

**BEFORE THE STATE OF WASHINGTON
ENERGY FACILITY SITE EVALUATION COUNCIL**

In re Application No. 94-1)	ORDER NO. 695
)	
)	COUNCIL ORDER GRANTING
)	MOTIONS RECEIVED FOR
)	RECONSIDERATION/CLARIFICATION
)	AND MODIFYING COUNCIL ORDER NO. 694
Washington Public Power Supply System)	RECOMMENDING SITE CERTIFICATION
Satsop Combustion Turbine Project)	ON CONDITION, AND DRAFT SITE
)	CERTIFICATION AGREEMENT

This matter involves an application for certification of a proposed site at Satsop, Grays Harbor County, Washington, under Chapter 80.50 RCW. On March 15, 1996, the Energy Facility Site Evaluation Council (EFSEC or Council) issued and served Order No. 694, "Council Order Recommending Site Certification, On Condition," and issued and served "Draft Site Certification Agreement with Attachments," regarding the proposed Satsop Combustion Turbine (CT) Project, Application No. 94-1. Within ten days of the service of Order No. 694, two (2) parties, the Counsel for the Environment (CFE), Assistant Attorney General Thomas J. Young, and the Washington Department of Fish and Wildlife (WDFW), by Assistant Attorney General William C. Frymire, filed motions for reconsideration/clarification of the EFSEC Order and/or Draft Site Certification Agreement (Draft SCA).

Pursuant to RCW 34.05.470, the Council grants the two motions filed by the Counsel for the Environment and WDFW and disposes of the petitions by modifying Order No. 694 and the Draft SCA as described herein.

1. WDFW Motion for Reconsideration/Clarification. The Washington State Department of Fish and Wildlife requests that the Council reconsider and/or clarify certain language related to water use at the Satsop Combustion Turbine Project by pointing out an inconsistency between language in the Order and conditions of the Draft SCA. WDFW identifies an inconsistency in the discussion of the use and amount of quench water available to assure that water discharges-comply with the intended water use requirements of the Draft SCA and pertinent attachments.

Specifically, WDFW points out that the Draft SCA correctly states that the Applicant (Supply System) is limited to using 9.5 cubic feet per second (cfs) of water for this project. Of the 9.5 cfs, 8.6 cfs is for use for power production and quench water to meet the temperature limits of the National Pollutant Discharge Elimination System (NPDES) permit (Attachment III to the Draft SCA). The Draft SCA specifies that the remaining 0.9 cfs is to be used for quench water to cool the discharge below the temperature set in the NPDES permit. The

NPDES permit provides that the water temperature of the discharge shall not exceed 18.0 degrees Centigrade (C). Accordingly, the remaining 0.9 cfs quench water is to be available to cool the discharge below the 18.0 degrees C requirement.

The WDFW is concerned that, in two instances in the Order, the use of the 0.9 cfs is described in a manner that is not consistent with the above-referenced correct water use or authorization conditions. At paragraphs 27 and 32 of the Order, WDFW contends that language incorrectly states or implies that the 0.9 cfs quench water is to cool the discharge down to 18.0 degrees C. The Council agrees that the terms cited by WDFW in the Draft SCA, NPDES permit, and Attachment V, Water Withdrawal Authorization, correctly state the intended water use requirement that the additional 0.9 cfs is to be used to cool the discharge below the prescribed temperature levels prescribed therein.

The Council therefore agrees to modify paragraphs 27 and 32 of Order No. 694, Council Order Recommending Site Certification, On Condition, to reflect that the correct use of the 0.9 cfs quench water is to cool the Satsop CT Project discharge below the NPDES permit temperature levels.

Modifications. Paragraphs 27 and 32 of Order No. 694 are modified as follows:

Paragraph 27. The Satsop CT Project would require a total of 9.5 cfs water, a small fraction of the Supply System's existing water authorization. Of the 9.5 cfs, the Supply System would use 8.6 cfs to operate the power generation units for power production, including quench water to meet the temperature limits of the NPDES permit, and would use the remaining 0.9 cfs for quench water to cool the discharge below the temperature set in the NPDES permit and would use the remaining 0.9 cfs to provide additional quench water to assure that water discharges comply with temperature requirements. The Supply System will cease water withdrawals for the Satsop CT Project as necessary to assure that base flows required by WAC 173-522-020 are met. Page 23.

