

Verbatim Transcript of Monthly Council Meeting
Washington State Energy Facility Site Evaluation Council
July 18, 2017



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WASHINGTON STATE
ENERGY FACILITY SITE EVALUATION COUNCIL
Richard Hemstad Building
1300 South Evergreen Park Drive Southwest
Conference Room 206
Olympia, Washington
July 18, 2017
1:31 p.m.

MONTHLY COUNCIL MEETING
Verbatim Transcript of Proceeding

REPORTED BY: ANITA W. SELF, RPR, CCR #3032

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1 A P P E A R A N C E S

2 Councilmembers Present:

3 Bill Lynch, Chair

Jaime Rossman, Department of Commerce

4 Cullen Stephenson, Department of Ecology

Joe Stohr, Department of Fish and Wildlife

5 Dennis Moss, Utilities and Transportation Commission

Dan Siemann, Department of Natural Resources (via phone)

6

7 Local Government and Optional State Agencies:

8 Larry Paulson, Port of Vancouver (via phone)

9

Assistant Attorney General:

10

Ann Essko, Senior Counsel

11

12 Staff in Attendance:

13 Stephen Posner

Jim LaSpina

14 Tammy Mastro

Sonia Bumpus

15 Joan Aitken

Ami Kidder

16 Christina Potis

17

Guests in Attendance:

18

Rich Downen, Grays Harbor Energy

19 Mark Miller, PacifiCorp Chehalis Generation Facility

Phyllis Barney, Attorney General's Office

20 Steve Eberl, Department of Ecology

Gary Lee, Department of Ecology

21 Dan Shafar, BergerABAM

22

Guests in Attendance via Phone:

23

Shannon Khounnala, Energy Northwest

24 Debbie Knaub, Energy Northwest

Jennifer Diaz, Puget Sound Energy

25 Eric Melbardis, EDP Renewables

1 A P P E A R A N C E S (continued)

2
3 Guests in Attendance via Phone:

- 4 Randy Utley, Department of Health
5 Jeff Ayres, Department of Ecology
6 Connie Sue Martin, Port of Vancouver
7 Janette Brimmer, Columbia Riverkeeper

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1 OLYMPIA, WASHINGTON; JULY 18, 2017

2 1:31 P.M.

3

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

5

6 CHAIR LYNCH: Good afternoon. Today is
7 Tuesday, July 18th, and it is the monthly meeting for
8 the Energy Facility Site Evaluation Council. I'm just
9 going to have the Council just take a quick look at the
10 agenda to see if they have any suggested changes before
11 we call the roll.

12 Not hearing any, we'll have the clerk call
13 the roll.

14 MS MASTRO: Department of Commerce?

15 MR. ROSSMAN: Jaime Rossman is here.

16 MS. MASTRO: Department of Ecology?

17 MR. STEPHENSON: Cullen Stephenson, here.

18 MS. MASTRO: Fish and Wildlife?

19 MR. STOHR: Joe Stohr is here.

20 MS. MASTRO: Department of Natural
21 Resources?

22 MR. SIEMANN (via phone): Dan Siemann is --
23 (Bridge line beeping.)

24 MS. MASTRO: Utilities and Transportation
25 Commission?

1 MR. MOSS: Dennis Moss is here.

2 MS. MASTRO: Local governments and optional
3 State agencies. For the Tesoro Savage project,
4 Department of Transportation?

5 CHAIR LYNCH: Councilmember Stone is
6 excused.

7 MS. MASTRO: City of Vancouver?

8 CHAIR LYNCH: Councilmember Snodgrass is
9 excused.

10 MS. MASTRO: Clark County?

11 CHAIR LYNCH: Councilmember Shafer is
12 excused.

13 MS. MASTRO: Port of Vancouver?

14 MR. PAULSON (via phone): Larry Paulson's on
15 the phone.

16 MS. MASTRO: Chair, there is a quorum for
17 the EFSEC regular Council and for the Tesoro project
18 Council.

19 CHAIR LYNCH: Thank you.

20 And if we could have councilmembers take
21 a -- actually, before I have us look through the
22 minutes -- actually, councilmembers can start looking
23 through the minutes to see if they have any proposed
24 changes.

