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5 WASHINGTON STATE

6 ENERGY FACILITY SITE EVALUATION COUNCIL

7 Richard Hemstad Building

8 1300 South Evergreen Park Drive Southwest

9 Conference Room 206

10 Olympia, Washington

11 Tuesday, December 15, 2015
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14
15 MONTHLY COUNCIL MEETING

16 Verbatim Transcript of Proceedings
17
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19 REPORTED BY: ELIZABETH PATTERSON HARVEY, RPR, CCR 2731
20

21 Buell Realtime Reporting, LLC
22 1325 Fourth Avenue
23 Suite 1840
24 Seattle, Washington 98101
25 206.287.9066 | Seattle
206.534.9066 | Olympia
800.846.6989 | National
www.buellrealtime.com

A P P E A R A N C E S:

Councilmembers Present:

Bill Lynch Chair
Liz Green-Taylor, Department of Commerce
Cullen Stephenson, Department of Ecology
Joe Stohr, Department of Fish and Wildlife
Dan Siemann, Department of Natural Resources
Dennis Moss, Utilities and Transportation Commission

Local Government and Optional State Agency:

Ken Stone, Department of Transportation
Bryan Snodgrass, City of Vancouver (Via telephone)
Greg Shafer, Clark County
Larry Paulson, Port of Vancouver

Assistant Attorney General:

Ann Essko, Assistant Attorney General

Staff in Attendance:

Stephen Posner
Jim LaSpina
Tammy Mastro
Sonia Bumpus
Kali Wraspir
Joan Aitken

Guests in Attendance:

Richard Downen, Grays Harbor Energy Project
Mark Miller, PacifiCorp

Guests in Attendance Via Telephone:

Kyler Danielson, Port of Vancouver
Shannon Khounnala, Energy Northwest
Jennifer Diaz, Puget Sound Energy
Haley Edwards, Puget Sound Energy

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

2 Guests in Attendance Via Telephone (Continued)

3 Eric Melbardis, Horizon Wind Energy

4 Tim McMahan, Stoel Rives

5 Brooks Johnson, The Columbian

6 Tadas Kisielius, Vancouver Energy

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OLYMPIA, WASHINGTON DECEMBER 15, 2015

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
December 15th, the regular monthly meeting of the Energy
Facility Site Evaluation Council.

Will we please have the clerk call the roll.

THE CLERK: Department of Commerce?

MS. GREEN-TAYLOR: Liz Green-Taylor here.

THE CLERK: Ecology?

MR. STEPHENSON: Cullen Stephenson here.

THE CLERK: Fish and Wildlife?

MR. STOHR: Joe Stohr is here.

THE CLERK: Natural Resources?

MR. SIEMANN: Dan Siemann is here.

THE CLERK: Utilities and Transportation
Commission?

MR. MOSS: Dennis Moss is here.

THE CLERK: Local Governments and Optional
State Agencies for the Tesoro Savage project; Department of
Transportation?

MR. STONE: Ken Stone is here.

1 THE CLERK: City of Vancouver?

2 (No response.)

3 THE CLERK: Clark County?

4 MR. SHAFER: Greg Shafer present.

5 THE CLERK: Port of Vancouver?

6 MR. PAULSON: Larry Paulson's here.

7 THE CLERK: Chair, there is a quorum for the
8 regular Council and the Tesoro project.

9 CHAIR LYNCH: Thank you.

10 And I think we're having Staff check to see
11 if the outside phone line is working. I think our outside
12 phone line might be down, but we'll go ahead and proceed.

13 And as always, we are joined by our senior
14 counsel, the inimitable and insightful Ann Essko.

15 And we have also as our court reporter the
16 prodigious and productive Liz Patterson Harvey of Buell
17 Realtime Reporting.

18 And if we could just have you all take a look
19 at the proposed agenda and see if there's any proposed
20 changes?

21 Hearing none, let's go ahead and proceed.
22 We've got two sets of meeting minutes for November 24th.

23 Are there any proposed changes -- let's start
24 first with the minutes from the executive session. Are
25 there any proposed changes?

