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WASHINGTON STATE  
ENERGY FACILITY SITE EVALUATION COUNCIL  
Richard Hemstad Building  
1300 South Evergreen Park Drive Southwest  
Conference Room 206  
Olympia, Washington  
Tuesday, June 16, 2015  
1:30 p.m.

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MONTHLY COUNCIL MEETING  
Verbatim Transcript of Proceedings

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A P P E A R A N C E S

Council Members Present:

BILL LYNCH, Chairman  
LIZ GREEN TAYLOR, Department of Commerce  
CULLEN STEPHENSON, Department of Ecology  
JOE STOHR, Fish and Wildlife  
DAN SIEMANN, Natural Resources  
DENNIS MOSS, Utilities & Transportation Commission

Local Government and Optional State Agencies:

KEN STONE, Department of Transportation  
GREG SHAFER, Clark County  
LARRY PAULSON, Port of Vancouver  
BRYAN SNODGRASS, City of Vancouver

Attorney General's Office:

ANN C. ESSKO, Assistant Attorney General

EFSEC Staff:

CASSANDRA NOBLE, Administrative Law Judge  
KALI WRASPIR  
TAMMY MASTRO  
STEPHEN POSNER  
SONIA BUMPUS  
JIM LASPINA  
JOAN ~~AITKIN~~ AITKEN

Guests:

RICHARD DOWNEN, Grays Harbor Energy  
KEVIN FREEMAN, Cardno ENTRIX  
JAN AARTS, Cardno ENTRIX  
SUSAN DRUMMOND, City of Vancouver (via phone)  
TIM MCMAHAN, Stoel Rives (via phone)  
SHANNON KHOUNNALA, Energy Northwest (via phone)  
GRANT BAILEY, Golder Associates (via phone)  
CONNIE SUE MARTIN, Schwabe, Williamson, and Wyatt  
(via phone)

Olympia, Washington

1:30 p.m.

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P R O C E E D I N G S

CHAIR LYNCH: Good afternoon. Today is June 16th, 2015. It's 1:30 p.m. It is the June regular council meeting for the Energy Facility Site Evaluation Council.

And could we please have the Staff call the role?

MS. MASTRO: Department of Commerce?

MS. GREEN TAYLOR: Liz Green Taylor here.

MS. MASTRO: Department of Ecology?

MR. STEPHENSON: Cullen Stephenson here.

MS. MASTRO: Fish and Wildlife?

MR. STOHR: Joe Stohr's here.

MS. MASTRO: Department of Natural Resources?

MR. SIEMANN: Dan Siemann here.

MS. MASTRO: Utilities and Transportation Commission?

MR. MOSS: Dennis Moss is here.

MS. MASTRO: Local governments and optional state agencies.

Department of Transportation?

1 MR. STONE: Ken Stone is here.

2 MS. MASTRO: City of Vancouver?

3 MR. SNODGRASS: Bryan Snodgrass is here.

4 MS. MASTRO: Clark County?

5 MR. SHAFER: Greg Shafer, here.

6 MS. MASTRO: Port of Vancouver?

7 MR. PAULSON: Larry Paulson's here.

8 MS. MASTRO: Chair, there is a quorum.

9 CHAIR LYNCH: Thank you.

10 I'm going to just have the Council Members  
11 take a quick look at the proposed agenda. Note that, after  
12 we take a look at the -- approve the minutes from the May  
13 meeting, that we're going to be going into executive  
14 session for roughly half an hour. And for now, I'll just  
15 ask if there's any changes to the proposed agenda.

16 Seeing none, let's go ahead and take a look  
17 at the minutes from the May 19th meeting. I would just  
18 note one correction that I -- I found, and that's on  
19 page 14, line 10. On line 10, it makes a reference to "the  
20 internal optimist," instead of "the eternal optimist." An  
21 internal optimist is more like Council Member Stohr. He's  
22 optimistic; he just doesn't tell anybody.

23 MR. MOSS: Chair Lynch, I would note a second  
24 minor correction, ironically enough, to the word "meeting"  
25 on line 22 of page 5, which should be "minutes."

1 CHAIR LYNCH: That's right. Very good.

2 Any other corrections?

3 At this point in time, I'll entertain a  
4 motion to approve the May 19 meeting minutes as corrected.

5 MR. MOSS: Chair Lynch, I would move that we  
6 approve the meeting minutes of May 19th as corrected.

7 CHAIR LYNCH: Do we have a second?

8 MR. STOHR: I'll second.

9 CHAIR LYNCH: It's been moved and seconded  
10 that we approve the May 19th meeting minutes as corrected.  
11 All those in favor say, "Aye."

12 MULTIPLE SPEAKERS: Aye.

13 CHAIR LYNCH: Opposed?

14 Motion carries.

15 And at this point in time, I would like to  
16 announce a brief executive session for the -- pursuant to  
17 RCW 40 -- excuse me -- 42.30.110, sub 1, sub little i, to  
18 discuss with legal counsel potential litigation to which  
19 the agency may become a party.

20 This will last approximately one half hour,  
21 so we -- we should be back by 5 after 2; and with that,  
22 we're in recess for executive session.

