

Verbatim Transcript of Monthly Council Meeting
Washington State Energy Facility Site Evaluation Council
August 21, 2012



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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
Tuesday, August 21, 2012
1:32 P.M.

MONTHLY COUNCIL MEETING
Verbatim Transcript of Proceeding

REPORTED BY: SHELBY KAY K. FUKUSHIMA, CCR #2028

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A P P E A R A N C E S

Councilmembers Present:

- Jim Luce, Chair
- Dick Fryhling, Department of Commerce
- Andrew Hayes, Department of Natural Resources
- Dennis Moss, Utilities and Transportation Commission
- Doug Sutherland, Skamania County (via phone)

Staff in Attendance:

- Stephen Posner, Compliance Manager
- Jim La Spina, EFS Specialist
- Tammy Talburt, Commerce Specialist
- Amber George, Office Assistant 3
- Kyle Crews, Assistant Attorney General

Guests in Attendance:

- Richard Downen, Grays Harbor Energy Project
- Mark A. Miller, PacifiCorp Energy
- Jennifer Diaz, Puget Sound Energy
- Taylor Steele, Puget Sound Energy
- Al Wright, UTC
- Mark Anderson, Department of Commerce

Guests in Attendance Via Phone:

- Karen McGaffey, Perkins Coie
- Eric Melbardis, Kittitas Valley Wind Project, EDP Renewables
- Jon VanDerZee, EDP Renewables
- Shannon Khounnala, Energy Northwest

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OLYMPIA, WASHINGTON, AUGUST 21, 2012

1:32 P.M.

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P R O C E E D I N G S

CHAIR LUCE: I'll call the meeting to order.

Today is Tuesday, August 21, 2012. We are at the Utilities and Transportation Commission office in Olympia, Washington. This is the monthly meeting of the Washington State Energy Facility Site Evaluation Council, and the clerk will please call the roll.

THE CLERK: Department of Commerce?

MR. FRYHLING: Dick Fryhling is here.

THE CLERK: Department of Ecology?

CHAIR LUCE: Hedia, are you on the phone?

All right.

THE CLERK: Fish and Wildlife?

Natural Resources?

MR. HAYES: Andy Hayes is here.

THE CLERK: Utilities and Transportation Commission?

MR. MOSS: Dennis Moss is here.

THE CLERK: Skamania County?

MR. SUTHERLAND: Doug Sutherland is here.

THE CLERK: And Chair?

1 CHAIR LUCE: Chair is present.

2 THE CLERK: There is a quorum.

3 CHAIR LUCE: There is a quorum.

4 All right. Well, we have no action item, so even if
5 there was no quorum, we can move ahead. But we do have a
6 proposed agenda.

7 Councilmembers have any comments on that?

8 Somebody just beamed in.

9 Maybe we should first ask people to identify
10 themselves on the phone.

11 Hello, phone people.

12 MS. MCGAFFEY: This is Karen McGaffey.

13 CHAIR LUCE: Hello, Karen.

14 MR. VANDERZEE: Hi. Jon VanDerZee from EDP
15 Renewables is here.

16 CHAIR LUCE: Others?

17 MS. KHOUNNALA: Shannon Khounnala with Energy
18 Northwest.

19 CHAIR LUCE: And?

20 MR. MELBARDIS: Eric Melbardis, EDP Renewables,
21 Kittitas Valley Wind Power Project.

22 CHAIR LUCE: All right.

23 Anyone else? I have four.

24 Do I hear five?

25 No Hedia. All right.

1 Proposed agenda. Councilmembers, have you had a
2 chance to review the agenda? Do you have any changes?
3 Corrections? Additions?

4 I have a couple of recommended changes myself. I
5 think it would be, with Council's approval, appropriate to
6 consolidate the Kittitas Valley Wind Power Project and the Wild
7 Horse Wind Power Project, both of which have had some issues
8 associated with wildfires recently, into the first item on the
9 agenda.

