WASHINGTON STATE
ENERGY FACILITY SITE EVALUATION COUNCIL
Olympia, Washington
September 17, 2019

MONTHLY COUNCIL MEETING
Verbatim Transcript of Proceedings

REPORTED BY: TAYLER GARLINGHOUSE, CCR 3358
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APEX AREANCES

Councilmembers:

KATHLEEN DREW, Chair
CULLEN STEPHENSON, Department of Ecology
MIKE LIVINGSTON, Fish & Wildlife
STacey BREWSTER, Utilities & Transportation Commission
DAN SIEMANN, Department of Natural Resources (phone)

Assistant Attorney General:

JON THOMPSON

Council Staff

AMI KIDDER
KYLE OVERTON
TAMMY MASTRO
JOAN AITKEN
STEW HENDERSON
AMY MOON

In Attendance:

ERIC MELBARDIS, Kittitas Valley (phone)
JENNIFER DIAZ, Wild Horse (phone)
CHRIS SHERIN, Grays Harbor Energy
JEREMY SMITH, Chehalis Generation
MARY RAMOS, Energy Northwest (phone)
TIM MCMANAHAN, Stoel Rives (phone)
KARA WARNER, Golder Associates (phone)
HALEY OLSON, Wild Horse (phone)
LACEY, WASHINGTON; SEPTEMBER 17, 2019

1:30 P.M.

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PROCEEDINGS

CHAIR DREW: Good afternoon. This is Kathleen Drew, Chair of the Energy Facility Site Evaluation Council. I'm calling this meeting to order.

Ms. Mastro, will you call the roll?

MS. MASTRO: Department of Commerce?

CHAIR DREW: Vacant.

MS. MASTRO: Department of Ecology?

MR. STEPHENSON: Cullen Stephenson, here.

MS. MASTRO: Department of Fish & Wildlife?

MR. LIVINGSTON: Mike Livingston, here.

MS. MASTRO: Department of Natural Resources?

Utilities and Transportation Commission?

MS. BREWSTER: Stacy Brewster, here.

MS. MASTRO: Chair, there is a quorum.

CHAIR DREW: Thank you.

Are there people who have joined us by phone who would like to introduce themselves?

Joan, do we know that we have an open
connection there?

MS. AITKEN: I'm sorry?

CHAIR DREW: I'm not hearing anyone on the phone, I am wondering if the line is up.

MS. AITKEN: It is up. I can hear it through my phone. You guys can't hear it here?

CHAIR DREW: No.

MS. AITKEN: Okay.

MR. HENDERSON: I heard something super faintly.

CHAIR DREW: Yeah. We still don't have audio, so we will wait a couple minutes to see if we can get this fixed technically, since we do have a number of our reports via web link.

Are there people who have joined us via phone who would like to introduce themselves at this point?

MS. AITKEN: Working on it.

CHAIR DREW: We're going to take a five-minute break while we get this adjusted. Thank you.

(A break was taken from 1:33 p.m. to 1:39 p.m.)

CHAIR DREW: Calling us back to order now and asking -- let's hear from those who are on the phone
who would like to introduce themselves.

MR. MCMAHAN: No sound coming to us from the Council.

CHAIR DREW: Oh, probably because I forgot to turn my microphone on. Sorry about that. Okay. So please introduce yourselves.

MR. MCMAHAN: Tim McMahan with Stoel Rives.

CHAIR DREW: Thank you, Tim.

MS. DIAZ: Jennifer Diaz with Puget Sound Energy.


MS. RAMOS: Mary Ramos --

MS. WARNER: Kara Warner --

(Simultaneous talking.)

MS. WARNER: -- Golder Associates.

Sorry, Mary.

MS. RAMOS: That's okay.

MR. SIEMANN: This is Dan Siemann with Washington DNR as the Councilmember.

CHAIR DREW: Thank you, Dan.

So we had two --

MR. MELBARDIS: Eric Melbards --

CHAIR DREW: Go ahead.

MR. MELBARDIS: Eric Melbards, Kittitas
Valley.

CHAIR DREW: And I think I also heard Mary Ramos?


CHAIR DREW: Thank you.

With that, we have before us the proposed agenda. The one thing I'd like to share with the Council is that Sonia Bumpus is on leave today, so Ami Kidder will be actually speaking in the parts that are slated for Sonia Bumpus today.

With that change, is there a motion to approve the agenda?

MR. STEPHENSON: I will move to approve the agenda.

CHAIR DREW: Thank you.

MR. LIVINGSTON: I'll second that.

CHAIR DREW: All those in favor, please say "aye."

COUNCILMEMBERS: Aye.

CHAIR DREW: Opposed? Agenda is adopted.

The meeting minutes before us are August 20th, 2019. We had a subsequent version that was sent out, I believe, yesterday with one small correction. Are there any other corrections for the
August 20th, 2019 minutes? If not, all those in favor of approving the minutes, please say "aye." Oh, wait, maybe I need a motion first.

MR. LIVINGSTON: I'll move to accept the minutes as presented.

MS. BREWSTER: I'll second that.

CHAIR DREW: Thank you.

All in favor, say "aye."

COUNCILMEMBERS: Aye.

CHAIR DREW: Thank you.

Opposed? Minutes are adopted.

Moving on to the project updates. Kittitas Valley Wind Project update, Mr. Melbardis.

MR. MELBARDIS: Good afternoon, Chair Drew, EFSEC Council, and Staff. This is Eric Melbardis with EDP Renewables for the Kittitas Valley Wind Power Project. There was nothing nonroutine to report for the period operationally. We did conduct a site-wide rescue and heights training last week. We do that every couple of years with a refresher in between off years. Always good to get to work with our gear and get to climb up and repel out the side of the tower. Thought I would share that with the Council.

CHAIR DREW: Thank you.

Any questions?
Okay. Wild Horse Wind Power Project,

Ms. Diaz.

MS. DIAZ: Yes, thank you, Chair Drew, and
Councilmembers. For the record, this is Jennifer Diaz
with Puget Sound Energy at the Wild Horse Wind Facility.
I do have a few nonroutine items to report for the month
of August.

In accordance with Article 6 of the Site
Certification Agreement, the operation Spill Prevention,
Control, and Countermeasures Plan, or SPCCP, was updated
and submitted to EFSEC Staff on August 9th. And
required annual training was completed by site staff on
the SPCCP and the Stormwater Pollution Prevention Plan
and the Wildlife Incident Reporting and Handling System.

In accordance with the Operations Stormwater
Pollution Prevention Plan, a site inspection was
completed following a significant storm event on August
10th that actually produced a funnel cloud. Most of the
wind farm was not impacted by the storm, but a small
area along the northern portion of the wind farm had
some minor road erosion and some sedimentation in
ditches and some check dams. Maintenance to the ditches
and check dams was completed, and the roads will be
regraded in the fall once we have adequate moisture for
growing and compaction.
And I do have an update on the Eagle Incidental Take Permit. The U.S. Fish and Wildlife Service published the Environmental Assessment and Eagle Conservation Plan on August 19th. It is available for public review and comment through the end of today. And it's available on the U.S. Fish and Wildlife Service migratory bird website. PSE provided that web link to the Technical Advisory Committee and informed them of the public review and comment period. And following the public review and comment period, the Service will make a determination on whether to issue an Eagle Incidental Take Permit for Wild Horse. And that's all I have.

CHAIR DREW: Thank you very much.
Are there any questions?
Yes, Mr. Stephenson.

MR. STEPHENSON: Thank you, Chair Drew.
For Staff, a plan was submitted, was it okay?

MR. OVERTON: Let's see here, this is Kyle --

MS. DIAZ: Is that a question for me or for Staff?

CHAIR DREW: For Staff.

MS. DIAZ: Okay. Thank you. And that's for the -- the Spill Prevention Plan, correct?
Mr. Stephenson: Yes. Thanks, Jennifer.


Mr. Overton: Yeah, when we completed the initial review of the Spill Prevention Plan, it was largely similar to the previous plan with some updates for the solar storage capacity they added for the Solar Project. Contracted -- state -- state agency contractors also reviewed it, and there was no major issues.

Mr. Stephenson: Thank you, Kyle.

Chair Drew: Anything else? Thank you.

Moving on to Chehalis Generation Facility.

Mr. Smith: Good afternoon, Chair Drew and Council and Staff. I'm Jeremy Smith. I'm the environmental analyst for Chehalis Generation. I have no abnormal reports for the month of August.

Chair Drew: Okay. Thank you.

Grays Harbor Energy Center, Mr. Sherin.

Mr. Sherin: Good afternoon, Chair Drew and Councilmembers. I'm Chris Sherin, the plant manager at Grays Harbor Energy Center. The only nonroutine items I'll report on for the month of August are the beginning of August, Grays Harbor Energy Center scheduled an outage to clean our fuel gas strainers, which were showing signs of plugging off. We started observing
high differential pressures in June and they continued
to increase through August when we reached the point we
were -- we were beginning to see low fuel gas pressures
nearing the minimum fuel gas pressures required to
operate our gas turbines.

The source of the fuel -- fuel quality issue
is still uncertain. One abnormality that occurred this
summer, which may have contributed to the situation, is
our fuel gas trunk line. So our supply source is in
null state, which means -- just means that just as much
gas is flowing from southern direction as the northern
direction and normally our gas flow is from the north.

Also during this period, there was also an
identified dithiazine issue in the supply system from
the gas sourced out of AECO or Nova Gas Trans -- let me
make sure I say that right -- Nova Gas Transmission
Limited's hub, which is in Alberta. And then I'm not
going to read the remainder of the extract from the
original email that I provided.

CHAIR DREW: Thank you.

MR. SHERIN: I'll just add also, I'll put
this in September's operational updates, that we did
send -- submit a sample to a lab. However, since then,
through the process with TC Energy and Nova Gas
Transmission, there was a meeting in September and they
put out some information and a point of contact to TC Energy. And we've reached out to them, and they recommended that we send in further samples to a lab they recommend that actually tests for dithiazine to see if that's ac- -- what we actually have -- what -- that the dithiazine is our actual problem, because at this point, it's just still speculation.

CHAIR DREW: Okay. Thank you.

Are there questions about that? I know that Mr. Sherin also added an additional -- the noncritical notice from Nova Gas Transmission Limited in our packets that explains in more detail what those issues are. So is there anyone on the Council who has additional questions?

I take it that this is something that, as you get more information, you'll provide back to us?

MR. SHERIN: Yes.

CHAIR DREW: Okay. We would really appreciate that. Thank you very much.

Columbia Generating Station, Ms. Ramos?

MS. RAMOS: Good afternoon, Chair Drew and Councilmembers. This is Mary Ramos reporting for Energy Northwest. I have two updates to report for Columbia Generating Station for the month of August.

First is regarding our fire reinspection.
So during the fire reinspection on June 24th, the Washington State Patrol Fire Marshal requested an inspection report from the contractors that performed coating of two water storage tanks at Columbia. On August 21st, Energy Northwest submitted the requested information. Based on discussions with the fire marshal and EFSEC Staff, Item 16 pertaining to water tank inspections on the fire inspection report will be closed.

And then my second update is regarding our Radioactive Air Emissions License. On August 20th, Energy Northwest responded to EFSEC's request for additional information regarding our SEPA related to the Columbia Generating Station Radioactive Air Emissions License. And I have no updates to report for WNP-1/4.

CHAIR DREW: Thank you.

Ms. Moon, I understand you also have some information for us?

MS. MOON: Yes. Thanks, Chair Drew.

For the record, this is Amy Moon, one of the EFSEC Staff members, and wanted to give the Council an update on the National Pollutant Discharge Elimination System -- the acronym is NPDES -- Permit renewal at the Columbia Generating Station. EFSEC issued a letter on September 13th to administratively extend the current
NPDES Permit, as the renewal permit will not be issued by the expiration date on October 31st, 2019. Per RCW 34.05.422(3) and WAC 463-76-061(4), the terms and conditions of the current permit remain in effect and enforceable until the effective date of a new permit. And EFSEC is in the process of working with the Department of Ecology to renew the permit for a new five-year period.

