1	APPEARANCES
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3	Councilmembers Present:
4	Jim Luce, Chair Dick Fryhling, Department of Commerce
5	Cullen Stephenson, Department of Ecology Joe Stohr, Department of Fish and Wildlife
6	Andrew Hayes, Department of Natural Resources Dennis Moss, Utilities and Transportation Commission
7	Assistant Attorney General:
8	
9	Ann Essko, Assistant Attorney General
10	Staff in Attendance:
11	Stephen Posner, Interim Manager/Compliance Manager Jim La Spina, EFS Specialist
12	Tammy Talburt, Commerce Specialist Kayce Michelle, Administrative Assistant 3
13	Guests in Attendance:
14	Richard Downen, Grays Harbor Energy Project Mark Miller, PacifiCorp Energy
15 16	John Pierce, Washington Department of Fish and Wildlife Robert Moody, Olympic Region Clean Air Agency Adam Torem, Washington Utilities and Transportation Commission
17	Guests in Attendance Via Phone:
18	Steve McNutt, Energy Northwest Jennifer Diaz, Puget Sound Energy, Wild Horse Wind Power Project
19	Eric Melbardis, Kittitas Valley Wind Project Clint Lamoreaux, Southwest Clean Air Agency
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1	OLYMPIA, WASHINGTON, MAY 21, 2013
2	1:30 P.M.
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5	PROCEEDINGS
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7	CHAIR LUCE: Good afternoon, my name is Jim Luce.
8	I'm chair of the Washington State Energy Facility Site
9	Evaluation Council.
10	Today is Tuesday, May 21st, the time is 1:30 p.m.,
11	and we are meeting at the Utilities and Transportation
12	Commission meeting room on 1300 Evergreen Parkway [sic] in
13	Olympia, Washington, Conference Room 206.
14	Clerk will please call the roll.
15	THE CLERK: Department of Commerce?
16	MR. FRYHLING: Dick Fryhling is here.
17	THE CLERK: Department of Ecology?
18	MR. STEPHENSON: Cullen Stephenson is here.
19	THE CLERK: Fish and Wildlife?
20	MR. STOHR: Joe Stohr is here.
21	THE CLERK: Natural Resources?
22	MR. HAYES: Andy Hayes is here.
23	THE CLERK: Utilities and Transportation Commission?
24	MR. MOSS: Dennis Moss for the UTC.
25	THE CLERK: Chair?

- CHAIR LUCE: Chair is present.

 THE CLERK: There is a quorum.

 CHAIR LUCE: I'm going to ask others on the phone to please identify themselves.

 MS. DIAZ: Jennifer Diaz, Puget Sound Energy, Wild Horse Wind Facility.
 - 7 MR. MELBARDIS: Eric Melbardis, Kittitas Valley Wind
 - 8 | Power Project.
 - 9 MR. LAMOREAUX: Clint Lamoreaux, Southwest Clean Air
- 10 Agency.
- 11 MR. McNUTT: Steve McNutt, Columbia Generating
- 12 Station.
- 13 CHAIR LUCE: Thank you.
- 14 Councilmembers have the proposed agenda before them.
- 15 Are there any changes?
- 16 Hearing none, the addenda is adopted as proposed.
- 17 Minutes? Minutes of April 16th?
- 18 Have Councilmembers had a chance to review the
- 19 minutes?
- Do we have a motion to adopt the minutes?
- 21 MR. POSNER: Chair Luce?
- 22 CHAIR LUCE: Yes?
- MR. POSNER: Just one note. We did note one
- 24 | correction that needs to be made on page 31 --
- 25 CHAIR LUCE: All right.

- 1 MR. POSNER: -- line 7. And I appreciate Cullen
- Stephenson bringing this to our attention. There's a word 2
- 3 that's misused. Instead of "accrued," it should be "crude," if
- 4 you note that.
- And what we will do is work with the court reporter 5
- 6 to just get that page, that one page changed, so I believe the
- 7 Council could adopt the minutes with that understanding -- or
- 8 approve them with that understanding.
- 9 MR. MOSS: Subject to the proposed errata to correct
- 10 the one error in the prior transcript, I would move that the
- 11 minutes be adopted as transcribed.
- 12 MR. FRYHLING: Is there a second?
- 13 MR. STOHR: Second.
- 14 MR. FRYHLING: It's been moved and seconded.
- 15 All in favor say "aye."
- 16 MULTIPLE SPEAKERS: Aye.
- 17 CHAIR LUCE: Let the record reflect the vote was
- 18 unanimous.
- 19 The next item on the agenda is a series of reports of
- 20 different projects.
- 21 Kittitas Valley Wind Project?
- MR. MELBARDIS: Good afternoon, Chair Luce and 22
- 23 Council. I sent in my written project update. In addition to
- that, the only thing that I have of note would be that we have a 24
- 25 TAC meeting coming up in five weeks on June 26th, and that will

