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11	SCENIC AREA,		
	Petitioners,	PETITION FOR JUDICIAL REVIEW	
12	i citionois,	PURSUANT TO RCW 80.50.140 AND	
	vs.	CHAPTER 34.05 RCW	
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14	STATE ENERGY FACILITY SITE		
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15	CHRISTINE O. GREGOIRE, Governor		
	of the STATE OF WASHINGTON,	·	
16	Respondents.		
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18	COME NOW Petitioners Friends of the	Columbia Gorge, Inc. ("Friends") and Save Our	
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19	Scenic Area ("SOSA") and, pursuant to RCW	80.50.140 and Chapter 34.05 RCW, petition this	
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20	Court for review of the Governor's approval or	f the Whistling Ridge Wind Energy Project	
21	("WREP" or "Project") and execution of the Site Certification Agreement, as well as several		
~1	("WREP" or "Project") and execution of the Site Certification Agreement, as well as several		
22	Orders of the Energy Facility Site Evaluation Council ("EFSEC" or "the Council") in the same		
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23	matter.		
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PETITION FOR JUDICIAL REVIEW Page 1

Reeves, Kahn, Hennessey & Elkins 4035 SE 52nd Ave.; P.O. Box 86100 Portland, OR 97286 Tel: 503.777.5473; Fax: 503.777.8566

		37
1	] 1.	Name and Mailing Address of Petitioners:
2		Friends of the Columbia Gorge 522 SW 5th Ave., Suite 720
3		Portland, OR 97204-2100
4		Save Our Scenic Area
5		P.O. Box 41 Underwood, WA 98651
6	2.	Names and Mailing Addresses of Petitioners' Attorneys:
7		Gary K. Kahn
8		Reeves, Kahn, Hennessy & Elkins 4035 SE 52nd Ave.
9		P.O. Box 86100 Portland, OR 97286-0100
10		Attorney for Petitioner Friends of the Columbia Gorge
11		Nathan J. Baker, Staff Attorney Friends of the Columbia Gorge
12		522 SW 5th Ave., Suite 720 Portland, OR 97204-2100
13		Attorney for Petitioner Friends of the Columbia Gorge
14		J. Richard Aramburu Aramburu & Eustis, LLP
15		720 Third Avenue, Suite 2112 Pacific Building
		Seattle, WA 98104-1860
16		Attorney for Petitioner Save Our Scenic Area
17	3.	Names and Mailing Addresses of Agencies Whose Actions are at Issue
18		Energy Facility Site Evaluation Council (EFSEC) 1300 S Evergreen Park Dr. SW
19		P.O. Box 43172
20		Olympia, WA 98504-3172
21		The Honorable Christine O. Gregoire Governor of the State of Washington
		416 Sid Snyder Ave. SW, Suite 200
22		P.O. Box 40002 Olympia, WA 98504-0002
23	[ [ ] [	
	. ///	

PETITION FOR JUDICIAL REVIEW Page 2

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### 4. Identification of the Agency Actions at Issue:

- 4.1. The Governor's execution of the Site Certification Agreement dated March 5,2012. A copy of the signed Site Certification Agreement is attached hereto as Exhibit A.
- 4.2. The Governor's approval of the Whistling Ridge Wind Energy Project. A copy of the Governor's letter approving the WREP, dated March 5, 2012, is attached hereto as Exhibit B.
- 4.3. EFSEC Order No. 871, dated January 6, 2012, denying a motion to take official notice of certain documents. A copy of Order No. 871 is attached hereto as Exhibit C.
- 4.4. EFSEC Order No. 870, dated December 27, 2011, denying petitions for reconsideration. A copy of Order No. 870 is attached hereto as Exhibit D.
- 4.5. EFSEC Order No. 869, dated October 6, 2011, entitled "Order and Report to the Governor Recommending Approval of Site Certification in Part, on Condition." A copy of Order No. 869 is attached hereto as Exhibit E.
- 4.6. EFSEC Order No. 868, dated October 6, 2011, entitled "Adjudicative Order Resolving Contested Issues." A copy of Order No. 868 is attached hereto as Exhibit F.
  - 5. <u>Identification of Parties in the Adjudicative Proceedings that Led to the Agency Action</u>:

Counsel for the Environment Gordon Karg Office of the Attorney General P.O. Box 40100 Olympia, WA 98504-0100

Whistling Ridge Energy LLC P.O. Box 266 Bingen, WA 98605

Friends of the Columbia Gorge 522 SW 5th Ave., Suite 720 Portland, OR 97204-2100

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1	Save Our Scenic Area P.O. Box 41
2	Underwood, WA 98651
3	Department of Commerce Attention: Tony Usibelli, Assistant Director, Energy Policy Division
4	P.O. Box 43173 Olympia, WA 98504-3173
5	
6	Skamania County c/o Board of County Commissioners P.O. Box 790
7	Stevenson, WA 98648
8	Skamania County Public Utility District No. 1 1492 Wind River Highway
9	Carson, WA 98610
10	Skamania County Economic Development Council 267 NW 2nd
11	P.O. Box 436
12	Stevenson, WA 98648
13	Skamania County Agri-Tourism Association P.O. Box 100 Underwood, WA 98651
14	
15	Association of Washington Business Attention: Kristopher I. Tefft, General Counsel 1414 Cherry St. SE
16	P.O. Box 658 Olympia, WA 98501
17	Seattle Audubon Society
18	8050 35th Ave NE Seattle, WA 98115
19	
20	Port of Skamania County P.O. Box 1099
21	Stevenson, WA 98648
22	City of White Salmon P.O. Box 2139
23	White Salmon, WA 98672
1	1 11

