

**WASHINGTON STATE
ENERGY FACILITY SITE EVALUATION COUNCIL**

RESOLUTION NO. 326

***AMENDMENT NO. 5 TO THE
WILD HORSE WIND POWER PROJECT SITE CERTIFICATION AGREEMENT
EXPANSION OF FACILITY***

Nature of Action

Puget Sound Energy (PSE) is the Certificate Holder of the Site Certification Agreement (SCA) governing the Wild Horse Wind Power Project (WHWPP or Project). By letter dated July 2, 2008 (Attachment 1), PSE requested that the Energy Facility Site Evaluation Council (EFSEC or Council) amend the SCA for the WHWPP to allow the for the expansion of the boundary of the Wild Horse Project site and the installation of additional turbines and turbine strings with the addition of 1,280 acres to the 8,600 acres of the original site of for a total of 9,880 acres. The request was for the addition of 26 new turbines with generating capacity of up to 54 MW located within the expansion area, in addition to the 127 existing turbines and 229 MW located on the original site. Both the number of turbines and the maximum MW of generation were in conformance with, and did not exceed the amounts allowed in the SCA, which allowed a maximum of 158 turbines and 312 MW. Subsequently the request was modified reducing the number of additional turbines and acreage to 22 and 960 acres respectively.

Background

On July 26, 2005, Governor Christine Gregoire executed on behalf of the State of Washington a Site Certification Agreement authorizing the construction and operation of the WHWPP. On August 30, 2005, the Council approved the transfer of the WHWPP SCA to PSE. PSE began construction of the WHWPP in October 2005. Major construction was completed in December 2006 and commercial operation began in January 2007.

The proposed amendment to the SCA is for the expansion of the project boundaries adding 960 acres and 22 new WTGs, and related associated roads, and an electrical collection system delivering generated electricity to the existing Wild Horse substation, which will be expanded slightly. Three of the WTGs would be installed within the existing Wild Horse site, and 19 are proposed within the new expansion area. The power would be transported off the site on the existing transmission line. The expansion project will result a 9,560 acre project site and a total of 149 WTGs with a generating capacity of 273 MW, both of which are below the respective limits authorized by the SCA.

Construction is expected to commence in April 2009 and be completed in December 2009. The Facility is expected to operate for approximately 20 years. Once operation is complete, the facility will be dismantled and removed from the site for recycling.

Procedural Status

EFSEC's amendment procedure is governed by chapter 80.50 RCW and chapter 463-66 WAC.

PSE and EFSEC have complied with procedural requirements of Chapter 463-66 WAC as follows:

- Pursuant to WAC 463-66-030, the request for amendment of the SCA was submitted in writing, on July 2, 2008.
- At its monthly meeting of July 8, 2008 the Council determined a schedule for action on the request as follows: August 6, 2008 to conduct a public informational meeting in Ellensburg, with a deadline for written comments; on August 8, 2008.
- Notice of the informational hearing was mailed to EFSEC's Wild Horse Wind Power Project interested person mail list. The notice advised that PSE had requested an amendment to the SCA, and that an informational hearing to consider the matter would be conducted on August 6, 2008. The notice also said that comments could be made either orally at that time or in writing prior to the conclusion of the public comment period ending at 5:00 p. m. on August 8, 2008.
- An informational hearing in which the public commented on this matter was held in Ellensburg on August 6, 2008.
- At the Council's October 14, 2008 monthly meeting Allen Fiksdal, EFSEC's SEPA Responsible Official proposed, at the Applicant's request that a Supplemental Environmental Impact Statement (SEIS) be prepared for the expansion. He determined that a Draft SEIS be prepared and sent out for a 30 day comment period.
- The Draft SEIS was prepared and issued for comment on November 10, 2008 with a deadline for comments on December 15, 2008.
- Comments were received and the Final SEIS issued on January 14, 2009.
- The Council considered the amendment request at its January 22, 2009 meeting.