10 Does anyone have any other concerns or objections
11 or...

12 All right. We'll make that adjustment, please.

13 Any other Councilmembers want to move anything around
14 on the agenda or add anything to it?

15 Hearing none, we will approve the agenda as modified.

16 The minutes of June 19, 2012, the verbatim minutes
17 are before you.

18 Do we have a motion? Do Councilmembers have any
19 comments? If not, do we have a motion to adopt?

20 MR. FRYHLING: I'm going to make a motion to adopt
21 the minutes as presented.

22 CHAIR LUCE: Second?

23 MR. HAYES: I'll second that motion.

24 CHAIR LUCE: We have a motion and a second to adopt
25 the minutes of June 19, 2012.

1 All in favor say "aye."

2 MULTIPLE SPEAKERS: Aye.

3 CHAIR LUCE: Let the record reflect the vote was
4 unanimous.

5 All right. We'll move ahead to projects.

6 Kittitas Valley Wind and Wild Horse. Let's -- do we
7 want to do a combined...

8 MR. FRYHLING: Well, let's have Eric go first, and
9 then...

10 CHAIR LUCE: All right. All right. Fair enough.
11 Eric goes first.

12 MR. MELBARDIS: Good afternoon, Chairman Luce and
13 EFSEC Council.

14 Can you hear me all right?

15 CHAIR LUCE: We can hear you, Eric.

16 MR. MELBARDIS: Great. Well, I'll start off with my
17 project summary for July as normal, and then move into the fire
18 news.

19 For the month of July, Kittitas Valley Wind Power
20 Project produced 11,795 megawatt-hours with wind speeds at 9.1
21 meters per second or 21 miles per hour average. That gives us a
22 capacity factor of 15.7 percent.

23 The project had no safety incidents to report. The
24 project is in compliance with the SCA as of August 15th when
25 this report was created. No sound complaints. No shadow

1 flicker complaints.

2 On environmental report, I have wildfire verbal
3 update. I'm going to skip that for just a minute, finish this
4 part out, and then we can go into the fire.

5 The project was at the time of this update evaluating
6 our weed control needs and identifying areas that need to be
7 seeded again. That has changed a bit.

8 Our avian and bat fatality monitoring studies
9 continue. And on the line with our environment department is
10 Jon, who wanted to give a quick update about our Year 1 avian
11 fatality studies.

12 CHAIR LUCE: Jon?

13 MR. VANDERZEE: Yes. Can the Council hear me okay?

14 CHAIR LUCE: Yes. We can hear you well.

15 MR. VANDERZEE: Okay. I just wanted to give the
16 Council a brief update that we have completed our first year of
17 avian fatality monitoring studies. We met with the Technical
18 Advisory Committee on June 20th to update them on the results of
19 those surveys.

20 I have a couple of results if the Council is
21 interested in hearing those, but the TAC was generally
22 supportive of moving forward with the second year of avian
23 fatality surveys with similar methodology to that of the first
24 year.

25 CHAIR LUCE: My guess is the Council will be

1 interested.

2 MR. VANDERZEE: Sure. The estimate of mortality for
3 bats for the first year was 0.12 bats per megawatt per year,
4 which are generally below the mean of other wind farms within a
5 similar ecoregion.

6 The estimate of bird mortality was 1.06 birds per
7 megawatt per year, which are also in the lower range of wind
8 farms within the ecoregion and were below the mean.

9 And the estimate of mortality for raptors was 0.09
10 per megawatt per year, but that was based on a very small sample
11 size of two red-tailed hawks and one kestrel. However, the
12 estimates are in the middle of the range for wind farms within
13 the ecoregion.

14 CHAIR LUCE: Councilmembers have any questions about
15 the studies?

16 All right. Thank you.

17 MR. VANDERZEE: Thank you.

18 CHAIR LUCE: Continue, Eric.

19 MR. MELBARDIS: For the month of July, the project
20 had no stormwater discharge to report, and as always, we're
21 continuing to monitor all stormwater BMPs, improving as
22 necessary. That concludes the regular project update.

23 And now I guess for the wildfire, would you like a
24 brief summary from an operational standpoint, or would you like
25 to ask questions? How would you like to format this?

1 CHAIR LUCE: Well, I'll leave it up to you, unless
2 the Council -- I think we want to hear operational. We also
3 want to hear -- I'm particularly interested in revegetation
4 issues, how are you going to work with the TAC, and how the fire
5 coordination provisions of the site certificate worked out.

6 Other Councilmembers have issues?

7 So why don't you address those three, but also tell
8 us about operations.

9 MR. MELBARDIS: Okay. Operationally, the fire broke
10 out in the middle of the day on Mon -- on this past Monday. At
11 around four o'clock, the smoke was coming towards the O&M
12 building. We closed the building down, evacuated all remaining
13 site personnel, we de-energized the entire plant, and we did
14 that for a couple of reasons: First, for safety of any
15 firefighters or first responders in the area. We want to take
16 all high-voltage electricity out of the equation; and then the
17 second step was for protection of our equipment.

18 At that point, I was the last person on the site,
19 retreated to a safe distance, and watched the fires roll over
20 onto the project, around the O&M building. And at that point,
21 the -- well, at that point, I was ordered to evacuate by the
22 firefighters, so retreated to another safe distance to watch the
23 project for a while.

