

**Verbatim Transcript of Monthly Council Meeting**  
**Washington State Energy Facility Site Evaluation Council**  
**August 15, 2017**



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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  
August 15, 2017

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MONTHLY COUNCIL MEETING  
Verbatim Transcript of Proceeding

REPORTED BY: ANITA W. SELF, RPR, CCR #3032

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1 A P P E A R A N C E S

2 Councilmembers Present:

- 3 Bill Lynch, Chair
- Jaime Rossman, Department of Commerce
- 4 Cullen Stephenson, Department of Ecology
- Joe Stohr, Department of Fish and Wildlife
- 5 Dennis Moss, Utilities and Transportation  
Commission

6  
7 Local Government and Optional State Agencies:

- 8 Larry Paulson, Port of Vancouver (via phone)
- Ken Stone, Department of Transportation
- Bryan Snodgrass, City of Vancouver (via phone)
- 9 Greg Shafer, Clark County (via phone)

10 Assistant Attorney General:

- 11 Ann Essko, Senior Counsel

12 Staff in Attendance:

- 13 Stephen Posner
- Jim LaSpina
- 14 Tammy Mastro
- Sonia Bumpus
- 15 Joan Aitken
- Ami Kidder
- 16 Christina Potis

17 Guests in Attendance:

- 18 Rich Downen, Grays Harbor Energy
- Mark Miller, PacifiCorp Chehalis Generation
- 19 Facility

20 Guests in Attendance Via Phone:

- 21 Shannon Khounnala, Columbia Generating & WNP 1/4
- Kristen Boyles, Earthjustice
- 22 Haley Edwards, Wild Horse Wind Power Project, Puget  
Sound Energy
- 23 Eric Melbardis, EDP Renewables
- Connie Sue Martin, Port of Vancouver

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1 OLYMPIA, WASHINGTON; AUGUST 15, 2017

2 1:30 P.M.

3

4 CHAIR LYNCH: Good afternoon. Today is  
5 Tuesday, August 15th, it is a little after 1:30 p.m.  
6 and this is the August meeting for the Energy Facility  
7 Site Evaluation Council.

8 Could we please have the clerk call the  
9 roll.

10 THE CLERK: Department of Commerce?

11 MR. ROSSMAN: Jaime Rossman is here.

12 THE CLERK: Department of Ecology?

13 MR. STEPHENSON: Cullen Stephenson, here.

14 THE CLERK: Department of Fish and  
15 Wildlife?

16 MR. STOHR: Joe Stohr is here.

17 THE CLERK: Natural Resources?

18 CHAIR LYNCH: Councilmember Siemann is  
19 excused.

20 THE CLERK: Utilities and Transportation  
21 Commission?

22 MR. MOSS: Dennis Moss is here.

23 THE CLERK: Local Governments and Optional  
24 State Agencies, for the Tesoro project, Department of  
25 Transportation?

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1 MR. STONE: Ken Stone is here.

2 THE CLERK: City of Vancouver?

3 CHAIR LYNCH: Oh, I believe he'll be  
4 joining us shortly.

5 THE CLERK: Clark County?

6 MR. SHAFER (by phone): Greg Shafer's on  
7 the phone.

8 THE CLERK: Port of Vancouver?

9 MR. PAULSON (by phone): Larry Paulson's  
10 on the phone.

11 THE CLERK: Chair, there is a quorum for  
12 the regular Council and for the Tesoro project  
13 Council.

14 CHAIR LYNCH: Thank you.

15 And if we could have the councilmembers  
16 just take a quick look at the proposed agenda to see  
17 if there's any suggested changes.

18 Hearing none, let's move forward. And at  
19 this point in time, I'd like to have people on the  
20 phone who haven't already identified themselves to  
21 identify themselves if they wish, but you're not  
22 required to.

23 MR. MELBARDIS (by phone): Eric Melbardis,  
24 EDP Renewables.

25 MS. KHOUNNALA (by phone): Shannon

1 Khounnala, Energy Northwest.

2 MS. EDWARDS (by phone): Haley Edwards  
3 with Puget Sound Energy.

4 MS. BOYLES (by phone): Kristen Boyles,  
5 Earthjustice.

6 MS. MARTIN (by phone): Connie Sue Martin  
7 for the Port of Vancouver.

8 CHAIR LYNCH: Anyone else?

9 Okay. Let's go ahead and turn to the  
10 minutes from the July 18th meeting. I have one  
11 suggested change on page 15, line 5. There's a  
12 reference to "soot fencing" and it should be "silt  
13 fencing."

14 Does anyone else have any edits that  
15 they'd like to flag for the Council? I think  
16 Councilmember Stephenson is thinking that they should  
17 also have installed soot fencing; is that correct?

