be used for restoration, revegetation and landscaping activities. Non-invasive species of non-native plants may be used in situations where no native species are well-suited to achieving the mitigation objective, such as erosion control on extremely dry and/or sandy sites subject to vehicle traffic.
3. Weed control techniques shall be implemented on the Site and the Benton County property for the life of the Project in accordance with Walla Walla County and Benton County Weed Board policies. Properties owned by the Certificate Holder shall be available for testing and development of biological control agents that are appropriate for the weed species found on site.
4. All straw (bales or loose) and hydro-mulch shall be certified as weed-free.
5. Avoidance areas shall be established for all sensitive plant and wildlife occurrences in or near the construction impact zone. Metal or other strong stakes connected by highly visible fencing shall identify the avoidance areas with flagging used to increase visibility, as appropriate. Avoidance areas shall be marked prior to site preparation in an area and shall be maintained until construction activities have been completed. Markers shall be removed when construction in the area is complete and all construction equipment has been removed.
6. A qualified biological monitor, or their qualified designee, shall inspect the Site prior to and during construction each day that undisturbed soil is disturbed to ensure that avoidance areas are properly marked and to monitor observance of the avoidance areas.
7. Revegetation shall be performed as soon as possible after completion of construction to prevent soil erosion and establishment of weeds. Temporary erosion control methods, both physical and biological, may

be used to protect soils until the proper planting season, typically late fall and winter.

8. Disturbed soils on the Site and pipeline laterals shall be revegetated with a mixture of native grass species. Recommended species include:
- Sherman's big bluegrass (*Poa ampla*)
 - Sandberg's bluegrass (*Poa secunda*)
 - Indian ricegrass 'Nezpar' (*Oryzopsis hymenoides*)
 - Bluebunch wheatgrass 'Secar' (*Pseudoroegneria spicata* ssp. *spicata*)
 - Thickspike wheatgrass 'Schwendimar' (*Agropyron dasystachyum*)
 - Basin wildrye 'Trailhead' (*Elymus cinereus*)
 - Needle-and-thread (*Stipa comata*)

Seed of native forb species and sagebrush may be added to the grass mix. Suggested species include yarrow (*Achillea millefolium*) and Lewis' flax (*Linum perenne* ssp. *lewisii*). Sagebrush seed shall be added to the seed mix for the pipeline laterals. On the Site the Certificate Holder shall establish dryland cultivated native grass habitat with a component of native shrubs and forbs by including native forb and sagebrush seed in the planting mix with the native grasses. If necessary, shrubs and forbs shall be over planted into the successfully established native grasses. This is expected to occur prior to the third growing season. Big sagebrush (*Artemisia tridentata*) shall be the primary species planted; other suggested species include:

- Green rabbitbrush (*Chrysothamnus viscidiflorus*)
- Gray rabbitbrush (*Chrysothamnus nauseosus*)
- Bitterbrush (*Purshia tridentata*)

Bitterbrush and other shrubs that are not established through seeding shall be installed as root plugs, in scattered groupings across the restored area. The target number of shrubs on the site is 20 times the number of acres restored. The rooted plugs shall be planted to supplement the seed mix if establishment of shrubs falls short of the per-acre target. At a minimum, 30 Bitterbrush root plugs shall be planted.

Rooted stock of native forb species shall be installed in shrub-steppe restoration areas. Suggested species include arrowleaf or Carey's balsamroot (*Balsamorhiza sagittata* or *careyana*), snow buckwheat (*Eriogonum niveum*), lupine (*Lupinus bicolor*), and veined dock (*Rumex venosus*). The total number of rooted forbs to be installed shall equal 5 times the total number of acres of shrub-steppe to be restored.

9. Dryland cultivated native grass habitat with a component of native shrubs and forbs shall be planted at the Benton County property during the winter dormant season. Sagebrush and forbs shall be added to the seeding mix on portions of the site not at high risk for wind erosion. The Certificate Holder shall plant no less than 80 acres with sagebrush added to the seed mix. If site review indicates that additional acreage can be planted with a successful outcome and no impact requirements to PM-10, the Certificate Holder shall increase the sagebrush acreage. The use of rooted stock is not anticipated at this site. Suggested species include:
- Bluebunch wheatgrass 'Secar' (*Pseudoroegneria spicata* ssp. *spicata*)
 - Thickspike wheatgrass 'Schwendimar' (*Agropyron dasystachyum*)
 - Slender wheatgrass 'Pryor' (*Agropyron trachycaulum*)
 - Basin wildrye 'Trailhead' (*Elymus cinereus*)
 - Sherman's big bluegrass (*Poa ampla*)
 - Sandberg's bluegrass (*Poa secunda*)
 - Indian ricegrass 'Nezpar' (*Oryzopsis hymenoides*)
 - Lupine (*Lupinus bicolor*)
 - Yarrow (*Achillea millefolium*)
 - Big sagebrush (*Artemisia tridentata*)
10. Utility Corridors: As part of the development of the generation facility, the Certificate Holder shall construct and operate a water pipeline from the ten existing wells on the Boise Cascade Corporation property. Additionally, the Certificate Holder will cause to be constructed and operated a natural gas pipeline to the Site. Construction of these pipelines will cause disruption to existing vegetation and may cause wildlife impacts. The Certificate Holder shall mitigate the impacts of the construction of those pipelines by reseeding the pipeline corridors and restoring the disturbed lands to dryland native grasses consistent with Articles V.E and VII.O. Sagebrush seed shall be included in the revegetation mix but the Certificate Holder is not required to guarantee shrub establishment, because the right-of-way will require vehicle traffic for inspection and maintenance and because future land use on the right-of-way, most of which is zoned industrial, will not be under the control of the Certificate Holder. Agricultural lands that are cleared for installation of the pipelines shall be replanted into agricultural crops at the discretion of the landowner(s).
11. Benton County Property: The Certificate Holder shall seed, reseed, or plant the approximate 640 acre Benton County (PM 10) property, as needed, to establish dryland cultivated native grass habitat with a component of native shrubs and forbs. Approximately 640 acres of dryland wheat located in Section 35, T. 7 N., R. 30 E., of Benton County, Washington, shall be seeded with native grass, shrub, and forb

species using a seeding mix that is consistent with the measures identified in Article IV.F. The Certificate Holder shall install a guzzler on the property to provide water to wildlife. The Certificate Holder shall enroll the 640 acre property in WDFW's Public Access Program to provide controlled public access for viewing and hunting of wildlife.

The Certificate Holder shall take actions necessary to control livestock grazing on the Benton County property. Livestock grazing is permitted only if such use leads to specific wildlife habitat improvement projects.

12. The plan shall include a map of proposed revegetation and landscaping activity areas for the Site, the access road from Dodd Road, the makeup water supply pipeline lateral, the natural gas pipeline lateral and the 640 acre Benton County property.

G. Wetlands Management Plan

There are eight wetlands on the pre-developed Site. One of the wetlands, an irrigation pond in the northeast corner of the property will be removed. The Certificate Holder has entered into an agreement with the Washington State Department of Fish and Wildlife (WDFW) for the mitigation of the loss of the irrigation pond and protection of the remaining wetlands. The wetlands have been delineated. The Certificate Holder shall prepare a wetland management plan that the Certificate Holder shall follow prior to, during and after construction, and during Project operation, to protect these wetlands. The wetland management plan shall be submitted to EFSEC ninety (90) days prior to site preparation, with copies to the CFE and WDFW. The Certificate Holder shall not begin site preparation prior to obtaining approval from the Council of the wetlands management plan. EFSEC shall consult with WDFW and CFE prior to its considering approval of the plan. The plan shall include, but not be limited to, the following elements:

1. The wetlands shall be protected from construction activity by a one hundred foot minimum buffer between all wetlands and any construction or operational activity.
2. Setbacks shall be flagged prior to construction. There shall be no construction in the wetland areas as defined by such setbacks.
3. A weed management program shall be instituted.
4. The Certificate Holder shall ensure that the water levels in the wetlands are maintained or wetland impacts are otherwise mitigated.

5. The plan shall be developed in accordance with the requirements of Article V.E.

H. Stormwater Plans

1. The Certificate Holder shall file with EFSEC a Notice of Intent to be covered by a General Permit for Stormwater Discharges Associated with Construction Activities at least ninety (90) days prior to the beginning of site preparation.
2. Ninety (90) days prior to the beginning of site preparation, the Certificate Holder shall submit a stormwater system design to the Council for review and approval, and shall provide copies to Walla Walla County and Ecology. This design shall meet the requirements of Article VII.B.1. The Certificate Holder shall not begin site preparation prior to Council approval of the stormwater system design.
3. A Stormwater Pollution Prevention Plan (SWPPP) for construction activity, including construction dewatering, shall be prepared and implemented prior to the start of site preparation. Project details for the project shall be submitted to the Council, with copies to Walla Walla County and Ecology, at least ninety (90) days prior to the start of site preparation for review and approval.
4. The SWPPP shall be prepared in accordance with the objectives and requirements identified in Special Condition S.9 of the National Pollutant Discharge Elimination System and State Waste Discharge General Permit for stormwater discharges associated with construction activities issued by Ecology on October 4, 2000, or most recent version. The SWPPP shall include a construction stormwater runoff and erosion control plan, and shall include the elements of Article V.F.
5. Construction Stormwater System Operation and Maintenance Manual

Ninety (90) days prior to the beginning of site preparation, the Certificate Holder shall submit a construction period stormwater system operations and maintenance (O&M) manual for review and approval. The construction period stormwater system O & M manual shall detail the infiltration pond and stormwater systems in accordance with WAC 173-240-150. The Certificate Holder shall review the stormwater system O&M manual, at least annually during the period of construction, and the Certificate Holder shall confirm this review by letter to the Council. Substantial changes or updates to the construction period stormwater system O&M Manual shall be

submitted to the Council for review and approval prior to being incorporated into the manual.

6. The Certificate Holder is responsible for achieving compliance with state of Washington Water Quality Standards for Surface Waters of the State of Washington (Chapter 173-201A WAC), Sediment Management Standards (Chapter 173-204 WAC), Water Quality Standards for Ground Waters of the State Of Washington (Chapter 173-200 WAC), and human health based criteria in the National Toxics Rule (Federal Register, Vol. 57, No. 246, Dec. 22, 1992, pages 60848-60923). Where construction sites are not in compliance with these standards, the Certificate Holder shall take immediate action(s) to achieve compliance by implementing additional Best Management Practices (BMPs) and/or improved maintenance of existing BMPs.
7. The Certificate Holder shall not begin site preparation prior to obtaining Council approval of the stormwater plans.

I. Construction Phase Spill Prevention Countermeasure and Contingency Plans

1. Ninety (90) days prior to the start of site preparation, a Spill Prevention, Control, and Countermeasure Plan (SPCCP), consistent with the requirements of Chapter 40 CFR Part 112, and Hazardous Waste Management Plan shall be developed and submitted to the Council, with copies to Ecology, the WDFW and Walla Walla County, for review and approval. The Certificate Holder shall not begin site preparation prior to obtaining Council approval of the construction phase SPCCP.

The SPCCP provides for the prevention, containment, and control of spills or unplanned discharges of: 1) petroleum (oil), 2) hazardous substances covered by 40 CFR Part 302, and 3) materials which when spilled or otherwise released into the environment are designated as a Dangerous Waste or Extremely Hazardous Waste by the procedures set forth in WAC 173-303-070. The SPCCP includes the following elements:

- a) A description of the reporting system, which shall be used to alert responsible managers and legal authorities in the event of a spill.
- b) A description of preventive measures and facilities (including an overall facility plot showing drainage patterns) intended to prevent, contain, or treat spills of these materials.

- c) A list of all oil and chemicals used, processed, or stored at the facility, which may potentially be spilled into state waters.
 - d) A description of site security and personnel training.
2. The construction phase SPCCP shall include the Site, the access road and the makeup water supply pipeline lateral. The construction phase SPCCP shall also address cleanup actions, notification of appropriate agencies, and a list of available cleanup materials. The construction phase SPCCP shall include BMPs to prevent and control spills during construction of the Project.
 3. The construction phase SPCCP shall be implemented prior to the beginning of site preparation. The applicant shall require all contractors working on the facility to have a spill prevention and countermeasure program consistent with 40 CFR. Part 112.

J. Construction Water Use and Control Plan

1. Ninety (90) days prior to the start of site preparation, the Certificate Holder shall develop and submit to EFSEC for review and approval, with copies to Ecology, WDFW and Walla Walla County, a construction water use and control plan. The Certificate Holder shall not begin site preparation prior to obtaining approval from the Council of the construction water use and control plan.
2. At least thirty (30) days prior to use, the Certificate Holder shall provide to EFSEC a list of specific locations proposed for withdrawal and discharge of hydrostatic test water and allow EFSEC to review and comment on the list in consultation with Walla Walla County, WDFW and Ecology. No hydrostatic test water shall be discharged to waters of the state.

K. Construction Waste Recycling Plan

The Certificate Holder shall develop and implement a plan to reuse construction and construction waste materials to the greatest extent feasible. The construction reuse plan shall be simultaneously submitted to EFSEC and Counsel for the Environment (CFE), with copies to Ecology and Walla Walla County, ninety (90) days prior to the beginning of site preparation. The Certificate Holder shall not begin site preparation prior to obtaining approval from the Council of the construction waste recycling plan. EFSEC shall consult with CFE prior to its considering approval of the plan. The plan(s) shall become an enforceable provision of the SCA and this Agreement.

L. Evaporation Pond Construction Plans

The Certificate Holder shall submit to EFSEC for review and approval, with copies to Walla Walla County and Ecology, the evaporation pond construction plans, construction quality assurance plans, and operations and maintenance plans as indicated, and according to the schedule outlined below. The berm surrounding the evaporation ponds shall conform to the requirements of State Water Code, RCW 90.03.350 and Chapter 173-175 WAC Dam Safety Regulations.

1. Preliminary Evaporation Pond Construction Plan

The preliminary evaporation pond construction plan (preliminary plan) shall be submitted to EFSEC, with copies to Walla Walla County and Ecology, no later than ninety (90) days prior to the start of site preparation. The preliminary design submittal will be reviewed and approved by EFSEC or their authorized representative in lieu of final plans and specifications. No compacted earthfill for the evaporation pond embankments shall be placed prior to approval-in-concept by EFSEC, but Site clearing and grading and foundation preparation may take place in accordance with the requirements of Article IV.B.