- also include a site tour for our revegetation and -- and, you 1
- know, inspecting how the burned areas are coming back. And that 2
- 3 will be with EFSEC Staff, Ecology, and Fish and Wildlife.
- Thank you. Councilmembers have any 4 CHAIR LUCE:
- 5 questions?
- The next item on the agenda is Grays Harbor Energy 6
- 7 Project operational date.
- MR. DOWNEN: My name is Rich Downen. I'm the plant 8
- 9 manager at Grays Harbor Energy.
- 10 Good afternoon, Chair Luce and Council. I have
- 11 nothing to add that was not in our submitted report.
- 12 CHAIR LUCE: Councilmembers have any questions?
- 13 Hearing nothing, thank you very much for -- oh, I'm
- 14 sorry.
- 15 MR. LA SPINA: Chair Luce, we have a -- we'd like to
- close out a compliance issue that occurred at the Grays Harbor 16
- 17 Energy Center. In your packets on white paper is a letter of
- 18 recommendation sent by EFSEC's compliance contractor citing a
- 19 few very minor permit deviations that occurred in the fourth
- 20 quarter of 2012.
- 21 The Olympic Region Clean Air Agency has evaluated the
- permit deviations. And this is their letter of recommendation, 22
- 23 and they recommend that no further action be taken and the
- 24 matter be closed.
- 25 If there's any questions, we have Robert Moody of

- 1 ORCAA available for you to provide answers.
- 2 CHAIR LUCE: Thank you. I have no questions. I do
- 3 have -- strike that. I have one question.
- Is Council action needed to accept this letter?
- MR. POSNER: No; we don't believe it is, no. It's
- 6 basically a letter from our compliance contractor recommending
- 7 | that we send a letter to them just basically acknowledging what
- 8 | it is they said in their letter, and they're not recommending
- 9 any enforcement action or any other follow-up action.
- 10 CHAIR LUCE: Do Councilmembers have questions?
- 11 | Hearing no questions, Chehalis?
- MR. MILLER: Good afternoon, Chair Luce and
- 13 | Councilmembers. I'm Mark Miller with PacifiCorp Energy,
- 14 Chehalis generating station. I, too, really have nothing to add
- 15 to the base report other than the allowance we received after we
- 16 | noted last -- the previous meeting that we did not pass the
- 17 | relative accuracy test audit on the ammonia slip for Unit 1
- 18 emission unit, Combustion Turbine No. 1.
- We received an allowance of either 720 hours an
- 20 operating quarter and actually chose to do that; to take that
- 21 redo of the RATA sooner than later, because the company's been
- 22 running the plant a little bit more than previously anticipated.
- 23 That RATA is going on right now when I left the plant. We have
- 24 | completed six of the nine runs.
- 25 And for Mr. Lamoreaux on the phone, as well as

- 1 Mr. La Spina, that we appear to be within the accuracy that's 2 required for the air operating permit. That's all.
- 3 CHAIR LUCE: Thank you.
- 4 Mr. La Spina, do you have anything to add to that?
- 5 MR. LA SPINA: Yes, sir. The company overall has an outstanding compliance record, and we actually gave them until
- 7 September 30th, but they wanted to do the test sooner to
- 8 demonstrate compliance.
- 9 There's also another very minor compliance matter.
- 10 Last year, apparently, the calibration of a gas flowmeter was
- 11 over -- it was an oversight. It didn't occur when it should
- 12 have.
- So in this case, the Southwest Clean Air Agency,
- 14 which is EFSEC's compliance contractor for that facility,
- 15 | evaluated the data, looked at the facility's past compliance
- 16 record, and their -- the other white letter in your packet is
- 17 | their recommendation to consider this a very minor permit
- 18 deviation and close the matter, and so EFSEC Staff is just
- 19 | notifying the Council of this so that you're aware.
- 20 CHAIR LUCE: Thank you.
- 21 Councilmembers --
- MR. FRYHLING: Jim, what happens when this late fuel
- 23 | flowmeter calibration isn't done? Is there an air pollution
- 24 problem?
- 25 MR. LA SPINA: I'm going to ask Clint Lamoreaux on

- 1 | the phone to answer that question.
- 2 Clint?
- MR. LAMOREAUX: What happens when they're late is you
- 4 have to use data substitution procedures that are conservative
- 5 | to calculate emissions from the facility. There's no reason to
- 6 | believe that -- that there's no increase in emissions. There's
- 7 | no actual change to emission rates from the facility. It's a
- 8 QA/QC to make sure that emissions are being monitored accurately
- 9 in the long term.
- 10 And so they did correctly conduct data substitution
- 11 procedures to conservatively estimate emissions until it was
- 12 | calibrated again.
- MR. FRYHLING: Thank you.
- MR. STEPHENSON: Mr. Chair?
- 15 CHAIR LUCE: Yes?
- MR. STEPHENSON: I don't know if this is a question
- 17 | for Mr. Miller or for Mr. Lamoreaux, but do we have procedures
- 18 | in place now to make sure this doesn't happen again?
- MR. MILLER: Yes, sir.
- Clint, if it's okay, I'll answer this.
- We had originally scheduled a spring overhaul on the
- 22 | plant, and we ended up delaying that because it was the
- 23 replacement transformer for the one that we had an explosion on
- 24 two years ago. And it was late in manufacture and delivery, so
- 25 | we postponed our outage until October and -- and we failed to

recognize that we needed to perform the gas meter calibration before the end of the second quarter.

We do have electronic means, as far as reminder tasks and ticker cards [verbatim], as well as our engineers in Salt Lake. So we already have that scheduled for mid-June, even though we've also delayed our spring outage again until October so we will not miss that. I believe it was approximately two weeks that we've missed that by.

MR. STEPHENSON: Thank you.

10 CHAIR LUCE: Other questions?

Hearing none, thank you very much.

12 Wild Horse?

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MS. DIAZ: Hello. Thank you, Chair Luce and Councilmembers.

For the record, my name is Jennifer Diaz, environmental manager, for Puget Sound Energy at the Wild Horse Wind Farm.

I have two nonroutine operational updates. The first is that the Renewable Energy Center opened for the visitor season on April 1st. Recreation Access Permits for hunting and other recreational activities are being issued from the visitor center.

