



# Washington State

## Energy Facility Site Evaluation Council

### REVISED AGENDA

**MONTHLY MEETING**  
**Tuesday, August 15, 2017**  
**1:30 PM**

**1300 S Evergreen Park Drive SW**  
**Olympia, WA 98504**  
**Hearing Room 206**

- 1. Call to Order .....Bill Lynch, EFSEC Chair
- 2. Roll Call .....Tammy Mastro, EFSEC Staff
- 3. Proposed Agenda .....Bill Lynch, EFSEC Chair
- 4. Minutes           **Meeting Minutes**..... Bill Lynch, EFSEC Chair
  - July 18, 2017
- 5. Projects
  - a. Kittitas Valley Wind Project
    - Operational Update.....Eric Melbardis, EDP Renewables
  - b. Wild Horse Wind Power Project
    - Operational Update.....Jennifer Diaz, Puget Sound Energy
  - c. Columbia Generating Station
    - Operational Update.....Debbie Knaub, Energy Northwest
  - d. WNP – 1/4
    - Non-Operational Update.....Debbie Knaub, Energy Northwest
  - e. Chehalis Generation Facility
    - Operational Update.....Mark Miller, Chehalis Generation Staff
  - f. Grays Harbor Energy Center
    - Operational Update.....Rich Downen, Grays Harbor Energy
  - g. Tesoro/Savage Vancouver Energy Distribution Terminal
    - Project Update.....Sonia Bumpus, EFSEC Staff
    - Extension of Application Processing Time .....Stephen Posner, EFSEC Staff

*The Council may consider and take **FINAL ACTION** on the Tesoro/Savage request to extend the time to process Application 2013-01.*
- 6. Other
  - a. EFSEC Council
    - Rulemaking Update.....Bill Lynch, EFSEC Chair
- 7. Adjourn.....Bill Lynch, EFSEC Chair

**Note: "FINAL ACTION"** means a collective positive or negative decision, or an actual vote by a majority of the members of a governing body when sitting as a body or entity, upon a motion, proposal, resolution, order, or ordinance. RCW 42.30.02

# Verbatim Transcript of Monthly Council Meeting

## Washington State Energy Facility Site Evaluation Council

July 18, 2017



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Verbatim Transcript of Monthly Council Meeting - 7/18/2017

Page 1

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WASHINGTON STATE  
ENERGY FACILITY SITE EVALUATION COUNCIL  
Richard Hemstad Building  
1300 South Evergreen Park Drive Southwest  
Conference Room 206  
Olympia, Washington  
July 18, 2017  
1:31 p.m.

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MONTHLY COUNCIL MEETING  
Verbatim Transcript of Proceeding

REPORTED BY: ANITA W. SELF, RPR, CCR #3032  
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Page 3

1                   A P P E A R A N C E S (continued)  
2  
3                   Guests in Attendance via Phone:  
4                   Randy Utley, Department of Health  
5                   Jeff Ayres, Department of Ecology  
6                   Connie Sue Martin, Port of Vancouver  
7                   Janette Brimmer, Columbia Riverkeeper  
8  
9                   \* \* \* \* \*  
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Page 2

1                   A P P E A R A N C E S  
2                   Councilmembers Present:  
3                   Bill Lynch, Chair  
4                   Jaime Rossman, Department of Commerce  
5                   Cullen Stephenson, Department of Ecology  
6                   Joe Stohr, Department of Fish and Wildlife  
7                   Dennis Moss, Utilities and Transportation Commission  
8                   Dan Siemann, Department of Natural Resources (via phone)  
9  
10                  Local Government and Optional State Agencies:  
11                  Larry Paulson, Port of Vancouver (via phone)  
12  
13                  Assistant Attorney General:  
14                  Ann Essko, Senior Counsel  
15  
16                  Staff in Attendance:  
17                  Stephen Posner  
18                  Jim LaSpina  
19                  Tammy Mastro  
20                  Sonia Bumpus  
21                  Joan Aitken  
22                  Ami Kidder  
23                  Christina Potis  
24  
25                  Guests in Attendance:  
26                  Rich Downen, Grays Harbor Energy  
27                  Mark Miller, PacifiCorp Chehalis Generation Facility  
28                  Phyllis Barney, Attorney General's Office  
29                  Steve Eberl, Department of Ecology  
30                  Gary Lee, Department of Ecology  
31                  Dan Shafar, BergerABAM  
32  
33                  Guests in Attendance via Phone:  
34                  Shannon Khounnala, Energy Northwest  
35                  Debbie Knaub, Energy Northwest  
36                  Jennifer Diaz, Puget Sound Energy  
37                  Eric Melbardis, EDP Renewables

Page 4

1                   OLYMPIA, WASHINGTON; JULY 18, 2017  
2                   1:31 P.M.  
3  
4                   P R O C E E D I N G S  
5  
6                   CHAIR LYNCH: Good afternoon. Today is  
7                   Tuesday, July 18th, and it is the monthly meeting for  
8                   the Energy Facility Site Evaluation Council. I'm just  
9                   going to have the Council just take a quick look at the  
10                  agenda to see if they have any suggested changes before  
11                  we call the roll.  
12                  Not hearing any, we'll have the clerk call  
13                  the roll.  
14                  MS MASTRO: Department of Commerce?  
15                  MR. ROSSMAN: Jaime Rossman is here.  
16                  MS. MASTRO: Department of Ecology?  
17                  MR. STEPHENSON: Cullen Stephenson, here.  
18                  MS. MASTRO: Fish and Wildlife?  
19                  MR. STOHR: Joe Stohr is here.  
20                  MS. MASTRO: Department of Natural  
21                  Resources?  
22                  MR. SIEMANN (via phone): Dan Siemann is --  
23                  (Bridge line beeping.)  
24                  MS. MASTRO: Utilities and Transportation  
25                  Commission?