Public Comment

On August 6, 2008, during the public comment period on the SEPA Checklist, EFSEC conducted a public hearing in Ellensburg to accept verbal and written comments on the proposal. This comment period served as an opportunity for the public to comment on the environmental checklist and studies prepared for the project, and as a "scoping" opportunity for agencies and the public. Written and oral comments received by EFSEC, and responses by the applicant to concerns that were raised, are in Appendices A and B of the Draft SEIS. Concerns raised during the initial comment period included the following:

- Potential impacts to greater sage grouse habitat and regional populations

- Placement of “V” and “W” strings
- Potential impacts of the overhead collector line
- Status of the mitigation parcel
- Alternative mitigation
- Landscape restoration
- Potential impacts to bats from proximity to forested areas
- Potential impacts to water resources (i.e., springs)
- Temporary versus permanent fencing
- Potential loss of shrub-steppe habitat

Some comments suggested that a SEIS be prepared to analyze the potential impacts related to issues and concerns related primarily to the “V” and “W” strings. As a result of the concerns raised, PSE revised the proposed expansion by dropping from their proposal the four turbines comprising the “V” and “W” strings and the supporting facilities, including the overhead collector line. PSE also offered to prepare a SEIS on the revised expansion project having 22 turbines over an area of 960 acres.

A Draft SEIS was prepared by PSE and reviewed by EFSEC staff and issued on November 12, 2008 for public comment¹. The comment period for the Draft SEIS closed on December 15, 2008. EFSEC received ten comments from agencies, organizations, and individuals. The nature of the comments was similar to those received during the EFSEC comment period. The Final SEIS contains detailed responses to comments.

Discussion

WAC 463-66-040 outlines the relevant factors that the Council shall consider prior to a decision to amend a SCA:

In reviewing any proposed amendment, the council shall consider whether the proposal is consistent with:

1. The intention of the original SCA;
2. Applicable laws and rules; and
3. The public health, safety, and welfare.

WAC 463-66-050 explains that the Council's consideration of public health, safety, and welfare includes environmental concerns, as follows:

¹ WAC 463-47-090 allows an applicant to prepare EISs and addenda with oversight from the EFSEC responsible official.

In reviewing whether a proposed amendment is consistent with the public health, safety, and welfare, the council shall consider the short-term and long-term environmental impacts of the proposal.

The Council has considered these factors and has concluded that the proposed amendment would be consistent with each. Each of the Council's conclusions is discussed below.

A. Consistency with the public health, safety, and welfare

Under WAC 463-66-040(3) and -050, the Council must consider whether the proposed amendment would be consistent with public health, safety, and welfare. In considering whether a proposed amendment is consistent with the public health, safety and welfare, WAC 463-66-050 requires the Council to consider the long-term environmental impacts of the proposal, and further requires a consideration of “reasonable alternative means by which the purpose of the proposal might be achieved” along with the “availability of funding to implement the proposal.”

1. Public health, safety and welfare: All activities associated with the installation of the expanded Facility will be the same as those conducted in the Project Area, as approved in the WHWPP SCA. Public health, safety and welfare will therefore not be affected in any manner not previously analyzed during review of the Project application. The change does not substantially alter the substance of the SCA or result in any detrimental effects on the public health, safety or welfare. The proposal continues to implement the purpose of the Project to address the pressing need for energy facilities, and will provide additional abundant affordable renewable power. This amendment will have no negative effect on the health and safety of the public. Consequently, as documented in the WHWPP FEIS and SCA, as supplemented and amended, the proposed amendment is consistent with the public health, safety and welfare.

2. Environmental impacts: Environmental impacts related to the public health, safety and welfare have been addressed in the Final SEIS, and are further addressed below. For the reasons set forth below related to SEPA compliance, the amendment will not cause any significant adverse environmental impacts. PSE will continue to abide by all the terms and conditions of the WHWPP SCA. The substance of existing SCA conditions and environmental mitigation requirements is not altered in any manner by the requested amendment. Further, the Council imposes additional mitigation measures to address environmental impacts identified during the SEPA process.

