Site Certification Agreement Between The State of Washington

and

The Washington Public Power Supply System

SATSOP POWER PLANT SITE

- WNP-3 and WNP-5
- Combustion Turbine and Associated Natural Gas Pipeline

Located in: Grays Harbor County, Washington Thurston County, Washington

Amendment #2

(Executed October 27, 1976; Amended March 18, 1982; Amended May 21, 1996)

ENERGY FACILITY SITE EVALUATION COUNCIL

Olympia, Washington

SITE CERTIFICATION AGREEMENT TABLE OF CONTENTS

ARTICLE I. S	SITE CERTIFICATION	
А.	Site Description1	
В.	Site Certification	
ARTICLE II. GENERAL CONDITIONS		
А.	Legal Relationship	
B.	Enforcement	
C.	Notices and Filings	
D.	Right of Inspection	
E.	Site Certification Agreement Compliance Monitoring Costs	
F.	EFSEC Liaison	
G.	Site Restoration	
H.	Modification of Site Certification Agreement	
ARTICLE III.	PROJECT CONSTRUCTION	
A.	Construction Commencement and Reporting	
B.	Access Roads and Railroads	
C.	Aesthetics and Landscaping	
D.	Surface Run-off and Erosion Control	
E.	Transmission Lines	
F.	Water Intake Systems	
G.	Discharge System	
H.	Barge Slip11	
I.	Construction Clean-Up	
J.	As-Built Drawings	
К.	Archaeological Site Protection	
L.	Natural Gas Pipeline	
M.	Construction Phase Spill Prevention	
N.	Septic System for the Satsop Combustion Turbine Project	
О.	Coastal Zone Management	
Р.	Noise	

ADTICI E IV	OPERATION OF THE PROJECT	15
А.	Water Withdrawal	
В.	Water Discharge	17
C.	Discharge Into Air	17
D.	Vegetation, Fish, and Animal Life	18
E.	Lighting	19
F.	Noise	19
ARTICLE V.	PUBLIC AND ENVIRONMENTAL PROTECTION	19
A.	Emergency Plans	19
B.	Security Plan	20
C.	Monitoring Program for the Nuclear Projects	20
D.	Habitat Management Plan	21
E.	Spill Prevention and Countermeasure Plan	21
ARTICLE VI.	MISCELLANEOUS PROVISIONS	22
A.	Project Visitation and Recreation	22
В.	Social and Economic Impacts	22
C.	Decommissioning	23
D.	Discharge of Pollutants	23
E.	Greenhouse Gases and Carbon Dioxide Mitigation	23
F.	Attachments	23
SIGNATURE	PAGE	24
ATTACHME	NTS	
I.	Site Legal Description	
II.	Erosion and Sedimentation Control	
III.	National Pollution Discharge Elimination System Waste Discharge Perm	it
IV.	Environmental Monitoring Program for the Nuclear Projects	
V.	Water Withdrawal Authorization for the Satsop Site	
VI.	Contract for Water Supply (with City of Aberdeen)	
VII.	Mitigation Measures and Project Conditions	

VIII. Final Approval Notice of Construction and Prevention of Significant Deterioration Application Site Certification Agreement Between The State of Washington And The Washington Public Power Supply System for the Satsop Power Plant Site Grays Harbor County, Washington

This Site Certification Agreement is made and entered into pursuant to Chapter 80.50 of the Revised Code of Washington by and between the State of Washington (which is also referred to as the "State" in this document), acting by and through the Governor of the State of Washington, and the Washington Public Power Supply System (also referred to in this document as the "Supply System"), a municipal corporation and a joint operating agency of the State of Washington organized in January 1957 pursuant to Chapter 43.52 of the Revised Code of Washington.

Initial approval was provided by the Governor on August 25, 1976, and the Site Certification Agreement was entered into on October 27, 1976 for construction and operation of nuclear electric generating projects No. 3 and No. 5 (WNP-3 and WNP-5). On March 18, 1982, the Governor approved Amendment No. 1, which included changes to the terms for the operation of emergency diesel generators for Projects No. 3 and No. 5. On May 21, 1996, the Governor approved an Amended Site Certification Agreement incorporating Amendment No. 2,¹ which provides authorization and the terms and conditions for construction and operation of the Satsop Combustion Turbine Project. The Satsop Combustion Turbine Project consists of two combined cycle combustion turbine power plant units and an associated natural gas pipeline.

This Site Certification Agreement is administered on behalf of the State by the Energy Facility Site Evaluation Council (also referred to as "EFSEC" or the "Council" in this document).

The parties hereto now desire to set forth all terms, conditions, and covenants relating to such site certification in this Site Certification Agreement pursuant to the provisions of RCW 80.50.100 (4).

ARTICLE I. SITE CERTIFICATION

A. <u>Site Description</u>

1. The site on which Supply System's Projects are to be constructed and operated is located in Grays Harbor County, Washington, south of the Chehalis River, and is more particularly described in Attachment I, which is incorporated herein by reference.

¹This amended Site Certification Agreement may be referred to in this document simply as "Amendment No. 2".

2. The natural gas pipeline is to be located in Grays Harbor and Thurston counties, in the approximate location identified in the Application. The Supply System shall provide the Council with a legal description of the natural gas pipeline within 6 months after pipeline construction is completed