Verbatim Transcript of Monthly Council Meeting - 7/18/2017

Page 5

1 MR. MOSS: Dennis Moss is here.  
 2 MS. MASTRO: Local governments and optional  
 3 State agencies. For the Tesoro Savage project,  
 4 Department of Transportation?  
 5 CHAIR LYNCH: Councilmember Stone is  
 6 excused.  
 7 MS. MASTRO: City of Vancouver?  
 8 CHAIR LYNCH: Councilmember Snodgrass is  
 9 excused.  
 10 MS. MASTRO: Clark County?  
 11 CHAIR LYNCH: Councilmember Shafer is  
 12 excused.  
 13 MS. MASTRO: Port of Vancouver?  
 14 MR. PAULSON (via phone): Larry Paulson's on  
 15 the phone.  
 16 MS. MASTRO: Chair, there is a quorum for  
 17 the EFSEC regular Council and for the Tesoro project  
 18 Council.  
 19 CHAIR LYNCH: Thank you.  
 20 And if we could have councilmembers take  
 21 a -- actually, before I have us look through the  
 22 minutes -- actually, councilmembers can start looking  
 23 through the minutes to see if they have any proposed  
 24 changes.  
 25 But at this time, I'm going to have people

Page 6

1 who are on the phone who wish to identify themselves to  
 2 please do so now, though you're not required to.  
 3 MR. AYRES (via phone): This is Jeff Ayres,  
 4 Department of Ecology Nuclear Waste Program in Richland.  
 5 MR. UTLEY (via phone): Randy Utley,  
 6 Washington State Department of Health.  
 7 MS MARTIN (via phone): Connie Sue Martin  
 8 for the Port of Vancouver.  
 9 MS. KHOUNNALA (via phone): Shannon  
 10 Khounnala, Energy Northwest.  
 11 MS. BRIMMER (via phone): Janette Brimmer,  
 12 Earthjustice, on behalf of Columbia Riverkeeper and  
 13 associated parties.  
 14 MS. KNAUB (via phone): Debbie Knaub, Energy  
 15 Northwest.  
 16 MS. DIAZ (via phone): Jennifer Diaz, Puget  
 17 Sound Energy.  
 18 CHAIR LYNCH: Anybody else? So let's go  
 19 ahead and turn to the proposed -- the minutes as they  
 20 were submitted for the June 20th meeting. I'd like to  
 21 point out one small change, and that's on page 16, and  
 22 that's lines -- on line 13, instead of the word "enact,"  
 23 it's going to be the word "on" and then the acronym  
 24 "NACT," N-A-C-T. So it would read, "...and we had a  
 25 class on NACT 299."

Page 7

1 Any other proposed changes?  
 2 MR. ROSSMAN: Yes. I have one on page 21,  
 3 line 19. The second word there is "can't," and I  
 4 believe it should be "can," c-a-n.  
 5 CHAIR LYNCH: I think that's correct. So it  
 6 would be where the Council and the applicant "can" agree  
 7 to an extension of the time frame for processing the  
 8 application. So good catch, Councilman Rossman. So the  
 9 word "can" is substituted for "can't."  
 10 Any other proposed changes? Hearing none,  
 11 I'd entertain a motion for the approval of the minutes  
 12 as amended.  
 13 MR. STEPHENSON: I'll so move.  
 14 CHAIR LYNCH: Do we have a second?  
 15 MR. ROSSMAN: Second.  
 16 CHAIR LYNCH: It's been moved and seconded  
 17 that the Council minutes for June 20th, 2017, as  
 18 amended, be approved.  
 19 All those in favor, say "aye."  
 20 MULTIPLE SPEAKERS: Aye.  
 21 CHAIR LYNCH: Opposed? Motion carries.  
 22 A ringing endorsement. We're getting a  
 23 little feedback over here.  
 24 And now let's turn to the updates for our  
 25 various projects. Some people who are on the phone

Page 8

1 might choose to mute their phone because we're getting  
 2 some very odd noises coming through over here.  
 3 So Kittitas Valley Wind Project,  
 4 Mr. Melbardis.  
 5 MR. MELBARDIS: Good afternoon, EFSEC  
 6 Council. This is Eric Melbardis with EDP Renewables for  
 7 the Kittitas Valley Wind Power Project.  
 8 We have nothing nonroutine to report for the  
 9 period.  
 10 CHAIR LYNCH: Any questions for  
 11 Mr. Melbardis? Very good. Thank you.  
 12 Let's turn to Jennifer Diaz, Ms. Diaz, Puget  
 13 Sound Energy, with the Wild Horse Wind Power Project.  
 14 MS. DIAZ: Yes. Thank you, Chair Lynch and  
 15 councilmembers. As Mr. Lynch said, Jennifer Diaz, Puget  
 16 Sound Energy, Wild Horse Wind Project, and I also have  
 17 nothing nonroutine to report for this monthly update.  
 18 CHAIR LYNCH: Any questions for Ms. Diaz?  
 19 Thank you, Ms. Diaz.  
 20 Now we'll turn to the Columbia Generating  
 21 Station. And Ms. Khounnala, did you want to go first or  
 22 did you want to introduce Ms. Knaub?  
 23 MS. KHOUNNALA: Certainly. Thank you,  
 24 Chair Lynch. Yes, this is Shannon Khounnala with Energy  
 25 Northwest, and I have with me Debbie Knaub who is a new