CHAIR DREW: Thank you. Do you have any estimated time frames on that?

MS. MOON: Well, we're -- we requested some additional information about groundwater, and that's due, or anticipated, in November. And after that point, we can really work in earnest on the permit and the limits in the permit. But without that, we -- it would be premature to move forward.

CHAIR DREW: Okay.

MS. MOON: So I'm going to say after January.

CHAIR DREW: Okay. Thank you very much.

MS. MOON: You're welcome.

CHAIR DREW: Any other questions? Okay. Desert Claim, you are up again, Ms. Moon.

MS. MOON: Okay. So once again, this is Amy
Moon, and I'm providing an update for the Desert Claim Project. EFSEC Staff continue to coordinate with Desert Claim; however, there are no updates on the project or project schedule at this time.

CHAIR DREW: Okay. Thank you.

Moving on to Columbia Solar Project. As you all saw and you know, we did have a motion from last meeting for the Chair to work with the Staff to submit an order regarding the suspension of the Columbia Solar Project. And you all received that as it was completed for updates. I'm going to ask Ms. Kidder to report.

MS. KIDDER: Thank you, Chair Drew. For the record, my name is Ami Kidder. After the August 20th Council meeting, Staff and the AG's office worked to prepare Order 877, the order suspending site certification agreements for the Columbia Solar Project. Chair Drew has signed the order, and it became effective on September 5th. A copy of the order as well as the letter sent to the certificate holder is available in your packets. Are there any -- are there any questions about the letter or the order?

CHAIR DREW: Okay.

MS. KIDDER: Thank you.

CHAIR DREW: Thank you. Now, we are on No. 5, "Other" on our agenda. And we have a revised
first quarter cost allocation.

Ms. Kidder.

MS. KIDDER: Thank you. Due to the suspension of the Columbia Solar Project, Staff has removed the project from the cost allocation for the remainder of first quarter of fiscal year 2020. The initial cost allocation presented remains effective for work completed from July 1st through September 4th. The updated cost allocations for September 5th through September 30th are as follows:

Kittitas Valley Wind Power Project, 11 percent; Wild Horse Wind Power Project, 11 percent; Columbia Generating Station, 26 percent; WNP-1, 4 percent; Whistling Ridge Energy Project, 4 percent; Grays Harbor 1 & 2, 16 percent; Chehalis Generation Project, 14 percent; Desert Claim Wind Power Project, 10 percent; Grays Harbor Energy 3 & 4, 4 percent. Are there any questions?

CHAIR DREW: Thank you.

And final item on our agenda is the Air Rule update, Ms. Kidder.

MS. KIDDER: Thank you.

If you all recall the revisions to EFSEC's Air Rule, Washington Administrative Code or WAC 463-78, which adopts Ecology air regulations by reference, went
out for public comment from June 5th through July 20th.

No public comments were received. As no comments were received, Chair Drew signed the form CR-103, which was filed with the Code Reviser's Office July 26th. This commenced a 30-day waiting period before the rule would become effective. That period has ended and as of August 26th, the updated WAC 463-78 is in effect, bringing EFSEC into alignment with current Ecology Air Rule. Are there any questions?

CHAIR DREW: Any questions?

Thank you.

As we have no other business before us, meeting is adjourned.

(Adjourned at 1:57 p.m.)
STATE OF WASHINGTON
COUNTY OF THURSTON

I, Tayler Garlinghouse, a Certified Shorthand Reporter in and for the State of Washington, do hereby certify that the foregoing transcript is true and accurate to the best of my knowledge, skill and ability.

___________________________________
Tayler Garlinghouse, CCR 3358
WASHINGTON STATE
ENERGY FACILITY SITE EVALUATION COUNCIL
Olympia, Washington
Tuesday, August 20, 2019
1:30 p.m.

PROCEEDINGS

CHAIR DREW: Good afternoon. This is Kathleen Drew, Chair of the Energy Facility Site Evaluation Council. I am calling this meeting to order.

Ms. Mastro, will you call the roll?

MS. MASTRO: Department of Commerce?

CHAIR DREW: Vacant.

MS. MASTRO: Department of Ecology?

MR. STEPHENSON: Cullen Stephenson, here.

MS. MASTRO: Fish and Wildlife?

MR. LIVINGSTON: Mike Livingston, here.

MS. MASTRO: Department of Natural Resources?

(A pause in the proceedings.)

MS. BREWSTER: Stacey Brewster, here.

MS. MASTRO: Chair, there is a quorum.

CHAIR DREW: Thank you.

Are there those who are listening via Skype or on the phone who would like to introduce themselves?

KATHLEEN DREW, Chair
CULLEN STEPHENSON, Department of Ecology
MIKE LIVINGSTON, Fish & Wildlife
DAN SIEMANN, Natural Resources (via phone)
STACEY BREWSTER, Utilities & Transportation Commission

Assistant Attorney General:
JON THOMPSON (via phone)

Council Staff:
MR. SHERMAN: This is Bill Sherman, also Assistant Attorney General, present as Counsel for the Wild Horse Wind Power, PSE case.

In Attendance:
MR. McMAHAN: Tim McMahan with Stoel Rives, Chehalis Generating Station.

Eric Melbardis, EDP Renewables (via phone)
JENNIFER DIAZ, Wild Horse Wind Power, PSE (via phone)

CHRIS SHERIN, Grays Harbor Energy

MILGENS, Columbia Generating Station (via phone)
BILL SHERMAN, Counsel for the Environment (via phone)

MR. LICHTENBERG: Scott Lichtenberg, Wild Horse/PSE (via phone)

MR. LICHTENBERG: Scott Lichtenberg, Wild Horse/PSE (via phone)

Mr. McMahan: Tim McMahan with Stoel Rives, Chehalis Generating Station.

CHAIR DREW: Thank you.

MR. McMAHAN: Tim McMahan with Stoel Rives.

CHAIR DREW: Thank you.

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CHAIR DREW: Thank you.

MR. McMAHAN: Tim McMahan with Stoel Rives.
Verbatim Transcript of Monthly Council Meeting

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1. Wild Horse Wind Facility.
2. MS. RAMOS: Mary Ramos, Energy Northwest.
3. MR. SIEMANN: Dan Siemann, Washington Department of Natural Resources and Councilmember.
4. CHAIR DREW: Thank you.
5. So moving on to the proposed agenda. You have that in front of you, Councilmembers. Is there a motion to adopt the agenda?
6. MR. STEPHENSON: I will move to adopt the agenda.
7. MR. LIVINGSTON: I will second that.
8. CHAIR DREW: All those in favor, say "aye."
9. "aye."
10. COUNCILMEMBERS: Aye.
11. CHAIR DREW: Opposed?
12. The agenda is adopted.
13. And now to the meeting minutes from July 16th.
14. Is there a motion to adopt those meeting minutes?
15. MR. LIVINGSTON: I'll make a motion to adopt the meeting minutes from last month.
16. MR. STEPHENSON: I will second.
17. CHAIR DREW: Is there any discussion or connections?
18. Hearing none, all those in favor of adopting the meeting minutes, please say "aye."
20. CHAIR DREW: The minutes are adopted.
22. MR. MELBARDIS: Good afternoon, Chair Drew. EFSEC Council and Staff. For the record, my name is Eric Melbardis, I'm with EDP Renewables, representing the Kittitas Valley Wind Power Project.
23. The only nonroutine item to report from Kittitas Valley was a safety incident. We had an OSHA recordable that occurred over the reporting period. An employee was driving some fence posts to repair some fencing along the county road in some of the DNR property and struck his head with the fence post, requiring stitches. He was back to work the same day, no lost time, but I would report that.
24. CHAIR DREW: Okay. Any questions?
25. Thank you.
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26. MR. MELBARDIS: And I also did have -- at EFSEC Staff's request, as you probably all are aware, there was a fire in Southern Washington, I believe it was Klickitat County, and it was a fire that was started from a turbine malfunction, a wind turbine malfunction.
27. CHAIR DREW: Yes.
28. MR. MELBARDIS: So Staff had asked some of us to take a look at our fire prevention control measures, and I did have just a brief memo that I wanted to read into the record about how we handle things at KV, if that's all right?
29. CHAIR DREW: Please do.
30. MR. MELBARDIS: Okay.
31. The Kittitas Valley Wind Power Project successfully survived the Taylor Bridge fire of August 2012. The fire burned through around 90 percent of our 6,000-acre project with no damage to the equipment. There have also been two other wildfires on the project, which were roughly 200 acres each in size, and they also did not cause damage to our property or equipment. None of these fires were started by turbine equipment failures, nor were they started by any wind farm-related activity.
32. Over the past nine years, the project has experienced a few isolated turbine equipment failures that resulted in thermal events or heat excursions, but they were small electrical shorts that were contained within the tower. When we get an alarm via email and text message that we recognize has the potential to be a thermal event, our protocol is to rapidly mobilize to the turbine, day or night, for evaluation, contact 911 and local fire response, if necessary. We have done this in the past as a precaution, but they were not needed and quickly demobilized.
33. We cover and tape off the vents on the doors at the base of the tower to minimize any chimney effect. Site management is contacted with situation reports and we escalate as necessary. We open the switch on our pad-mounted transformer at the base of the towers to cut all electrical power to the turbine. We then ready fire extinguishers and start a fire watch around the perimeter of the turbine pad.
34. Additional steps that would be taken in the Page 7