23 (A recess was taken from 1:34 p.m. to 2:07 p.m.)

24 CHAIR LYNCH: Let's go ahead and go back on  
25 the record. The Council has finished its executive

1 session, and what I'd like to do is give those people who  
2 are on the phone who wish to identify themselves the  
3 opportunity to do so now.

4 MS. DRUMMOND: Susan Drummond, City of  
5 Vancouver.

6 MR. MCMAHAN: Tim McMahan, Stoel Rives.

7 MS. KHOUNNALA: Shannon Khounnala, Energy  
8 Northwest.

9 (Multiple speakers.)

10 COURT REPORTER: I'm sorry?

11 CHAIR LYNCH: I'm sorry. Let's have the --  
12 the woman go first and then the gentleman afterwards who  
13 just spoke.

14 MS. MARTIN: Thank you, and I'm sorry.  
15 Connie Sue Martin, Schwabe, Williamson, and Wyatt.

16 MR. BAILEY: Grant Bailey with Golder in  
17 Seattle.

18 CHAIR LYNCH: Okay. It's time to move into  
19 our updates for the projects.

20 Kittitas Valley Wind Project. Mr. Melbardis?  
21 Do we have Mr. Melbardis with us?

22 MR. LASPINA: Mr. Melbardis was not able to  
23 join us with us today, so the Kittitas Valley Wind Project  
24 report's on the green paper in your folder.

25 CHAIR LYNCH: And Mr. LaSpina, did you happen

1 to see if there were any things of note?

2 MR. LASPINA: No, sir. The -- the project  
3 representatives were instructed that, unless they have  
4 something nonroutine to report, that it would not be  
5 necessary to call in because we didn't know how long the  
6 executive session would be.

7 CHAIR LYNCH: Okay. Very good. There's --  
8 doesn't appear that -- there's no incidents.

9 And so we'll move ahead to Wild Horse Wind  
10 Power Project. I think I heard Ms. Diaz say she was on the  
11 line. No?

12 Well, let's take a look here to see what  
13 they've reported.

14 MR. LASPINA: Nothing -- nothing routine --  
15 nonroutine to report, Chair Lynch, and their report's on  
16 the pink paper.

17 CHAIR LYNCH: Okay. So we'll move forward to  
18 Grays Harbor Energy Center, and I see Mr. Downen has taken  
19 a seat in front of the microphone. Welcome.

20 MR. DOWNEN: Afternoon, Chair Lynch, Council  
21 Members, and Staff.

22 For the month of May, our operational report,  
23 the only thing off normal there is that we finished up our  
24 maintenance outage in the first week of May, and that's the  
25 only thing nonroutine.

1                   And then I was going to talk about something  
2   that happened in June, which would be in next month's  
3   report, but I figured we could talk about it now since  
4   we've reported it to --

5                   CHAIR LYNCH:   Yes, please go ahead.

6                   MR. DOWNEN:   -- EFSEC Staff, so.

7                   Yesterday, we made the -- submitted our  
8   official report to Mr. LaSpina, and maybe I'll just kind of  
9   do a broad overview and then a summary and then talk about  
10  the actions that we took or that we're in the process of  
11  taking.

12                  CHAIR LYNCH:   Sure.

13                  MR. DOWNEN:   Okay.

14                  CHAIR LYNCH:   But realizing that we'll  
15  probably have -- just kind of keep it on a higher level,  
16  because we'll probably have more of an in-depth report from  
17  you next month.

18                  MR. DOWNEN:   Correct.

19                  So on -- on June 7th -- so this is related to  
20  our outfall, which is the blowdown stream of water that  
21  goes -- leaves our cooling tower basin and it goes to  
22  the -- to the Chehalis River, and it's a monitored  
23  discharge point. We monitor pH, chlorine, and temperature.

24                  And during the routine maintenance of the pH  
25  probe that's in that line, we -- they performed the



1 maintenance on the -- on the line, on the pH probe, and  
2 then the operator put a simulated value of 7.0 pH in to be  
3 able to reopen the -- the outflow fall valve.

4 And it's -- part of that -- part of that  
5 maintenance process is it gets rinsed with various buffers  
6 or tested and -- with various buffers, so it was giving an  
7 erroneous reading, and to -- to establish flow, you have to  
8 open the valve, so you have to simulate the value so that  
9 the valve, which is locked out by that pH probe, will open.

10 So -- so they did that, and then there were a  
11 number -- number of things came up. He forgot that he had  
12 the -- the false value plugged into the system, and it  
13 wasn't -- it was about three days later that someone on  
14 staff noticed that pH hadn't changed in that -- in that  
15 out- -- outfall value, so it was corrected at that point.  
16 The value was -- the false value was removed and -- and pH  
17 read normal.

18 So there's -- there's two pH probes that  
19 monitor that water. One is in the basin, and the pipe  
20 exits the basin and goes to outfall, and there's a pH probe  
21 there. So looking at -- looking at data during that --  
22 that period of time, we're absolutely certain of what  
23 the -- the range of pH fluctuation was during that  
24 three-day period with that -- with that instrument  
25 effectively out of service.