3. Reasonable alternatives means to achieve the purpose of the proposal; Funding to implement the proposal: Alternatives to the WHWPP were considered in the WHWPP FEIS and SCA. The proposed amendment does not change those considerations and related findings and conclusions. PSE owns and controls the Project site, including the area proposed for the expansion. Due to the unique ability of PSE to develop property it owns and controls, there is no reasonable alternative means to efficiently achieve the objectives of this proposal—the production of renewable energy available to PSE on the Project site. PSE has the proven capability to fund and complete the construction of the expansion.

B. Consistency with applicable laws and rules

Under WAC 463-66-040(2), the Council must consider applicable laws and rules, including chapter 43.21C RCW and chapter 197-11 WAC (the State Environmental Policy Act and SEPA rules) and WAC 463-66-070 through -080.

1. Consistency with SEPA (chapter 43.21C RCW and chapter 197-11 WAC). With its request for amendment, PSE submitted a SEPA Checklist. The Council invited comments regarding the proposed amendment, including the SEPA Checklist. Members of the public and agencies provided written and verbal comments related to the SEPA Checklist. As a response to the comments received, PSE voluntarily reduced the proposed expansion, eliminating four of the proposed 26 wind turbine generators and related and supporting facilities, including roads and overhead and underground electrical collector lines and cables, removing facilities from an area of the proposed expansion area that was perceived by commenting parties to have significant environmental impacts. PSE further clarified the proposal in written materials subsequently submitted to EFSEC. Further, based on public comment, PSE volunteered to prepare a Supplemental EIS, providing more detailed analysis of environmental impacts, as well as an additional opportunity for public comment concerning the proposal.

In general, SEPA requires an agency to perform a threshold determination to determine whether a proposed action will have a significant adverse effect on the environment. *See* WAC 197-11-310. The Council's SEPA Responsible Official, Allen Fiksdal, has reviewed the proposed changes to the SCA and, at the request of the Applicant, issued a Draft SEIS on November 10, 2008 with comments due on December 15, 2008. The Responsible Official considered and responded to the comments and issued a Final SEIS on January 14, 2009. Based upon the Final SEIS, the Responsible Official has determined that the Amendment and related expansion would not have a significant adverse effect on the environment. The Council hereby accepts that determination, and acknowledges the measures taken by PSE to modify the project proposal to further avoid, minimize and mitigate environmental impacts.

2. Consistency with WAC 463-66-070 and -080.

WAC 463-66-080 provides:

An [SCA] amendment which substantially alters the substance of any provision of the SCA or which is determined to have a significant detrimental effect upon the environment shall be effective upon the signed approval of the governor.

On the other hand, WAC 463-66-070 provides:

An amendment request which does not substantially alter the substance of any provisions of the SCA, or which is determined not to have a significant detrimental effect upon the environment, shall be effective upon approval by the council. Such approval may be in the form of a council resolution.

Based on its previous findings that (i) the proposed amendment has no adverse environmental impacts and no adverse impacts on public health, safety, and welfare; and (ii) does not alter the

Certificate Holder's legal responsibilities under the SCA, the Council finds that this amendment may be approved by Council resolution pursuant to WAC 463-66-070.

C. Consistency with intention of the original SCA

Under WAC 463-66-040(1), the Council must consider whether the proposed amendment is consistent with the intention of the original SCA. In general, the intention of every SCA is to grant state authorization to a certificate holder to construct and operate an energy project that has been determined to be in the interest of the State of Washington. In return, the certificate holder commits to comply with the terms of the SCA.

As detailed in the FSEIS the proposed Facility will have minimal impact on native habitat.