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24 Southern Washington, we have also placed 12-by-12
23 tinder in proximity. Since the recent fire in
22 around the turbines and transformers to avoid dry
21 vegetation -- it can kind of self-feed the fire.
20 and it's almost like a forge.
19 on because there's vents at the base of the turbine,
18 cable insulation.
17 within the turbine that phases of electricity could
16 arc or could find resistance from a loose bolt or
15 loose connection and cause heat, which once the heat
14 builds up, it can catch fire to electrical wire or
13 cable insulation.
12 so we can have a better sense of how to
11 of causes was, so we can have a better sense of how to
10 prevent them?
9 MR. MELBARDIS: Yes, good question.
8 There's a number of ways that a wind turbine could
7 MR. MELBARDIS: Yes, good question.
6 of causes was, so we can have a better sense of how to
5 what the cause was, and what the variety
4 caused them, what the cause was, and what the variety
3 wind turbines, has there been an assessment of what
2 have is, for those fires that have been started by
1 turbine in 7,000 catching fire per year.
0 that there are thousands of fires per year. According to GCube, an
-4 as the oil and gas sector, in which there are
-1 attributed to turbine fire, out of a portfolio of more
0 than 30 gigawatts. That translates into just one
-10 such as the oil and gas sector, in which there are
-17 a portfolio of more
-16 more than 30 gigawatts. That translates into just one
-15 In summary, I don't think that we need to
-14 detailed, and I appreciate hearing the history and
-13 what you have done, as well as what you added to
-12 ensure safety.
-11 Are there any Councilmembers who have
-10 questions?
-9 MR. SIEMANN: Chair Drew, this is Dan
-8 Siemann, and I do have a question.
-7 CHAIR DREW: Okay.
-6 THE COURT REPORTER: I can't hear.
-5 CHAIR DREW: If you could speak up,
-4 please.
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24 Southern Washington, we have also placed 12-by-12
23 signs at each turbine access road, at the gates, which
22 MR. SIEMANN: Sure.
21 services agreement with Kittitas County Fire
20 District 1, as required by our SCA.
19 We have taken steps to widen the gravel pads
18 around each turbine and actively control vegetation.
17 The project maintains and pays for a protective
16 prevention and control standard operating procedures.
15 maintains an SCA required fire prevention plan. The
14 project also adheres to our corporate internal fire
13 prevention -- excuse me. The project has and
12 SCA required fire prevention plan. The
11 Yakima River, if additional water was needed.
10 Airborne firefighters from the DNR, the
9 which the fire department also has access to.
8 Temperature monitoring strips on areas of the turbine components which could
7 be prone to overheating, and our technicians regularly
6 monitor these temperatures at every turbine visit.
5 We also have a hot work permit program which
4 requires extra precautions when we are working with
3 heat, open flame, or anything that could cause sparks.
2 I think it's also important to note for the
1 record that wind turbine fires are an uncommon event,
0 although they grab a lot of media and social media
-1 attention, turbine fires are statistically
-2 insignificant.
-3 A FEMA report I recently read stated that from
-4 2014 to 2016, an average of 171,000 highway vehicle
-3 fires occurred in the US, resulting in an annual
-2 average of 345 deaths, 13,000 injuries, and
-1 1.1 billion in property loss. These vehicle fires
0 accounted for 13 percent of all fires responded to by
-1 all fire departments across the nation.
-2 I then found an engineering article from 2015
-1 that stated wind turbine fires are far less common
-2 than fires occurring in other energy industries, such
-1 MR. SIEMANN: Chair Drew, this is Dan
-1 Siemann, and I do have a question.
-2 CHAIR DREW: Okay.
-1 THE COURT REPORTER: I can't hear.
-2 CHAIR DREW: If you could speak up,
-1 please.
Page 11
1 MR. SIEMANN: Chair Drew, this is Dan
2 Siemann, and I do have a question.
3 CHAIR DREW: Okay.
4 THE COURT REPORTER: I can't hear.
5 CHAIR DREW: If you could speak up,
6 please.
7 MR. SIEMANN: Sure.
8 CHAIR DREW: Thank you. That's very
9 detailed, and I appreciate hearing the history and
10 what you have done, as well as what you added to
11 ensure safety.
12 Are there any Councilmembers who have
13 questions?
14 MR. SIEMANN: Chair Drew, this is Dan
15 Siemann, and I do have a question.
16 CHAIR DREW: Okay.
17 THE COURT REPORTER: I can't hear.
18 CHAIR DREW: If you could speak up,
19 please.
20 MR. SIEMANN: Sure.
21 1.1 billion in property loss. These vehicle fires
20 accounted for 13 percent of all fires responded to by
19 all fire departments across the nation.
18 I then found an engineering article from 2015
17 that stated wind turbine fires are far less common
16 than fires occurring in other energy industries, such
15 as the oil and gas sector, in which there are
14 thousands of fires per year. According to GCube, an
13 insurance underwriter serving the wind industry, only
12 three or four turbine losses per year can be
11 attributed to turbine fire, out of a portfolio of more
10 than 30 gigawatts. That translates into just one
9 turbine in 7,000 catching fire per year.
8 In summary, I don't think that we need to
7 develop or implement further fire protection plans at
6 10 KV at this time. We are already doing everything we
5 can to prevent fires from starting and from spreading
4 to the landscapes where they occur.
3 CHAIR DREW: Thank you. That's very
2 detailed, and I appreciate hearing the history and
1 what you have done, as well as what you added to
0 ensure safety.
-1 Are there any Councilmembers who have
-2 questions?
-3 MR. SIEMANN: Chair Drew, this is Dan
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-5 CHAIR DREW: Okay.
-6 THE COURT REPORTER: I can't hear.
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2 what you have done, as well as what you added to
3 ensure safety.
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6 MR. SIEMANN: Chair Drew, this is Dan
7 Siemann, and I do have a question.
8 CHAIR DREW: Okay.
9 THE COURT REPORTER: I can't hear.
10 CHAIR DREW: If you could speak up,
11 please.
12 MR. SIEMANN: Sure.
Verbatim Transcript of Monthly Council Meeting

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1. they were low on oil, they can start to overheat, and
2. then that metal-on-metal can overheat to a point where
3. it becomes so hot that the seals burst, and then the
4. hot oil can catch fire.
5. Everything above the tower on a wind turbine
6. is typically fiberglass or composite material so it is
7. flammable. The blades are also fiberglass and wood,
8. other composite materials, and flammable glue, so once
9. a fire starts, that can catch fire. Wind is the enemy
10. of wildfire fighting and these turbines are often --
11. are always placed in areas of good wind resources.
12. So, yeah, I would say it's probably
13. electrical, either from overheating or the generator
14. or a gearbox.
15. MR. SIEMANN: If I might just follow up,
16. and I appreciate that. My thinking is -- and I think
17. your statistic was -- from the 2015 report was 1 in
18. 7,000 wind turbines catch fire. As we put more in and
19. as climate change leads to dryer, hotter conditions,
20. and more fire supportive conditions, we are going to,
21. I think, come to a point where these are more
22. common -- perhaps not common, but certainly more
23. likely. The risk will certainly enhance. And so
24. while I'm not suggesting that we need to take action
25. now, I just wanted to flag that as something to keep

Page 14

1. in mind as we go forward with these.
2. MR. MELBARDIS: That's a good point. I
3. think at the same time, if we were, you know, in a
4. situation where we had dryer, more arid climates, then
5. everything that can possibly cause fire has the chance
6. to cause or create a fire.
7. CHAIR DREW: Yes. Thank you. And I
8. certainly hear from your report that you have had
9. incidents of wildfire on your property on the -- at
10. the project and were able to put out those fires
11. before they affected other properties.
12. MR. MELBARDIS: Yes, that's correct.
13. You know, the other fires were caused by external
14. circumstances. You know, a fire rolling across our
15. area, even if it comes into contact with our immediate
16. vicinity of a wind turbine, generally -- I mean,
17. that's steel. It's not doing any damage to that.
18. I think, you know, the greater concern -- and
19. I think many of us have probably seen some of the
20. videos of the recent fire. You know, there was a fire
21. somewhere inside it and the fiberglass of the nacelle
22. started to catch fire and drift down, and so you had,
23. you know, flaming melted balls of fiberglass coming
down, and it was hot, it was dry, it was windy, so...
24. CHAIR DREW: Everything we can do to

Page 15

1. prevent that, so that's great. I appreciate your
2. report. Thank you for sharing that.
3. Next we have Ms. Diaz from Wild Horse Wind
4. Project.
5. MS. DIAZ: Yes. Thank you, Chair Drew
6. and Councilmembers.
7. I hear some feedback over the phone. I'm not
8. sure if that's from me or from someone else, but can
9. you hear me okay?
10. CHAIR DREW: We can. Thank you.
11. MS. DIAZ: Okay.
12. So the only nonroutine item I have to report
13. for the month of July is we did have a technical
14. advisory committee meeting on July 24th. The agenda
15. included administrative updates to the TAC Rules of
16. Procedures, a Year in Review PowerPoint which was
17. provided by PSE, a Grazing Plan update provided by WSU
18. Extension, and an update on the 2018 Sage-Grouse
19. Habitat monitoring results, and an update on the Eagle
21. This was basically an informational meeting.
22. There were no actions -- no items that required formal
23. actions or recommendations from the TAC for the
24. Council's consideration. And that's all I have to
25. report for the month of July.
<table>
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<th>Page 17</th>
<th>1</th>
<th>CHAIR DREW: Mr. Livingston?</th>
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<td>MR. LIVINGSTON: Yeah, I have a --</td>
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<td>CHAIR DREW: Mr. Livingston?</td>
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<td>4</td>
<td>MR. LIVINGSTON: Thank you, Chair. I</td>
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<td>5</td>
<td>have a question for Jennifer Diaz.</td>
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<td>6</td>
<td>Just, is there anything of note on the 2018</td>
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<td>sage-grouse habitat monitoring results? Do you want</td>
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<td>to -- are we seeing pretty much a status quo of our</td>
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<td>quality of habitat out there? Are we seeing any</td>
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<td>changes, Jennifer? What do you -- anything worthy of</td>
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<td>noting there?</td>
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<td>MS. DIAZ: So specifically for the</td>
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<td>sage-grouse habitat restoration area, which is that</td>
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<td>10-acre piece located in the pines, so that area was</td>
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<td>fenced off and we have been completing weed control</td>
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<td>activities, as well as restoration in the riparian</td>
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<td>area, to hold water in that drainage longer. We have</td>
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<td>seen a significant improvement in the height of</td>
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<td>grasses and -- as well as an increase in forbs</td>
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<td>20</td>
<td>availability and the different forbs. We do have one</td>
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<td>21</td>
<td>more year of monitoring to complete before the final</td>
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<td>results are complied, but it is trending toward much</td>
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<td>improvement in that area.</td>
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<td>Overall, on the wind facility, we have seen an</td>
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<td>improvement in the habitat, and I think primarily</td>
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<th>Page 18</th>
<th>1</th>
<th>which were either man-made or from lightning strikes.</th>
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<td>But one of the encouraging things that I did</td>
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<td>hear from the fire chief here in Kittitas County is</td>
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<td>that he really appreciated the wind farm and the roads</td>
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<td>that we have, the gravel roads that we have at the</td>
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<td>wind farm, because they do create firebreaks, which</td>
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<td>really aid them in fighting wildland fires in the</td>
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<td>area. And part of our fire service agreement with the</td>
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<td>district actually included purchasing a wildland fire</td>
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<td>truck for -- specifically for fighting wildland fires</td>
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<td>11</td>
<td>in shrub-steppe habitat.</td>
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<td>MR. MELBARDIS: This is Eric Melbards.</td>
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<td>We are not -- we are not concerned about wildfires. I</td>
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<td>am in a -- I'm on the other side of the Valley as</td>
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<td>Ms. Diaz, but we're in the same -- the same type of</td>
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<td>16</td>
<td>ecosystem. It's shrub-steppe, it's very dry right</td>
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<td>now, and it does regularly burn. It burns -- it burns</td>
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<td>quick, it's always fast-moving. And, in fact, as the</td>
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<td>fires have come through here, we generally see the</td>
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<td>next season wildflowers that we have never seen</td>
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<td>before. So I think that some of it is an</td>
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<td>eco-catalyst -- a fire catalyst ecosystem.</td>
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<td>We have our fire services agreement with Fire</td>
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<td>District 1. We also, during development of the</td>
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<td>project, purchased -- I'm not sure exactly what type</td>
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<th>Page 19</th>
<th>1</th>
<th>because of the way we are currently managing grazing</th>
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<td>on the facility. It's more sustainable grazing, less</td>
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<td>3</td>
<td>grazing, light -- light grazing, and rotation --</td>
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<td>rotational grazing that's implemented through the Wild</td>
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<td>Horse Coordinated Resource Management Group.</td>
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<td>MR. LIVINGSTON: That's great to hear.</td>
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<td>7</td>
<td>MS. DIAZ: And we saw a sage-grouse, so</td>
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<td>8</td>
<td>that's fine.</td>
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<td>9</td>
<td>MR. LIVINGSTON: Well, that was going to</td>
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<td>10</td>
<td>be my -- that was going to be my follow-up question,</td>
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<td>is if there's any -- been recent detections of</td>
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<td>12</td>
<td>sage-grouse out there.</td>
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<td>13</td>
<td>MS. DIAZ: Yeah. So we did see one</td>
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<td>14</td>
<td>female sage-grouse two winters ago, located right next</td>
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<td>to a wind turbine, next to the road, next to a wind</td>
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<td>turbine. And so we did observe her, got video of her,</td>
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<td>and sent that to Mike Schroeder, with the Department</td>
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<td>of Fish and Wildlife, who confirmed it was a female</td>
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<td>sage-grouse. We went back a week later and she was in</td>
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<td>the exact same location, coming out below a big sage</td>
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<td>21</td>
<td>brush.</td>
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<td>22</td>
<td>And then in 2007, is when we found the</td>
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<td>sage-grouse nest with eggs in it, and that was located</td>
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<td>24</td>
<td>within 100 meters of an operating wind turbine.</td>
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<td>25</td>
<td>MR. LIVINGSTON: Thank you.</td>
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<th>Page 20</th>
<th>1</th>
<th>of truck we purchased for them, if it was a brush fire</th>
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<td>2</td>
<td>truck or a regular truck, but I think we spent</td>
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<td>$250,000 on a vehicle for them. We have heard</td>
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<td>similar, that our roads and the way we maintain the</td>
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<td>roads and keep them clear is very helpful to this area</td>
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<td>for reasons of firebreaks. And also, the past couple</td>
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<td>fires that have broken out, fire response teams were</td>
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<td>able to get deeper in via our access roads than they</td>
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<td>normally would have.</td>
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<td>All of our equipment is relatively fireproof</td>
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<td>so we're not really concerned.</td>
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<td>What we do monitor is air quality. We have an</td>
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<td>air quality meter that I bring out during fire season</td>
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<td>and put on the outside of the building, and we take a</td>
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<td>look at it every day. That's more just protective for</td>
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<td>what -- what we are going to ask our workers to do in</td>
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<td>a smoky -- smoky or poor air quality.</td>
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<td>MR. STEPHENSON: Thanks to you both. It</td>
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<td>sounds like the roads and your other measures are</td>
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<td>making you confident that this is not an issue. It</td>
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<td>does make some sense, just physically looking at these</td>
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<td>very tall towers, that would be a ways away from fire</td>
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<td>impacts, so I just appreciate that you are not nervous</td>
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<td>about this. And, of course, we all love the</td>
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<td>wildflowers the next season, so thank you.</td>
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CHAIR DREW: Thank you. Moving on to Chehalis Generation Facility.