B. <u>Site Certification</u>

- 1. The State hereby authorizes the Supply System's nuclear electric generating projects known as WNP-3 and WNP-5 to be located, constructed and operated on the site described in Section I.A.1. hereof. WNP-3 and WNP-5 consist of two nuclear fueled steam electric generating units. Each of the units includes a pressurized water nuclear reactor with a maximum rated output of approximately 3800 megawatts thermal, a turbine generator, a natural draft evaporative cooling tower system, a reactor auxiliary building, certain associated transmission and service lines and other associated facilities required for the generation and transmission of electric power necessary for achieving a net electric generation capacity of approximately 1240 megawatts from each unit.
- 2. The Supply System hereby agrees to construct and operate WNP-3 and WNP-5 on the above described site subject to the terms and conditions of this Site Certification Agreement.
- 3. The State hereby authorizes the Supply System's combined cycle combustion turbine generating project, known as the Satsop Combustion Turbine Project, and as described below, to be located, constructed, and operated in the locations described in Section I.A.1 and I.A.2 hereof.
 - a. The Satsop Combustion Turbine Project consists of two natural gas fired combined cycle combustion turbine units and an associated natural gas pipeline.
 - b. The combustion turbine generator (CTG) for each unit is a Westinghouse 501 F model. Each combustion turbine unit will generate an average electrical output of 245 megawatts and shall have a heat recovery steam generator (HRSG) and a steam turbine generator (STG). Dry Low NOx Combustors in combination with Selective Catalytic Reduction (SCR) shall be used to minimize the formation of nitrogen oxides (NOx). An oxidation catalyst shall be used to control carbon monoxide (CO) and volatile organic compounds (VOC) emissions. Cooling will be provided by a cooling tower consisting of four cells.
 - Natural gas shall be used as the primary fuel. Natural gas will be supplied through a 48 mile pipeline, approximately 16 20 inches in diameter, connecting to the Northwest Pipeline Corporation's mainline near Vail, Washington. Low sulfur No. 2 fuel oil will be used as backup fuel. Use of fuel oil is limited to 360 hours of operation per unit per year.

- d. The electrical output of each unit of the Satsop Combustion Turbine Project will be delivered through the Bonneville Power Administration's highvoltage system to the existing Bonneville Power Administration Satsop substation.
- 4. Construction of either or both units of the Satsop Combustion Turbine Project may begin within ten (10) years from the date of signing the Second Amended Site Certification Agreement authorizing the construction and operation of the Combustion Turbine Project. Construction of each unit may begin separately or simultaneously within that 10 year period. Construction is deemed to begin upon the start of construction of a unit's major components (i.e., the combustion turbine or the natural gas pipeline), excluding site preparation, upon a schedule and with the intention of completing construction within eighteen months after commencement. If construction of either unit's major components has not commenced within ten (10) years of the signing of Amendment No. 2, rights under Amendment No. 2 to construct and operate the combustion turbine unit that has not commenced construction shall cease.
- 5. Six months before beginning construction, the Supply System (a) during the first five years after execution of this Site Certification Agreement shall identify to the Council any substantial relevant change or certify the lack of substantial change in relevant environmental conditions, regulatory environment, or economically available technology, and (b) during the second five years shall certify that the representations of the application, environmental conditions, pertinent technology, and regulatory conditions remain current, or identify any changes and propose appropriate resulting changes in the Site Certification Agreement to deal with 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 effect of any necessary or appropriate changes.
- 6. Not less than six months prior to beginning construction of each generating unit of the combustion turbine project, the Supply System must provide EFSEC with evidence that the Supply System has satisfied its obligations under this Site Certification Agreement as follows:
 - a. That it has entered into one or more power purchase agreements that provide in the aggregate for the purchase and sale of at least 60% of the design capacity of the unit or units being constructed.
 - b. That any such power purchase agreement shall have a term of at least 5 years.
 - c. That with respect to any purchaser entering into a power purchase agreement for more than 40% of the capacity of the generating unit, the Supply System must ensure that the following conditions are met:
 - i. If the purchaser has developed an integrated resource plan as defined in 16 U.S.C. § 2621(d)(7) & 2602(19), then the combustion turbine

project must be of the type included in the purchaser's preferred resource acquisition strategy.

ii. If the purchaser has not formally adopted an integrated resource plan, then either (a) the purchaser must have reviewed commercially available supply and demand side resources, (b) the purchaser must be located in the service territory of a utility that has an integrated resource plan meeting the criteria set forth in section I.B.6.c.i. above, or (c) the combustion turbine project must be consistent with the priorities and principles expressed in the Northwest Conservation and Electric Power Plan promulgated by the Northwest Power Planning Council.

ARTICLE II. GENERAL CONDITIONS

A. Legal Relationship

- 1. This Site Certification Agreement is made in lieu of any permit, certificate or similar document required by any department, agency, division, bureau, commission, board, or political subdivision of this state.
- 2. The Supply System agrees to enter into a lease with the State Department of Natural Resources for use of certain public state land needed for the nuclear projects.
- 3. Liquid discharges from the Satsop site to navigable waters shall be made in accordance with the National Pollution Discharge Elimination System (NPDES) permit issued by the Council (Attachment III).
- 4. Discharges from the Satsop site into the atmosphere of gases or substances shall be made in accordance with the Prevention of Significant Deterioration (PSD) permit issued by the Council (Attachment VIII)
- 5. This Site Certification Agreement shall bind the Supply System and the State and its departments, agencies, divisions, bureaus, commissions, boards, and political subdivisions subject to all the terms and conditions set forth herein.
- 6. This Site Certification Agreement is subject to federal law and regulations applicable to the project and to the terms and conditions of any permits and licenses which may be issued to Supply System by appropriate federal agencies.
- 7. This Site Certification Agreement constitutes the whole and complete agreement between the parties and supersedes any other negotiations, representations or agreements, either written or oral, and not set forth herein, *Provided*, that any representations and/or commitments made of or on behalf of the Supply System in the_application and on the record during the adjudicative proceeding, are

incorporated herein by this reference and made a part hereof as though set forth herein.

- 8. The Supply System agrees to submit any requests for waivers from the requirements found at Section 480-93-020 and -030, Washington Administrative Code, for the natural gas pipeline to the Council. The Council will act upon any such request after considering any relevant information or recommendation presented by the Supply System, by the WUTC or its authorized Staff, and by any other interested person or persons.
- 9. The Supply System shall assure that measures are taken during construction and operations at the Satsop site and pipeline route that will protect public health and safety from flood hazards. Such measures include minimizing impacts at river and stream crossings and other areas within the 100-year floodplain and floodway, as identified by Federal Emergency Management Agency maps, to provide for adequate conveyance of flood waters, including the assurance of no significant rise in base flood elevations.

B. <u>Enforcement</u>

- 1. This Site Certification Agreement may be enforced by resort to all remedies available at law or in equity.
- 2. This Site Certification Agreement may be revoked, suspended, or modified by the State for failure by Supply System to comply with any of the terms and conditions herein, or for violations of Chapter 80.50 RCW, regulations issued thereunder, and any other applicable state or federal laws or regulations, or for violation of any order of the Council, pursuant to the provisions of Chapters 80.50 and 34.05 RCW and Title 463 WAC.
- 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 34.04 RCW. If the Council withholds or refuses approval of a required or requested action and the Council grants a hearing, it shall be conducted pursuant to Chapter 34.04 RCW.