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PETITION FOR JUDICIAL REVIEW Page 4

Reeves, Kahn, Hennessey & Elkins 4035 SE 52nd Ave.; P.O. Box 86100 Portland, OR 97286 Tel: 503.777.5473; Fax: 503.777.8566

Klickitat County Public Economic Development Authority MS-CH-26
127 West Court
Goldendale, WA 98620

Wilbur Slockish, Jr.
Johnny Jackson
c/o Jason Spadaro, Whistling Ridge Energy LLC
P.O. Box 266
Bingen, WA 98605

Yakama Nation Tribal Council P.O. Box 151 Toppenish, WA 98948

Cultural Resources Program
Confederated Tribes and Bands of the Yakama Nation
P.O. Box 151
Toppenish, WA 98948

### 6. Facts Demonstrating Petitioners are Entitled to Obtain Judicial Review:

Pursuant to RCW 34.05.530, Petitioners have standing to obtain judicial review.

Petitioners are nonprofit conservation advocacy organizations dedicated to the protection and enhancement of resources of the Columbia River Gorge region. Petitioners' members live in the communities, and use and enjoy the resources likely to be affected by, the proposed Whistling Ridge Energy Project. Petitioners were granted Intervenor status in and participated fully in EFSEC's proceedings, including its adjudication, land use consistency proceedings, and proceedings under the State Environmental Policy Act ("SEPA"), Chapter 43.21C RCW. Petitioners' interests are among those that were required to be considered by the Respondents in making their decisions. Petitioners are adversely affected and aggrieved by the actions taken by Respondents in adjudicating, approving, and executing an agreement for the site certification application for the Whistling Ridge Energy Project. Pursuant to RCW 80.50.140(1), final decisions on applications for energy facilities may be appealed to the Thurston County Superior

Court. A judgment by this Court in favor of Petitioners would substantially eliminate or redress the prejudice to Petitioners caused or likely to be caused by Respondents' actions.

### 7. Petitioners' Reasons for Believing that Relief Should be Granted:

### 7.1. Land Use Consistency

7.1.1. EFSEC erroneously concluded that Skamania County adopted a certificate of land use consistency in this matter. Skamania County reviewed the Whistling Ridge Wind Energy Project twice. The first time, the County issued a certificate of land use consistency pursuant to WAC 463-26-090. The second time, the County took a different approach, replacing its certificate with a "staff report to EFSEC" and plainly stating that the new staff report was "not a [land use] decision." EFSEC erred in deeming the County's staff report a certificate of land use consistency, and as a result, improperly shifted the burden to other parties to demonstrate that the project is inconsistent with applicable land use authorities. EFSEC also misconstrued and misinterpreted the facts and holding in *Columbia Riverkeeper v. Cowlitz County*, Cowlitz County Superior Court No. 07-2-00400-0 (May 2, 2007), appeal dismissed by stipulated motion, Wash. Ct. App. No. 36393-3-II (Dec. 12, 2007), which held that a certificate of land use consistency submitted by a County to ESFEC is a land use decision.

7.1.2. EFSEC erroneously concluded that siting privately owned and operated large-scale wind energy turbines is consistent and in compliance with the Conservancy designation of the Skamania County Comprehensive Plan. The Governor allowed up to 35 wind turbines on lands designated "Conservancy" in the County's Comprehensive Plan. However, the Comprehensive Plan does not allow privately owned and operated large-scale wind energy facilities on Conservancy lands. Instead, the Comprehensive Plan states that if a type of use is not listed as allowed in the Plan itself and in future zoning ordinances, that type of use is

"prohibited." 2007 Comp. Plan at 30, 31. Here, private large-scale wind energy projects are not listed as allowed, and are thus prohibited. EFSEC erred in concluding otherwise.

In addition, large-scale wind energy projects are inconsistent with the stated purpose of the Conservancy designation, which is to "conserve and manage existing natural resources in order to maintain a sustained resource and/or utilization." EFSEC misconstrued the term "natural resource," in part because EFSEC erred in looking to *Wikipedia*, rather than applicable state law and relevant provisions of the Comprehensive Plan, to interpret this term.

7.1.3. Respondents erred by failing to evaluate and ensure the Project's consistency with the goals and policies of the Skamania County Comprehensive Plan. EFSEC was required to determine consistency with the Comprehensive Plan. RCW 80.50.090(2). The Comprehensive Plan further provides that the goals and policies of the Plan must be consulted, and that individual projects must be consistent with the policies:

Each of the chapters . . . includes goals and policies that are the essence of the Plan and are intended to be consulted to guide decisions on a wide range of issues, including permitting and resource allocation. It is important to remember that the goals and policies in this Comprehensive Plan are just as important as the maps in making land use and development decisions. To be consistent with the Comprehensive Plan, a project must also meet the intent of the Comprehensive Plan's policies, not just the land use designation and zoning classification.