24 And, you know, at that point, the entire area of the
25 project became a restricted area until the next morning. So for

1 much of the rest of that day and that evening, into the early
2 morning hours, the site was an active -- an active area of
3 firefighting, bulldozers carving fire breaks, and generally
4 under the control of what was forming to become the interagency
5 operation. The project was not directing any of the
6 firefighting at that point.

7 So operationally, we were able to get back into the
8 site the next morning at approximately 6:30 a.m., and we did a
9 complete investigation of every turbine, every transformer, all
10 collection lines, all junction boxes, O&M building, substation,
11 et cetera, to confirm that there was no damage.

12 And the site suffered no damage to equipment, except
13 a couple of areas of just superficial damage on the outside of
14 some junction boxes. So we proceeded to re-energize the
15 project, which meant that we were offline for 18 hours, and the
16 project has been fully operational since that point.

17 CHAIR LUCE: Thank you.

18 MR. MELBARDIS: As far as impact to the project to
19 the grasslands and the shrub-steppe, we're in the process of
20 evaluating and surveying exactly how much project land was
21 burned. So I can only give my visual numbers. I'll say that
22 quite a bit of the undisturbed, nondisturbed, prairie, and
23 shrub-steppe land is burned. And interestingly enough, I would
24 say that nearly all of the project reseeded areas, which were
25 our disturbed acres, survived. So the fires burned up the

1 shrub-steppe then jumped over our seeding alongside of all of
2 our turbine access roads. Jumped the road, jumped the other
3 side of the seeding, and then carried on burning the brush.

4 So it's going to take us some time to evaluate and
5 map and GPS and GIS exactly the extent of the damage, and -- and
6 also what needs to be done about it.

7 I'm trying to think of your other question. It was
8 maybe about --

9 CHAIR LUCE: How did the coordination go with the
10 fire departments that are responsible? I think there were
11 provisions in the SCA regarding that.

12 MR. MELBARDIS: Fire coordination went extremely
13 well. Of course, at the time that the fire broke out, people
14 were leaving or already gone for the day. So I was able to, per
15 our energy response plan, initiate our site evacuation and
16 shutdown plans.

17 At that point, the local firefighters were already
18 engaged in fighting the fire, and then as it ran over the site
19 and beyond, you know, it started to become more of a regional
20 event. We did have contact with Fire District 1, which is who
21 we have our fire protection services agreement with, and was
22 also a party to -- or I was a party to the daily interagency
23 command administrative briefings that took place at the -- the
24 kind of ad hoc headquarters at the middle school here where all
25 of the local districts were. So we coordinated -- even after

1 the fire came through the area, we coordinated with air strike
2 assets, clearing spaces around our project for them to land,
3 keeping site access roads available, helping with anything that
4 they -- that they needed at that time.

5 CHAIR LUCE: Great. You will be involving the TAC
6 and the -- and the analysis of what revegetation is necessary
7 and working with our Staff?

8 MR. MELBARDIS: That's correct.

9 CHAIR LUCE: All right.

10 Councilmember questions?

11 MR. HAYES: Yeah. Chair, I have a couple of
12 additional questions.

13 Eric, could you speak briefly -- I'm not familiar
14 with the provisions in the Site Certification Agreement about
15 the gravel pads around the turbines. I understood from some
16 e-mail exchanges that there was -- those had been increased in
17 size.

18 Could you speak a little bit to that?

19 MR. MELBARDIS: Yes. I'm sorry.

20 Who was this?

21 MR. HAYES: Sorry. It's Andy Hayes.

22 MR. MELBARDIS: Andy Hayes. Well, Andy, I think
23 what -- the day after the fire came through, I was speaking with
24 EFSEC project staff, and we had -- in the fall and in the spring
25 had noticed that by -- that there was -- there was some grass

1 and revegetation growing up close to -- closer to the turbines
2 and to our pad-mounted transformers. So at that point, we
3 decided to increase the gravel footprint around those areas as a
4 fire protection measure. And then earlier this summer, we went
5 around and took care of any weeds that had encroached in those
6 gravel areas.

7 And I have to say that I think that the timing on
8 that was ideal, because as some of you may know, around the
9 bases of our turbines, the bolts that hold the turbine to the
10 foundation have plastic covers on them. And of our 48 turbines,
11 not -- we don't even have one melted plastic cover at the base.

12 So when you look at an aerial view, it's -- the fire
13 just burned right around the turbines. No blackening on the
14 paint. No blade damage. And I think that actually my staff's
15 suggestion to widen those corridors out as a fire perimeter was
16 quite prudent.