The Certificate Holder will implement the same mitigation measures identified in the SCA for construction and operation of these expansion facilities, along with additional mitigation measure as developed through the SEPA process. The Certificate Holder will also provide a Post-Construction Restoration Plan that will include provisions for restoration relative to the expansion.

The Council finds that the proposed changes to the SCA are consistent with this intent.

D. Conclusion

The Council concludes as follows: (1) the proposed amendment of the WHWPP SCA to allow expansion of the project as proposed is consistent with the public health, safety, and welfare; (2) the proposed amendment is consistent with all applicable laws (including SEPA), and (3) the proposed amendment is consistent with the intent of the original SCA. The Council hereby determines that it is appropriate to approve an amendment to the WHWPP SCA, necessary to reflect the proposed changes to the Project; *Provided*, PSE shall continue to implement mitigation measures identified in the SCA, as amended by this decision.

RESOLUTION

For the foregoing reasons, the Council amends the Wild Horse Wind Power Project SCA to allow PSE to proceed with:

- The proposed amendment to the SCA for the expansion project and its boundaries expanding the project area by 960 acres for a total of 9,560 acres for the project site, and for the installation of an additional 22 new Wind Turbine Generators, associated roads, and an electrical collection system delivering generated electricity to the existing Wild Horse substation, which will be expanded slightly. Three of the WTGs would be installed within the Wild Horse site, and 19 are proposed within the new expansion area (See Figures 2 and 3 of the Final SEIS). The power would be transported off the site on the existing transmission line. The expansion project will result in a total of 149 WTGs at Wild Horse with a generating capacity of 273 MW, both of which are below the respective limits authorized by the SCA.

- All applicable SCA conditions and mitigation measures apply to the construction and operation of the Facility. PSE shall comply with all additional mitigation measures as set forth in the Final SEIS and the SCA, as amended.
- This resolution is incorporated into the WHWPP SCA as Attachment 11.
- The SCA changes and the additional mitigation measures are set out in Attachment 2 to this resolution.

DATED at Olympia, Washington and effective on January 22, 2009.

WASHINGTON ENERGY FACILITY SITE EVALUATION COUNCIL

By: _____
James O. Luce, Chair

Attested: _____
Allen J. Fiksdal, EFSEC Manager

- Attachments: 1. SCA Amendment Request
2. Specific SCA Changes, including additional mitigation measures

Resolution No. 326 Attachment 1

June 2, 2008 Amendment Request



805 Broadway Street, Suite 725
Vancouver, Washington 98660
main 360.699.5900
fax 360.699.5899
www.stoel.com

TIMOTHY L. MCMAHAN
Direct (360) 699-5900, ext. 3
tlmcmahan@stoel.com

July 2, 2008

VIA E-MAIL AND OVERNIGHT MAIL

Allen Fiksdal
EFSEC Manager
925 Plum St.
P.O. Box 43172
Olympia, WA 98504-3172

**Re: Request of Amendment to the WHWPP Site Certificate Agreement
(Amendment No. 5)**

Dear Allen:

Puget Sound Energy (PSE) the Certificate Holder of the Wild Horse Wind Power Project (WHWPP or "Wild Horse Project") requests the following amendments to the Site Certification Agreement, pursuant to WAC 463-66-030.

I. Request for Amendment

1. Summary

The amendment is requested to allow the expansion of the boundary of the Wild Horse Project site and the installation of additional turbines and turbine strings. The expansion will add 1,280 acres to the 8,600 acres of the original site for a total of 9,880 acres. It will add 26 new turbines with generating capacity of up to 54 MW located within the expansion area, in addition to the 127 existing turbines and 229 MW located on the original site. Both the number of turbines and the maximum MW of generation are in conformance with, and do not exceed the amounts allowed in the SCA, which allowed a maximum of 158 turbines and 312 MW. The expansion area's proposed locations of turbine corridors and other related and supporting facilities, including conceptual turbine locations, and the relationship of the expansion area to the overall Wild Horse Project area and facilities are depicted on the two maps **Exhibit A-1** and **A-2**, attached to this request.