Verbatim Transcript of Monthly Council Meeting - 7/18/2017

Page 9

1 addition to our department and will be taking over the  
 2 process of providing Council updates. And Debbie is  
 3 going to take her stab at providing the first update  
 4 today.  
 5 MS. KNAUB: Thank you, Shannon. And again,  
 6 my name is Debbie Knaub, and I'm with Energy Northwest,  
 7 and I have a few things to report.  
 8 The Columbia Generating Station last week  
 9 hosted EFSEC, Department of Health and Ecology  
 10 regulatory representatives for our audit and several  
 11 other meetings, and we definitely appreciated the  
 12 opportunity to discuss these things and to get agency  
 13 input. And thanks to Jim LaSpina of EFSEC for  
 14 coordinating and facilitating what we viewed as a very  
 15 successful meeting and audit.  
 16 At one of the sessions, our consultants  
 17 presented a scope for our upcoming groundwater study in  
 18 the area of our cooling towers, which is a requirement  
 19 of our NPDES permit. And we were very pleased that the  
 20 agency commenters [sic] were satisfied with the scope of  
 21 the study, and we will be proceeding with finalizing  
 22 that scope.  
 23 We recently completed our refueling and  
 24 maintenance outage at the end of June and reconnected to  
 25 the power grid on June 19th. We were pleased that we

Page 10

1 were able to complete the outage two and a half days  
 2 early.  
 3 Another matter we -- due to last winter's  
 4 unusually high precipitation levels and cooler spring  
 5 temperatures, our evaporation ponds, which receive  
 6 stormwater runoff and wastewater from the stations, are  
 7 higher than they normally are, and we will be installing  
 8 aerators in one or two of these ponds to increase  
 9 evaporation rates. We've found that the addition of the  
 10 aerators will not result in any exceedance of any limits  
 11 that we have. Ecology and DOH have reviewed the  
 12 proposal and concur with our determination.  
 13 We also -- another report is we also have a  
 14 new lease with the Department of Energy for WNP 1/4, and  
 15 that went into effect on July 1 this year, and we  
 16 started the planning and some field work on the water  
 17 distribution system project.  
 18 And that is the end of our items.  
 19 CHAIR LYNCH: Thank you, Ms. Knaub. And I'm  
 20 going to have Mr. LaSpina -- I'm going to ask him if he  
 21 has anything to add regarding the evaporation ponds.  
 22 MR. LASPINA: Yes, Chair Lynch. Energy  
 23 Northwest furnished an analysis of the aerators to  
 24 radionuclides emissions to be sure that we are not  
 25 exceeding any emission limits in order -- in the order,

Page 11

1 and that that regulates those emission limits.  
 2 The Department of Health reviewed the  
 3 analysis and determined that there would be -- that the  
 4 limits facilitated the -- the -- the use of the  
 5 aerators. And we have Mr. Randy Utley of Department of  
 6 Health available on the phone if the Council has any  
 7 questions.  
 8 Also, the Department of Ecology reviewed the  
 9 proposal and also had no concerns about the use of the  
 10 aerators. And it should be noted that both the  
 11 approved -- the EFSEC approved O&M manual and the order,  
 12 the addition of aerators is consistent with both of  
 13 those regulatory documents. So actually, Energy  
 14 Northwest doesn't need an approval. This is more of a  
 15 notification.  
 16 CHAIR LYNCH: And Mr. Utley, do you have  
 17 anything to add to what Mr. LaSpina said?  
 18 MR. UTLEY: I would just back up what he  
 19 said, yeah. We concur, we did a review of Energy  
 20 Northwest's request. We did that in comparison with the  
 21 Order 84 [sic], and yes, all of the limits are in  
 22 compliance with that review.  
 23 CHAIR LYNCH: Do any councilmembers have any  
 24 questions for either Ms. Knaub, Mr. LaSpina or  
 25 Mr. Utley? Councilmember Moss.

Page 12

1 MR. MOSS: Just for the clarity of the  
 2 record, there was a reference to an order. I'm thinking  
 3 the number was 874, not 84. Is that correct, or is that  
 4 an order that I don't know about?  
 5 CHAIR LYNCH: In the sheet that we have, it  
 6 says number 874. Is that the correct number?  
 7 MR. LASPINA: Yes, sir, that is correct,  
 8 yes.  
 9 MR. UTLEY: I'm sorry. This is Randy Utley,  
 10 and I did verify that, that is Order 874. Sorry. That  
 11 is a correction.  
 12 CHAIR LYNCH: Thank you. Councilmember  
 13 Stephenson.  
 14 MR. STEPHENSON: Thank you, Chair Lynch.  
 15 I heard that Jeff Ayres from Ecology's  
 16 Nuclear Waste department -- division is on the line. I  
 17 wanted to ask him if he has any further comments.  
 18 MR. AYRES: This is Jeff Ayres. We went  
 19 through -- we reviewed the design that they wanted to  
 20 use for the type of aerators. At first we had some  
 21 concerns, but when we found that these were aerators  
 22 that are the same type that is existing within the  
 23 system, and when I noticed in the -- looked through the  
 24 approved O&M plan that the design is in there to allow  
 25 for additional aerators for -- as a contingency for when

Verbatim Transcript of Monthly Council Meeting - 7/18/2017

Page 13

1 the pond gets full, therefore, we have no -- we had no  
 2 issues with the additional aerators going in.  
 3 CHAIR LYNCH: Thank you, Mr. Ayres.  
 4 Any other councilmember questions? Thank  
 5 you, Ms. Khounnala. We will miss you, at least for a  
 6 couple days anyway. And Ms. Knaub, it's nice to be  
 7 introduced to you.  
 8 MS. KNAUB: Thank you. Good to meet  
 9 everyone over the phone.  
 10 CHAIR LYNCH: Now, Mr. Miller, with the  
 11 Chehalis Generation Facility.  
 12 MR. MILLER: Thank you, Chair Lynch. Good  
 13 afternoon, Chair and members of Staff. I'm Mark Miller,  
 14 the manager at the PacifiCorp Chehalis Generation  
 15 Facility. I have two nonroutine comments to provide.  
 16 The Company received from EFSEC staff the  
 17 report for the 2017 Title VI annual inspection, and that  
 18 noted that there -- the inspection reviewed both  
 19 documents -- filings on site -- and the physical site  
 20 inspection. There were no -- no nonconformances noted.  
 21 Also, I just wanted to inform the Council  
 22 that PacifiCorp just recently received additional  
 23 verifiable emission reduction greenhouse gas credits  
 24 from the national climate trust. If you recall, these  
 25 contracted purchases were part of the carbon offset