25 But at this time, I'm going to have people

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1 who are on the phone who wish to identify themselves to
2 please do so now, though you're not required to.

3 MR. AYRES (via phone): This is Jeff Ayres,
4 Department of Ecology Nuclear Waste Program in Richland.

5 MR. UTLEY (via phone): Randy Utley,
6 Washington State Department of Health.

7 MS MARTIN (via phone): Connie Sue Martin
8 for the Port of Vancouver.

9 MS. KHOUNNALA (via phone): Shannon
10 Khounnala, Energy Northwest.

11 MS. BRIMMER (via phone): Janette Brimmer,
12 Earthjustice, on behalf of Columbia Riverkeeper and
13 associated parties.

14 MS. KNAUB (via phone): Debbie Knaub, Energy
15 Northwest.

16 MS. DIAZ (via phone): Jennifer Diaz, Puget
17 Sound Energy.

18 CHAIR LYNCH: Anybody else? So let's go
19 ahead and turn to the proposed -- the minutes as they
20 were submitted for the June 20th meeting. I'd like to
21 point out one small change, and that's on page 16, and
22 that's lines -- on line 13, instead of the word "enact,"
23 it's going to be the word "on" and then the acronym
24 "NACT," N-A-C-T. So it would read, "...and we had a
25 class on NACT 299."

1 Any other proposed changes?

2 MR. ROSSMAN: Yes. I have one on page 21,
3 line 19. The second word there is "can't," and I
4 believe it should be "can," c-a-n.

5 CHAIR LYNCH: I think that's correct. So it
6 would be where the Council and the applicant "can" agree
7 to an extension of the time frame for processing the
8 application. So good catch, Councilman Rossman. So the
9 word "can" is substituted for "can't."

10 Any other proposed changes? Hearing none,
11 I'd entertain a motion for the approval of the minutes
12 as amended.

13 MR. STEPHENSON: I'll so move.

14 CHAIR LYNCH: Do we have a second?

15 MR. ROSSMAN: Second.

16 CHAIR LYNCH: It's been moved and seconded
17 that the Council minutes for June 20th, 2017, as
18 amended, be approved.

19 All those in favor, say "aye."

20 MULTIPLE SPEAKERS: Aye.

21 CHAIR LYNCH: Opposed? Motion carries.

22 A ringing endorsement. We're getting a
23 little feedback over here.

24 And now let's turn to the updates for our
25 various projects. Some people who are on the phone

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1 might choose to mute their phone because we're getting
2 some very odd noises coming through over here.

3 So Kittitas Valley Wind Project,
4 Mr. Melbardis.

5 MR. MELBARDIS: Good afternoon, EFSEC
6 Council. This is Eric Melbardis with EDP Renewables for
7 the Kittitas Valley Wind Power Project.

8 We have nothing nonroutine to report for the
9 period.

10 CHAIR LYNCH: Any questions for
11 Mr. Melbardis? Very good. Thank you.

12 Let's turn to Jennifer Diaz, Ms. Diaz, Puget
13 Sound Energy, with the Wild Horse Wind Power Project.

14 MS. DIAZ: Yes. Thank you, Chair Lynch and
15 councilmembers. As Mr. Lynch said, Jennifer Diaz, Puget
16 Sound Energy, Wild Horse Wind Project, and I also have
17 nothing nonroutine to report for this monthly update.

18 CHAIR LYNCH: Any questions for Ms. Diaz?
19 Thank you, Ms. Diaz.

20 Now we'll turn to the Columbia Generating
21 Station. And Ms. Khounnala, did you want to go first or
22 did you want to introduce Ms. Knaub?

23 MS. KHOUNNALA: Certainly. Thank you,
24 Chair Lynch. Yes, this is Shannon Khounnala with Energy
25 Northwest, and I have with me Debbie Knaub who is a new

1 addition to our department and will be taking over the
2 process of providing Council updates. And Debbie is
3 going to take her stab at providing the first update
4 today.

5 MS. KNAUB: Thank you, Shannon. And again,
6 my name is Debbie Knaub, and I'm with Energy Northwest,
7 and I have a few things to report.