Disturbed Ground Areas and Mitigation: The legal description of the expansion area is attached as **Exhibit B**. An "expanded" SEPA Environmental Checklist is attached hereto as **Exhibit C**, which contains information derived from plant and animal surveys, archeological



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surveys and visual analysis regarding the expansion. Technical reports and data are appended thereto. The requested amendment does not substantially alter the substance of the SCA or result in significant adverse environmental effects. The additional disturbed area resulting from the expansion will be approximately 29 acres of permanent and 59 acres of temporary disturbance. The following table breaks out and describes the relevant disturbances:

Description	Permanent Disturbed Area (acre)	Temporary Disturbed Area (acre)	Total Disturbance (acres)
Roads Total (net – existing)	22	30	52
Wind Turbine Sites	7	3	10
Electrical Collection System	0	17	17
Concrete Batch Plant	0	2	2
Main Laydown Area	0	0	0
Quarry Site / Processing / Borrow Pit	-	7	7
Substation Expansion	0	0	0
Total	29	59	88

The areas which will be disturbed do not contain any sensitive features and will have minimal impact on habitat. It should be noted that 600 acres of the site was set aside as a mitigation parcel for all temporary and permanent environmental impacts of the Wild Horse Project. The size of the mitigation parcel exceeds the acreage needed to mitigate impacts of the Wild Horse Project. PSE believes that the increase of permanent and temporary impact acreage caused by this amendment (which would require approximately another 80 - 90 acres) has been fully mitigated by the size of the original mitigation parcel, approved for the Wild Horse Project, and in accordance with the Washington State Department of Fish & Wildlife Wind Power Guidelines (August 2003). However, PSE is in discussions with WDFW, and anticipates that additional acreage will likely be proposed as further mitigation.

PSE is participating in a Coordinated Resource Management Plan (CRMP) which includes the amendment area Project site. This process will result in managed grazing occurring on the site which will greatly enhance habitat on the entire site. Additionally PSE is in the process of granting a conservation easement to WDFW on the entire Wild Horse site which will be extended to the expansion area upon approval of the SCA amendment. The conservation easement will be executed prior to approval of this request.

The proposal would consist of the construction of additional wind turbine generators, underground and overhead electrical collection cables, service roads, temporary laydown areas,



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rock quarry and concrete batch plant, as located on **Ex. A**. While an expansion of the substation is needed, the applicant proposes to accommodate that expansion within the existing substation area (with no need for additional ground disturbance). The approximate quantities to be used by each of the above elements are shown in the following table:

Estimated cut-and-fill requirements for the project are listed in the table below:

	Surfacing (cy)	Top Soil Stripping (cy)	Excavation/Cut (cy)	Embankment/Fill (cy)
Roadways	59,500	68,000	63,000	115,500
WTG Site (pads)	8,000	8,000	4,000	6,000
Laydown Area	5,500	4,100	4,100	4,100
Batch Plant	2,500	2,000	2,000	2,000
Totals	75,500	82,100	73,100	127,600

A total of approximately 129,000 cubic yards of quarry/borrow material will be required for surfacing and base material for roads and pads. Cut and fill requirements for the laydown area and the batch plant will be balanced over the site.

Habitat and Wildlife Surveys: The expansion has been subject to archeological and wildlife, plant and animal surveys and additional visual analysis. Based on results of the rare plant survey and current field review, the only state-designated rare plant known to occur in the project area is the hedgehog cactus, a review status species. No other rare plant or animal species were observed in the project area corridors during the surveys. No effects to any federally listed threatened, endangered, candidate or proposed species would occur as a result of this expansion, as none is known or suspected to occur in the project expansion area.

