
WASHINGTON STATE

ENERGY FACILITY SITE EVALUATION COUNCIL

Richard Hemstad Building

1300 South Evergreen Park Drive Southwest

Conference Room 206

Olympia, Washington

Wednesday, January 16, 2013

1:29 p.m.

MONTHLY COUNCIL MEETING

Verbatim Transcript of Proceeding

REPORTED BY: SHERRILYN SMITH, CCR# 2097

Buell Realtime Reporting, LLC

1411 Fourth Avenue

Suite 820

Seattle, Washington 98101

206.287.9066 | Seattle

360.534.9066 | Olympia

800.846.6989 | National

www.buellrealtime.com

A P P E A R A N C E S

State Agency Members:

Jim Luce, Chair

Dick Fryhling, Department of Commerce

Hedia Adelsman, Ecology

Andrew Hayes, Department of Natural Resources

Joe Stohr, Fish and Wildlife

Assistant Attorney General:

Ann Essko, Assistant Attorney General

Council Staff:

Stephen Posner, Compliance Manager

Jim LaSpina, EFS Specialist

Tammy Talburt, Commerce Specialist

Kayce Michelle, Administrative Assistant 3

Amber George, Office Assistant 3

Guests in Attendance:

T. Patrick Sanchez, PacifiCorp Energy

Rich Downen, Grays Harbor Energy

Guests in Attendance Via Phone:

Eric Melbardis, Kittitas Valley Wind Power Project

Shannon Khounnala, Energy Northwest

Ray Richards, A Better Way for BPA

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1 CHAIR LUCE: It is 1:30, so we will
2 begin the monthly meeting, Wednesday, January 16,
3 2013, of the Energy Facilities Site Evaluation
4 Council. The time is, as I said, 1:30. We are
5 meeting in Room 206 at the Utilities and
6 Transportation Commission in Olympia, Washington.

7 Clerk will please call the roll.

8 THE CLERK: Department of Commerce?

9 MR. FRYHLING: Dick Fryhling is present
10 via the phone.

11 THE CLERK: Department of Ecology is
12 absent.

13 Fish & Wildlife?

14 MR. STOHR: Joe Stohr is here.

15 THE CLERK: Natural Resources?

16 MR. HAYES: Andy Hayes is here.

17 THE CLERK: Utilities and Transportation
18 Commission is absent.

19 Chair?

20 CHAIR LUCE: Chair is present.

21 THE CLERK: There is a quorum.

22 CHAIR LUCE: Thank you very much.

23 Would those on the phone please identify
24 themselves. Is anyone on the phone?

25 MS. KHOUNNALA: Yes, Shannon Khounnala

1 with Energy Northwest.

2 CHAIR LUCE: All right.

3 MR. MELBARDIS: Eric Melbardis, Kittitas
4 Valley Wind Power Project.

5 CHAIR LUCE: All right. Thank you.

6 Have councilmembers had a chance to look at
7 the proposed agenda?

8 All right. Any additions, corrections,
9 deletions?

10 Hearing none, the agenda as proposed is
11 adopted.

12 Have the councilmembers had a chance to look
13 at the verbatim court reporter transcribed minutes for
14 the meeting of December 19th?

15 MR. STOHR: Yes.

16 CHAIR LUCE: Any corrections to what the
17 court reporter reported?

18 Hearing none, do we have a motion to adopt the
19 meeting minutes?

20 MR. HAYES: I will so move.

21 CHAIR LUCE: All right.

22 Do we have a second?

23 MR. STOHR: Second.

24 CHAIR LUCE: Motion and second. The
25 question is called for. All in favor say "aye."

1 MULTIPLE SPEAKERS: Aye.

2 CHAIR LUCE: Thank you.

3 I-5 corridor replacement. Tammy, do you have
4 a report on the project?

5 MS. TALBURT: I do, Chair Luce. Good
6 afternoon, Chairman and Councilmembers.

7 BPA has announced that it will be hosting
8 public meetings for the I-5 transmission line in
9 January and February. The public meetings will be in
10 two parts: An open house forum for people to gather
11 information from handouts, display boards, and to ask
12 questions of BPA staff. The second part of the
13 meeting will be to receive verbal comments for
14 inclusion as draft EIS comments. BPA will respond to
15 the comments in the final EIS.