17 CHAIR LUCE: Great. Andy, go ahead.

18 MR. HAYES: Yes. So I was wondering, Stephen, if
19 there's any sort of postmortem lessons to be learned here, if
20 we're going to spend some time thinking about this relative to
21 the Site Certification Agreement, if there's anything to learn?

22 MR. POSNER: Well, one thing. The Site Certification
23 Agreement, relative to site restoration, addresses site
24 restoration relative to construction and operation of the
25 project.

1 So we're in the process right now of kind of looking
2 through and -- and we've actually contacted the Department of
3 Ecology, who has expressed an interest to meet with us at the
4 site. And we will be contacting other regulatory agencies to
5 talk about issues such as stormwater runoff that may be an issue
6 or something that may be need to be addressed.

7 There are various areas in the Site Certification
8 Agreement that talk about site restoration and making sure that,
9 for instance, that the project's in compliance with stormwater
10 runoff management and things of that nature.

11 But -- and under these circumstances, we're not
12 exactly sure how -- how those requirements would apply under
13 these circumstances, something that's not related to an
14 operational or construction impact.

15 And we've actually talked to Kyle about this, and Jim
16 La Spina and I have talked about it. And, you know, the
17 fires -- my understanding it's maybe contained fully this
18 evening, so it's still -- we're still in the beginning stages
19 of, you know, looking and evaluating.

20 But in talking to the project that, you know, they --
21 Eric -- they expressed an interest to meet with the agencies and
22 figure out the best way to deal with any issues.

23 CHAIR LUCE: Great.

24 Andy, do you have anything else?

25 MR. HAYES: Actually, I do. Just one last question.

1 CHAIR LUCE: Okay.

2 MR. HAYES: Related to the restoration or potential
3 restoration effort -- I don't know if this question is better
4 for Stephen or for you, Eric, but I was wondering: You know,
5 fire is part of the natural ecology of this ecosystem, so I'm
6 wondering to what extent that was contemplated relative to this
7 kind of situation?

8 MR. POSNER: Eric, I would ask you to answer that
9 question, or maybe even Jim. Jim might have some information on
10 that.

11 MR. MELBARDIS: You know, I -- I'm an operator, so
12 I'm sure that things -- that that was considered and discussed
13 during development and planning of the project.

14 I have heard that -- I don't know the term, but that
15 this is a fire germination ecoculture at some point or ecology
16 structure. You know, one benefit is that although things look
17 pretty black right now, most everything was already in a dormant
18 and dried-out state. So many people, locals in the area, told
19 me that, you know, next spring, this will be greener than even
20 ever. But that's not, you know, a technical explanation, of
21 course.

22 Maybe Jim has some more on that.

23 MR. LA SPINA: It's a fire climax ecosystem, and
24 fires are just a fact of life for that type of ecosystem.

25 Some fire climax plants even germinate their seeds

1 using fire, so I think at this point, we are evaluating what the
2 damage is, what needs to be done, what the commitments are of
3 the company. And -- and I'm confident we'll have a fuller
4 report at your next Council meeting. A more complete report.

5 MR. HAYES: Great. Yeah, I look forward to seeing
6 that. It occurs to me that depending on the intensity of the
7 fire, that the restoration may have already happened.

8 MR. LA SPINA: As I understand it, I remember -- I
9 think Eric said something about all the reference plant plots
10 were burned, so...

11 CHAIR LUCE: Okay. Other Councilmember questions?

12 MR. FRYHLING: This is Dick Fryhling. I have a
13 comment. I sat through three hearing processes over there on
14 three different facilities. And one of the things a number of
15 people brought up that the fires they have over there, this is
16 going to be gloom and doom when it -- when it went through
17 these -- these turbine areas.

18 And I think that it went through these turbine areas,
19 and they said they didn't have any problems. And I think
20 defensible space around each of these turbines is one of the
21 things, the fire breaks, so they can continue to look at what --
22 if they need to do that around the whole project.

23 But for all those people who lived over there and
24 said that this is going to be the end of the world when these
25 turbines blew up and the hydraulic fluid and the oil ignited

1 and -- and so forth, nothing happened.

2 And so I think the facilities were well thought out,
3 and we didn't have a problem with the fires that they -- they
4 seem to have every five or six years in the valley.

5 CHAIR LUCE: Anything else from Councilmembers?

6 MR. SUTHERLAND: Jim, this is Doug.

7 CHAIR LUCE: Yeah, Doug.

8 MR. SUTHERLAND: A question on wildlife and birds.

9 Was there any evidence at all of loss of wildlife or
10 birds as a result of the fire?

11 MR. MELBARDIS: This is Eric. On the project site
12 itself, we have seen no signs of that. In fact, you can watch
13 mice crawl around from about a hundred yards away now.