Mr. Sherin -- oh, Jeremy.

Thank you for the excellent briefing and tour this morning, we really appreciated that.

MR. SMITH: Thank you, Chair Drew. Good afternoon, Chair Drew, Council, and Staff. I am Jeremy Smith, the environmental analyst at Chehalis Generation.

Is it on? Here we go.

For the record, I am Jeremy Smith, an environmental analyst from Chehalis Generation. I want to thank Chair Drew, Council, and Staff for touring our facility today. I hope it was informative and interactive for you. I have -- as far as the plant goes, I have nothing abnormal to report for the month of July.

Is there any questions?

CHAIR DREW: Are there any questions?

MR. LIVINGSTON: I just wanted to thank Chair Drew, Council, and Staff for setting them up on your own, feel free to connect with the Councilmembers have missed tours, you want to help them for the tour today. It was -- it was wonderful, and I learned a lot, and I regret missing the other previous tours this -- earlier this year to the other facilities, but this was really informative for me.

Thank you.

MR. SMITH: It was our pleasure to have you. Thanks.

CHAIR DREW: And I would add that I know that any of the facility operators, if the Councilmembers have missed tours, you want to help us -- if you want us to help you set up tours, or to set them up on your own, feel free to connect with the facility operators. I'm sure they would be happy to give you a tour.

MR. SMITH: Absolutely. Thank you.

CHAIR DREW: Okay. Moving on now to the Grays Harbor Energy Center. Mr. Sherin?

MR. SHERIN: Good afternoon, Chair.

Drew -- is red on or is green on?

MULTIPLE SPEAKERS: Green is on.

MR. SHERIN: Good afternoon, Chair Drew, Councilmembers. I am Chris Sherin, plant manager of Grays Harbor Energy Center. For the month of July, we have no nonroutine items to report.

I will mention, just for -- it will be covered in the August operational update, we did complete our annual RATA this past week, the Relative Accuracy Testing Assessment, so the results will follow soon.

Thank you.

CHAIR DREW: Thank you.

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Are there any questions?

Thank you.

Moving on to Columbia Generating Station.

Ms. Ramos?

MS. RAMOS: Good afternoon, Chair Drew and Councilmembers. This is Mary Ramos reporting for Energy Northwest. For Columbia Generating Station I have one update for you. The Columbia Generating station NPDES permit requires an investigation of circulating cooling water system losses, including an analysis of potential groundwater mounding. On July 18th, Energy Northwest and its contractor, Landau, presented the groundwater mounding study results to EFSEC, Washington State Department of Health, and Washington State Department of Ecology.

Energy Northwest is in the process of gathering the information requested during the meeting.

There is no additional updates for Columbia.

And then, no updates to report for WNP 1 and 4.

CHAIR DREW: Thank you.

Columbia Solar Project. Ms. Kidder?

MS. KIDDER: Thank you, Chair Drew.

Good afternoon, Chair Drew and Councilmembers.

For the record, my name is Ami Kidder. There are no updates to work done on the project at this time, and unless there are any questions from the Council, I will pass the floor to Ms. Bumpus.

CHAIR DREW: Thank you.

MS. BUMPUS: Good afternoon, Chair Drew and Councilmembers. There are a couple of items in your packet that I just wanted to point you to.

There's two letters from me to TUUSSO Energy regarding the Columbia Solar Project, and then there are two emails from Jason Evans to me providing a status update on the project, in response to my letter in May and my letter in July.

So there's quite a bit of -- as you look at those -- I am going to be referring to those as I talk, but there's quite a bit of context and history here, so I'm going to give you those details. And then I also wanted to note that when we get to discussion, Mr. Evans is here to answer questions should the Council have any for him.

So as I mentioned in my phone calls to Councilmembers last week, in past months, EFSEC has been in communication with TUUSSO Energy to resolve billing issues which first began after Columbia Solar Project invoice statements were distributed for the first quarter.

First quarter was for work that occurred July
Verbatim Transcript of Monthly Council Meeting

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1 through September of 2018. The Columbia Solar Project
2 first quarter invoice was due on January 18, 2019, but
3 it was not paid. The invoice for second quarter that
4 followed was due March 1st, 2019, but was also not
5 paid. As a result of that, on April 14th, I held a
6 call with Mr. Evans from TUUSSO Energy to discuss the
7 financial status of the project and TUUSSO's ability
8 to make payments. The details related to that
9 conversation are noted in that May 6th letter in your
10 packets.
11 So following that correspondence in April,
12 TUUSSO made a partial payment of $100,000, which was
13 applied towards their most outstanding balance, which
14 was from the first quarter, and then they also
15 provided an update in the May 31st email that you have
16 there from Mr. Evans. In that project update, they
17 indicated that they needed to get additional funding,
18 but that that was not expected until the end of July
19 time frame.
20 So after some internal discussion, EFSEC
21 provided a response letter to TUUSSO Energy, and
22 that's the letter dated July 10th in your packets, in
23 which EFSEC summarized the unpaid project balance at
24 that time. That would have included third quarter
25 billing by then, which was due on June 20th. And it

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1 also requested that TUUSSO pay the project balance in
2 full by August 15th, before this council meeting, and
3 noted that the Council may consider suspension of the
4 SCA for nonpayment -- SCA being Site Certification
5 Agreement -- for nonpayment if no payment was made by
6 that date.
7 So on July 15th, EFSEC received an email from
8 Mr. Evans saying that they would aim to make that
9 payment in August, but then when I spoke to Mr. Evans
10 again prior to this council meeting, he indicated that
11 they were not going to be able to do that. So this
12 was on August 14th that we had that phone
13 conversation.
14 So in light of the history of the billing that
15 I have outlined here, the unpaid project balance
16 that's still owing, which to date includes expenses
17 from first, second, third, and now fourth quarter for
18 fiscal year 2019, this totals approximately
19 $264,067.78.
20 So with that said, pursuant to RCW 80.50.0713,
21 if a certificate holder fails to make required
22 payments within 30 days of receipt of a statement, the
23 Council may suspend the certification. And that's why
24 I have brought this to the Council and outlined these
25 details. It is within the Council's power to suspend

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1 a Site Certification Agreement when payments are, per
2 the statute, 30 days late, and in this case it's
3 been -- it's been several months.
4 The other thing I wanted to note is that if
5 the Council is going to take up this issue, and as you
6 talk about this issue, I have thought about some of
7 the terms of the SCA suspension, and what I mean by
8 that is terms of reinstatement, so what would be the
9 things that would be required of TUUSSO Energy to lift
10 the suspension, and these would be documented in an
11 order that Staff would prepare.
12 So if the Council doesn't have any questions
13 right now, I can go ahead and outline some of those
14 terms. I don't want to go too far, but I could share
15 those.
16 CHAIR DREW: Why don't we have Mr. Evans
17 come up.
18 MS. BUMPUS: Sure.
19 CHAIR DREW: And then I think there are
20 probably a couple of questions, and then we will
21 proceed after that.
22 MS. BUMPUS: Okay.
23 Mr. Stephenson?
24 MR. STEPHENSON: Thank you, Chair Drew.
25 I think the first question that I want to

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1 ask -- and I have a few that I want to wait for
2 further information that you are going to present, but
3 the first question I want to ask is: Do we believe we
4 are going to get full restitution for the Staff costs
5 spent on this project, regardless of whether it goes
6 forward or not in the future?
7 MS. BUMPUS: Councilmember Stephenson,
8 that's to me?
9 MR. STEPHENSON: It's to both of you.
10 MS. BUMPUS: Well, Jason, would you like
11 to answer first? I can --
12 THE WITNESS: Well, if you want to...
13 MS. BUMPUS: Well, so I did just want to
14 mention that in my conversations with Mr. Evans
15 earlier this month, he did indicate that they were
16 continuing to seek funding for the project, and so
17 that's what I've been told.
18 If the balance is not paid, there would be a
19 time where the balance could be sent to collections,
20 and so that — and that was something that was
21 mentioned in the July 10th letter that I sent to
22 TUUSSO, was that, you know, considering the Site
23 Certification Agreement suspensions, whether or not
24 that's passed, the effort for collections is also
25 another thing that we could pursue, so...
MR. STEPHENSON: So I maintain my support for the concept of this project. I hope it never gets to collections. That's what I'm trying to get at today.

CHAIR DREW: Mr. Evans, if you would also like to answer what — perhaps, I think it would be good for the Council if you would just give your own perspective of the background and what you see in the future.

MR. EVANS: Yes. Jason Evans on behalf of TUUSSO Energy. Good afternoon, Chair Drew. Good afternoon, Councilmembers. I'm sorry to be here under these auspices and hope to be here again under better ones.

I think that Sonia laid out some of the issues we have encountered, and I think the emails that you have read, that I drafted, summarizing some of the issues we have encountered are complete, but I will attempt to add to them.

We entered into an agreement in early 2018 to sell the Columbia solar projects. As a company, we essentially put all of our eggs in one basket, committing all of our funding, as a company, to the Columbia solar projects prior to entering into that agreement to sell them, and as a result, we are in a very low cash position.

The company we worked with then began to make payments on our behalf, for example, to EFSEC and other vendors. They finally terminated the agreement on May 31st, and we have been searching ever since for a partner to take these projects forward. As you might be able to imagine, lining up funding has been more challenging than we expected, given the outstanding payables that are due right now, and given the nature of the breakup with this other party that had been working with us on these projects.

We are in discussions with a couple of different types of counterparties right now, a couple that would take over the projects, similar to the arrangement we had with the prior company, in addition to potential for funding the projects directly through TUUSSO Energy to construct them, and then ultimately exit them closer to commercial operation of the projects. I hope that helps.

We have interconnection agreements that it's important that we start moving on for the three projects that remain absolutely viable. And they would require that we really give notice to Puget Sound Energy by the November time frame that we are going to be moving forward with the projects, and so we see it as absolutely critical for the projects that we have a party that will be working with us at that point.

I don't have, unfortunately, any other timelines to funding that I can share at this time.

MR. STEPHENSON: Chair Drew, can I continue? Thank you.