16 The meeting dates are January 23rd at Battle
17 Ground, February 2nd at Longview, February 4th at
18 Castle Rock, and February 6th in Vancouver.

19 CHAIR LUCE: Thank you.

20 MS. TALBURT: Thank you.

21 For those of you interested in attending, I
22 think the February 6th meeting would be
23 probably the -- as the end meeting would probably be
24 the most interesting.

25 CHAIR LUCE: The next series of items on

1 the agenda is a series of reports from our licensees
2 Kittitas Valley, Grays Harbor, Chehalis, Wild Horse,
3 Columbia Generating and WNP 1 and 4. We are going to
4 take a slightly different approach to these --

5 Did someone just come on the phone?

6 MR. RICHARDS: Yes.

7 CHAIR LUCE: Who is that?

8 MR. RICHARDS: Ray Richards with A
9 Better Way for BPA.

10 CHAIR LUCE: Hello, Ray Richards, A
11 Better Way For BPA. We just had a report on the I-5
12 corridor replacement project. The report
13 summarized -- reported on the meeting dates and
14 nothing more.

15 MR. RICHARDS: Nothing more, okay.
16 Sorry, I'm about six minutes late. I just noticed.

17 CHAIR LUCE: That's all right.

18 MR. RICHARDS: So that's it for the BPA
19 corridor.

20 CHAIR LUCE: That's it for the BPA
21 corridor.

22 MR. RICHARDS: All right, thanks.

23 CHAIR LUCE: As I was saying, we have a
24 series of reports from the different licensees. What
25 I've asked the councilmembers to do is to read the

1 prepared project reports in advance of this meeting.

2 I would ask the councilmembers, have they had an
3 opportunity to do so at this time?

4 MR. HAYES: Yes.

5 MR. STOHR: Yes.

6 CHAIR LUCE: Dick, have you had a chance
7 to read these?

8 MR. FRYHLING: No, I haven't.

9 CHAIR LUCE: All right. You might want
10 to abstain.

11 What we're going to do is, I'm going to ask
12 the councilmembers for a motion, in just a moment, to
13 adopt the report as presented, and then to direct the
14 court reporter to enter them into the record for
15 official purposes.

16 So before I ask for that motion, I will ask
17 Staff, are there any project compliance issues
18 contained within these reports?

19 MR. POSNER: No, I do not believe so.

20 CHAIR LUCE: All right.

21 Is there anything that the licensees wish to
22 tell us that's not contained in the reports that's
23 important for us to hear?

24 MULTIPLE SPEAKERS: No.

25 CHAIR LUCE: I will now ask for a motion

1 to adopt the reports as presented. Do I have a
2 motion?

3 MR. STOHR: Mr. Chair, I move that we
4 adopt the reports as presented.

5 CHAIR LUCE: And direct court reporter
6 to enter them in.

7 Do I have a second?

8 MR. HAYES: I'll second that.

9 CHAIR LUCE: All right.

10 I'm going to call for the question now. All
11 in favor of adopting the reports as presented and
12 entering them into the official record say "aye."

13 MULTIPLE SPEAKERS: Aye.

14 CHAIR LUCE: Thank you very much. I
15 think that that will be a sufficient number. Dick,
16 I'll let the record reflect that you abstained.

