

Special Meeting

Washington State Energy Facility Site Evaluation Council

September 14, 2021



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WASHINGTON STATE
ENERGY FACILITY SITE EVALUATION COUNCIL
SPECIAL MEETING
September 14, 2021
1:30 p.m.

Virtual Special Meeting
Verbatim Transcript of Proceedings

DATE TAKEN: SEPTEMBER 14, 2021

REPORTED BY: TAYLER GARLINGHOUSE, CCR 3358

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A P P E A R A N C E S

Councilmembers:

- KATHLEEN DREW, Chair
- ROB DENGEL, Department of Ecology
- KATE KELLY, Department of Commerce
- STACEY BREWSTER, Utilities and Transportation Commission
- LENNY YOUNG, Department of Natural Resources
- MIKE LIVINGSTON, Department of Fish & Wildlife

Assistant Attorney General:

JON THOMPSON

Council Staff:

- JOAN OWENS
- SONIA BUMPUS
- AMI HAFKEMEYER
- KYLE OVERTON

Also Present:

MARK MILLER, Chehalis Generation Facility

1 LACEY, WASHINGTON; SEPTEMBER 14, 2021

2 1:30 P.M.

3 --oOo--

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

5

6 CHAIR DREW: Good afternoon. This is
7 Kathleen Drew, Chair of the Washington Energy Facility
8 Site Evaluation Council, calling to order our special
9 council meeting for September 14th, 2021.

10 The purpose of this meeting in the notice is
11 to consider the Chehalis Generating Facility's request
12 to purchase municipal water during a low flow period of
13 the Chehalis River under Article ~~6.a.7.a~~ ^{VI.A.7.a} of the site
14 certification agreement.

15 The last sentence of the notice is an error
16 as it says the Council may consider and take final
17 action on granting expedited processing. We are not
18 considering granting expedited processing. We are
19 considering a resolution, as it says in the -- in the
20 first paragraph, for the purpose of -- of purchasing
21 water for Chehalis generation -- Generating Facility. I
22 apologize for any confusion that may -- that may have
23 caused for anyone. But as I said, it is specifically
24 only for the purpose of considering the Chehalis
25 Generating Facility's request to purchase municipal

1 water during a low flow period of the Chehalis River
2 under the site certification agreement.

3 So with that clarification, Ms. Owens, will
4 you take the roll?

5 MS. OWENS: Department of Commerce?

6 MS. KELLY: Kate Kelly, present.

7 MS. OWENS: Department of Ecology?

8 MR. DENGEL: Rob Dengel, present.

9 MS. OWENS: Department of Fish and Wildlife?

10 MR. LIVINGSTON: Mike Livingston, present.

11 MS. OWENS: Department of Natural Resources?

12 MR. YOUNG: Lenny Young, present.

13 MS. OWENS: Utilities and Transportation
14 Commission?

15 MS. BREWSTER: Stacey Brewster, present.

16 MS. OWENS: Assistant Attorney General?

17 MR. THOMPSON: Jon Thompson, present.

18 MS. OWENS: For Council Staff, Sonia Bumpus?

19 MS. BUMPUS: Sonia Bumpus, present.

20 MS. OWENS: Ami Hafkemeyer?

21 MS. HAFKEMEYER: Ami Hafkemeyer, present.

22 MS. OWENS: Amy Moon?

23 Kyle Overton?

24 MR. OVERTON: Kyle Overton, here.

25 MS. OWENS: Joe Wood?

1 Sean Chisholm?

2 And I will move on to our court reporter?

3 THE COURT REPORTER: Tayler Garlinghouse,
4 present.

5 MS. OWENS: Thank you.

6 And for Chehalis Generation Facility?

7 MR. MILLER: This is Mark Miller
8 representing the Chehalis -- PacifiCorp Chehalis
9 Generation Facility.

10 MS. OWENS: Thank you.

11 Chair, there is a quorum for the regular
12 Council.

13 CHAIR DREW: Thank you.

14 So let's bring up for the Council the
15 resolution, and I believe you also have that in your
16 inboxes. You may not have all seen it yet, but we will
17 ask Mr. Overton to go through it in detail. I know that
18 you have received the -- in writing the request from
19 Chehalis generation -- Generating Facility. So
20 Mr. Overton will walk through the resolution and answer
21 any questions you have, and we also have Mr. Miller
22 present to answer questions.