And the second update is that the second year avian and bat monitoring report for the expansion area was issued by Western EcoSystems Technology on April 19th. A total of eight

- 1 birds comprising six identified species were found during the
- 2 | scheduled searches. Three of the eight birds found are
- 3 | nonnative species, which included a gray partridge, a
- 4 ring-necked pheasant and a rock pidgin. Two of the eight birds
- 5 | found were raptors, including a northern harrier and a
- 6 red-tailed hawk. No bats and no federal or state-listed bird
- 7 | species or species of concern were found.
- 8 The 2012 fatality estimates were calculated by
- 9 | adjusting search results for carcass removal, observer detection
- 10 bias, the proportion of project turbines searched.
- 11 For birds, the overall estimated annual fatality rate
- 12 is 1.4 birds per megawatt; for raptors, the overall estimate is
- 13 | 0.22 raptors per megawatt; and the overall bat fatality estimate
- 14 is zero because no bats were found.
- According to the report, the fatality estimates from
- 16 | this study were generally within the range predicted in the
- 17 permitting documents for Wild Horse. Compared to other wind
- 18 energy facilities in the Pacific Northwest, the 2012 bird
- 19 | fatality estimates is on the low end of the range for fatality
- 20 estimates for Washington and Oregon wind energy projects.
- 21 The raptor fatality rate of 0.22 raptors per megawatt
- 22 is higher than the Pacific Northwest average.
- 23 (Overhead announcement played over intercom
- via telephone bridge line.)
- MR. FRYHLING: That's got to be Energy Northwest.

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                MS. DIAZ: Are we all right? Hello?
                MR. POSNER:
                             Jennifer?
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                CHAIR LUCE:
                             I'm assuming that's Energy Northwest.
 4
                MR. POSNER: Yeah.
                                    I believe that was the Energy
 5
    Northwest intercom system.
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                MS. DIAZ: Oh, okay.
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                Can you all hear me still?
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                MR. McNUTT: Sorry about that. I apologize.
                MR. POSNER: Sorry about the confusion.
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                MS. DIAZ: You can hear me?
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                MR. POSNER: Yes.
12
                CHAIR LUCE: Yes.
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                MS. DIAZ: Fantastic. So the raptor fatality rate of
14
    0.22 raptors per megawatt is higher than the Pacific Northwest
15
    average of 0.10 raptors per megawatt, but only slightly outside
    of one standard deviation of the mean. Bat fatally rates are
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    lower than most other wind energy projects in Washington and
18
    Oregon.
                So the monitoring report was submitted to TAC members
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20
    on April 19th and will be discussed further during the next TAC
21
    meeting which is scheduled on June 4th.
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                Are there any questions?
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                CHAIR LUCE: I hear no questions. Thank you,
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MS. DIAZ:

Jennifer.

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Thank you.

1 MR. LA SPINA: Chair Luce? 2 CHAIR LUCE: Yes? 3 MR. LA SPINA: You -- or the Councilmembers were e-mailed a letter from DNR nominating a DNR person as the 4 replacement on the Wild Horse TAC. 5 The EFSEC Staff is seeking clarification on one of 6 7 the person's qualifications, and so I just wanted to close that 8 loop for you on that --9 CHAIR LUCE: All right. 10 MR. LA SPINA: -- and inform you. 11 CHAIR LUCE: Thank you. 12 Columbia Generating Station appears to be shut down 13 for a period of time here. 14 MR. POSNER: I believe we -- Steve, are you there? 15 MR. McNUTT: I am here. 16 MR. POSNER: Okay. Can you give us a report, please? 17 I certainly will, and I apologize for MR. McNUTT: 18 the overhead announcement there. 19 I'm Steve McNutt. I'm filling in for Shannon 20 Khounnala. She's actually supporting the Columbia Generating Station outage right now, but I'll provide you with a brief 21 operational status for CGS, and a summary of WNP 1/4 water 22 23 rights discussions. 24 For Columbia Generating Station operational status, 25 we're currently in Day 11 of a 40-day refueling outage. At this

- 1 | time the schedule and events are generally proceeding as
- 2 | planned. The outage is planned to conclude on June 15th. There
- 3 are no events, safety incidents, or regulatory issues to report.
- 4 For WNP 1/4 water rights, Energy Northwest continues
- 5 to work on the proposed lease agreement with the Department of
- 6 Energy. A meeting between both parties are scheduled for
- 7 | Thursday, May 23rd. The meeting will include senior management
- 8 and technical delegates from both Energy Northwest and the
- 9 Department of Energy.
- 10 That concludes the presentation of nonroutine events
- 11 | from Energy Northwest.
- 12 | CHAIR LUCE: Thank you.
- Any questions from Councilmembers?
- 14 Anything to add from Staff?
- MR. POSNER: Nothing.
- 16 CHAIR LUCE: All right. Thank you.
- MR. McNUTT: Thank you.
- 18 CHAIR LUCE: Whistling Ridge Energy Project?
- MR. POSNER: Good afternoon, Chair Luce and
- 20 | Councilmembers. A very quick update.
- 21 The petitioners' reply brief was filed on the 13th of
- 22 May. Copies of that were sent to all of you electronically.
- 23 | It's also on our website.
- 24 And just a reminder that oral argument before the
- 25 | Supreme Court is scheduled on June 27th at nine a.m., and that

