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BEFORE THE STATE OF WASHINGTON ENERGY FACILITY SITE EVALUATION COUNCIL

In the matter of) Application No. 2009-01) Special Council Meeting WHISTLING RIDGE ENERGY, LLC.) Workshop Briefing WHISTLING RIDGE ENERGY PROJECT) Pages 1 - 12

A Special Council Meeting in the above matter was held on Thursday, October 6, 2011, at the Rock Creek Hegewald Center, 710 S.W. Rock Creek Drive, in Stevenson, Washington at 2:00 p.m., before the Energy Facility Site Evaluation Council.

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CHAIR LUCE: Good afternoon. My name is Jim Luce, and I'm the Chair of the Washington State Energy Facility Sive Evaluation Council. Today is October 6, 2011. This is a special meeting of the Energy Siting Council occurring at Rock Creek Hegewald Center in Stevenson, Washington regarding the application to Whistling Ridge Energy, LLC, to site a wind project in the application as described in their application.

The Clerk will call the roll, Mr. Wright.

MR. WRIGHT: The Washington Department of

Commerce?

MR. FRYHLING: Dick Fryhling is here.

MR. WRIGHT: Washington Department of Ecology?

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Page 2 1 CHAIR LUCE: Hedia Adelsman is excused. 2 MR. WRIGHT: Washington Department of Fish and 3 Wildlife? 4 MR. TAYER: Jeff Tayer is here. 5 MR. WRIGHT: Washington Department of Natural 6 Resources? 7 MR. HAYES: Andrew Hayes is here. 8 MR. WRIGHT: And the Washington Utilities and 9 Transportation Commission? MR. MOSS: Dennis Moss is here. 10 11 MR. WRIGHT: And Skamania County? Doug Sutherland is here. 12 MR. SUTHERLAND: 13 MR. WRIGHT: You have a quorum, Mr. Chairman. 14 CHAIR LUCE: Thank you, Mr. Wright. 15 At this point in time I'm going to hand the gavel to Judge Bob Wallis, Robert Wallis who will lead a document 16 17 review and discussion which will be presented by our staff, our manager Al Wright and Stephen Posner. So, Bob. 18 19 JUDGE WALLIS: Thank you, Chairman Luce. 20 Let's begin with a discussion of the application 21 process for the Whistling Ridge application and, Stephen, 22 you're handling this; is that correct. 23 MR. POSNER: Judge Wallis, actually Al Wright is 24 going to talk about that. I was going to talk about the EIS 25 process.

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JUDGE WALLIS: Very good. Al.

2 MR. WRIGHT: I quess everybody can hear me whether it's working or not. Basically the application for 3 4 Whistling Ridge Energy farm was received first on March 10, 5 2009. After some discussions the Applicant decided to 6 withdraw that application, amend it, and it was reapplied for on October 12, 2009. We after the adjudicative process 7 8 we will go through in a minute with a parallel Environmental Impact Statement and a Site Certification Agreement was 9 drafted as I say after the processes and the orders were 10 11 drafted. The Environmental Impact Statement mitigation measures that were specified were incorporated into the Site 12 Certification Agreement, and a Site Certification Agreement 13 along with the orders creating it are proposed in front of 14 15 the Council today. And that basically is the application process that EFSEC follows, and the first part of that 16 17 process is the Environmental Impact Statement which Stephen 18 is going to go through.

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MR. POSNER: Thank you, Al.

Good afternoon, Chair Luce, Council Members. What I would like to do is just briefly summarize the process that got us to where we are right now in terms of the EIS and the environmental review process.

24The process began in 2009. This was a joint25SEPA/NEPA process with BPA, and after receiving the

1 application, the application for site certification, EFSEC made a determination of significance concerning the 2 potential environmental impacts of this project. This was 3 4 on April 6, 2009. We followed, procedurally followed the 5 requirements of SEPA and NEPA and held an agency scoping 6 meeting as well as two public scoping meetings on May 6 and 7, 2009 in Underwood and Stevenson. The Council also 7 8 conducted a first site tour on May 7.

9 The scoping process, during the scoping process we 10 received 421 scoping letters and e-mails. Contained within 11 those were 1,854 individual comments. We issued a scoping 12 report August 27, 2009. Also during the same time or around 13 the same time the agency scoping meeting and the public 14 scoping meeting there was a land use consistency hearing 15 that was also held on May 7.