C. <u>Notices and Filings</u>

Filing of any document or notice required by this Site Certification Agreement with the Council shall be deemed to have been duly made when delivered to the Council's offices in Olympia, Washington. Notice to be served upon the Supply System shall be deemed to have been duly made when deposited in first class mail, postage prepaid, addressed to the office of the Chief Executive Officer of the Supply System.

D. <u>Right of Inspection</u>

The Supply System agrees to provide access to the project site and all constituent or associated facilities authorized by or contemplated in this Site Certification Agreement, subject to applicable health and safety regulations, and to all records regarding the construction and operation of facilities authorized or contemplated in this Site Certification Agreement, to designated representatives of the Council in the performance of their official duties.

E. <u>Site Certification Agreement Compliance Monitoring and Costs</u>

The Supply System shall pay to the Council such reasonable costs as are actually and necessarily incurred for monitoring and compliance activities during the construction and operation of projects as authorized in this Site Certification Agreement and as required in Chapter 80.50 RCW. EFSEC shall prescribe the amount and manner of such payment subject to applicable rules and procedures.

F. <u>EFSEC Liaison</u>

The Supply System shall designate a person to act as a liaison between the Council and the Supply System for matters relating to the Satsop site.

G. <u>Site Restoration</u>

The Supply System is responsible for site restoration pursuant to Council rules. At least six months prior to beginning construction, the Supply System shall present to the Council its initial site restoration plan. Construction may not begin until the Council has approved a plan adequately providing for site restoration and for the funding of site restoration in the event of the Satsop Combustion Turbine Project being terminated before it has completed its planned useful operating life. A detailed Satsop Combustion Turbine Project site restoration plan shall be submitted to the consistent with Council rules.

H. <u>Modification of Site Certification Agreement</u>

- 1. This Site Certification Agreement may be amended pursuant to Council rules and procedures then in effect, and in like manner as the development of the original Site Certification Agreement, including, but not limited to, obtaining approval of the Governor. Any such amendments to this Site Certification Agreement shall be made in writing.
- 2. Any change of the terms or conditions of a PSD or an NPDES Permit or any modification of 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 H.1 above. Any change in the terms or conditions of Attachment I Site Legal Description; Attachment II Excavation and Erosion Control Measures; Attachment IV Environmental Monitoring Program for the Nuclear Projects; Attachment V Water Withdrawal Authorization; Attachment VI Contract for Water Supply (with City of Aberdeen); and Attachment VII Mitigation Measures and Project Conditions; shall not require modification of this Site Certification Agreement in the manner prescribed in H.1 above, unless otherwise required by Council rules or regulations.
- 3. In circumstances where a significant degree of adverse impact on the environment exists or is imminent, the Council may impose specific conditions or requirements upon the Supply System in addition to the terms and conditions of the Site Certification Agreement as a consequence of those circumstances. Such additional

conditions or requirements shall be effective only while needed to protect the public health, safety or welfare from the adverse circumstances, for not more than 90 days, and may be extended for additional 90 day periods if deemed necessary by the Council.

ARTICLE III. PROJECT CONSTRUCTION

A. Construction Commencement and Reporting

- 1. Preconstruction requirements. At least six months prior to beginning construction, the Supply System shall provide to the Council the following documents for the Council's review and approval, and it shall not begin construction until it receives approval to do so:
- a. Pipeline design and location plans, drawings, and other appropriate materials..
 - b. Reports as to validity of environmental, regulatory, and technological requirements of the Site Certification Agreement.
 - c. Initial site restoration plan, as provided in II. G., above
 - d. The Supply System shall submit other documents at the appropriate times as required under the terms of this Site Certification Agreement (See, e.g., section A.3.a., below.)
 - 2. Construction Schedule
 - a. Thirty days prior to beginning construction, the Supply System shall submit an overall construction schedule. The Supply System shall submit a quarterly Construction Progress Report to the Council, within 30 days after the end of the quarter, during the construction period.
 - b. The Supply System agrees to (i) notify the Council immediately in the event of any significant change in the construction schedules on file with the Council, and (ii) serve copies on the Council of all "Notices to Proceed" which are issued to contractors with respect to contracts requiring work in the Chehalis River.
 - 3. Plans and specifications
 - a. The Supply System shall submit to EFSEC or its designated representative for approval, at the appropriate time, those design documents that demonstrate compliance with the conditions of this Site Certification Agreement. The design documents shall include, but are not limited to, conceptual design studies, flow diagrams, system descriptions, detailed

design drawings and specifications as appropriate, and vendor guarantees for equipment and processes.

- b. The Supply System shall design the proposed facility to comply with requirements for construction in Seismic Zone 3.
- c. Project buildings and structures shall comply with requirements of the Grays Harbor county construction codes and with Section 301(a) of the Uniform Building Code (UBC). Buildings and structures are defined in Sections 403 and 420 of the UBC. Work exempt from compliance is defined in UBC Section 301(b) or by approval of the Council.

B. Access Roads and Railroads

All permanent primary roads, temporary roads, and railroads constructed by Supply System or its contractors for servicing the Projects' facilities shall be in accordance with appropriate standards set forth by state law or regulation. The Supply System agrees to make available to the Council design and construction plans upon its request.

C. <u>Aesthetics and Landscaping</u>

- 1. The Supply System agrees to construct the Project in a manner which is aesthetically compatible with the adjacent area.
- 2. The Supply System agrees to landscape Project lands within the fenced perimeter in a manner which is compatible with the surroundings, using indigenous plants and vegetation where possible.
- 3. In the event of damage to or removal of vegetation resulting from construction by the Supply System, the Supply System agrees to return the area affected to original topsoil condition and to restore indigenous plant species.
- 4. Two screening berms will be built between the Satsop Combustion Turbine Project and Keys Road. The berms will be vegetated with indigenous plant species in a random arrangement to simulate native patterns.