Page 14

1 requirement per Order 836, which were conditions for the  
 2 certificate transfer to PacifiCorp.  
 3 So these are 2016 vintage year credits from  
 4 the Linden Farm project. And right now we've received  
 5 42,815 tons versus the contracted 70,000 tons, so about  
 6 61 percent. So they're a little bit ahead of their  
 7 delivery, and that's a good thing.  
 8 Are there any questions?  
 9 CHAIR LYNCH: Any questions for Mr. Miller?  
 10 No. Very good. Thank you.  
 11 MR. MILLER: Thank you.  
 12 CHAIR LYNCH: Mr. Downen, Grays Harbor  
 13 Energy.  
 14 MR. DOWNEN: Good afternoon, Chair Lynch,  
 15 Council staff. My name is Rich Downen. I'm the plant  
 16 manager -- acting plant manager at Grays Harbor Energy.  
 17 The only -- I don't really have anything  
 18 nonroutine to report, but there are a few things I would  
 19 point out in the report in your packets.  
 20 Item 2.3, this was related to -- it was a  
 21 few months ago, we had high turbidity in a stormwater  
 22 ditch, so we did a full site inspection on all of our  
 23 stormwater equipment, I guess, the drainage equipment,  
 24 and we brought in a contractor and did a bunch of  
 25 maintenance on that. So we did maintenance and

Page 15

1 installed some equipment in that -- in that ditch, which  
 2 is in the -- kind of that lay-down area, which is set  
 3 aside for phase two, if that were ever to occur.  
 4 And then we fixed a cracked storm drain, and  
 5 then we replaced all the soot fencing on site and  
 6 actually made it more robust, so we're in better shape  
 7 now than we've ever been as far as stormwater runoff.  
 8 2.4 is just the notification went out to  
 9 EFSEC and ORCAA that we're going to be doing our RATA  
 10 testing, our stack testing, that's annual testing that  
 11 will take place next month.  
 12 And then item 2.6 is just another update.  
 13 We're doing regular samples of our stormwater -- or of  
 14 our outfall of the cooling tower blowdown, and those  
 15 arsenic and mercury levels continue to drop, so  
 16 they're -- actually, they're below the levels now that  
 17 AECOM predicted that we would get to with the cooling  
 18 tower replacement.  
 19 So they're still dropping, but we're  
 20 intending at this point to start the series of tests,  
 21 about -- probably pull 20 samples and get data over a  
 22 few months' period, and we'll start that in August,  
 23 which is kind of the formal post-AKART installation of  
 24 the cooling tower. We're just wanting to get things to  
 25 stabilize, and that's -- every sample has been more

Page 16

1 promising, so that's good news.  
 2 And then the only other thing that would be  
 3 different is -- item 5.1 is we had the Invernergy  
 4 Regional Safety Manager come out and kind of do an audit  
 5 and check the site, and he didn't have any  
 6 discrepancies, so that was a good visit.  
 7 That's all I have to report.  
 8 CHAIR LYNCH: Very good. Any questions for  
 9 Mr. Downen? Yes, Councilmember Stephenson.  
 10 MR. STEPHENSON: Just for the minutes for  
 11 next month, could you please define RATA?  
 12 MR. DOWNEN: Yes. Yes, I could. I think  
 13 it's in there. It's in that sentence, the Relative  
 14 Accuracy Test Assessment, RATA test, scheduled for the  
 15 week of August 7th. So that's in item 2.4.  
 16 MR. STEPHENSON: Thank you.  
 17 CHAIR LYNCH: Thank you, Mr. Downen.  
 18 And at this point, just so councilmembers  
 19 know, a reminder, we have two actions items on our  
 20 agenda today. The first is to put the Draft Industrial  
 21 Stormwater Permit for Tesoro out for public comment, and  
 22 the second would be to start the rulemaking process for  
 23 a couple of water quality rules that update our current  
 24 regs.  
 25 So if we could start off with an update

Verbatim Transcript of Monthly Council Meeting - 7/18/2017

1 about the Tesoro project from Ms. Bumpus.  
 2 MS. BUMPUS: Thank you. Good afternoon,  
 3 Chair Lynch and Councilmembers.  
 4 I'll start with the SEPA update. Staff are  
 5 currently making final edits to several sections of the  
 6 FEIS. However, there are some remaining issues we're  
 7 still working on with the applicant.  
 8 One of them, which I mentioned in the last  
 9 update last month, was related to the air quality  
 10 revisions. We're still working with them and we are  
 11 requesting some additional information. Once we get  
 12 that, we hope to incorporate it into the FEIS. And once  
 13 it's all in there, we'll do what we're kind of calling a  
 14 final review of the affected sections of the FEIS where  
 15 this will kind of ripple through the document.  
 16 So I'll keep you posted on -- you know,  
 17 primarily it's going to be the air quality revisions  
 18 that we're working on in the coming weeks.  
 19 CHAIR LYNCH: And didn't you have additional  
 20 seismic information come in, or it was about to come in?  
 21 MS. BUMPUS: We have had correspondence  
 22 related to -- primarily to the seismic mitigation, that  
 23 it would be in Earth Resources in 3.1 of the FEIS, and  
 24 we do have some correspondence that we're still having  
 25 with the applicant on that, and we are waiting on a