17 MR. FRYHLING: Thank you.

18 CHAIR LUCE: All right.

19 The next item on the agenda is Chair's update.

20 MR. POSNER: Chairman Luce?

21 CHAIR LUCE: Yes.

22 MR. POSNER: May I just make a
23 suggestion to the council?

24 CHAIR LUCE: Please do.

25 MR. POSNER: When the reports are

1 adopted, just to offer to those in attendance or those
2 on the phone, if there's anything they have to add
3 that is supplemental to the report, I'm not sure --

4 CHAIR LUCE: I thought I did that.

5 MR. POSNER: Did you say that?

6 CHAIR LUCE: I thought I did that.

7 MR. POSNER: I might have missed that.

8 I'm sorry, okay. My apologies.

9 CHAIR LUCE: If I didn't and you've got
10 something to say, speak up now.

11 MR. POSNER: Okay.

12 CHAIR LUCE: I think I did that.

13 MR. POSNER: Okay, my apologies.

14 CHAIR LUCE: No, it's a very reasonable
15 thing to do.

16 MR. LaSPINA: (Indicating.)

17 CHAIR LUCE: Yes, Mr. LaSpina?

18 MR. LaSPINA: Chair Luce, I just want to
19 acknowledge that the representative from the Chehalis
20 Generating Facility will be retiring. I also want to
21 acknowledge Patrick Sanchez, his fine work with EFSEC
22 over the past several years that he's been here.

23 CHAIR LUCE: Well, thank you for that
24 recognition of Mr. Sanchez. Retiring is not a bad
25 thing. It works. My advice is find something to fill

1 up your time, otherwise it will be very boring.

2 Boring is not bad for a while, but boring gets old
3 after six months, and I know, I've done it twice.

4 Having adopted these reports and congratulated
5 Mr. Sanchez on his retirement -- what are you going to
6 do, Mr. Sanchez?

7 MR. SANCHEZ: Find something to do.

8 CHAIR LUCE: Heck of an idea.

9 We will move on to the Chair's update.

10 I had sent out to councilmembers four
11 different documents. We don't need to discuss them
12 all today. However, the four different documents were
13 Chair's report to the Governor on EFSEC efficiencies,
14 Jeff Morris's -- Representative Morris's rewrite of
15 the EFSEC organic statutes, a summary of House Bill
16 1030, another -- a Morris bill which has been
17 introduced addressing interstate transmission
18 compacts, and my comments on Jeff Morris's draft
19 proposed EFSEC organic statute.

20 Before I go further, do councilmembers have
21 any questions about those that I can answer? Okay.

22 Representative Morris's draft bill would make
23 substantial changes to EFSEC. It would, among other
24 things, eliminate the jurisdictional thresholds for
25 all EFSEC projects, making all such projects opt in.

1 Representative Morris's direction is for EFSEC to
2 prepare standards, which he lists in his draft bill,
3 and to adopt those standards, and then to require the
4 local jurisdictions to follow those standards. In
5 other words, if you want to come to EFSEC, you can
6 come to EFSEC; if you want to go local, you can go
7 local. Either way, you follow the EFSEC standards.

8 Representative Morris's bill would also make
9 the council the final decider with respect to project
10 applications. In addition to that, it would change
11 the composition of the council by eliminating all of
12 the agency representatives and substituting in lieu
13 thereof an assortment of board members from the
14 Pollution Control Hearings Board, the Growth
15 Management Board and Shoreline Management Board. In
16 addition to that, he would eliminate the Council for
17 the Environment.

18 I'm trying think. Mr. Posner, you've had a
19 chance to read this bill. Am I hitting the
20 highlights?

21 MR. POSNER: Yes, I believe you are.
22 There are some other changes related to SEPA, too,
23 time frames for SEPA analysis and who actually makes
24 decisions concerning SEPA.

25 CHAIR LUCE: Thank you.

1 Representative Morris would eliminate the
2 adjudicative hearing, the need for an adjudicative
3 hearing, eliminate land use hearing, and compress the
4 decision-making process significantly, depending on --
5 relying on SEPA, the SEPA document to address the
6 issues associated with siting power projects. The
7 SEPA process would be -- I don't want to use the word
8 "controlled," but directed by the Chair and it would
9 require SEPA to be, unless there were extenuating
10 circumstances, completed within six months.