1 concludes my update. 2 CHAIR LUCE: Thank you. 3 Councilmembers have any questions? 4 All right. Other projects or possible projects? MR. POSNER: So I'd like to just update the Council 5 6 on -- these are the crude-by-rail projects. Currently, there 7 are five proposed facilities that EFSEC may have some 8 jurisdictional authority over. One of those facilities is the 9 Tesoro Savage crude-by-rail project at the Port of Vancouver, 10 and that facility has voluntarily contacted EFSEC and has 11 indicated that they plan to seek certification through the EFSEC 12 process. There was a facility press release April 22nd, and we 13 can actually make that available to Councilmembers if you 14 haven't had a chance to see it. I believe that some of the 15 information on this project was sent to Councilmembers over the 16 last month or so. But if you want more information, you can 17 contact me, and I can provide that to you. 18 But we've had some preliminary discussions with the 19 project applicant, or at least the proponent, and they have 20 indicated that they plan on filing an application for site certification with EFSEC sometime in the near future. 21 22 This is a proposed project with a capacity to receive 23 initially of 120,000 barrels per day, with the potential 24 expansion up to 280,000 barrels per day.

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That's pretty much it on that particular project.

- 1 There are four other projects that we have been -- are in
- various stages of communication with requesting information and 2
- 3 trying to make a regulatory determination whether or not EFSEC
- 4 has jurisdiction.
- 5 I would be happy to answer any questions
- 6 Councilmembers have.
- 7 CHAIR LUCE: Questions?
- 8 I believe there's an Oregonian article which was, I
- 9 believe, e-mailed to all of you that summarizes all of these
- 10 different projects and the issues involved in them. So if you
- 11 don't have that, let us know, and we'll make sure you get it.
- 12 Other projects we've covered.
- 13 EFSEC Council rulemaking update. After the
- 14 legislative session is complete -- we've received all your
- 15 comments on the rulemaking update. My proposal is to send out a
- notice to stakeholders advising them of a workshop, basically, 16
- which will -- during which we'll discuss the issuance of a 17
- 18 CR 101, a formal issuance, and talk about the issues that have
- 19 come up in the last several years and that were reflected in
- 20 House Bill 1374 and otherwise. And we're going to judge -- I'd
- 21 like to judge and gauge their interest in proceeding into
- rulemaking. It doesn't mean if they're not interested, we won't 22
- 23 do it anyway, but it's going to be a two-year process. Some
- 24 rules may be capable of being done more readily and without
- 25 controversy than others. Some actions may require legislative

- 1 action, but the bottom line is a workshop would form the
- 2 | foundation, hopefully, for knowing which direction we go and at
- 3 what speed.
- The legislature's still in session, but I don't
- 5 | anticipate that anything else is going to happen regarding
- 6 EFSEC.
- 7 Can I shed any more light on what I know, which is
- 8 | what I have just told you?
- 9 All right. Thank you.
- Now, we have a presentation by WDFW today?
- MR. POSNER: Yes, we do.
- 12 CHAIR LUCE: All right. Let's have the presentation.
- MR. POSNER: I believe Joe is going to make a few
- 14 introductory comments.
- 15 CHAIR LUCE: Yeah.
- MR. STOHR: Yeah. Thanks, Mr. Chair.
- Well, when I started in this position last summer,
- 18 one of the things I spent some time with Jeff Tayer talking
- 19 about was the, you know, siting of energy facilities and
- 20 potential impacts to crucial wildlife habitats at a landscape
- 21 level.
- 22 And I know the Council's had some interest on some
- 23 level in the past regarding these issues, and there have been
- 24 some advancements to the -- this Crucial Habitat Assessment
- 25 Tool, the CHAT tool, as well as some discussions occurring at

- 1 the Western Governors' Association that are resulting in a
- 2 workshop that will be held probably in July this summer.
- 3 So I wanted to give you a brief update and asked John
- 4 | Pierce to come and present some information to you. It
- 5 | shouldn't take too long. But John is our chief scientist in our
- 6 | wildlife program, and so I thought we'd kind of bring you up to
- 7 date on those activities.
- 8 | THE CLERK: And Councilmembers may want to come down
- 9 here to see the screens --
- 10 CHAIR LUCE: I think so.
- 11 THE CLERK: -- or you can follow along with your
- 12 paper that comes in your...
- MR. PIERCE: Well, good afternoon. And, first, let
- 14 me thank Council Chair Luce and other members of the Council for
- 15 providing time on your agenda for allowing me to come and give
- 16 you a presentation on an update and information on the Western
- 17 | Governors' Association project. And you can follow along with
- 18 | the handouts. And for those of you in the audience that did
- 19 come in and -- and there are some handouts on the desk there if
- 20 | you would like to -- to take with you.
- 21 So I wanted to run through a little bit of the
- 22 history of this project and talk to you about what our
- 23 accomplishments are, and end with a reference to the workshop
- 24 | that Joe had mentioned related to this project and -- and then
- 25 entertain any questions that you might have about it.

The project really started back in '07, when the Western Governors themselves established and adopted a resolution calling for the Western States to identify and map crucial habitat and important corridor areas in the West. And that -- that first year, there was several committees developed to look at the problem. I was on one of those science committees to make recommendations to the Governors of how to proceed to successfully implement their -- the points in the resolution. And as a result of that report, and in '08, there was -- we formed a Wildlife -- Governors' Wildlife Council of the West that has been guiding the work that I want to talk to you about now for the -- for the next couple years.

In '09, the project in the Governors' Association established an initial Western Renewable Energy Zone Initiative and -- to look at how -- how this kind of information, mapping, and identifying important crucial habitats, could be used in helping site important western and renewable energy zones throughout the West, and that project is still ongoing.