23 Mr. Overton?

24 MR. OVERTON: Yes, thank you. This is Kyle
25 Overton, the EFSEC site specialist for the Chehalis

1 Facility. I have a kind of a brief overview, and then
2 we can go through the resolution if there's any
3 questions or any clarification or some additional
4 information required.

5 So the facility mentioned in their August
6 Council meeting update that on July 7th, the Chehalis
7 River entered into a low flow period curtailing the
8 purchases of -- the purchase of water by the facility.
9 EFSEC Staff have been working with the facility and
10 Department of Ecology to resolve this issue.

11 In Article ~~6~~^{VI} of the Chehalis Facility's site
12 certification agreement, or SCA, it limits the purchase
13 of water from the City of Chehalis during low flow
14 periods in the Chehalis River, and low flow periods are
15 designated as times when the flow as measured at Grand
16 Mound is below 165 cubic feet per second.

17 EFSEC was informed of this situation and
18 received a formal request to purchase water under
19 provisions identified in Article ~~6.a.7.a~~^{VI.A.7.a} of the SCA to
20 provide a letter and draft resolution outline the
21 request, which allows for the purchase of 20 acre feet
22 of water from the City of Chehalis.

23 And to the same extent that they're
24 purchasing water, the facility is proposing to provide
25 \$25,000 to bill the City of Chehalis and the Chehalis

1 Basin Partnership funding of water conservation efforts,
2 which is -- and that conservation funding is a
3 requirement of that Article ~~6~~^{VI} of the SCA in order to
4 purchase during low flow periods.

5 The Department of Ecology was provided
6 notice of this proposal on September 2nd by the
7 facility, and Ecology indicated their support of the
8 proposal during a meeting held on September 3rd with a
9 representative of EFSEC, Jon Thompson, our AG, and the
10 facility.

11 EFSEC Staff are requesting the Council to
12 consider the request from Facility at this time.

13 Are there any specific questions or any
14 clarification items that I could help out with?

15 CHAIR DREW: Councilmembers, do you have
16 questions?

17 MR. YOUNG: Kyle, this is Lenny Young. Has
18 any organization or individual come forth speaking
19 against doing this?

20 MR. OVERTON: No, there hasn't been. There
21 also hasn't really been a public input process here and
22 it isn't required per the SCA. This -- the section of
23 the SCA was in part developed when the -- an amendment
24 was done several years back and was part of a
25 negotiation between EFSEC, the facility, Washington

1 Department of Fish and Wildlife, and Ecology, which put
2 in these requirements to allow for purchase of water.

3 So there was public input at that time, and
4 Jon Thompson may have a little more ~~nuance~~^{nuanced} take on that,
5 but that was when the public had the opportunity to
6 comment on this process.

7 MR. YOUNG: Okay. Follow up on that, is the
8 City of Chehalis amenable? Do we have any kind of a
9 readout on where the City stands?

10 MR. OVERTON: Again, that's not a
11 requirement of this, but I do believe Mr. Miller has
12 been in touch with the City and they are supportive and
13 they do have water to provide the facility. And --

14 CHAIR DREW: Mr. Miller, would you like to
15 answer that?

16 MR. MILLER: Yes, that's correct. We --
17 we've been in discussions with Mr. Vasilauskas, the
18 water department director, and also communicating with
19 his staff on the availability of water to purchase. And
20 we discussed also the -- the opportunity for us to
21 become more engaged in their conservation activities.

22 So the City is -- is aware, they know that
23 we've curtailed purchases, obviously, and they have
24 water available for us and are not opposed to us
25 purchasing water immediately if this is approved.

1 MR. YOUNG: Thank you.

2 CHAIR DREW: Mr. Thompson, do you have
3 anything to add to the questions that have been asked?

4 MR. THOMPSON: Just that -- well, maybe if
5 we could scroll down to the actual language indented
6 there in the resolution from the site certification
7 agreement. A little bit further. Yeah, so what I want
8 to just point out is the second sentence -- let me see,
9 where it indicates that really the only notice is 15
10 days notice to Ecology in approval by the Council. So
11 Ecology did receive notice, and I'm not certain whether
12 the -- I counted the days, but -- but it's basically
13 just an opportunity of at least, you know, 15 days for
14 Ecology to be available to evaluate.

15 Because it was part of -- as -- as
16 Mr. Overton mentioned, it was part a settlement
17 agreement between WDFW, Ecology, and the applicant. And
18 so this kind of protects Ecology's right to review
19 what's being proposed, and they've had the opportunity
20 to do that and weighed in it on -- with their approval
21 of this approach. So that's all I would add.