11 The council would then meet on the application
12 after the SEPA document was prepared and final, and
13 the Chair would ask the council to adopt the SEPA
14 document as a basis for issuing a site certificate.
15 And if the -- if the council chooses to take no
16 action, the Chair can direct that the certification be
17 issued.

18 I am looking over my notes. Excuse me while I
19 pause.

20 (Pause in the proceedings.)

21 CHAIR LUCE: With respect to commercial
22 nuclear projects, and I'll use Energy Northwest as an
23 example, the only example, nothing -- very little,
24 very little will change substantively. In fact, I
25 can't really see any change. Commercial nuclear

1 projects must still apply to council for
2 certification, and those that exist will continue, as
3 all licensees will continue in their current capacity.
4 There's no changes to any of the certificates that
5 have been issued. Those are contracts. The State
6 will live by its contracts.

7 The issue that some licensees may have is --
8 and that EFSEC will have to address, is in the
9 preparation of standards, we're going to -- assuming
10 that that's directed, we are going to need to decide
11 how to pay for that, because it's a rulemaking
12 process. The last time I went through this, in 2001,
13 it was -- I'm not sure the word "complicated," but
14 lengthy and somewhat complicated. We had a grant from
15 Bonneville in 2001 to do this. Bonneville -- we may
16 go ask Bonneville for more money, in case Liz Klumpp
17 is on the phone, but that's premature, I'm just
18 guessing.

19 We'll have to figure out how to pay for it.
20 Under our current statutes, licensees pay for
21 operations directly and indirectly associated with
22 their projects, and applicants do the same. And so
23 the question is raised, how do you pay for rulemaking
24 and can that be an indirect cost. That's a way
25 premature discussion, but it is an issue that I am

1 relatively confident will come up. And because the
2 council makes the final decision, the Governor is no
3 longer involved, and redress, if it is sought, would
4 be directly with the courts.

5 That basically is Representative Morris's bill
6 in a nutshell. He is receiving stakeholder comments
7 and hopes to introduce this bill this session. I
8 anticipate he will introduce the bill this session,
9 and that there will be hearings on it.

10 One of the options that we have as a council
11 is to -- and in my report, I lay out a number of
12 rulemaking changes that I think will be helpful to
13 expediting the process. One of the options we have is
14 to issue a CR 101, a generalized 101, not specific to
15 any particular -- it would be a generic 101 with
16 respect to EFSEC changes to make the council more
17 efficient and hold -- under the UTC procedures, we can
18 hold a comment session. I may not be using the
19 exactly correct words, but it's a stakeholder meeting.

20 I think that might be a good idea to -- we are
21 going to have Representative Morris's bill, and we are
22 going to have other changes that the council might
23 want to make to its rules, and then use a comment
24 forum as an opportunity to get everybody around a
25 table. We will matrix out -- at least as I have

1 tentatively envisioned this, we will matrix out what
2 the changes are that are proposed, both legislatively
3 and by rulemaking, and then have a discussion about it
4 and see where the stakeholders want to go and see
5 where the council wants to go, and hopefully have done
6 a little front-loading of that, so we have an idea of
7 it, without going into a meeting without an idea as to
8 how the councilmembers feel or stakeholders feel. I
9 think that might be helpful, to start to bring some
10 hope for a consensus around things that need to be
11 done.

12 Quite frankly, the current situation, from my
13 perspective, is untenable. We have an opt-in process,
14 which is not being utilized, for everything except
15 thermal projects over 350 megawatts, and people can
16 build projects economically under 350 megawatts.
17 That's okay, I mean that's a good thing. If you can
18 build a project under 350 megawatts economically, you
19 should do it. If it's to your benefit to go to a
20 local jurisdiction, that's okay too.

21 That leaves EFSEC in a position where our
22 policy provisions at 80/50 are disconnected, have
23 become increasingly disconnected with what the
24 statutory provisions say. The policy says that EFSEC
25 will be involved in each -- by extension, in each

1 power project built in the state of Washington.