\* \* \*

... Policies are decision-oriented statements that guide the legislative or administrative body while evaluat[ing] a new project or proposed changes in the County ordinances.

2007 Comp. Plan at 14. Despite these requirements, EFSEC failed to adopt findings or conclusions evaluating the project under most of the Comprehensive Plan's goals and policies, even though consistency with many applicable goals and policies was disputed in EFSEC's land

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use proceedings. Respondents failed to follow prescribed procedures and failed to decide issues requiring resolution.

7.1.4. EFSEC misinterpreted the County's proposed energy development zoning amendments and the Skamania County Hearing Examiner's 2009 SEPA appeal decision regarding these proposed amendments. EFSEC erred by construing the County's proposed (now abandoned) energy development zoning amendments, erroneously deeming them an effort by the County to "update the zoning ordinances to better mesh with the comprehensive plan." Order No. 868 at 13 (emphasis added). In fact, the County proposed to amend its zoning ordinances to authorize large-scale energy development—including privately operated wind energy facilities in locations (including the Project site) where such uses are not currently allowed. The Hearing Examiner held that the development of large-scale wind energy facilities, and the significant environmental impacts caused by such facilities, would be probable with the adoption of the proposed zoning amendments, and therefore an environmental impact statement was required before the County could adopt these amendments. If the County had been merely "updating" its zoning code to "better mesh" with its Comprehensive Plan, or to adopt standards for uses that were already allowed (as the County unsuccessfully argued to the Hearing Examiner), the scope of allowed uses under the ordinance would not have increased, and an EIS would not have been required. EFSEC erred by misconstruing the Hearing Examiner's decision.

EFSEC also erred in concluding that the Hearing Examiner "rejected" the proposed zoning amendments. Order No. 868 at 13. The Hearing Examiner rejected the County's determination of non-significance under SEPA, not the proposed zoning amendments. The County voluntarily "shelved" the energy zoning amendments after the Hearing Examiner's decision, thus causing 111

Applicant Whistling Ridge Energy to seek approval from EFSEC and the Governor rather than from the County, given the Governor's preemption authority.

7.1.5. EFSEC misinterpreted the County's moratoria prohibiting conversions from forest use to non-forest use on the Unmapped lands. The challenged actions allow up to 35 large-scale wind energy turbines on lands designated as "Unmapped" by the Skamania County Code. Such development is prohibited under an ongoing series of moratoria enacted by Skamania County since 2007 that prohibit conversions of commercial forest lands to non-forest uses on Unmapped lands. The County's moratoria are required by RCW 36.70A.060, which requires local governments to adopt protections for commercial forest lands. EFSEC erroneously interpreted the law by concluding that Skamania County's moratoria are not zoning ordinances and are "irrelevant" to EFSEC's land use consistency review process. Order No. 868 at 11. As a result of these errors, Respondents further erred by failing to evaluate and find the Project inconsistent with the County's moratoria and with RCW 36.70A.060, and thus failed to decide issues requiring resolution.

authorities, and adopted erroneous findings and conclusions regarding preemption that prejudiced Petitioners' substantial rights. EFSEC misinterpreted the applicable law by concluding that "[i]f... the Council determines that [a proposed project] is inconsistent [with local land use requirements], the local land use requirements are preempted by operation of law." Order No. 868 at 9. To the extent that EFSEC's conclusion was intended to mean that the local land use requirements are automatically preempted by operation of law, then the conclusion is in error. If a project is inconsistent with applicable land use requirements, then those land use requirements can be preempted only if (1) EFSEC holds a hearing to consider preemption and (2)

the Governor affirmatively decides to preempt. *See* WAC 463-28-010, -060, -070, -080. To the extent that EFSEC concluded otherwise, EFSEC's interpretation of the applicable law was in error.

In addition, in its Order on Reconsideration, EFSEC arbitrarily and capriciously adopted findings and conclusions suggesting that EFSEC engaged in a preemption inquiry, even though EFSEC never held the preemption hearing required by WAC 463-28-060. *See* Order No. 870 at 3 & n. 4, 6–9. First, the Order on Reconsideration inaccurately implies that EFSEC's adjudicative hearing included a hearing on preemption. *See id.* at 6. This is not correct. In order for EFSEC to have held a preemption hearing, it would have first needed to find the project inconsistent with the local land use authorities, and it would have then needed to issue a public notice that EFSEC was holding a public hearing to take evidence and argument as to whether EFSEC should preempt the local land use authorities and what types of conditions might mitigate the project's inconsistencies with these authorities, all of which is required by WAC 463-28-010, -060 and -070, and RCW 80.50.100(2). Contrary to the statements in the Order on Reconsideration, neither event ever occurred. EFSEC thus failed to follow prescribed procedures, and its findings and conclusions implying that it held a preemption hearing are arbitrary and capricious.

