

Verbatim Transcript of Monthly Council Meeting
Washington State Energy Facility Site Evaluation
Council

December 17, 2019



1325 Fourth Avenue • Suite 1840 • Seattle, Washington 98101

206.287.9066

www.buellrealtime.com

Olympia | **360.534.9066** Spokane | **509.624.3261** National | **800.846.6989**

email: info@buellrealtime.com



1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

WASHINGTON STATE
ENERGY FACILITY SITE EVALUATION COUNCIL
Lacey, Washington
Tuesday, December 17, 2019
1:32 p.m.

MONTHLY COUNCIL MEETING
Verbatim Transcript of Proceedings

REPORTED BY: SHERRILYN SMITH, CCR# 2097

Buell Realtime Reporting, LLC
1325 Fourth Avenue
Suite 1840
Seattle, Washington 98101
206.287.9066 | Seattle
360.534.9066 | Olympia
800.846.6989 | National

www.buellrealtime.com

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

A P P E A R A N C E S

Councilmembers:

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

Assistant Attorney General:

STEPHANIE DUVALL

Council Staff:

- SONIA BUMPUS
- AMI KIDDER
- AMY MOON
- KYLE OVERTON
- TAMMY MASTRO
- JOAN AITKEN

In Attendance:

- JENNIFER DIAZ, Wild Horse Wind Power, PSE (via phone)
- CHRIS SHERIN, Grays Harbor Energy
- MARK MILLER, Chehalis Generating Station
- TIM McMAHAN, Stole Rives (via phone)
- HALEY OLSON, Puget Sound Energy

-o0o-

1 LACEY, WASHINGTON: DECEMBER 17, 2019

2 1:32 P.M.

3 -o0o-

4
5 P R O C E E D I N G S

6
7 CHAIR DREW: Good afternoon. This is
8 Kathleen Drew, Chair of the Energy Facility Site
9 Evaluation Council. Our December meeting is called to
10 order.

11 Ms. Mastro, will you call the roll.

12 MS. MASTRO: Department of Ecology?

13 MR. STEPHENSON: Cullen Stephenson,
14 here.

15 MS. MASTRO: Department of Fish and
16 Wildlife?

17 MR. LIVINGSTON: This is Mike Livingston
18 on the phone.

19 MS. MASTRO: Department of Natural
20 Resources?

21 MR. SIEMANN: Dan Siemann is on the
22 phone.

23 MS. MASTRO: Utilities and
24 Transportation Commission?

25 MS. BREWSTER: Stacey Brewster, here.

1 MS. MASTRO: Chair, there is a quorum.

2 CHAIR DREW: Thank you.

3 Moving on to the proposed agenda. You have
4 that before you. Is there a motion to adopt the
5 proposed agenda?

6 MR. STEPHENSON: I will so move.

7 MS. BREWSTER: I will second the motion.

8 CHAIR DREW: Thank you.

9 Are there any questions or changes?

10 If not, all those in favor of adopting this
11 proposed agenda, please say "aye."

12 THE COUNCILMEMBERS: Aye.

13 CHAIR DREW: Nay?

14 The agenda is adopted.

15 Before I got on, I would like to ask if there
16 is anyone else on the phone who wants to introduce
17 themselves at this point?

18 MR. McMAHON: Tim McMahon with
19 Stoel Rives.

20 MS. DIAZ: Jennifer Diaz, Puget Sound
21 Energy.

22 MS. OLSON: Haley Olson, Puget Sound
23 Energy.

24 CHAIR DREW: Okay. Thank you.

25 Moving on to the meeting minutes. We have two

1 meetings, both the November 19th meeting and then the
2 special meeting on November 25th. So we will start
3 with the approval of the November 19th minutes. Is
4 there a motion to put that before us?