So I hear that investors have dropped out, and again, I'm supportive of the concept of this project. Do you still have commitments from Puget Sound Energy to move forward if this project continues?

MR. EVANS: Yes. Our power purchase agreements are in place, in good standing with Puget Sound Energy, our interconnection agreements that have been tendered to us are still viable. I had a conversation with Puget Sound Energy three weeks to a month ago, and we talked a little bit about this same sort of timeline and they were supportive, interested to see the projects move forward.

MR. STEPHENSON: That's all for now.

CHAIR DREW: Just to follow up on that a little bit. You said three of the five sites have interconnection agreements. Do you foresee an ability to get the other two in the future?
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| MR. EVANS: We hope so. We would like -- in order to do so, we would likely need to enter into, likely, an informal dispute resolution process with Puget Sound to secure the transmission capacities and bring the generation from those projects over to the west side, where most of the load is. That would be the next step in order to make those viable.  
CHAIR DREW: Thank you.  
Mr. Livingston?  
MR. LIVINGSTON: Just one more follow-up to that. So if you don't get those two secured, what's the viability of the project overall?  
MR. EVANS: Based on the three projects, which is actually what we have been discussing with each of the investors I have mentioned, it appears to continue to be viable. We can get just those three completed.  
CHAIR DREW: Thank you.  
Mr. Siemann, I know you are not here in person. I just want to make sure, if you have any questions, to ask.  
MR. SIEMANN: Thank you, Chair Drew.  
The questions I had have already been asked, so thank you.  |
| 1  | 1  |
| application review process back or we apply it towards something, and then there is a discussion with the certificate holder about either a $50,000 deposit or greater if that's agreed to.  
So I do mention that because our statute says 50,000, but there have been cases in the past where the Council has determined a different amount, so I thought that would be good to note.  
The other thing would be that this does not affect any of the other respective terms of the SCA.  
What I mean by that is the timeline for construction, those requirements would all stay the same. In other words, the deadlines for starting construction and operation, those can -- that clock continues to tick while they are in suspension status.  
So those are a couple of the things that I wanted to recommend for the Council's consideration.  
I'm happy to answer any questions.  
CHAIR DREW: Mr. Stephenson?  
MR. STEPHENSON: Thank you, Chair Drew.  
Ms. Bumpus, I think that is a right course from a Council standpoint, of suspending the SCA temporarily until we can get better clarity and better permanence on this agreement and this project. I appreciate your thought of using the -- I'm using the |
| 1  | 1  |
| CHAIR DREW: Okay. Thank you.  
Thank you.  
And if you want to continue at this point,  
Ms. Bumpus.  
MS. BUMPUS: Thank you, Chair Drew.  
So I was mentioning that there would be an order. This is how we would document the suspension of the five Site Certification Agreements. I do think we would just do this in one order. It would outline the facts that I have outlined here about the situation with the billing and the balance and so forth.  
And then for terms, I am recommending that we require that TUUSSO Energy settle the project balance in full before the suspension would be lifted. Also, that the certificate holders deposit $50,000, which they were required to provide to EFSEC and UTC when they began their application review process. We would apply that $50,000 towards that balance that I mentioned earlier.  
And then for reinstatement, they would need to provide another deposit of $50,000. And this would be consistent with RCW 80.50.0712(a), where once an applicant has a Site Certification Agreement, we basically either credit the $50,000 for the  |
| 1  | 1  |
| wrong term here, but deposit the $50,000 and then re-establishing that again. I think that's good.  
I maintain -- I'm hoping this project can move forward, but I don't want EFSEC Staff to spend more time on a project that won't move forward. So I think we are smart in looking to see, first of all, will the project move forward, and then if it will, then we move forward with it, not the other way, not waiting and saying we're going farther into a negative situation on cash, to help someone that may never come forward. I believe it will come forward; I hope they will.  
So that's what I'm thinking. I like this, in terms of your overall strategy.  
And then the other thing I would ask is, I would appreciate if the Council, even if -- sorry, Chair Drew, this is your job -- but if the Council could have a "yes, we're going again" on the Site Certification Agreement. That could be an emergency meeting, I could do it over the phone. I would be happy to let Chair Drew be my proxy for this, but I think the Council should say, yes, we want this to go forward again, when we are sure that it will go forward.  
CHAIR DREW: Ms. Bumpus has a response.  |
MS. BUMPUS: Thank you, Councilmember Thompson. I appreciate those remarks.

CHAIR DREW: Anything else?

MR. THOMPSON: Hello? Hello? Can you hear me?

MS. BUMPUS: Say it again.

MR. LIVINGSTON: No.

CHAIR DREW: And we also have our legal counsel on the phone. Mr. Thompson, do you want to add anything to this conversation?

MR. THOMPSON: I don't think I have anything to add, but certainly you could stipulate in the order that it would be required for the Company to come back and make a request to be reinstated or to lift the suspension, however you want to say that. So --

THE COURT REPORTER: I'm not hearing this.

CHAIR DREW: Unfortunately, you are -- we are not hearing you very well. If you can say that again. Appreciate it.

MR. THOMPSON: I was just saying we certainly could have a provision in the suspension order --

MS. BUMPUS: Jon, we are still having trouble hearing you.

MR. THOMPSON: I'm sorry, I -- maybe you can't hear me.

MS. BUMPUS: Say it again.

MR. THOMPSON: Hello? Hello? Can you hear me?

MS. BUMPUS: That's a little better.

CHAIR DREW: Much better. Yes.

MR. THOMPSON: A little better?

I was just saying, you certainly could have a provision in the suspension order that said that the company needed to come back and request reinstatement or lifting of the suspension.

That's all I had to add.

CHAIR DREW: So what I hear you saying is that we could have in the stipulation order a requirement that the company come back to the Council to request reinstatement.

MR. THOMPSON: Yes, correct.

CHAIR DREW: Thank you.

And I -- you know, one thing I want to be cautious about, because I do agree with that, is that it doesn't have to be timed to one of our meetings, because I think we don't want to spend any more time doing it than is necessary to get things back on track again.

So that's -- I think that that request could come via email, we could set up an emergency meeting in order to do that, it could be done via teleconference or some other method. Because the one thing I don't want to do is to cause any more delay.

Once we get to that point because I too am optimistic.

It's a good project, it's ready to go, and I think that it is certainly in keeping with the type of energy plan that we need for the state of Washington, so -- certainly, according to the Governor's direction and the Legislature's direction, so I do think that that's critical as well.

MR. STEPHENSON: Chair Drew, I completely agree and will make myself available on short notice.

CHAIR DREW: Okay. We'll hold you to that.

So I think what we would -- perhaps I would be looking for at this point would be a motion from the Council to direct the EFSEC chair and manager to --

and work with our legal counsel to draft and sign for the -- let me try this again. To direct the manager to draft an order to be signed by the chair that meets these requirements that we have discussed.

Is that clear enough? And Jon Thompson --

Mr. Thompson, I am asking if we need more than that?

MR. THOMPSON: I think that gives adequate direction to basically delegate to Staff and the Chair to work out the finer details under the...
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<td><strong>1.</strong> but under other conditions or other — for another</td>
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<td><strong>2.</strong> CHAIR DREW: Okay. This is adequate</td>
<td><strong>2.</strong> applicant under other situations it might look a</td>
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<td><strong>3.</strong> direction he says, because our court reporter is still</td>
<td><strong>3.</strong> different way, and I think that we just need to be</td>
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<td><strong>4.</strong> having trouble hearing you.</td>
<td><strong>4.</strong> careful about being consistent across all applicants</td>
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<td><strong>5.</strong> MR. SIEMANN: Chair Drew?</td>
<td><strong>5.</strong> under these -- whatever sort of conditions we are</td>
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<td><strong>6.</strong> CHAIR DREW: Yes.</td>
<td><strong>6.</strong> operating in here, so I just wanted to be thoughtful</td>
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<td><strong>7.</strong> MR. SIEMANN: This is Dan Siemann.</td>
<td><strong>7.</strong> about that.</td>
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<td><strong>8.</strong> CHAIR DREW: Yes.</td>
<td><strong>8.</strong> CHAIR DREW: I think that’s an excellent</td>
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<td><strong>9.</strong> MR. SIEMANN: I just wanted to ask a</td>
<td><strong>9.</strong> suggestion, and what I would propose is that, because</td>
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<td><strong>10.</strong> question, if I could.</td>
<td><strong>10.</strong> we are actually having difficulty hearing our legal</td>
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<td><strong>11.</strong> CHAIR DREW: Please do.</td>
<td><strong>11.</strong> counsel at this point, that we will consult with him.</td>
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<td><strong>12.</strong> MR. SIEMANN: There’s a part of this</td>
<td><strong>12.</strong> And I think perhaps we will lay out the reasons for</td>
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<td><strong>13.</strong> which involves costs and ensuring that the applicant</td>
<td><strong>13.</strong> the suspension, which are financial and have been</td>
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<td><strong>14.</strong> in this case is covering their full costs. And while</td>
<td><strong>14.</strong> established, and if we need more information, we will</td>
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<td><strong>15.</strong> I also voted in favor of this project and still</td>
<td><strong>15.</strong> work with Mr. Evans and TUUSSO on that, but to</td>
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<td><strong>16.</strong> support it, what I’m wondering about is, are they</td>
<td><strong>16.</strong> specifically make it clear that it’s not for any</td>
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<td><strong>17.</strong> actually, through this mechanism that we are</td>
<td><strong>17.</strong> reason, but — but specifically for this particular</td>
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<td><strong>18.</strong> discussing, covering their full costs, including</td>
<td><strong>18.</strong> circumstance. Is that helpful?</td>
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<td><strong>19.</strong> the -- what might be considered additional costs</td>
<td><strong>19.</strong> MR. THOMPSON: Yes, if you’re asking me.</td>
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<td><strong>20.</strong> because of this situation, and wanted to be sure that</td>
<td><strong>20.</strong> CHAIR DREW: Yes. Yes, that’s good to</td>
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<td><strong>21.</strong> that was occurring, so that the costs that are being</td>
<td><strong>21.</strong> hear, if that’s — if that’s along the lines that you</td>
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<td><strong>22.</strong> incurred by EFSEC and Staff are not being distributed</td>
<td><strong>22.</strong> think, because I do agree with you, I understand that,</td>
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<td><strong>23.</strong> to other parties that would be paying for this.</td>
<td><strong>23.</strong> so — and I think it’s a very important point. So we</td>
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<td><strong>24.</strong> And there’s another question in my mind.</td>
<td><strong>24.</strong> will work with providing that, as part of the reason</td>
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<td><strong>25.</strong> Should there be some sort of penalty, some added costs</td>
<td><strong>25.</strong> that we are moving forward with the suspension, is</td>
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<td><strong>2.</strong> becomes a desirable pathway for others who may not</td>
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<td><strong>3.</strong> want to be paying their dues when it is not</td>
<td><strong>3.</strong> them.</td>
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<td><strong>4.</strong> advantageous to them?</td>
<td><strong>4.</strong> Ms. Bumpus?</td>
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<td><strong>5.</strong> Those are two separate questions.</td>
<td><strong>5.</strong> MS. BUMPUS: And, Chair Drew, certainly</td>
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<td><strong>6.</strong> CHAIR DREW: Well, I think those are</td>
<td><strong>6.</strong> in the order we would refer and cite to the</td>
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<td><strong>7.</strong> valid questions. On — in terms of paying the cost,</td>
<td><strong>7.</strong> RCW 80.50.071, where it — it explicitly states that</td>
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<td><strong>8.</strong> we, on the Staff side have — with very minimal hours</td>
<td><strong>8.</strong> once bills are 30 days late, the Council can — can</td>
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<td><strong>9.</strong> put in by our manager, have not spent time on the</td>
<td><strong>9.</strong> suspend.</td>
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<td><strong>10.</strong> project, but I think both the development of this</td>
<td><strong>10.</strong> CHAIR DREW: The additional issue is</td>
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<td><strong>11.</strong> order will be kept as and charged as a direct bill, as</td>
<td><strong>11.</strong> that we wouldn’t want somebody to not pay in order to</td>
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<td><strong>12.</strong> part of the ongoing costs that would have to be</td>
<td><strong>12.</strong> get suspended, but — so there is a cause for this</td>
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<td><strong>13.</strong> recovered. So in terms of any additional charges, we</td>
<td><strong>13.</strong> beyond just not payment is — the underlying cause is</td>
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<td><strong>14.</strong> would continue to, although very minimal, keep track</td>
<td><strong>14.</strong> what I’m getting to, the partner withdrawing, ending</td>
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<td><strong>15.</strong> of that in order to make sure that — that that was</td>
<td><strong>15.</strong> their agreement.</td>
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<td><strong>16.</strong> covered.</td>
<td><strong>16.</strong> MS. BUMPUS: Right. Well, and — and</td>
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<td><strong>17.</strong> And I hear what you are saying, so I would</td>
<td><strong>17.</strong> just to be clear, and I think — I mean, I think that</td>
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<td><strong>18.</strong> like to hear the Council’s thoughts on that. This is</td>
<td><strong>18.</strong> the Council knows this, but that in suspending the</td>
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<td><strong>19.</strong> a difficult situation, which, frankly, we haven’t</td>
<td><strong>19.</strong> Site Certification Agreement, the impact of that is</td>
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<td><strong>20.</strong> faced before, so I guess I’m interested in —</td>
<td><strong>20.</strong> that there is no work done on the project. So even</td>
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<td><strong>21.</strong> MR. THOMPSON: And I’ll just add one —</td>
<td><strong>21.</strong> where they may have areas where they are ready to move</td>
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<td><strong>22.</strong> one other comment, which is that my concern here is</td>
<td><strong>22.</strong> forward, or there is something that EFSEC Staff would</td>
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<td><strong>23.</strong> that this is [inaudible] before we have a policy for</td>
<td><strong>23.</strong> review, right now, if that comes in the door, we pick</td>
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<td><strong>24.</strong> it and so we are in some ways setting precedent and</td>
<td><strong>24.</strong> that up and we work on it. With a suspension in</td>
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<td><strong>25.</strong> it — under these conditions it might look one way,</td>
<td><strong>25.</strong> place, it ceases all work on the project, regardless</td>
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of how their status may change and being able to move forward.