EFSEC's Order on Reconsideration then goes on to conclude that "[e]ven had the Council [found the project inconsistent with local land use authorities], it would have determined that preemption under RCW 80.50.110(2) is appropriate and required, subject to the imposition of appropriate conditions." Order No. 870 at 9. By reaching this and similar findings and conclusions in its Order on Reconsideration, EFSEC skipped the public process required by law, concluding that Skamania County's land use authorities should be preempted without first holding required hearings to hear from the citizens of Skamania County and other affected

persons about whether preemption would be a prudent course of action, and if so, what types of mitigating conditions might be appropriate under RCW 80.50.100(2) and WAC 463-28-070. By deliberating and adopting findings and conclusions on preemption without following the procedures prescribed by law, EFSEC prejudiced the substantial rights of the public, including those of the Petitioners, to participate in a properly scheduled and conducted preemption hearing.

### 7.2. Wildlife Resources

7.2.1. Respondents erred by failing to evaluate and ensure consistency with the no-net-loss standard of performance for wildlife habitat in EFSEC's rules. Under WAC 463-62-040(2)(a), an applicant for site certification of an energy project "must demonstrate no net loss of fish and wildlife habitat function and value." Despite the fact that the WREP would impact habitat used by more than 90 species of birds and two species of bats, EFSEC failed to adopt any findings and conclusions regarding this rule, and thus failed to ensure consistency with the no-net-loss standard of performance. EFSEC has therefore not decided all issues requiring resolution by the agency, and its orders are inconsistent with its rules. In addition, the Governor's decision to approve the Project in the absence of a demonstration of consistency with the no-net-loss standard was arbitrary and capricious.

7.2.2. EFSEC erred by failing to require the Applicant to assess the risk of nighttime collision by avian species. WAC 463-62-332(2)(g) requires every application for site certification to include "[a]n assessment of risk of collision of avian species with any project structures, during day and night, migration periods, and inclement weather." The Applicant failed to assess the risk of nighttime collision for most avian species. As a result, EFSEC's decisions are arbitrary and capricious, not supported by substantial evidence, and inconsistent with the agency's rules.

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7.2.3. EFSEC erred by failing to evaluate and ensure consistency with EFSEC's wildlife survey requirements. Under WAC 463-62-040(2)(f), an applicant for site certification must conduct wildlife surveys during all seasons of the year "to determine breeding, summer, winter, migratory usage, and habitat condition of the site." The Applicant failed to survey and determine avian usage during key migration periods. Moreover, EFSEC made no findings or conclusions regarding compliance with WAC 463-62-040(2)(f). EFSEC has therefore not decided all issues requiring resolution by the Agency, its orders are inconsistent with its rules, and its decisions are arbitrary and capricious.

7.2.4. EFSEC erred by finding that the Applicant's pre-project wildlife assessments and surveys conform with the 2009 WDFW Wind Power Guidelines. An applicant for site certification of an energy project must describe how the Washington State Department of Fish and Wildlife ("WDFW") Wind Power Guidelines are satisfied. WAC 463-60-332(4). The 2009 WDFW Wind Power Guidelines provide that prior to site certification, "[e]xisting information on species and potential habitats in the vicinity of the project area should be reviewed and if appropriate, mapped." Sources for this information include resource agencies, local experts, recognized databases, data systems, and data at other nearby wind facilities or other types of projects. The 2009 Guidelines also require (1) a minimum of one full year of baseline avian use surveys, and (2) two full years of studies if there is limited or no relevant data regarding seasonal use of the project site, or if the site is significantly diverse in habitat and species. For several reasons, the Applicant did not meet these requirements: the Applicant failed to collect existing information on species use and abundance; the Applicant performed less than one full year of avian baseline studies; and the Applicant performed less than two full years of avian baseline studies, despite a lack of preexisting information on seasonal use of the Project

site. EFSEC's approval was therefore contrary to the 2009 Wind Power Guidelines as well as EFSEC's rules, and EFSEC's findings of consistency with the 2009 Wind Power Guidelines (see Order No. 868 at 25, 38) are not supported by substantial evidence.

7.2.5. EFSEC erred in finding that post-construction remedial measures will provide greater protection for wildlife than would the required pre-project wildlife surveys.

EFSEC determined in pertinent part that the Applicant need not complete the surveys required by EFSEC's rules and the WDFW Wind Power Guidelines—including surveys during nighttime and migratory periods—because post-construction information and remedial mitigation are more beneficial to wildlife than avoiding impacts in the first place. See Order No. 868 at 38. This finding/conclusion is arbitrary and capricious, not supported by substantial evidence in the record, and inconsistent with EFSEC's rules requiring the Application to contain sufficient information to evaluate the Project's impacts before those impacts occur. See WAC 463-60-332(2) and 463-62-040(2).