The concentrated brine fluid shall be discharged into two 11-acre evaporation ponds. The evaporation ponds shall be provided with a double liner, a leak detection and recovery system underlain with an additional liner. Beginning at the bottom of the ponds, the lowest liner shall consist of a 60-mil high-density polyethylene (HDPE) membrane. Appropriate fill material shall be placed on top of the lowest liner within which a perforated HDPE pipe shall be placed that runs down the low-point center of the pond. Above the fill shall be a 30-mil HDPE membrane. Above this liner shall be placed another liner comprised of both a geonet and a geocomposite material. The geonet shall be used on the bottom of each pond and shall be comprised of a 1/4-inch thick layer of geo-synthetic textile comprised of high quality sodium bentonite. The geocomposite shall be used on the pond side slopes and consist of a 200-mil bi-planar geonet bonded on both sides with a 6 oz. geo-textile. Any liquid that could pass through the top two liners would drain through the fill material to the collection pipe system. Liquid in the collection pipe would drain to a sump at the low end of the respective pond, where samples can be taken and collected liquids pumped back to the pond or into a separate collection vessel. A 2-foot cover of on-site soils shall be provided over the top liner system to protect against possible tears or punctures that may occur during operation and maintenance. The solids accumulation shall be removed periodically and shipped to a disposal site that is properly licensed to receive the solids from the evaporation ponds.

The preliminary evaporation pond construction plan shall include the following elements:

- a) Subsurface and soils data sufficient to support the general pond configuration must be submitted.
- b) A design depicting the evaporation pond layout, with possible evaporation pond liner options to support the intended design, with areas still subject to change identified. The design views shall include:
 - Views at a sufficiently large scale and shall include a general layout of the drain/leak collection system;
 - The location of the evaporation pond inlet and spillway/overflow shall be indicated in the evaporation pond layout, if such a spillway is required;
 - Embankment cross sections including, at a minimum, north-south and east-west sections;
 - Section through spillway (if needed), profile down embankment with energy dissipator;
 - Liner(s) cross section with drain layers, with the following possible options: double liner with composite, bentonite amended soil/FML; double FML, geosynthetic-clay liner composite options; and
 - A description, with plans and specifications as applicable, of the leak detection system.
- c) A flood routing and dam failure analysis shall be performed, utilizing the methods described in Washington Dam Safety Guidelines *Technical Note 1: Dam Break Inundation Analysis and Downstream Hazard Classification*.
- d) An engineering study, including hydrogeologic analysis and water balance, shall be performed to determine whether an overflow spillway is needed and provide required freeboard. If a spillway is needed for the evaporation ponds, it shall be included in the Final Evaporation Pond Construction Plan required in Article IV.L.2 of this Agreement. Any liner or spillway changes can be made prior to releasing the final plans and specifications.

2. Final Evaporation Pond Construction Plan

Final construction plans and specifications for the evaporation ponds shall be submitted to EFSEC for review and approval, with copies to

Ecology and Walla Walla County, no later than 90 days prior to beginning of construction of the evaporation ponds. These final plans shall commit to final design concepts for the evaporation pond liner, overflow spillway (if needed), and evaporation pond embankment configuration. EFSEC or their authorized representative will review the final design submittal. Recommendations will be made to EFSEC for an approval for construction of the evaporation ponds or requesting additional information or changes.

The final evaporation pond construction plan shall include the following elements:

- a) The equivalent of a Chapter 173-175 WAC Dam Safety Regulations application. It is expected that some changes in Project features will be needed as Site geology is uncovered or changes are developed in collaboration with the Project construction team. These changes, (equivalent to typical "change orders"), will be reviewed by the EFSEC contractors with a goal of making recommendations to EFSEC for approval or providing comments to the Project proponents. It is possible that evaporation pond construction may be delayed until contentious issues or departures from typical engineering practice are resolved and approved by EFSEC.
- b) A site-specific geotechnical report that investigates and makes recommendations for evaporation pond liner configuration, embankment foundation preparation, fill placement and compaction requirements, and resolves any slope stability issues. Any investigations needed to supplement submittal of evaporation pond liner plans and specifications, shall be included with the geotechnical report. Possible issues investigated could be bentonite-amended soil liner construction issues, such as desiccation cracking or frost susceptibility; geosynthetic clay liner chemical compatibility issues; liner sideslope stability, etc. All embankment and pond liner-related design and construction work shall be based upon the site-specific geotechnical report.
- c) Final plans and construction specifications for the evaporation pond and embankments and liner(s).

Subsequent to approval-in-concept, but prior to approval of the final evaporation pond construction plans and specifications, compacted earthfill may be placed for the evaporation ponds embankments. Configuration of the earthen embankments will not be considered final until approval by EFSEC of the site-specific geotechnical report. Any evaporation pond earthwork performed prior to issuance of soil compaction recommendations and minimum embankment slopes

within the geotechnical report shall be brought into conformance with the site-specific geotechnical report recommendations.

3. Evaporation Pond Construction Quality Assurance Plan

An evaporation pond construction quality assurance (CQA) plan shall be submitted to EFSEC for review and approval, with copies to Ecology and Walla Walla County, describing how adequate and competent construction shall be provided for the evaporation ponds. The evaporation CQA plan shall be submitted to EFSEC no later than ninety (90) days prior to beginning of construction of the evaporation ponds. For purposes of identifying the deadline for submittal of this plan, construction means clearing and grading of the evaporation ponds. The evaporation pond CQA plan shall be prepared by a professional engineer and shall include, as a minimum:

- a) A listing of construction activities related to critical project elements and planned inspection effort including staffing levels, responsibilities, frequency and duration of site visits;
- b) A description of the quality assurance testing program which describes the type of test, general frequency, acceptable results, handling of deficient materials, and the individual(s) responsible for overseeing the testing;
- c) A description of construction management organization, lines of communication, and responsibilities;
- d) A description of the change order process including who is responsible for coordinating the change order review process with the EFSEC; and
- e) A description of the technical records handling and the content and frequency of construction progress reports. The progress reports can be included in the Engineering and Procurement Contract Contractor progress reports that are sent to EFSEC.

4. Evaporation Pond Liner Construction Quality Assurance Plan

A CQA plan (liner CQA plan) shall be developed for construction of the pond liner(s). The liner CQA plan shall be submitted to EFSEC, with copies to Walla Walla County and Ecology, no later than 90 days prior to the start of construction of the evaporation ponds, and may be incorporated into the evaporation pond CQA plan. Installation of the liner may not begin until 72 hours after approval of this plan by EFSEC. Acceptance of the final liner subgrade preparation by the lining contractor must be forwarded to EFSEC, and receipt

acknowledged by EFSEC, prior to installation of the liners. Copies of all liner seam testing must be submitted to EFSEC no later than 14 days after completion of such tests.

M. Traffic Study

The Certificate Holder shall access U.S. Highway 12 from Dodd Road for both construction and operation of the Project. Wallula Generation, L.L.C. shall work with the WSDOT to review traffic volume projections and the WSDOT construction schedule for the U.S. Highway 12 improvement project to support consideration of a temporary traffic signal installation at Dodd Road and U.S. Highway 12 during construction of the Wallula Power Project. Ninety (90) days prior to the start of site preparation, the Certificate Holder shall submit the traffic study to EFSEC for review and approval, with copies to the WSDOT, and Walla Walla County.

N. Emissions Performance Test Plans

In addition to the requirements laid out in Attachments 12 and 13, a copy of the emissions performance test plans required in accordance with the Notice of Construction permit (Attachment 12 to this Agreement), and the Prevention of Significant Deterioration permit (Attachment 13 to this Agreement) shall be submitted to Walla Walla County at least thirty (30) days prior to testing.

O. Construction Fire Prevention Plan

After consultation with the appropriate fire marshal and members of Walla Walla County Fire District # 5, ninety (90) days prior to the beginning of site preparation, the Certificate Holder shall submit to EFSEC for review and approval, with copies to Walla Walla County Fire District # 5 and Walla Walla County, the construction fire prevention plan that includes the Site, the access road from Dodd Road and the makeup water supply pipeline lateral. The Certificate Holder shall not begin site preparation prior to obtaining approval from the Council of the construction fire prevention plan.

P. Construction Emergency and Safety Plans

After consultation with members of Walla Walla County Fire District # 5 and the Walla Walla County Sheriff's Department and ninety (90) days prior to the beginning of site preparation, the Certificate Holder shall submit to EFSEC for review and approval, with copies to Walla Walla County Fire District # 5, Walla Walla Sheriff's Department and Walla Walla County, the construction emergency and safety plans that include the Site, the access road from Dodd Road and the makeup water supply pipeline lateral. The Certificate Holder shall not begin site preparation prior to obtaining approval from the Council of the construction emergency and safety plans.

Q. Cultural and Archeological Resources Monitoring Plan

1. Cultural and Archeological Resources Monitoring Plan

The Certificate Holder, in coordination with the Confederated Tribes of the Umatilla Indian Reservation (CTUIR), shall develop a cultural and archeological resources monitoring plan for EFSEC review and comment. The plan shall be submitted ninety (90) days prior to site preparation. The plan shall include the requirements of Article IV.Q.2, Cultural Mitigation Methods, and the following elements:

- a) The Certificate Holder shall provide a Cultural and Archeological Resources Monitor (CARM) in accordance with the requirements of Article V.A.2.
- b) Standard cultural and archeological monitoring criteria shall be developed and submitted to EFSEC ninety days prior to beginning of site preparation.
- c) The Certificate Holder and the CTUIR shall identify the Cultural and Archeological Resources Monitor's "stop-work" implementation criteria for EFSEC in consultation with the Washington State Office of Archeology and Historic Preservation (OAHP).
- d) No excavation, filling or regrading work shall be performed at any time unless there is a full, concurrent independent cultural and archeological monitoring.
- e) All CARM reports are to be submitted to EFSEC, the OAHP, CTUIR and Walla Walla County at the same time that they are submitted to the Certificate Holder.
- f) EFSEC, the OAHP, CTUIR and Walla Walla County representatives are to be promptly notified by facsimile (fax), e-mail, telephone, or in person of any emergency response or any work stoppage requested by the CARM.

2. Cultural Mitigation Methods

- a) Any areas of modifications to the proposed project that have not been assessed as part of former investigations shall be inventoried for cultural resources prior to any subsurface disturbance associated with the Project. If cultural resources are identified that may be significant, these shall be evaluated for their eligibility to be included in the National Register of Historic Places.

- b) The Wallula Gen/CTUIR studies of the Site, the access road from Dodd Road and the pipeline laterals identified one area near the makeup water supply pipeline lateral where lithic scatter was discovered. This area shall be exempted from any Project disturbance.
- c) The CTUIR, pursuant to a contract with Wallula Gen, dated April 20, 2001 set out in Attachment 7, Exhibit 1 to this Agreement, shall monitor subsurface disturbances associated with the construction of the Project and associated water and natural gas pipeline laterals for archaeological, historical, and cultural objects.
- d) Historic resources as defined by the National Historic Preservation Act (NHPA) means any prehistoric or historic district, site building, structure, or object included in, or eligible for inclusion on the National Register, including artifacts, records, and material remains related to such a property or resource (NHPA Title III, Section Sec. 301(5)). If an isolated historic resource is located, it shall be recorded on a CTUIR isolated find form and submitted to the Washington State Office of Archeology and Historic Preservation (OAHP), and EFSEC.
- e) If an archeological site is located, an OAHP site form shall be compiled and submitted to the OAHP and EFSEC.
- f) If a cultural object that is potentially significant to the CTUIR is identified by the archaeologist monitoring the ground disturbance and cannot be avoided, it shall be reported immediately to the OAHP, the CTUIR and EFSEC. The CARM shall take action in accordance with the monitoring criteria of Article IV.Q.1.a, and the “stop-work” implementation criteria of Article IV.Q.1.b.
- g) All archaeological, historical, and cultural sites within the area that will be disturbed by the Project that are potentially significant to the CTUIR and cannot be avoided shall be evaluated for their significance. Testing may be needed to determine the site’s eligibility for inclusion in the National Register of Historic Places. Evaluation may consist of test excavations, mapping, further archival documentation, and/or oral histories. A decision to test shall be made in consultation with the State Archeologist and/or the OAHP/State Historic Preservation Office (SHPO). EFSEC shall be notified of any such testing decisions, and shall receive a copy of the test results.
- h) If a historic resource is identified that is potentially significant to the CTUIR and cannot be avoided, mitigation measures shall be developed with the concurrence of both the State Archeologist and/or SHPO and CTUIR. EFSEC shall be notified of any such mitigation measures.

- i) If human remains, associated and unassociated funerary objects, sacred objects or objects of cultural patrimony are encountered, all construction shall be halted in the immediate area, large enough to maintain the integrity of the human remains, and the item or items shall be handled consistent with the applicable portions of the CTUIR's Policies and Procedure Manual for Repatriation of Ancestral Human Remains and Funerary Objects. (Attachment 7, Exhibit 2, Section 6) The State Archeologist and/or SHPO, the CTUIR and EFSEC shall be contacted immediately.
- j) Prior to any activities in a new area not previously surveyed, a traditional cultural use field visit shall be conducted with the participation of the CTUIR to identify traditional uses by members of the CTUIR. Such field visits shall be conducting in accordance with the contracting requirements of Attachment 7 to this SCA.
- k) The Certificate Holder shall be responsible for the cost of all testing that may be required, as well as reinternment, curation and storage in accordance with applicable law of any artifact of cultural significance, or human remains, which are excavated or permanently disturbed at the Site. Additional testing, surveying, curation, storage and reinternment shall be performed in accordance with the contracting requirements of Attachment 7 to this SCA. All disturbed artifacts of cultural significance and human remains located on CTUIR ceded lands are the property of the CTUIR.

ARTICLE V. PROJECT CONSTRUCTION

A. General Construction Procedures

1. Environmental Monitor

The Certificate Holder shall provide an independent Environmental Monitor (EM) with "stop-work" authority that reports to EFSEC.

- a) The EM shall be under the supervision and employ of the Certificate Holder and independent from any construction contractor party utilized. The EM shall report independently to EFSEC regarding the specific environmental protection criteria set out in this Agreement.
- b) Standard environmental monitoring criteria shall be developed for EFSEC, in consultation with WDFW and Ecology, prior to beginning construction of the Wallula Power Project.
- c) The Certificate Holder shall identify EM "stop-work" implementation criteria for EFSEC, in consultation with WDFW and Ecology.
- d) No excavation, filling or regrading work shall be performed at any time unless there is full, concurrent and independent environmental monitoring on-site.
- e) All EM reports are to be submitted to EFSEC at the same time that they are submitted to the Certificate Holder's project engineer.
- f) EFSEC, WDFW, and Ecology are to be promptly notified by facsimile (fax) or in person of any emergency response or any work stoppage requested by the EM.

2. Cultural and Archeological Resources Monitor

The Certificate Holder shall contract with the Confederated Tribes of the Umatilla Indian Reservation to provide independent Cultural and Archeological Resources Monitor (CARM) personnel with "stop-work" authority that reports to EFSEC. Such personnel shall be under the supervision of an experienced archeologist. The CARM shall be under the employ of the Certificate Holder and shall report independently to EFSEC regarding the specific cultural and environmental protection criteria set out in specific EFSEC stipulation agreements, and set out in the requirements of Articles IV.Q.1 and IV.Q.2. The CARM shall be on site to monitor all subsurface

disturbances associated with the construction of the Project and associated water and natural gas pipeline laterals for archaeological, historical, and cultural objects.