1 MR. SIEMANN: Chair?

2 CHAIR LYNCH: Yes, Mr. Siemann? If you could
3 turn on your mic, please.

4 MR. SIEMANN: I do see one on page 4 where it
5 says "Chair Lynch: And call D and R" should be "DNR."

6 CHAIR LYNCH: So that's line 7 on page 4.

7 MR. SIEMANN: Department of Natural
8 Resources.

9 MR. POSNER: Chair Lynch, I'd like to make a
10 suggestion for your consideration that we hold off for just
11 a couple minutes, because we have a number of people who
12 were planning on calling in, and see if we can get the
13 phones fixed before we go too far into the Council meeting.

14 CHAIR LYNCH: I thought we could just go
15 ahead and do the approval of the minutes since there's
16 nothing substantive there.

17 MR. POSNER: All right.

18 CHAIR LYNCH: And then after that, we can
19 take a short break if we need to.

20 And I believe there was another one on page--

21 MR. MOSS: I believe it's three lines down
22 from where the correction was just made. The word "little"
23 should be the word "title."

24 CHAIR LYNCH: I see. And so on line 14,
25 instead of "sub little" it's "subtitle."

1 Any other proposed changes to the minutes
2 from the November 24th executive session meeting?

3 If not, I will propose -- I will entertain a
4 motion for the approval as amended.

5 MR. MOSS: So moved, Chair Lynch.

6 CHAIR LYNCH: Do we have a second?

7 MR. SIEMANN: I'll second.

8 CHAIR LYNCH: It's been moved and seconded
9 that the Council meeting minutes from the November 24
10 executive session be approved.

11 All those in favor say "aye."

12 MULTIPLE SPEAKERS: Aye.

13 CHAIR LYNCH: Motion carries.

14 Now if we could please have the Council take
15 a look at the minutes for the regular Council meeting on the
16 24th. And if no one has any suggested edits, I would
17 recommend that those be approved.

18 MR. SNODGRASS: Mr. Chair, I'm not sure you
19 can hear me. Bryan Snodgrass here. We just got entered
20 into the meeting.

21 CHAIR LYNCH: Thank you, Mr. Snodgrass. We
22 have you marked as present now.

23 MR. SNODGRASS: And just a small correction
24 to the regular meeting minutes, which may have been a result
25 of my either stating it wrong or speaking too quickly, but

1 the top of page 41, the first paragraph, last sentence, is
2 talking about the CBR history. And in the current minutes
3 it says "22 CBR accidents involving derailments, of which
4 there were 12 explosions." The correct number should be 20
5 CBR accidents involving derailments, of which there were 12
6 fires and 3 explosions.

7 CHAIR LYNCH: So what you're saying is that
8 -- is the question, Mr. Snodgrass, you're not saying what
9 was -- the minutes are accurate, but you're just noticing
10 that what you said was slightly incorrect?

11 MR. SNODGRASS: I don't know if what I said
12 was incorrect or if it was misrecorded somehow.

13 CHAIR LYNCH: Okay. So either way, we will
14 just make that correction to the minutes. It's simpler.

15 MR. SNODGRASS: Thank you.

16 MR. SHAFER: Mr. Chair, I believe there's a
17 grammatical error here on transcript page 32, line 5. The
18 sentence there, "if there is a spill of this" -- and then
19 the word is "dilbit." I'm not familiar with that. I think
20 it was intended to be "oil," "if there's a spill of this oil
21 in the Columbia" --

22 CHAIR LYNCH: Actually, "dilbit" was what I
23 said --

24 MR. SHAFER: Is that right?

25 CHAIR LYNCH: -- which is -- it's the diluted

1 bitumen. That's the shorthand way it's referred to.

2 MR. SHAFER: Okay. I stand corrected, then.

3 CHAIR LYNCH: I think people often, when they
4 say the word "dilbit," they look at me like I should go by
5 that name.

6 All right. Thank you.

7 Any other suggested edits to the regular
8 meeting minutes for November 24th?

9 MR. MOSS: Chair Lynch, subject to the
10 discussion we just had, I would move that the November 24,
11 2015 minutes be adopted as corrected.

12 CHAIR LYNCH: Do we have a second?

13 MR. STEPHENSON: I'll second.

14 CHAIR LYNCH: It's been moved and seconded
15 that the Council approve the November 24th regular meeting
16 minutes as amended.