18 MR. STEPHENSON: Yes.

19 CHAIR LYNCH: I see.

20 At this point in time, I will entertain a  
21 motion to approve the July 18th minutes as amended.

22 MR. MOSS: Chair Lynch, I move the  
23 approval of the July 18th, 2017, minutes as amended  
24 this morning.

25 CHAIR LYNCH: Do we have a second?

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1 MR. ROSSMAN: I'll second.

2 CHAIR LYNCH: It's been moved and seconded  
3 that we approve the July 18th, 2017, minutes as  
4 amended.

5 All those in favor, say "Aye."

6 MULTIPLE SPEAKERS: Aye.

7 CHAIR LYNCH: Motion carries.

8 At this point in time, we'll turn to our  
9 facility updates, and first Mr. Melbardis for the  
10 Kittitas Valley Wind Project.

11 MR. MELBARDIS: Good afternoon, EFSEC  
12 Council. This is Eric Melbardis with EDP Renewables  
13 for the Kittitas Valley Wind Power Project. We have  
14 nothing nonroutine to report for the period.

15 CHAIR LYNCH: Any questions for  
16 Mr. Melbardis? Thank you, Mr. Melbardis.

17 Oh, actually, before -- I don't know if  
18 the outside people stay on for the entire meeting or  
19 not, but at this point in time, I'd like to announce  
20 that, because there's nothing pressing during the  
21 month of September in terms of a need for a council  
22 meeting, I think the time would be better spent if we  
23 just all keep working on what we're working on.

24 So I'm going to cancel September's council  
25 meeting, and if our facilities can just provide a

1 two-month report at the October meeting, that would be  
2 great.

3 Okay. Thank you.

4 Ms. Diaz, Wild Horse Wind Power Project.  
5 Is she here? Mr. LaSpina, do you have anything to  
6 mention regarding Wild Horse? I think they had a TAC  
7 update or something, eagle update.

8 MR. LASPINA: Chair Lynch, I heard Haley  
9 Edwards identify herself. She's also with PSE.

10 So is Haley on the line?

11 MS. EDWARDS: I am on the line. I know  
12 Jennifer was planning on calling in, but she's off  
13 site today so she may be having technical  
14 difficulties.

15 There isn't anything nonroutine to report.  
16 I do have an eagle update.

17 PSE continues to work closely and  
18 diligently with the Fish and Wildlife Service on  
19 completing the Eagle Conservation Plan and the related  
20 Environmental Assessment. And in order to obtain an  
21 Incidental Eagle Take Permit, the measures that are  
22 described in the ECP would be incorporated into the  
23 Incidental Take Permit as permit conditions.

24 PSE recently met with the Fish and  
25 Wildlife Service to review the latest revisions to the

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1 ECP, and through additional coordination with the  
2 Service, there are a few sections to be further  
3 refined. Once those items are complete, the Service  
4 will provide information to complete the Environmental  
5 Assessment.

6           Once the Eagle Conservation Plan is  
7 finalized, PSE will provide a copy to EFSEC and to  
8 TAC, and then once the final Environmental Assessment  
9 is completed, the Fish and Wildlife Service will  
10 release the EA in the Federal Register for public  
11 review and comment, and then will make a determination  
12 on whether to issue an Incidental Eagle Take Permit  
13 for Wild Horse.

14           In order to obtain an Incidental Eagle  
15 Take Permit, it is required to resolve past take [sic]  
16 of eagles through a standard settlement agreement  
17 process. PSE has entered into a standard civil  
18 settlement agreement with the Fish and Wildlife  
19 Service to resolve the four eagle fatalities at Wild  
20 Horse.

21           When developing the settlement agreement,  
22 the Service considered the previous actions PSE has  
23 taken in an effort to mitigate the fatalities, such as  
24 providing funding to Hawk Watch International and Blue  
25 Mountain Wildlife Rehab, as well as conservation

1 measures implemented under the SCA.

2 Under the settlement, PSE will implement  
3 corrective actions in the form of research and  
4 development of eagle detection and deterrent  
5 technologies and report to the Fish and Wildlife  
6 Service.

7 CHAIR LYNCH: And Haley, can you remind me  
8 of your last name, please?

9 MS. EDWARDS: Edwards.

10 CHAIR LYNCH: Edwards?

11 MS. EDWARDS: Yes.

12 CHAIR LYNCH: Thank you.

13 Ms. Edwards, what I would like a little  
14 bit better understanding of is, it says the Eagle  
15 Conservation Plan, after it's finalized, a copy is  
16 provided to the TAC. But do they have any input  
17 regarding the settlement agreement with the feds, with  
18 the US Fish and Wildlife Service, or is it just in  
19 terms of what's the appropriate corrective measures?

20 MS. EDWARDS: The settlement agreement  
21 process is a standard template that the Fish and  
22 Wildlife Service developed, and it's available --  
23 there was a chief directive that came out in November  
24 of -- I can't remember if it was last November, I  
25 think it was, and so that outlines the specific

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1 prescriptions that would go into a settlement, so  
2 that's a confidential process between PSE and the Fish  
3 and Wildlife Service.