B. Construction Reporting

The Certificate Holder shall submit quarterly construction progress reports within thirty (30) days after the end of the quarter. The Certificate Holder shall submit notices of significant changes in the construction schedule with EFSEC and Walla Walla County within fifteen (15) days of the schedule change.

C. Construction Inspection

EFSEC shall contract with Walla Walla County, or other appropriate agency or firms, to provide construction inspection services for all Wallula Power Project buildings and structures to ensure consistency with the approved design and construction plans. Construction shall be in accordance with the approved design and construction plans, the UBC, and Walla Walla County building codes and regulations, and applicable construction, and fire and life safety codes and requirements.

D. As-Built Drawings

The Certificate Holder shall maintain record drawings on file and shall allow the Council or its designated representatives access to complete sets of as-built drawings on request following reasonable notice.

E. Wetlands and Wildlife Habitat Mitigation

For purposes of the wetlands and fish and wildlife mitigation requirements in this Article, the Site is characterized as two parcels; 1) the first being an approximate 153 acre parcel that will be directly affected by grading and project construction activities; and 2) the other being the approximate 22 acre parcel containing the existing wetlands, and called the Habitat Reserve Area.

1. Wetlands

- a) All work in or around wetlands shall be performed in accordance with the requirements of the Wetlands Management Plan required by Article IV.G of this Agreement.
- b) The wetlands and shrub-steppe habitat on the western boundary of the Site have been delineated and shall not be disturbed during construction.
- c) Buffers of 100 feet shall be placed around the wetland habitats to ensure that construction equipment and activity is excluded from the area.

- d) There shall be no construction in the wetland areas as defined by the setbacks, which shall be flagged prior to construction. The total area of wetlands, upland habitats, and wetland buffers on the western edge of the property is estimated to be 22 acres.
- e) A buffer of 100 feet shall be placed around the identified wetland located on the property owned by the Louis F. Jaussaud Estate, located immediately south of the Site.
- f) The Certificate Holder shall prepare a clearing and grading plan, a landscaping and revegetation plan and a wetlands management plan as required in Articles IV.B, IV.F and IV.G of this SCA, that includes protection of a habitat reserve area along the western edge of the Site.
- g) Delineated wetlands, wetland buffers, and adjacent upland habitats within the habitat reserve area shall be protected from ground disturbance during construction and operation of the Project. Limited ground disturbance shall be allowed only as necessary to accomplish weed management objectives within the habitat reserve area.
- h) To monitor and protect wetland hydrology, the Certificate Holder shall install a staff gage in the deepest portion of the wetland complex and regularly monitor water level changes in the wetland.
- i) The Certificate Holder shall use its best efforts to secure authorization to use the South Columbia Irrigation District water rights or the adjacent domestic water well for the purposes of maintaining a minimum seasonal water level in the habitat reserve area.
- j) If dewatering of the wetlands occurs for reasons other than the widening of U.S. Highway 12, the Certificate Holder shall investigate alternative mitigation options ensuring that the water levels in the wetlands are maintained or wetland impacts are otherwise mitigated.
- k) It is acknowledged that the U.S. Highway 12 four-lane widening project may adversely affect the wetlands in the Habitat Reserve Area due to no fault of the Certificate Holder. The Certificate Holder will not be held accountable for habitat loss due to the U.S. Highway 12 four-lane widening project.
- l) The wetlands shall be protected by a storm water plans to be approved by EFSEC prior to site preparation, as required by Article IV.H of this SCA.

2. Fish and Wildlife Habitat Mitigation

- a) After construction of the Project is complete the Certificate Holder shall replant approximately 74 acres in dryland cultivated native grass habitat with a component of native shrubs and forbs. The Certificate Holder shall develop a landscaping and revegetation plan in accordance with the requirements of Article IV.F of this SCA in consultation with EFSEC and WDFW, in order to be prepared to replant the Site in an expeditious manner. The Certificate Holder shall also monitor the survival of the Site vegetation as required in Article VII.O of this SCA. Failure to meet performance requirements shall require action to provide alternative mitigation.
- b) Ninety (90) days prior to the beginning of commercial operation, the Certificate Holder shall place a perpetual conservation easement upon the Benton County property in favor of an entity sufficient to satisfy the requirements for the permanent protection of wildlife habitat and for the permanence of air emission PM-10 offsets, required under the Notice of Construction permit, Attachment 12 to this SCA, or with any subsequent Notice of Construction, or Title V Air Operating permit issued for the Wallula Power Project by the Council through extension or renewal. In addition, the Certificate Holder shall take the necessary steps to perfect the conservation easement.
- c) The Certificate Holder shall seed, reseed, or plant the approximate 640 acre Benton County (PM 10) property, as needed, to establish dryland cultivated native grass habitat with a component of native shrubs and forbs. Approximately 640 acres of dryland wheat located in Section 35, T. 7 N., R. 30 E., of Benton County, Washington, shall be seeded with native grass, shrub, and forb species using a seeding mix that is consistent with the measures identified in Article IV.F. The Certificate Holder shall install a guzzler on the property to provide water to wildlife. The Certificate Holder shall enroll the 640 acre property in WDFW's Public Access Program to provide controlled public access for viewing and hunting of wildlife.
- d) The Certificate Holder shall take actions necessary to control livestock grazing on the approximate 640 acre Benton County property. Livestock grazing is permitted only if such use leads to specific wildlife habitat improvement projects.
- e) The Certificate Holder shall actively support WDFW funding requests for the acquisition of native shrub habitat, specifically the McWhorter property in Benton County, Washington. If the McWhorter property is otherwise acquired, the Certificate Holder shall support WDFW funding requests for the acquisition of other property with native shrub habitat.

- f) The Certificate Holder shall provide at closing, Fifty Thousand Dollars (\$50,000.00) to the United States Fish and Wildlife Service, for wetland and riparian enhancement activities on the Walla Walla River within the McNary National Wildlife Refuge. With this contribution towards the Wallula Wetlands and Riparian Project Phase II, Wallula will become a 1/8th partner in the Phase II activities. Wallula's contribution will result in creation of 686 feet of high-flow stream channel, creation of 13 acres of seasonal wetlands associated with the high-flow channel, and enhancement of 16 acres of riparian corridor and bottomland habitat.
- g) The Certificate Holder shall provide at closing, Twenty Five Thousand Dollars (\$25,000.00) to be apportioned between Dr. Gary Piper, at Washington State University and Dr. Linda Wilson at the University of Idaho. Those funds shall be used to assist with the development of biological control agents, which will ultimately benefit weed control efforts on the Site and on surrounding ownerships.

3. Utility Corridors

As part of the development of the Wallula Power Project, the Certificate Holder will construct and operate a water pipeline from the ten existing wells on the Boise Cascade Corporation property. Additionally, the Certificate Holder will cause to be constructed and operated a natural gas pipeline to the Site. Construction of these pipelines will cause disruption to existing vegetation and may cause wildlife impacts. The Certificate Holder shall mitigate the impacts of the construction of those pipelines by reseeding the pipeline corridors and restoring the disturbed lands to dryland native grasses consistent with the revegetation success criteria identified in the monitoring and performance standards section of Article VII.O of this SCA. Sagebrush seed shall be included in the revegetation mix but the Certificate Holder is not required to guarantee shrub establishment, because the right-of-way will require vehicle traffic for inspection and maintenance and because future land use on the right-of-way, most of which is zoned industrial, will not be under the control of the Certificate Holder. Agricultural lands that are cleared for installation of the pipelines shall be replanted into agricultural crops at the discretion of the landowner(s).

4. Additional Mitigation

Additional applicable mitigation requirements are identified in the Application for Site Certification, Section 2.8 Wastewater Treatment; Section 2.10 Surface Water Runoff; Section 2.14 Construction Methodology; Section 3.1 Earth; and Section 3.4 Plants and Animals.

F. Surface Runoff and Erosion Control

1. During site preparation and construction, the Certificate Holder shall require its contractors to meet standards set forth in this Site Certification Agreement. The Certificate Holder shall set forth such conditions necessary thereto in its bidding documents, plans, and contracts that will be developed in consultation with the Council.
2. The Certificate Holder shall comply with the stormwater control, construction water use, erosion control excavation and sediment provisions of this Agreement, and shall require all contractors to comply therewith.
3. Sedimentation, erosion control, dust control, and related construction plans pertaining to work on the Site and on permanent and/or temporary roads must conform to requirements set forth in Articles IV.H and VI.I, or alternative plans submitted by the Certificate Holder to, and approved by, the Council.
4. The Certificate Holder shall consult with Ecology and WDFW during the preparation of such plans.
5. In the event of unforeseen surface water runoff during construction, the Certificate Holder shall comply with all pertinent industry standards and state BMPs for control of such runoff. The Certificate Holder further shall take such actions as are deemed necessary and reasonable by the Council to control runoff. The Certificate Holder shall promptly notify the Council of the occurrence or likely occurrence of any surface water runoff problems.
6. The Certificate Holder shall take such steps as are necessary to assure that construction activity shall not result in a violation of applicable turbidity criteria in the state of Washington Water Quality Standards or as noted in this SCA. The Council may, at its discretion, and after consultation with Ecology and WDFW, grant a temporary waiver of such standards upon request by the Certificate Holder.

G. Fugitive Dust

To control fugitive dust during construction, water shall be applied as necessary, and access roads shall be graveled or paved, as practical.

H. Evaporation Pond Construction Oversight

The Certificate Holder shall submit the following notification of elements relating to evaporation pond construction:

1. The Certificate Holder shall notify EFSEC of an evaporation pond pre-construction coordination meeting 72 hours prior to the meeting being held.
2. 72 hours prior to fill placement, the Certificate Holder shall notify EFSEC that the embankment foundation (or prepared subgrade) is exposed, and available for inspection. No fill placement shall occur prior to inspection by EFSEC or its authorized representative.
3. The Certificate Holder shall submit to EFSEC the prepared liner subgrade signoff from the liner installer no later than 24 hours after the signoff has been obtained.
4. The Certificate Holder shall submit to EFSEC the embankment quality assurance reports no later than 24 hours after the reports has been obtained.
5. The Certificate Holder shall provide notice to EFSEC of the beginning of spillway/overflow piping construction work no later than 72 hours prior to the beginning of such work.
6. The Certificate Holder shall provide notice to EFSEC of startup of liner installation no later than 72 hours prior to the beginning of such work.
7. The Certificate Holder shall provide notice to EFSEC of the beginning of liner leak testing no later than 72 hours prior to the beginning of such work.

I. Construction Noise

The Certificate Holder and its contractors and subcontractors shall use industry standard noise attenuation controls during construction to mitigate noise impacts and shall comply with applicable state and Walla Walla County noise emission regulations. In addition, the Certificate Holder shall comply with the following requirements:

1. No construction activities are permitted on Sundays, legal holidays, or between 10:00 p.m. and 6:00 a.m. within 1000 feet of an occupied residential dwelling.
2. All construction equipment shall have noise control devices no less effective than those provided originally by the equipment's manufacturer.
3. Pile driving or blasting operations shall not be permitted within 3,000 feet of an occupied residential dwelling on Sundays or legal holidays or between 8:00 p.m. and 8:00 a.m. on other days.

J. Natural Gas Pipeline

1. The Wallula Power Project will be supplied by natural gas tapped off of the PG&E Gas Transmission-Northwest (GTN) transmission line located 5.9 miles to the southeast of the Site. The natural gas pipeline lateral will be constructed, owned and operated by GTN and subject to FERC jurisdiction. The Certificate Holder will contract with GTN to design, construct, operate, and maintain the natural gas pipeline lateral in compliance with federal pipeline safety regulations as agreed in the stipulation between Wallula Gen and the Washington Utilities and Transportation Commission (WUTC), as laid out in detail in Attachment 5, Sections C.1, C.2, C.4, and C.5, to this Agreement.
2. The Certificate Holder shall construct, maintain and operate all interior natural gas pipelines downstream of the on-site GTN metering house in compliance with the requirements contained in the stipulation between Wallula Gen and WUTC as laid out in Attachment 5, Section C.3, and the Application for Site Certification, including the following:
 - a) Qualified Operators. Qualified operators shall operate and maintain the pipeline. Operators shall comply with federal Pipeline Safety regulations concerning operator training and certification.
 - b) Operations and Maintenance Manual and Emergency Plan. A detailed operations manual shall be developed to address standard operations and maintenance practices, and response to abnormal operating conditions as required by 49 CFR. § 192.605. The Certificate Holder shall develop an emergency plan to address emergency response activities as described in WAC 480-93-180 and 49 CFR. § 192.615. The manual and plan shall satisfy state and federal regulations related to pipeline operation and maintenance. The Certificate Holder shall provide a copy of the emergency response plan to the WUTC upon request.

- c) Internal Line Inspections. The Certificate Holder shall conduct internal inspections through a qualified contractor using a Magnetic Flux Leakage (MFL) tool or equivalent during major plant shutdowns, which occur approximately every 5 years.
- d) Cathodic Protection Inspections. The cathodic protection systems, if installed, shall be inspected periodically in accordance with the requirements of 49 CFR Part 192, subpart I.
- e) Pipeline and Valve Identification. The pipeline location shall be identified with markers as required by 49 CFR. § 192.707(a)(2).
- f) Leak Detection System. The Certificate Holder shall install a leak detection system downstream of the GTN meters by installing a series of methane detection monitors in areas where natural gas could cumulate and not disperse consistent with the combustible gas standards set out in Exhibit A. An odorization system will not be installed except as provided in Attachment 5, Exhibit A, for a low-pressure gas system used for in-plant domestic uses such as space and water heating.

K. Public Services and Utilities

- 1. Construction activities shall be coordinated with the Walla Walla County Sheriff's Department and the Walla Walla County Fire District #5 (fire, police and emergency medical service provider) to ensure access to all locations in the vicinity of the Site in the case of an emergency.
- 2. To help mitigate loss of access and other traffic related impacts, adequate traffic control and signage shall be provided during construction as outlined in Article IV.M.
- 3. As practicable, construction vehicle trips in and out of the immediate construction zone shall be coordinated and scheduled away from "rush-hour" periods, occurring approximately between 6:00 and 7:00 AM and 2:15 and 3:15 PM, to minimize general traffic impacts.
- 4. During construction, precautions shall be used to ensure that excavations do not damage underground natural gas and water utility pipelines.

L. Public Roads and Access

- 1. The Wallula Power Project shall access U.S. Highway 12 from Dodd Road for both construction and operation of the Project. The access

point from the power plant to Dodd Road shall meet WSDOT setback requirements from the intersection of Dodd Road and U.S. Highway 12.

2. The Certificate Holder shall work with WSDOT to review the traffic volume projections and the construction schedule for the WSDOT's U.S. Highway 12 improvement project to support consideration of a temporary traffic signal installation at Dodd Road/U.S. Highway 12 during construction of the Wallula Power Project.
3. Any necessary traffic control, including a possible temporary signal, shall be designed, installed and removed at the sole expense of the Certificate Holder.
4. The Certificate Holder, at its sole cost and expense, shall design, acquire right-of-way and construct the access road from Dodd Road to the Site to county standards as defined by the Regional Transportation Plan for Attalia Industrial Urban Growth Area. The Certificate Holder shall dedicate the road to the public at a mutually agreeable date, but not later than the beginning of commercial operation of the Project.