7.2.6. EFSEC erred by failing to require the Applicant to prepare and submit a wildlife mitigation plan that conforms with EFSEC's rules, and the Governor erred by approving the Project in the absence of an adequate mitigation plan. Under WAC 463-60-332(3), an application for site certification must include a mitigation plan that discusses measures to avoid, minimize, and compensate for impacts to wildlife and wildlife habitat. Among other requirements, the mitigation plan must "[a]ddress all best management practices to be employed," "[a]ddress how cumulative impacts associated with the energy facility will be avoided or minimized," "[d]emonstrate how the mitigation measures will achieve equivalent or greater habitat quality, value and function for those habitats being impacted," "[i]dentify and quantify level of compensation for impacts to, or losses of, existing species due to project

impacts," and "[a]ddress how mitigation measures considered have taken into consideration the probability of success of full and adequate implementation of the mitigation plan." *Id.* The mitigation plan contained in the Application fails to meet these requirements. As a result, EFSEC's decision was not supported by substantial evidence and was inconsistent with its rules. In addition, Respondents failed to decide issues requiring resolution and acted arbitrarily and capriciously by approving the Project in the absence of a sufficient mitigation plan.

7.2.7. EFSEC erred by approving and/or favorably considering a proposed replacement habitat parcel without allowing the parties to evaluate and present evidence on the adequacy of that parcel. WAC 463-62-040(d) requires replacement habitat to be of equal or greater function and value to that of the impacted habitat. Via rebuttal testimony in the adjudication, the Applicant offered a parcel located in Klickitat County as a replacement habitat parcel. During the announcement of its adjudicative and recommendation decisions on October 6, 2011, EFSEC stated it "considered and favorably regarded" the Klickitat County parcel. EFSEC also concluded "that the mitigation parcel discussed in the record is appropriate and may be accepted." Order No. 868 at 38. EFSEC also appears to have concluded that the Klickitat County parcel contains superior habitat to that of the Project site. *Id.* at 27.

Because the Applicant offered the mitigation parcel for the first time through rebuttal testimony, the parties were prejudiced and were deprived of their right to evaluate and submit evidence on the mitigation parcel and its compliance with EFSEC rules, in direct contravention of RCW 34.05.449(2). Therefore, EFSEC's approval and/or favorable consideration of the mitigation parcel was made without following prescribed procedures and was arbitrary and capricious. Further, all evidence regarding the mitigation parcel was submitted by the Applicant's company president, who was not established as an expert on wildlife issues, and

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none of the Applicant's witnesses on wildlife issues were willing to testify regarding the adequacy of the parcel in meeting EFSEC's rules and WDFW Wind Power Guidelines. EFSEC's findings and/or favorable consideration of the Klickitat County parcel were therefore not supported by substantial evidence and were arbitrary and capricious.

7.2.8. EFSEC erred by failing to determine the amount of disturbed or impacted habitat, and Respondents erred by approving the Project without first ensuring that the ratio of replacement habitat to impacted habitat will be greater than 1:1. The Site Certification Agreement requires the Applicant to prepare and submit a final mitigation plan prior to construction, including the option of purchasing a mitigation parcel to compensate for habitat disturbance. SCA at 20–21. EFSEC failed, however, to adopt consistent findings and conclusions regarding how many acres of habitat will be disturbed and must be compensated for. For example, EFSEC's calculations of the total acreage of disturbance range from 50 acres to 384 acres. See Order No. 868 at 5; Order No. 869 at 1, 3, 10, 13. In addition, WAC 463-62-040(2)(d) requires that "[t]he ratios of replacement habitat to impacted habitat shall be greater than 1:1." However, it is unclear whether EFSEC's calculations include, or will include, areas other than permanently cleared areas—such as habitat from which wildlife is displaced, as well as habitat where the Applicant will place height restrictions on forest growth in order to provide wind clearance for the Project. By deferring required analyses and determinations to a future date, EFSEC failed to resolve issues requiring resolution—primarily whether replacement habitat will meet the requirement to compensate for impacted habitat at a ratio greater than 1:1. Furthermore, EFSEC's decisions are inconsistent with its rules and not based on substantial evidence. Finally, EFSEC's conflicting calculations of the total acreage of habitat disturbance, as well as 111

Respondents' decisions to approve the Project without first resolving all wildlife mitigation issues, were arbitrary and capricious.

7.2.9. Respondents failed to adopt conditions of approval found necessary by

EFSEC to protect bird and bat flight paths and feeding and nesting areas. The Adjudicative Order concludes that the Applicant will be required to design a project layout that avoids bird and bat flight paths and impacts to feeding and nesting areas. See Order No. 868 at 27, 38. The executed Site Certification Agreement, however, fails to include any such requirements. Respondents' failure to adopt such conditions was arbitrary and capricious and inconsistent with the Adjudicative Order.

7.2.10. Respondents failed to consider and require the available and reasonable measure of locking turbine blades when they are not generating electricity in order to reduce the Project's impacts to wildlife resources. Respondents are required to ensure through "available and reasonable methods" that the location and operation of energy facilities "will produce minimal adverse effects on the environment." RCW 80.50.010. In addition, the Applicant is required in its Application to describe "the means to be utilized to minimize or mitigate possible adverse impacts" of the Project. WAC 463-60-085(1). Unrebutted testimony showed that reducing blade spin-time is one of the few proven measures to reduce avian impacts, short of shutting down or relocating turbines. By failing to consider and require this measure, Respondents failed to decide issues requiring resolution, violated RCW 80.50.010, and erroneously applied the law.