8 The Columbia Generating Station last week
9 hosted EFSEC, Department of Health and Ecology
10 regulatory representatives for our audit and several
11 other meetings, and we definitely appreciated the
12 opportunity to discuss these things and to get agency
13 input. And thanks to Jim LaSpina of EFSEC for
14 coordinating and facilitating what we viewed as a very
15 successful meeting and audit.

16 At one of the sessions, our consultants
17 presented a scope for our upcoming groundwater study in
18 the area of our cooling towers, which is a requirement
19 of our NPDES permit. And we were very pleased that the
20 agency commenters [sic] were satisfied with the scope of
21 the study, and we will be proceeding with finalizing
22 that scope.

23 We recently completed our refueling and
24 maintenance outage at the end of June and reconnected to
25 the power grid on June 19th. We were pleased that we

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1 were able to complete the outage two and a half days
2 early.

3 Another matter we -- due to last winter's
4 unusually high precipitation levels and cooler spring
5 temperatures, our evaporation ponds, which receive
6 stormwater runoff and wastewater from the stations, are
7 higher than they normally are, and we will be installing
8 aerators in one or two of these ponds to increase
9 evaporation rates. We've found that the addition of the
10 aerators will not result in any exceedance of any limits
11 that we have. Ecology and DOH have reviewed the
12 proposal and concur with our determination.

13 We also -- another report is we also have a
14 new lease with the Department of Energy for WNP 1/4, and
15 that went into effect on July 1 this year, and we
16 started the planning and some field work on the water
17 distribution system project.

18 And that is the end of our items.

19 CHAIR LYNCH: Thank you, Ms. Knaub. And I'm
20 going to have Mr. LaSpina -- I'm going to ask him if he
21 has anything to add regarding the evaporation ponds.

22 MR. LASPINA: Yes, Chair Lynch. Energy
23 Northwest furnished an analysis of the aerators to
24 radionuclides emissions to be sure that we are not
25 exceeding any emission limits in order -- in the order,

1 and that that regulates those emission limits.

2 The Department of Health reviewed the
3 analysis and determined that there would be -- that the
4 limits facilitated the -- the -- the use of the
5 aerators. And we have Mr. Randy Utley of Department of
6 Health available on the phone if the Council has any
7 questions.

8 Also, the Department of Ecology reviewed the
9 proposal and also had no concerns about the use of the
10 aerators. And it should be noted that both the
11 approved -- the EFSEC approved O&M manual and the order,
12 the addition of aerators is consistent with both of
13 those regulatory documents. So actually, Energy
14 Northwest doesn't need an approval. This is more of a
15 notification.

16 CHAIR LYNCH: And Mr. Utley, do you have
17 anything to add to what Mr. LaSpina said?

18 MR. UTLEY: I would just back up what he
19 said, yeah. We concur, we did a review of Energy
20 Northwest's request. We did that in comparison with the
21 Order 84 [sic], and yes, all of the limits are in
22 compliance with that review.

23 CHAIR LYNCH: Do any councilmembers have any
24 questions for either Ms. Knaub, Mr. LaSpina or
25 Mr. Utley? Councilmember Moss.

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1 MR. MOSS: Just for the clarity of the
2 record, there was a reference to an order. I'm thinking
3 the number was 874, not 84. Is that correct, or is that
4 an order that I don't know about?

5 CHAIR LYNCH: In the sheet that we have, it
6 says number 874. Is that the correct number?

7 MR. LASPINA: Yes, sir, that is correct,
8 yes.

9 MR. UTLEY: I'm sorry. This is Randy Utley,
10 and I did verify that, that is Order 874. Sorry. That
11 is a correction.

12 CHAIR LYNCH: Thank you. Councilmember
13 Stephenson.

14 MR. STEPHENSON: Thank you, Chair Lynch.
15 I heard that Jeff Ayres from Ecology's
16 Nuclear Waste department -- division is on the line. I
17 wanted to ask him if he has any further comments.