M. Construction Clean-Up

The Certificate Holder shall dispose of all temporary structures not intended for future use upon completion of construction. The Certificate Holder also shall dispose of used timber, brush, refuse or flammable materials resulting from the clearing of lands or from construction of the Wallula Power Project in a manner approved by the Council. The Certificate Holder also shall comply with the construction waste recycling plan approved by the Council as required in Article IV.K.

N. Construction Safety and Security

1. The safety of construction and operating personnel is required by regulations promulgated under the Federal Occupational Safety and Health Act and the Washington Industrial Safety and Health Act. The Certificate Holder shall comply with applicable federal and state safety regulations and local and industrial codes and standards (such as the Uniform Fire Code or those standards administered by the National Boiler Board and Pressure Vessel Inspectors). The Certificate Holder, its general contractor, and all subcontractors shall make every reasonable effort to maximize safety for individuals working at the Wallula Power Project.

2. During construction, the Generation Facility site perimeter shall be enclosed with a chain link fence and shall have two (2) ingress and egress gates at completion of site preparation.
3. During construction the access gate shall be staffed 24 hours per day or locked. Access to the Generation Facility by all personnel shall be through the security gate. All construction and delivery vehicles shall be logged in and out.
4. Visitors shall be provided with safety equipment where and when appropriate.

ARTICLE VI. SUBMITTALS REQUIRED PRIOR TO OPERATION

A. Start-up Notice

Thirty (30) days prior to start-up of either block of two combustion gas turbines/HRSGs and a single steam turbine (normal 650 MW) the Certificate Holder shall submit a start-up notice to EFSEC with copies to the Ecology, and Walla Walla County.

B. Operation and Maintenance Manual

At all times the Certificate Holder shall properly operate and maintain all facilities or systems of treatment and control (and related appurtenances), which are installed to achieve compliance with the terms and conditions of this Agreement. Proper operation and maintenance also includes adequate laboratory controls and appropriate quality assurance procedures. This provision requires the operation of back-up or auxiliary facilities or similar systems only when the operation is necessary to achieve compliance with the conditions.

1. Operation and Maintenance Manual

Sixty (60) days prior to start-up of either block of two combustion gas turbine/HRSGs and a single steam turbine (normal 650 MW), an operation and maintenance (O & M) manual shall be prepared by the Certificate Holder and submitted to EFSEC for review and approval, with copies to Walla Walla County.

2. Wastewater and Stormwater Operation and Maintenance Manual

The O&M manual section detailing the operation and maintenance of the process wastewater, oil/water separators, infiltration pond, and storm water systems in accordance with WAC 173-240-150 shall be excerpted and submitted separately to EFSEC for approval, with copies to Walla Walla County and Ecology, sixty (60) days prior to the first discharge of wastewater to the evaporation ponds.

3. Evaporation Pond Operation and Maintenance Manual

The O&M manual section detailing evaporation pond operation and maintenance shall be excerpted and submitted separately to EFSEC sixty (60) days prior to first wastewater discharge to the evaporation ponds, with copies to Walla Walla County and Ecology. The Certificate Holder shall not begin operation of the evaporation ponds, or begin discharge of wastewater to the evaporation ponds, prior to obtaining approval from the Council of the section of the O&M

manual that applies to the evaporation ponds. The evaporation pond sections of the O&M manual shall include the following elements:

- a) A description of the procedures for the operation of the evaporation ponds under normal, and extreme or emergency conditions.
 - b) Technical guidance and procedures for monitoring, inspection, and long-term maintenance. The O&M manual shall include all features of the evaporation ponds that require periodic maintenance and shall identify the person (or job title) that performs the work and the interval in which it is performed. Inspections shall focus on detecting seepage, out-of-plane movement of embankments, animal burrows, or any observable distress or deterioration of the pond liners. Inspections shall also include measuring flows in the leakage detection/collection system sump.
 - c) The O&M manual shall identify a leakage rate at which action shall be taken (action leakage rate), and a maximum allowable flow rate for the evaporation pond liner leak detection system that determines at what point the evaporation pond liners are no longer functional or in need of repair.
 - d) A response plan setting forth actions needing to take place, once the action leakage rate has been exceeded, shall be included in the O&M manual.
4. The approved O & M manual shall be kept available, at the facility, and all operators shall follow the instructions and procedures of the O & M manual. The Certificate Holder shall review the O&M manual, at least annually, and the Certificate Holder shall confirm this review by letter to the Council with a copy to Walla Walla County. Substantial changes or updates to the O&M manual shall be submitted to the Council, with copies to Walla Walla County, for review and approval prior to being incorporated into the manual.

C. Fish and Wildlife Monitoring Plan

1. Waterfowl Monitoring Plan

The Certificate Holder shall develop a waterfowl monitoring plan in consultation with WDFW prior to beginning of commercial operation. The plan shall be submitted to EFSEC for approval ninety (90) days prior to beginning of commercial operation. Phase 1 of the Plan shall focus on monitoring activities during the first six (6) months of commercial operations including characterization of brine concentrator reject water and waterfowl use of the evaporation ponds. The plan shall be designed to determine if the brine concentrator reject water in the lined evaporation ponds has a detrimental effect to wintering

waterfowl. The plan shall include proposed mitigation measures if such detrimental effects are confirmed.

2. On-Site Fish and Wildlife Survey Updates

Ninety (90) days prior to the beginning of commercial operation, the Certificate Holder shall submit to EFSEC for review and approval, with copies to the WDFW and Walla Walla County, a schedule and requirements for continued updates of:

- Mortality of Birds and Mammals Due to Construction;
- Wintering Bald Eagle and Raptor Survey Report;
- Wildlife and Botanical Survey Report;
- Wetland Evaluation Report;
- Wetland Delineation, Rating, and Assessment of Function and Values Report;
- Potential Effects of Waterfowl Exposure to Evaporation Basin Effluent;
- Predicted Chemical Composition of Residual Solids;
- The proposed endangered species list as it pertains to the Wallula Power Project;
- Monitoring of the water level changes in the on-site wetland area; and
- Monitoring of the impacts of the evaporation pond brine concentrate on waterfowl.

D. Operations Stormwater Pollution Prevention Plan

1. The Certificate Holder shall file with EFSEC, a Notice of Intent to be covered by a General Permit for Stormwater Discharges Associated with Industrial Activities at least thirty (30) days prior to the first discharge of wastewater to the evaporation ponds.
2. The Certificate Holder shall prepare an operations stormwater pollution prevention plan (operations SWPPP) and submit it to EFSEC, for approval at the same time that it submits the Notice of Intent required in Article VI.D.1 above. Copies shall be provided to Walla Walla County and Ecology. The operations SWPPP shall contain the following elements:
 - a) The operations SWPPP shall contain pre-design level of detail for the permanent stormwater treatment and detention BMPs, and shall establish the Certificate Holder's permanent operations Stormwater Pollution Prevention Team from appropriate employee categories. Final designs for the permanent BMPs shall be incorporated into the final construction plans and specifications prepared by the civil site design engineer. An operations manual for the permanent BMPs shall be prepared by the civil

site design engineer and the Certificate Holder's Storm Water Pollution Prevention Team members. The plan shall comply with the requirements of the Department of Ecology's Stormwater Management Manual for Western Washington, dated August 2001, which currently applies statewide. Once the Stormwater Management Manual for Eastern Washington is available, the Eastern Washington Manual shall apply. The operations SWPPP shall include the following elements:

- i. An assessment and description of existing and potential pollutant sources;
- ii. Certification by a responsible official that stormwater discharges have been investigated for the presence of non-stormwater discharges;
- iii. A site map showing stormwater drainage areas, discharge structures, paved areas and buildings, areas where stormwater could potentially contact pollutants, surface water bodies, potential and existing vehicle service areas, and areas where soil erosion might occur;
- iv. The identification of all areas associated with industrial activity;
- v. A list of pollutants that are or have a reasonable potential to be present in stormwater discharges in significant amounts; and
- vi. A description of the BMPs that are needed to reduce the potential for discharge of significant amounts of pollutants, including operational BMPs and source control BMPs.

b) Best Management Practices (BMPs)

BMPs are the physical, structural, operational, or administrative means of providing the appropriate controls. Operational BMPs consist of company policies, operating and maintenance procedures, personnel training, good housekeeping, prohibition of undesirable practices, and other administrative practices to prevent or reduce pollution of waters of the state. Source control BMPs are physical, structural or mechanical devices or structures that are intended to prevent pollutants from entering stormwater.

c) Stormwater Pollution Prevention Team

The Certificate Holder shall identify a Stormwater Pollution Prevention Team, which shall be responsible for developing, implementing, maintaining, and modifying the operation SWPPP. Operational BMPs shall be adopted to implement good housekeeping, preventive and

corrective maintenance procedures, steps for spill prevention and emergency cleanup, employee training programs, and inspection and record keeping practices as needed to prevent stormwater pollution. Examples of good housekeeping practices that shall be employed by the Certificate Holder shall include:

- i. Neat and orderly storage of chemicals;
- ii. Prompt cleanup and removal of spillage;
- iii. Regular pickup and disposal of garbage and rubbish;
- iv. Regular sweeping of floors;
- v. Proper storage of containers; and
- vi. Prevention of accumulations of liquid or solid chemicals on the ground or the floor.

d) Training

At least annually, Generation Facility operators shall also receive training in the pollution control laws and regulations, and the specific features of the facility, that are intended to prevent releases of oil and petroleum products. These employees shall also receive spill response training. Employees who support the activities at the Site shall be trained in the following spill response measures:

- i. Recognizing areas that may be affected by a spill and potential drainage routes;
- ii. Reporting of spills to appropriate individuals;
- iii. Employing appropriate material handling and storage procedures; and
- iv. Implementing spill response procedures.

e) Source Control BMPs

Source control BMPs consistent with those in the Department of Ecology's Stormwater Management Manual for Western Washington, dated August 2001, shall be employed in the design of fueling stations, vehicle and equipment washing and steam cleaning areas, loading and unloading areas for liquid materials, aboveground storage tank systems, container storage facilities, outside storage areas, and outside maintenance areas. Once the Stormwater Management Manual for

Eastern Washington is available, the Eastern Washington Manual shall apply.

f) Secondary Spill Containment

Where required, at chemical or fuel unloading sites, secondary spill containment paving shall be provided for environmental protection. Hazardous substances collected within these containments shall be isolated for proper cleanup and disposal according to local, state and federal regulations. Stormwater collected within hazardous material secondary containments shall be retained by normally closed valved outlets. This stormwater shall be routed to a stormwater oil/water separator before being allowed to enter the storm drainage system. All discharge shall occur in a manner consistent with local, state and federal regulations.

g) Inspection of Stormwater Systems

The stormwater infiltration pond shall be inspected at least annually as part of the Site preventive maintenance program. The stormwater infiltration pond shall be cleaned if the collected deposits fill more than one-third of the pond volume below the lowest pipe invert. The infiltration pond sediments shall be removed annually to restore the necessary design settling and storage volumes of the pond. Material removed from the infiltration pond must be disposed of in accordance with local, state and federal regulations. If disposed of at any location other than the grit and sludge handling facilities of a publicly owned treatment works (POTW), the sediments from the infiltration pond shall first be analyzed to demonstrate the absence of toxic compounds.

h) Stormwater Management of On Site Runoff

Stormwater management of on-site runoff shall comply with the requirements of the BMPs set out in Department of Ecology's Stormwater Management Manual for Western Washington, dated August 2001, and in accordance with any amendments or revisions made by the date of design submittal. Once the Stormwater Management Manual for Eastern Washington is available, the Eastern Washington Manual shall apply.

i) Secondary Containment Areas

Constructed source control BMPs shall also be consistent with the Ecology's Stormwater Management Manual for Western Washington, dated August 2001. Secondary containment areas consisting of pavement curbs and berms, non-porous pavement, sumps, and outlet valves, shall be employed as necessary in the design of fueling stations, loading and unloading areas for chemicals, aboveground chemical

storage tank systems, container storage facilities, outside storage areas and outside maintenance areas. Oil or hazardous substances collected within these containment areas shall be isolated for proper cleanup and disposal according to local, state, and federal regulations, and shall not be automatically directed to the infiltration pond. Once the Stormwater Management Manual for Eastern Washington is available, the Eastern Washington Manual shall apply.

j) Periodic Inspections

The Certificate Holder's personnel shall periodically inspect the system to verify the accuracy of the operations SWPPP, to ascertain that the controls identified in the operations SWPPP are adequate, and to confirm that non-permitted discharges are not entering the stormwater system. A summary of each inspection shall be retained with the operations SWPPP, along with any notifications of noncompliance and reports on incidents such as spills.

3. The Certificate Holder shall modify the operations SWPPP whenever there is a change in design, construction, operation, or maintenance, which causes the operations SWPPP to be less effective in controlling the pollutants. Whenever the description of potential pollutant sources or the pollution prevention measures and controls identified in the operations SWPPP are inadequate, the operations SWPPP shall be modified, as appropriate, and submitted to EFSEC for review and approval, and shall not implement the proposed changes until receipt of the Council approval. The Certificate Holder shall provide for implementation of any modifications to the operations SWPPP in a timely manner.
4. The Certificate Holder shall periodically review the operations SWPPP against the guidance provided in Department of Ecology's Stormwater Management Manual for Western Washington, dated August 2001, or subsequent applicable guidance, and make modifications as necessary to the operations SWPPP to comply with current requirements for BMPs in consultation with Ecology, and Site conditions. Whenever the description of potential pollutant sources or the pollution prevention measures and controls identified in the operations SWPPP are inadequate, the operations SWPPP shall be modified, as appropriate, and submitted to EFSEC for review and approval, and shall not implement the proposed changes until receipt of the Council approval. Once the Stormwater Management Manual for Eastern Washington is available, the Eastern Washington Manual shall apply.

5. The Certificate Holder's authorization to discharge stormwater per the above conditions are subject to the periodic review and renewal requirements of Article VII.J.

E. Stormwater Study

Sixty (60) days prior to the first discharge of wastewater to the evaporation ponds, the Certificate Holder shall submit to EFSEC for review and approval, with copies to the Ecology and Walla Walla County, a stormwater study describing the activities that contribute to the various waste streams, which may be proposed to be discharged to the stormwater infiltration pond. This report also shall consider BMPs to minimize contaminants reaching the stormwater infiltration pond.