1 quite a bit. It was difficult to provide that and track  
 2 changes, but, in short, it's much clearer where  
 3 wastewater is going at the facility. Based off  
 4 Councilmember Stone's comments, it was clear that we  
 5 needed to revise that a little bit and clarify that  
 6 discussion, so I think that that's improved.  
 7 Let's see. What else? Well, I think that  
 8 that's -- those are the highlights for the fact sheet.  
 9 I'm going to move to the permit.  
 10 For the permit, page 7 of your version  
 11 received on July 10th, in the Special Conditions,  
 12 Monitoring Schedule table, there's been quite a bit of  
 13 editing there just -- I can slow down if councilmembers  
 14 want me to -- okay.  
 15 So the sampling of effluents, we added "i,"  
 16 which connects the timing of the sampling with the start  
 17 of the first fall storm event, so that sampling will  
 18 occur within the first 12 hours of the storm event.  
 19 For the priority pollutant scans, which are  
 20 towards the bottom of the table, we added "g," which  
 21 states that the priority pollutant scans will occur --  
 22 well, rather, we edited it, and changed the occurrence  
 23 to quarterly basis. The draft that councilmembers  
 24 reviewed in May had an annual schedule. So that's been  
 25 changed to quarterly, and this will occur for the first

1 submittal from the applicant to answer a couple of  
 2 questions for us so that we can pin down that seismic  
 3 mitigation.  
 4 CHAIR LYNCH: Any questions for Ms. Bumpus?  
 5 Okay. Very good.  
 6 Let's go ahead and turn to the NPDES  
 7 Industrial Stormwater Permit, and I'll just stay with  
 8 you, Ms. Bumpus. Did you want to hit highlights, or how  
 9 do you want to proceed on this?  
 10 MS. BUMPUS: Sure, Chair Lynch. I was going  
 11 to ask if you wanted me to do that, and so I can just  
 12 touch on a few of the changes that were made since the  
 13 May council meeting when Council first was looking at  
 14 this draft permit and fact sheet.  
 15 So in the fact sheet, I'll just start there  
 16 with some of the revisions. Pages 8 through 13  
 17 contained a location map, facility layout and Terminal 4  
 18 drainage systems and Terminal 5 drainage systems, and  
 19 those figures were blurry and difficult to read and the  
 20 labels weren't all there, and so we replaced those, and  
 21 now you can see the legend and the labelling very  
 22 clearly. That was -- that was a concern expressed in  
 23 the May council meeting.  
 24 We also on -- I think it started on page 9,  
 25 the facility description has been revised and edited

1 two years of operation, and then after that would change  
 2 to annually.  
 3 We also added "h," which explains when the  
 4 first fall storm event is each year. And so we, you  
 5 know, provide that clarification for the permittee.  
 6 And so those are sort of the highlights I  
 7 had listed to go over with councilmembers. And I also  
 8 wanted to say that I have Phyllis Barney here from the  
 9 AG's office who's done the legal review of the permit  
 10 both back in May and more recently. Gary Lee and Steve  
 11 Eberl are here from the Ecology Industrial Permit  
 12 section to answer questions. And in the back, we have  
 13 Dan Shafar from BergerABAM who's with the applicant to  
 14 answer technical questions about the engineering report  
 15 or permit.  
 16 CHAIR LYNCH: Thank you, Ms. Bumpus. I  
 17 would just note that I participated in a meeting with  
 18 Councilmember Stone and Ms. Bumpus and Mr. Posner and  
 19 some Ecology staff, and we went through the changes,  
 20 because Mr. Stone had a number of concerns about the  
 21 proposed permit when we brought this up initially in  
 22 May. And the thing he was most interested in was tying  
 23 the stormwater -- the sampling to a stormwater event, so  
 24 that's just clarified in this version of the permit, and  
 25 he seemed satisfied with the other changes that were

Verbatim Transcript of Monthly Council Meeting - 7/18/2017

Page 21

1 made.  
 2 And so with that, I will ask if  
 3 councilmembers have any questions for Ms. Bumpus or  
 4 Mr. Lee or Mr. Eberl or, I'm sorry, the gentleman from  
 5 BergerABAM as well.  
 6 MS. BUMPUS: Dan Shafar.  
 7 CHAIR LYNCH: Mr. Shafar as well. Any  
 8 questions?  
 9 I would say that this permit has -- and the  
 10 fact sheet do have more detail than what was brought up  
 11 in front of the Council before, so I think that should  
 12 make it a document that will be easier for the public to  
 13 follow.  
 14 Any -- let's see. So at this point in time,  
 15 I will entertain a motion for the -- putting this Draft  
 16 Industrial Stormwater Permit out for public comment.  
 17 MR. STEPHENSON: Chair Lynch, I'll move that  
 18 we -- the Council put this out for draft public comment.  
 19 CHAIR LYNCH: Do we have a second?  
 20 MR. ROSSMAN: I'll second it.  
 21 CHAIR LYNCH: It's been moved and seconded  
 22 that the Council put the Draft Industrial Stormwater  
 23 Permit for the Tesoro -- proposed Tesoro facility out  
 24 for public comment. All those in favor, say "aye."  
 25 MULTIPLE SPEAKERS: Aye.