Cultural Resource Investigations: Cultural resource investigations have been completed for the Wild Horse Expansion Project. Pedestrian surveys, utilizing meandering 30 meter transects, have been conducted for all areas to be included in the proposed SCA amendment. Previously unidentified prehistoric archaeological sites were identified during this investigation. These sites include five rock features, including hunting blinds and two prehistoric lithic isolates. In addition, one previously recorded archaeological site was relocated during the survey, and expanded site boundaries were established.¹

¹ The cultural resource survey work is ongoing. A confidential report identifying confidential locations of resources and sites will be provided at a later time.



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Project construction plans propose upgrading the road that traverses this archaeological site. In order to determine if upgrading the road will have an adverse effect upon the site, shovel test excavations will be conducted in the proposed road locations. Road upgrades will require ground disturbance on a portion of the site. Therefore, shovel test pit (STP) excavations must be conducted on the portion of the site bisected by the road. An excavation permit application is being submitted to Washington State Department of Archaeology and Historic Preservation to assess potential impacts to the archaeological site in the areas of ground disturbance for this proposed land use activity and to assess previous impacts to site integrity caused by the earlier road construction, land use patterns and post depositional disturbances. A detailed report on these investigations will be forthcoming when they are completed. PSE is coordinating with the Yakama Indian Nation and Confederated Tribes.

SEPA Review and Proposed Mitigation Measures: The requested SCA Amendment does not substantially alter the substance of the SCA or result in significant detrimental effects on the environment. An Environmental Checklist has been prepared pursuant to WAC 197-11-960 and is attached as Exhibit C, with the reports from surveys referred to above attached as appendices thereto.

In addition to compliance with the mitigation measures contained in the existing FEIS and SCA, PSE proposes the following additional mitigation measures for the expansion:

- Underground collector cables will be installed adjacent to roads in the expansion area. A maximum of two new circuits will be installed with one on each side of the roads to minimize disturbance;
- Where the two new circuits are routed through the existing project roads, underground cables will be located within the road prism to prevent further ground disturbance in this area;
- Expansion of the substation will occur within the existing footprint of the previously disturbed area;
- To minimize new ground disturbance resulting from the expansion, the existing laydown yard used for the Wild Horse Project will be re-used for the expansion;
- Existing roads that cannot be used for project access will be abandoned and restored wherever possible; and



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- As noted above, PSE is in discussion with WDFW concerning providing additional acreage as further mitigation for permanent facility impacts. PSE anticipates updating this request to reflect any further mitigation.

In addition, PSE requests that certain conditions of the existing SCA related to grazing be amended to acknowledge PSE's participation in the Wild Horse Coordinated Resource Management Plan (CRMP). We ask that SCA conditions related to fencing of the mitigation parcel and springs may be waived provided that: (a) PSE is a partner with WDFW in the Wild Horse CRM; (b) waiver of the permanent fencing is recommended in the current Wild Horse CRM Grazing Plan and affirmed by the TAC; and (c) the CRM monitoring program confirms that the environmental and wildlife habitat goals of the CRM are being met without the need of this permanent fencing.

Construction would conform to the measures contained in the Storm Water Pollution Prevention Plan approved for the WHWPP. An independent environmental monitor would be present throughout construction. Further, all other applicable mitigation measures in the EIS, SCA and Construction and Operational plans for the WHWPP would be followed.

2. Consistency with Local Land Use Plans and Zoning

In March, 2005, by Ordinance No. 2005-10, the Kittitas County Board of County Commissioners approved the WHWPP Development Agreement between Kittitas County and Wind Ridge Partners, LLC. PSE acquired all assets associated with the Wild Horse Project. Pursuant to the terms of the Wild Horse Project Development Agreement, PSE is now the owner and operator of the Wild Horse Project. PSE is also the owner of development rights and interests in the Project site area subject to the terms of this Amendment.