18 MR. AYRES: This is Jeff Ayres. We went
19 through -- we reviewed the design that they wanted to
20 use for the type of aerators. At first we had some
21 concerns, but when we found that these were aerators
22 that are the same type that is existing within the
23 system, and when I noticed in the -- looked through the
24 approved O&M plan that the design is in there to allow
25 for additional aerators for -- as a contingency for when

1 the pond gets full, therefore, we have no -- we had no
2 issues with the additional aerators going in.

3 CHAIR LYNCH: Thank you, Mr. Ayres.

4 Any other councilmember questions? Thank
5 you, Ms. Khounnala. We will miss you, at least for a
6 couple days anyway. And Ms. Knaub, it's nice to be
7 introduced to you.

8 MS. KNAUB: Thank you. Good to meet
9 everyone over the phone.

10 CHAIR LYNCH: Now, Mr. Miller, with the
11 Chehalis Generation Facility.

12 MR. MILLER: Thank you, Chair Lynch. Good
13 afternoon, Chair and members of Staff. I'm Mark Miller,
14 the manager at the PacifiCorp Chehalis Generation
15 Facility. I have two nonroutine comments to provide.

16 The Company received from EFSEC staff the
17 report for the 2017 Title VI annual inspection, and that
18 noted that there -- the inspection reviewed both
19 documents -- filings on site -- and the physical site
20 inspection. There were no -- no nonconformances noted.

21 Also, I just wanted to inform the Council
22 that PacifiCorp just recently received additional
23 verifiable emission reduction greenhouse gas credits
24 from the national climate trust. If you recall, these
25 contracted purchases were part of the carbon offset

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1 requirement per Order 836, which were conditions for the
2 certificate transfer to PacifiCorp.

3 So these are 2016 vintage year credits from
4 the Linden Farm project. And right now we've received
5 42,815 tons versus the contracted 70,000 tons, so about
6 61 percent. So they're a little bit ahead of their
7 delivery, and that's a good thing.

8 Are there any questions?

9 CHAIR LYNCH: Any questions for Mr. Miller?
10 No. Very good. Thank you.

11 MR. MILLER: Thank you.

12 CHAIR LYNCH: Mr. Downen, Grays Harbor
13 Energy.

14 MR. DOWNEN: Good afternoon, Chair Lynch,
15 Council staff. My name is Rich Downen. I'm the plant
16 manager -- acting plant manager at Grays Harbor Energy.

17 The only -- I don't really have anything
18 nonroutine to report, but there are a few things I would
19 point out in the report in your packets.

20 Item 2.3, this was related to -- it was a
21 few months ago, we had high turbidity in a stormwater
22 ditch, so we did a full site inspection on all of our
23 stormwater equipment, I guess, the drainage equipment,
24 and we brought in a contractor and did a bunch of
25 maintenance on that. So we did maintenance and

1 installed some equipment in that -- in that ditch, which
2 is in the -- kind of that lay-down area, which is set
3 aside for phase two, if that were ever to occur.

4 And then we fixed a cracked storm drain, and
5 then we replaced all the silt fencing on site and
6 actually made it more robust, so we're in better shape
7 now than we've ever been as far as stormwater runoff.

8 2.4 is just the notification went out to
9 EFSEC and ORCAA that we're going to be doing our RATA
10 testing, our stack testing, that's annual testing that
11 will take place next month.

12 And then item 2.6 is just another update.
13 We're doing regular samples of our stormwater -- or of
14 our outfall of the cooling tower blowdown, and those
15 arsenic and mercury levels continue to drop, so
16 they're -- actually, they're below the levels now that
17 AECOM predicted that we would get to with the cooling
18 tower replacement.

19 So they're still dropping, but we're
20 intending at this point to start the series of tests,
21 about -- probably pull 20 samples and get data over a
22 few months' period, and we'll start that in August,
23 which is kind of the formal post-AKART installation of
24 the cooling tower. We're just wanting to get things to
25 stabilize, and that's -- every sample has been more

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1 promising, so that's good news.

2 And then the only other thing that would be
3 different is -- item 5.1 is we had the Invenergy
4 Regional Safety Manager come out and kind of do an audit
5 and check the site, and he didn't have any
6 discrepancies, so that was a good visit.