7.2.11. The deadlines for submitting certain wildlife plans and specifications set forth in the Site Certification Agreement are inconsistent with EFSEC's rules. EFSEC's rules require that "[a]t least ninety days prior to start of construction . . . a certificate holder shall

provide the plans and specifications required by the site certification agreement to the council for approval." WAC 463-68-050 (emphasis added). Two conditions of approval in the executed SCA are inconsistent with EFSEC's rules because they fail to require the Applicant to submit required plans and specifications at least ninety days prior to the start of construction. First, the SCA requires the Applicant to submit its proposed Rules of Procedure for the wildlife Technical Advisory Committee "[n]o later than *sixty* (60) days after the beginning of Construction." SCA at 24 (emphasis added). Second, although the SCA requires the Applicant to conduct a bat monitoring survey during the bat migration period, the SCA also states that this survey need not occur until "[p]rior to beginning *commercial operation*." SCA at 36. Both of these time periods in the SCA are inconsistent with WAC 463-68-050.

## 7.3. <u>Aesthetic, Heritage, and Recreational Resources</u>

7.3.1. EFSEC's Adjudicative Order arbitrarily and capriciously states that the turbine corridors approved by the Governor "must be allowed." EFSEC's Recommendation Order states that the turbine corridors it recommended for approval "may be permitted" by the Governor. Order No. 869 at 7. EFSEC's Adjudicative Order, however, conflicts with this finding by stating that the same corridors "must be allowed." Order No. 868 at 24. EFSEC's use of the phrase "must be allowed" could imply that EFSEC would not have the authority to deny these turbine locations in the event that unanticipated or unacceptable impacts of these turbines are identified. EFSEC's use of this phrase conflicts with the remainder of its findings and conclusions and with the applicable law, and is therefore arbitrary and capricious. On remand, the phrase "must be allowed" should be stricken or modified.

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7.3.2. Respondents erred by failing to consider and require available and reasonable measures to reduce the Project's impacts to the aesthetic, heritage, and recreational resources of the Columbia River Gorge. Respondents are required to ensure through "available and reasonable methods" that the location and operation of energy facilities "will produce minimal adverse effects on the environment." RCW 80.50.010. In addition, the Applicant is required in its Application to describe "the means to be utilized to minimize or mitigate possible adverse impacts" of the Project. WAC 463-60-085(1). While the Governor's decision to eliminate certain turbine corridors avoids some of the Project's adverse impacts to aesthetic, heritage, and recreational resources, the remaining approved turbines will still cause adverse impacts, and Respondents failed to consider and require available and reasonable methods to avoid, minimize, and mitigate these impacts. Such methods include radar-triggered aviation lighting (as distinguished from standard aviation lighting); locking turbine blades so they do not spin when they are not generating electricity; and preserving, enhancing, and/or restoring existing aesthetic, heritage, and recreational resources to compensate for the Project's impacts. By failing to consider and require these measures, Respondents violated RCW 80.50.010, failed to decide issues requiring resolution, and erroneously applied the law.

7.3.3. The executed Site Certification Agreement fails to include key measures to avoid and mitigate impacts to aesthetic and heritage resources that were identified as necessary in EFSEC's Orders. First, EFSEC's Orders concluded that a portion of the "A" turbine corridor and the entire "C" corridor cannot be developed. Order No. 868 at 22, 24; Order No. 869 at 7, 13. Accordingly, EFSEC's Recommendation Order required the Applicant to file, by October 27, 2011, legal descriptions identifying the areas where wind turbines will be prohibited. Order No. 869 at 13 n. 23. This deadline has long since passed, yet the Applicant still has not complied with

EFSEC's requirement. Moreover, Respondents failed to require, in the executed Site Certification Agreement, a means of prohibiting wind energy development in the locations of the denied corridors, despite Respondents' findings and conclusions that such development must be prohibited in exchange for approval of the approved corridors. Although Attachment 1 to the SCA includes a partial legal description of locations where wind turbines are "eliminated," the legal description is incomplete, and Respondents failed to require any legal description or prohibitions of these turbines to be attached to the property deeds as a condition of approval.

Second, EFSEC's Adjudicative Order includes a requirement that the Applicant use "micrositing" to reduce expected adverse impacts to scenic and heritage resources caused by wind turbines in the approved corridors. Order No. 868 at 24. The Order specifically states that "[t]he Site Certification Agreement will require Applicant to prepare [for] approval a micrositing plan that minimizes visual impacts from the Project on sensitive resources." *Id.* Despite EFSEC's findings and conclusions, no such condition appears within the executed SCA. In the absence of an actual micrositing plan—or even a requirement for the Applicant to submit one for public review at a later date—there is insufficient evidence in the record to demonstrate that the adverse visual impacts of the approved turbines, including any changed turbine sizes or locations, will in fact be minimized. Further, the SCA does not comply with the Adjudicative Order.