4 CHAIR LYNCH: Okay.

5 So the role of the TAC at this point,  
6 then, is just to receive a copy of the plan once it's  
7 finalized and review it and then incorporate that into  
8 their other measures; is that correct?

9 MS. EDWARDS: Correct.

10 CHAIR LYNCH: Okay.

11 MS. EDWARDS: Yes. And the Eagle  
12 Conservation Plan and the settlement agreement process  
13 are separate, but in order to complete an ECP and  
14 obtain a permit, you must resolve those prior eagle  
15 fatalities. And the way to do that is through a  
16 settlement agreement.

17 CHAIR LYNCH: Okay.

18 Any questions for Ms. Edwards?

19 Thank you. Let's move on.

20 MS. EDWARDS: Thank you.

21 CHAIR LYNCH: Ms. Knaub, Energy Northwest?

22 MS. KHOUNNALA: Yes. So Debbie Knaub is  
23 actually out of the office today, so it's me, Shannon  
24 Khounnala, filling back in to address the Council.

25 CHAIR LYNCH: We like you so much better.

1 MS. KHOUNNALA: In regard to -- we'll  
2 start off first with Columbia Generating Station, and  
3 I would like to provide a brief update to the Council  
4 which is not on your report that was prepared last  
5 week.

6 And the update we have is regarding a  
7 recent event with one of our radwaste shipments.  
8 While I've provided the Council updates this past  
9 spring and the winter of a shipment that occurred last  
10 November where we used an improper container for a  
11 low-level radwaste shipment, you may have seen some  
12 recent news or newspaper articles regarding another  
13 low-level radwaste shipment event that occurred this  
14 past July.

15 The most recent shipment followed our new  
16 processes and procedures to prevent a repeat of  
17 sending the waste in the wrong container.  
18 Unfortunately, the new processes and procedures didn't  
19 prevent a human performance error of providing the  
20 wrong manifest document to the driver.

21 Specifically, in this case, there was an  
22 original version of the manifest and a revised version  
23 of the manifest that we prepared, and we failed to  
24 provide the revised version.

25 In regard to the shipment itself, the US

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1 Ecology disposal site did accept our shipment once we  
2 provided the correct manifest. And while our disposal  
3 privileges are suspended with the Department of  
4 Health, the Department is ready to reinstate our  
5 shipping privileges once we transmit a response to  
6 them containing our cause determination.

7 I will say that we're taking our time with  
8 our cause determination so that we get this right. We  
9 have the ability to store waste for prolonged periods  
10 of time, and we will do so until such time that we  
11 believe we're ready to fully address the gap in this  
12 performance.

13 In terms of safety, and I think the  
14 message that often gets lost in news reporting, is  
15 that this did not have a risk to the public health or  
16 the environment. However, it certainly exposed that  
17 our new processes and procedures did not prevent this  
18 human error, and it is a deeply embarrassing  
19 occurrence.

20 For now our evaluation is ongoing. It  
21 contains members of our executive team participating  
22 in our evaluation. And our expectation is that we  
23 will respond to the Department of Health in the coming  
24 weeks once we feel we are ready to do so.

25 At this time, if there's any questions

1 about this event, I will try to answer them.

2 Otherwise, we don't have any other updates to report  
3 out for Columbia Generating Station.

4 CHAIR LYNCH: Any questions for  
5 Ms. Khounnala? Yes, Councilmember Stephenson.

6 MR. STEPHENSON: Thank you, Chair Lynch.

7 This may be a question for EFSEC staff,  
8 but as a councilmember, I hear good commentary from  
9 Ms. Khounnala about this incident and that things are  
10 fine. What's our responsibility to make sure that  
11 that's correct?

12 CHAIR LYNCH: We have no responsibility  
13 over this particular area. She's just --  
14 Ms. Khounnala's just updating us about what's  
15 happening at the facility, but EFSEC does not regulate  
16 hazardous waste or radwaste shipments.

17 So though having worked on this area  
18 before, people have to rely upon those manifests. I  
19 mean, it's -- even though it's not -- even though the  
20 waste itself was acceptable, this is an area where  
21 paperwork is -- it's really important. You need to  
22 get it right.

23 So Mr. LaSpina?

24 MR. LASPINA: I just wanted to clarify for  
25 Councilmember Stephenson, there may be some confusion

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1 because EFSEC was delegated the authority to issue  
2 radionuclide emissions licenses, but only -- in only  
3 that area are we delegated any of Department of Health  
4 responsibilities. We have no -- no authority  
5 whatsoever, no jurisdiction whatsoever over radwaste  
6 shipments, and we're not delegated that.

7 CHAIR LYNCH: Correct.

8 And Ms. Khounnala, do you have anything  
9 else for us today?

10 MS. KHOUNNALA: No, certainly not in  
11 regard to that. And just to emphasize that really  
12 providing the Council an update on that is meant to  
13 keep you informed as best as possible. Certainly when  
14 Energy Northwest and Columbia Generating Station  
15 appear in the news, we want to be as forthcoming and  
16 transparent as possible to the Council as well.