1                   And that -- the basin-level pH varied from a  
2     low of 7.56 to a high of 8.02, which is well within the  
3     limits of the 6 to 9 range that we are permitted to -- to  
4     discharge water.

5                   So -- so our -- the biggest concern that we  
6     had is, did we discharge water outside of -- of our normal  
7     means without -- without knowing it, and the answer to that  
8     is no, we did not, because we have basically two pH probes  
9     that monitor the same -- the same body of water, if you  
10    would call it that.

11                  So -- so we didn't discharge any -- any water  
12    that was outside of our allowed band, but what we did not  
13    do is, with that one pH probe out of service, we're  
14    required to take four-hour grab samples just to validate,  
15    and that -- that wasn't done.

16                  There's normal samples that are taken at the  
17    cooling tower basin twice a day, and -- and those were  
18    always validated that that basin water pH probe was -- was  
19    accurate and tracking.

20                  So the -- the real -- I mean, there's --  
21    there's a few issues, but the big issue permit-wise is that  
22    we weren't taking four-hour grab samples, which is what  
23    we're required to do, and it allows us to operate if that  
24    probe was completely out of service, it was broke and we  
25    didn't have a replacement for it. So that's -- that's kind

1 of big picture what happened.

2 The -- the corrective actions that we've --  
3 we've taken, we -- immediately, we validated that the  
4 two -- that -- that the pH -- that the two locations of the  
5 same -- same piece of water were -- were in agreement with  
6 each other, and we put it back in service, and we -- we  
7 continued on.

8 We called Mr. LaSpina to let him know what  
9 happened, and -- and then these are the -- the corrective  
10 actions that we have -- have taken and that we are planning  
11 to take. So the weekly outfall pH and free chlorine  
12 analyzer calibration procedure's been changed to perform  
13 the final pH probe rinse with a pH 7 buffer.

14 If you rinse it with something outside of the  
15 normal band, it keeps that valve locked out, and you  
16 have -- you have to do something to -- to open that valve,  
17 so -- and we changed the procedure to -- to finally rinse  
18 it with a pH 7 buffer solution so that it would be more in  
19 agreement with what the processed water is.

20 This action will prevent the control valve  
21 from being locked out due to -- to mineralized water or a  
22 lower or higher pH buffer being used to rinse the probe.

23 And we've also made the decision that we're  
24 going to -- we're going to modify the -- going to make a  
25 modification to the plant were -- what we don't have is --

1 is we have the -- the basin, and then we have the discharge  
2 pipe, and then we have a pH probe down here (indicating)  
3 and a pH probe in the basin.

4 So we're going to -- we're going to put in a  
5 flushing line that goes from the -- right before the  
6 outfall valve back to the -- back to the cooling tower  
7 basin so that we can recirculate that and have flow across  
8 that probe prior to needing to open the valve, so we're  
9 going to make that modification. That'll take a little bit  
10 of time, but -- but we -- we think that that's the right --  
11 the right -- the right plant fix.

12 Following actions will be taken to prevent  
13 recurrence of this noncompliance: Each operation's crew  
14 will receive training on the implemented procedure change.  
15 They will also receive training on the limitations for use  
16 of simulated values. Training will occur on the proper and  
17 expected use of the plant logging system. Details of this  
18 event will be reviewed with each operation's crew, and  
19 installation of that piping to allow recirculation.

20 So that's the corrective actions that we've  
21 began -- begun to implement and will continue until they're  
22 done.

23 CHAIR LYNCH: Okay. Thank you, I'm going to  
24 hold off on having Council Members ask Mr. Downen any  
25 questions. Because our Staff just got the report --

1 MR. DOWNEN: Right.

2 CHAIR LYNCH: -- on this, I -- we'd like an  
3 opportunity to have our Staff review and report back to us  
4 with any recommendations.

5 MR. DOWNEN: Okay.

6 CHAIR LYNCH: I appreciate you being here  
7 today to let us know about this.

8 MR. DOWNEN: So I just want to make sure that  
9 everybody understands that -- that no water was discharged  
10 that was outside of -- that -- that's the -- the big  
11 emphasis that I wanted to make sure that you guys know,  
12 that we didn't put any bad water in the river.

13 CHAIR LYNCH: Thank you.

14 MR. DOWNEN: Are there any other questions on  
15 my report? All right.

16 CHAIR LYNCH: All right. Thanks, Mr. Downen.

17 MR. DOWNEN: Thank you.

18 CHAIR LYNCH: Is Mr. Miller here, Chehalis  
19 Generation Facility?

20 Mr. LaSpina?

21 MR. LASPINA: The -- the Chehalis re- --  
22 monthly report's on the light blue paper. They didn't have  
23 anything nonroutine to report.

24 CHAIR LYNCH: Okay. And Council Members can  
25 certainly review their -- the reports from the various

1 projects following the meeting.

2 Columbia Generating Station. Ms. Khounnala?

3 MS. KHOUNNALA: Yes. Good afternoon, Chair  
4 Lynch and Council Members. Reporting for Columbia  
5 Generating Station. Today, reporting that we are in our  
6 final days of our R22 refueling outage. It should be  
7 coming to a close later --

8 COURT REPORTER: I'm sorry. I can't hear.

9 CHAIR LYNCH: I'm sorry, Ms. Khounnala. Can  
10 you -- we are barely able to hear what you're saying, so  
11 could you mind getting a little closer to the phone or  
12 speaking a little louder?