5 MR. STEPHENSON: I will move to approve
6 the minutes.

7 CHAIR DREW: Of November 19th?

8 MR. STEPHENSON: Of November 19th.

9 CHAIR DREW: Thank you.

10 MS. BREWSTER: I will second the motion.

11 CHAIR DREW: Thank you.

12 Are there any questions or changes that anyone
13 would like to suggest?

14 Hearing none, the minutes of the November 19th
15 council meeting are before us for approval. All those
16 in favor signify my saying "aye."

17 THE COUNCILMEMBERS: Aye.

18 CHAIR DREW: The minutes are approved
19 for November 19th.

20 Moving on to the November 25th special
21 meeting. Would you like to put a motion out?

22 MR. STEPHENSON: Chair, I will move to
23 approve the minutes from November 25th.

24 MS. BREWSTER: I will second the motion.

25 CHAIR DREW: Thank you.

1 Are there any questions or edits on the
2 November 25th special meeting minutes?

3 If not, all those in favor of adopting those
4 minutes please say "aye."

5 THE COUNCILMEMBERS: Aye.

6 CHAIR DREW: The minutes are adopted.

7 Moving on to our Kittitas Valley Wind Project
8 operational update, Mr. Melbardis.

9 Oh, he is not here.

10 MR. OVERTON: This is Kyle Overton, the
11 site specialist with EFSEC for Kittitas Valley.

12 Mr. Melbardis was unable to attend today. He wanted
13 me to report that there was no new nonroutine items at
14 his facility for this month.

15 CHAIR DREW: Thank you.

16 Wild Horse Wind Power Project, Ms. Diaz.

17 MS. DIAZ: Thank you, Chair Drew, and
18 Councilmembers. For the record, this is Jennifer Diaz
19 with Puget Sound Energy at the Wild Horse Wind
20 Facility. I have two nonroutine updates for the month
21 of November.

22 The Kittitas County fire marshal conducted the
23 annual Fire Life and Safety inspection on
24 November 18th. No violations were identified.

25 And then the United States Fish and Wildlife

1 Service issued a five-year Eagle Incidental Take
2 Permit for Wild Horse on November 5th. This is the
3 first Eagle Incidental Take Permit issued by the
4 Service in Washington State. The permit requires that
5 PSE implement avoidance and minimization measures,
6 compensatory mitigation, and eagle fatality monitoring
7 during the 5-year permit term. The Tack (ph) was
8 notified via email of the permit issuance on
9 December 13th.

10 CHAIR DREW: Thank you.

11 Are there any --

12 MS. DIAZ: That's all I have.

13 CHAIR DREW: Are there any questions?

14 Thank you. And you did I know share that
15 permit with us as it was going through the process, so
16 we appreciate that. Thank you.

17 MS. DIAZ: Thank you.

18 CHAIR DREW: Chehalis Generation
19 Facility, Mr. Miller.

20 MR. MILLER: Good afternoon, Chair Drew,
21 Councilmembers and Staff. I'm Mark Miller, the plant
22 manager at the PacifiCorp Chehalis Generation
23 Facility. I have two nonroutine comments to add
24 today.

25 On Monday, the 28th of November 2019, the

1 Chehalis plant notified EFSEC Staff of one of the
2 combustion turbines, Combustion Turbine No. 2, that
3 experienced deviation. We followed up with a final
4 report on November 25th, and we received on the 10th
5 of December a closeout from EFSEC, noting that the
6 plant had met the requirements of the operating
7 permit.

8 I also wanted to note that US EPA Region 10
9 issued a written report summarizing their visit that
10 was conducted in September. The report noted that the
11 Chehalis Generation Facility was compliant with the
12 applicable pretreatment requirements Steam Electric
13 Generating Effluent Guidelines.

14 Also, I have a couple typos in my report
15 there. You might wonder at the bottom of the page
16 what VFR is. I am referencing the Consolidated
17 Federal Register. Not VFR, it's CFR. So a few typos.