22 CHAIR DREW: Thank you.

23 Are there additional questions from
24 Councilmembers?

25 MR. YOUNG: Yeah, this is Lenny again.

1 Maybe more discussion within the Council, but Mike, does
2 WDFW have any concerns about how this might affect low
3 flows or fisheries or anything like that?

4 MR. LIVINGSTON: Thanks, Councilmember
5 Young, there. I -- for the question. My assumption has
6 been and I believe I've been able to get through the
7 records here to confirm this is, is that this would be
8 coming out of the City's already approved right of
9 water, so it wouldn't have any more impact on in-stream
10 flow. And maybe we can just get a confirmation on that.
11 But that's been my assumption.

12 CHAIR DREW: Mr. Miller, do you have an
13 answer on that?

14 MR. MILLER: This is Mark Miller. My
15 understanding is yes, this is within the -- the water
16 rights the City has, and they're -- they've primarily
17 pulled water, I believe it's from the south fork of the
18 Newaukum River, and there really hasn't been any other,
19 you know, concern noted about impact. There were
20 discussions with Mr. Gallagher of Ecology and -- just in
21 anecdotally, you know, he doesn't seem to think the
22 request would have any impact, and he also noted --
23 maybe, Mr. Overton, you can confirm that, that this was,
24 you know, consistent within the City's water right.

25 MR. OVERTON: Right, yes, this is Kyle

1 Overton. I can -- basically the -- the facility has a
2 requirement in the SCA to purchase all their water from
3 the municipal supply. So it would -- and Mr. Gallagher
4 indicated that, you know, they have a separate right,
5 the City does, and that this would be the -- kind of
6 beholden to that.

7 MR. LIVINGSTON: And this is Councilmember
8 Livingston again. Thanks -- thanks for that
9 confirmation. I -- given that information, which
10 confirms what I was assuming, I -- I don't have any
11 concerns from a Fish standpoint at this point.

12 CHAIR DREW: Thank you.

13 Are there questions or comments from
14 Councilmembers?

15 MS. KELLY: Chair Drew, this is Kate Kelly.
16 I -- just to make sure I understand, this is just like a
17 temporary thing and then it goes back to -- it's just
18 like temporary permission to -- to purchase water for a
19 while?

20 CHAIR DREW: Mr. Overton, would you like to
21 answer that?

22 MR. OVERTON: Yes, this is a one-time
23 authorization to purchase 20 acre feet of water from the
24 City during this low flow period of Chehalis River.
25 It's not an ongoing approval. Any ongoing approval

1 would require an SCA amendment of some sort.

2 MS. KELLY: We expect -- we expect the flows
3 to go up?

4 MR. OVERTON: Yes, hopefully we get some
5 rain coming in and that is the case. But the facility,
6 and Mark can clarify this, has indicated that as of
7 September 19th, they will run out of reserve waters to
8 continue operation, which is why we're seeking this
9 authorization to purchase water during the low flow
10 period at this time.

11 CHAIR DREW: My -- my understanding, too,
12 about the history of this is that -- and Mr. Miller
13 maybe can correct me if I overstated or state it
14 wrong -- is that at the time of the site certification
15 agreement, the Council looked at the issue of purchasing
16 water and had concern about the water supply and
17 therefore, required a significantly larger holding
18 facility for water on site. And that has come into play
19 in this situation. So good foresight there, and then
20 put the limitation in terms of the water flow at that
21 point.

22 It may be -- certainly something given our
23 issues going forward, it may be something that is more
24 recurring and may require some additional investigation
25 in the future.

1 But is that correct on the history,
2 Mr. Miller?

3 MR. MILLER: Yes, the history of this
4 particular plant's design dates back into the '90s, late
5 '90s, when many of these negotiations, and obviously
6 ^{Thompson} Mr. ~~Consen~~ [phonetic], you know, on his research of
7 the -- the settlement between the parties, they actually
8 changed the original design from this plant using
9 evaporative cooling powers, used air cooled condenser,
10 which is technically something you would see in arid
11 environments. And a lot of this was early in
12 discussions around what they call the Centralia Reach.

13 So there were low flow periods, and so the
14 City of Centralia redesigned their waste water treatment
15 facility and moved it downstream. And so there were
16 total daily max -- you know, TMVL limits on -- as far as
17 oxygen consumption in the river.

18 So there -- there's quite a bit of history
19 there. We have, you know -- just in the last ten years,
20 we've curtailed purchases seven of those ten years due
21 to low flow, and yes, as part of the design change,
22 there was a -- an -- you know, a consideration for
23 greater amount of raw water storage and also the
24 demineralized water.