D. <u>Surface Run-off and Erosion Control</u>

- 1. During construction, the Supply System agrees to require its contractors to employ all means necessary to meet standards set forth in this Site Certification Agreement and to use any other reasonable means in order to avoid soil erosion. The Supply System agrees to set forth such conditions as are necessary for compliance thereto in its bidding documents, plans, and contracts, which will be developed in consultation with the Council.
- 2. The Supply System agrees to comply with provisions relating to excavation and erosion control described in Attachment II, attached hereto and incorporated herein by reference, and will require all contractors to comply therewith.

- 3. Sedimentation, erosion control, dust control, and related construction plans pertaining to work on the site, permanent and/or temporary roads and the natural gas pipeline must conform to requirements set forth in Attachment II or alternative plans submitted by Supply System to and accepted by the Council.
- 4. The Supply System agrees to make available all sedimentation and erosion control system plans to the Council for its approval upon request.
- 5. In the event of unforeseen surface water runoff during construction, The Supply System agrees to comply with all pertinent industry standards for control of such runoff during construction. The Supply System further agrees to take such actions as are deemed necessary and reasonable by the Council to control said runoff. The Supply System agrees to promptly notify the Council of the occurrence or likely occurrence of any surface water runoff problem.
- 6. The Supply System shall take such steps as are necessary to assure that all construction activity will not result in a violation of applicable turbidity criteria in the State of Washington Water Quality Standards. The Council may, in its discretion, grant a temporary waiver of such standards upon request by Supply System.

E. <u>Transmission Lines</u>

- 1. Associated transmission lines for the nuclear projects will connect the projects to the Northwest Power grid at the Bonneville Power Administration Satsop Substation.
- 2. Associated transmission lines for the Satsop Combustion Turbine Project will connect the project to the Northwest Power grid at the Bonneville Power Administration Satsop Substation. The transmission lines will be placed in the existing Bonneville Power Administration rights of way. Towers will be placed to avoid unstable areas along Fuller Creek.
- 3. All associated electrical transmission and service lines shall comply in design and construction with all applicable state, federal, and industry standards, including any applicable standards specified in earlier versions of this Site Certification Agreement to the extent that they have not been superseded. In the event of inconsistency among applicable standards, the most stringent standard shall apply.

F. <u>Water Intake Systems</u>

- 1. The Supply System shall be permitted to construct and maintain an intake system to withdraw water utilizing wells, which system shall conform with standards and conditions provided in this Site Certification Agreement for construction and operation of the projects.
- 2. The Supply System agrees to consult with the Council or with its designated representatives in development of plans, bid documents, and contracts for

construction of the water intake system, all of which The Supply System agrees to make available to the Council upon its request.

- 3. The Supply System further agrees to submit in a timely manner specific location plans, drawings and construction contracts for installation of the intake system to the Council for its review and comment. If the Council has objections to any of the particulars of the materials submitted, it shall forthwith advise the Supply System of same and the reasons therefor. The Supply System agrees to take such corrective action as may be necessary to satisfy the objections before commencing any site preparation or construction of the intake system.
- 4. The Supply System agrees to install the permanent power supply to the water intake facilities by means of an underground circuit.
- 5. The Supply System agrees to construct a water intake system in accordance with the following terms and conditions:
 - a. No cross connection shall be permitted that allows contamination of the potable/construction water supply system from the plant makeup water system.
 - b. Any material placed by the Supply System upon the river bank for bank protection shall be clean and of sufficient size to prevent it from being washed away. Bank protection activities shall be coordinated with the Council or its designated representatives.
 - c. Construction activity in the Chehalis River main stem or tributary stream channels or on stream banks must be confined to the period July 1 to September 30 unless otherwise specifically approved by the Council.
 - d. The Supply System agrees that plans and bid documents for construction of the intake system must comply with all state, federal and local flood zone requirements.
- 6. The Supply System is authorized to withdraw up to 300 gallons per minute from ground water in an area near the confluence of the Chehalis and Satsop rivers, as more particularly described in Attachment V, attached hereto and incorporated herein by reference.
- 7. The Supply System shall install and maintain a Council approved measuring device in accordance with RCW 90.03.360 and WAC 508-64-020 through 040.
- 8. The Supply System agrees to ensure that the contract between the Supply System and the City of Aberdeen that supplies 62 cfs to the Wynoochee River shall remain in force until the entire 70.5 cfs not being used for the Satsop Combustion Turbine Project is relinquished by the Supply System. That Contract is provided as Attachment VI.

9. Six months after execution of this Site Certification Agreement, the Supply System shall install a suitable river flow monitoring gauge at the location of Control Station No. 12.0350.02 (Chehalis River below the confluence with the Satsop River). The type, location and installation of the gauge shall be approved by the Council in consultation with the Department of Ecology.

G. <u>Discharge System</u>

- 1. The Supply System shall be permitted to construct, maintain, and operate a discharge system on the shoreline and in the bed of the Chehalis River, within the site, for operation of the projects. Such discharge system shall be subject to the terms and conditions of this Site Certification Agreement and the NPDES Permit issued by the Council and attached hereto as Attachment III and incorporated herein by this reference.
- 2. Supply System agrees to consult with the Council or its designated representatives in the development of plans, bid documents, and contracts for construction of the discharge system.
- 3. Supply System further agrees to also submit in a timely manner specific location and design plans, drawings, bid documents, and construction contracts for installation of the discharge system to the Council for its review and comment. If the Council has objections to any of the particulars of the materials submitted, it shall forthwith advise the Supply System of same and the reasons therefor. The Supply System agrees to take such corrective action as may be necessary to satisfy the objections before commencing any site preparation or construction of the discharge system.
- 4. Construction or maintenance activities in the Chehalis River main stem, tributary stream channels, or any active stream channel shall be confined to the period of July 1 to September 30, unless otherwise specifically authorized by the Council.
- 5. The Supply System agrees to maintain in good working order, and properly operate the cooling tower and all other waste recovery and pollution abatement facilities under its control.
- 6. The Supply System agrees to dispose of sanitary wastes in accordance with the terms of the NPDES Permit attached hereto as Attachment III and Council Resolution No. 242, Amendment No. 2, dated June 13, 1994.
- 7. The discharge pipe used to discharge effluent from plant operations shall be buried at a sufficient depth to insure its integrity and shall be covered with a layer of natural materials level with the bed of the river. Excavated material shall not be placed, held or stockpiled in the river while being retained for later placement over the pipe. Any concrete used for constructing the outlet structure shall be isolated from the river waters during any placing and curing.