CHAIR DREW: Okay. We're seeing nods, so I would say that there is agreement.

MR. STEPHENSON: Chair, would you still like a motion?

CHAIR DREW: Yes.

MR. STEPHENSON: Let me try this. And, Jon Thompson, please listen.

I will move that the Chair direct Staff to stop work and suspend the SCA for this project until the applicant comes to the Council with a proposal to resume.

I further move that we will do all we can to recover the costs that we have done so far, and that the -- that when the applicant comes back to us, that the Council will move rapidly, as rapidly as we can, to make a quick decision to resume the project.

CHAIR DREW: Sounds good.

MS. BREWSTER: I will second that motion.

CHAIR DREW: Discussion?

All those in favor say "aye."

COUNCILMEMBERS: Aye.

CHAIR DREW: Mr. Siemann, I didn't hear you.

All those opposed?

Motion carries.

MR. SIEMANN: And for the record, this is Dan Siemann, I did say "aye."

CHAIR DREW: Aye. Mr. Siemann votes aye. Thank you.

Okay. We very much want success, and we certainly understand the situation and look forward to having that success come back and lift the suspension.

Moving on to the Desert Claim Project update.

Ms. Kidder?

MS. KIDDER: Thank you, Chair Drew.

EFSEC Staff continue to coordinate with Desert Claim. However, there are no updates on the project or the project schedule at this time.

Are there any questions?

CHAIR DREW: Okay. That -- is there anything else for the Council, Ms. Bumpus?

MS. BUMPUS: No, that's all I have.

CHAIR DREW: That completes our agenda, then. This meeting is adjourned.

(Adjourned at 2:35 p.m.)
EFSEC Monthly Operational Report  
Grays Harbor Energy Center  

August 2019

Safety and Training
- There were no accidents or injuries during the month and the plant staff has achieved 3894 days without a lost time incident.

Environmental & Compliance
- There were no air emissions, outfall or storm water deviations, during the month.
- All routine reporting was completed for the month.

Operations & Maintenance
- Grays Harbor Energy Center (GHEC) operated 31 days during the month, with 1 start on U1, and 1 start on U2.
- GHEC generated 416,403 MWh during the month and 1,999,593 MWh YTD.
- The plant capacity factor was 90.3% for the month and 55.3% YTD.
- GHEC scheduled a shutdown, at the beginning of August, to clean our Fuel (Natural) Gas strainers which were showing signs of plugging off. We started observing high differential pressures in June and they continued to increase through August where we reached the point, we were beginning to see low fuel gas pressures nearing the minimum gas pressure required to operate the Gas Turbines. The source of poor fuel quality is still uncertain. One abnormality that occurred this summer, which may have contributed, is that our trunk line supply source has been null. Meaning as much natural gas was being supplied from the south as from the north. Normally our gas supply is the northern flow from British Columbia. There is also an identified “Dithiazine” issue from gas sourced from AECO (NGTL) Hub. The AECO Hub is a storage facility in Alberta, Canada. The following is extracted from an e-mail provide by our third party off taker originally sent out by Williams Northwest Pipeline:

Pursuant to the Dithiazine Notice published by Gas Transmission Northwest (GTN) on June 10, 2019 and as a follow-up to Northwest Pipeline’s (Northwest) April 11, 2019 Shipper Advisory Board Meeting, Northwest provides the following update regarding the presence of dithiazine on its system.

Northwest previously communicated dithiazine was identified on the Spokane Lateral and within the Columbia River Gorge at its Roosevelt compressor station. Subsequently, Northwest has preliminarily identified dithiazine deposits on the Portland Lateral. Based on changing flow dynamics, Northwest now anticipates potential discoveries south of the Stanfield interconnect in the mid-section of its system. As communicated during the April 11th meeting, Northwest believes the dithiazine it has observed in these areas is coming from producers upstream of the TransCanada system and is being transported downstream through the GTN system.

Dithiazine is a reaction product resulting from the introduction of triazine based...
liquid chemical scavengers used to remove hydrogen sulfide from gas streams. As stated by GTN in multiple shipper notices, dithiazine may drop out of the gas stream, under certain conditions, in the form of a white powder, and further chemically change to an adhesive, putty-like substance at some points of pressure reduction (for example, at a regulator) due to a temperature drop that accompanies the pressure reduction. If a sufficient quantity of the material is accumulated in certain appurtenances, it could cause them not to function properly.

- On August 14 & 15th GHEC completed our annual Relative Accuracy Test Audit, including 5-year particulate matter testing.

Noise and/or Odor
- None.

Site Visits
- August 20th engineers and engineering interns from the GH PUD visited the plant for a tour.

Other
- None.
Wild Horse Wind Facility
EFSEC – Monthly Compliance Report
August 2019

Safety
No lost-time accidents or safety injuries/illnesses

Compliance/Environmental
In accordance with Article VI.A.2 the Operations Spill Prevention, Control and Countermeasures Plan (SPCCP) was updated and submitted to EFSEC staff on 8/9.

Annual training was completed by site staff on the following plans/procedures:
- Spill Prevention, Control and Countermeasures Plan (SPCCP)
- Stormwater Pollution Prevention Plan (SWPPP)
- Wildlife Incident Reporting and Handling System (WIRHS)

In accordance with the Operations Stormwater Pollution Prevention Plan (SWPPP) a site inspection was completed following a significant storm event on 8/10 that produced a funnel cloud. Most of the wind farm was not impacted by the storm but a small narrow section along the norther portion of the wind farm has some minor road erosion and sedimentation in ditches/check dams. Maintenance to the ditches/check dams has been completed and the roads will be regraded in the fall.

Operations/Maintenance
Nothing to report

Wind Production
August generation totaled 45,695 MWh for an average capacity factor of 22.53%

Eagle Update
The USFWS published the Environmental Assessment (EA) and Eagle Conservation Plan (ECP) for the eagle permit on 8/19. It is available for public review and comment through 9/17 at https://www.fws.gov/pacific/migratorybirds/library/wpanalyses.html. PSE emailed this link to the TAC and informed them of the public review/comment period. After the conclusion of the public review and comment period, the USFWS will make a determination on whether to issue an eagle Incidental Take Permit for Wild Horse.
ENERGY FACILITY SITE EVALUATION COUNCIL

Roll Call Checklist
Meeting Date: September 17, 2019 EFSEC Monthly Meeting

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<tr>
<th>State Agency Members</th>
<th>Court Reporter:</th>
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<tr>
<td><strong>Chair</strong></td>
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<tr>
<td>Kathleen Drew</td>
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<td><strong>Commerce</strong></td>
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<td>Cullen Stephenson</td>
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<td><strong>Fish and Wildlife</strong></td>
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<td>Mike Livingston</td>
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<td><strong>Natural Resources</strong></td>
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<td>Dan Siemann</td>
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<td><strong>Utilities &amp; Transportation Commission</strong></td>
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<td>Stacey Brewster</td>
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<th>Assistant Attorney General</th>
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<td>Jon Thompson</td>
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<td>Stephanie Duvall</td>
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<td>Laura Chartoff</td>
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<th>Council Staff</th>
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<tr>
<td>Sonia Bumpus</td>
<td>☐ Joan Aitken</td>
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<td>Ami Kidder</td>
<td>☐ Patty Betts</td>
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<td>Tammy Mastro</td>
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<tr>
<th>Operational Updates</th>
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<tr>
<td>Kittitas Valley Wind, EDP Renewables</td>
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<td>Wild Horse Wind Power Project, Puget Sound Energy</td>
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<td>Columbia Generating Station &amp; WNP-1/4, Energy Northwest</td>
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Washington Nuclear Project 1 and 4 (WNP-1/4)
No updates to report.

Columbia Generating Station (CGS)

Fire inspection update
During the fire re-inspection on June 24, 2019, the Washington State Patrol (WSP) Fire Marshal requested an inspection report from the contractor that performed the coating of two water storage tanks at Columbia Generating Station. On August 21, 2019, Energy Northwest submitted the requested information. Based on discussions with WSP Fire Marshal and EFSEC staff, item 16 pertaining to water tank inspections on the fire inspection report will be closed.

Radioactive air emissions license SEPA data request update
On August 20, 2019, Energy Northwest responded to EFSEC’s request for additional SEPA information related to the Columbia Generating Station Radioactive Air Emissions License (RAEL) application.
The EFSEC Cost Allocation Plan (Plan) was approved by the Energy Facility Site Evaluation Council in September 2004. The Plan directed review of the past quarter’s percentage of EFSEC technical staff’s average FTE’s, charged to EFSEC projects. This along with anticipated work for the quarter is used as the basis for determining the non-direct cost percentage charge, for each EFSEC project.

Using the procedures for developing cost allocation, and allowance for new projects, the following percentages shall be used to allocate EFSEC’s non direct costs for the 1st quarter of FY 2020:

- **Kittitas Valley Wind Power Project**: 11%
- **Wild Horse Wind Power Project**: 11%
- **Columbia Generating Station**: 26%
- **WNP-1**: 4%
- **Whistling Ridge Energy Project**: 4%
- **Grays Harbor 1&2**: 16%
- **Chehalis Generation Project**: 14%
- **Desert Claim Wind Power Project**: 10%
- **Grays Harbor Energy 3&4**: 4%

Sonia E. Bumpus, EFSEC Manager
September 5, 2019

Mr. Jason Evans  
Vice President  
TUUSSO Energy, LLC  
500 Yale Avenue North  
Seattle, WA 98109

Subject: Columbia Solar Project, Docket No. EF-170823; Order No. 877: Suspension of Site Certification

Dear Mr. Evans,

On August 20, 2019, the Energy Facility Site Evaluation Council (EFSEC or Council) approved suspension of TUUSSO Energy’s (TUUSSO) site certification for the Columbia Solar Project (Columbia Solar). At the August 20th council meeting, the Council directed the EFSEC Manager and the Council Chair to develop and issue an order suspending TUUSO’s site certification for the five Columbia Solar sites. A copy of Order No. 877, signed by the Council Chair and effective as of September 5, 2019, is enclosed for your records.