18 That's all I have. Were there any questions?

19 CHAIR DREW: Thank you.

20 Are there any questions?

21 MR. MILLER: All right. Thank you.

22 CHAIR DREW: Thank you very much.

23 Moving on to Desert Claim Project update,

24 Ms. Moon.

25 MS. MOON: Good afternoon, Council,

1 Chair Drew, and Councilmembers. For the record, this
2 is Amy Moon, and I am providing an update for Desert
3 Claim Project.

4 The current construction target date is 2021.
5 EFSEC is expecting plan submittal and review by late
6 2020 or early 2021.

7 CHAIR DREW: Okay. Any questions?

8 MR. STEPHENSON: Yes.

9 CHAIR DREW: Mr. Stephenson.

10 MR. STEPHENSON: Thanks, Chair Drew.

11 Amy, is that enough time between getting the
12 plans and doing everything, and having you have
13 everything you need to say, yes, go, and construction?

14 MS. MOON: Well, we are working with
15 them now to ensure that they submit them in a timely
16 manner so that we do have enough time to review. Of
17 course, it's not 100 percent predictable, but they
18 won't be able to begin construction without review and
19 approval of required plans.

20 MR. STEPHENSON: Thank you.

21 CHAIR DREW: Okay. Moving on to
22 WNP-1/4, also -- and Columbia Generating Station, also
23 Ms. Moon.

24 MS. MOON: All right. Thank you,
25 Chair Drew.

1 Energy Northwest submitted their facility
2 updates for WNP-1/4 and Columbia Generating Station.
3 They are included in the Council packet. There are no
4 updates to report for either facility.

5 CHAIR DREW: Okay.

6 Columbia Solar Project, the Operational
7 Update, Ms. Kidder.

8 MS. KIDDER: Thank you.

9 Good afternoon, Chair Drew and Councilmembers.
10 For the record, my name is Ami Kidder. I have a brief
11 update for you on the Columbia Solar Project.

12 December 6th, 2019, Order No. 878 reinstating
13 the Columbia Solar Site Certification Agreements
14 became effective. EFSEC Staff have resumed
15 coordination with the certificate holder and our
16 contractors on preconstruction activity for the
17 project. Staff will continue to update the Council as
18 preconstruction activity moves forward and the
19 certificate holder completes requirements indicated in
20 both the mitigated determination of nonsignificance
21 and the site certification agreements.

22 Are there any questions?

23 CHAIR DREW: Questions?

24 Thank you.

25 Grays Harbor Energy Center project update,

1 Mr. Sherin. That should be operational update.

2 MR. SHERIN: Good afternoon, Chair Drew,
3 Councilmembers. I'm Chris Sherin, plant manager of
4 Grays Harbor Energy Center. For the month of
5 November, we -- I don't have any nonroutine items to
6 report.

7 CHAIR DREW: Thank you.

8 And then to discuss the Title V Air Permit,
9 Mr. Overton.

10 MR. OVERTON: This is Kyle Overton
11 with -- EFSEC site specialist for Grays Harbor. In
12 regards to the Title V Air Permit, I have -- this
13 right up here provides the context, the Draft Title V
14 Air Operating Permit and the associated Technical
15 Support Document was provided to Council on
16 December 11th, 2019, for their review.

17 The permit is in response to Federal and State
18 Clean Air regulations which require -- which were
19 triggered due to Grays Harbor Energy being an energy
20 production facility and the facility's potential to
21 emit several regulated air pollutants at or above
22 major source thresholds as defined in regulation.

23 Grays Harbor Energy Facility is currently and
24 will remain operating under the Prevention of
25 Significant Deterioration Air Permit, Amendment 4,

1 which was issued by the Council and signed on
2 July 12th, 2018. The PSD is required for new major
3 sources of air emissions prior to beginning operation.

4 The AOP is a master document required by
5 Title V with the Clean Air Act, which lists all of the
6 air pollution requirements that apply to the Grays
7 Harbor Energy Facility and incorporates the thresholds
8 and monitoring requirements identified in that PSD.