17 All those in favor say "aye."

18 MULTIPLE SPEAKERS: Aye.

19 CHAIR LYNCH: Opposed?

20 Motion carries.

21 And this should be a -- just for people's
22 interest today, this should be a rather quick Council
23 meeting today. We have no action items.

24 And I think we can -- oh, at this time I'd
25 like anybody who is on the phone who wishes to identify

1 themselves -- and you're not required to identify yourself
2 -- to do so now.

3 MS. DANIELSON: Kyler Danielson, attorney for
4 Port of Vancouver.

5 MS. KHOUNNALA: Shannon Khounnala, Energy
6 Northwest.

7 MS. DIAZ: Jennifer Diaz for Puget Sound
8 Energy.

9 MS. EDWARDS: Haley Edwards, Puget Sound
10 Energy.

11 MR. MELBARDIS: Eric Melbardis, EDPR.

12 CHAIR LYNCH: Anyone else on the line who
13 wishes to identify themselves?

14 MR. MCMAHAN: Tim McMahan, Stoel Rives.

15 (Multiple speakers.)

16 CHAIR LYNCH: I'm sorry. If I could have --
17 I don't know who to say go first, but there were two people
18 speaking at the same time. So if you could both decide
19 who's going first and then we can have you both re-identify
20 yourselves.

21 MR. KISIELIUS: Sure. This is Tadas
22 Kisielius with Van Ness Feldman on behalf of Vancouver
23 Energy.

24 MR. JOHNSON: And this is Brooks Johnson.
25 I'm a reporter at The Columbian newspaper.

1 CHAIR LYNCH: Thank you. Anybody else?

2 Well, let's go ahead and proceed, then, with
3 updates on our projects.

4 Mr. Melbardis, the Kittitas Valley Wind
5 Project.

6 MR. MELBARDIS: Good afternoon, EFSEC
7 Council, Chair Lynch.

8 The Kittitas Valley Wind Power Project has
9 nothing non-routine to report for the month.

10 However, I did want to point out that today
11 is our fifth-year anniversary of commercial operations.

12 We've spent the past three to four months
13 going through all of our major maintenance, our five-year
14 substation maintenance, thorough turbine inspections, and so
15 wrapping up the year with kind of a milestone for us here.

16 CHAIR LYNCH: Congratulations. Did you say
17 it was your fifth-year anniversary? Congratulations.

18 MR. MELBARDIS: Thank you.

19 CHAIR LYNCH: Any questions for
20 Mr. Melbardis?

21 Thank you.

22 Let's move on to the Wild Horse power
23 project. Ms. Diaz?

24 MS. DIAZ: Thank you, Chair Lynch and
25 Councilmembers.

1 The only non-routine update I have falls
2 under safety. On November 5th, PSE conducted an internal
3 safety audit at Wild Horse. Only two minor findings were
4 listed in the audit report, both of which were corrected
5 that same day.

6 And that's all I have for today.

7 MS. DIAZ: Any questions for Ms. Diaz?

8 Very good. Thank you.

9 We turn to Grays Harbor Energy Center.

10 Mr. Downen?

11 MR. DOWNEN: Good afternoon, Chair Lynch,
12 Council, Staff. My name is Rich Downen. I'm the plant
13 manager at Grays Harbor Energy.

14 And I have nothing non-routine to report.
15 Everything included in our monthly report is fairly routine.

16 CHAIR LYNCH: Very good.

17 Any questions for Mr. Downen?

18 We are just on a roll. Thank you, Mr.
19 Downen.

20 CHAIR LYNCH: Mr. Miller, the Chehalis
21 Generation Facility.

22 MR. MILLER: Good afternoon, Chair Lynch,
23 Councilmembers, and Staff. I'm Mark Miller, plant manager
24 for PacifiCorp Chehalis Generating Facility.

25 I have two non-routine comments to add.

1 As mentioned last month, it may have been
2 confusing. I wanted to clarify that in that report, I
3 reported on the November wastewater sample results and not
4 October's.

5 The October results were within the limits of
6 0.11 milligrams per liter for zinc.

7 And the results from the laboratory on a
8 re-sample taken during the month of November was a zinc
9 reading of 0.15, for an average of 0.875 milligrams per
10 liter. The regulatory limit is 1.4 milligrams per liter.