17 CHAIR LYNCH: Thank you, Ms. Khounnala.  
18 And we appreciate the updates, because people often  
19 ask us as councilmembers these questions. And even  
20 though it's not within our jurisdiction, it's nice to  
21 be able to know what's going on.

22 MS. KHOUNNALA: Absolutely. We recognize  
23 that.

24 CHAIR LYNCH: Thank you.

25 Mr. Miller, Chehalis Generation Facility?

1 MR. MILLER: Good afternoon, Chair Lynch,  
2 councilmembers and Staff. I'm Mark Miller with the  
3 PacifiCorp Chehalis Generation Facility.

4 I have nothing nonroutine to report today,  
5 but if there are any questions from this report or  
6 past reports, I'd be happy to answer them.

7 CHAIR LYNCH: Any questions for  
8 Mr. Miller? No questions.

9 MR. MILLER: All right. Thank you.

10 CHAIR LYNCH: Thanks for coming.

11 Now we'll turn to Mr. Downen, Grays Harbor  
12 Energy Center.

13 MR. DOWNEN: Good afternoon, Chair Lynch,  
14 councilmembers and Staff.

15 The only two nonroutine things I would say  
16 on our report are items 2.5 -- oh, and I'm Rich  
17 Downen, plant manager at Grays Harbor Energy.

18 Item 2.5 just talks about Approval  
19 Conditions 2, 5 and 6 of the Cooling Tower Notice of  
20 Construction. It's just the paperwork wrap-up of the  
21 cooling tower replacement project. So we submitted  
22 those, and I believe since this report came out that  
23 those were accepted by ORCAA and EFSEC staff so --

24 CHAIR LYNCH: In fact, the NOCs were  
25 approved by this Council -- issuance of the NOCs were

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1 approved by this Council previously, and that's when  
2 we were saying why are issuing -- why do we have to  
3 issue an NOC when we have this other permit in place,  
4 but --

5 MR. DOWNEN: Right.

6 CHAIR LYNCH: Okay. Good. Thank you.

7 MR. DOWNEN: And really that -- that all  
8 worked out, that that notice was required because of  
9 the change in the drift eliminator efficiency, which  
10 is what these conditions are tied to so...

11 The other item is item 2.6, and it's just  
12 a further -- further report on the arsenic and mercury  
13 levels in the outfall samples, that they are  
14 continuing to drop, and these were below the minimum  
15 level documented in the draft engineering report that  
16 was done before the cooling tower replacement.

17 In a conversation -- just as a follow-up  
18 to that, last week there was a conversation with I  
19 believe it was -- I can't remember the party, but it  
20 was -- their assessment was that the only arsenic in  
21 the outfall at this point is dissolved and is due to  
22 cycling up of the water that's coming from the raining  
23 well.

24 So that's -- that's what we had  
25 anticipated and that will -- that will get documented

1 in a more official manner as we start doing the post  
2 cooling tower replacement sampling regime that's  
3 actually starting this week. So that's good news.

4 And I didn't have anything else.

5 CHAIR LYNCH: Any questions for  
6 Mr. Downen?

7 Mr. LaSpina, did you want to add something  
8 regarding expectation of a -- or a possibility of a  
9 PSD coming our way?

10 MR. LASPINA: Thank you, Chair Lynch.

11 There's been a long running effort to  
12 revise the Grays Harbor Energy PSD -- the existing  
13 Grays Harbor Energy PSD permit.

14 With the recent approval of our SIP, we  
15 were able to -- EFSEC was able to work with Ecology  
16 and ORCAA permit writers -- that's the Olympia Region  
17 Clean Air Agency -- they are nearing completion of a  
18 draft.

19 And after some internal review and review  
20 by the permittee's people, we are proposing to go to  
21 public notice with the permit probably in late  
22 October. We foresee seeking the Council's approval to  
23 go to public notice at the October council meeting.  
24 And then once we got that approval, we would start  
25 public notice soon after. And that just assumes that

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1 there's not going to be any new surprises or anything  
2 like that.

3 CHAIR LYNCH: And the big difference, as  
4 Mr. LaSpina said, is the -- because we have the SIP  
5 approved now by EPA, we no longer have to co-issue the  
6 air permits with EPA. In this current one, which has  
7 been -- Grays Harbor has a PSD permit now, but people  
8 don't know what it means, that's the problem, and it's  
9 been that way for over eight years.

10 So by us getting our own authority to  
11 issue these permits, we can actually have a functional  
12 PSD permit that everybody understands and can  
13 implement and we can put this matter to bed, which it  
14 is a long time coming, and we appreciate Grays Harbor  
15 Energy's efforts working with us to help make this  
16 happen.