F. Groundwater Monitoring Plan

1. Sixty (60) days prior to the first discharge of wastewater to the evaporation ponds, the Certificate Holder shall submit to EFSEC for review and approval, with copies to Ecology and Walla Walla County, a groundwater monitoring plan that identifies the requirements for up gradient and down gradient groundwater monitoring, monitoring of the process wastewater discharge to the evaporation ponds, the solids accumulation in the evaporation ponds and the monitoring of the stormwater discharge to the infiltration pond. The groundwater monitoring plan shall include a hydrogeologic study conducted in accordance with the requirements of Article VI.F.4, below.
2. The groundwater monitoring plan shall consist of a sampling plan which includes, but is not necessarily limited to, parameters to be sampled and/or monitored, sampling points, number of samples, sampling frequency, sample type, sampling and quality control protocols, etc.
3. The groundwater-monitoring plan shall also incorporate and address the following minimum requirements:
 - a) Process Wastewater – The process wastewater shall be monitored just prior to discharge into the evaporation ponds.
 - b) Evaporation Ponds – The solids accumulation and water level in the evaporation ponds and the contents of the sump(s) in the underdrain/leak detection system shall be monitored. In addition, in the event water is detected in the evaporation pond sumps, the steps and actions to be taken shall be addressed, including characterization of the leachate.

- c) Stormwater – The discharge from the stormwater drain system’s oil/water separator(s) and the discharge just prior to the stormwater infiltration pond shall be monitored.

4. Hydrogeologic Study

A hydrogeologic study shall be prepared which determines the appropriate locations, design and construction of the necessary monitoring wells. These wells shall be constructed in accordance with Chapter 173-160 WAC (Minimum Standards for Construction and Maintenance of Wells) and Chapter 173-162 WAC (Regulation And Licensing Of Well Contractors And Operators), and appropriate sections of the Department of Ecology’s *Implementation Guidance for the Ground Water Quality Standards*, April 1996 Publication #96-02. The hydrogeologic study shall identify management of waters used for the testing of wells meeting the requirements of Article VI.F.1.

The existing monitoring wells may be used, provided that hydrogeologic study and information on the construction of these wells determines and, the Council concurs, that their location, design and construction are appropriate to allow their use.

5. Discharge to the evaporation ponds shall not occur prior to Council approval of the groundwater monitoring plan.

G. Operations Spill Prevention, Control and Countermeasure Plan

Within six (6) months of the beginning of commercial operation, the Certificate Holder shall submit to EFSEC an operations Spill Prevention, Control and Countermeasure Plan (SPCCP) for review and approval. The Certificate Holder shall provide a copy to WDFW and Ecology at the same time the plan is submitted to EFSEC.

1. The operations SPCCP shall be prepared by a professional engineer that meets applicable requirements of 40 CFR Part 112, Sections 311 and 402 of the Clean Water Act and Section 402 (a)(1) of the Federal Water Pollution Control Act (FWPCA) and RCW 90.48.080, and that includes the amount and type of hazardous materials to be stored at the Site, patterns of usage, transfer procedures, material specification sheets for all hazardous materials and other factors that shall indicate the magnitude of the spill potential and hazardous impact.
2. The operations SPCCP shall describe procedures for securing valves, type of gauges, basis of dike size, capacity and design, inspection procedures, personnel training, emergency procedures and spill notification requirements.

3. The operations SPCCP shall include the location and topographic maps, accurate diagrams of the materials storage tanks, dike(s), piping, valves, transfer pad(s) and other significant components of the hazardous material storage systems.
4. The diesel oil storage tank shall be contained in a manner consistent with 40 CFR Part 112 and applicable state and local rules and regulations. The containment dikes shall include a barrier that is sufficiently impervious to primary containment.
5. The design of all diesel oil and hazardous material tank containment shall address stormwater management.
6. The SPCCP shall be implemented within six (6) months of the beginning of operation.
7. The operations SPCCP must be updated and submitted to the Council every two (2) years. The SPCCP and any supplements must be followed throughout the term of the permit.

H. Operations Fire Prevention Plan

After consultation with the appropriate fire marshal and members of Walla Walla County Fire District # 5, thirty (30) days prior to the beginning of commercial operation, the Certificate Holder shall submit to EFSEC for review and approval, with copies to Walla Walla County Fire District # 5 and Walla Walla County, the operations fire prevention plan that includes the Site, the access road from Dodd Road and the makeup water supply pipeline lateral. The Certificate Holder shall not begin commercial operation prior to obtaining approval from the Council of the operations fire prevention plan.

I. Operations Emergency and Safety Plans

The Certificate Holder shall establish an operations emergency response plan for the Project and Site to provide employee safety in the event of the following emergencies: project evacuation; fire and explosion; natural gas release on-site; natural gas release off-site; ammonia release on-site; other chemical release on-site; diesel oil/gasoline release on-site; floods; extreme weather; emergency freeze protection; earthquakes; volcanic eruption (ashfall), personnel injury; facility blackout; and external facility threats such as bomb and terrorist threats. In development of the Operations Emergency Response Plan, the Certificate Holder shall:

1. Coordinate such plans with local, state and federal agencies directly involved in implementing such plan.

2. Follow the requirements of WAC 296-24-567, General Safety and Health Standard, WAC 296-62-3112, General Occupational Health Standards, and 29 CFR §1910.38, Emergency Act Plan.
3. Include detail provisions for public health and safety, emergency medical treatment, special emergency training programs and prevention of property damage.
4. Periodically provide EFSEC with updated lists of emergency personnel, communication channels and procedures.
5. Cover all hourly and salaried employees, including administrative staff, contractors and visitors by the operations emergency response plan.

After consultation with the appropriate fire marshal, members of Walla Walla County Fire District # 5 and the Walla Walla County Sheriff's Department, and one-hundred-and-eighty (180) days prior to the beginning of commercial operation, the Certificate Holder shall submit to EFSEC for review and approval, with copies to Walla Walla County Fire District # 5, Walla Walla Sheriff's Department and Walla Walla County, the operations emergency response plan that includes the Site, the access road from Dodd Road and the makeup water supply pipeline lateral. The Certificate Holder shall not begin commercial operation prior to obtaining approval from the Council of the operations emergency and safety plans.

ARTICLE VII. PROJECT OPERATION

A. Water Use

Wallula Generation has purchased, or purchased options to acquire, water right permit(s) No. G3-29640P (1,200 gallons per minute (gpm) – 1,800 acre-feet per year (afy)) from the Port of Walla Walla and irrigation water right certificates (G3-21037C, G3-21038C, G3-21039C, G3-21936C, G3-24791C from Dean Howe and G3-28146C, G3-28683C from Boise Cascade) and has requested that the purpose and use of the Dean Howe and Boise Cascade certificates be changed from irrigation to industrial use. This Site Certification Agreement authorizes the transfer in ownership and the change in use from irrigation to industrial use. The total amount of water that is authorized for transfer to the Certificate Holder is 11,000 gpm and 5,826 afy. However due to actual past usage and the proposed change in the consumptive use associated with the Howe and Boise Cascade rights, 1,329 gpm and 962 afy will be withheld and will not be available for use by the Certificate Holder. As a result, the Certificate Holder will acquire rights to 9,671 gpm and 4,864 afy. This amount, when combined with the Port of Walla Walla well, will give the Certificate Holder access to a total of 10,871 gpm and 6,664 afy. This amount is greater than the maximum water supply need (7,901 gpm and 6,591 afy) stated in the Application for Site Certification. The Certificate Holder is not authorized to use more water than the amount identified in the Application for Site Certification and any subsequent revisions. The right to use water from Certificates No. G3-28146C and G3-28683C is also subject to low flow restrictions. When low flow restrictions are in place, the Certificate Holder's right to use water from these two wells is also restricted.

This Site Certification Agreement authorizes water use by the Wallula Power Project in accordance with the following conditions:

1. The Certificate Holder has, or will have, the right to the use of a water right permit (permit number G3-29640P) issued to the Port of Walla Walla, which authorizes the use of 1,200 gpm and 1,800 afy of ground water for industrial purposes on the Site. This permit is in good standing, and may be used without change to meet a portion of the project's requirements. This SCA does not govern use of water under that permit.
2. This SCA authorizes the use of additional water, which is the same water authorized for use under seven water right certificates held by Boise Cascade Corporation for the purpose of irrigation of hybrid poplars on a "fiber farm" located in the Wallula vicinity. The certificate numbers of these irrigation rights (hereafter termed the irrigation certificates) are: G3-21037C, G3-21038C, G3-21039C, G3-21936C, G3-24791C, all issued to Dean Howe, and G3-28146C, and G3-28683C issued to Boise Cascade Corporation. The water available to the Wallula Power Project pursuant to this authorization is 9,671

gpm and 4,864 afy. Copies of the irrigation certificates are attached to this Agreement as Attachment 14.

3. The total water rights available for use by the Wallula Power Project total 10,871 gpm and 6,664 afy (the sum of the rights described in Article VII.A.1 (Port of Walla Walla Well) and VII.A.2 (Boise Cascade Wells) herein). The Application for Site Certification proposes the use of a maximum of 7,901 gpm and 6,591 afy of water for Project purposes. The total water use authorized by this Agreement shall not exceed 7,901 gpm and 6,591 afy.
4. The following project water uses are authorized by this Agreement: the irrigation of the Boise Cascade fiber farm to establish grasses planted after the removal of poplar trees, so long as such use occurs prior to the beginning of operation; testing of water lines; construction activities and dust control on the Site; testing of project components; and operation of the Project. No water may be used for irrigation purposes off the Site after the beginning of operation. Prior to using any water on the fiber farm and prior to using any water on the Site, the Certificate Holder shall obtain ownership of the irrigation certificates. The Certificate Holder shall retain ownership of the irrigation certificates until the Close of Project Operations.

After the first non-irrigation use of water, if all or part of the property which is identified in the irrigation certificates as the property on which water is to be used is sold or transferred to an affiliate or to a third party, then the Certificate Holder (in the deed or other transfer document) shall specifically retain ownership of the water rights embodied in the irrigation certificates.

5. If this SCA is terminated prior to any commercial operation of the Wallula Power Project, the irrigation certificates shall remain the property of the Certificate Holder for use as originally described in these certificates.
6. If the Wallula Power Project begins commercial operation, then within ninety (90) days of the Close of Project Operations the Applicant shall transfer the irrigation certificates to the state of Washington in perpetuity for the purpose of benefiting instream flows under Chapter 90.42 RCW (or any succeeding or equivalent legal mechanism available in the future to accomplish such purpose). Upon such transfer and the Close of Project Operations, all water use authorization under this SCA shall cease in effect. The on-site industrial water right (Ground Water Permit No G3-29640P) is exempt from these transfer requirements.

7. If the project is modified in a manner that EFSEC determines that a portion of the water authorized for use by the irrigation certificates is no longer necessary for power production at the Site, then the modification will be considered the Close of Project Operation with respect to that portion of the irrigation certificates. In such case Wallula Gen will be required to transfer ownership of that portion of the irrigation certificates no longer necessary for power production in perpetuity to the State of Washington under Chapter 90.42 RCW (or any succeeding or equivalent legal mechanism available in the future to accomplish such purpose) for the purpose of retaining the water rights in trust for the benefit of instream flows.
8. Water may be withdrawn from any, or some combination of the ten existing Boise Cascade wells identified in the irrigation certificates. Water may be used for interim irrigation at the original fiber farm site; it may be used for construction and testing along roads and pipelines between the wells and the Site; and water may be used at the Site.
9. Two of the irrigation certificates (G3-28146C and G3-28683C) are subject to minimum flows on the Columbia River established by WAC 173-563-040 and -050, which are set forth in the certificates and in the appropriate Reports of Examination prepared by Ecology. When the Columbia River is below minimum flows, then the amount withdrawn under those certificates may be restricted as determined by Ecology. Such restriction may limit withdrawals by as much as 6,200 gpm. Ecology may reduce the total water withdrawal for the Wallula Power Project to 4,671 gpm, including the Port of Walla Walla well.
10. Approved measuring devices shall be installed and maintained on the production wells in a manner consistent with Chapter 173-173 WAC. Water use data shall be recorded weekly and submitted annually to EFSEC and to Ecology.
11. Reports of Examination prepared by Ecology for each of the seven irrigation certificates each contain Conclusions and Recommendations related to the individual certificates and the changes to place of use, purpose of use, season of use, and points of withdrawal authorized by this SCA. The seven Reports of Examination are attached to this SCA as Attachment 14 and the Conclusions and Recommendations of the Reports of Examination are incorporated by reference herein as conditions of this SCA.
12. After transfer of the irrigation certificates to the State of Washington, all wells shall be abandoned in accordance with proper procedures as specified by the Department of Ecology.

B. Wastewater and Stormwater Discharge

1. Stormwater shall be collected in a stormwater infiltration pond sized to contain the 100-year rainfall event of 1.8 inches in a 24-hour period. Collected stormwater from the power plant impacted areas shall be pumped through oil/water separators to the stormwater infiltration pond. All on-site stormwater collected outside the power plant impacted areas shall be directed to the stormwater infiltration pond without processing the water through oil/water separators. No stormwater shall be released off-site except through evaporation or ground percolation. The stormwater shall be collected and handled utilizing BMPs.
2. There shall be no discharge of wastewater from the Site to waters of the state. The primary wastewater stream shall be cooling tower blowdown. The system shall use a combination of reverse osmosis, brine concentrator and evaporation ponds, for the on-site water control and reuse, to the maximum extent possible, of the cooling tower blowdown wastewater for both water conservation and PM10 control. The blowdown will contain concentrated salts and residue of chemicals added to the system to control scaling, fouling and biological contaminants. The blowdown shall be treated to concentrate the solids in the reverse osmosis and the brine concentrator where the system water is distilled reusing the water vapor. The concentrated brine fluid shall be discharged into two 11-acre evaporation ponds. The evaporation ponds shall be sealed and shall not discharge to waters of the state. The evaporation ponds shall meet the requirements of Article IV.L. The solids accumulation shall be removed periodically and shipped to a disposal site that is properly licensed to receive the solids from the evaporation ponds. The Certificate Holder shall determine whether the solids constitute a dangerous waste according to Article VII.F. and Article VII.C.6.
3. The wastewater, stormwater, and sanitary waste discharges shall meet the conditions set out in Articles VII.C. through J. of this Agreement.

C. Wastewater and Stormwater Discharge Limitations

The Certificate Holder is authorized to discharge wastewater and stormwater subject to meeting the following limitations:

1. General
 - a) All discharges and activities authorized shall be consistent with the terms and conditions of the Site Certification Agreement.

- b) The discharge of any pollutants more frequently than, or at a level in excess of, that identified and authorized shall constitute a violation of the terms and conditions of the Site Certification Agreement.
- c) The discharge of any pollutant not specifically authorized or in concentrations which cause or contribute to a violation of water quality standards established under Section 307(a) of the Clean Water Act, Chapter 173-201A WAC, or Chapter 173-200 WAC (Water Quality Standards for Ground Waters of the State of Washington), shall also be a violation of the terms and conditions of the Site Certification Agreement.
- d) There shall be no discharge of polychlorinated biphenyl. There shall be no detectable amount of organic priority pollutants (listed in 40 CFR Part 423, Appendix A) in the discharges. Metal concentrations in the storm water discharge shall not exceed groundwater quality standards.
- e) The process wastewater facility's flows, capacities and loadings, shall not exceed their rated design capacities.