2 That's how it was initially envisioned. Over time
3 that has substantially changed.

4 I think we need to look at, and others need to
5 look at, how does EFSEC continue to function going
6 forward. Because we don't have any applications right
7 now, do we?

8 MR. POSNER: No, we don't.

9 CHAIR LUCE: And we don't have any
10 immediate prospect of getting any more applications.
11 That's a -- that's a situation we find ourselves in,
12 and we need to ask what are we going to do about it.

13 So that's the Chair's report. With one
14 exception. I promised to touch briefly on the other
15 Morris bill, 1030, Interstate Transmission Compacts.
16 I believe I have sent out a memo to all of you on
17 this, but if I haven't, I apologize and I will do so.

18 Basically, Representative Morris's bill is a
19 model bill that I believe was prepared by the council
20 and state governments. It outlines what it views as
21 an appropriate interstate compact siting large
22 transmission lines. This dates back to 2005, where
23 the Energy Policy Act for 2005 authorized the states
24 to form compacts in lieu of having FERC decide where
25 and when transmission -- interstate transmission lines

1 would be built.

2 In 2006, Representative Morris had a law
3 passed which authorized interstate compacts under the
4 auspices of the 2005 federal legislation. It had a
5 sunset provision. The sunset was in 2009. The law
6 expired. Nothing was done. Since then, people have
7 become a little more interested in transmission. This
8 is, in essence, a different approach to that issue and
9 it's a new bill. You can take a look at it, if you
10 wish to do so, at your convenience. I assume it will
11 get a hearing.

12 I am not certain that you actually need this
13 bill to form an interstate compact, since Congress has
14 already authorized you to do so, but perhaps. The
15 compact would have to be formed by three or more
16 contiguous states, which would mean either Idaho,
17 Washington, Oregon, or Washington, Oregon, California.

18 The challenge with interstate compacts is
19 people like the idea, but when it gets right up to the
20 brink and they look at giving away state sovereignty
21 to an interstate compact, sometimes they become a
22 little reluctant to do that. That's a policy issue,
23 not an agency issue.

24 That's it. That constitutes the Chair's
25 report. Any questions?

1 Sorry to be up here rambling along. I feel
2 kind of -- anyway, I've rambled long enough.

3 Yes, sir?

4 MR. STOHR: Mr. Chair, I just wanted to
5 say, I took a look at the unnumbered bill from
6 Representative Morris. You know, I think that some of
7 the anticipated schedules for standard development
8 and -- I mean, it's a very ambitious bill. It is
9 contemplating having the council set standards for
10 things like nuclear waste disposal and things that the
11 federal government has struggled with for years, just
12 as an example.

13 It is hard to understand the change and makeup
14 and the roles that those various boards would play
15 instead of the agency participation. I was relieved
16 to see your comments. I thought your comments, the
17 issues that you address there, were spot on. I
18 thought that was a complete set of ideas and concerns.
19 I do like the idea of some sort of check-in as we move
20 forward, both on these ideas, as well as those that
21 you had in the letter to the Governor about how our
22 role might change to be more effective.

23 CHAIR LUCE: I think that Charles Earl,
24 president of Everett Community College in 2001,
25 recommended the Oregon model for EFSEC, which is EFSEC

1 sites on a statewide basis, in essence everything over
2 35 megawatts. It would be -- I prefer that model,
3 quite frankly, but having said that, Oregon has a
4 state Department of Energy. They have the
5 infrastructure to deal with that and provide the staff
6 resources to be involved. We've got four staff
7 members -- five. That's not adequate. I also think
8 that -- not to single out others, but among the
9 agencies that are affected, I think Fish & Wildlife
10 and Ecology need to continue to be members of this
11 council. They provide valuable guidance on specific
12 issues that continually are presented in siting. I
13 think it would be a challenge for the other board
14 members, Pollution Control, Shoreline Management and
15 Growth Hearing, to get up to speed.