14 But there are still crows and ravens in the area and
15 typical -- I have seen deer walking around the blackened areas
16 down in the canyons. I have not seen any -- any signs, at least
17 on the project site, of any -- any harm to wildlife.

18 MR. SUTHERLAND: Great. From past experience, I can
19 tell you that after a fire, you'll be amazed at the regeneration
20 and regrowth of vegetation.

21 CHAIR LUCE: Any other comments? Questions?

22 Thank you, Eric.

23 Let's move ahead to Wild Horse.

24 MR. MELBARDIS: Hey, Jim? Jim, may I mention just
25 one more thing?

1 CHAIR LUCE: Sure.

2 MR. MELBARDIS: In terms of when we can begin surveys
3 and other items, our operations and maintenance facility just
4 got power back yesterday, so we've been a little bit -- a little
5 bit behind the curve in terms of, you know, being able to print
6 things and -- and look at things, so I just wanted to make you
7 aware of that.

8 And I may have mentioned earlier, over this past
9 week, there have -- there have been a lot of offsite activity on
10 the project site in the way of restoration vehicles, power
11 equipment, cranes, bulldozers, et cetera, so there is a lot of
12 disturbed area now in formerly undisturbed areas, but that is
13 not the responsibility of the project operationally. I just
14 wanted to just enter that point in there.

15 And then, thirdly, I just wanted to say that I think
16 that the way we came through and the success of our continued
17 operations is based around the combined staff at the project.

18 CHAIR LUCE: Got your point for the record, and the
19 rest of it, thank you very much.

20 Go ahead, please.

21 MS. DIAZ: All right. Chair Luce and Councilmembers,
22 Jennifer Diaz. I'm the environmental manager for Puget Sound
23 Energy at the Wild Horse Wind Facility. And I'll start off with
24 our regular project summary as well, and then give a brief
25 update on any impacts to Wild Horse from the fire.

1 July generation totaled 31,980 megawatt-hours for an
2 average capacity factor of 15.8 percent. Not a good month for
3 wind. The Solar Demonstration Project generated 104
4 megawatt-hours.

5 Under safety, there were no lost-time accidents or
6 safety incidents to report in July. We did have an independent
7 third-party safety consultant conduct a safety evaluation at
8 Wild Horse, and overall the consultant was very impressed with
9 the safety program stating that as with most programs, there's
10 room to improve, but the basics for an outstanding safety
11 program exists at Wild Horse. So we were very happy with that
12 audit.

13 Under compliance and environmental, the Department of
14 Archeology and Historic Preservation came out and conducted a
15 cultural resource training for our site staff, as well as our
16 CRM members. And our CRM members are the Coordinated Resource
17 Management group who help us with our grazing, our sustainable
18 grazing management plan on site.

19 Site staff also received annual training and spill
20 prevention, response, cleanup, reporting and spill inspections
21 in accordance with the SPCC plan. And that's all I have for the
22 update.

23 Any questions about the update before I move on to
24 the fire?

25 Okay. So Wild Horse was not impacted by the fire.

1 We are about 15 miles east of the furthest extent of the fire
2 damage.

3 And other than smoke, there was no other impacts. We
4 did have to close up air intake vents in our project facilities,
5 but other than that, it was not an issue at all.

6 Most of our staff were restationed at our Thorpe
7 Service Center for a few days just to help with restoration
8 efforts on our IP line and helping the linemen just with water
9 and food and whatnot and getting them hydrated.

10 We did have six poles damaged on our 115 IP line.
11 Restoration was completed on that line on Saturday, and another
12 37 structures on our Rocky Beach line were damaged, and we
13 expect to have restoration completed on that by the end of this
14 week.

15 Service to our customers was only interrupted for a
16 moment. We were able to have power go through our Kittitas
17 substation. We route through there, so it wasn't an issue at
18 all. So far things are going good.

19 CHAIR LUCE: Great. Questions?

20 Thank you very much.

21 MS. DIAZ: All right. Thank you.

22 CHAIR LUCE: Eric, are you still on?

23 MR. MELBARDIS: Yes, sir, I am.

24 CHAIR LUCE: Come back. There were some structures
25 adjacent to the KV project that were burned, destroyed; is that

1 correct?

2 MR. MELBARDIS: Both Puget Sound and Kittitas PUD
3 structures.

4 Oh, you mean --

5 CHAIR LUCE: No, private residences.

6 (Simultaneous talking.)