13 MS. KHOUNNALA: Sure. Is that better?

14 CHAIR LYNCH: That's much better. Thank you.

15 MS. KHOUNNALA: Okay. Sure.

16 So today, we just want to report out that our  
17 R22 refueling outage is coming to a close later this week  
18 and this weekend, and it is expected that Columbia will be  
19 resuming online operations the week of June 22nd.

20 To date, we are also happy to report that  
21 there has been no recordable or lost-time injuries during  
22 this refueling outage when, of course, we have a large  
23 number of supplemental staff on site, so we consider that  
24 part of our success here.

25 Outside of that, there are no other events or

1 safety incidents or regulatory issues to report.

2 Any questions regarding Columbia?

3 CHAIR LYNCH: Any questions regarding  
4 Columbia for Ms. Khounnala?

5 Why don't you go ahead and continue on with  
6 WNP 1 and 4?

7 MS. KHOUNNALA: Certainly. In regard to  
8 WNP 1 and 4, the status of that project has not changed  
9 since the last report in that the Department of Energy is  
10 continuing to work with their selected contractor in  
11 scoping and the beginning preparations of a NEPA EA for  
12 implementation of the water rights that were obtained  
13 earlier this year.

14 CHAIR LYNCH: Any questions for  
15 Ms. Khounnala?

16 Very good. Thank you.

17 MS. KHOUNNALA: Thank you.

18 CHAIR LYNCH: And now we're going to have the  
19 project update regarding Tesoro/Savage Vancouver Energy  
20 Distribution Terminal, and Ms. Bumpus, why don't you give  
21 us an update?

22 And Mr. Freeman, why don't you go ahead and  
23 work your way up to the microphone up here, because we're  
24 going to -- following Ms. Bumpus's update, Mr. Freeman,  
25 who's with Cardno, our -- our consultant for the Tesoro

1 project -- and yes, and Jan Aarts is also joining him --  
2 they're going to update us on where we are.

3 But, Ms. Bumpus, please go ahead.

4 MS. BUMPUS: Thank you. Good afternoon,  
5 Chair Lynch and Council Members. I'm going to just give a  
6 couple of updates with respect to the permits to start off.

7 The stormwater NPDES construction permit,  
8 EFSEC received comments from our ecology permit writer  
9 contractor earlier this month. We received those comments,  
10 and EFSEC is reviewing that information and preparing to  
11 submit it to the applicant, and it is requesting some  
12 additional information for development of the NPDES  
13 construction permit.

14 For the stormwater NPDES industrial permit,  
15 the contractor at Ecology is coordinating with EFSEC and is  
16 still reviewing that information, and we do expect that  
17 that review will be complete in the next couple of weeks,  
18 and we'll be coordinating information exchange with the  
19 applicant, so we'll keep you posted on that.

20 For the notice of construction air permit,  
21 that permit is still under -- under review, but is also  
22 being written, and we're coordinating the preparation and  
23 development of that permit with the Ecology contractor, so  
24 again, we'll keep you updated, but that is moving along.

25 At this point, I just want to bring your



1 attention to a letter that is in your packets. This is a  
2 memorandum dated May 28th, 2015, from the U.S. Army Corps  
3 of Engineers with respect to the nationwide permit that the  
4 Corps originally, in early 2014, was anticipating for the  
5 work proposed at the marine terminal for this project.

6 And once you've had a chance to review the  
7 letter, you'll see that they do provide some explanations,  
8 some details. They are going to go the route of a standard  
9 individual permit. Part of that will require that Ecology  
10 and EFSEC and the Corps do some coordination. There's a  
11 public notice that's involved. When the Corps goes out to  
12 comment for the Section 404, we will also coordinate joint  
13 comment on the Section 401.

14 Are there any questions about -- about that  
15 before I continue?

16 CHAIR LYNCH: Any questions so far for  
17 Ms. Bumpus?

18 No. Please continue.

19 MS. BUMPUS: Okay. So I'll move on to the  
20 EIS update. We're still working on the draft environmental  
21 impact statement. We have Jan Aarts and Kevin Freeman here  
22 from Cardno to discuss the work that they're doing with us  
23 and all of the coordination efforts and -- and work that  
24 are -- are ahead.

25 So I'll go ahead and hand this over to Jan

1       and -- and Kevin.

2                   CHAIR LYNCH:   Mr. Freeman and Mr. Aarts,  
3       welcome.   Certainly appreciate how the role of your firm  
4       has changed since you originally bid on this project.   You  
5       were originally going to just review a draft EIS prepared  
6       by another consultant, and that's morphed into not only  
7       preparing a draft EIS but modifying someone else's draft  
8       EIS.

9                   And we certainly also understand and  
10      appreciate that this is a very complex, major project  
11      you're dealing with, but having -- having said all that, we  
12      thought we were on track to get a draft EIS in July, and  
13      could you please tell us -- tell the Council why Cardno  
14      needs some more time, and can you give us some specific  
15      examples regarding that.