16 What I've told Representative Morris was we
17 encourage the Growth Management Hearing Board,
18 Pollution Control and Shoreline Management to come to
19 us if they have issues, and we would be willing --
20 obviously, we would be willing to listen carefully to
21 what their concerns are. Now, they've never come in
22 the past. In all the years I've been here, we've
23 never had an intervention or a comment. Maybe a SEPA
24 comment occasionally, but certainly no intervention by
25 any of those. I think we need some level of expertise

1 in council membership.

2 We will see. The legislature process works in
3 interesting ways.

4 Thank you.

5 It is now 5 to 2:00, and we will recess. We
6 are not adjourning. We are recessing for executive
7 session in Room 133. We will post a notice on this
8 door, outside our Room 206, that we are recessing to
9 Room 133. We will be in executive session. Then in
10 Room 133, we will leave executive session, complete
11 executive session, come back on the record. If there
12 is no other business before the council, we will
13 adjourn at that time.

14 THE CLERK: Do we have an expected time?

15 CHAIR LUCE: I would guess we will be
16 completed by three o'clock. Because the Utilities and
17 Transportation Commission needs this room at three
18 o'clock for an important meeting, I believe, that we
19 will be adjourning from Room 133.

20 Do you have anything else, Mr. Posner?

21 MR. POSNER: No, I just wanted --
22 actually, a point of clarification. I will direct
23 this to Ann. Is it more appropriate to set a shorter
24 time period and then come back to readjourn the
25 meeting? We had this discussion. I want to make

1 sure. If we say three o'clock and we actually finish
2 at 2:30, do we have to wait until three o'clock to
3 come back?

4 MS. ESSKO: Yes, you do.

5 MR. POSNER: But we can say 2:30, and
6 then we could come back at 2:25 and say we are running
7 longer.

8 MS. ESSKO: Yes.

9 MR. POSNER: Okay. So --

10 MS. ESSKO: That's correct.

11 CHAIR LUCE: Let's make it 2:40. If we
12 need to, we will come back on the record and extend
13 the executive session.

14 With that, we are recessed. Thank you.

15 (1:56 - 2:40 recess.)

16 CHAIR LUCE: We will be back on the
17 record. The Energy Facility site Evaluation Council
18 is on the record for the purpose of announcing that
19 our executive session is not completed and will be
20 continued until 3:15 p.m.

21 We'll now be off the record and go back into
22 executive session.

23 (2:40 - 3:07 recess.)

24 CHAIR LUCE: We will be back on the
25 record now.

1 Council has completed its executive session.
2 We are in session at this point in time and will be
3 until 3:15, if any member of the public wishes to
4 address us. As far as I know, the council has no
5 other business, but we will be on the record until
6 3:15, in the event that someone wishes to raise
7 issues. Thank you.

8 MR. FRYHLING: Jim?

9 CHAIR LUCE: Yeah.

10 MR. FRYHLING: Would you have Staff send
11 me copies of everything that was discussed in both
12 meetings?

13 CHAIR LUCE: Yes.

14 MR. FRYHLING: Put it in the mail. I
15 will be home in a couple days, back in Walla Walla in
16 a couple of days.

17 CHAIR LUCE: We are on the record for
18 five minutes.

19 (Discussion off the record.)

20 CHAIR LUCE: Council meeting adjourned.

21 (Council meeting adjourned 3:15 p.m.)
22
23
24
25

C E R T I F I C A T E

STATE OF WASHINGTON

COUNTY OF KING

I, Sherrilyn Smith, 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.

SHERRILYN SMITH

Kittitas Valley Wind Power Project

Monthly Project Update

January 16, 2013

Project Status Update

December Production Summary:

MWh 13,104 MWh
Wind 4.8 m/s or 11 mph
CF 17.5%

Safety:

No incidents

Compliance:

Project is in compliance as of January 10, 2013.