9 After beginning operation, Grays Harbor Energy
10 Facility submitted a complete application for their
11 operating permit in 2009. During this review, the
12 need to amend the then-current PSD air permit was
13 identified, which effectively put the air operating
14 permit process on hold until that amendment for the
15 PSD was completed.

16 After the PSD amendment was finalized, a draft
17 air permit was completed and is before you today. The
18 proposed air operating permit was drafted primarily by
19 EFSEC contractor Mark Goodin with the Olympic Clean
20 Air Agency, in conjunction with EFSEC Staff
21 contractors and Facility input.

22 The next step in the process is the need to
23 provide opportunity for public engagement via a 30-day
24 public comment period. Depending on comments
25 received, this -- data, further public hearing,

1 however, the public hearing is not anticipated at this
2 time.

3 So barring the need for that public hearing,
4 the next step after the 30-day comment period is to
5 forward on the proposed permit to the EPA for a 45-day
6 review, as required by WAC 173-401-810.

7 At this time, EFSEC Staff would like to
8 request that the Council will make a preliminary
9 determination to approve the proposed permit documents
10 for public comment, which will allow Staff to move
11 forward with the 30-day public comment period, as
12 required by WAC 173-401-820. This is adopted by
13 reference in EFSEC's rules, WAC 463-78-005.

14 Any questions?

15 CHAIR DREW: So, Mr. Overton, is it true
16 that to operate a facility such as Grays Harbor Energy
17 Center, they are required to have both a PSD and an
18 air operating permit?

19 MR. OVERTON: Correct.

20 CHAIR DREW: And the air operating
21 permit covers some of the same issues, if not --

22 MR. OVERTON: The air operating permit
23 incorporates all the air requirements that Grays
24 Harbor is subject to, including the PSD requirements.

25 CHAIR DREW: Okay. So the PSD is a

1 subset.

2 And there are no new issues or anything of
3 that sort. This is part of the process that the
4 Facility has to go through in order to have the
5 appropriate permits?

6 MR. OVERTON: Correct. There is no new
7 thresholds or reporting requirements that arise from
8 the AOP currently.

9 CHAIR DREW: Thank you.

10 Are there questions? Mr. Stephenson.

11 MR. STEPHENSON: Thanks, Chair Drew.

12 Kyle, my only concern is putting it out for 30
13 days. If we do that, that puts 30 days right over the
14 holidays. Is there any way to get around that or is
15 30 days enough to take that into consideration and get
16 a good, robust chance for people to look at the
17 documents?

18 MR. OVERTON: The 30-day requirement
19 was -- is laid out in the regulation. Judging from
20 the previous air permit, the most recent PSD, we
21 received no comments on that at all, and considering
22 that this doesn't have any new requirements or -- or
23 regulations on the facility, we don't really
24 anticipate much public engagement. But during that
25 time period, the public has the opportunity to request

1 that public hearing if that is needed.

2 CHAIR DREW: Or an extension, if that
3 were to come up. And then it is followed by a 45-day
4 public hearing from the EPA as well.

5 MR. OVERTON: EPA review, correct.

6 CHAIR DREW: Sure. Go ahead.

7 MR. STEPHENSON: And the public notice
8 for that goes to?

9 MR. OVERTON: I believe the EFSEC
10 manager is going to comment on that.

11 MS. BUMPUS: Councilmember Stephenson,
12 you are asking who receives the public notice for the
13 public comment period?

14 MR. STEPHENSON: Yes, who receives it,
15 and then how do we get that out? What media do we
16 use?

17 MS. BUMPUS: Well, we have -- EFSEC
18 maintains an interested persons list of people who
19 regularly get notifications about any activities that
20 EFSEC undertakes, so council meetings, things like
21 that. And then we also maintain a project mailing
22 list and contact list for specific facilities, where
23 people have notified us that they are following that
24 project and activities related to it and they want to
25 be notified of any activities related to it.