H. Barge Slip

- 1. The Supply System may construct and maintain a barge slip for construction or site restoration of the nuclear projects, subject to conditions stated in this Site Certification Agreement and other attachments hereto.
- 2. The Supply System agrees to consult with the Council or its designated representatives in the development of plans, bid documents, and contracts for construction and maintenance of the barge slip.
- 3. The Supply System further agrees to submit in a timely manner specific location and design plans, drawings, bid documents, and construction contracts for installation of the barge slip to the Council for its review and comment. If the Council has objections to any of the particulars of the materials submitted, it shall forthwith advise Supply System of same and the reasons therefor. The Supply System agrees to take such corrective action as may be necessary to satisfy the objections before commencing any site preparation or construction of the barge slip.
- 4. Construction or maintenance activities associated with the barge slip in the Chehalis River main stem or tributary stream beds or stream banks must be confined to the period July 1 to September 30 unless otherwise specifically authorized by the Council.
- 5. The Supply System agrees to demonstrate to the Council that its construction and maintenance of the barge slip will comply with the turbidity criteria set out in State Water Quality Standards except when, on request, the Council has granted a temporary waiver of such criteria.
- 6. During construction or maintenance of any such barge slip, the Supply System agrees to: (a) establish and maintain grading and sloping on the bed and bank of the Chehalis River and tributary creek area so as not to create fish traps; (b) construct or maintain the barge slip in the dry during the period of low river flow; (c) submit plans to the Council if requested, concerning all proposed procedures for underwater excavation attendant to the construction or maintenance of such facilities; and (d) do no dredging in the Chehalis River or its tributaries except for the entrance to the barge slip.
- 7. After the barge facilities have served their intended purpose, the Supply System agrees to restore the barge area to water oriented-uses. The Supply System agrees to consult with the Council regarding such restoration.
- 8. The Supply System shall arrange for the arrival and departure of equipment barges to coincide with times during which the net instantaneous downstream flow of the river is sufficient to provide river passage and navigational control of barges and prime movers.
- I. <u>Construction Clean-Up</u>

The Supply System agrees upon completion of construction to dispose of all temporary structures not required for future use. It also agrees to dispose of used timber, brush, refuse

or flammable material resulting from the clearing of lands or from the construction of the projects in a manner approved by the Council.

J. <u>As-Built Drawings</u>

The Supply System agrees to allow access to the Council or its designated representatives, on request, to complete sets of as-built drawings for the following listed project components and for other components as the Council may require in the future:

- 1. Water intake systems;
- 2. Water discharge system;
- 3. Sedimentation and erosion control systems;
- 4. Sanitary waste disposal systems;
- 5. Cooling towers and condenser coolant loop;
- 6. All associated electrical transmission and service lines and substations;
- 7. Barge off-loading facility;
- 8. Access and temporary construction roads;
- 9. River gauge station; and
- 10. Natural gas pipeline.

K. <u>Archaeological Site Protection</u>

- 1. The Supply System agrees to coordinate with the Council and local Tribes to develop an acceptable construction monitoring plan and will implement the plan during construction of the projects, including the natural gas pipeline associated with the Satsop Combustion Turbine Project.
- 2. The Supply System agrees to halt relevant construction activity immediately and report to the Council all archaeological or historical findings made during the course of excavation and construction of any project authorized herein, including associated natural gas pipeline and electrical transmission lines.
- 3. The Supply System agrees to consult with the Council to arrange for preservation of artifacts and for interpretation of any archaeological or historical site discovered in the course of any construction.

L. <u>Natural Gas Pipeline</u>

- 1. The Supply System shall be permitted to construct and operate a natural gas pipeline associated with the Satsop Combustion Turbine Project. The Supply System agrees to design, construct, and operate the natural gas pipeline in accordance with pertinent state and federal regulations, including the requirements of Washington Utilities and Transportation regulations found at Chapter 480-93, Washington Administrative Code, and with the conditions and requirements stated in this Site Certification Agreement.
- 2. The Supply System agrees to consult with the Council or with its designated representatives in development of plans, bid documents, and contracts for

construction of the natural gas pipeline, all of which Supply System agrees to make available to the Council upon request.

- 3. The Supply System further agrees to submit in a timely manner, no later than six months prior to the anticipated beginning of construction, specific location plans, drawings and construction contracts for installation of the natural gas pipeline to the Council and its designated representatives for review and approval. If the Council has objections or concerns regarding any of the particulars of the materials submitted, it shall forthwith advise the Supply System of those objections, etc., and the reasons therefor. The Supply System agrees to take such corrective action as may be necessary to satisfy the objections before commencing any site preparation or construction of the natural gas pipeline. The Supply System will submit a pipeline safety plan for Council review and approval no less than three months before beginning pipeline operation.
- 4. Construction related activity within an active stream or river channel and/or within 50 feet of stream or river banks shall be limited to the period of July 1 to September 30, unless otherwise specifically authorized by the Council.
- 5. The Supply System agrees to comply with the mitigation measures identified in Attachment VII.
- 6. The Supply System shall apply the priority of mitigation principles (avoid, minimize, restore, and replace in that priority order) in its decisions and actions in planning, constructing, operating, and maintaining the natural gas pipeline.
- 7. The Supply System shall submit to the Council for its review and approval, no later than six months prior to beginning of combustion turbine operations, a five year monitoring plan to assess mitigation success. The success of wetland and riparian revegetation shall be monitored annually, with annual written reports to the Council and its designated representatives, until the Council terminates the requirement.

M. <u>Construction Phase Spill Prevention</u>

The Supply System shall submit for Council review and approval a spill prevention and countermeasure program that complies with the provisions of Condition S.4 of the Satsop Combustion Turbine Project's NPDES permit three months prior to beginning construction of the project. This program shall address oil/chemical storage, containment, site security and personnel training. The program shall also address measures that will be taken to control and contain discharge, cleanup actions, notification of appropriate agencies and a list of available cleanup materials.

N. <u>Septic System for the Satsop Combustion Turbine Project</u>

1. The Supply System shall be permitted to construct, maintain, and operate a septic system for the Satsop Combustion Turbine Project.