25 So those -- those early design changes was

1 part of the settlement that was reached, but still left
2 in this particular constraint that when the river is
3 measured at the Grand Mound station for the USGS reached
4 165 cubic feet per second, we would curtail water to
5 mitigate further impacts.

6 So that was a long answer, yes, you're
7 correct, Chair Drew.

8 CHAIR DREW: No, I appreciate that, and I'm
9 sure the Council appreciates on the details on the -- on
10 the history as well.

11 MS. BREWSTER: This is Stacey Brewster. I
12 have one question. You mentioned that you've had to
13 curtail before, have you had to purchase water in the
14 past?

15 MR. MILLER: Not -- in the history of the
16 operation of the plant, there's been no period with
17 which we've come close to consuming our on-site storage.
18 Right now, you know, we -- we have approximately eight
19 to ten days left depending on, you know, losses within
20 the system, whether we have two weeks or not. But it's,
21 you know, we've always had at least a minimum of 30 days
22 left before the next rains have occurred.

23 And this river basin, as Mr. Gallagher noted
24 in our discussions with him, is, you know, primarily a
25 rain- and spring-fed river. So it doesn't rely on snow

1 melt. So the changes in the river flow are pretty --
2 pretty dramatic and -- and soon after a rainfall.

3 So when we've had curtailment in the past,
4 you know, we may have had an August rain of a day or two
5 or a Labor Day September rain, and we would always, you
6 know, be able to pull water and get us by for another
7 period of time. But this is the longest stretch that we
8 have -- you know, in our recorded operating history that
9 we've curtailed purchases. So now 58 days now or so
10 that we haven't purchased water.

11 CHAIR DREW: Thank you.

12 Are there additional questions or comments
13 by Councilmembers?

14 So before us, we have the resolution, which
15 if you'll scroll down there, Ms. Owens, to the
16 resolution portion, and the resolution I guess the --
17 including the background and information that's
18 provided, but the -- the final part says having
19 considered Centralia general -- sorry, Chehalis
20 Generating Facility -- the letters are messing me up
21 here -- proposal, the comments of Ecology, and the
22 recommendation of EFSEC Staff, the Council hereby
23 approves pursuant to Article ~~6.a.7.a~~ ^{VI.A.7.a} PacifiCorp's
24 purchase of water from the City of Chehalis effective
25 immediately according to the terms proposed.

1 PacifiCorp must submit certification that
2 payment has been made to the City of Chehalis and to the
3 Chehalis Basin Partnership on the terms described in
4 this resolution by December 1st, 2021. And PacifiCorp,
5 of course, is the owner of the Chehalis Generating
6 Facility.

7 Is there a motion to approve this
8 resolution?

9 MR. DENGEL: Rob Dengel, motion to approve
10 said resolution.

11 CHAIR DREW: Thank you.

12 Is there a second?

13 MS. KELLY: Kate Kelly --

14 MR. LIVINGSTON: Mike Livingston --

15 MS. KELLY: -- second.

16 CHAIR DREW: I'll say Kate Kelly seconded
17 because that's the voice I heard first.

18 Thank you all.

19 Are there -- is there any discussion? This
20 is a complex issue with a lot of history, and I want to
21 thank the Staff, Mr. Miller, Mr. Thompson, Mr. Overton,
22 and certainly the Department of Ecology for working to
23 address this issue as we need to make sure that the
24 facility does have access to water within the confines
25 of the site certification agreement.

1 So I thank you all for your work, and I will
2 ask the Councilmembers how you vote. All in favor,
3 signify by saying "aye."

4 COUNCILMEMBERS: Aye.

5 CHAIR DREW: Aye.

6 All opposed?

7 The motion is approved unanimously, and I
8 will have signatures, my signature and Ms. Bumpus' on
9 the call, on this resolution and forwarded so that the
10 purchase of the water can happen.

11 MR. MILLER: Chair Drew, this is Mark Miller
12 of PacifiCorp Chehalis. I just want to thank
13 Mr. Overton and the rest of the Staff and the Council
14 for reviewing this matter as it is important, and thank
15 you very much.

16 CHAIR DREW: Thank you.

17 With that, this meeting is adjourned. Thank
18 you all very much.

19 (Adjourned at 1:51 p.m.)

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C E R T I F I C A T E

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

Tayler Garlinghouse, CCR 3358

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