16                  MR. FREEMAN:   Sure.   Well, first, good  
17      afternoon, Chairman Lynch, Council Members, Council Staff,  
18      and other guests who are either here or on the phone.

19                  Partial answer to the question you just  
20      asked, Chairman Lynch, is that, as you said, this is a very  
21      complicated project.   As many of you know, we're assessing  
22      impacts not only of the site at the Port of Vancouver, but  
23      we're looking at rail impacts in the State of Washington  
24      along the proposed rail route to the facility.   We're  
25      looking also at vessels and the potential impacts of vessel

1 traffic related to the project on the outbound end of this  
2 terminal project.

3 Some of the -- all of those issues come  
4 together in terms of a risk analysis that we are  
5 conducting. We've engaged Dagmar Etkin to assist us with  
6 that. Dagmar assisted the State of Washington in their  
7 rail analysis that was completed earlier this year, and we  
8 think it's very important that the work we do be consistent  
9 with that work.

10 In addition to the risk analysis -- and by  
11 the way, that does look at rail and vessels -- we have  
12 conducted a seismic hazard analysis at the request of  
13 Council, knowing how important that is to all of you and to  
14 the state.

15 We've brought in the expert support of  
16 Dr. C.B. Crouse and his team from AECOM. Dr. Crouse and I  
17 have worked together over many years. He is an expert in  
18 the Cascadia Subduction Zone and the potential seismic  
19 issues surrounding that zone, and that work is ongoing as  
20 we speak.

21 We also are, you know, looking at fire safety  
22 analyses and emergency response capabilities along the  
23 route; and again, we have expert support to make sure that  
24 our outreach to emergency responders along the corridor is  
25 appropriate and complete.

1                   And interestingly enough, just this week, we  
2                   also outreached to BNSF with the support of your Staff. We  
3                   were able to have a meeting with them to talk about some of  
4                   their response capabilities.

5                   Because of the complexity of the project,  
6                   even though a very large volume of information was provided  
7                   to EFSEC by the applicant, in the work that we have done,  
8                   we have asked and completed nine additional data requests  
9                   and submitted those to the applicant and their consultants  
10                  so that they can provide additional detail or clarification  
11                  where we felt we needed clarification or that there might  
12                  be some additional data that would assist in the impact  
13                  analysis.

14                  CHAIR LYNCH: Let me stop you right there,  
15                  just -- and all of those data requests have been responded  
16                  to?

17                  MR. FREEMAN: Absolutely.

18                  CHAIR LYNCH: Okay.

19                  MR. FREEMAN: Absolutely. In fact, the  
20                  applicant and their consultants have been very forthcoming,  
21                  and we feel that we've had some very important and  
22                  meaningful meetings up to and including over the last week  
23                  relative to vessel traffic, number of vessels in, number of  
24                  vessels out, size of vessels.

25                  And you asked for examples. That's

1     actually -- we'll segue into that as an example.  I mean,  
2     part of what the risk analysis needs to do is to look at  
3     the -- you know, the volume of oil, how is that oil being  
4     transported, and when.

5                 And while there's -- there were descriptions  
6     of that provided within the information that the applicant  
7     initially gave to EFSEC, through the course of discussions  
8     with the applicant, we've clarified some of the vessel mix  
9     and the size of the vessels involved and what the  
10    percentage of various sized vessels is likely to be, both  
11    at the beginning of the project and as the project  
12    proceeds.

13                Now, that's important because the risk  
14    analysis is looking at, what potential is there for a  
15    release?  Even though these are, you know, very  
16    remote-possibility events, we have to look at that because  
17    a release is an important thing to consider in the overall  
18    impact analysis.

19                So we have worked with the applicant to make  
20    sure we clearly understand the number of trains that are  
21    coming to the facility, the maximum number of trains that  
22    would be at the facility on any given day, how many would  
23    be the maximum number transporting the rail route in a day,  
24    and how does that tie into the number of vessels coming in,  
25    the need for storage, and what mix of vessels would be

1 going out.

2 All that is -- is to assist in the risk  
3 analysis that we're performing, and that takes time, and  
4 it's complicated. And again, the applicant's provided us  
5 what we need to get that done.

6 As a result, I think not only of the fact  
7 that we've been asking these questions, but that the  
8 applicant themselves have continued on with their design,  
9 probably moving closer to final design than maybe they  
10 initially were thinking they'd have to be at this point in  
11 time, but they have provided us additional information as a  
12 result of ongoing design efforts, and we're taking that  
13 information.

14 As we get that new information, then that  
15 really has a bit of a ripple effect in the overall resource  
16 analysis, because as we get information on design changes,  
17 then we have to provide that to our resource analysts, and  
18 they have to, you know, decide what are the potential  
19 impacts that could be related to the implementation of  
20 these new design changes.

21 An example that I think is appropriate to  
22 that is -- and -- and I think this again shows the -- the  
23 interaction that's occurring between EFSEC and the  
24 applicant -- a lot more information has been developed  
25 relative to ground improvements at the marine terminal

1 site.

