WASHINGTON STATE
ENERGY FACILITY SITE EVALUATION COUNCIL
Lacey, Washington
Tuesday, February 11, 2020
1:30 p.m.

MONTHLY COUNCIL MEETING
Verbatim Transcript of Proceedings

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APPEARANCES

Councilmembers:

KATHLEEN DREW, Chair
MIKE LIVINGSTON, Fish & Wildlife
KATE KELLY, Department of Commerce (via phone)
STACEY BREWSTER, Utilities & Transportation Commission
ROBERT DENGEL, Department of Ecology

Assistant Attorney General:

JON THOMPSON

Council Staff:

SONIA BUMPUS
AMI KIDDER
AMY MOON
KYLE OVERTON
STEWART HENDERSON
JOAN AITKEN
STEPHEN POSNER

In Attendance:

JENNIFER DIAZ, Wild Horse Wind Power (via phone)
CHRIS SHERIN, Grays Harbor Energy
MARK MILLER, Chehalis Generating Station
BILL SHERMAN, The Environment (via phone)
MARY RAMOS, Columbia Generating Station (via phone)
OWEN HURD, TUUSSO Energy (via phone)
LACEY, WASHINGTON; FEBRUARY 11, 2020

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. This meeting is coming to order. First of all, let's have a call to order.

Ms. Aitken?

MS. AITKEN: Department of Commerce?

MS. KELLY: This is Kate Kelly.

MS. AITKEN: Department of Ecology?

MR. DENGEL: Rob Dengel, Ecology, present.

MS. AITKEN: Department of Fish and Wildlife?

MR. LIVINGSTON: Mike Livingston, here.

MS. AITKEN: Department of Natural Resources?

CHAIR DREW: Excused.

MS. AITKEN: Utilities and Transportation Commission?

MS. BREWSTER: Stacey Brewster, here.

MS. AITKEN: Chair, we have a quorum.

CHAIR DREW: Thank you.
And now before you, you see the proposed agenda. If you would take a look at that, and then if there is a motion to approve that agenda?

MS. BREWSTER: I move that we approve today's agenda.

MR. DENGEL: Second.

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

COUNCILMEMBERS: Aye.

CHAIR DREW: Opposed? Motion carries.

Moving on to the minutes of the December 17th meeting, which are in your packets, and I believe we have the three of us who were present for that meeting -- I'm looking to see -- yes -- of those who are here, so that being Mr. Livingston, Ms. Brewster, and myself, is there a motion to approve the minutes from December 17th?

MR. LIVINGSTON: Chair, I'll make a motion to approve the minutes.

CHAIR DREW: Second?

MS. BREWSTER: Second.

CHAIR DREW: Any discussions or changes?

Hearing none, all those in favor of approval of the minutes from December 17th, 2019, say "aye."

COUNCILMEMBERS: Aye.

CHAIR DREW: Opposed? Minutes are adopted.
I would like to pause for a moment, because I didn't do this earlier, to ask if there's anyone else on the phone call who would like to identify themselves?

MR. SHERMAN: This is Bill Sherman. I'm here as counsel for The Environment.

MR. SHERIN: Chris Sherin, Grays Harbor Energy Center.

MS. DIAZ: Jennifer Diaz, Puget Sound Energy Wild Horse Wind Facility.


MS. RAMOS: Mary Ramos, Energy Northwest.

CHAIR DREW: Okay. Thank you.

And before we move on to the first part, the Chair is taking a couple moments of personal privilege here to introduce our two new members of the EFSEC Council, which we're really pleased to have on board today.

Kate Kelly, who is the representative from the Department of Commerce, is a senior energy policy specialist. She has a strong background in energy and environmental policy. Previously she served as the policy director for the Washington Attorney General's Office, held two director positions at the Environmental Protection Agency, worked in environmental quality and
natural resources in Idaho, and served as an Idaho state senator for six years.

Welcome, Kelly -- Kate Kelly, Ms. Kelly.

MS. KELLY: Thank you.

CHAIR DREW: And then moving on to Robert Dengel, who is here with us today as well as the new representative of the Washington Department of Ecology. He is the Air Quality Deputy Program manager at the Department of Ecology. He has extensive and varied experience in state government having also worked at the Superintendent of Public Instruction's Office, the Department of Natural Resources, and the Attorney General's Office.

Before his appointment in Ecology's Air Quality Program, Rob served as a state-wide resources manager for their Spill Prevention, Preparedness, and Response Program, and also served as a legislative and strategic policy analyst in the Spills Program.

Welcome, Mr. Dengel.

MR. DENGEL: Thank you. Glad to be here.

CHAIR DREW: So thank you for allowing me that time to introduce our new members. We will now move on to the reports of our operational facilities.

Kittitas Valley Wind Project, Mr. Overton.

MR. OVERTON: This is Kyle Overton, the
EFSEC site specialist for the Kittitas Valley Wind Project. For the months of December and January, Kittitas Valley Wind did not have any nonroutine items to report.

CHAIR DREW: Thank you.

Wild Horse Wind Power Facility, 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, and I also have nothing nonroutine to report for the month of January.

CHAIR DREW: Thank you.

Chehalis Generation Facility, Mr. Miller.

MR. MILLER: Good afternoon, Chair Drew, Councilmembers, and Staff. I'm Mark Miller, the plant manager at the PacifiCorp Chehalis Generation --

CHAIR DREW: You might want to move that microphone just a little bit closer for the folks on the phone.