As noted above, the expansion area is proposed as an amendment to the Wild Horse Project. By recent County Code amendment, the Kittitas County Wind Farm Resource Ordinance now provides that within certain pre-identified areas in Kittitas County, the County may authorize a wind farm without requiring a site-specific amendment to the Comprehensive Plan or a rezone of the County's zoning map. KCC 17.61A.035. Wind farms may be sited in the pre-identified areas through approval of a site plan and development agreement, without the need for a rezone. KCC 17.61A.035.

The Wild Horse Project area and the expansion area are located in Township 18N, Range 21E, an area which has been pre-identified for wind facility siting under the County Code, as



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amended. Accordingly, for local land use consistency purposes, PSE is not required to apply for a rezone or an amendment to the County's zoning map, nor is PSE required to apply for an amendment to the Comprehensive Plan. Nevertheless, PSE anticipates seeking an amendment to the Development Agreement.

Therefore, the proposal is compatible with existing local land use plans and zoning regulations. PSE will ask the County to approve an amended Development Agreement.

3. Proposed Amendments to the SCA

Specifically PSE requests that the Council amend portions of the SCA to read as follows:

a. Additional Attachments to the SCA located on page 6 of the SCA:

11. Council Resolution No. *[to be inserted]*: Amendment No. 5 to the Wild Horse Power Project Site Certification Agreement
12. Project Description as Modified by Amendment No. 5
13. Project Site Layout as Modified by Amendment No. 5
14. Project Land Legal Descriptions and Landownership Interests as Modified by Amendment No. 5
15. Proposed SEPA Mitigation Measures as Modified by Amendment No. 5
17. FAA Letters and Determinations for Turbines in the Expansion Area as Modified by Amendment No. 5
18. Amended Development Agreement between Kittitas County and PSE.

b. The second paragraph of Article I, B should be amended to read as follows:

Such construction and operation shall be located within the areas designated herein and in the Application for Site Certification submitted by Wind Ridge Power Partners LLC on March 9, 2004, and as described in Attachments 1, 2 and 4 to this Agreement and as modified by Amendment 5 hereto and Attachments 10 through 14.



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In addition, this Agreement incorporates the settlements and stipulated agreements made between Wind Ridge Power Partners LLC and parties to the adjudicative hearings, set forth in Attachments 3, 4 (as amended by Attachment 18) and 5 to this Agreement. Construction of any Project facilities or structures on lands leased from the Washington State Department of Natural Resources (DNR) or the Washington Department of Fish and Wildlife (WDFW) shall only be permitted when lease agreements are secured from the respective state agencies.

c. The second paragraph of Article I, C., 1. should be amended to read as follows:

The general location of components of the Project including, but not limited to, the turbine corridors, roadways, electrical collection and distribution system, operations and visitors center; maintenance facility, electrical substations, electrical transmission feeder line(s) and other related Project facilities is described in the Application for Site Certification (“Application”), in Attachment 4, Exhibit A ‘Project Description, and Exhibit B ‘Project Site Layout’, and in Attachment 8, Council Resolution No. 315, as modified by Attachment 10, Council Resolution [to be inserted], Attachments 10 through 14 and as necessary to be consistent with the development standards and mitigation measures set out in the Application, the Environmental Impact Statement (EIS), the requirements of this Agreement, and the requirements of the County Development Agreement as modified by Attachment 18. The WTGs shall be located only in the turbine corridors identified in the Application as modified by Attachments 12 and 13, provided that no turbines shall be located in positions [A1, A2, A3, B1, B2, B3, D1, D2, and D3 as presented in the Application.

d. Article I, C., 3. should be amended to read as follows:

Access Roadways. The Project will include up to ~~32~~ 40.5 miles (approximately) of roadways for access to the WTGs and other Project facilities.

The relevant plans required by the SCA will be modified to the extent necessary in relation to the construction and operational activities resulting from the expansion.



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II. Requested Council Action

PSE requests that the Council find that pursuant to WAC 463-66-040, the proposed amendment is consistent with: (1) the intention of the original SCA; (2) the applicable laws and rules; and (3) the public health, safety and welfare.