17 MR. DOWNEN: Looking forward to it being  
18 behind us.

19 CHAIR LYNCH: Very good.

20 Any questions for Mr. Downen?

21 All right. Tesoro/Savage Vancouver Energy  
22 Distribution Terminal project update, Ms. Bumpus.

23 MS. BUMPUS: Thank you. Good afternoon,  
24 Chair Lynch and councilmembers.

25 I'll start with my SEPA update. With the

1 exception of Air Quality and Environmental Health  
2 Impact Analysis in the document, we've completed  
3 several sections of the FEIS. We are meeting with  
4 Mr. Posner this week to talk about the impacts that  
5 have been assigned and the mitigation measures that  
6 have been developed. So we're going to be talking  
7 about that.

8 I foresee we'll have a couple more  
9 discussions as we finalize the rest of the document.  
10 I mentioned a while ago that this is with the  
11 exception of Air Quality and Environmental Health, and  
12 that's because we are working with the applicant, and  
13 have been working with the applicant for several weeks  
14 to obtain additional information that's needed to  
15 complete that assessment.

16 So on June 30th we had some information  
17 that was provided, and then we sent them a memo, dated  
18 July 17th, where we asked for a pretty comprehensive  
19 list of information that we need. And as of  
20 yesterday, it looks like we've received the last of  
21 those requests, so our consultants are reviewing that  
22 information now. If we find that we need more  
23 information from them, or we need more clarification  
24 about the information they've provided, we'll keep  
25 working with them until we have it.

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1                   And one last thing on that. Once the  
2 information's incorporated into the document, we will  
3 again have a discussion with Mr. Posner about what  
4 those impacts are in those respective sections, and  
5 what the mitigation measures are that Staff proposes.

6                   Before I move on to permits, are there any  
7 questions about the SEPA work?

8                   CHAIR LYNCH: Any questions for Ms. Bumpus  
9 regarding SEPA?

10                  Please continue.

11                  MS. BUMPUS: Okay. For the notice of  
12 construction, last month we had approximately 2,500  
13 comments or so that were in the database, and as we've  
14 continued to go through the submissions, we are now at  
15 about 2,970 comments that EFSEC staff and the permit  
16 writer will need to go through. Some of these may be  
17 non-substantive. That's still to be determined. But  
18 in any case, we've definitely found additional  
19 comments that we need to look at. So that's where we  
20 are. I'll keep you updated on how that work  
21 progresses, but we certainly have found additional  
22 comments that we need to look at.

23                  For the NPDES Construction Permit, I don't  
24 have any substantial updates there. The number of  
25 comments in the last update from the database is there

1 were about 183 comments to address there. And those  
2 have been worked on. I don't have the number of how  
3 many are resolved at this point, but we'll need to  
4 double-check all of those.

5 For the NPDES Industrial Stormwater  
6 Permit, we currently have 86 comments. It's in public  
7 comment now. On July 18th, the Council made a  
8 tentative determination to issue for public comment  
9 the Draft NPDES Permit, and we noticed that on  
10 July 19th, and the public comment will end on  
11 August 22nd.

12 So we have been working to line up the  
13 meeting logistics for the August 22nd meeting in  
14 Vancouver, and I'll just go over the timeline and  
15 where that's going to be.

16 It's going to be held in Vancouver at the  
17 Clark College Columbia Technical Center. The address  
18 is 18700 SE Mill Plain Boulevard. The meeting will  
19 begin at 1:00 p.m., and will close at 9:00 p.m. or  
20 until last speaker. This information is all on  
21 EFSEC's website. We're going to have a dinner break  
22 between 4:00 and 5:00 p.m.

23 And that's all I have. That concludes my  
24 update.

25 CHAIR LYNCH: Any questions for Ms. Bumpus

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1 about her updates?

2 Mr. Posner, do you want to proceed with  
3 the application extension?

4 MR. POSNER: Yes.

5 Good afternoon, Chair Lynch,  
6 councilmembers. In your packets is a letter from  
7 Vancouver Energy. It is dated August 11th, and it is  
8 a request to extend the application processing time.  
9 We are currently operating under an expiration date of  
10 August 31st, 2017. This will extend it -- this  
11 request would extend it out till November 30th, 2017.

12 We've had a number of these requests  
13 before this one, and this is allowed under RCW  
14 80.50.100, which allows for extensions which are  
15 mutually agreed to by the applicant and the Council.

16 So Staff recommendation is to approve this  
17 request. I can answer questions if councilmembers  
18 have any. We also have Jared Larrabee representing  
19 Vancouver Energy here if councilmembers have any  
20 questions of him.

21 And that's all I have.

22 CHAIR LYNCH: Thank you, Mr. Posner.

23 I agree with the recommendation to approve  
24 this extension till the end of November. I think this  
25 appears to be realistic.

1 Do we have any questions for Mr. Posner?

2 In that case, I would entertain a motion  
3 to extend the processing of the Tesoro/Savage  
4 application till the end of November as requested.