In 2010, there was a significant grant awarded from the Federal Department of Energy to help both the energy efforts at WGA, but also the mapping of fish and wildlife crucial habitat as well. And as a result of that grant, we were able to pull our resources together and -- and work for the last couple of years in developing this map product and getting ready to go online with a first -- the first version of that map to be used

for guiding land use, roads, energy development, and -- and significant conservation efforts across the West. And there's several partners involved in the project, and -- mostly led by the state agency themselves, but with a lot of partners involved.

So the initiative really was about -- and CHAT, as you see here, represents a crucial habitat. It stands for Crucial Habitat Assessment Tool. And the goal objectives of the CHAT Initiative was to identify these -- like I said, these important crucial habitats and key habitat for connectivity in the West. And once the areas are identified in that, the second part is making that information available for the public and agencies and folks that might be interested in development or conservation, which we're working on developing an Internet-based tool, for this information to be made available.

One of the early findings of the report back in the first year was that there was really a disparate view of the world across the West from state to state. And the quality of information and the standardized level of information that was envisioned with the resolution didn't -- by the Governors, really didn't exist. And as you can see here, were -- easily identify where the state boundaries are just looking at the information that was mapped. And how -- recognizing that or illustrating how different it is, depending on what state you're in, as to what was mapped as being important and how that

1 information was mapped and data that was available.

So one of the things that we wanted to do was move away from this kind of state-centric perspective and see if we could come up with a standard, generalized, uniform way for mapping these important areas across the West so that independent of what jurisdiction you were in, for large-scale projects in the interest across the West, you're going to get similar results and -- and the same kind of analysis no matter where you're at.

And the way we did this, is we wanted to take -agree to -- all of the states agreed to a set of information
that would be used to do and identify these mappings, as well as
an agreed-upon way to combine all the information into what -what we're calling "crucial habitat," which is a combination of
information on the landscape that's based on important areas for
species of concern, habitats of concern, also important areas
for recreationally, economically important species, and
importantly, overall biodiversity in ecosystem health by
identifying important native and unfragmented habitats and
important areas that connect these areas across the West.

An important design of the approach was that the states are still keepers of the information. They're wanting to retain interest in their authority for protection and conservation of these species and habitats, but at the same time, recognize that the species themselves don't -- don't know

what state they're in. They don't pay attention to the boundaries and -- and we wanted to establish some standard ways of mapping across jurisdictions, and approach these important mapping areas from a regional perspective so the model incorporates both regional and state-specific data sets to identify there are these crucial habitats.

This table just illustrates the kinds of data that was agreed to to incorporate in the mapping of crucial habitat, and shows which states were able to incorporate those various data sets in their mapping of crucial habitat. And I highlighted here those -- those data sets that were heavily represented across the West in most all states.

And when you're done, we begin to -- this just illustrates one -- a couple of the data sets of those regional in nature identifying these important native, unfragmented habitats and identifying important connectivity areas between those areas that were mapped, without regard to jurisdictional boundary that were available for the states to incorporate into their crucial habitat map.

And as I mentioned at the beginning of the slide -the beginning slide, is we are getting ready to go public with
our first map, which will -- oh, I think we're targeting the end
of 2013 for that to go online on the Internet, where all the
states that have participated will have their crucial habitat
map.

We'll stitch them together across the West, like you're seeing here, which was an early draft of our first version that was produced last November, and so that users will be able to pull this information up and identify where these important areas are, regardless of what state you're in, and understand what kinds of information went into that, those mapping areas.

So when we come out with this crucial habitat map, which will be this year, part of the initial impetus for this whole initiative was to help you to -- to provide information that could be used to guide development in the West, as well as guide conservation activities in prioritized areas for conservation. But also help in the early stages of planning these large-scale initiatives, identify areas that are important, and determine through a voluntary process, areas that they -- where they -- interested parties may or may not want to apply, either develop, or invest in conservation areas.

And so the Western Governors themselves will be coming out with a -- this is a cover sheet for a report that's in draft status. We'll be coming out with a report this summer that outlines a vision for energy development in the West. And -- and one of the things we're going to be doing is creating a workshop in the next -- well, end of June or early July to look at how we can use the information that's being mapped through the Western Governors' initiative, as well as additional

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1 information that is out there that could be used to help guide smart growth and -- and make good choices as to how we build out 2 3 the energy development that's being planned.

And one of the things we did want to -- the reason for being here is just to -- to let you folks know that this is in the works. It's -- I think will, in the end, help provide quidance to -- for sitings of projects and for long-term planning of energy development in the West.

We did get a grant from -- that WGA submitted for some money from a Yale conservation initiative that's being funded. It's -- the states of Washington, Oregon, Nevada, and California are sponsoring the workshop. It's going to incorporate -- the scope of the workshop is to incorporate renewable oil and gas energy development.

As I mentioned, we're looking to host the workshop sometime in late June or mid-July. We haven't quite landed on the location for the workshop. We're -- right now it might -it looks like it might be in Seattle.

The workshop will be technical in nature, and it's not to really do an analysis. It's more to set up a framework for how -- how you could do an analysis if you wanted to evaluate areas for your energy planning.

I know in most of the states in the West, the energy development that's being planned is anywhere from 10 to 30 percent built out to what the commitments are for that energy

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development, so there's a lot of choices still to be made on where -- where to develop that energy. We do anticipate anywhere from 20 to 30 people being involved in the workshop.