### 7.4. Columbia River Gorge National Scenic Area

7.4.1. Respondents failed to ensure that all portions of the Project's turbine corridors will be sited outside the Columbia River Gorge National Scenic Area. The Applicant has depicted at least one wind turbine for this Project (turbine "F1") as sited immediately adjacent to the boundary of the Columbia River Gorge National Scenic Area ("NSA"), and it is at best unclear whether portions of the turbine blades, cleared areas, and forest practices for some

of the turbines would extend into the NSA. Federal and county laws prohibit the siting of new commercial energy facilities within the NSA. See 16 U.S.C. § 544d(d)(6); Skamania County Code §§ 22.04.010(88)(d), 22.10.020(A). The Governor approved the Application despite the possibility that it may result in components of the Project being located inside the Scenic Area, and yet failed to resolve this issue or even to include a condition of approval in the SCA ensuring that all portions of the Project, including turbine blades, forest practices, and cleared areas, will be located outside the boundary of the NSA. By failing to ensure that all Project components will be located outside the NSA boundary, Respondents failed to decide all issues requiring resolution, issued arbitrary and capricious decisions not based on substantial evidence, and violated the applicable law.

# 7.5. Noise Impacts

7.5.1. Respondents erred in failing to require review of the noise impacts of the final layout of the Project, including the final model, size, and siting of individual turbines. The Applicant has not yet selected or identified final details for the Project. If the final siting and size of the turbines would differ from what the Applicant modeled and proposed in the Application and adjudication, the Applicant should be required to model the final layout, just as EFSEC previously required for the Kittitas Valley Wind Project. By authorizing the Applicant to change the Project at some unknown future date, but without requiring modeling of the noise impacts of any changed details, Respondents have issued arbitrary and capricious decisions. Moreover, Respondents' decisions are not based on substantial evidence, because the evidence for the noise impacts of the final Project layout does not yet exist—and will never exist—under Respondents' approach.

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## 7.6. <u>Transportation Impacts</u>

7.6.1. The Site Certification Agreement omits multiple road and transportation requirements found necessary in EFSEC's Adjudicative Order. EFSEC stated multiple road and transportation requirements in its Adjudicative Order, but failed to include these requirements in the Site Certification Agreement. See Order No. 868 at 29, 39. These include requirements to prepare and submit for approval transportation blockage contingency plans; requirements to consult with schools, emergency services, and others regarding public road access; standards for private roads; a requirement to verify carriers possession of appropriate permits; and a requirement to avoid road construction and improvements within the National Scenic Area. See id. When Petitioners noted these discrepancies and asked EFSEC to clarify by expressly stating these requirements within the conditions of approval in the SCA, EFSEC's only response was to note that the Applicant must comply with the SCA and with local and state regulations. Order No. 870 at 14. EFSEC's response only casts further confusion on whether the Applicant is bound by all road and transportation requirements stated in the Adjudicative Order. Respondents' actions in failing to expressly require compliance with road and transportation requirements found necessary in the Adjudicative order were arbitrary and capricious.

### 7.7. Forest Practices

7.7.1. Respondents failed to resolve forest practices issues prior to the Governor's approval of the Project. The Project must comply with the Washington Forest Practices Act ("FPA"), RCW Chapter 76.09; the Forest Practices Rules, WAC Title 22; and Skamania County's Forest Practices Moratorium Ordinance, SCC Title 23. EFSEC erroneously concluded that Respondents may wait until *after* Project approval to address and resolve forest practices compliance, which was a contested issue in the adjudication. By carving out and deferring

review of this portion of the Project until a later date, Respondents failed to decide all issues requiring resolution, failed to dispose of all contested issues, and issued decisions that are not based on substantial evidence.

7.7.2. The executed Site Certification Agreement is internally inconsistent regarding forest practice compliance and enforcement. The SCA contains two sections regarding forest practices issues: sections IV.M (p. 29) and VII.E (p. 37). These two sections differ in multiple respects. For instance, section VII.E discusses agency enforcement, while section IV.M does not. Section VII.E requires a forest practices application ("FPA") at least sixty days prior to forest practice activities, while section IV.M only requires an FPA at least sixty days prior to ground disturbance activities. Section IV.M expressly discusses road construction/reconstruction, reforestation, gravel and rock removal, and slash disposal, while section VII.E is silent on these activities. Both sections are silent on compliance with SCC Title 23. Respondents' internally inconsistent conditions of approval regarding forest practices are arbitrary and capricious and an erroneous application of the law.

### 7.8. Future Review of Project Components

7.8.1. Respondents erred in failing to state the processes for interested persons to participate in EFSEC's future reviews of the Project and its components. Respondents deferred submission and analysis of multiple Project components until unknown future dates. These deferrals include, but are not limited to, forest practices compliance, wildlife assessment and mitigation plans, and turbine "micrositing" plans. Other future agency reviews required by EFSEC's rules include authorization and approval of whether conditions remain unchanged should the Applicant fail to begin construction within five years of the Governor's execution of the Site Certification Agreement. See SCA at 8; WAC 463-68-070. By failing to specify the

processes for interested persons to participate in these future agency reviews, Respondents have engaged in unlawful procedure or decision-making process and rendered arbitrary and capricious decisions.