Sound:

No complaints

Shadow Flicker:

No complaints

Environmental:

Avian & Bat Fatality monitoring continues.

No stormwater discharge to report.

December, 2012

EFSEC Monthly Operational Report

Safety:

- There were no accidents or injuries in the month of December.
- Conducted monthly safety training in December.
- Conducted an evacuation exercise for training with Williams Pipeline, local fire departments, State Police and Grays Harbor County agencies.

Environmental:

- Submitted November DMR.
- Preparing Receiving Water Study Report.

Operations & Maintenance:

- The unit operated 0 days during the month of December.
- The December capacity factor is 0%, and the YTD capacity factor is 2.9%.

Noise and/or Odor:

- Complaints:
 - No complaints were received during the month of December.

Site Visits:

- There were no site visits during the month of December.

**Chehalis Power----Monthly Plant Report to the Washington Energy Facility
Site Evaluation Council – December 2012**

1813 Bishop Road Chehalis, WA 98532
Phone (360) 748-1300, FAX (360) 740-1891

8 January 2013

Safety:

- There were no medical treatments or recordable incidents this reporting period and the plant staff has achieved 3725 days without a Lost Time Accident.

Environment:

- Storm water, waste water and air emissions monitoring results are in compliance with the permit limits for the month of December 2012.

Personnel:

- Authorized plant staffing level is currently 19 with 19 positions filled.
- The plant Environmental Analyst will be retiring on January 25, 2013. The job posting for a replacement will be for an Environmental, Safety & Health (EHS) position.

Operations and Maintenance Activities:

- December 2012: The plant generated 1,302 megawatt-hours at a capacity factor of 0.34%. Year to date the plant has generated 861,816 megawatt-hours at a capacity factor of 19.71%.

Regulatory/Compliance:

- No spills or stormwater exceedances reported.
- The November waste water analysis report, received December 4, 2012 indicated an elevated level of zinc. The waste water was re-sampled on December 4, 2012 and the zinc level result was below the threshold limit. Possible sources of the zinc were investigated. Notification of the elevated level and the result for the re-sample were reported to the required agencies in the timeframe specified in the Water Discharge Requirements.
- No air emission exceedances reported.

Other:

- Sound monitoring: No noise complaints to report.

Monthly operational/compliance update for Wild Horse

Wind Production:

December generation totaled 55,000 MWh for an average capacity factor of 27%. In 2012, the Wild Horse Wind Facility generated a total of 679,897 MWh for an average capacity factor of 28.39%.

Solar Production:

The Solar Demonstration Project generated 23 MWh in December. In 2012, the Wild Horse Solar Demonstration Project generated a total of 800 MWh.

Safety:

No lost-time accidents or safety incidents to report in December. PSE and Vestas participated in an emergency response drill with local emergency responders from Kittitas County Fire District No. 2 and Kittitas County Emergency Dispatch (KITTCOM).

Compliance/Environmental:

The 2nd year of avian and bat monitoring in the Expansion Area was completed on December 12th. WEST, Inc. is analyzing the data and will prepare a final report for TAC review this spring.

**Energy Northwest
EFSEC Council Meeting
January 16, 2012
(Shannon Khounnala)**

I. Columbia Generating Station Operational Status

Columbia is operating at 100% power, generating 1,117 megawatts and has been online for 232 days.

Columbia is 113 days from the start of our 2013 refueling outage.

We have no events, safety incidents, or regulatory issues to report.

II. WNP 1/4 Water Rights

Both the Department of Energy (DOE) and Energy Northwest continue to work jointly to complete the WNP 1/4 lease amendment and the water rights application. Department of Energy has lapsed on their schedule to revise the WNP 1/4 lease however. DOE had originally planned to complete the lease extension by the beginning of January. Once the lease has been amended, the water rights application can be submitted. Submission of the water rights application is likely to be extended into February, depending on finalization of the lease agreement. Energy Northwest, DOE, and EFSEC staff plan to attend a project meeting with the Department of Ecology when the application is ready for submission.