Paragraph 32. The NPDES Permit for the Project requires that discharge shall not exceed 18 degrees C (64.4 degrees F). The Supply System will use the 8.6 cfs to meet the temperature limits of the NPDES permit. An additional 0.9 cfs is available for use as quench water to cool the discharge below the temperature set in the NPDES permit. ~~The Supply System will use an additional 0.9 cfs of quench water as needed to achieve that temperature at certain times.~~ Page 24.

2. CFE Motion for Clarification. The Counsel for the Environment requests that a provision be added to the Site Certification Agreement (Draft SCA) incorporating the terms of the Council's Order with regard to the issue of global warming. CFE points out that the terms of the Order with respect to global warming do not appear to have been incorporated into the Draft SCA. CFE contends, that for clarification, the Council should incorporate the proposed reporting and potential mitigation provisions related to greenhouse gases and the emissions, including carbon dioxide (CO₂), produced by the project. CFE suggests that the paragraphs

related to these provisions should be included in the Draft SCA at pages 18-19, or alternatively, incorporated in Attachment VII.

CFE is correct in identifying that the Order requires the Applicant (Supply System) to report to the Council upon the state of regulation regarding greenhouse gases and potential mitigation options that are available, to include identifying possible reasonable and economical mitigation measures. The date that report is due to the Council is stated in two ways in the Order. At page 14, "The Applicant shall report to the Council no later than one year before construction is scheduled to begin on each turbine." At page 25, "The Council will order the Applicant to provide a report to the Council no later than one year prior to each turbine coming on line. . ." The Council intends to remedy the reporting discrepancies herein.

The Council agrees that the terms of Order No. 694 related to the mitigation of greenhouse gases, including CO₂, need to be incorporated into the Draft SCA to reflect the Council's stated intention of receiving a report from the Supply System on possible mitigation measures prior to the project beginning operations. The inconsistency identified on the date that the report is to be submitted to the Council is resolved to require "a report to the Council no later than one year prior to each turbine coming on line." Order page 25.

The Council therefore agrees to modify the Draft Site Certification Agreement with Attachments, to incorporate conditions for possible greenhouse gases mitigation measures to reflect the findings of Order No. 694, Council Order Recommending Site Certification, On Condition. The conditions will include a provision that, in the event a federal or state mitigation program is implemented, the Council reserves the right to exercise its authority under that program, considering and appropriately crediting any measures required under the Order. Order page 25.

Modification. A new condition is added to Article VI. MISCELLANEOUS PROVISIONS, of the Draft SCA:

E. Greenhouse Gases and Carbon Dioxide Mitigation

1. The Supply System shall prepare and submit a report to the Council no later than one year prior to each turbine coming on line, that presents and evaluates possible greenhouse gases and carbon dioxide mitigation techniques, and concentrates on those techniques that can offer cost-effective mitigation measures.
2. If a comprehensive federal or state mitigation program is implemented, the Council reserves the right to exercise its authority under that program, considering and appropriately crediting any measures that the Supply System has accomplished. Page 25.

ORDER

THE COUNCIL ORDERS: The motions for reconsideration/clarification entered by the Counsel for the Environment and the Washington Department of Fish and Wildlife are granted. A modified Council Order No. 694, Recommending Site Certification, On Condition, has been issued effective this date. The Draft Site Certification Agreement with Attachments has been amended as discussed herein. The modified portions of Council Order No. 694 and of the Draft SCA are appended hereto.

DATED at Olympia, Washington and effective this 15th day of April, 1996.

THE WASHINGTON STATE ENERGY FACILITY
SITE EVALUATION COUNCIL

Frederick S. Adair, Chair