2. A preliminary report on the septic system design for the Satsop Combustion Turbine Project shall be prepared and submitted to the Council for its review and comment. The report shall include: site conditions, schedule of development, water balance analysis, and overall effects of the proposed system on the surrounding area.

O. <u>Coastal Zone Management</u>

The Supply System shall ensure consistency with the requirements of the Coastal Zone Management Program, the Shoreline master programs of Thurston and Grays Harbor counties, the Federal Waster Pollution Control Act, and the State Water Pollution Control Act.

P. <u>Noise</u>

- 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.

ARTICLE IV. OPERATION OF THE PROJECT

A. <u>Water Withdrawal</u>

- 1. The Supply System is hereby authorized to withdraw water for operation of the Satsop Site as follows:
 - a. The Supply System will limit its withdrawal of water from the Chehalis River through the Ranney wells to 80 cubic feet per second, apportioned as follows:
 - The two combustion turbine units are limited to a total of 9.5 cubic feet per second, of which 8.6 cubic feet per second will be for power production, including quench water to meet the temperature limits of the NPDES permit, with the remaining 0.9 cubic feet per second for quench water to cool the Satsop Combustion Turbine Project discharge below the temperature set in the NPDES Permit. Withdrawal is subject to the terms as more particularly described in Attachment V, attached hereto and incorporated by reference.
 - ii. WNP-3 is limited to a total of 40 cubic feet per second.
 - iii. WNP-5 is limited to a total of 30.5 cubic feet per second.
 - b. The Supply System is authorized to withdraw up to 300 gallons per minute from ground water in an area near the confluence of the Chehalis and Satsop rivers from a well known as the raw water well. Withdrawal of water from

this well for any uses other than domestic supply and fire suppression will be limited to 300 gallons per minute and will be limited by restrictions set forth in Attachment V on withdrawals during periods of low flows.

- 2. Authorization to withdraw water from the Ranney wells for operation of WNP-3 for power production shall be suspended when the net instantaneous downstream flow falls below the rate of 550 cubic feet per second, exclusive of any tidal influence, immediately downstream of the point of diversion. However, the Supply System may continue to withdraw minimum flows to maintain a "hot standby" condition, not to exceed 2 cubic feet per second.
- 3. Should the withdrawal for operation of the projects impair existing water rights, the Supply System agrees to compensate the holder of such rights for such impairment caused by the withdrawal, and to take necessary measures to prevent recurrence of such impairment.
- 4. Withdraw water from the Ranney wells for operation of the Satsop Combustion Turbine Project shall be decreased (or stopped) as necessary to assure that the project does not affect the minimum base flows immediately downstream of the point of diversion. The required minimum base flows are established in Chapter 173-522-020, Washington Administrative Code, and set forth in Attachment V. All withdrawals are subject to the withdrawal restrictions set forth in Attachment V, and the additional 0.9 cubic feet per second of quench water withdrawal is also limited to periods in which an additional withdrawal will actually reduce the temperature of the discharge. This authorization is also subject to the provisions of Chapter 173-522 and Chapter 173-500, Washington Administrative Code.
- 5. The Supply System agrees that if its future development on the site, unrelated to any Project authorized in this Site Certification Agreement, requires a water appropriation, the Supply System will apply for such appropriation to the Council or Department of Ecology, whichever has jurisdiction over the project. The priority date will be assigned at the time of application under applicable laws and regulations.
- 6. The Supply System shall use existing pumps, install new pumps or modify the existing pumps in the Ranney wells to limit withdrawals to that total amount authorized by the Council and/or Washington Department of Ecology.
- 7. The Supply System agrees to relinquish voluntarily 30.5 cubic feet per second of the existing 80 cubic feet per second authorization at the Satsop site at the completion of decommissioning and restoration of WNP-5 or five years from the date of Amendment No. 2, whichever occurs first, *Provided*, that the Supply System shall reserve the right to withdraw sufficient water to accomplish site restoration, to be relinquished at the completion of site restoration.

- 8. If the Supply System does not go forward with the WNP-3 project, the Supply System agrees to relinquish voluntarily 40 cubic feet per second of the existing 80 cubic feet per second authorization at the Satsop site at the completion of the decommissioning and restoration of WNP-3 or five years from the date of Amendment No. 2, whichever comes first, *Provided*, that the Supply System shall reserve the right to withdraw sufficient water to accomplish site restoration, to be relinquished at the completion of site restoration. If the Supply System decides to go forward with the WNP-3 project within five years from the date of Amendment II, the priority date remains December 17, 1973, and Supply System may use the existing pumps for water withdrawal.
- 9. The Supply System may use the existing and/or modified equalization pond to store water in order to provide the necessary water for the Satsop Combustion Turbine Project during the low flow periods set forth in Attachment V.
- B. <u>Water Discharge</u>
 - 1. No liquid radioactive waste shall be discharged into the Chehalis River, its tributaries or other state waters during normal plant operations.
 - 2. All discharges by the Supply System to state waters shall be in accordance with Chapter 90.48 RCW and the terms and conditions of this Site Certification Agreement; and with the terms and conditions of the NPDES Permit as issued by the Council and attached hereto as Attachment III and as may be later amended by the Council.

C. <u>Discharge Into Air</u>

- 1. The Supply System agrees to construct and operate the nuclear projects in such a manner as to not discharge nor cause to be discharged into the ambient air materials resulting from the operation of auxiliary boilers which measured at the point of discharge, will directly result in:
 - a. Nitrous oxides, measured as nitrogen dioxide in excess of $0.3 \text{ lbs/}10^6 \text{ BTU}$;
 - b. Sulfur dioxide in excess of $0.8 \text{ lbs}/10^6 \text{ BTU}$;
 - c. Ash in excess of $0.2 \text{ lbs}/10^6 \text{ BTU}$.
- 2. For the nuclear projects, low sulfur oil, not exceeding 0.5 percent sulfur, will be used for diesel fuel at all times.
- 3. The Supply System agrees to incorporate all known, available, and reasonable technology in the design of the nuclear project's cooling towers and to operate the towers so as to minimize fogging and icing effects on the surrounding areas and highways.