7 That's all I have to report.

8 CHAIR LYNCH: Very good. Any questions for
9 Mr. Downen? Yes, Councilmember Stephenson.

10 MR. STEPHENSON: Just for the minutes for
11 next month, could you please define RATA?

12 MR. DOWNEN: Yes. Yes, I could. I think
13 it's in there. It's in that sentence, the Relative
14 Accuracy Test Assessment, RATA test, scheduled for the
15 week of August 7th. So that's in item 2.4.

16 MR. STEPHENSON: Thank you.

17 CHAIR LYNCH: Thank you, Mr. Downen.

18 And at this point, just so councilmembers
19 know, a reminder, we have two actions items on our
20 agenda today. The first is to put the Draft Industrial
21 Stormwater Permit for Tesoro out for public comment, and
22 the second would be to start the rulemaking process for
23 a couple of water quality rules that update our current
24 regs.

25 So if we could start off with an update

1 about the Tesoro project from Ms. Bumpus.

2 MS. BUMPUS: Thank you. Good afternoon,
3 Chair Lynch and Councilmembers.

4 I'll start with the SEPA update. Staff are
5 currently making final edits to several sections of the
6 FEIS. However, there are some remaining issues we're
7 still working on with the applicant.

8 One of them, which I mentioned in the last
9 update last month, was related to the air quality
10 revisions. We're still working with them and we are
11 requesting some additional information. Once we get
12 that, we hope to incorporate it into the FEIS. And once
13 it's all in there, we'll do what we're kind of calling a
14 final review of the affected sections of the FEIS where
15 this will kind of ripple through the document.

16 So I'll keep you posted on -- you know,
17 primarily it's going to be the air quality revisions
18 that we're working on in the coming weeks.

19 CHAIR LYNCH: And didn't you have additional
20 seismic information come in, or it was about to come in?

21 MS. BUMPUS: We have had correspondence
22 related to -- primarily to the seismic mitigation, that
23 it would be in Earth Resources in 3.1 of the FEIS, and
24 we do have some correspondence that we're still having
25 with the applicant on that, and we are waiting on a

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1 submittal from the applicant to answer a couple of
2 questions for us so that we can pin down that seismic
3 mitigation.

4 CHAIR LYNCH: Any questions for Ms. Bumpus?
5 Okay. Very good.

6 Let's go ahead and turn to the NPDES
7 Industrial Stormwater Permit, and I'll just stay with
8 you, Ms. Bumpus. Did you want to hit highlights, or how
9 do you want to proceed on this?

10 MS. BUMPUS: Sure, Chair Lynch. I was going
11 to ask if you wanted me to do that, and so I can just
12 touch on a few of the changes that were made since the
13 May council meeting when Council first was looking at
14 this draft permit and fact sheet.

15 So in the fact sheet, I'll just start there
16 with some of the revisions. Pages 8 through 13
17 contained a location map, facility layout and Terminal 4
18 drainage systems and Terminal 5 drainage systems, and
19 those figures were blurry and difficult to read and the
20 labels weren't all there, and so we replaced those, and
21 now you can see the legend and the labelling very
22 clearly. That was -- that was a concern expressed in
23 the May council meeting.

24 We also on -- I think it started on page 9,
25 the facility description has been revised and edited

1 quite a bit. It was difficult to provide that and track
2 changes, but, in short, it's much clearer where
3 wastewater is going at the facility. Based off
4 Councilmember Stone's comments, it was clear that we
5 needed to revise that a little bit and clarify that
6 discussion, so I think that that's improved.

7 Let's see. What else? Well, I think that
8 that's -- those are the highlights for the fact sheet.
9 I'm going to move to the permit.

10 For the permit, page 7 of your version
11 received on July 10th, in the Special Conditions,
12 Monitoring Schedule table, there's been quite a bit of
13 editing there just -- I can slow down if councilmembers
14 want me to -- okay.

15 So the sampling of effluents, we added "i,"
16 which connects the timing of the sampling with the start
17 of the first fall storm event, so that sampling will
18 occur within the first 12 hours of the storm event.

19 For the priority pollutant scans, which are
20 towards the bottom of the table, we added "g," which
21 states that the priority pollutant scans will occur --
22 well, rather, we edited it, and changed the occurrence
23 to quarterly basis. The draft that councilmembers
24 reviewed in May had an annual schedule. So that's been
25 changed to quarterly, and this will occur for the first

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1 two years of operation, and then after that would change
2 to annually.