7 MR. MELBARDIS: -- and homes?

8 CHAIR LUCE: Yeah.

9 MR. MELBARDIS: Yes.

10 CHAIR LUCE: How many were lost?

11 MR. MELBARDIS: I don't -- I haven't heard the
12 official number, but it seems to be rumored around 80 structures
13 total were lost in the fire.

14 CHAIR LUCE: All right.

15 MR. MELBARDIS: There were some -- some structures
16 adjacent to the project, whose names you're familiar with, that
17 are -- that were total losses. There were some other
18 outbuildings and barns on the project that were total losses as
19 well.

20 CHAIR LUCE: So both of those homes were destroyed?

21 MR. MELBARDIS: Not Mr. Bell's.

22 CHAIR LUCE: Not Mr. Bell's. Okay.

23 Robinson [sic]?

24 MR. MELBARDIS: Robertsons' house was destroyed.

25 CHAIR LUCE: Okay. Thank you.

1 Councilmember questions?

2 MR. FRYHLING: Jim, I just wanted to say the -- the
3 smoke from the fire traveled a long ways. The day after the
4 fire started, you could wake up in Walla Walla and there was --
5 the whole valley was full of the smoke, and it extended all the
6 way down to Pendleton.

7 CHAIR LUCE: Right.

8 MR. FRYHLING: So that smoke traveled a long ways
9 and...

10 CHAIR LUCE: All right.

11 MR. DOWNEN: Good afternoon, Chair Luce, Council, and
12 Staff. I'm Rich Downen, the plant manager at Grays Harbor
13 Energy. We didn't meet in July, so I thought I'd cover the June
14 report quickly, and then the July report.

15 We had no accidents or injuries in the month of June.
16 The plant didn't operate during the month of June, but all of
17 our normal testing and reporting.

18 No complaints were received during the month of June,
19 and the only thing of note for June was that the NOV from last
20 fall that we've been working through with EFSEC Staff was put to
21 bed. We closed the requirements to the NOV after performing
22 another stack and RATA test kind of pointed in the direction
23 that -- that it was a faulty test last fall, and so we closed up
24 that NOV.

25 CHAIR LUCE: Thank you.

1 MR. DOWNEN: And for July, again, no accidents or
2 injuries. Normal training and reporting. We only operated one
3 day during the month of July, and we received no complaints.

4 And the -- the thing of note is working -- that we
5 began working with EFSEC, Ecology, and URS, which is a
6 contractor working on our behalf for National Pollutant
7 Discharge Elimination System Waste Discharge Permit Application
8 and Engineering Report, and that includes the whole effluent
9 toxicity testing. That sampling actually began last week, so
10 it's just part of a permit update with our river water study,
11 so...

12 CHAIR LUCE: That's it?

13 MR. DOWNEN: That's it.

14 CHAIR LUCE: Thank you so much.

15 MR. DOWNEN: Thank you.

16 CHAIR LUCE: Next up will be Columbia Generating.

17 MR. FRYHLING: Chehalis.

18 CHAIR LUCE: I'm sorry. I missed Chehalis.

19 How could I have done that? The answer is easy.

20 MR. MILLER: Chair Luce and Councilmembers, I'm Mark
21 Miller from the PacifiCorp Chehalis plant. And for the month of
22 July, we had no medical treatments or recordable incidents. And
23 we're approaching almost ten years. We have 3,593 days without
24 a lost time.

25 With respect to the environment, stormwater,

1 wastewater, and air emissions monitoring results all remain in
2 compliance for the month of July.

3 We continue to work with the Chehalis -- Confederated
4 Tribes of the Chehalis on a tree planting contract that's been
5 reviewed by both Tribal Council and ours, and we've been keeping
6 Staff informed of that. And, hopefully, we'll get that executed
7 and -- and move on.

8 Personnel. We still have a vacant maintenance
9 manager position. We received a number of applicants and have
10 begun the interviewing process.

11 For operational and maintenance activities in July,
12 the plant generated 75,678 megawatt-hours at a capacity factor
13 of 21.1 percent, and year-to-date 453,000 at 17.8. And this
14 month, we're cycling on and offline daily.

15 We continue to plan for our 20-day outage, which was
16 scheduled in June, and moved to the month of October/November.
17 And you have seen the major activities there primarily related
18 to the installation of a new generator step-up transformer,
19 which has had several manufacturing errors or complications in
20 Montreal, Quebec, and we expect that to arrive on site at the
21 end of September and meet the deadline for -- or it actually
22 will leave Canada at the end of September and be on site a month
23 later.

24 It's not listed here, but we are adding a significant
25 piece of work to the outage. The steam turbine itself, the

1 intermediate pressure section will be removed. We've been
2 monitoring some migration of shims and the blades for the last
3 three years, and we've made a decision as of last Friday to pull
4 that section and do that repair to prevent any foreign object
5 damage in the future.