EFSEC expects to provide you with a final invoice for the Columbia Solar financial account after the closing of the first quarter of the state fiscal year 2020. As indicated in Order No. 877, TUUSSO’s $50,000 deposit for the application review of Columbia Solar will be applied towards the total unpaid balance.

As EFSEC staff have previously discussed, we expect correspondence will continue with TUUSSO for resolution of the unpaid and still owing Columbia Solar account balance, and for additional updates concerning the fate of Columbia Solar.

I and my staff have enjoyed working with the TUUSSO team throughout the siting process and we wish you success in your efforts to secure funding in support of moving Columbia Solar forward to completion.
Please feel free to contact me if you have any questions about this Council action or about EFSEC's process for closing out the Columbia Solar project financial account. I can be reached at (360) 664-1363, or at sonia.bumpus@utc.wa.gov.

Sincerely,

Sonia E. Bumpus
EFSEC Manager

Enclosure: Order 877

cc: Kathleen Drew, EFSEC Chair
    Timothy L. McMahan, Stoel Rives LLP
    Jonathan Thompson, EFSEC AAG
    Ami Kidder, EFSEC Siting and Compliance Manager
    Mark Johnson, UTC Director
    Amy Andrews, UTC CFO
BEFORE THE STATE OF WASHINGTON
ENERGY FACILITY SITE EVALUATION COUNCIL

In the Matter of Docket No. EF-170823:

TUUSSO Energy LLC,
COLUMBIA SOLAR ENERGY
PROJECT

COUNCIL ORDER No. 877
ORDER SUSPENDING SITE
CERTIFICATION AGREEMENTS FOR
THE COLUMBIA SOLAR PROJECT

Regulatory Authority:

RCW 80.50.071 provides, in relevant part, as follows:

(1) The council shall receive all applications for energy facility site certification. Each applicant shall pay actual costs incurred by the council and the utilities and transportation commission in processing an application.

(a) Each applicant shall, at the time of application submission, deposit with the utilities and transportation commission an amount up to fifty thousand dollars, or such greater amount as specified by the council after consultation with the applicant. The council and the utilities and transportation commission shall charge costs against the deposit if the applicant withdraws its application and has not reimbursed the commission, on behalf of the council, for all actual expenditures incurred in considering the application.

* * *

(c) In addition to the deposit required under (a) of this subsection, applicants must reimburse the utilities and transportation commission, on behalf of the council, for actual expenditures that arise in considering the application * * *. The utilities and transportation commission, on behalf of the council, shall submit to each applicant an invoice of actual expenditures made during the preceding calendar quarter in sufficient detail to explain the expenditures. The applicant shall pay the utilities and transportation commission the amount of the invoice by the due date.

(2) Each certificate holder shall pay to the utilities and transportation commission the actual costs incurred by the council for inspection and determination of compliance by the certificate holder with the terms of the certification relative to monitoring the effects of construction, operation, and site restoration of the facility.

(a) Each certificate holder shall, within thirty days of execution of the site certification agreement, deposit with the utilities and transportation commission an amount up to fifty thousand dollars, or such greater amount as specified by the council after consultation with the certificate holder. The council and the utilities and
transportation commission shall charge costs against the deposit if the certificate holder ceases operations and has not reimbursed the commission, on behalf of the council, for all actual expenditures incurred in conducting inspections and determining compliance with the terms of the certification.

(b) In addition to the deposit required under (a) of this subsection, certificate holders must reimburse the utilities and transportation commission, on behalf of the council, for actual expenditures that arise in administering this chapter and determining compliance. The council, after consultation with the utilities and transportation commission, shall submit to each certificate holder an invoice of the expenditures actually made during the preceding calendar quarter in sufficient detail to explain the expenditures. The certificate holder shall pay the utilities and transportation commission the amount of the invoice by the due date.

(3) If an applicant or certificate holder fails to provide the initial deposit, or if subsequently required payments are not received within thirty days following receipt of the invoice from the council, the council may (a) in the case of the applicant, suspend processing of the application until payment is received; or (b) in the case of a certificate holder, suspend the certification.

Findings:

1. On October 16, 2017, TUUSSO Energy, LLC (TUUSSO) filed an application with the Energy Facilities Site Evaluation Council (EFSEC or Council) to obtain a site certification, pursuant to RCW 80.50.060, to construct and operate the Columbia Solar Project consisting of five solar photovoltaic generating facilities and two generation tie lines. TUUSSO provided the Utilities and Transportation Commission (UTC) a deposit of $50,000 as required by RCW 80.50.071(1)(a).

2. Following review of the application, on August 22, 2018, EFSEC issued its Report to the Governor, recommending approval of the application.

3. The Governor approved the application and executed five site certification agreements, one for each of the five solar photovoltaic generating facilities proposed in TUUSSO’s application on October 17, 2018.

4. Kittitas County filed a petition for judicial review in Thurston County Superior Court on November 14, 2018. After EFSEC assembled the agency record for review to the Court, and the Office of the Attorney General submitted legal briefing to the Court in defense of the Governor’s approval of the application, Kittitas County agreed to dismissal of its petition for judicial review. The County’s petition was dismissed on April 9, 2019.

5. EFSEC and the UTC have invoiced TUUSSO for expenses incurred in considering the application, determining compliance by the certificate holder with the terms of the certification, and otherwise administering RCW 80.50 in regard to the Columbia Solar Project.
Project, including legal defense of the decision to approve the application against Kittitas County’s appeal. TUUSSO paid the amounts invoiced for agency expenditures through the 4th Quarter of Fiscal Year 2018 (April-June 2018).

7. TUUSSO received Columbia Solar Project billing for 1st Quarter Fiscal Year (FY19) expenditures (July - September 2018), in Invoice No. 5045-1, dated 12/20/2018, with a payment due date of 01/18/2019. TUUSSO did not pay Invoice No. 5045-1.

8. TUUSSO received Project billing for 2nd Quarter FY19 expenditures (October - December 2018) in Invoice No. 5124-1, dated 01/29/2019, with a payment due date of 03/01/2019. TUUSSO did not pay Invoice No. 5124-1.

9. EFSEC sent a letter to TUUSSO dated May 6, 2019 requesting that TUUSSO make a payment towards the unpaid balance for 1st and 2nd Quarter FY19 unpaid invoices. EFSEC also requested that TUUSSO provide a Project update by May 31, 2019.

10. TUUSSO remitted a partial payment in the amount of $100,000.00 in May 2019. The Utilities and Transportation Commission (UTC) applied that payment towards the 1st Quarter FY19 unpaid invoice.

11. The UTC has not refunded TUUSSO’s original deposit of $50,000, submitted with TUUSSO’s application for purposes of RCW 80.50.071(1)(a).

12. On May 31, 2019, email correspondence received by EFSEC from TUUSSO indicated that a “funding partner” had terminated Project-related agreements and that consequently, TUUSSO was seeking “alternative sources of funding” to fund the Project. The timeframe TUUSSO provided indicated they would have, “a source of funding in place by the end of July.”

13. TUUSSO received billing for 3rd Quarter Fiscal Year (FY19) expenditures (January – March 2019 in Invoice No. 5279-1, dated 05/17/2019, with a payment due date of 06/20/2019. TUUSSO did not pay Invoice No. 5129-1.

14. EFSEC sent a letter dated July 10, 2019, to TUUSSO requesting that its outstanding Project balance be paid by August 15, 2019, and noted that EFSEC may consider suspension of the Site Certification Agreement for non-payment of the Project billings, pursuant to RCW 80.50.071(3).

15. EFSEC received a response by email dated July 15, 2019, from Jason Evans, TUUSSO’s Vice President. The correspondence provided by Mr. Evans indicated TUUSSO’s intent to secure project funding and settle the unpaid balance by the August 15th date, per EFSEC’s request in its July 10th letter. However, on August 14th, during a phone call between Sonia E. Bumpus, EFSEC Manager, and Mr. Evans, Mr. Evans indicated that TUUSSO was
unable to make any payment for the Project billings by August 15th and that no additional funding source had been secured.

16. As of the completion of 4th Quarter FY19, TUUSSO’s outstanding unpaid balance of invoiced amounts for UTC and EFSEC’s Columbia Solar Project expenses totals approximately $264,067.78.

17. At the Council’s August 20, 2019, open meeting, Mr. Evans addressed the Council regarding the Project’s financial difficulties and TUUSSO’s inability to pay the 1st, 2nd, 3rd, and 4th Quarter FY19 billings for the Project.

18. According to Mr. Evans, TUUSSO committed all of its funding as a company to development of the Columbia Solar project and was, and remains, in a “very low cash position.” TUUSSO entered into an agreement with a counterparty in early 2018 to sell the Columbia Solar Project, and the counterparty began to make payments to TUUSSO’s vendors for development of the Project, including to EFSEC, and to pay a development services fee to TUUSSO for its continued work on the Project. Under that agreement, TUUSSO was to be paid for the Project following its successful realization. However, for a variety of reasons including Kittitas County’s appeal and Puget Sound Energy’s (PSE) denial of interconnection for two of the five sites, the counterparty stopped making payments and providing funding to TUUSSO. This occurred in December 2018, without the counterparty informing TUUSSO of its intention to stop funding. However, the counterparty waited another five months, until May 31, 2019, to officially terminate its agreement with TUUSSO. TUUSSO has, since that time, been searching for a partner to take the Project forward. Mr. Evans stated that TUUSSO is in discussions with potential purchasers and potential providers of financing. That effort is challenging because of outstanding payables that are now due and the nature of the split with the prior counterparty. Mr. Evans explained that TUUSSO has three viable interconnection agreements with PSE, and must give notice to PSE in November 2019 that the facilities at those three sites will go forward. Therefore, it is critical that TUUSSO secure a partner by November.

19. Following Mr. Evans explanation and recommendations by Ms. Bumpus, the Council voted to proceed with suspension of TUUSSO’s certification for the Columbia Solar Project. The Council directed the EFSEC Manager and the Council Chair to develop and issue an order suspending TUUSSO’s certification for the Columbia Solar Project on the terms generally described in staff’s recommendation with additional terms provided by the Council.

ORDER

THEREFORE, IT IS HEREBY ORDERED that:

Council Order No. 877
Order Suspending Site Certification Agreement for the Columbia Solar Project
TUUSSO Energy LLC,
September 5, 2019
(1) TUUSSO’s certification for the Columbia Solar Project, which became effective on October 17, 2018, is suspended on the terms specified in this order.

(2) Unless and until TUUSSO’s certification is reinstated by the Council, TUUSSO may not initiate construction or take any action at the Project sites for which the law requires either site certification or a state or local permit or similar authorization.

(3) EFSEC staff and contractors shall cease work on inspection and determination of compliance by the certificate holder with the terms of the certification.

(4) Effective September 5, 2019 UTC shall cease allocating overhead to the Columbia Solar Project, but shall issue an invoice to TUUSSO for the first quarter of fiscal year 2020 (July 1, 2019 through September 30, 2019) reflecting direct and overhead costs incurred prior to September 5, 2019.