3 We also added "h," which explains when the
4 first fall storm event is each year. And so we, you
5 know, provide that clarification for the permittee.

6 And so those are sort of the highlights I
7 had listed to go over with councilmembers. And I also
8 wanted to say that I have Phyllis Barney here from the
9 AG's office who's done the legal review of the permit
10 both back in May and more recently. Gary Lee and Steve
11 Eberl are here from the Ecology Industrial Permit
12 section to answer questions. And in the back, we have
13 Dan Shafar from BergerABAM who's with the applicant to
14 answer technical questions about the engineering report
15 or permit.

16 CHAIR LYNCH: Thank you, Ms. Bumpus. I
17 would just note that I participated in a meeting with
18 Councilmember Stone and Ms. Bumpus and Mr. Posner and
19 some Ecology staff, and we went through the changes,
20 because Mr. Stone had a number of concerns about the
21 proposed permit when we brought this up initially in
22 May. And the thing he was most interested in was tying
23 the stormwater -- the sampling to a stormwater event, so
24 that's just clarified in this version of the permit, and
25 he seemed satisfied with the other changes that were

1 made.

2 And so with that, I will ask if
3 councilmembers have any questions for Ms. Bumpus or
4 Mr. Lee or Mr. Eberl or, I'm sorry, the gentleman from
5 BergerABAM as well.

6 MS. BUMPUS: Dan Shafar.

7 CHAIR LYNCH: Mr. Shafar as well. Any
8 questions?

9 I would say that this permit has -- and the
10 fact sheet do have more detail than what was brought up
11 in front of the Council before, so I think that should
12 make it a document that will be easier for the public to
13 follow.

14 Any -- let's see. So at this point in time,
15 I will entertain a motion for the -- putting this Draft
16 Industrial Stormwater Permit out for public comment.

17 MR. STEPHENSON: Chair Lynch, I'll move that
18 we -- the Council put this out for draft public comment.

19 CHAIR LYNCH: Do we have a second?

20 MR. ROSSMAN: I'll second it.

21 CHAIR LYNCH: It's been moved and seconded
22 that the Council put the Draft Industrial Stormwater
23 Permit for the Tesoro -- proposed Tesoro facility out
24 for public comment. All those in favor, say "aye."

25 MULTIPLE SPEAKERS: Aye.

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1 CHAIR LYNCH: Opposed? Motion carries.

2 I would just note that I was able to have
3 some correspondence with Councilmember Shafer about the
4 proposed permit, and he also supports it in its current
5 form.

6 MR. MOSS: May I?

7 CHAIR LYNCH: Yes, Councilmember Moss.

8 MR. MOSS: Chair Lynch, I would just like to
9 express to the Staff our appreciation for the efforts
10 they made to address the concerns that we raised at the
11 last meeting when this came up, and I think you've done
12 an admirable job of addressing those concerns, so thank
13 you.

14 MS. BUMPUS: Thank you.

15 CHAIR LYNCH: Thank you. They did put a lot
16 of -- thank you, Councilmember Moss. They did put in an
17 extra amount of time, as did the Ecology people as well.
18 We thank you for your assistance to us and for being
19 here today in case there were questions.

20 MR. EBERL: Thank you. Sure.

21 CHAIR LYNCH: So let's turn to the proposed
22 rulemaking, and these were proposed rules that I had
23 sent out to councilmembers previously. And what these
24 have to do -- are -- has to do with compliance --
25 schedules of compliance with NPDES permits.

1 And I'll just start with 463-76-054. The
2 schedule of compliance in our reg currently talks in
3 terms of not exceeding nine months when Ecology's rule
4 actually says one year. And actually, furthermore, the
5 federal regulation says one year. So we are not in --
6 currently consistent with either Ecology or the federal
7 regulation about compliance schedules. And you might
8 remember this came up about a year ago or so. It
9 related to Grays Harbor Energy, so we would like to
10 update that.