5 MR. STONE: So moved.

6 CHAIR LYNCH: Do we have a second?

7 MR. STEPHENSON: Second.

8 CHAIR LYNCH: It's been moved and seconded  
9 that the Council approve the requested extension for  
10 the Tesoro/Savage proposal until the end of November.

11 All those in favor, say "Aye."

12 MULTIPLE SPEAKERS: Aye.

13 CHAIR LYNCH: Opposed? Motion carries.

14 MR. SNODGRASS (by phone): Brian Snodgrass  
15 on the phone says "aye" as well.

16 CHAIR LYNCH: Thank you, Mr. Snodgrass. I  
17 thought I could tell your breathing.

18 Let's see. Is there any further  
19 information to come before the Council regarding  
20 Tesoro/Savage?

21 MR. POSNER: None that I have.

22 CHAIR LYNCH: Okay. So let's just turn to  
23 Other. And I wanted to give the Council another look  
24 at that proposed rule that we have underway.

25 I've got -- and I wanted to point out a

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1 small change to WAC -- the change we're making to WAC  
2 463-76-062, and we didn't have -- if you look on  
3 subsection (1), after the word "modified," we are  
4 striking the words "suspended or," and after "revoked  
5 in whole or in part," we're adding the words "or  
6 terminated."

7 And the reason we're doing that is because  
8 we're making it consistent not only with Ecology's  
9 rule but with federal law. Under federal law, you  
10 really -- you're not even able to suspend an NPDES  
11 permit, but you can terminate an NPDES permit.

12 So that's -- while we're going through  
13 making this one change, we thought we'd do this  
14 consistency change as well. So we'll just have it in  
15 front of the Council, and that rulemaking proposal is  
16 on its way.

17 Mr. LaSpina, did you want to add anything  
18 about where we are in the process?

19 MR. LASPINA: Yes, Chair Lynch.

20 The public notice will appear in the State  
21 Register starting tomorrow, August 16th, and public  
22 notice will run through September 15th. And it is the  
23 CR-101, which is the pre -- I don't remember the exact  
24 term, but it's the initial rulemaking notice to the  
25 public that lets the public know that we are doing

1 rulemaking.

2                   And after that, the Council -- Staff and  
3 the Council will consider comments, and later on issue  
4 a CR-102, which -- which unlike the CR-101, the CR-102  
5 is very specific. And that starts another 30-day --  
6 roughly 30-day public notice. We get public comments  
7 and consider those comments and then issue a CR-103,  
8 which is an Order of Adoption. So that's basically  
9 the process in summary.

10                   CHAIR LYNCH: Any questions for  
11 Mr. LaSpina on the rulemaking?

12                   I just wanted to let councilmembers know  
13 that the August 22nd meeting in Vancouver, that will  
14 be my last meeting as a member of the EFSEC Council.

15                   I intend to stay on with the Council  
16 through the end of September, or maybe the end of the  
17 first week of October. I think we can still move  
18 forward with our work. I'll be providing a letter to  
19 the governor in the next couple of days regarding  
20 that.

21                   But I need to say that the main reason for  
22 this action is I've been tired of the continued --  
23 and I'll just call it the attempted usurpation of this  
24 Council's as well as this Staff's decision-making  
25 authority, and that's being done by some people within

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1 the Attorney General's office. And I think this job  
2 is hard enough.

3 And with that, we're adjourned.

4 (Hearing concluded at 2:02 p.m.)

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STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF KING )

I, ANITA W. SELF, a Certified Shorthand Reporter in and for the State of Washington, do hereby certify that the foregoing transcript is true and accurate to the best of my knowledge, skill and ability.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 28th day of August, 2017.

*Anita W. Self*



ANITA W. SELF, RPR, CCR #3032

# Kittitas Valley Wind Power Project Monthly Project Update

August 15, 2017

## Project Status Update

### **July Production Summary:**

Power generated: 47,286 MWh  
Wind speed: 10.4 m/s  
Capacity Factor: 63.1%

### **Safety:**

No incidents

### **Compliance:**

Project is in compliance as of August 11<sup>th</sup>, 2017

### **Sound:**

No complaints

### **Shadow Flicker:**

No complaints

### **Environmental:**

No incidents

## Wild Horse Wind Facility

### Monthly Compliance Report - July 2017

Below is the operational/compliance update for July. As requested by Chair Lynch, below is an update on the status of the Eagle Conservation Plan and Eagle Take Permit. Going forward, routine updates will be provided to EFSEC on a monthly basis. Please let me know if you have any questions.

#### **Safety**

No lost-time accidents or safety injuries/illnesses.

#### **Compliance/Environmental**

Nothing to report.

#### **Operations/Maintenance**

Nothing to report.

#### **Wind Production**

Generation totaled 54,057 MWh for an average capacity factor of 26.65%.