6 And regulatory and compliance. There's no spills or
7 other issues. And no noise complaints. And a site survey was
8 conducted on the 31st of July.

9 Unless there's any questions, that's all I have.

10 CHAIR LUCE: Thank you.

11 Columbia Generating? Shannon?

12 MS. KHOUNNALA: Yes. Good afternoon, Council. This
13 is Shannon Khounnala with Energy Northwest. To start off, I'll
14 do a brief summary here of Columbia Generating Station's
15 operational status.

16 Currently, we're operating at a hundred percent
17 power, today generating 1,092 megawatts. And we have now been
18 online for 80 days. Not much to report this month. We've had
19 no safety issues. No operational issues. There are no
20 downpowers or outages planned in the near future.

21 CHAIR LUCE: Great. Thank you.

22 (Phone beeps.)

23 CHAIR LUCE: I'm sorry. Go ahead. WNP 1/4?

24 MS. KHOUNNALA: Yes. So moving on to the WNP-1 and 4
25 water rights discussion.

1 Just last week, Energy Northwest technical staff had
2 another meeting with the technical staff and the real estate
3 staff from the Department of Energy in regards to our water
4 rights application that we proposed to submit to the Department
5 of Ecology.

6 I would like to note that I know in the past, we've
7 reported to EFSEC Council that we've had a hard time in making
8 forward progress on this effort. And I believe in the last 60
9 days, both parties, Energy Northwest and the Department of
10 Energy, have made significant progress. We're committed to
11 having at a minimum, monthly meetings, and there are ongoing
12 e-mail and phone call communications.

13 And at this point, we're working through various
14 technical and regulatory issues for both parties mainly related
15 to which agency, either Energy Northwest or the Department of
16 Energy, will be the actual applicant on the water rights
17 application, and whether or not, as a condition of the
18 application, new wells may or may not need to be drilled.

19 So those are technical concerns that we continue to
20 work through. And like I said, I believe we've been making
21 significant progress this summer. Energy Northwest and
22 Department of Energy do have a subsequent meeting planned at the
23 beginning of September, so in a few weeks.

24 CHAIR LUCE: Great.

25 MS. KHOUNNALA: Any questions?

1 CHAIR LUCE: Questions?

2 Well, meetings are good.

3 Whistling Ridge?

4 MR. POSNER: Good afternoon, Chair Luce and
5 Councilmembers. Just a quick update.

6 We didn't have a Council meeting last week [sic], so
7 we weren't able to update you and let you know that the
8 Whistling Ridge case record was sent up to the Court. It was
9 certified on July 30th, a record consisting of 36,704 pages.

10 And we have -- the next event happening is on
11 September 6. There is a case schedule hearing on that date, and
12 that's all I have.

13 CHAIR LUCE: Thank you. I think it's back to you,
14 Mr. Posner, for cost allocation?

15 MR. POSNER: Okay. In your packet, Councilmembers,
16 is the non-direct cost allocation worksheet for the first
17 quarter of fiscal year 2013. We do this at the beginning of
18 every quarter. We would have done it last month, but we didn't
19 have a meeting last month.

20 So the percentages are listed, and I would like to go
21 ahead and read those off for the benefit of those folks on the
22 speakerphone.

23 For the Kittitas Valley Wind Power Project, it's 13
24 percent; Wild Horse is 10 percent; Columbia Generating Station
25 is 23 percent; WNP-1 is 4 percent; Whistling Ridge is 9 percent;

1 the Satsop Combustion Turbine Project is 12 percent; Chehalis
2 Generation Project, 10 percent; Desert Claim, 3 percent; BP
3 Cogeneration, 2 percent; and Grays Harbor Energy, 14 percent.

4 That concludes my presentation. I would be happy to
5 answer any questions Councilmembers have.

6 CHAIR LUCE: Councilmember questions?

7 Hearing no questions, I guess it's back to the
8 Chairman's update.

9 Chairman's update today consists of a resolution
10 honoring Al, Albert E. Wright, who has served with distinction
11 as the manager of our Council and has accepted more recently a
12 position in the policy office of the Utilities and
13 Transportation Commission. He will be missed. He is missed.

14 I've shared this resolution with other
15 Councilmembers, and I'm going to ask for a roll call vote. But
16 I think all have contributed and agreed that this is entirely
17 appropriate.

18 I'm going to read the resolution simply for the
19 record, and this is Resolution No. 333. Recognition of Al
20 Wright.