16 We issued a joint Draft EIS with BPA on May 28, 17 2010. We conducted public meetings June 16 and June 17 in Underwood and Stevenson where the Council heard comments 18 from the public concerning the Draft EIS. We originally had 19 set a public comment period, and then after hearing from 20 some members of the public about the time frame for public 21 comments the Council and BPA decided to extend the public 22 23 comment period until the 27th of August 2010.

24 We received over 800 letters, e-mails. Within 25 those there were over 2,000 individual comments that we

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1 received. We determined that well over 1,000 of those were 2 substantive comments, and during this whole process as we 3 were processing, reviewing the comments we were meeting 4 regularly with BPA coordinating with them on developing 5 responses to the comments.

And one thing I would like to note is that the process, this SEPA process which is in one of your handouts is a flow chart, and you should have that. On the right-hand side you can see the SEPA process and how that goes along in parallel with the application review process and the adjudicative process.

Just as a reminder, and this was noted in one of 12 the prehearing council orders, was the relationship to the 13 EIS was not, that process was not part of the adjudicative 14 15 process. The Draft EIS was not entered in as an exhibit during the adjudicative process. You can see if you follow 16 17 the flow chart to the bottom how the Final EIS ultimately ends up being considered along with the adjudicative process 18 19 as the Council moves toward making a recommendation 20 decision.

21 Concerning the Final EIS as you can see we have 22 one complete copy that's sitting on the table here. You can 23 see it's quite voluminous. It over 5,000 pages. And you 24 all have received copies of that electronically. We've 25 posted it on our website and we've coordinated with BPA as

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far as making copies available to the public. That was
issued on August 12, 2011.

And that pretty much concludes my presentation on the SEPA process. Are there any questions? I would be happy to answer them.

JUDGE WALLIS: Are there questions from CouncilMembers? It appears that there are not.

8 The adjudicative process Stephen touched on it. It began with publication of notice of an opportunity to 9 file interventions in July of 2009. An adjudicative hearing 10 was held in January of 2011. There were 23 orders entered 11 relating to the adjudication and the prehearing process. 12 The Council's deliberations began after the hearing was 13 concluded and considered the information that was of record 14 15 in the adjudication. The draft adjudicative order has been prepared consistent with the Council's deliberations on the 16 17 adjudicative record, and the recommendation order has been prepared by the staff for presentation to the Council and 18 will be the subject of discussion later in this session and 19 20 this evening.

Al, were you going to address the adjudicativeorder and recommendation order?

23 MR. WRIGHT: Yes, Judge Wallis. We selected the 24 end product, of course, of these two processes that you've 25 heard about now. The adjudicative process and the parallel

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Environmental Impact Statement, environmental impact analysis and resulting statement are then combined at the end into a recommendation order and Site Certification Agreement that the Council will approve and take the form of a recommendation to the Governor.

6 Staff has selected ten areas that we're just going 7 to touch on that we think are probably based on all of the 8 discussions that have gone on over this fairly long process 9 that have been either at least burned up the biggest, 10 largest amount of paper and/or have been probably the most 11 contentious.

Just going down those, one is the land use zoning issue, and the Council in its proposed recommendations order and SCA is basically ensuring consistency with the county's land use zoning ordinances.

16 The second maybe it doesn't rate a second, but first are the visual impacts, particularly relative to the 17 significance of the existence of the Columbia River Gorge 18 and to some lesser extent the National Scenic Area. And the 19 20 Council, of course, both the Environmental Impact Statement and the adjudicative process heard extensive information 21 relative to viewscapes and the activities of both the 22 23 consultant developing the EIS and then the Council Members 24 themselves conducted their own tour, their own visual 25 analysis as a group that became part of the adjudicative

proceedings. And so that issue was one of the most contentious issues during the process and during the discussion. And obviously some of the tower sites under consideration are also open for restrictions because of the viewscapes, and those things will be covered in the recommendation order.