(5) To obtain reinstatement of certification, TUUSSO must first make full payment of all invoiced amounts. Due to its history of non-payment, TUUSSO must provide a new deposit of at least $50,000, or such greater amount as may be specified by the Council at that time, to meet the requirement of RCW 80.50.071(2)(a). TUUSSO must make a request for reinstatement to the Council in writing, and must include in that request a full description of its financial situation and an attestation to its ability to make timely payment of invoices going forward. The Council will endeavor to act promptly to decide such a request. The Council reserves the authority to impose any additional conditions on reinstatement of certification it deems appropriate at that time. TUUSSO shall be required to pay the cost incurred by the Council in reviewing any such request.

(6) The terms of WAC 463-68-080, including the provision that site certification shall expire if the certificate holder does not start construction within ten years of execution of the SCAs, shall continue to apply notwithstanding suspension.

(7) The terms of WAC 463-68-060, including the requirement that the certificate holder must report to the Council its intention to proceed or not proceed with the project if construction has not started within five years of execution of the SCAs, shall continue to apply notwithstanding suspension. TUUSSO shall be required to pay the cost incurred by the Council in reviewing any such report.

(8) UTC shall apply the $50,000 deposit that TUUSSO provided at the time it submitted its application for site certification, and which the UTC retained as the deposit required of the certificate holder by RCW 80.50.071(2)(a) following execution of the site certification agreement, toward payment of TUUSSO’s outstanding unpaid invoices.

(9) TUUSSO remains responsible for payment of all outstanding costs invoiced by EFSEC, and this order in no way excuses or delays TUUSSO’s continuing obligation to pay, nor
does it affect the UTC and EFSEC’s right to pursue collection in any manner and on any
timeline those agencies deem appropriate.

(10) EFSEC retains all available enforcement authority, including penalty authority under
RCW 80.50.150 and 155, and the authority to revoke the Columbia Solar certificates if it
deems such action appropriate under RCW 80.50.130.

DATED at Lacey, Washington and effective on this 5th day of September, 2019.

WASHINGTON STATE
ENERGY FACILITY SITE EVALUATION COUNCIL

Kathleen Drew, EFSEC Chair
**AGENDA**

**MONTHLY MEETING**  
Tuesday September 17, 2019  
1:30 PM

**Washington State**  
**Energy Facility Site Evaluation Council**  

621 Woodland Square Loop SE,  
Lacey, WA 98503,  
Conference Room 110

Conference number: (360) 407-3810 ID: 214817

1. **Call to Order**  
   Kathleen Drew, EFSEC Chair

2. **Roll Call**  
   Tammy Mastro, EFSEC Staff

3. **Proposed Agenda**  
   Kathleen Drew, EFSEC Chair

4. **Minutes**  
   **Meeting Minutes**  
   Kathleen Drew, EFSEC Chair  
   - August 20, 2019

5. **Projects**
   - **a. Kittitas Valley Wind Project**  
     Operational Updates... Eric Melbards, EDP Renewables
   - **b. Wild Horse Wind Power Project**  
     Operational Updates... Jennifer Diaz, Puget Sound Energy
   - **c. Chehalis Generation Facility**  
     Operational Updates... Mark Miller, Chehalis Generation
   - **d. Grays Harbor Energy Center**  
     Project Updates... Chris Sherin, Grays Harbor Energy
   - **e. Columbia Generating Station**  
     Operational Updates... Mary Ramos, Energy Northwest
   - **f. WNP – 1/4**  
     Non-Operational Updates... Mary Ramos, Energy Northwest
   - **g. Desert Claim**  
     Project Updates... Amy Moon, EFSEC Staff
   - **h. Columbia Solar Project**  
     SCA Order... Sonia Bumpus, EFSEC Staff

5. **Other**
   - **a. EFSEC Council**  
     Revised 1st Quarter Cost Allocation... Sonia Bumpus, EFSEC Staff
     Air Rule Update... Ami Kidder, EFSEC Staff

6. **Adjourn**  
   Kathleen Drew, EFSEC Chair

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*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 42.30.020*
Kittitas Valley Wind Power Project
Monthly Operations Report

August 2019

Project Status Update

**Production Summary:**
- Power generated: 32,388 MWh
- Wind speed: 8.3 m/s
- Capacity Factor: 43.5%

**Safety:**
No incidents

**Compliance:**
Project is in compliance

**Sound:**
No complaints

**Shadow Flicker:**
No complaints

**Environmental:**
No incidents
Chehalis Generation Facility----Monthly Plant Report – August 2019
Washington Energy Facility Site Evaluation Council

09.06.2019

Safety:

- There were no recordable incidents this reporting period and the plant staff has achieved 1493 days without a Lost Time Accident.

Environment:

- There were no air emissions or stormwater deviations or spills during the month.
- Wastewater and Storm-water monitoring results complied with the permit limits for the month.

Operations and Maintenance Activities:

- The Plant generated 337,920 MW-hours in August for 2019 Year-To-Date generation equaling 1,371,814 MW-hours. The capacity factor for the month of August was 92.7% and the YTD is 47.0%.

Regulatory/Compliance:

- Nothing to report this period.

Sound monitoring:

- Nothing to report this period.

Carbon Offset Mitigation:

- Nothing to report this period.

Respectfully,

Mark A. Miller
Manager, Gas Plant
Chehalis Generation Facility
NOVA Gas Transmission Ltd.

Non-Critical Notice

Notice Type: Other
Effective Start Date/Time: Sep 10 2019 09:00
Subject: Dithiazine Update

NOVA Gas Transmission Ltd. (NGTL), indirectly and partially owned by TransCanada PipeLines Limited, an affiliate of TC Energy Corporation (TC Energy), is hereby providing an update to stakeholders about a chemical substance, Dithiazine, that continues to appear at some facilities on its pipeline systems and facilities of downstream customers. This is a follow-up to previous bulletin board postings on June 29 in 2018, January 16 and 24, March 24, and June 10 in 2019.

TC Energy met with potentially impacted shippers and interconnecting and downstream parties on August 21, 2019 in Portland, Oregon. Prior to and immediately following the August 21 meeting, several interconnecting parties and downstream customers communicated with TC Energy to offer ideas, provide feedback, and suggest next steps. TC Energy is continuing discussions with these stakeholders and encourages others to continue to reach out with constructive dialogue as well. TC Energy emphasizes that communication among the affected stakeholders is necessary for timely and effective management of Dithiazine in the gas stream and to facilitate gathering and assessing data to determine its source(s) and carry-over mechanism.

At this meeting and through other communication, the attendees discussed:

1. **Background information**, including the potential that Dithiazine has affected gas turbine driven compressor stations, regulator facilities, maintenance activities, delivery meter stations, and customer locations, as well as statistics regarding potential Dithiazine appearances.

TC Energy is continuously working with stakeholders to investigate the sources and downstream impacts of Dithiazine. This includes pursuing several activities with the objectives of investigating the source(s), and effectively mitigating impacts to pipeline systems and facilities. We believe that the pre-cursor H2S scavenger is MEA-Triazine and have been in contact with suppliers and users to better understand its chemistry, application, reclamation and treatment rates. Given the historical use of triazine in industry, it is imperative that all stakeholders in the natural gas value chain, from producers to industrial end users, work together to identify the instances of Dithiazine deposits and the conditions that lead to depositional environments.

TC Energy strongly encourages any parties using MEA-Triazine to work with their suppliers to ensure proper application of MEA-Triazine, which may include steps to design, construct and operate facilities to appropriately reclaim spent scavenger; validation of treatment rates of MEA-Triazine that include monitoring; and process management to prevent operational and downstream issues. Through its evaluations, TC Energy has identified several process conditions as potential contributors to Dithiazine carryover, including:

1) Continuous injection of MEA-triazine into sales gas without appropriate process equipment to reclaim the spent scavenging byproducts; and

2) Contact tower foam-over or other abnormal operation conditions/processing issues related to MEA-triazine

Other process conditions may contribute to Dithiazine carryover, and TC Energy is evaluating technical and administrative options to ensure that producers or other processing facilities are not using direct injection or creating tower foam-over conditions which could contribute Dithiazine to our pipeline system. Any stakeholders that have changed their scavenger, process and/or are aware of alterations in MEA-Triazine usage or application are asked to inform TC Energy’s Dithiazine response lead.

2. **Research and development activities**, including facts and findings related to chemistry and chemical behavior of Dithiazine in pipeline systems; the potential for Dithiazine in a pipeline system to (a) de-sublimate into a white
powder downstream of a pressure cut; or (b) maintain in the vapor phase when enough heat is applied. TC Energy continues to evaluate results of deployment of sample panels and make use of other investigative tools applied on its pipeline systems.

In December of 2018, TC Energy began deployment of several in-stream detection panels at strategic locations on the GTN and NGTL pipeline systems. These in-stream detection panels were developed with TC Energy’s engineering services team and a third-party research organization and supplier, but quality control and assurance verification parameters have not been validated at this time. The sample panels are not a method of real time monitoring, as they utilize a composite sample which is later processed and analyzed off-site. TC Energy developed these detection panels as part of an on-going program to help identify and monitor concentration levels of Dithiazine in the pipeline system. TC Energy recommends that other stakeholders that have or are developing detecting capabilities collaborate with TC Energy and its third-party vendors in this effort.

Since the deployment of the in-stream detection panels, numerous samples have been collected from twenty locations on GTN and NGTL over the past 9 months and preliminary trending of Dithiazine concentration levels has been conducted. Detection samples will continue to be taken at various locations moving forward to monitor concentration levels and to mitigate potential sources of Dithiazine entering the pipeline system. Additionally, TC Energy is continuing its development of sample panels, and potential of real time monitoring solutions.

3. Potential best practices, including TC Energy’s experience on short- and long-term mitigation with respect to turbine fuel gas (including flushing or cleaning fuel valves with hot water, removing fuel injectors for ultrasonic cleaning, sourcing fuel gas from discharge of compressor, and using fuel gas preheaters and pilot gas charcoal filters) and meter/regulator stations (including monitoring, increasing inspection/maintenance frequencies, cleaning with hot water, and using pilot gas charcoal filters and gas preheaters).

TC Energy continues to observe Dithiazine at its facilities through increased inspection and maintenance, and is taking steps, including frequent cleaning, to ensure that its facilities are operating properly. It is incumbent upon all potentially impacted parties to continue to conduct their own maintenance, testing and analysis to ensure the safety and reliability of their facilities. Stakeholders are asked to continue to provide relevant information when they encounter suspected Dithiazine in their facilities, including mitigation methods that they have employed, to TC Energy’s Dithiazine response lead.

4. Potential remediation methods, related to downstream effects.

TC Energy has initiated an evaluation of potential long-term remediation methods of downstream effects to its facilities, including, but not limited to mechanical and chemical cleaning options. TC Energy is aware that other pipeline companies, in addition to TC Energy, are evaluating the use of filters, a pigging program and use of chemical cleaning.

Thus far, TC Energy has utilized opportunities within its existing integrity programs to sample and analyze pipeline debris collected from inline inspection projects. Dithiazine presence has been identified in several of the debris samples collected from recent pig runs on pipeline segments on the West Path. TC Energy is evaluating opportunities to collect more data as we conduct additional pigging operations on the West Path and GTN.

These efforts require testing and assessment of collateral impacts as the conditions warrant to ensure that the safe, reliable delivery of natural gas is not compromised. Stakeholders are urged to work with their interconnecting parties to evaluate potential remediation methods.

At this time, NGTL will not implement a curtailment of gas treated with MEA-Triazine entering its system. However, TC Energy continues to monitor and evaluate operational conditions as circumstances dictate. TC Energy looks forward to working with stakeholders and is committed to providing updates of its efforts, as appropriate. In the meantime, TC Energy representatives are available to meet with affected parties or to address any questions. Please contact Tyler Marks (tyler_marks@tcenergy.com), our Dithiazine response lead, at your convenience.

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