2 That information, you know, includes the  
3 implementation of things called deep-soil mixed panels, and  
4 those are being supported by a combination of stone columns  
5 and jet grout columns.

6 You can imagine that, to do that, you know,  
7 there's the requirement for batch plants and other things  
8 at the facility, and our analysts need to have that  
9 information so that they can go back: Does that impact  
10 traffic in and out of the site during construction? Does  
11 it impact noise? Does it impact air quality? All of these  
12 are the kind of things that we are addressing.

13 And in addition to that, you know, we're  
14 looking at those -- those improvements, those ground  
15 improvements. We're providing those to Dr. Crouse and his  
16 team and having them, you know, look at it, and if they  
17 have any questions, then they're providing those back to  
18 the applicant, so those are examples of the kind of very  
19 complicated interactions that are going on.

20 This is to get us all to a point where we  
21 have a complete and defensible environmental analysis, and  
22 for that reason, you know, the schedule -- more time is  
23 required to get the draft EIS completed.

24 CHAIR LYNCH: I appreciate you mentioning  
25 that we need something -- a product that's complete and

1     defensible, because, I mean, we need them to manage the  
2     project in a manner that's, you know, efficient, but yet we  
3     need to be comprehensive enough so that we're meeting our  
4     responsibilities that we have under the law.

5             And I'd say, at this point in time, now, that  
6     we're less dependent on getting information from the  
7     applicant. I mean, they've responded to numerous requests  
8     of yours and -- and our Staff, and so I -- I think we're at  
9     the point where I want Cardno to provide the Council with a  
10    schedule for the rest of the work on the DEIS, and I would  
11    really like this by the end of this week. We just need to  
12    get the -- the draft EIS done. It's -- so much is tied to  
13    that draft EIS.

14            And in the development of the schedule, I  
15    mean, I -- recognizing that in -- you know, we need to be  
16    both economical, so we need to have an efficient schedule,  
17    but we also need to be realistic in terms of the timing of  
18    it. I know things -- things always come up, and, you know,  
19    that just happens with any project.

20            But I want you to communicate to all the  
21    subconsultants that are working with you that we expect  
22    them to meet the milestones that are established as part of  
23    this schedule in order to have the DES -- DEIS completed.

24            Because when we manage this project, we have  
25    to manage it -- the project well not only for the



1 applicant, but for the community, not only the Vancouver  
2 community, but the entire Washington community and for the  
3 governor. And I think that we also need to -- you know, to  
4 provide assurance that what we're doing is -- is -- you  
5 know, as a Council is that we're managing this project  
6 effectively.

7 And do you believe you can get us a schedule  
8 by the end of this week?

9 MR. FREEMAN: We've discussed that with EFSEC  
10 Council Staff, and we will be working with them this week,  
11 and we believe together, as a team, we can get you that  
12 schedule by the end of the week.

13 CHAIR LYNCH: Okay. Very good.

14 At this point in time, I'll just ask if any  
15 Council Members have any questions or comments.

16 Seems they're in complete agreement with  
17 everything I had to say and you had to say. So with that,  
18 thank you, Mr. Freeman and Mr. Aarts.

19 I did want to say a little bit for those of  
20 you who are listening regarding the -- the project, and I  
21 know that the -- the applicant has asked for a schedule for  
22 the entire project, including permits. And I believe that  
23 establishing a schedule for the main -- for the remainder  
24 of the draft EIS, I believe that's appropriate.

25 I'm not so inclined to do so, however, for

1 the permits, and there's a few reasons for that. First of  
2 all, we contract with other state agencies for the  
3 development of these permits -- permits that we issue, and  
4 I'm pleased that these other agencies have been able to  
5 provide resources for that purpose, but I believe that  
6 establishing a rig- -- a rigid schedule for permit  
7 development is actually counterproductive, and for these  
8 following reasons.

9 One, it requires the Staff to focus on the  
10 per- -- by requiring Staff to focus on the development of  
11 the permits, that's actually diverting these same people  
12 away for the completion of the draft EIS, and that's  
13 necessarily our highest priority right now.

14 Another reason is I'm not going to call a  
15 director of another state agency and tell them they have to  
16 tell their staff to finish up an EFSEC permit by some hard  
17 date when they're already taking an additional work  
18 assignment by working on our projects. I don't think it'd  
19 work in our favor in either the short run or the long run.

20 And once in a while, on a rare occasion,  
21 we've needed to nudge or give a reminder to some staff  
22 person from another agency that we need to have a permit  
23 done, but they've actually been really pretty responsive  
24 when they've done that, and so I don't think requiring them  
25 to have a -- stick to a hard schedule is really needed.

1                   Another reason is SEPA not only informs the  
2 whole project and informs the development of the permits as  
3 well. As the project becomes more defined and the options  
4 are narrowed, that helps with the permit writing, and so I  
5 think that's actually a good thing.

6                   And finally, and most importantly, I think  
7 the permit -- I'm confident that the permit development  
8 will not hold up the overall process. Because after the  
9 DEIS is completed and the adjudication is more underway  
10 than what it is already, the permits can be being  
11 finalized, and I think this is a wise way to sequence the  
12 work that remains to be accomplished.