11 Also, for information, our preliminary
12 December results show 0.16 milligrams per liter.

13 So there's an anomaly in there somewhere that
14 is difficult to sort out.

15 As noted last month also in this report, the
16 plant experienced a catastrophic failure of one of the
17 compressor -- of the compressor section of the Unit 2
18 combustion turbine. The manufacturer, General Electric, had
19 their root cause analysis team on site collecting data, and
20 have not determined the specific cause at this time.

21 And as of last Wednesday of last week, the
22 rotor is in Greenville, North Carolina, undergoing complete
23 rebuild.

24 Are there any questions?

25 CHAIR LYNCH: Yes.

1 MR. STEPHENSON: Thank you, Chair Lynch. Are
2 you saying yes to me?

3 CHAIR LYNCH: Yes. Sorry.

4 MR. STEPHENSON: Mr. Miller, thank you. So
5 the first sample didn't pass, and then resampled, and then
6 that passed?

7 MR. MILLER: Correct.

8 MR. STEPHENSON: How do we work with that?

9 And I know you're going to give us a report,
10 it sounds like, from here. That's great.

11 I wonder, we throw the first sample out, we
12 listen to the second one?

13 Which one do we listen to, and how do we make
14 sense of that and do that right?

15 MR. MILLER: Mr. LaSpina can correct me if
16 I'm wrong. It's the averaging of the results of the three
17 samples. I believe that's the way the regulations look at
18 that.

19 Mr. LaSapina, do you have a different?

20 MR. LASPINA: No.

21 For the Council's information, that permit is
22 held by the Environmental Protection Agency. So they're the
23 regulators on that permit.

24 MR. STEPHENSON: Thanks. So as far as you
25 know, they're within the permit?

1 MR. LASPINA: I honestly haven't looked.

2 MR. STEPHENSON: Okay.

3 MR. MILLER: Our first notification goes to a
4 Mr. Lee at the US EPA. And we update him, contemporaneously
5 update Mr. LaSpina too.

6 Earlier on, this has occurred, over the last
7 decade, maybe two or three times.

8 In the first investigation, the underground
9 metal tanks that have sumps in the plants contained zinc
10 anodes. And those were replaced with manganese anodes for
11 corrosion protection.

12 And a second time, it was a zinc chain
13 hanging in one.

14 And this time it just seems to be somewhat
15 seasonal. The catwalks and whatnot around the facility are
16 all galvanized steel grates. And suspect that, you know,
17 there's some way that it can make its way into the plant
18 internal subsystems.

19 MR. STEPHENSON: Thanks. I'll look forward
20 to the report.

21 CHAIR LYNCH: Thank you, Mr. Stephenson.

22 And just for a little more follow-up on this,
23 Mr. LaSpina or Mr. Miller, so this is a waste discharge
24 permit that's EPA as opposed to an NPDES permit that's
25 issued --

1 MR. MILLER: Correct. Our wastewater
2 discharge system goes to the Chehalis wastewater treatment
3 facility. They're the publicly owned treatment works.

4 CHAIR LYNCH: Oh, POTW. That's right. Okay.

5 So that's -- and my understanding is that
6 EFSEC does not regulate any discharges to any publicly owned
7 treatment works at this time; is that correct,
8 Mr. LaSpina?

9 MR. LASPINA: Yes, Chair Lynch. We do not
10 have delegation from the Environmental Protection Agency for
11 these types of permits. So it's EPA. And the city --
12 basically, EPA bases the permit limits on what the city's
13 POTW can handle.

14 And Mr. Miller is correct. This issue has
15 come up a couple of times. They've done some work to try
16 and determine the cause. But once a year or so, or once
17 every couple of years, it seems to happen.

