

**WASHINGTON STATE
ENERGY FACILITY SITE EVALUATION COUNCIL (EFSEC)**

**NOTICE
of
SPECIAL MEETING
to
RECEIVE COMMENTS and CONSIDER**

DUKE ENERGY'S REQUEST TO:

- 1) Transfer Control of the Satsop Combustion Turbine (CT) Project**
- 2) Amend the Satsop CT Project Site Certification Agreement**

**EFSEC SPECIAL MEETING
7:00 p.m., Wednesday, February 23, 2005
Montesano City Hall – Upstairs Meeting Room
112 North Main Street
Montesano, Washington 98563**

The Washington State Energy Facility Site Evaluation Council (EFSEC or Council) invites you to participate in its consideration of a request from Duke Energy Grays Harbor, LLC (Duke Energy) and Energy Northwest, to transfer control of the Site Certification Agreement (SCA) for the Satsop Combustion Turbine Project (Satsop CT Project or Project) to Grays Harbor Energy LLC. If approved, the transfer of control to Grays Harbor Energy LLC would trigger technical amendments to the SCA to formally recognize the changes in ownership and commitments made by the new owner that it has the demonstrated capability to acquire and possess the Satsop CT Project.

The Council, as the state agency responsible for regulating the Satsop CT Project, will hold an informational hearing as part of its Special Meeting on February 23, 2005, in Montesano, Washington, to provide an opportunity for citizens, stakeholders, and interested persons or organizations to receive information and provide comments on the proposed transfer. Following the public comment hearing, the Council will consider the information before it and may act on Duke Energy's request to transfer control of the Satsop CT Project to Grays Harbor Energy LLC and amend the SCA.

On January 18, 2005, Duke Energy Grays Harbor, LLC requested that the Council approve a transfer of control over Duke Energy Grays Harbor, LLC, from Duke Energy North America (DENA), to Invenergy Grays Harbor LLC (Invenergy), a wholly-owned subsidiary of Invenergy Investment Company LLC. In December 2004, DENA entered into an Agreement with Invenergy, pursuant to which Invenergy would acquire all DENA's interest in Duke Energy Grays Harbor, LLC at closing. Although the limited

liability corporation Duke Energy Grays Harbor, LLC would continue to own the Satsop CT Project and continue to be the holder of the SCA, the ownership and control of Duke Energy Grays Harbor, LLC would change from DENA to Invenergy Grays Harbor, LLC. Under the terms of the Agreement, Invenergy Grays Harbor, LLC would also be required to change the name of Duke Energy Grays Harbor, LLC to Grays Harbor Energy LLC within forty-five days of closing and cease using any of the Duke Energy names or marks. In addition to requesting approval of this transfer of control, Duke Energy is also requesting that the Council:

- Accept the financial assurances offered by Invenergy Grays Harbor, LLC, and release DENA from its corporate guarantee and all obligations regarding site restoration; and
- Remove Energy Northwest from the SCA, and change the name of the certificate holder to Grays Harbor Energy LLC.

The Special Meeting noticed above will provide an opportunity for the Council to hear comments and act on Duke Energy's request for transfer of control and SCA amendment, pursuant to the provisions of Chapter 463-66 WAC. We invite all interested persons to attend and participate in this meeting.

Written comments are also welcome and should be sent to the attention of Allen Fiksdal, EFSEC Manager, EFSEC, PO BOX 43172, Olympia, WA 98504-3172, by e-mail to efsec@ep.cted.wa.gov, or by fax to (360) 956-2158. To be considered, **written comments must be received by the end of the public comment portion of the February 23, 2005 Special Meeting.**

The SCA amendment request is available from the Council at the address listed below, or by calling Mike Mills, Compliance Manager, at (360) 956-2151. These documents are also available on the EFSEC web site at:

<http://www.efsec.wa.gov/satct/ownershiptransfer.html>.

WASHINGTON STATE ENERGY FACILITY SITE EVALUATION COUNCIL

Dated in Olympia, Washington this 3rd day of February, 2005.

By: Allen J. Fiksdal
EFSEC Manager