#### **Eagle Update**

- PSE has entered into a standard civil Settlement Agreement with USFWS to resolve the four eagle fatalities at Wild Horse. When developing the Settlement Agreement, the Service considered the previous actions PSE has taken in an effort to “mitigate” the fatalities such as providing funding to Hawk Watch International and Blue Mountain Wildlife Rehab, as well as conservation measures implemented under the SCA. Under the Settlement, PSE will implement corrective actions in the form of research and development of eagle detection and deterrent technologies and report to the USFWS.
- PSE continues to work closely with USFWS on revisions to the Eagle Conservation Plan and Environmental Assessment.
- Once the Eagle Conservation Plan is finalized, PSE will provide a copy to EFSEC and the TAC.
- Once the final Environmental Assessment (EA) is completed, the USFWS will release the EA in the Federal Register for public review and comment, then will make a determination on whether to issue an incidental eagle take permit.

Jennifer Diaz

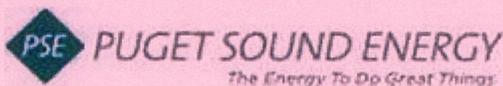
Project Manager

Wild Horse Wind & Solar Facility

25901 Vantage Hwy, Ellensburg, WA. 98926

(509) 964-7813 tell | (509) 899-1107 cell

[www.pse.com/wildhorse](http://www.pse.com/wildhorse)



**Energy Northwest  
EFSEC Council Meeting  
August 15, 2017  
Shannon Khounnala**

**I. Columbia Generating Station Operational Status**

Columbia is online at 100% power and producing 1133 MWs. The plant has been online for 56 days.

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

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

NEPA/Leasing

No change from July 2017 report.

Energy Northwest's new lease with the Department of Energy for WNP 1/4 went into effect on July 1, 2017. We have started the planning and some field work on the water distribution system project, which will eventually utilize the Water Rights permit granted by the Department of Ecology.

## **Chehalis Generation Facility----Monthly Plant Report – July 2017**

### **Washington Energy Facility Site Evaluation Council**

08-14-2017

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#### **Safety:**

- There were no recordable incidents this reporting period and the plant staff has achieved 733 days without a Lost Time Accident.

#### **Environment:**

- There were no air emissions or stormwater deviations or spills during the month of July 2017.
- Wastewater and Stormwater monitoring results were in compliance with the permit limits for the month of July 2017.

#### **Personnel:**

- The Chehalis plant staffing level is currently 18 of 19 approved positions filled. We have a new vacancy for a Control Room Operator.

#### **Operations and Maintenance Activities:**

- The Plant generated 152,774 MW-hours in July for a 2017 YTD generation total of 714,475 MW-hours and a capacity factor of 26.7%.

#### **Regulatory/Compliance:**

- Nothing to report.

#### **Sound monitoring:**

- There were no noise complaints to report.



**Carbon Offset Mitigation:**

- The Company received 9,488 tons of 2016 Verifiable Emission Reduction (VER's) greenhouse gas credits from The National Climate Trust. These contracted purchases were part of the Carbon Offset requirement per Order No. 836, Conditions for the Site Certificate transfer.

These were 2016 vintage credits from the Lynden Farm Project which PacifiCorp has now received 42,815 tons. of the contracted 70,000 tons, or 61.2% of the total commitment.

Respectfully,

A handwritten signature in black ink, appearing to read "M. Miller".

Mark A. Miller  
Manager, Gas Plant  
Chehalis Generation Facility

## EFSEC Monthly Operational Report

July, 2017

### 1. Safety and Training

- 1.1. There were no accidents or injuries during the month of July.
- 1.2. Conducted scheduled and required monthly training.
- 1.3. Conducted the scheduled safety committee meeting.
- 1.4. First Aid/CPR/AED training was completed for site staff by the Grays Harbor EMS and Trauma Care Council in coordination with Grays Harbor Fire District No. 5.

### 2. Environmental

- 2.1. Submitted the June Outfall Discharge Monitor Report (DMR) to Ecology.
- 2.2. Submitted the Quarterly Emissions Summary for 2nd quarter to EFSEC, EPA, and ORCAA.
- 2.3. A load analysis was completed on both turbines in advance of the upcoming relative accuracy test assessment (RATA) the week of August 7.
- 2.4. A natural gas sample was collected on July 6 and its test results were entered into the continuous emission monitoring system (CEMS) for the month.
- 2.5. Submitted responses for Approval Conditions 2, 5, and 6 of Cooling Tower Notice of Construction to EFSEC and ORCAA. These were all associated with the new, higher efficiency drift eliminators that were installed this year.
- 2.6. The arsenic and mercury levels in the July outfall sample were below the minimum level documented in Table 3-6 of AECOM's 2015 Engineering Report. A test plan for post-AKART testing was provided to EFSEC to collect feedback prior to starting the addendum testing for this report.
- 2.7. A new Environmental Commitment Book was emailed to EFSEC including updated SPCC, SWPP, and Emergency Plans.