18 CHAIR LYNCH: And any enforcement of this
19 would be by who?

20 MR. LASPINA: The Environmental Protection
21 Agency.

22 CHAIR LYNCH: EPA. What's that I thought,
23 but I just wanted to understand that. Thank you.

24 Any further questions for Mr. Miller?

25 Thank you for being here today.

1 MR. MILLER: Thank you.

2 CHAIR LYNCH: At this point in time, we'll
3 hear about the Columbia Generating Station. Ms. Khounnala?

4 MS. KHOUNNALA: Yes. Good afternoon, Chair
5 Lynch and Councilmembers.

6 Reporting on Columbia Generating Station this
7 afternoon, we have no nonroutine items to report.

8 CHAIR LYNCH: Any questions for Ms. Khounnala
9 about the Columbia Generating Station?

10 At this point in time, Mr. LaSpina, do you
11 want to give us a quick update?

12 MR. LASPINA: Thank you, Chair Lynch.

13 Please see the white papers in your handout.
14 I'm going to share with you an update on the modification of
15 the NPDES permit.

16 At last month's meeting, Staff informed the
17 Council of the need to modify the Columbia Generating
18 Station NPDES permit to incorporate a recent state appeals
19 court decision.

20 A 30-day public comment process is required
21 prior to finalizing the permit modification.

22 So what you see on these pieces of paper are
23 the correction to the permit in strike-through and
24 underline. It's basically just a couple of sentences that
25 were modified.

1 So the public comment period will begin next
2 Monday, on December 21st, and end on January 21st, 2016.

3 A public hearing will be held at 2:00 p.m. on
4 January 19th during your next Council meeting. At the
5 January 19th meeting, Staff will request the Council
6 provisionally approve issuance of the permit, provided EFSEC
7 does not receive any substantive comments against the
8 proposed modification.

9 I am happy to answer any questions or
10 concerns you may have at this time.

11 CHAIR LYNCH: Any questions for Mr. LaSpina
12 regarding the update to our NPDES permit for the Columbia
13 Generating Station?

14 You might recall that in the lawsuit
15 regarding the NPDES permit, the Thurston County Superior
16 Court judge upheld us across the board on the permit that we
17 issued, but there was one boilerplate provision that was
18 contained in the permit that was deemed unconstitutional --
19 not unconstitutional. It was deemed out of compliance with
20 the law in a lawsuit -- in another lawsuit in front of the
21 state Supreme Court. And they threw out this particular
22 boilerplate language. And this is the language to replace
23 that boilerplate language.

24 So we're putting this out for public comment.
25 And then if it's deemed acceptable, this will be

1 incorporated into the existing permit.

2 Any questions on that?

3 Let's go ahead and Ms. Khounnala, can you
4 update us on WPN 1/4?

5 MS. KHOUNNALA: Certainly. In regard to WPN
6 1/4, there are essentially no changes from the November
7 status.

8 We continue to work with the Department of
9 Energy and their contractor on finalizing the scope for the
10 NEPA environmental assessment that will be forthcoming
11 during the year. We have a meeting planned for late
12 December. If we can't make that meeting, it will occur in
13 early January. So our planning phase is still underway.

14 CHAIR LYNCH: I see.

15 Any questions for Ms. Khounnala regarding
16 WNP 1/4?

17 Okay. Thank you, Ms. Khounnala.

18 And that brings us to the Tesoro Savage
19 Vancouver Energy Distribution Terminal update. Ms. Bumpas?

20 MS. BUMPAS: Good afternoon, Chair Lynch and
21 Councilmembers.

22 I wanted to start off by talking about the
23 permits. I just have a general update about those, that
24 we're still working on those. We are going back to the
25 applicant to request some additional information, and we're

1 going to continue to work with them to get all the
2 information we need. And I'll continue to update you as
3 that progresses.

4 And the next update is concerning the DEIS.
5 The Draft Environmental Impact Statement was issued on
6 November 24, 2015. The comment period is ongoing, and is
7 scheduled to end on January 22, 2016.

8 Since the last Council meeting, there have
9 been some changes to the DEIS meetings and dates, locations
10 that have changed. And I just want to go over those very
11 quickly. They are available on the EFSEC website and they
12 have been noticed.

13 The first Vancouver meeting, public meeting,
14 is scheduled for January 5, 2016. There will be an
15 afternoon session from 1:00 to 4:30 p.m. Then there is a
16 break, and the meeting will resume for an evening session
17 from 6:00 to 11:00 p.m.