1 So those are the contacts that we reach out
2 to, including agencies like the EPA and other State
3 agencies, tribes, things like that. So we have a very
4 large, comprehensive list of entities that are
5 notified.

6 We are also planning to put the notice in the
7 newspaper as well, and Ms. Kidder can speak to which
8 newspaper it will be, but we are also going to include
9 it in the -- in the newspaper.

10 MS. KIDDER: Thank you.

11 So historically for this facility, we have run
12 notices in both the local newspaper, I'm afraid the
13 name eludes me at this time, but the one local to the
14 facility, as well as The Olympian. The notice will
15 also will be published on the EFSEC website per
16 WAC 173.

17 MR. STEPHENSON: Great. Thank you.

18 CHAIR DREW: Thank you.

19 So we have had a chance to review both the
20 permit and the technical document. At this point, I
21 would be interested in a motion to put this permit out
22 for public comment for 30 days.

23 MR. STEPHENSON: Chair, I will move that
24 Council directs Staff to put this permit out for
25 public comment for 30 days.

1 MS. BREWSTER: I will second the motion.

2 CHAIR DREW: Are there any other
3 questions? Discussion?

4 Hearing none, all those in favor signify by
5 saying "aye."

6 THE COUNCILMEMBERS: Aye.

7 CHAIR DREW: The motion is approved.
8 Thank you.

9 Moving on to our revised second quarter cost
10 allocation, Ms. Bumpus.

11 MS. BUMPUS: Thank you.

12 Good afternoon, Chair Drew and Councilmembers.
13 Before I cover the revised cost allocation, I just
14 wanted to make note that we are preparing our schedule
15 for EFSEC council meetings for the next year, in 2020.
16 There are two months where we are looking at different
17 dates, other than the third Tuesday of the month.

18 And so I just wanted to make sure everyone is
19 aware that we are planning to have the January council
20 meeting at 10:00 a.m. on the 14th of January. I think
21 Ms. Aitken has reached out to councilmembers about
22 their availability for that. And then for February, I
23 believe we are looking at February 11th for the
24 February council meeting.

25 We will let you know if any of this changes,

1 but other than that, we will keep you apprised of
2 anything that changes later in the year.

3 CHAIR DREW: Thank you.

4 MS. BUMPUS: So going back to the
5 nondirect cost allocation, Ms. Kidder has already
6 discussed that Order No. 8784, Columbia Solar
7 reinstated the site certification agreements for that
8 project, and consequently I have updated the nondirect
9 cost allocation starting with the effective date of
10 the reinstatement of the SCAs, December 6th, through
11 to the end of the second quarter for Fiscal Year 2020,
12 which is December 30th, 2019.

13 So I will now go through the percentages as
14 they are starting December 6th. Kittitas Valley Wind
15 Power Project, 10 percent; Wild Horse Wind Power
16 Project, 10 percent; Columbia Generating Station,
17 25 percent; Columbia Solar, 13 percent; WNP-1,
18 3 percent; Whistling Ridge Energy Project, 3 percent;
19 Grays Harbor 1 and 2, 13 percent; Chehalis Generation
20 Project, 11 percent; Desert Claim Wind Power Project,
21 9 percent; and Grays Harbor Energy 3 and 4, 3 percent.

22 CHAIR DREW: Are there any questions?

23 MS. BUMPUS: Thank you.

24 CHAIR DREW: Hearing none, that
25 concludes our business for today. And wish everyone a

1 happy holiday season and we will see you in the new
2 year. Meeting is adjourned.

3 (Adjourned at 1:53 p.m.)
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

C E R T I F I C A T E

STATE OF WASHINGTON

COUNTY OF KING

I, Sherrilyn Smith, 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.

SHERRILYN SMITH, CCR# 2097