13                   And regarding the adjudication, we already  
14 have a schedule that has been developed by our ALJ, and  
15 I've spoken to our ALJ recently, and she's going to be  
16 communicating with the parties to suggest that they move  
17 forward with any matters that can be addressed at this  
18 time.

19                   So for example, if there are, say, some  
20 jurisdictional issues that can be raised by a motion,  
21 then -- and it's a -- seems appropriate that that can be  
22 done at this point in time without actually requiring the  
23 completion of the draft EIS, then by all means, I don't see  
24 any reason why we can't go forward and still make progress  
25 on that area.

1                   So I'm still optimistic about us moving  
2 forward expeditiously with this proposal, and I think  
3 having those requests for information which the applicant's  
4 consultant has provided to our consultant, those are in  
5 hand now. I -- I just feel very optimistic about our  
6 way -- our ability to move forward.

7                   Does anybody want to add to that, or any  
8 questions? Very good. Thank you.

9                   Do we have anything else in front of the  
10 Council today?

11                  Hearing none, I'd like to thank everyone for  
12 their appreciation, and we're adjourned.

13                  (Meeting concluded at 2:41 p.m.)

14  
15  
16                               \*    \*    \*    \*    \*

C E R T I F I C A T E

STATE OF WASHINGTON

COUNTY OF KING

I, Ryan Ziegler, a Certified Shorthand Reporter in  
and for the State of Washington, do hereby certify that the  
foregoing transcript of the monthly meeting of the  
Washington State Energy Facility Site Evaluation Council on  
June 16, 2015, is true and accurate to the best of my  
knowledge, skill, and ability.

IN WITNESS WHEREOF, I have hereunto set my hand  
and seal this June 24, 2015.

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RYAN ZIEGLER, RPR, CCR

# Kittitas Valley Wind Power Project

## Monthly Project Update

June 16, 2015

### Project Status Update

#### **May Production Summary:**

MWh 29,176 MWh  
Wind 7.7 m/s or 17.2 mph  
CF 38.9%

#### **Safety:**

No incidents

#### **Compliance:**

Project is in compliance as of June 12th, 2015.

#### **Sound:**

No complaints

#### **Shadow Flicker:**

No complaints

#### **Environmental:**

Nothing non-routine



## Wild Horse

**Wind Production:** May generation totaled 32,247 MWh for an average capacity factor of 15.90%.

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

**Compliance/Environmental:** Nothing to report.



## EFSEC Monthly Operational Report

May, 2015

1. Safety and Training

- 1.1. There were no accidents or injuries during the month of May.
- 1.2. Conducted scheduled and required monthly training.
- 1.3. Conducted the scheduled safety committee meeting.

2. Environmental

- 2.1. Submitted the April Discharge Monitor Report (DMR) for outfall to EFSEC.
- 2.2. Notified EFSEC of RATA and stack test scheduled for the week of 24 August.
- 2.3. Continued dialogue with EPA on PSD amendment 4.

3. Operations & Maintenance

- 3.1. Grays Harbor Energy operated 19 days and generated 221,748 MWh during the month of May.
- 3.2. The capacity factor (CF) was 48.1% in May, and 13.0% YTD.
- 3.3. The availability factor (AF) was 77.3% in May, and 91.4% YTD.
- 3.4. GHE performed the 2015 Spring Maintenance Outage from Apr 25 through May 8.

4. Noise and/or Odor

- 4.1. There were no complaints made to the site during the month of May.

5. Site Visits

- 5.1. There were no site visitors during the month of May.

6. Other

- 6.1. Grays Harbor is currently staffed with 20 personnel. We are in the process of reviewing applications to fill two open operations positions.
- 6.2. Installation of noise monitoring equipment is budgeted and planned for the 2<sup>nd</sup> half of 2015.



**Chehalis Generation Facility----Monthly Plant Report - May 2015**  
**Washington Energy Facility Site Evaluation Council**

**12 April 2015**

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**Safety:**

- There were no recordable incidents this reporting period and the plant staff has achieved 4578 days without a Lost Time Accident.

**Environment:**

- Waste water monitoring results are in compliance with the permit limits for the month of May 2015.

**Personnel:**

- Authorized plant staffing level is currently 19 with 19 positions filled.

**Operations and Maintenance Activities:**

- The Plant began a 45 day major maintenance overhaul of the entire plant on May 2<sup>nd</sup>. The planned end date is Monday June 15, 2015.

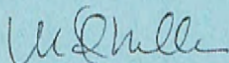
**Regulatory/Compliance:**

- There were no air emissions deviations, waste-water or stormwater deviations or spills during the month of May 2015.
- Sound monitoring: There were no noise complaints to report.

**Carbon Offset Mitigation**

Nothing to report this period

Respectfully,



Mark A. Miller  
Manager, Gas Plant



**Energy Northwest  
EFSEC Council Meeting  
June 19, 2015  
(Shannon Khounnala)**

**I. Columbia Generating Station Operational Status**

Columbia is currently offline for the R22 refueling outage. The plant operated for 683 continuous days leading up to the start of this outage.