18 The next meeting is on January 12, 2016, also
19 in Vancouver. It's scheduled from 5:00 to 11:00 p.m.

20 And those are both going to be held at the
21 Clark County Events Center at the fairgrounds in Hall B.

22 A Spokane meeting is also scheduled for
23 January 14, 2016, from 5:00 to 11:00 p.m. And that's going
24 to be at the CenterPlace Regional Event Center in Spokane
25 Valley, Washington.

1 And that's all I have as far as the updates
2 for the project.

3 CHAIR LYNCH: Any questions for Ms. Bumpas?

4 MS. GREEN-TAYLOR: Chair, I have a question.

5 CHAIR LYNCH: Yes, Ms. Green-Taylor.

6 MS. GREEN-TAYLOR: Thank you, Mr. Chair.

7 Do we have an estimate of how many comments
8 have been received thus far?

9 MS. BUMPAS: Yes, we do. Currently, the last
10 numbers I've seen, which were earlier today, were just over
11 500 comments.

12 MS. GREEN-TAYLOR: And at what point in time
13 will those be available for us to review?

14 Are you going to post them on an ongoing
15 basis or wait until the end of the public comment period?

16 MS. BUMPAS: Well, I think we're still
17 talking about the time that those comments would be
18 available. I do think it's reasonable to expect that it
19 will be after the comment period.

20 And I think that there's been some discussion
21 -- and Stephen may want to comment further on this, but
22 there's been some discussion about posting those on EFSEC's
23 website once we are done with the comment period.

24 MR. POSNER: Yes. The plan at this point --
25 and I think part of it may depend on how many comments we

1 receive. But the plan is since we're working with our
2 consultant, and the majority of the comments are being
3 received through a website, that we will, when the comment
4 period is over, make those available to the public. We'll
5 put them on our website.

6 But we haven't worked out all the details.
7 We weren't planning on posting them as they come in because
8 we're going through a process of review and organizing and
9 categorizing them, that we want to have all of them in
10 before we do that. And we are expecting quite a few
11 comments.

12 MS. GREEN-TAYLOR: Thank you very much.

13 CHAIR LYNCH: Mr. Stephenson? No.

14 Anybody else have -- any other Councilmembers
15 have questions for Staff?

16 Thank you.

17 Turning now to other Council business, I
18 regret to hear Councilmember Liz Green-Taylor is going to be
19 leaving the Council. Today is her last Council meeting.
20 And something about sitting between the two gentlemen that
21 she does and -- at least that's just a guess on my part.

22 Ms. Green-Taylor, do you want to say anything
23 at this time and introduce your replacement?

24 MS. GREEN-TAYLOR: Yes. Thank you, Chair.

25 I just want to say how wonderful it's been

1 working with you all. And I'm really going to miss it.

2 But I have a super good replacement coming on
3 board, Jaime Rossman, and I think Jaime will do an excellent
4 job and that you'll all enjoy working with him.

5 I'm kind of sorry to see this come to an end.
6 But I wanted to make sure that we had a good solid
7 transition and that it happened in a timely fashion so that
8 Jaime can get up to speed before the adjudication on the
9 Tesoro project.

10 CHAIR LYNCH: Thank you. And it's been a
11 pleasure working with you. And we hope you can return to
12 our next Council meeting so that we can give you a more
13 fitting going away.

14 MS. GREEN-TAYLOR: I can do that. Thank you.

15 CHAIR LYNCH: Of course you have to buy your
16 own coffee then.

17 Any further business in front of the Council
18 today?

19 Seeing none, thank you for your
20 participation, and we are adjourned.

21 (Whereupon, the proceedings were
22 concluded at 1:59 p.m.)
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5 CERTIFICATE OF REPORTER)
6 STATE OF WASHINGTON)
7) ss
8 COUNTY OF KING)

9 I, Elizabeth Patterson Harvey, a Certified Court
10 Reporter and Registered Professional Reporter within and for
11 the State of Washington, do hereby certify that the
12 foregoing proceedings were taken by me to the best of my
13 ability and thereafter reduced to typewriting under my
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15 employed by any of the parties to the action, and further
16 that I am not a relative or employee of any attorney or
17 counsel employed by the parties thereto, nor financially or
18 otherwise interested in the outcome of the action.
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20

21 _____
22 Certified Court Reporter in
The State of Washington

My license expires December 21, 2015

Kittitas Valley Wind Power Project

Monthly Project Update

December 15, 2015

Project Status Update

November Production Summary:

Power generated: 13,725 MWh

Wind speed: 5.1 m/s or 11.4 mph

Capacity Factor: 17.4%

Safety:

No incidents

Compliance:

Project is in compliance as of December 11, 2015.