- 4. Levels of radioactive discharges to the atmosphere shall be as low as practicable and shall not exceed applicable federal standards.
- 5. The Supply System shall operate the Satsop Combustion Turbine Project so that all discharges to the atmosphere shall comply with the Approval of Notice of Construction and Prevention of Significant Deterioration Application as set forth in Attachment VIII, attached hereto and incorporated by reference.
- 6. The Supply System shall properly operate and maintain in good working order all air pollution control equipment and monitoring equipment required in Attachment VIII.
- 7. If construction of at least one unit of the Satsop Combustion Turbine Project is not begun within eighteen (18) months after receipt of final approval, or if construction or operation of both units of the Satsop Combustion Turbine Project is discontinued for a period of eighteen (18) months, the Prevention of Significant Deterioration shall be void.
- 8. The Supply System 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 as provided in Attachment VIII.

D. <u>Vegetation, Fish, and Animal Life</u>

- 1. The Supply System agrees to comply with the Satsop Power Plant Site Wildlife Mitigation Plan, Revision 1; the Agreement on Management for Wildlife Mitigation, dated September 29, 1994, between the Supply System and the Washington Department of Fish and Wildlife; the Satsop Power Plant Habitat Evaluation Procedure Impact Assessment, dated June 28, 1994; and the Satsop Power Plant, Wildlife Mitigation Plan, Standard Operating Procedures as approved by the Council in Resolution No. 275.
- 2. The Supply System shall provide such additional measures for protection of wildlife, fish, and other aquatic life and the ecology of area deemed necessary by the Council to minimize adverse impact from construction or operation of the projects.
- 3. The Supply System shall comply with mitigation measures relating to vegetation, fish and animal live as provided in Attachment VII Mitigation Measures and Project Conditions, attached hereto and incorporated by reference.
- 4. The Supply System agrees to the following pipeline right-of-way practices:
 - a. Herbicides and pesticides will not be used within 100 feet of a water body.
 - b. Vegetation maintenance practices over the full width of the permanent rightof-way in wetlands and riparian areas are prohibited. However, to facilitate periodic pipeline surveys, a corridor centered on the pipeline up to ten feet wide may be maintained in a herbaceous state. In addition, trees that are

located within fifteen feet of the pipeline and are greater than fifteen feet in height may be selectively cut and removed from the right of way.

E. <u>Lighting</u>

In specific locations where glare or light spillover would impact Keys Road or be obtrusive to nearby residences, lighting angles will be adjusted to minimize glare impacts, or supplemental light shields/vegetation will be used for extra screening.

F. <u>Noise</u>

- 1. The combustion turbines and other major sources of sound shall be enclosed within structures in which acoustical damping has been installed.
- 2. Acoustically absorptive silencers shall be installed on the combustion turbine air intake system, enclosure ventilating systems, and emergency relief valves.
- 3. Separate acoustical enclosures shall be installed for major noise sources including each combustion turbine and generator.
- 4. Acoustically absorptive insulation shall be installed in duct walls of the combustion turbine air intake and exhaust systems.

ARTICLE V. PUBLIC AND ENVIRONMENTAL PROTECTION

A. <u>Emergency Plans</u>

- 1. The Supply System will develop an Emergency Plan for nuclear project operation in accordance with 10 CFR 50.34a and 10 CFR 50 Appendix E. In preparing that plan Supply System agrees to:
 - a. Coordinate such plan with local, state and federal agencies directly involved in implementing such a plan.
 - b. Include detailed provisions in the Emergency Plan for public health and safety, emergency medical treatment, special emergency training programs and prevention of property damage.
 - c. Comply with relevant provisions of the Washington State Military Department, Fixed Nuclear Facility Emergency Response Plan or successor document.
 - d. Periodically provide the Council with updated lists of emergency personnel, communication channels and procedures.

2. The Supply System shall develop for review and approval by the Council an Emergency Response Plan which will proscribe the methods, means, and resources available for emergencies due to fire or explosions in association with the Satsop Combustion Turbine Project and associated pipeline no later than three months prior to operation of the combustion turbines and natural gas pipeline.

B. <u>Security Plan</u>

The Supply System will submit a comprehensive physical Security Plan for the protection of the site and project facilities.

C. <u>Monitoring Program for the Nuclear Projects</u>

- 1. The Supply System agrees to initiate and maintain Environmental Monitoring Programs as described in Attachment IV, attached hereto and incorporated herein by this reference. The programs shall be developed and implemented in close consultation with the Council and shall be subject to Council approval. Reasonable modifications may be made with approval of the Council, when these are necessary to achieve the purpose of the program. Aquatic, terrestrial ecology and water quality surveillance shall begin prior to land clearing or other site alteration. Other programs shall begin in accordance with schedules contained in Attachment IV referred to above.
- 2. The Radiological Monitoring Program shall be in accordance with NRC requirements and shall be initiated two years prior to fuel loading to provide for measurement of radioactive releases from the facility and a reliable assessment and record of their distribution and retention in the environment within an area to be described by the Council and approved by federal regulatory agencies.
- 3. The Supply System may engage a qualified consultant to carry out all or any portion of the environmental monitoring studies required to effect the Monitoring Program set forth in Attachment IV hereof. The Supply System agrees to submit the required qualifications for the consultant, and bid documents, to the Council for approval prior to solicitation of proposals from any such consultant. The Supply System agrees to require the consultant to comply with all applicable conditions of this Site Certification Agreement and a valid NPDES Permit issued by the Council.
- 4. The Supply System agrees to submit to the Council, on request, any information or data recorded by Supply System's Monitoring Program, and, on a regular basis, copies of reports from the monitoring programs. Where additional reports or notifications are required to be filed by the Nuclear Regulatory Commission's construction permit, operating license or other regulations, copies of such reports or notifications shall be submitted to the Council, at the same time they are submitted to the Nuclear Regulatory Commission.
- 5. In carrying out monitoring programs, the Supply System shall establish to the Council's satisfaction and approval sampling locations, on and off the site, sufficient

to provide a representative sampling of environmental effects in the surrounding area.