So I did want to just emphasize the importance of these large-scale energy planning analyses that we're going to be doing. It allows us to look at impacts, potential impacts, on the landscape on -- on populations or diversity of populations beyond individual animal or a site-specific level.

We'll be looking at large, nonspecie-specific ecosystem adversity values at very large scales, and it gives us an opportunity to identify these important areas prior to actually committing to site selection and/or investing in particular developments in an area.

So it's really set up fairly simply. This is just to give you an idea of what we're talking about; what this workshop is going to be looking at. This is a work product that came out of the Renewable Energy Zone Project identifying important areas where wind and solar energy meet certain demands. There's certain energy potential across the West, and we can be looking at, obviously, energy is going to be developed where the energy potential occurs. And so we can identify these important areas for energy development, and overlay them and look at how they overlay with these important crucial habitats to -- to identify alternative options to minimize potential overlap and impact.

This is just kind of a hypothetical example that I

put together here showing how an analysis like this might work if we're evaluating different options, alternatives for different transmission corridors. We can lay out those pathways on the landscape and can compare how those pathways intersect the crucial habitat maps, and identify which pathways have the -- the least amount of intersection or impact to the areas that have been mapped for crucial habitat all in the -- kind of the preplanning stages just to help -- help decide and guide those -- the information that needs to occur.

This is another example, actually, a real example in Washington State, looking at a proposed wind farm project that I think is -- is not necessarily active right now. But when it started out, you can see the yellow lines are the areas that the project proponents had -- had desired to do their wind farm wind project on. It happened to be in an area that was important for sage grouse. And as we engaged with them early in the project, before it got too far down the road, we were able to identify a modification to the project boundary shown here in red that, by knowing where these important areas were before the project got too far down the road, they were able to adjust and modify where that was to minimize that -- that overlap and potential impact. And it's this kind of analysis that -- that we're looking at putting some form to in discussions at the workshop.

So, finally, I just wanted to reemphasize the importance of -- of how this kind of crucial habitat map and

- other information that we're going to have available this year

 can be made important for helping at the actual -- in siting

 decisions, developing plans for transmission corridors, and also

 in general helping guide smart growth into the right areas on

 the landscape and avoid areas that might be -- have significant
- So that's the last slide. I'll be available for any questions.
- 9 MR. FRYHLING: The information you have here, is this
 10 what we already have from the Department of Fish and Wildlife?
 11 Are you generating new information, this multistate
 12 organization, or do we already have most of this information
 13 from the State of Washington?
 - MR. PIERCE: So the question was is the information for Washington already available and in practice being used in this kind of work already. And I would say for the most part, yes, but there is some new information that this project has developed in particular for identifying these more large, intact landscapes and important connectivity areas is -- is new information that is just getting finalized now.
- 21 CHAIR LUCE: Do Councilmembers have any other 22 questions?
- Thank you very much for your presentation.
- 24 (Pause in the proceedings.)
- 25 CHAIR LUCE: Is there any more business to come

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conflicts.

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before the Council today?
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                 Hearing not, we are adjourned.
            (Whereupon, the meeting was adjourned at 2:11 p.m.)
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    and Notary Public in and for the State of Washington, do hereby
    certify that the foregoing transcript is true and accurate to
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     the best of my knowledge, skill and ability.
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            IN WITNESS WHEREOF, I have hereunto set my hand and seal
11
     this 31st day of May, 2013.
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                                SHELBY KAY K. FUKUSHIMA, CCR
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    My commission expires:
     June 29, 2013
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Kittitas Valley Wind Power Project Monthly Project Update

May 21, 2013

Project Status Update

February Production Summary:

MWh 28,711 MWh Wind 8.4 m/s or 19.3 mph CF 39.6%

Safety:

No incidents

Compliance:

Project is in compliance as of May 20, 2013.

Sound:

No complaints

Shadow Flicker:

No complaints

Environmental:

Avian & Bat Fatality monitoring continues.

No stormwater discharge.

April, 2013

EFSEC Monthly Operational Report

Safety:

- There were no accidents or injuries in the month of April.
- Conducted monthly safety training in April.

Environmental:

- Submitted March DMR
- Completed CEMS Linearity Checks
- · Received bids for RATA testing
- Submitted 2012 Greenhouse Gas (GHG) Report
- Completed Opacity Certification for three individuals

Operations & Maintenance:

- The unit operated 1 day during the month of April.
- The April capacity factor is 1.9%, and the YTD capacity factor is 7.0%.

Noise and/or Odor:

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

Site Visits:

None

Other:

None



2940-B Limited Lane NW Olympia, WA 98502

1-800-422-5623 • (360) 539-7610 Fax: (360) 491-6308

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ENERGY FACILITY SITE April 30, 2013 EVALUATION COUNCIL

Stephen Posner, EFSEC Manager Energy Facility Site Evaluation Council Utilities and Transportation Commission P.O. Box 43172 Olympia, WA 98504-3172

RE: Grays Harbor Energy Center PSD Permit No. EFSEC/2001-01 Amendment 3 -4th Quarter 2012 Operational Records Review

Dear Mr. Posner:

The Olympic Region Clean Air Agency (ORCAA), contractor to EFSEC, reviewed the 2012 4th Quarter Operational Records for Grays Harbor Energy Center. Generally stated, the facility appears to be in compliance with its EFSEC permit.

As reported by the facility, Turbine 2 exceeded the opacity limit and two oxides of nitrogen (NOx) limits this quarter. The opacity limit is 5% and the turbine operated for 6 minutes at 6%. The NOx limits are 2.5 ppm and 21.7 pounds per hour. The turbine operated at 29 ppm and 125 lb/hr, respectively during a one-hour period on October 1, 2012. It also operated at 3.0 ppm on October 18, 2012.