Sound:

No complaints

Shadow Flicker:

No complaints

Environmental:

No incidents

Today is our 5 year anniversary of being commercially operational.

Wild Horse

Below is the monthly operational/compliance update for Wild Horse. Please let me know if you have any questions.

Wind Production: November generation totaled 55,506 MWh for an average capacity factor of 28.28%.

Safety: No lost-time accidents or safety incidents to report in November. PSE conducted an internal safety audit on November 5th. Only 2 minor findings were listed in the audit report, both of which were corrected the same day as the audit.

Compliance/Environmental: Nothing to report.

EFSEC Monthly Operational Report

November, 2015

1. Safety and Training

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

2. Environmental

- 2.1. Submitted the October Discharge Monitor Report (DMR) to WebDMR.
- 2.2. Reviewed the draft RATA Report.
- 2.3. Met with EFSEC, Ecology and AECOM on the proposed Engineering Report arsenic limit.

3. Operations & Maintenance

- 3.1. Grays Harbor Energy (GHE) operated 28 days and generated 369,149 MWh during the month of November.
- 3.2. The capacity factor (CF) was 82.7% in November, and 53.2% YTD.
- 3.3. The availability factor (AF) was 100% in November, and 95.2% YTD.

4. Noise and/or Odor

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

5. Site Visits

- 5.1. There were no site visits during the month of November.

6. Other

- 6.1. Grays Harbor is fully staffed with 22 personnel.

Chehalis Generation Facility----Monthly Plant Report - November 2015

Washington Energy Facility Site Evaluation Council

11 December 2015 2015

Safety:

- There were no recordable incidents this reporting period and the plant staff has achieved 4761 days without a Lost Time Accident.

Environment:

- There were no air emissions or stormwater deviations or spills during the month of November 2015.
- The November waste water sample taken on November 3rd, with the monitoring results received on the 11th of November, identified that the level of zinc measured in the sample was above the threshold effluent limitation of 1.4 mg/L. The actual measurement was 1.6 mg/L. The City of Chehalis and U. S. Environmental Protection Agency were notified as required per section II (Reporting Requirements), subsection D (Non-Compliance Reporting) of the Wastewater Discharge Requirements. The Chehalis Generating Facility submitted this notification of the non-compliance of the applicable discharge limit for zinc, within 24 hours of becoming aware of the value above the threshold limitation.
 - The plants environmental analyst initiated resampling and retesting of the waste water discharge. The follow up results were 0.15 mg/L. We are continuing to investigate the anomaly and address any potential sources of zinc in the system
 - There have been no operational or process changes at the Facility.

Personnel:

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

Operations and Maintenance Activities:

- The Plant generated 111,889 MWhrs in November for a total YTD capacity factor of 24.9%.
- On November 18, 2015 at 10:20 PM, the combustion turbine #2 tripped offline. The trip was caused by the catastrophic failure of the compressor section of the turbine. A blade from the 1st row of the compressor (designated as R-0) liberated and passed through the balance of the compressor and hot gas path, exiting the turbine. The failure is a known concern in the industry with manufacturers, including General Electric, improving the design and robustness of the



compressor blading. The compressor and turbine rotor has been shipped to the General Electric repair facility in Greenville, NC. The length of time required for the repair is estimated to be 15 weeks.

Regulatory/Compliance:

- The Washington State Deputy Fire Marshal has a follow up site visit scheduled for the end of December to review status of annual inspections and code compliance observations.

Sound monitoring:

- There were no noise complaints to report.

Carbon Offset Mitigation

- The installation work of the high efficiency lighting Project will be completed prior to the end of December. One hundred eight LED high bay fixtures and 254 LED tubes and troffers have been installed, saving 183 MWh/year. Additional fixtures have been added to the scope to reach the projected 246 MWh/year energy savings which corresponds to a reduction of 48.7 tons CO2 emissions per year.
- A contract with the selected vendor has been approved for the variable frequency drives (VFD's) for the water treatment reverse osmosis pumps. This system will be installed in the January/February 2016 time frame.
- Design engineering firms and equipment supply vendors are being researched for the VFD's for the closed cooling water system.