The Council struggled to make sure that the 7 8 provisions in the SCA and the issues covered in the 9 proceedings are in compliance with the Washington Department of Fish and Wildlife Guidelines that in 2009 I think is the 10 most recent version that are established specifically to 11 quide the development of wind farms in the state of 12 Washington, and those issues around compliance with those 13 guidelines cover both habitat, vegetation, fish and wildlife 14 15 resources and other environmental issues. Under that category also the Council has gone at length to ensure that 16 17 there's consideration of protection of threatened, endangered, and/or sensitive species which indeed have been 18 19 identified within the area.

Also under that same category there was a mitigation, a wildlife mitigation parcel that was offered during the adjudicative process as a mitigation package for part of the impacts of the project. The Council took that under consideration, but the parcel was never actually offered to the Council as a stipulated agreement. So the

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1 Council simply recognized that it evaluated that within the 2 proceedings and remains silent on it because it actually was never offered to the Council as any kind of an agreement. 3 4 Cultural and archaeological resources, 5 particularly the tribal interests on the cultural and 6 archaeological resources, was a contested area of concern. The Council has done extensive work in its recommendation 7 8 order and the SCA to ensure that the cultural and archaeological resources are protected either those known or 9 those yet to be discovered are protected under a development 10 of a cultural and archaeological management plan. 11

Noise standards was an issue, particularly in the 12 adjudicative proceedings, and the Council has made extensive 13 efforts to ensure that this project would be in compliance 14 15 with all the applicable noise standards and Washington state 16 The SCA has provisions regarding fire protection. law. Ιt 17 has provisions regarding a fire control plan that's There are provisions protecting both public roads 18 required. that are disturbed or private roads that are now disturbed 19 20 or private roads to be developed and the manner in which they are utilized and/or vacated. 21

And lastly, a new issue for the Council for these Council Members is the wind farms that EFSEC had licensed to date have been in the Eastern Washington grasslands. This is the first conifer forest wind farm that the Council has

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Page 10 1 had an application on, and so therefore this SCA you will 2 see issues and compliance with the Washington Forest Practices Act which is something that the Council has not 3 4 addressed in previous wind farm licensing processes because they were not in a conifer forest. So that's an issue in 5 6 which the Council had to develop some new and different language and different provisions than it had been faced 7 8 with previously. 9 Mr. Chairman, that's what at least the staff's point of view was as probably the ten most contentious 10 11 issues. Thank you Mr. Wright. 12 JUDGE WALLIS: That concludes the review of the documents for the 13 Council and, Mr. Chairman, with that we will return the 14 15 meeting to you. 16 CHAIR LUCE: Thank you very much. Thank you very 17 much. Do Council Members have any comments? 18 19 Hearing no comments, I would ask for a sense of 20 the Council as to whether we are prepared to move to a decision this evening? 21 22 So I will informally poll the Council beginning 23 with Mr. Tayer in my right and then moving toward his right. 24 MR. TAYER: Yes, Mr. Chair. 25 CHAIR LUCE: All right.

Page 11 1 Are you prepared? I am prepared. 2 MR. FRYHLING: Yes, I am prepared. MR. MOSS: Yes. 3 4 MR. HAYES: Yes, I am prepared. MR. SUTHERLAND: Yes. 5 CHAIR LUCE: All right. That will conclude this 6 afternoon's workshop briefing, and we will now be in recess 7 8 until 6:00 p.m. this evening when we will return to the Rock 9 Creek Center and announce our decision. Mr. Fryhling raises a good point. None of us, 10 11 including staff, are available to discuss this case with you members of the public. We greatly appreciate you coming, 12 and your involvement has been extensive as reflected by Mr. 13 Posner and Mr. Wright, but this is an adjudicatory 14 15 proceeding, and there is always the possibility of 16 litigation. Certainly the decision and recommendation that 17 we make needs to go forward to the Governor. So I hope you'll understand we just can't talk to you. 18 We're appearing here in our role as judges, and it would be 19 20 inappropriate for us to do so. So with that, I'll adjourn the meeting until 6:00 p.m. this evening. 21 22 * * * 23 (Whereupon, the special meeting was adjourned at 24 2:23 p.m.) 25

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Page 12 In re: Whistling Ridge Energy Project Application No. 2009-01 AFFIDAVIT I, Shaun Linse, CCR, do hereby certify that the foregoing transcript prepared under my direction is a full and complete transcript of proceedings held on October 6, 2011, in Stevenson, Washington. Shaun Linse, CCR 2029