The following conditions of Permit No. EFSEC/2001-01 Amendment 3 were exceeded: Condition 5.1.3; NOx (ppm) on October 1 & 18, 2012 Condition 5.1.1, NOx (lb/hr) on October 1, 2012; Condition 5.8.1 opacity on October 1, 2012.

During the October 1st event, the high NOx readings were a result of the turbine sensing an operational problem, known as "run back", and going into shutdown mode. The turbine left Mode 6 and dropped, potentially, as far as Mode 2. The automated shutdown was self-initiated when the fuel was not at the proper temperature and/or the pressure was insufficient.

The October 18th event was caused by a malfunctioning flow transmitter. The transmitter was recalibrated, resolving the problem.

Port Angeles Field Office: 116 W. 8th St., Suite 113, Port Angeles, WA 98362: (360) 417-1466

These events were recorded by a Continuous Emission Monitor (CEM) and a Continuous Opacity Monitor (COM) which operate when the turbine operates. The CEM and COM reliability and accuracy are confirmed during quarterly audits and daily self-calibrations. The CEM and COM were audited in October 2012 and passed the daily calibrations.

EFSEC has adopted WAC 173-400-107 by reference which provides a procedure for addressing excess emissions. The section requires 1) the operator to demonstrate that the excess emissions were unavoidable; and, 2) For excess emission that do not pose a threat to human health or safety shall be reported as part of the routine emissions monitoring reports. Excess emissions determined to be unavoidable under the procedures and criteria are excused and not subject to penalty. Grays Harbor Energy has met these criteria, though ORCAA has some concern that a typical "runback" condition may be preventable with thorough operator training and experience.

The applicability of the Environmental Protection Agency's *Timely and Appropriate Enforcement Response to High Priority Violations (HPV)* was investigated. The opacity exceedance was minimal in both duration and severity, and therefore does not rise to the level of an HPV. Though the NOx exceedances were of greater concern, the federal rules exempt emissions during periods of start up, shutdown, and malfunction.

These events appear to fit within the bounds of an upset/malfunction. ORCAA considers both the magnitude and duration of these excess emissions events insignificant with respect to maintaining air quality and compliance with permit limits.

ORCAA recommends a letter be sent to Grays Harbor Energy acknowledging four permit deviations.

If we can be of further assistance please call myself or Mark Goodin at (360) 539-7610.

Sincerely,

Robert Moody

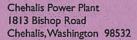
Compliance Supervisor

Olympic Region Clean Air Agency

Mark Goodin

Chief Engineer

Olympic Region Clean Air Agency





Chehalis Power----Monthly Plant Report to the Washington Energy Facility Site Evaluation Council – April 2013

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

20 May 2013

Safety:

• There were no medical treatments or recordable incidents this reporting period and the plant staff has achieved 3845 days without a Lost Time Accident.

Environment:

- Storm water and waste water monitoring results are in compliance with the permit limits for the month of April 2013.
- The Chehalis Plant will perform a re-test relative accuracy test audit (RATA) of the unit #1 continuous emissions monitor (CEMS) for ammonia only on May 21, 2013.

Personnel:

- Authorized plant staffing level is currently 19 with 18 positions filled.
- The plant Environmental, Safety & Health (EHS) position was filled internally by control room operator, Jeremy Smith.
- There is now an open operator position.

Operations and Maintenance Activities:

• The Plant generated periodically throughout the month of April 2013.

Regulatory/Compliance:

- No spills or stormwater exceedances reported.
- No air emission exceedances reported.



Southwest Clean Air Agency

11815 NE 99th Street, Suite 1294 • Vancouver, WA 98682-2322 (360) 574-3058 • Fax: (360) 576-0925 www.swcleanair.org

May 14, 2013

RECEIVED

MAY 17 2013

ENERGY FACILITY SITE EVALUATION COUNCIL

Mr. Jim LaSpina Energy Facility Site Evaluation Council Utilities and Transport Commission PO Box 43172 Olympia, WA 98504

Subject:

<u>PacifiCorp – Chehalis Generating Facility – Late Fuel Flowmeter Calibrations</u>

Dear Mr. LaSpina:

The natural gas fuel flowmeters for Combustion Turbines #1 and #2 at PacifiCorp's Chehalis Generating Facility were calibrated May 10, 2011 and not again until July 15, 2012. This is a violation of 40 CFR 75 Section 2.1.6(a), which requires that fuel flowmeters be calibrated at least once every four fuel flowmeter QA operating quarters. More detailed information can be found in the attached report.

SWCAA recommends that the incident be documented as a violation of the fuel flowmeter calibration requirements. SWCAA does not recommend that a civil penalty be levied in this case because:

- 1. This is the first such offence.
- 2. This incident did not result in excess emissions.
- 3. Fuel flow data substation was performed as required by 40 CFR 75.

If you have any questions, please do not hesitate to contact me.

Sincerely,

Clint Lamoreaux

Air Quality Engineer

Southwest Clean Air Agency

Wild Horse Project Report for April 2013

<u>Wind Production:</u> April generation totaled 93,296 MWh for an average capacity factor of 47.53%.

Solar Production: The Solar Demonstration Project generated 80.2 MWh in April.

Safety: No lost-time accidents or safety incidents to report in April.