Further PSE requests the Council to find pursuant to WAC 463-66-070, that the request does not substantially alter the substance of any provision of the SCA and does not have a significant detrimental effect on the environment.

Sincerely,

/s/ Darrel L. Peeples

Darrel L. Peeples
Attorney at Law
325 Washington St. NE #440
Olympia, WA 98506
Phone (360) 943-9528
Fax (360) 943-1611
E-Mail: dpeeples@ix.netcom.com

STOEL RIVES LLP

/s/ Timothy L. McMahan
By: Timothy L. McMahan
Attorney at Law
E-Mail: tlmcmahn@stoel.com

TLM:zan
Enclosures

cc: Scott Williams, PSE

Resolution No. 326 Attachment 2

Changes to the Site Certification Agreement and Additional SEPA Mitigation Measures as Modified by Amendment No. 5

1. Access Roadways will be increased by 7.5 miles to total 40.5 miles.
2. Addition of additional Attachments to the Wild Horse Wind Power Project Site Certification Agreement:
 - Attachment 11 – Resolution No. 326
 - Attachment 12 – Project Land Legal Description and Landownership Interests
 - Attachment 13 - Additional SEPA Mitigation Measures:
 - a. Underground collector cables will be installed adjacent to roads in the expansion area. A maximum of two new circuits will be installed with one on each side of the roads to minimize disturbance.
 - b. Where the two new circuits are routed through existing project roads, underground cables will be located within the road prism to prevent further disturbance in this area.
 - c. Expansion of the substation will occur within the existing footprint of the area previously disturbed during Wild Horse construction.
 - d. The existing laydown yard used during Wild Horse construction, will be re-used for constructing the expansion.
 - e. To the greatest extent practicable, existing road alignments will be retained for construction of project roads. Those existing road segments that cannot be used for project access will be abandoned and restored wherever possible.
 - f. As a result of public comments received during the amendment process, the applicant voluntarily withdrew four turbines (“V” and “W” strings) from the proposal, reducing the overall size of the expansion area from 1,280 acres to 960 acres. This change significantly reduced permanent and temporary impacts of the project.
 - g. Provide either additional replacement habitat for impacts from the expansion or annual alternative mitigation fee in accordance with WDFW Wind Power Guidelines (2003), as determined in consultation with WDFW. If replacement habitat is selected, the guidelines would require approximately 73 acres (25.1 acres permanent disturbance at 2:1 plus 44.6 acres temporary disturbance at 0.5:1). The applicant proposes to offer an approximately 80-acre parcel owned by them as mitigation (the south half of the south half of the north half of Section 15, Township 18 North, Range 21 East, W.M., Kittitas County, Washington). If habitat replacement is selected, this parcel would be conveyed by the applicant to WDFW by quit claim deed. If alternative mitigation is selected, the annual fee would be approximately \$3,850. These funds would

be paid to WDFW, and targeted at funding habitat conservation and restoration efforts.

- h. The applicant will reseed certain areas within the existing Wild Horse facility, to be selected in consultation with WDFW and a qualified restoration specialist, where native seeds have not germinated and are not expected to germinate over time. The applicant will also extend restoration monitoring requirements on the existing site for the two-year period proposed for monitoring the expansion area, to maintain consistency and to compare restoration results with the expansion area.
 - i. The applicant will conduct a two-year post-construction monitoring study on the expansion site to evaluate impacts to avian and bat species. This monitoring may include the original Wild Horse site as determined by the applicant in consultation with the Technical Advisory Committee (TAC) and approved by EFSEC.
 - j. The Applicant will work with WDFW to restore and protect the springs from livestock degradation by providing native seeding around springs, installation of wildlife friendly or temporary fencing, as determined by WDFW, and noxious weed management.
- Attachment 14 – Federal Aviation Administration Letters and Determination for Turbines in the Expansion Area.
 - Attachment 15 – Amended Development Agreement between Kittitas County and PSE.