Page 22

1 CHAIR LYNCH: Opposed? Motion carries.  
 2 I would just note that I was able to have  
 3 some correspondence with Councilmember Shafer about the  
 4 proposed permit, and he also supports it in its current  
 5 form.  
 6 MR. MOSS: May I?  
 7 CHAIR LYNCH: Yes, Councilmember Moss.  
 8 MR. MOSS: Chair Lynch, I would just like to  
 9 express to the Staff our appreciation for the efforts  
 10 they made to address the concerns that we raised at the  
 11 last meeting when this came up, and I think you've done  
 12 an admirable job of addressing those concerns, so thank  
 13 you.  
 14 MS. BUMPUS: Thank you.  
 15 CHAIR LYNCH: Thank you. They did put a lot  
 16 of -- thank you, Councilmember Moss. They did put in an  
 17 extra amount of time, as did the Ecology people as well.  
 18 We thank you for your assistance to us and for being  
 19 here today in case there were questions.  
 20 MR. EBERL: Thank you. Sure.  
 21 CHAIR LYNCH: So let's turn to the proposed  
 22 rulemaking, and these were proposed rules that I had  
 23 sent out to councilmembers previously. And what these  
 24 have to do -- are -- has to do with compliance --  
 25 schedules of compliance with NPDES permits.

Page 23

1 And I'll just start with 463-76-054. The  
 2 schedule of compliance in our reg currently talks in  
 3 terms of not exceeding nine months when Ecology's rule  
 4 actually says one year. And actually, furthermore, the  
 5 federal regulation says one year. So we are not in --  
 6 currently consistent with either Ecology or the federal  
 7 regulation about compliance schedules. And you might  
 8 remember this came up about a year ago or so. It  
 9 related to Grays Harbor Energy, so we would like to  
 10 update that.  
 11 The second one is 463-76-062, which has to  
 12 do with modifications of NPDES permits, and Ecology  
 13 currently has a regulation that is more flexible than  
 14 EFSEC's regulation. It allows for a minor modification  
 15 versus a major modification for purposes of providing  
 16 notice. And under EFSEC's current regulation, if we  
 17 wanted to do some -- even a modest change, we'd have to  
 18 open up the whole permit, and that's just not in  
 19 anybody's interest to do that.  
 20 So these were the two most significant  
 21 changes that I -- when I went through the proposed rule  
 22 adoptions for updating our water quality laws to make --  
 23 our water quality regulations to make them consistent  
 24 with Ecology's, we had a bunch of small things that we  
 25 are kind of holding off for now, but these were the two

Page 24

1 more significant ones that I'd like to put in front of  
 2 the Council.  
 3 And Mr. LaSpina or Ms. Barney, do you have  
 4 anything to add? Councilmembers, do they have any  
 5 questions? Consistency is good, is right, and  
 6 flexibility is good.  
 7 And so with that, I'd entertain a motion for  
 8 putting these two -- oh, I should back up a little bit.  
 9 We had been doing expedited rulemaking for a lot of our  
 10 rulemaking -- actually, for all of our rulemaking, I  
 11 think, since we've been here, but these are just  
 12 slightly different than what I think might be allowed to  
 13 go through for expedited rulemaking. And rather than  
 14 take the chance, and we've got some time, I just thought  
 15 we'd just use the regular rulemaking process.  
 16 So at this point, I'll entertain a motion  
 17 for starting the CR-101 process.  
 18 MR. MOSS: Chair Lynch, I would move that  
 19 the Council approve Staff filing the CR-101 put before  
 20 us today concerning the proposal to amend two  
 21 subsections of Chapter 463-76 WAC.  
 22 CHAIR LYNCH: Do we have a second?  
 23 MR. STEPHENSON: I'll second.  
 24 CHAIR LYNCH: It's been moved and seconded  
 25 that the Council direct the Staff to begin the CR-101



Verbatim Transcript of Monthly Council Meeting - 7/18/2017

1 process for making these two rule changes.  
 2 All those in favor, say "aye."  
 3 MULTIPLE SPEAKERS: Aye.  
 4 CHAIR LYNCH: Opposed? Motion carries.  
 5 And Mr. Posner is going to enthrall us with  
 6 the first quarter cost allocation numbers.  
 7 MR. POSNER: Good afternoon, Chair Lynch,  
 8 councilmembers. In your packets, there's a green  
 9 document that outlines the Non Direct Cost Allocations  
 10 for the first quarter, fiscal year 2018.  
 11 We do this at the beginning of every  
 12 quarter. We look at our past costs for the last  
 13 quarter, and then look ahead and then recalculate the  
 14 percentages that are charged to our projects.  
 15 So for this -- this first quarter, fiscal  
 16 year 2018, July 1st through September 30th, I'll go  
 17 ahead and read the percentages off for the benefit of  
 18 those on the phone. Excuse me.  
 19 Kittitas Valley Wind Power Project is  
 20 6 percent; Wild Horse Wind Project is 8 percent;  
 21 Columbia Generating Station, 19 percent; the WNP-1  
 22 project is 3 percent; Whistling Ridge Energy Project is  
 23 3 percent; Grays Harbor 1&2 is 10 percent; Chehalis  
 24 Generation is 9 percent; Desert Claim is 3 percent;  
 25 Grays Harbor Energy 3&4 is 3 percent; and Tesoro/Savage

1 CERTIFICATE  
 2  
 3 STATE OF WASHINGTON )  
 ) ss.  
 4 COUNTY OF KING )  
 5  
 6  
 7 I, ANITA W. SELF, a Certified Shorthand Reporter  
 8 in and for the State of Washington, do hereby certify  
 9 that the foregoing transcript is true and accurate to  
 10 the best of my knowledge, skill and ability.  
 11 IN WITNESS WHEREOF, I have hereunto set my hand  
 12 and seal this 27th day of July, 2017.