MR. MILLER: I have one nonroutine comment to add today. PacifiCorp staff met with EFSEC Staff on Thursday, the 6th of February, to provide an update to one particular requirement of the EFSEC Order No. 836, specifically the condition that the -- of the order that stipulates that PacifiCorp provide $1.5 million in
funding for greenhouse gas emissions -- gas mitigation projects. EFSEC has approved or had approved one contract for the purchase of emission credits and three energy efficiency improvement projects at the generation facility to fulfill this funding requirement.

As noted in the report, we received notice from the greenhouse that the green -- one of the contracts, the greenhouse mitigation project included purchase of verifiable emission credits, or VER's, from The National Climate Trust, which changed to The Climate Trust. And the specific project that we were purchasing credits for or from was the Farm Lynden Power Project in Lynden, Washington. That project delivered ninety-five -- or 97.5 percent of the emissions that we had options to purchase up to 70,000 tons. They delivered and will have delivered six thousand -- or 67,263 tons.

That project had a failure. I shared that notice to Staff that it just did. I think the roof collapsed on the -- the digester and it wasn't economically viable to -- to restart the project.

And in addition, we've completed two of the three efficiency projects that we had agreed to in January, I think, 2015 that the Council approved. And the meeting with EFSEC Staff was to discuss PacifiCorp's
form and format of reporting not only the -- the status
of the VER's project, but also the efficiency project in
a standard format that would be acceptable to EFSEC.
And we will continue working with EFSEC Staff to --
EFSEC Staff to deliver that report.

Are there any questions?

CHAIR DREW: Are there any questions?

So what I understand is you're -- you would
be working with EFSEC Staff on any completion of what
amounts remain?

MR. MILLER: Correct.

CHAIR DREW: Yes.

MR. MILLER: So there -- there was a small
disparity in what we agreed to purchase.

CHAIR DREW: Right.

MR. MILLER: And those -- those funds that
remain or were allocated towards that, we expect it
would be accounted for in the third efficiency project.

CHAIR DREW: Okay.

MR. MILLER: So I think in our discussions
with Staff, that they were satisfied -- I defer to Staff
to respond to that, but we're progressing well and
demonstrate that we -- we have achieved the energy
efficiency that we demonstrated. And -- and your
contractor, Department of Ecology, reviewed those energy
savings calculations, and I think will also likely want to review as we submit that.

CHAIR DREW: So this has been a notification, and then you as well as Mr. Overton will let us know what the result is in the future?

MR. MILLER: Yes.

CHAIR DREW: Yes, okay. Thank you very much.

MR. MILLER: All right.

CHAIR DREW: Grays Harbor Energy Center, Mr. Sherin.

Would you like to start, Mr. Overton?

MR. OVERTON: Yeah, this is Kyle Overton, the EFSEC site specialist for the Grays Harbor Energy Facility. I believe for the months of December and January, there were no nonroutine items to report.

I do have an update on their ongoing Title V Air Operating Permit process and their public comment period that we're currently in. The Air Operating Permit has been in Ecology's Permit Register database, and the public comment period is being extended to run February 10th through March 11th. Permit Register department of public noticing requirements pursuant to WAC 463-78-005 and WAC 173-401-800.

So far, we've received one public comment,
which we're reviewing, barring the need for a public hearing, which Staff does not anticipate. The next step process after the comment period closes is to submit the draft permit to the EPA board to review. Are there any questions?

CHAIR DREW: Are there any questions?

Thank you.

MR. OVERTON: Thank you.

CHAIR DREW: WNP-1/4 and Columbia Generating Station, Ms. Ramos?

MS. RAMOS: Good afternoon, Chair Drew and Councilmembers. My name is Mary Ramos, reporting for Energy Northwest. There are not -- no nonroutine updates to report for both WNP-1/4 and Columbia Generating Station.

CHAIR DREW: Thank you.

Moving on to Desert Claim Project update, Ms. Moon.

MS. MOON: Thank you. Good afternoon, Chair Drew and Councilmembers. This is Amy Moon, and I will be providing an update for the Desert Claim Project. EFSEC Staff continue to coordinate with Desert Claim; however, at this time, there are no other project updates.

CHAIR DREW: Okay. Thank you.
Columbia Solar Project, Ms. Kidder?

MS. KIDDER: Good afternoon, Chair Drew and Councilmembers. For the record, my name is Ami Kidder.

I have a brief update for you on the Columbia Solar Project. EFSEC Staff continue coordination with their certificate holder on preconstruction plans and scheduling. I have no further updates for you at this time.

CHAIR DREW: Okay. And then the third quarter cost allocation, Ms. Bumpus.

MS. BUMPUS: Thank you. Good afternoon, Chair Drew and Councilmembers. For the record, my name is Sonia Bumpus. As we do at the beginning of every quarter, I have an update on the EFSEC quarterly Cost Allocation Plan that was approved by EFSEC in September 2004.

For nondirect cost allocation for the third quarter fiscal year 2020, Kittitas Valley Wind Power Project, 10 percent; Wild Horse Wind Power Project, 10 percent; Columbia Generating Station, 25 percent; Columbia Solar, 14 percent; WNP-1, 3 percent; Whistling Ridge Energy Project, 3 percent; Grays Harbor 1&2, 13 percent; Chehalis Generation Project, 11 percent, Desert Claim Wind Power Project, 8 percent; and Grays Harbor Energy 3&4, 3 percent.
CHAIR DREW: Thank you.

Any questions?

Okay. Hearing none, are there -- I believe that's all that is on our agenda for today, so this meeting is adjourned.

(Adjourned at 1:46 p.m.)
CERTIFICATE

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.

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Tayler Garlinghouse, CCR 3358