- 6. At the time of start-up of the first nuclear generating unit, the Supply System shall make a report of pre-operational monitoring data and shall establish baseline reference values for all parameters in such report. The report shall be submitted to the Council within ninety (90) days after start-up of the first unit. Annual reports on a calendar year basis shall be submitted thereafter by March 31 of each year summarizing operational data, anomalies therein and comparisons made with previously established baseline data, except that emergency conditions or situations including emergency plant shut down shall be reported to the Council.
- 7. The Supply System agrees to report immediately to the Council whenever the monitoring program discloses existence of abnormal conditions or conditions that might lead to an emergency situation.
- 8. Requirements of the Monitoring Program may be changed upon a showing that the degree of monitoring is not commensurate with the actual or intended results of such efforts. Such changes shall be effected as deemed necessary by mutual agreement of the Council and the Supply System. Such changes shall be governed by the procedures in this paragraph and shall not be subject to the modification procedures specified in Section II. H. hereof.

D. <u>Habitat Management Plan</u>

The Supply System shall develop management plans that will assure the protection and enhancement of wildlife values on the lands that are acquired to replace lost wetland and upland wildlife habitat values. The management plans will be fully implemented within five years of the commencement of operation of either combustion turbine unit. The Supply System shall provide a draft of the management plan to the Council and its designated representatives for review and approval no later than six months after either unit begins operations.

E. <u>Spill Prevention and Countermeasure Plan</u>

1. The Supply System shall prepare a Spill Prevention and Countermeasure Plan (SPCC) for Council review and approval that is consistent with the requirements of the NPDES Permit in effect for the Satsop Power Plant Site. The SPCC plan is to be approved by a Professional Engineer and include the amount and type of oils(s) and hazardous materials to be stored at the project site, patterns of usage, transfer procedures and other factors which will indicate the magnitude of spill potential. The SPCC plan shall also describe procedures for securing valves, type of gauges, dike size and design, site security, lighting, alarms, spill response materials and equipment, inspection procedures, personnel training, emergency procedures and spill notification requirements. The SPCC plan will also include location and topographic maps, accurate diagrams of the storage tank, dike(s), piping, valves, transfer and other significant components of the oil storage and delivery system. This SPCC plan shall be submitted to the Council and its designated representatives

within one year of beginning construction of the Satsop Combustion Turbine Project, and shall be updated a minimum of every two years.

- 2. Within the above-ground 1.8 million gallon oil storage tank containment dikes, an impervious barrier will be installed to keep spilled oil from entering waters of the state. Design of the impervious tank containment must address stormwater management and be approved by a Professional Engineer.
- 3. If the oil transfer or loading area is located outside the storage tank containment areas, the area surrounding the oil transfer pad will be adequately curbed and sealed to prevent entry of any spilled oil into the soil, ground water or surface waters. In the alternative, the Supply System may raise the loading area with drainage directed into the diked tank storage area. Either approach selected must be approved by a Professional Engineer, and submitted to the Council for review and approval.

ARTICLE VI. MISCELLANEOUS PROVISIONS

A. <u>Project Visitation and Recreation</u>

- 1. The Supply System agrees to provide visitor information facilities for the energy facilities on the site that are authorized in this Site Certification Agreement.
- 2. The Supply System agrees to provide replacement of recreational opportunities found by the Council to be adversely affected by project activity. Affected areas may include, but are not limited to, land owned or controlled by Supply System immediately outside the project security area and detached parcels associated with project facilities or routes. The Supply System may impose reasonable health, safety, and security regulations on use of recreational areas.
- 3. The Supply System agrees to take necessary measures to allow safe uses by members of the public on land and water areas over which the Supply System exercises control and to which public access has been granted.
- 4. All reporting costs and other costs, directly or indirectly incurred as a function of monitoring or surveillance programs found necessary herein shall be borne by the Supply System.

B. <u>Social and Economic Impacts</u>

- 1. The Supply System agrees to monitor primary and secondary socioeconomic impacts of the nuclear projects during construction and to report quarterly to the Council.
- 2. The Supply System agrees to pay any valid claims filed against it by the state or by any agency or political subdivision of the state, including but not limited to counties, cities and school districts, arising out of an actually incurred or clearly anticipated net financial burden or deficiency substantially caused by primary or secondary

socioeconomic or environmental impacts from construction or operation of the project. Any such net financial burden or deficiency shall be calculated by allowing a credit or offset against the total financial burden or deficiency so caused any revenues to the claimant reasonably attributable to construction or operation of the project. With respect to any clearly anticipated net financial burden or deficiency, payment of such claim shall be made to the claimant no later than the time such burden or deficiency is actually incurred. The burden of establishing the validity of any such claim shall be upon the claimant.

3. Any dispute arising out of the provisions of Section VI.B shall be resolved by decision of the Council made pursuant to procedures set forth in RCW 34.04.

C. <u>Decommissioning</u>

The Supply System shall submit for the Council's approval within five (5) years of the execution of this Site Certification Agreement, a plan for decommissioning and disposal of the nuclear project.

D. <u>Discharge of Pollutants</u>

Nothing in this Site Certification Agreement shall be construed to authorize discharge of pollutants from the project to state waters in any fashion other than that authorized in an NPDES Permit issued by Council. All discharges must also comply with the requirements of Chapter 90.48 RCW.

E. <u>Greenhouse Gases and Carbon Dioxide Mitigation</u>

- 1. The Supply System shall prepare and submit a report to the Council no later than one year prior to each turbine coming on line, that presents and evaluates possible greenhouse gases and carbon dioxide mitigation techniques, and concentrates on those techniques that can offer cost-effective mitigation measures.
- 2. If a comprehensive federal or state mitigation program is implemented, the Council reserves the right to exercise its authority under that program, considering and appropriately crediting any measures that the Supply System has accomplished.

F. <u>Attachments</u>

Attachments hereto by this reference are included in the Site Certification Agreement:

- I. Site Legal Description.
- II. Excavation and Erosion Control Measures.
- III. National Pollution Discharge Elimination System Permit.
- IV. Environmental Monitoring Program for the Nuclear Projects.

- V. Water Withdrawal Authorization.
- VI. Contract for Water Supply (with City of Aberdeen).
- VII. Mitigation Measures and Project Conditions.
- VIII. Approval of Notice of Construction and Prevention of Significant Deterioration Application.

SIGNATURE PAGE

Dated and effective this _____ day of _____, 1996.

FOR THE STATE OF WASHINGTON

Governor

FOR THE WASHINGTON PUBLIC POWER SUPPLY SYSTEM

Chief Executive Officer