*Anita W. Self*  
 ANITA W. SELF, RPR, CCR #3032



1 is 36 percent.  
 2 That's all I have, and I'm happy to answer  
 3 any questions councilmembers may have.  
 4 CHAIR LYNCH: Any questions for Mr. Posner  
 5 regarding the cost allocations?  
 6 And with that, I just wanted again to thank  
 7 councilmembers and Staff for hanging in there. I mean,  
 8 this has been a long, long last few years, and it's a  
 9 lot of work, and a lot of times it's thankless work, and  
 10 I just appreciate your attention to the proposed  
 11 Tesoro/Savage project.  
 12 And as you know, there's been a lot of other  
 13 work that we do on top of that, so to get all that work  
 14 accomplished and still moving forward, I want to thank  
 15 everybody for your efforts, as well as the assistance  
 16 that we get from the AG's office and the assistance that  
 17 we get from various agencies.  
 18 And with that, we are adjourned. Thank you.  
 19 (Meeting concluded at 2:04 p.m.)  
 20  
 21 -oOo-  
 22  
 23  
 24  
 25

# Kittitas Valley Wind Power Project

## Monthly Project Update

August 15, 2017

### Project Status Update

#### **July Production Summary:**

Power generated:	47,286 MWh
Wind speed:	10.4 m/s
Capacity Factor:	63.1%

#### **Safety:**

No incidents

#### **Compliance:**

Project is in compliance as of August 11<sup>th</sup>, 2017

#### **Sound:**

No complaints

#### **Shadow Flicker:**

No complaints

#### **Environmental:**

No incidents

**Wild Horse Wind Facility**  
Monthly Compliance Report - July 2017

Below is the operational/compliance update for July. As requested by Chair Lynch, below is an update on the status of the Eagle Conservation Plan and Eagle Take Permit. Going forward, routine updates will be provided to EFSEC on a monthly basis. Please let me know if you have any questions.

**Safety**

No lost-time accidents or safety injuries/illnesses.

**Compliance/Environmental**

Nothing to report.

**Operations/Maintenance**

Nothing to report.

**Wind Production**

Generation totaled 54,057 MWh for an average capacity factor of 26.65%.

**Eagle Update**

- PSE has entered into a standard civil Settlement Agreement with USFWS to resolve the four eagle fatalities at Wild Horse. When developing the Settlement Agreement, the Service considered the previous actions PSE has taken in an effort to “mitigate” the fatalities such as providing funding to Hawk Watch International and Blue Mountain Wildlife Rehab, as well as conservation measures implemented under the SCA. Under the Settlement, PSE will implement corrective actions in the form of research and development of eagle detection and deterrent technologies and report to the USFWS.
- PSE continues to work closely with USFWS on revisions to the Eagle Conservation Plan and Environmental Assessment.
- Once the Eagle Conservation Plan is finalized, PSE will provide a copy to EFSEC and the TAC.
- Once the final Environmental Assessment (EA) is completed, the USFWS will release the EA in the Federal Register for public review and comment, then will make a determination on whether to issue an incidental eagle take permit.

Jennifer Diaz

Project Manager

Wild Horse Wind & Solar Facility

25901 Vantage Hwy, Ellensburg, WA. 98926

(509) 964-7813 tell | (509) 899-1107 cell

[www.pse.com/wildhorse](http://www.pse.com/wildhorse)

**Energy Northwest  
EFSEC Council Meeting  
August 15, 2017  
Shannon Khounnala**

**I. Columbia Generating Station Operational Status**

Columbia is online at 100% power and producing 1133 MWs. The plant has been online for 56 days.

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

**II. WNP 1/4 Water Rights**

NEPA/Leasing

No change from July 2017 report.

Energy Northwest's new lease with the Department of Energy for WNP 1/4 went into effect on July 1, 2017. We have started the planning and some field work on the water distribution system project, which will eventually utilize the Water Rights permit granted by the Department of Ecology.

## **Chehalis Generation Facility----Monthly Plant Report – July 2017**

### **Washington Energy Facility Site Evaluation Council**

08-14-2017

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#### **Safety:**

- There were no recordable incidents this reporting period and the plant staff has achieved 733 days without a Lost Time Accident.

#### **Environment:**

- There were no air emissions or stormwater deviations or spills during the month of July 2017.
- Wastewater and Stormwater monitoring results were in compliance with the permit limits for the month of July 2017.

#### **Personnel:**

- The Chehalis plant staffing level is currently 18 of 19 approved positions filled. We have a new vacancy for a Control Room Operator.

#### **Operations and Maintenance Activities:**

- The Plant generated 152,774 MW-hours in July for a 2017 YTD generation total of 714,475 MW-hours and a capacity factor of 26.7%.

#### **Regulatory/Compliance:**

- Nothing to report.

#### **Sound monitoring:**

- There were no noise complaints to report.



**Carbon Offset Mitigation:**

- The Company received 9,488 tons of 2016 Verifiable Emission Reduction (VER's) greenhouse gas credits from The National Climate Trust. These contracted purchases were part of the Carbon Offset requirement per Order No. 836, Conditions for the Site Certificate transfer.

These were 2016 vintage credits from the Lynden Farm Project which PacifiCorp has now received 42,815 tons. of the contracted 70,000 tons, or 61.2% of the total commitment.

Respectfully,

A handwritten signature in black ink, appearing to read "M. Miller".

Mark A. Miller  
Manager, Gas Plant  
Chehalis Generation Facility

## EFSEC Monthly Operational Report

July, 2017

### 1. Safety and Training

- 1.1. There were no accidents or injuries during the month of July.
- 1.2. Conducted scheduled and required monthly training.
- 1.3. Conducted the scheduled safety committee meeting.
- 1.4. First Aid/CPR/AED training was completed for site staff by the Grays Harbor EMS and Trauma Care Council in coordination with Grays Harbor Fire District No. 5.