21 (As read): "WHEREAS, Al Wright was appointed the
22 Manager of the Energy Facility Site Evaluation Council on March
23 15, 2010 based upon his knowledge and expertise in the energy
24 facility and transmission services area; and

25 "WHEREAS, Al Wright accepted this position at a time

1 of significant change for the Council as it moved from the
2 Department of Commerce to the Utilities and Transportation
3 Commission, and

4 "WHEREAS, Al Wright was at the same time entrusted
5 with the responsibility of managing the precedential settling
6 'Expedited Processing' of the Site Certification Agreement for
7 Grays Harbor Energy, which resulted in Council recommendations
8 approved by the Governor;

9 "WHEREAS, Al concurrently coordinated and was
10 responsible for all aspects of the processing of the Whistling
11 Ridge Site Certification Application, resulting in a
12 recommendation approved by Governor Gregoire and preparation of
13 the administrative record for review by the Superior Court; and

14 "WHEREAS, Al Wright served as a valuable resource in
15 testimony before the Washington State Legislature and in policy
16 discussions with Governor Gregoire's energy sub-cabinet and;

17 "WHEREAS, Al Wright's patience, judgment,
18 flexibility, and experiences contributed greatly to the
19 Council's collaborative decision-making process; and

20 "WHEREAS, Al Wright has provided invaluable advice to
21 the Council, the Department of Commerce, the Utility and
22 Transportation Commission and the Governor's Office;

23 "NOW THEREFORE BE IT RESOLVED, that the Energy
24 Facility Site Evaluation Council recognizes Al Wright's
25 outstanding contributions to the Council's siting and regulatory

1 activities and sincerely expresses its gratitude for the
2 commitment, dedication and effort he exhibited over the past two
3 and half years and wishes him well in his new position as a
4 policy advisor to the Utility and Transportation Commission.

5 "Dated and effective, Olympia, Washington, this
6 day...."

7 I'm going to ask for Councilmembers, any comments
8 before we take a vote?

9 MR. HAYES: Well, I didn't prepare any extensive
10 comments, but suffice to say you've been a pleasure to work
11 with. You've been a great service to the -- to the Council, and
12 you'll be well missed.

13 MR. MOSS: I'm speaking for the Utilities and
14 Transportation Commission. I can recall the old joke of, "How
15 can we miss you if you don't go away?"

16 So on the one hand, thank you for your service to
17 EFSEC, and on the other hand, welcome, and I'm glad you'll be
18 providing services to the Utilities Commission. Thanks, Al.

19 MR. FRYHLING: I just wanted to thank you, Al, for
20 your work and your working with me and helping me when I needed
21 help. And it was a job well done. And you're greatly
22 appreciated, and you're going to be missed. Thank you.

23 CHAIR LUCE: Doug, are you on the phone? Anything to
24 say?

25 MR. SUTHERLAND: Yeah, I do. I've lost you twice

1 because of the network down here, but be that as it may, I just
2 want to say that Al and the rest of the Staff were incredibly
3 helpful. And, as you know, I got there kind of as a late
4 starter on the Whistling Ridge Project, but Al and the Staff
5 were absolutely incredible in helping me catch up with and to be
6 a participant for Skamania County.

7 And I think Skamania County benefited from his
8 counsel and his educating this kid in the process of coming to
9 what I think is a reasonable conclusion to the project, at least
10 as far as we are now.

11 And I just want to say thank you. It's really,
12 really unusual that someone would jump in and help at the rate
13 that he did and it's deeply appreciated.

14 CHAIR LUCE: Thanks. Jeff Tayer could not be with us
15 today, and I'm not sure that Hedia's on the phone. She's never
16 signaled one way or the other. But I know that she also wanted
17 to pass on her comments and appreciation to Al as I have done
18 before and will do on numerous occasions in the future.

19 It's been quite a 2 1/2-year period. Whistling Ridge
20 was, from my perspective, probably -- not probably -- was the
21 most challenging case we've had. And it was great to have the
22 expedited processing work in Grays Harbor, and I think it
23 convinced a lot of us that the expedited processing approach is
24 the right approach for EFSEC to undertake in the future.

25 We need a few statutory or administrative

1 interpretation tweaks along the way before we can use it more
2 widely and more broadly, but we're going to work on that.

3 So thank you so much, Al. Much appreciated.

4 Roll call vote. We'll just do this by unanimity.

5 All in favor say "aye."

6 MULTIPLE SPEAKERS: Aye.

7 CHAIR LUCE: Thank you. All right.

8 Congratulations, Al. You're out of the frying pan
9 and into the fire.

10 All right. And with that, the Council meeting is
11 adjourned.

12 (Whereupon, the meeting was adjourned at 2:14 p.m.)

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