2. Stormwater Study

- a) A storm water study shall be conducted in accordance with Article VI.E. Any waste stream identified in the stormwater study and proposed for discharge to the infiltration pond must be approved in advance by EFSEC.
- b) The Certificate Holder shall use water for the following short-term requirements using BMPs to reduce the potential of this water entering the groundwater:
 - i. Use of water for control or eradication of noxious weeds. The Certificate Holder shall apply noxious weed eradication fluids at agronomic rates and shall not discharge such fluids into the ground water.
 - ii. Revegetation watering. The Certificate Holder shall apply revegetation water at agronomic rates and shall not discharge such water into the ground water.
 - iii. Use of water for fire pump testing. The Certificate Holder shall restrict testing the fire pumps and hydrants to not more than once per month, shall not test during a rainstorm and shall capture the

water in such a way that the water shall be treated and not discharged to waters of the state.

- iv. Use of water to wash transmission line insulators. The Certificate Holder shall use best efforts to direct the wash water to the generation facilities drain system where the water flows through the oil/water separators prior to discharge to the stormwater infiltration pond. The water used to wash transmission line insulators shall not be discharged to waters of the state.

3. Groundwater Monitoring Plan

The groundwater monitoring plan approved in accordance with the requirements of Article VI.F shall be implemented within thirty (30) days of the first discharge of wastewater to the evaporation ponds.

4. Oil/Water Separator Discharges

Discharges from the storm water system’s oil/water separators must comply with the requirements listed elsewhere in this Agreement and are subject to complying with the following additional effluent limitations and monitoring requirements:

EFFLUENT LIMITATIONS

Parameter	Daily Maximum	Monthly Average
Flow	Not to exceed rated capacity of oil/water separator	NA
Oil and grease	15 mg/l*	10 mg/l

*The oil and grease concentration shall not exceed 10 mg/l more than three days each month.

5. Stormwater Discharges

Discharges of stormwater must comply with the requirements listed elsewhere in this Agreement and are subject to complying with the following additional effluent limitations and monitoring requirements. The following effluent limitations shall not be exceeded at any time, and may be changed only with the written approval of EFSEC.

The effluent limitations below require that the Certificate Holder meet groundwater quality criteria established by WAC 173-200-040 at the point where the oil/water separator discharges to the stormwater infiltration pond. Ecology’s groundwater standards authorize the

establishment of an enforcement limit at a point of compliance in the ground water (WAC 173-200-050 and WAC 173-200-060). If the Certificate Holder requests EFSEC to establish an effluent limitation at a point of compliance in the ground water, the Certificate Holder shall submit a report to EFSEC characterizing the groundwater quality at the infiltration pond site and requesting a new effluent limitation. No change to the effluent limitations or the point of compliance shall be made until approved by EFSEC in writing.

EFFLUENT LIMITATIONS

<u>Parameter</u>	<u>Maximum Concentration</u>
Copper (mg/L)	1.0
Iron (mg/L)	0.30
Zinc (mg/L)	5.0
BTEX	Benzene shall not exceed 1.0 ug/L
TDS (mg/L)	500
PH	Between 6.0 and 8.5 at all times

6. Process Wastewater and Residuals Analysis

Within ninety (90) days after the first discharge of wastewater to the evaporation ponds, the Certificate Holder shall collect water quality information and make the necessary analyses to determine whether or not the process wastewater effluent or its solid residue has a reasonable potential to cause a violation of the state’s dangerous waste standards. If reasonable potential exists, the Council will use this information on which to base effluent limits and/or require the Certificate Holder to make modifications to the process water system, chemicals, procedures or take whatever measures are necessary to ensure that the discharge or solid waste residue will not classify as a dangerous waste (Chapter 173-303 WAC).

All sampling and analysis shall be conducted in accordance with the guidelines given in *Guidelines and Specifications for Preparing Quality Assurance Project Plans*, Ecology Publication 91-16, and the requirements of Article VII.D.3. The Certificate Holder shall submit a sampling and quality assurance plan to EFSEC for review and approval thirty (30) days prior to performing any sampling or testing.

7. Process Wastewater Characterization

- a) Annually, the Certificate Holder shall perform a complete analysis of the process wastewater discharges (conventional, metals and priority pollutants) to fully characterize these discharges. The first characterization shall be performed within ninety (90) days of the first discharge of wastewater to the evaporation ponds.
- b) The Certificate Holder shall take 24-hour composite samples of the process wastewater discharges and conduct a priority pollutant scan to determine the characteristics of the discharges.
- c) All analyses for metals must use the methods given in 40 CFR Part 136 and be reported as total recoverable. The detection levels used for the analyses must be:

POLLUTANT PARAMETER	DETECTION LIMIT REQUIRED
Copper	1.0 µg/L
Lead	1.0 µg/L
Nickel	1.0 µg/L
Chromium	1.0 µg/L
Zinc	2.0 µg/L
Cadmium	0.1 µg/L
Selenium	2.0 µg/L
Silver	0.2 µg/L
Mercury	0.2 µg/L
Arsenic	1.0 µg/L

The Certificate Holder shall use the clean sampling guidance for collection of metals samples.

- e) The results of the sampling shall be summarized and reported on an approved Discharge Monitoring Report (DMR). A copy of the sampling results shall be provided to Ecology and Walla Walla County at the same time it is submitted to EFSEC. If the characterization is below the permit limits for the first five years, the Council may reduce the requirement for reporting to less than annually.

D. Wastewater and Storm Water Monitoring Requirements

1. Monitoring Schedule – Stormwater Oil/Water Separator Discharges

Beginning with the first discharge of stormwater through the oil/water separators, the Certificate Holder shall monitor the discharge from the storm water system’s oil/water separators into the infiltration pond as follows:

Parameter	Units	Sample Point	Minimum Sampling Frequency	Sample Type
Oil and Grease	mg/L	Oil/water separator discharge to infiltration pond	During or after every storm of 0.25 inch rainfall in a 24 hour period	Grab
Copper	mg/L	Oil/water separator discharge to infiltration pond	During or after every storm of 0.25 inch rainfall in a 24 hour period	Grab
Iron	mg/L	Oil/water separator discharge to infiltration pond	During or after every storm of 0.25 inch rainfall in a 24 hour period	Grab
Zinc	mg/L	Oil/water separator discharge to infiltration pond	During or after every storm of 0.25 inch rainfall in a 24 hour period	Grab
BTEX	ug/L	Oil/water separator discharge to infiltration pond	During or after every storm of 0.25 inch rainfall in a 24 hour period	Grab
PH	NA	Oil/water separator discharge to infiltration pond	During or after every storm of 0.25 inch rainfall in a 24 hour period	Grab
TDS	mg/L	Oil/water separator discharge to infiltration pond	During or after every storm of 0.25 inch rainfall in a 24 hour period	Grab

2. Flow Measurement

Appropriate flow measurement devices and/or calculation methods, consistent with accepted scientific practices, shall be selected and used to ensure the accuracy and reliability of measurements of the quantity of monitored flows. The devices shall be properly installed, calibrated and maintained to ensure that the accuracy of the measurements are consistent with the accepted industry standard for that type of device. Frequency of calibration shall be in conformance with manufacturer’s recommendations and at a minimum frequency of at least once per year. Calibration records shall be maintained and retained. Any

calculation method for flows entering the evaporation ponds must be approved in advance by the Council.

3. Sampling and Analytical Procedures

Samples and measurements taken to meet the requirements herein shall be representative of the volume and nature of the monitored discharge, including representative sampling of any unusual discharge or discharge condition, including bypasses, upsets, and maintenance-related conditions affecting effluent quality.

Sampling and analytical methods used to meet the monitoring requirements specified herein shall conform to the latest revision of the *Guidelines Establishing Test Procedures for the Analysis of Pollutants* contained in 40 CFR Part 136 or to the latest revision of *Standard Methods for the Examination of Water and Wastewater* (APHA), unless otherwise specified herein or approved in writing by the Council.

Groundwater sampling shall conform to the latest protocols in the *Implementation Guidance for the Ground Water Quality Standards*.

4. Laboratory Accreditation

All monitoring data required by the Council shall be prepared by a laboratory registered or accredited under the provisions of, *Accreditation of Environmental Laboratories*, Chapter 173-50 WAC (Accreditation Of Environmental Laboratories). Flow, temperature, settleable solids, conductivity, pH, and internal process control parameters are exempt from this requirement. Conductivity and pH shall be accredited if the laboratory must otherwise be registered or accredited.

E. Wastewater and Storm Water Reporting Requirements

The Certificate Holder shall monitor and report in accordance with the following conditions. The falsification of information submitted to the Council shall constitute a violation of the terms and conditions of the Site Certification Agreement.

1. Reporting

The first monitoring period begins with the first discharge of stormwater through the oil/water separators. Monitoring results for process wastewater, oil/water separator and storm water discharges

shall be submitted monthly. Monitoring results for stormwater discharges shall be submitted only for months when discharges occur. Monitoring results obtained during the previous month shall be summarized and reported on an approved Discharge Monitoring Report (DMR) postmarked no later than the fifteenth (15) day following the end of the month. Priority pollutant analysis data shall be submitted no later than forty-five (45) days following the monitoring period. Unless otherwise specified, all toxicity test data shall be submitted within sixty (60) days after the sample date. Duplicate signed copies of the DMRs shall be submitted to the Council and Ecology at the following addresses:

EFSEC
P.O. Box 43172
Olympia, WA 98504-3172

Washington Department of Ecology
Industrial Section of SW & FAP
P.O. Box 47706
Olympia, WA 98504-7706

All laboratory reports providing data for organic and metal parameters shall include the following information: sampling date, sample location, date of analysis, parameter name, Chemical Abstract Service (CAS) number, analytical method/ number, method detection limit, laboratory practical quantitation limit, reporting units, and concentration detected.

DMRs must be submitted monthly whether or not the facility was discharging. If there was no discharge during a given month, the form is submitted with the words "no discharge" entered in place of the monitoring results.

2. Recording of Results

For each measurement or sample taken, the Certificate Holder shall record the following information: (1) the date, exact place, method, and time of sampling or measurement; (2) the individual who performed the sampling or measurement; (3) the dates the analyses were performed; (4) the individual who performed the analyses; (5) the analytical techniques or methods used; and (6) the results of all analyses.

3. Additional Monitoring

If the Certificate Holder monitors any pollutant more frequently than required by these conditions using test procedures specified herein,

then the results of this monitoring shall be included in the calculation and reporting of the data submitted in the DMR.

4. Noncompliance Notification

In the event the Certificate Holder is unable to comply with any of the terms and conditions in Articles VI.D through F and Articles VII.B through J due to any cause, the Certificate Holder shall:

- a) Immediately take action to stop, contain, and cleanup unauthorized discharges or otherwise stop the violation, and correct the problem;
- b) Repeat sampling and analysis of any violation and submit the results to the Council within thirty (30) days after becoming aware of the violation;
- c) Immediately notify the Council of the failure to comply; and
- d) Submit a detailed written report to the Council within thirty (30) days, unless requested earlier by the Council, describing the nature of the violation, corrective action taken and/or planned, steps to be taken to prevent a recurrence, results of the resampling, and any other pertinent information. EFSEC shall give due consideration to the detailed written report in exercising its enforcement discretion.

Compliance with these requirements does not relieve the Certificate Holder from responsibility to maintain continuous compliance with the terms and conditions or the resulting liability for failure to comply.

5. Compliance Schedules

Reports of compliance or noncompliance with, or any progress reports on, interim and final requirements contained in any compliance schedule of these conditions shall be submitted no later than fourteen (14) days following each schedule date.

F. Solid Waste Disposal

1. Residual Solids Handling

The Certificate Holder shall handle and dispose of all solid waste material in such a manner as to prevent its entry into state ground or surface water, and consistent with Chapter 463-40 WAC Dangerous Waste, Chapter 173-303 WAC, (Dangerous Waste Regulations) or Chapter 173-304 WAC (Minimum Functional Standards For Solid Waste Handling), whichever is applicable. The proposed means for removal and disposal of the accumulated solids in the evaporation ponds shall be positively identified and reported to the Council thirty (30) days prior to the first wastewater discharge to the evaporation ponds.

Sixty (60) days prior to actual removal of the solids in the evaporation ponds, the Certificate Holder shall determine whether the solids are dangerous waste pursuant to Article VII.C.6. The designation procedure and other investigations, analyses, evaluations and findings sufficient to demonstrate that these solids can be properly removed and disposed of in compliance with applicable regulations and requirements shall be provided to the Council for approval prior to removal of the solids. The solids shall not be removed prior to Council approval.

2. Leachate

The Certificate Holder shall not allow leachate from its solid waste material to enter state waters without providing all known, available and reasonable methods of control and/or treatment, nor allow such leachate to cause violations of the Water Quality Standards for Surface Waters of the State of Washington, Chapter 173-201A WAC, or the Water Quality Standards for Ground Waters of the State of Washington, Chapter 173-200 WAC.

3. Solid Waste Control Plan

Sixty (60) days prior to the first discharge of wastewater to the evaporation ponds, the Certificate Holder shall develop and submit a solid waste control plan to the Council for approval. This plan shall address all solid wastes with the exception of those solid wastes regulated by Chapter 463-40 WAC (Dangerous Wastes), Chapter 173-303 WAC (Dangerous Wastes Regulations) and Chapter 173-304

WAC (Minimum Functional Standards For Solid Waste Handling), whichever applies. The Solid Waste Control Plan shall include a general description and the composition, source, generation rate and frequency, and disposal methods of these solid wastes. This Solid Waste Control Plan shall be consistent with applicable sections of Chapter 173-304 WAC and any approved local solid waste management plan. The Certificate Holder shall comply with the plan as approved by the Council. The Certificate Holder shall submit an update of the solid waste control plan with the Renewal Application, in accordance with the requirements of Article VII.J.

4. Sanitary Wastes

All sanitary wastes shall be collected and directed to an on-site sanitary waste system. Treated liquid effluent from the system shall flow to a leaching field while collected solids in the holding tank shall periodically be removed by a sanitary waste hauler and disposed of at a local wastewater treatment facility or publicly owned treatment works that is licensed to handle these sanitary wastes. No power plant drains shall be collected by the sanitary waste system, eliminating the potential for contamination of the leaching field.

The disposal system shall be in accordance with Walla Walla County Department of Health requirements. All sewage effluent discharges shall meet current state regulatory standards in WAC 246-272-09001 (Permits For On-Site Sewage System (OSS) Under Three Thousand Five Hundred Gallons Per Day.

G. Future Wastewater and Storm Water Requirements

The Council will review the studies, reports, and sample results to determine if revised or additional effluent limitations, additional testing, and/or monitoring are required.

This review and potential revision of Site Certification Agreement conditions associated with wastewater, stormwater, and sanitary sewer discharges shall not require approval of the Governor.