Compliance/Environmental:

The Renewable Energy Center opened for the visitor season on April 1st. Recreation Access Permits for hunting and other recreational activities are being issued from the visitor center.

The 2nd Year Avian and Bat Monitoring Report for the Expansion Area was issued by Western Ecosystems Technology, Inc. on April 19th. A total of eight birds comprising six identified species were found during scheduled searches. Three of the 8 birds found are non-native species and not protected by the MBTA. These include a gray partridge, ring-necked pheasant, and rock pigeon. Two of the 8 birds found are raptors, including a northern harrier and red-tailed hawk. No bats and no federal or state listed bird species or species of concern were found.

The 2012 fatality estimates were calculated by adjusting search results for carcass removal, observer detection bias, and the proportion of project turbines searched. For birds, the overall estimated annual fatality rate is 1.4 birds/MW. For raptors, the overall estimate is 0.22 raptors/MW and the overall bat fatality estimate is zero because no bats were found.

According to the report, the fatality estimates from this study were generally within the range predicted in the permitting documents for Wild Horse. And, compared to other wind energy facilities in the Pacific Northwest, the 2012 bird fatality estimates is on the low end of the range for fatality estimates for Washington and Oregon wind energy projects. The raptor fatality rate of .22 raptors/MW is higher than the Pacific Northwest average (.10 raptors/MW), but only slightly outside one standard deviation of the mean (0.00-0.20) and bat fatality rates are lower than most other wind energy facilities in Washington and Oregon. The report was submitted to TAC members on April 19th and will be discussed further during the next TAC meeting scheduled on June 4th.

Energy Northwest EFSEC Council Meeting May 21, 2013

I. Columbia Generating Station Operational Status

Columbia is currently in day 11 of a 40 day refueling outage. At this time, the schedule and events are generally proceeding as planned. The outage is planned to conclude on June 15th.

There are no events, safety incidents, or regulatory issues to report.

II. WNP 1/4 Water Rights

Energy Northwest continues to work on the proposed lease agreement with the Department of Energy. A meeting between both parties is scheduled for Thursday, May 23rd. The meeting will include senior management and technical delegates from both Energy Northwest and the Department of Energy.



Western Governors' Association Crucial Habitat Initiative



http://www.westgov.org/initiatives/wildlife



2007 Policy Resolution 07-01

2008 Western Governors' Wildlife Council

2009 Western Renewable Energy Zone Initiative

2010 DOE Grant awarded

2013 CHAT Tool On-line State Leads

Others involved: WGA, NatureServe, Heritage Programs, USFS, USGS, ESRI, CSU, other academic researchers







CHAT Objectives



Identify crucial wildlife habitat and key habitat connectivity

Develop a web-based tool to access consistent wildlife information across political boundaries, to inform land use and conservation decisions





Western Governors' Association Wildlife Corridors Initiative, Final Report 2008

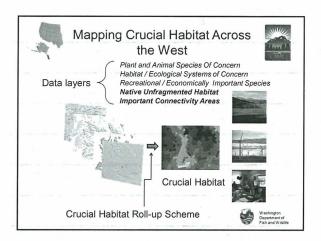


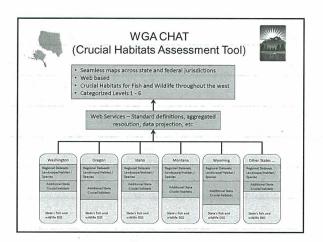


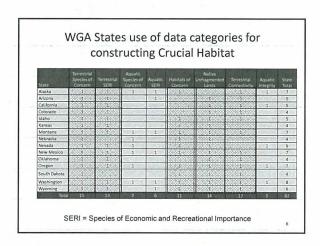


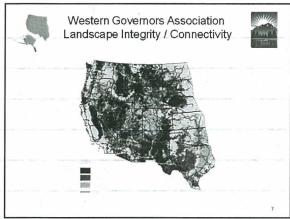


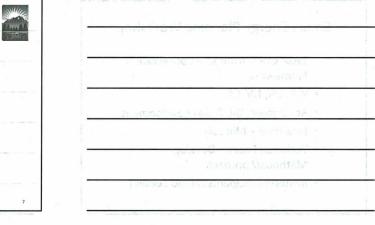




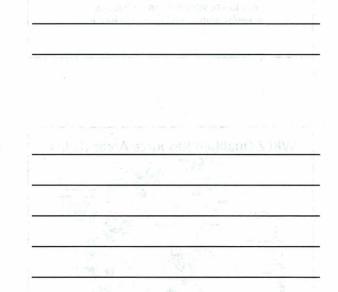


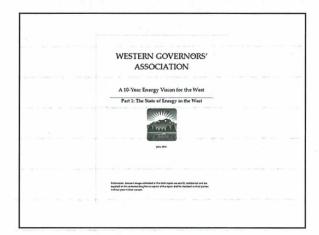












Smart Energy Planning Workshop

- WGA Grant from Yale Conservation Framework
- · WA, OR, NV, CA
- Renewable, Oil, & Gas development
- · Late June Mid July
- Technical Focus Develop Methods/Approach
- Invited Participants (20-30 people)

Summarize Importance of Large Scale Energy Planning Analysis

- Address impact concerns on populations beyond individual animal or site specific level
- Consideration for important ecological values at large landscape levels such as migration routes and areas important for connectivity
- Provides opportunity to identify crucial habitats prior to site selection and design, and minimize/reduce impacts in the future

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Assessing Potential Energy Alternative Futures During Planning Improves:

- Siting decisions
- · Transmission decisions
- Integration decisions
- Making "smart decisions"