### 3. Operations & Maintenance

- 3.1. Grays Harbor Energy (GHE) operated 29 days and generated 361,128 MWh during the month of July.

### 4. Noise and/or Odor

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

### 5. Site Visits

- 5.1. None.

### 6. Other

- 6.1. Grays Harbor is staffed with 19 personnel.



August 11, 2017

Stephen Posner, Manager  
Energy Facility Site Evaluation Council  
Utilities & Transportation Commission  
1300 S. Evergreen Park Dr. SW  
P.O. Box 43172  
Olympia, Washington 98504-3172

Re: Tesoro Savage Vancouver Energy Distribution Terminal  
Project No. 2013-01 – Request to Extend Statutory Deadline

Dear Mr. Posner,

Tesoro Savage Petroleum Terminal LLC dba Vancouver Energy (“Applicant”) submitted its application for site certification for the referenced terminal facility on August 29, 2013. The latest extension for completion of the EFSEC process and reporting its recommendation to the Governor will expire on August 31, 2017. Applicant requests a further three-month extension to November 30, 2017.

This extension request is based on information provided to Applicant by EFSEC staff when Applicant met with EFSEC staff on July 27, 2017, to discuss the remaining schedule to complete the EFSEC process. During the meeting, EFSEC staff indicated the Final EIS process and draft Adjudicative Order would be complete in September and that deliberations and a recommendation would occur in October and November. Staff also indicated permits would be finalized on a similar schedule. The Applicant asks EFSEC staff, contracted agencies, contracted third parties and the Council to allocate the appropriate resources to complete and deliver a recommendation according to this schedule.

Thank you for your consideration of this extension. We are confident EFSEC can deliver on this timeline and we look forward to the conclusion of this robust four-year-plus-long review process.

Sincerely,

Kelly J. Flint

cc: Jared Larrabee, Tesoro Savage Petroleum Terminal LLC  
Jay Derr, Van Ness Feldman  
Brian Carrico, BergerABAM

## Proposed Change to WAC 463-76-062

### **WAC 463-76-062**

#### **Modification of NPDES permit.**

(1) After notice and opportunity for a public hearing, any permit issued under the NPDES can be modified, (~~suspended or~~) revoked in whole or in part, or terminated during its term for cause including, but not limited to, the causes listed in WAC 463-76-055(2).

(2) The council may, upon request of a permittee, revise or modify a schedule of compliance in an issued NPDES permit if the council determines good and valid cause exists for such revision and if within thirty days following receipt of notice from the council, the regional administrator does not object in writing.

(3) Any such modifications which lessen the stringency of effluent limitations shall be executed by the council and the permittee in the same manner as the NPDES permit was executed, including full compliance with the requirements of WAC 463-76-041, 463-76-042 and 463-76-043. In all other instances, the form of public notice and public participation, if any, shall be determined by the council on a case-by-case basis according to the significance of the proposed action.

#### Effect of proposed rule amendment:

The proposed change would make EFSEC's NPDES permit modification rule consistent with Ecology's NPDES permit modification rule (WAC 173-220-190). This establishes a major vs minor modification distinction in EFSEC's rule, which has been part of Ecology's program since at least 1988. Small technical adjustments can be made in a much quicker and less expensive manner.

Federal regulation (40 CFR 122 Subpart D Secs. 122.61-64) also does not provide for the suspension of NPDES permits, but does recognize that they can be terminated. These changes to subsection (1) make the EFSEC regulation consistent with federal regulation.

**WAC 463-76-054 Schedules of compliance.** EFSEC shall establish schedules and permit conditions as follows to achieve compliance with applicable effluent standards and limitations, water quality standards, and other legally applicable requirements:

(1) With respect to any discharge which is found by the council not to be in compliance with applicable effluent standards and limitations, applicable water quality standards, or other legally applicable requirements listed in WAC 463-76-053 (1)(b) and (c), the permittee shall be required to take specific steps to achieve compliance with the following:

(a) Any legally applicable schedule of compliance contained in:

(i) Applicable effluent standards and limitations;

(ii) Water quality standards; or

(iii) Legally applicable requirements listed in WAC 463-76-053; or

(b) In the absence of any legally applicable schedule of compliance, the permittee shall take the required steps in a

(4) If a permittee fails or refuses to comply with an interim or final requirement in a permit, such noncompliance shall constitute a violation of the permit for which the council may modify or revoke the permit or take direct enforcement action.

[Statutory Authority: RCW 80.50.040 (1) and (12). WSR 04-21-013, amended and recodified as § 463-76-054, filed 10/11/04, effective 11/11/04; Order 114; § 463-38-054, filed 2/4/77. Formerly WAC 463-16-054.]

EFFECT: Makes EFSEC water quality compliance schedules the same length (one year) as the length for Ecology water quality compliance schedules, and makes the length consistent with federal rules. See WAC 173-220-140.