The R22 refueling outage is coming to a close mid-June and it is expected that Columbia will resume online operations the week of June 22, 2015. To date, there have been no recordable or lost time injuries.

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

**II. WNP 1/4 Water Rights**

The Department of Energy continues to work on the NEPA Environmental Assessment (EA) for WNP 1/4. Currently, DOE is awaiting the bid from their contractor for preparation of the EA. The NEPA Environmental Assessment will allow a new lease to be signed between EN and the Department of Energy, and thereby allow for use of the water rights obtained in January of this year. The preparation of the NEPA Environmental Assessment is expected to last through the summer and fall of 2015 with formal reviews to follow.

Reference: NWS-2013-962; Tesoro Savage Vancouver Energy Distribution Terminal, LLC

MEMORANDUM FOR RECORD

SUBJECT: Revised Permit Application Evaluation Procedure

1. On 12 February 2014, the U.S. Army Corps of Engineers, Seattle District (Corps) received an application from Tesoro Savage Vancouver Energy Distribution Terminal, LLC for Department of the Army (DA) authorization under Section 404 of the Clean Water Act (CWA) and Section 10 of the Rivers and Harbors Act (RHA) to construct an export terminal along the Columbia River at the Port of Vancouver, in Clark County, Washington. The proposed terminal would transfer up to 360,000 barrels of crude oil per day from train to ship for transport primarily to West Coast refineries. Proposed activities in the Columbia River requiring DA authorization from the Corps include seismic and safety upgrades, installing concrete anchors in existing steel piles, minor configuration modifications to existing mooring facilities, and installing a transfer pipeline on one of the mooring facility piers. The transportation of crude oil to the terminal by rail is not within the Corps' control and responsibility and, therefore, not part of the permit review.
2. Based on its review of the application, the Corps initially determined the proposed upgrades and other modifications, which include replacing decking, mooring hardware and fender systems, installing concrete anchors in existing steel piles, and also removing portions of some overwater structures, could be evaluated for potential authorization by Nationwide Permit (NWP) 3 (Maintenance). The Corps also determined the proposed transfer pipeline, which would include piping, a jib crane, manifolds and related facilities, could be evaluated for potential authorization under NWP 12 (Utility Line Activities). These determinations were based on the Corps' understanding that the DA authorization for the original construction of Berths 13 and 14 (Permit No. 93-25, issued to the Port of Vancouver by Portland District on 12 September 1993) contemplated future use of the berths for cargo handling.
3. As part of the application evaluation process, the Corps conducted further research on the use of the Berth 13 and 14 piers. During conversations with the Port of Vancouver (POV), the Corps learned the piers have been used for lay berthing and, on a few occasions, the provisioning of vessels, but not for cargo loading or unloading. In April 2015, the Corps examined the original 1993 permit decision documents and preliminarily concluded cargo handling was not a use contemplated by the Corps in that original permit decision. The permit documentation contemplates "short and long term" lay berthing, not cargo handling. The short term berthing refers to Ready Reserve Vessels, while long term berthing refers to cargo handling vessels. Because the currently proposed work would facilitate a use for the structure "differing from those uses specified or contemplated for it in the original permit", the proposed work does not meet the terms and conditions of NWP 3.


CENWS-OD-RG

SUBJECT: NWS-2013-962; Tesoro Savage Petroleum Terminal LLC

4. On 6 May 2015, Corps staff met with the applicant and POV to further discuss historic and ongoing use of the Berth 13 and 14 piers. The applicant subsequently submitted additional documentation, including provisioning receipts and a copy of Port of Vancouver Resolution 10-92, which discussed anticipated site improvements at Terminal 4. The Corps reviewed the submitted information and determined it does not sufficiently support the applicant's assertion that use of the Berth 13 and 14 piers for cargo handling was contemplated at the time the original permit was issued. Rather, a plain reading of the original permit application and permit form is that the intended use of the Berth 13 and 14 piers was for lay berthing and not cargo handling. After considering all the available information and completing internal coordination, I have determined the proposed work cannot be authorized by NWP and requires evaluation under the Corps' standard individual permit procedures.

5. Proposed activities requiring Section 10 RHA (only) authorization by the Corps are often evaluated under the Corps' Letter of Permission (LOP) procedures. However, use of the LOP procedures is limited to situations when "the proposed work would be minor, would not have significant individual or cumulative impacts on environmental values, and should encounter no appreciable opposition" (33 CFR 325.2(e)(1)(i)). As with the review under the NWP process, the Corps regulates the proposed in- and over-water work but does not have sufficient control and responsibility over the associated rail transportation to warrant its review under the National Environmental Policy Act. There is appreciable public opposition to this project. The Corps has already received over 17,000 unsolicited email comments, multiple congressional inquiries, and a number of letters of opposition from local governments and Indian tribes. Given this level of opposition, I have determined the proposed project does not qualify for evaluation under LOP procedures.

6. In light of the above, I have directed my staff to continue evaluating this permit application under our standard individual permit procedures, and will notify the applicant accordingly.

  
Michelle Walker  
Chief, Regulatory Branch  
U.S. Army Corps of Engineers, Seattle District

  
Date