### 2. Environmental

- 2.1. Submitted the June Outfall Discharge Monitor Report (DMR) to Ecology.
- 2.2. Submitted the Quarterly Emissions Summary for 2nd quarter to EFSEC, EPA, and ORCAA.
- 2.3. A load analysis was completed on both turbines in advance of the upcoming relative accuracy test assessment (RATA) the week of August 7.
- 2.4. A natural gas sample was collected on July 6 and its test results were entered into the continuous emission monitoring system (CEMS) for the month.
- 2.5. Submitted responses for Approval Conditions 2, 5, and 6 of Cooling Tower Notice of Construction to EFSEC and ORCAA. These were all associated with the new, higher efficiency drift eliminators that were installed this year.
- 2.6. The arsenic and mercury levels in the July outfall sample were below the minimum level documented in Table 3-6 of AECOM's 2015 Engineering Report. A test plan for post-AKART testing was provided to EFSEC to collect feedback prior to starting the addendum testing for this report.
- 2.7. A new Environmental Commitment Book was emailed to EFSEC including updated SPCC, SWPP, and Emergency Plans.

### 3. Operations & Maintenance

- 3.1. Grays Harbor Energy (GHE) operated 29 days and generated 361,128 MWh during the month of July.

### 4. Noise and/or Odor

- 4.1. There were no complaints made to the site during the month of July.

### 5. Site Visits

- 5.1. None.

### 6. Other

- 6.1. Grays Harbor is staffed with 19 personnel.

August 11, 2017

Stephen Posner, Manager  
Energy Facility Site Evaluation Council  
Utilities & Transportation Commission  
1300 S. Evergreen Park Dr. SW  
P.O. Box 43172  
Olympia, Washington 98504-3172

Re: Tesoro Savage Vancouver Energy Distribution Terminal  
Project No. 2013-01 – Request to Extend Statutory Deadline

Dear Mr. Posner,

Tesoro Savage Petroleum Terminal LLC dba Vancouver Energy (“Applicant”) submitted its application for site certification for the referenced terminal facility on August 29, 2013. The latest extension for completion of the EFSEC process and reporting its recommendation to the Governor will expire on August 31, 2017. Applicant requests a further three-month extension to November 30, 2017.

This extension request is based on information provided to Applicant by EFSEC staff when Applicant met with EFSEC staff on July 27, 2017, to discuss the remaining schedule to complete the EFSEC process. During the meeting, EFSEC staff indicated the Final EIS process and draft Adjudicative Order would be complete in September and that deliberations and a recommendation would occur in October and November. Staff also indicated permits would be finalized on a similar schedule. The Applicant asks EFSEC staff, contracted agencies, contracted third parties and the Council to allocate the appropriate resources to complete and deliver a recommendation according to this schedule.

Thank you for your consideration of this extension. We are confident EFSEC can deliver on this timeline and we look forward to the conclusion of this robust four-year-plus-long review process.

Sincerely,



Kelly J. Flint

cc: Jared Larrabee, Tesoro Savage Petroleum Terminal LLC  
Jay Derr, Van Ness Feldman  
Brian Carrico, BergerABAM



## Proposed Change to WAC 463-76-062

### **WAC 463-76-062**

#### **Modification of NPDES permit.**

(1) After notice and opportunity for a public hearing, any permit issued under the NPDES can be modified, (~~suspended or~~) revoked in whole or in part, or terminated during its term for cause including, but not limited to, the causes listed in WAC 463-76-055(2).

(2) The council may, upon request of a permittee, revise or modify a schedule of compliance in an issued NPDES permit if the council determines good and valid cause exists for such revision and if within thirty days following receipt of notice from the council, the regional administrator does not object in writing.

(3) Any such modifications which lessen the stringency of effluent limitations shall be executed by the council and the permittee in the same manner as the NPDES permit was executed, including full compliance with the requirements of WAC 463-76-041, 463-76-042 and 463-76-043. In all other instances, the form of public notice and public participation, if any, shall be determined by the council on a case-by-case basis according to the significance of the proposed action.

#### Effect of proposed rule amendment:

The proposed change would make EFSEC's NPDES permit modification rule consistent with Ecology's NPDES permit modification rule (WAC 173-220-190). This establishes a major vs minor modification distinction in EFSEC's rule, which has been part of Ecology's program since at least 1988. Small technical adjustments can be made in a much quicker and less expensive manner.

Federal regulation (40 CFR 122 Subpart D Secs. 122.61-64) also does not provide for the suspension of NPDES permits, but does recognize that they can be terminated. These changes to subsection (1) make the EFSEC regulation consistent with federal regulation.

**WAC 463-76-054 Schedules of compliance.** EFSEC shall establish schedules and permit conditions as follows to achieve compliance with applicable effluent standards and limitations, water quality standards, and other legally applicable requirements:

(1) With respect to any discharge which is found by the council not to be in compliance with applicable effluent standards and limitations, applicable water quality standards, or other legally applicable requirements listed in WAC 463-76-053 (1)(b) and (c), the permittee shall be required to take specific steps to achieve compliance with the following:

(a) Any legally applicable schedule of compliance contained in:

(i) Applicable effluent standards and limitations;

(ii) Water quality standards; or

(iii) Legally applicable requirements listed in WAC 463-76-053; or

(b) In the absence of any legally applicable schedule of compliance, the permittee shall take the required steps in a

(4) If a permittee fails or refuses to comply with an interim or final requirement in a permit, such noncompliance shall constitute a violation of the permit for which the council may modify or revoke the permit or take direct enforcement action.

[Statutory Authority: RCW 80.50.040 (1) and (12). WSR 04-21-013, amended and recodified as § 463-76-054, filed 10/11/04, effective 11/11/04; Order 114; § 463-38-054, filed 2/4/77. Formerly WAC 463-16-054.]

EFFECT: Makes EFSEC water quality compliance schedules the same length (one year) as the length for Ecology water quality compliance schedules, and makes the length consistent with federal rules. See WAC 173-220-140.