H. Non-Routine and Unanticipated Wastewater Discharges

Occasionally, this generation facility may generate wastewater, which was not characterized in its Application for Site Certification because it is not a routine discharge and was not anticipated at the time of the Application. This consists of abnormal but controllable water uses such as the pressure testing of piping and tanks, etc. These discharges/uses are typically clean wastewaters but may be contaminated with pollutants. The Certificate Holder shall collect and reuse the waters for pressure testing within the power plant water treatment system, or, at a minimum,

shall treat the wastewater discharges in the water treatment system subject to review and approval by the Council.

I. General Conditions for Wastewater, Stormwater, and Sanitary Waste Discharges

1. Reduced Production for Compliance

The Certificate Holder, in order to maintain compliance, shall control production and/or all discharges to water treatment systems. If waste waters and/or water treatment systems, for any reason, can not meet the treatment and discharge requirements of this Agreement, no wastes may be discharged until the systems are restored or an alternative method of treatment is provided. This requirement applies in the situation where, among other things, the primary source of power of the water treatment systems is reduced, lost, or fails.

2. Upset

An upset means an exceptional incident in which there is unintentional and temporary noncompliance with technology-based effluent limitations because of factors beyond the reasonable control of the Certificate Holder. An upset does not include noncompliance to the extent caused by operational error, improperly designed treatment facilities, inadequate treatment facilities, lack of preventive maintenance, or careless or improper operation.

An upset constitutes an affirmative defense to an action brought for noncompliance with such technology-based effluent limitations if the requirements of the following paragraph are met.

A Certificate Holder who wishes to establish the affirmative defense of upset shall demonstrate, through properly signed, contemporaneous operating logs or other relevant evidence that: 1) an upset occurred and that the Certificate Holder can identify the cause(s) of the upset; 2) the certified facility was being properly operated at the time of the upset; 3) the Certificate Holder submitted notice of the upset as set forth in 40 CFR § 122.41(l)(6)(ii)(B) and 4) the Certificate Holder complied with any remedial measures set forth in 40 CFR § 122.41(d).

In any enforcement proceeding the Certificate Holder seeking to establish the occurrence of an upset has the burden of proof.

3. Bypass Prohibited

The intentional bypass of wastes from all or any portion of the facility is prohibited unless the following four conditions are met:

- a) Bypass is: (1) unavoidable to prevent loss of life, personal injury, or severe property damage; or (2) necessary to perform construction or maintenance-related activities essential to meet the requirements of the Clean Water Act and authorized by administrative order;
- b) There are no feasible alternatives to bypass, such as the use of auxiliary treatment facilities, retention of untreated wastes, maintenance during normal periods of equipment down time, or temporary reduction or termination of production;
- c) The Certificate Holder submits notice of an unanticipated bypass to the Council in accordance 40 CFR § 122.4(m)(3). Where the Certificate Holder knows or should have known in advance of the need for a bypass, this prior notification shall be submitted for approval to the Council, if possible, at least thirty (30) days before the date of bypass (or longer if specified in the special conditions);
- d) The bypass is allowed under conditions determined to be necessary by the Council to minimize any adverse effects.

“Severe property damage” means substantial physical damage to property, damage to the treatment facilities, which would cause them to become inoperable, or substantial and permanent loss of natural resources, which can reasonably be expected to occur in the absence of a bypass. Severe property damage does not mean economic loss caused by delays in production.

After consideration of the factors above and the adverse effects of the proposed bypass, the Council will approve or deny the request.

4. Modification, Revocation, and Non-renewal of the Authorization to Discharge

The Council may modify, revoke or refuse to renew the Certificate Holders’ authorization to discharge wastewater, stormwater, and sanitary sewer wastes as set forth in the following paragraphs, a, b, and

c. Such modifications, revocations, or refusals to renew shall not require approval of the Governor.

a) The following are causes for revoking the Certificate Holders' authorization to discharge during its term, or for denying a Renewal Application:

- i. Continuing violation of any term or condition that adversely impacts public health.
- ii. Obtaining SCA conditions by misrepresentation or failure to disclose all relevant facts.
- iii. A material change in quantity or type of wastewater discharge or its disposal.
- iv. A determination that the activity endangers human health or the environment or contributes to water quality standards violations and can only be regulated to acceptable levels by modification or termination. 40 CFR § 122.64(3).
- v. A change in any condition that requires either a temporary or permanent reduction or elimination of any discharge or sludge use or disposal practice controlled by the conditions. 40 CFR § 122.64(4).
- vi. Failure or refusal of the Certificate Holder to allow entry as required in the SCA.

b) The following are causes for modification but not revocation except when the Certificate Holder requests or agrees:

- i. A material change in the condition of the waters of the state.
- ii. New information not available at the time of issuance that would have justified the application of different conditions.
- iii. Material and substantial alterations or additions to the facility or activities which occurred after issuance.

- iv. Promulgation of new or amended standards or regulations having a direct bearing upon Site Certification Agreement conditions, or requiring revision.
 - v. The Certificate Holder has requested a modification, including a request based on other rationale meeting the criteria of 40 CFR § 122.62.
 - vi. The Council has determined that good cause exists for the modification.
 - vii. Incorporation of an approved local pretreatment program into a municipality's permit.
- c) The following are causes for modification or alternatively revocation:
- i. Cause exists for termination for reasons listed in the conditions above, and the Council determines that modification or revocation is appropriate.
 - ii. The Council has received notification of a proposed transfer of the Site Certification Agreement.

5. Reporting a Cause for Modification

A Certificate Holder who knows or has reason to believe that any activity has occurred or will occur which would constitute cause for modification or revocation under Article VII.I.4 must report such plans, or such information, to the Council so that a decision can be made on whether action to modify or revoke and reissue conditions will be required.

The Council may then require submission of a Renewal Application, or supplemental information, along with required engineering plans and reports. This Renewal Application or supplemental information shall be submitted at least sixty (60) days prior to any proposed changes. The filing of a request by the Certificate Holder for modification, revocation, or a notification of planned changes or anticipated noncompliance does not relieve the Certificate Holder of the duty to comply with the existing conditions until it is modified or reissued.

6. Reporting Planned Changes

The Certificate Holder shall, as soon as possible, give notice to the Council of planned physical alterations or additions to the certified facility, production increases, or process modification which will result in: 1) the certified facility being determined to be a new source pursuant to 40 CFR § 122.29(b); 2) a significant change in the nature or an increase in quantity of pollutants discharged; or 3) a significant change in the sludge use or disposal practices. Following such notice, the conditions may be modified, or revoked and reissued pursuant to 40 CFR § 122.62(a) to specify and limit any pollutants not previously limited. Until such modification is effective, any new or increased discharge in excess of limits or not specifically authorized by the conditions constitutes a violation.

7. Plan Review Required

Prior to constructing or modifying any wastewater control facilities, an engineering report and detailed plans and specifications shall be submitted to the Council for approval in accordance with Chapter 173-240 WAC. Engineering reports, plans, and specifications shall be submitted at least ninety (90) days prior to the planned start of construction for such wastewater facilities, unless a shorter time is approved in writing by the Council. The facilities shall be constructed and operated in accordance with the approved plans. Construction of new facilities cannot commence until plans are approved by the Council.

8. Reporting Anticipated Non-Compliance

The Certificate Holder shall give advance notice to the Council by submission of a Renewal Application or supplemental information thereto at least ninety (90) days prior to commencement of such discharges, unless a shorter time is approved in writing by the Council, of any facility expansions, production increases, or other planned changes, such as process modifications, in the certified facility or activity which may result in noncompliance with limits or conditions. Any maintenance of facilities, which might necessitate unavoidable interruption of operation and degradation of effluent quality, shall be scheduled during non-critical water quality periods and shall not be carried out until approved in writing by the Council.

9. Reporting Other Information

Where the Certificate Holder becomes aware that it failed to submit any relevant facts in the Application, or submitted incorrect information in the Application or in any report to the Council, it shall promptly submit such facts or information.

10. Toxic Pollutants

The Certificate Holder shall comply with effluent standards or prohibitions established under Section 307(a) of the Clean Water Act for toxic pollutants within the time provided in the regulations that establish those standards or prohibitions, even if the SCA has not yet been modified to incorporate the requirement.

11. Additional Monitoring

The Council may establish specific monitoring requirements in addition to those contained in these conditions.

12. Compliance with Other Laws and Statutes

Nothing in the conditions shall be construed as excusing the Certificate Holder from compliance with any applicable federal, state, or local statutes, ordinances, or regulations.

13. Property Rights

These conditions do not convey any property rights of any sort, or any exclusive privilege.

J. Periodic Review and Renewal of Authorization to Discharge Wastewater, Stormwater, and Sanitary Sewer Wastes

The Certificate Holders' authorization to discharge wastewater, stormwater, and sanitary sewer wastes according to the conditions of Articles VI.D through F and VII.B through I, is limited to a period of five years. The Certificate Holder shall apply for renewal of this authorization (Renewal Application) at least one-hundred-and-eighty (180) days prior to the end of the first five (5) year period after the effective date of this Agreement; and, subsequently, one-hundred-and-eighty (180) days prior to the end of the five (5) year period after each renewal authorization for the life of the Project.

The Certificate Holder shall certify in the Renewal Application that the conditions contained in Articles VI.D through F and VII.B through I, are still valid and applicable, or identify any changes and propose appropriate changes to the SCA. Discharge of wastewater, storm water, and sanitary sewer wastes may begin or continue only upon prior Council authorization, upon the Councils' finding that no changes to the SCA are necessary or appropriate, or upon the effective date of any necessary or appropriate changes to the SCA. This submitted information shall follow the format of the informational requirements of the Washington State Department of Ecology's State Waste Discharge Application, or an equivalent format approved in advance by the Council.

This periodic review and renewal of this authorization to discharge wastewater, stormwater, and sanitary sewer wastes and any related changes to the SCA shall not require approval of the Governor.

K. Evaporation Pond Construction Certification

1. Construction Certification and Declaration

Within thirty (30) days following substantial completion of construction of the evaporation ponds, the project engineer shall submit to the EFSEC a declaration stating that the evaporation ponds were/were not constructed in accordance with the EFSEC approved plans and specifications and construction change orders. No discharges to the evaporation ponds shall occur prior to approval of the declaration by EFSEC, acknowledging design-compliant construction.

2. Evaporation Pond Construction Summary Report

Within-one-hundred-and-twenty (120) days following completion of construction of the evaporation ponds, the project engineer shall submit an evaporation pond construction summary report to EFSEC on evaporation pond construction activities. This report shall include the following elements:

- a) A summary of results from the field-testing of all materials used in construction of the evaporation ponds, such as liner quality assurance tests and embankment soil compaction testing. The summary shall identify both representative values and the range of test values.
- b) A discussion of any notable problems, incidents, exceptions, significant changes, etc. encountered during construction of the evaporation ponds.
- c) One complete set of drawings depicting the as-built condition of the pond embankments, spillway (if required), and liner.

L. Air Emissions

1. The Certificate Holder shall operate the Project so that emissions to the atmosphere comply with the Final Approval of Notice of Construction (NOC) permit (Attachment 12 to this Agreement), and the Final Approval Prevention of Significant Deterioration (PSD) issued by the Council (Attachment 13 to this Agreement), or with any subsequent NOC, PSD or Title V Air Operating Permit issued for the Project by the Council through extension or renewal.
2. The Certificate Holder shall properly operate and maintain in good working order all air pollution control equipment and monitoring equipment required in the NOC permit and the PSD permit, issued by the Council or with any subsequent NOC, PSD or Title V Air Operating Permit issued for the Project by the Council through extension or renewal.
3. The Project shall be subject to the time limitations for construction and renewal conditions as set forth in the NOC permit and the PSD permit, or with any subsequent NOC, PSD or Title V Air Operating Permit issued for the Project by the Council through extension or renewal.
4. The Certificate Holder shall report immediately to the Council whenever the air monitoring programs disclose the existence of emergency conditions or conditions that might lead to a violation of the air emission permit conditions specified in Attachment 12 and Attachment 13 to this Agreement.
5. The Certificate Holder shall provide to Walla Walla County a copy to of any Emissions Performance Test Results required by the NOC permit and PSD permit, at the time of submittal to EFSEC.

M. Noise Monitoring

1. The Wallula Power Project shall be designed and operated to meet applicable Washington State Environmental Noise Levels Chapter 173-60 WAC and Walla Walla County noise ordinances.
2. Within ninety (90) days of the beginning of commercial operation, the Certificate Holder shall perform noise monitoring, and shall submit a noise monitoring report to the Council for review, no later than one-hundred-and-twenty (120) days after the beginning of commercial operation.

3. If, at any time, the Project is not in compliance with Walla Walla County or Washington State Environmental Noise Levels Chapter 173-60 WAC, the Certificate Holder shall investigate the source of the noise and identify, develop and implement, with prior Council approval, one or more means of mitigating the noise including, but not limited to, installing additional noise mitigation measures at the Generation Facility.

N. Lighting

Outdoor or directional lighting angles shall be adjusted to minimize glare impacts, or supplemental light shields and/or vegetation shall be used for extra screening in those areas where glare or light spillover would be obtrusive to nearby residents or to users of U.S. Highway 12, or where unshielded lighting may cause an attractive nuisance to migratory birds.

O. Monitoring of Revegetation

1. The Certificate Holder shall monitor revegetation success and shall file written reports annually as specified below with EFSEC and provide copies to WDFW documenting the monitoring activity, results, and implementation of remedial actions. On sites revegetated with native grasses, establishment shall be monitored annually for the first three growing seasons following seeding. On the Site, shrub-steppe habitats planted with shrub and for stock shall be monitored annually for three additional growing seasons. Such reports shall be submitted no later than thirty (30) days after the end of the annual monitoring period.
2. Performance standards for sites seeded with native grasses include a stem density standard of a minimum of two plants of the seeded species per square foot during the first growing season, and one plant per square foot during the following two growing seasons, as averaged across the reseeded area. The species diversity standard is representation of 80 percent of the species in the seed mix by the third growing season. Areas not meeting these standards shall be reseeded and monitored for an additional three years. Once the grasses have achieved the required stem density and species diversity, annual monitoring shall be performed to detect areas subject to soil erosion due to loss of plant cover. Areas of bare soil (due to failure of mulch, germination, or seedlings) shall be evaluated to identify the cause of the revegetation failure and re-treated until plant cover and soil protection objectives are met.
3. Rooted stock of shrubs and forbs shall be evaluated based on percent survival of plantings by the third growing season after installation. An

80 percent survival rate for rooted shrubs and a 40 percent survival rate for rooted forbs are the standards for forbs.