7.8.2. Respondents erred in failing to address Project repowering. The Applicant indicated that at the end of the Project's expected 30-year lifetime, the Applicant may wish to "repower" the Project "by upgrading equipment with more efficient turbines." Amended Application at 2.3-3, 2.3-12. Because Respondents failed to adopt findings, conclusions, and conditions addressing the expected lifetime of the Project and the procedures for future replacement of turbines, Respondents failed to resolve issues requiring resolution and acted arbitrarily and capriciously.

### 7.9. Time Periods and Deadlines Set Forth in Conditions of Approval

Agreement are internally inconsistent and in violation of EFSEC's rules. EFSEC's rules provide that a Site Certification Agreement expires if the Applicant fails to begin construction within ten years of the Governor's execution of the Agreement. WAC 463-68-030, -080. In some locations, the SCA accurately states this ten-year period. SCA at 8 ("If the Certificate Holder does not begin construction of the Project within ten (10) years of the execution of the SCA, all rights under this SCA will cease."). The SCA errs, however, in stating a different deadline at another location: "no later than ten (10) years from the date that all final state and federal permits necessary to construct and operate the Project are obtained and associated appeals have been exhausted." SCA at 8. The latter deadline violates EFSEC's rules. In addition, Respondents' adoption of conflicting deadlines within the same permit is arbitrary and capricious.

7.9.2. The conditions in the Site Certification Agreement regarding the time period to complete Project construction violate and conflict with EFSEC's Recommendation Order.

EFSEC's Recommendation Order succinctly states that "[c]onstruction of the entire Project shall be completed within eighteen (18) months after beginning construction." Order No. 869 at 18 (Finding/Conclusion No. 40). The executed SCA, however, fails to expressly make this eighteenmonth period binding, instead referring to the Certificate Holder's "intention" regarding the construction time period. SCA at 8. This language conflicts with and violates EFSEC's Order, and is therefore arbitrary and capricious.

7.9.3. The conditions in the Site Certification Agreement regarding EFSEC's ability to address unexpected impacts from individual turbines are internally inconsistent.

Condition of approval VII.H expressly gives EFSEC full authority to address unanticipated harm to the environment, including permanent additional conditions such as the removal of specific turbines. SCA at 38. Condition III.K.5, however, appears to conflict with EFSEC's ability to impose permanent conditions or requirements by limiting the duration of such conditions or requirements to no more than 180 days. See SCA at 17. To the extent that the 180-day time period limits EFSEC's ability to impose permanent measures, its adoption was arbitrary and capricious.

#### 7.10. Order of Precedence

7.10.1. The executed Site Certification Agreement fails to indicate the order of precedence as between the Council's Recommendation and Adjudicative Orders and the Site Certification Agreement in the event of a conflict or ambiguity. The executed SCA states that the Project is "subject to the terms and conditions set forth in Council Order No. 869, Council Order Recommending Site Certification on Condition (Attachment 4 to this Agreement), and this

Site Certification Agreement." SCA at 8, Art. I.B. The SCA also purports to attach EFSEC's Adjudicative Order (No. 868) and Recommendation Order (No. 869) as Attachments 3 and 4, respectively. See SCA at 6. The SCA, however, does not explain what happens in the event of a conflict between the SCA and these two orders. Compounding this problem, the "Order of Precedence" in the SCA omits any mention of the Adjudicative and Recommendation Orders, again making it unclear which document(s) govern in the event of an inconsistency. See SCA at 17. During EFSEC's process, Petitioners raised multiple inconsistencies between these documents (involving turbine siting, transportation, construction duration, and other issues), none of which have been resolved. Respondents' failure to address the order of precedence between these documents, especially when specific inconsistencies between them have already been identified, was arbitrary and capricious.

7.10.2. The "Order of Precedence" set forth in the Site Certification Agreement improperly places state statutes and regulations higher in precedence than federal statutes and regulations. See SCA at 17. Federal statutes and regulations are higher in precedence than state statutes and regulations. See Crosby v. Nat'l Foreign Trade Council, 530 U.S. 363, 372 (2000) ("A fundamental principle of the Constitution is that Congress has the power to preempt state law. . . . And even if Congress has not occupied the field, state law is naturally preempted to the extent of any conflict with a federal statute.") (citations omitted). Respondents' placement of state law higher in precedence than federal law is unconstitutional on the face of the SCA.

## 8. Requested Relief:

8.1. Pursuant to RCW 80.50.140(1), the Court should adjudge Petitioners' claims rather than certifying the matter for direct review by the Washington Supreme Court.

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8.2.	The Court should allow the administrative record to be supplemented in order to
allow for me	aningful review of Petitioner's claims.

- 8.3. The Court should enter an order setting aside the Governor's decision to approve the Whistling Ridge Energy Project, voiding the execution of the Site Certification Agreement, reversing EFSEC's orders, and remanding to EFSEC for further review.
- 8.4. The Court should award Petitioners their costs and attorneys fees as allowed by law, including RCW 4.84.350.
- 8.5. The Court should grant Petitioners any additional relief that the Court deems just, proper, and equitable.

Dated this 31/2 day of April, 2012

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