11 The second one is 463-76-062, which has to
12 do with modifications of NPDES permits, and Ecology
13 currently has a regulation that is more flexible than
14 EFSEC's regulation. It allows for a minor modification
15 versus a major modification for purposes of providing
16 notice. And under EFSEC's current regulation, if we
17 wanted to do some -- even a modest change, we'd have to
18 open up the whole permit, and that's just not in
19 anybody's interest to do that.

20 So these were the two most significant
21 changes that I -- when I went through the proposed rule
22 adoptions for updating our water quality laws to make --
23 our water quality regulations to make them consistent
24 with Ecology's, we had a bunch of small things that we
25 are kind of holding off for now, but these were the two

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1 more significant ones that I'd like to put in front of
2 the Council.

3 And Mr. LaSpina or Ms. Barney, do you have
4 anything to add? Councilmembers, do they have any
5 questions? Consistency is good, is right, and
6 flexibility is good.

7 And so with that, I'd entertain a motion for
8 putting these two -- oh, I should back up a little bit.
9 We had been doing expedited rulemaking for a lot of our
10 rulemaking -- actually, for all of our rulemaking, I
11 think, since we've been here, but these are just
12 slightly different than what I think might be allowed to
13 go through for expedited rulemaking. And rather than
14 take the chance, and we've got some time, I just thought
15 we'd just use the regular rulemaking process.

16 So at this point, I'll entertain a motion
17 for starting the CR-101 process.

18 MR. MOSS: Chair Lynch, I would move that
19 the Council approve Staff filing the CR-101 put before
20 us today concerning the proposal to amend two
21 subsections of Chapter 463-76 WAC.

22 CHAIR LYNCH: Do we have a second?

23 MR. STEPHENSON: I'll second.

24 CHAIR LYNCH: It's been moved and seconded
25 that the Council direct the Staff to begin the CR-101

1 process for making these two rule changes.

2 All those in favor, say "aye."

3 MULTIPLE SPEAKERS: Aye.

4 CHAIR LYNCH: Opposed? Motion carries.

5 And Mr. Posner is going to enthrall us with
6 the first quarter cost allocation numbers.

7 MR. POSNER: Good afternoon, Chair Lynch,
8 councilmembers. In your packets, there's a green
9 document that outlines the Non Direct Cost Allocations
10 for the first quarter, fiscal year 2018.

11 We do this at the beginning of every
12 quarter. We look at our past costs for the last
13 quarter, and then look ahead and then recalculate the
14 percentages that are charged to our projects.

15 So for this -- this first quarter, fiscal
16 year 2018, July 1st through September 30th, I'll go
17 ahead and read the percentages off for the benefit of
18 those on the phone. Excuse me.

19 Kittitas Valley Wind Power Project is
20 6 percent; Wild Horse Wind Project is 8 percent;
21 Columbia Generating Station, 19 percent; the WNP-1
22 project is 3 percent; Whistling Ridge Energy Project is
23 3 percent; Grays Harbor 1&2 is 10 percent; Chehalis
24 Generation is 9 percent; Desert Claim is 3 percent;
25 Grays Harbor Energy 3&4 is 3 percent; and Tesoro/Savage

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1 is 36 percent.

2 That's all I have, and I'm happy to answer
3 any questions councilmembers may have.

4 CHAIR LYNCH: Any questions for Mr. Posner
5 regarding the cost allocations?

6 And with that, I just wanted again to thank
7 councilmembers and Staff for hanging in there. I mean,
8 this has been a long, long last few years, and it's a
9 lot of work, and a lot of times it's thankless work, and
10 I just appreciate your attention to the proposed
11 Tesoro/Savage project.

12 And as you know, there's been a lot of other
13 work that we do on top of that, so to get all that work
14 accomplished and still moving forward, I want to thank
15 everybody for your efforts, as well as the assistance
16 that we get from the AG's office and the assistance that
17 we get from various agencies.

18 And with that, we are adjourned. Thank you.

19 (Meeting concluded at 2:04 p.m.)

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STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I, ANITA W. SELF, 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.

IN WITNESS WHEREOF, I have hereunto set my hand
and seal this 27th day of July, 2017.

Anita W. Self



ANITA W. SELF, RPR, CCR #3032