Respectfully,

A handwritten signature in blue ink, appearing to read "Mark A. Miller".

Mark A. Miller
Manager, Gas Plant

Energy Northwest
EFSEC Council Meeting
December 15, 2015
(Shannon Khounnala)

I. Columbia Generating Station Operational Status

Columbia is online at 100% power and producing 1160 MWs. The plant has been online for 169 days.

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

II. WNP 1/4 Water Rights

No Change from November status report.

The Department of Energy continues to work on the NEPA Environmental Assessment (EA) for WNP 1/4. ***Energy Northwest, the Department of Energy and their contractor meet in November to finalize the NEPA scope. A follow-up meeting is being planned for December to review the final scope.*** 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 winter and spring 2016 with formal reviews to follow.

Supplemental Fact Sheet for NPDES Permit WA002515-1

Columbia Generating Station

December __, 2015

Whole effluent toxicity (WET) testing is a form of biological monitoring to determine if a wastewater discharge will have toxic effects on organisms that are similar to or the same as those in the receiving water. WET testing is used because it is not possible to develop water quality standards for all of the toxic pollutants possibly found in wastewater discharges. WET testing is also the only method available for assessing the toxic interaction of pollutants.

In 2014, three environmental organizations appealed language in the wastewater discharge permit for the Columbia Generating Station (CGS). Among the issues raised was that the permit language allowed CGS to remain in compliance with the permit after failing a whole effluent toxicity test, as long as CGS took certain subsequent measures. The permit required CGS to conduct additional testing to confirm the presence of toxicity and if present, submit a plan to identify the cause of the toxicity and proposed measures to reduce or eliminate it.

In July 2015, the Court of Appeals ruled in a separate case that a single failed WET test, not deemed anomalous by the Department of Ecology, is a violation of the permit. The Court's ruling is narrow and applies only to compliance testing in permits for which there is an acute or chronic WET limit. The CGS permit contains an acute WET limit.

In October 2015, Thurston County Superior Court remanded the CGS permit to EFSEC solely for modification of Permit Condition S13 Acute Toxicity, for consistency with the earlier Court of Appeals ruling.

The Energy Facility Site Evaluation Committee (EFSEC) has revised the Columbia Generating Station permit in response to the Court's ruling. These revisions are discussed in more detail below.

Proposed Permit Changes

EFSEC has modified special condition S13 Acute Toxicity, specifically S13.B and S13.D to explicitly state that a single failed WET test for acute toxicity, not deemed anomalous by EFSEC, results in a violation of the effluent limit for acute toxicity.

Public Involvement Information

S13. Acute toxicity

S.A. Effluent limit for acute toxicity

The effluent limit for acute toxicity is:

No acute toxicity detected in a test concentration representing the acute critical effluent concentration (ACEC).

The ACEC means the maximum concentration of effluent during critical conditions at the boundary of the acute mixing zone, defined in Section S1.B of this permit. The ACEC equals 11% effluent.

SS.B. Compliance with the effluent limit for acute toxicity

Compliance with the effluent limit for acute toxicity means the results of the testing specified in Section C show no statistically significant difference in survival between the control and the ACEC.

If the test results show a statistically significant difference in survival between the control and the ACEC, and EFSEC has not determined the test result to be anomalous under Section D, and the test is otherwise valid, the result is a violation of the effluent limit for acute toxicity. The Permittee must then immediately conduct the additional testing described in Section ~~CD~~. The Permittee is in compliance with the requirements of Section A if all of the additional tests required by Section C show no significant difference in survival between the control and ACEC. If any toxicity test required by Section C shows a significant difference in survival between the control and the ACEC then the Permittee is in violation of its WET limit.

The Permittee must determine the statistical significance by conducting a hypothesis test at the 0.05 level of significance (Appendix H, EPA/600/4-89/001). If the difference in survival between the control and the ACEC is less than 10%, the Permittee must conduct the hypothesis test at the 0.01 level of significance.