4. Areas not meeting these standards shall be re-evaluated individually to determine whether changes in species selection or treatments are appropriate. On sites where protection of soil erosion is the primary objective (pipeline laterals and Benton County property), non-native species may be added to the native species mix in remedial treatments if necessary to achieve soil protection.
5. On the Site, establishment of cultivated dryland grass natural habitat with a component of shrub, and forb species is the primary objective. Failure to meet the revegetation standards at the Site after five growing seasons shall result in the requirement to revise the planting scheme and replant the Site or enhance an equivalent amount of shrub-steppe habitat at another site in the vicinity. This determination shall be made in consultation with EFSEC and WDFW.
6. Annual monitoring of weeds, erosion potential and Project effects at the Site and the Benton County property shall continue through the life of the Project. Annual monitoring shall include evaluation of plant cover and vitality. In the case that, over the course of Project operation, part of the Site replanted with vegetation becomes less viable for vegetation due to Project effects (such as cooling tower drift and deposition or on-site spills), the Certificate Holder shall take action to provide alternative mitigation. Weed control activities shall be reported in the annual monitoring reports submitted in accordance with Article VII.O.1.

P. Safety and Security

1. The safety of operating personnel is required by regulations promulgated under the Federal Occupational Safety and Health Act and the Washington Industrial Safety and Health Act. The Certificate Holder shall comply with applicable federal and state safety regulations and local and industrial codes and standards (such as the Uniform Fire Code or those standards administered by the National Boiler Board and Pressure Vessel Inspectors). The Certificate Holder, its general contractor, and all subcontractors shall make every reasonable effort to maximize safety for individuals working on the Project.
2. A chain link fence shall enclose the Generation Facility and the evaporation ponds. Two (2) ingress and egress gates shall be supplied

for the Generation Facility and one (1) ingress and egress gate for the evaporation ponds at completion of site preparation.

3. During operation, the Wallula Power Project shall retain a portion of the perimeter fencing and access gates used during construction, or shall provide similar security measures. The access gate shall be monitored by on-site personnel from the Generation Facility control room. The personnel shall use closed circuit television and voice intercom recorders.
4. Visitors shall be provided with safety equipment where and when appropriate.

Q. Dangerous or Hazardous Materials

The Certificate Holder shall handle, treat, store, and dispose of all dangerous or hazardous materials in accordance with state of Washington standards for hazardous and dangerous wastes, Chapter 463-40 WAC and Chapter 173-303 WAC. Following any abnormal seismic activity, volcanic eruption, severe weather activity, flooding, vandalism or terrorist attacks, the Certificate Holder shall inspect areas where hazardous materials are stored to verify that containment systems are operating as designed.

R. Greenhouse Gas, Environmental Mitigation and Enhancement Commitments

The Certificate Holder shall contribute funds for renewable energy resources and/or other greenhouse gas (GHG) reduction programs as set forth in the following paragraphs.

1. Last Mile Electric Cooperative

The Last Mile Electric Cooperative (LMEC) is a non-profit organization committed to the development of renewable energy resources for publicly owned power entities. In order for the LMEC to develop renewable energy resources, the Certificate Holder shall pay one million dollars (\$1,000,000) directly to LMEC. All funds paid to LMEC resulting from this settlement shall be expended at the sole discretion of LMEC as long as the funds are used to develop renewable energy resources or for other greenhouse gas mitigation and/or reduction efforts. Should LMEC cease to exist during the pendency of the payments, any unpaid funds shall be directly paid to a similar non-profit organization to be recommended by CFE and subject to EFSEC approval. In all cases, one hundred percent of the funds herein described must be used for the development of renewable energy resources and/or Greenhouse Gas (GHG) mitigation and/or reduction projects, with none of the funds herein being used for

administrative costs. The funds shall be paid pursuant to the following terms and schedule:

- a) Two hundred fifty thousand dollars (\$250,000) at Financial Closing. Financial Closing is defined as the date upon which the Certificate Holder finalizes and executes all of the required agreements for the provision of construction and permanent financing for the Project and funds are made available for the first construction loan draw down, expected to occur on or about November 1, 2002.
- b) Five hundred thousand dollars (\$500,000) no later than December 15, 2003.
- c) One hundred twenty-five thousand dollars (\$125,000) no later than December 15, 2005.
- d) One hundred twenty-five thousand dollars (\$125,000) no later than December 15, 2006.

2. Greenhouse Gas Requests For Projects

The Certificate Holder shall directly pay two million five hundred and fifty thousand dollars (\$2,550,000) to the Washington State University Cooperative Extension Energy Program (WSU Energy Program), a non-profit organization dedicated to GHG mitigation and/or reduction projects and/or renewable energy resource development, to be used for GHG mitigation and/or reduction projects and/or renewable energy resource development through a request for projects process. The funds shall be awarded and disbursed at the sole discretion of the WSU Energy Program as long as the funds are awarded and disbursed in order to fund GHG mitigation and/or reduction projects and/or the development of renewable energy resources. In awarding the funds, the WSU Energy Program shall place a preference on projects located in eastern Washington State. Should the WSU Energy Program cease to exist during the pendency of the following payments, any unpaid funds shall be directly paid to a similar non-profit organization to be recommended by CFE and subject to EFSEC approval. In all cases, the funds herein described must be used for the development of renewable energy resources and/or GHG mitigation and/or reduction projects. No more than ten percent of the funds herein shall be used towards the payment of administrative costs. The funds shall be paid pursuant to the following terms and schedule:

- a) Eight Hundred fifty thousand dollars (\$850,000) no later than December 15, 2010.

- b) Eight Hundred fifty thousand dollars (\$850,000) no later than December 15, 2011.
- c) Eight Hundred fifty thousand dollars (\$850,000) no later than December 15, 2012.

3. Other Direct Organizational Payments For Environmental Mitigation By Bonneville Environmental Foundation

The Bonneville Environmental Foundation (BEF) is a non-profit environmental organization whose focus is to encourage and fund projects that develop renewable energy resources, and/or to acquire, maintain, preserve, restore and/or sustain fish and wildlife habitat within the Pacific Northwest.

- a) Direct Cash Payments to the Bonneville Environmental Foundation: The Certificate Holder shall directly pay one million six hundred and fifty thousand dollars (\$1,650,000) to BEF at the times indicated below. These funds are subject to use by BEF in accordance with the requirements of Attachment 6, Exhibit A, attached to this SCA, and are subject to use solely for the purpose of environmental enhancements and renewable energy projects located in the Mid-Columbia River Area (upstream from the Dalles Dam), with a preference for projects located in or benefiting the state of Washington. No more than twenty percent of the funds herein shall be used towards the payment of administrative costs.
 - i. Two hundred thousand dollars (\$200,000) at Financial Closing as defined in Article VII.R.1.a above.
 - ii. Two hundred thousand dollars (\$200,000.00) no later than December 15, 2003.
 - iii. One hundred thousand dollars (\$100,000) sixty (60) days after Commercial Operations Date (COD). COD is defined as the earlier of (i) the day on which the facility achieves a calendar month availability equal to or exceeding 90% or (ii) the day on which the Certificate Holder declares the facility to be placed in service in accordance with Generally Accepted Accounting Principles (GAAP). COD is expected on or before December 31, 2004.
 - iv. Two hundred thousand dollars (\$200,000) no later than December 15, 2005.

- v. Two hundred thousand dollars (\$200,000) no later than December 15, 2006.
- vi. One hundred fifty thousand dollars (\$150,000) no later than December 15, 2007.
- vii. One hundred thousand dollars (\$100,000) no later than December 15, 2008.
- viii. One hundred thousand dollars (\$100,000) no later than December 15, 2009.
- ix. One hundred thousand dollars (\$100,000) no later than December 15, 2010.
- x. One hundred thousand dollars (\$100,000) no later than December 15, 2011.
- xi. One hundred thousand dollars (\$100,000) no later than December 15, 2012.

Wallula Gen has previously contributed fifty thousand dollars (\$50,000) for the White Bluffs photovoltaic solar project at the Hanford, Washington site and fifty thousand dollars (\$50,000) upon contract execution (see Attachment 6) for a methane digester feasibility study and/or stream habitat restoration planning activities.

- b) Real Estate Property Transfers: The Certificate Holder shall transfer certain real estate property described in Attachment 6, Exhibit B, to this SCA, to a 501 (c) (3) tax-exempt supporting organization for the benefit of BEF. This transfer shall be in accordance with the Memorandum of Understanding between Wallula Gen, the Boise Cascade Corporation, the Port of Walla Walla and BEF. The real estate property is appraised at eight million dollars and valued for settlement at six million dollars. If an environmental assessment indicates that any portion of the property requires on-site remediation for hazardous wastes, the Certificate Holder shall be responsible for the costs of such remediation. In its capacity as a board member of the Supporting Organization, the Certificate Holder shall be obligated to use its best efforts to gain approval for bona-fide offers consistent with zoning and submitted to the Supporting Organization by BEF for approval. Best efforts shall not require the Certificate Holder to undertake any marketing efforts for the sale, lease, swap or other disposition of the real property.

The Certificate Holder shall forward copies of the semi-annual reports that it receives from BEF to EFSEC and CFE.

4. Confederated Tribes of the Umatilla Indian Reservation (CTUIR)

The Certificate Holder shall make a payment to CTUIR in the amount of one million seven hundred fifty thousand dollars (\$1,750,000) cash comprised of payments for environmental enhancement activities (\$1,250,000, hereinafter referred to as the “Enhancement Gift”) and payments for educational scholarships, or other uses as decided by the CTUIR Board of Trustees (\$500,000, hereinafter referred to as the “Educational Gift”). Wallula Gen provided an additional payment of \$50,000 cash (the “Initial Gift”) to CTUIR upon execution of its agreements with CTUIR to be used (i) for planning activities with respect to Walla Walla River Basin environmental enhancement projects or (ii) for seed capital to secure water rights options within the Walla Walla River Basin. The Certificate Holder shall forward copies of the semi-annual reports that it receives from CTUIR to EFSEC and CFE.

The payments to CTUIR for the Enhancement Gift and the Educational Gift shall be made according to the following schedule:

Date of Payment	Enhancement Gift	Educational Gift	Total
Financial Closing ¹	\$312,500.00		\$ 312,500.00
December 15, 2003	\$312,500.00		\$ 312,500.00
60 Days After COD ²	\$625,000.00		\$ 625,000.00
December 15, 2005		\$ 50,000.00	\$ 50,000.00
December 15, 2006		\$ 50,000.00	\$ 50,000.00
December 15, 2007		\$ 50,000.00	\$ 50,000.00
December 15, 2008		\$ 50,000.00	\$ 50,000.00
December 15, 2009		\$ 50,000.00	\$ 50,000.00
December 15, 2010		\$ 50,000.00	\$ 50,000.00
December 15, 2011		\$ 50,000.00	\$ 50,000.00
December 15, 2012		\$ 50,000.00	\$ 50,000.00
December 15, 2013		\$ 50,000.00	\$ 50,000.00
December 15, 2014		\$ 50,000.00	\$ 50,000.00
Total	\$1,250,000.00	\$500,000.00	\$1,750,000.00

Notes:

1. Financial Closing is defined as the date upon which the Certificate Holder finalizes and executes all of the required agreements for the provision of construction and permanent financing for the Wallula Power Project and funds are made available for the first construction loan drawdown, expected to occur on or before November 1, 2002.
2. COD represents the Commercial Operations Date as defined above and declared by the Certificate Holder, expected on or before December 31, 2004.

5. Walla Walla Watershed Alliance

The Walla Walla Watershed Alliance (WWWA) is a non-profit organization dedicated to the sound management of water resources in the Walla Walla River Basin and the balancing of agricultural and environmental interests. The Certificate Holder shall directly pay three hundred thousand dollars (\$300,000) to WWWA, according to the following terms and schedule:

- a) One hundred fifty thousand dollars (\$150,000) at Financial Closing, as defined in Article VII.R.1.a above.
- b) One hundred fifty thousand dollars (\$150,000) no later than December 15, 2003.

The funds shall be allocated at the sole discretion of WWWA consistent with the purposes for which it was formed.

6. Blue Mountain Action Council

The Blue Mountain Action Council (BMAC) is a non-profit organization that works together with low-income people to achieve their self-sufficiency by providing vital, self-help techniques, advocacy, and limited financial assistance. BMAC accomplishes this mission by: mobilizing resources in the public, private and non-profit sectors of the communities; creatively and effectively utilizing these resources to benefit low-income persons; promoting better understanding and improving relationships among the people of all economic and social levels; seeking to make governing bodies in Columbia, Garfield and Walla Walla Counties more responsive to the cultures, needs and problems of their low-income residents; and participating in a network of community action agencies in Washington State and the nation.

One of BMAC's programs is weatherization and energy education assistance for low-income households, both rental and owner occupied, to control energy consumption and heating costs by comprehensive weatherization of homes, along with education about energy saving techniques.

The Certificate Holder shall pay a total of one hundred fifty thousand dollars (\$150,000) to BMAC at the indicated times below:

- a) Fifty thousand dollars (\$50,000) at financial closing as defined in Article VII.R.1.a above.

- b) Twenty Five thousand dollars (\$25,000) on each of the next four anniversary dates of the Financial Closing.

These funds are for the sole purpose of weatherizing homes for low-income persons in the Walla Walla County area. No more than ten percent of the funds herein shall be used towards the payment of administrative costs. Weatherization projects include the following:

- c) Home energy audits and payback analyses.
- d) Cost effective weatherization improvements including weather-stripping, window treatments, water heater insulation, ceiling insulation, and other similar measures.

**SITE CERTIFICATION AGREEMENT
WALLULA POWER PROJECT
SIGNATURES**

Dated and effective this _____ day of _____, 2002.

FOR THE STATE OF WASHINGTON

Gary Locke, Governor

WALLULA GENERATION, L.L.C.

ATTACHMENTS

Attached hereto and incorporated in this Agreement by this reference are the following:

1. Site Legal Description.
2. Settlement Agreement Between Washington State Department of Fish and Wildlife and Wallula Generation, L.L.C.
3. Settlement Agreement Between Washington State Department of Community Trade and Economic Development and Wallula Generation, L.L.C.
4. Settlement Agreement Between Washington State Department of Transportation and Wallula Generation, L.L.C.
5. Settlement Agreement Between Washington State Utilities and Transportation Commission and Wallula Generation, L.L.C.
6. Settlement Agreement Between Counsel for the Environment and Wallula Generation, L.L.C.
7. Settlement Agreement Between the Confederated Tribes of the Umatilla Indian Reservation and Wallula Generation, L.L.C.
8. Settlement Agreement Between Association of Washington Business and Wallula Generation, L.L.C.
9. Settlement Agreement Between the Walla Walla Watershed Alliance and Wallula Generation, L.L.C.
10. Settlement Agreement Between the Port of Walla Walla and Wallula Generation, L.L.C.
11. Local Project Impact Mitigation Agreement Between Walla Walla County and Wallula Generation, L.L.C.
12. Final Approval of the Notice of Construction Permit
13. Final Approval of the Prevention of Significant Deterioration Permit.
14. Water Right Reports of Examination
15. Council Order No. 772, Findings of Fact, Conclusions of Law and Order Recommending Approval of Site Certification on Condition.