

Monthly Council Meeting

EFSEC

September 15, 2020



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WASHINGTON STATE
ENERGY FACILITY SITE EVALUATION COUNCIL

Lacey, Washington

Tuesday, September 15, 2020

1:30 p.m.

Telephonic Monthly Council Meeting
Verbatim Transcript of Proceedings

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

2 Councilmembers:

- 3 KATHLEEN DREW, Chair
- 4 KATE KELLY, Department of Commerce
- 5 ROB DENGEL, Department of Ecology
- 6 MIKE LIVINGSTON, Department of Fish and Wildlife
- 7 STACEY BREWSTER, Utilities and Transportation Commission

8 EFSEC STAFF:

- 9 SONIA BUMPUS
- 10 AMI KIDDER
- 11 AMY MOON
- 12 STEWART HENDERSON
- 13 KYLE OVERTON
- 14 JOAN OWENS
- 15 TAMMY MASTRO

16 ASSISTANT ATTORNEY GENERAL:

- 17 JON THOMPSON

18 ALSO IN ATTENDANCE:

- 19 CHRIS SHERIN, Grays Harbor Energy
- 20 JENNIFER DIAZ, Wild Horse Wind Facility
- 21 TIM MCMAHON, Stoel Rives
- 22 KIP WHITEHEAD, Energy Northwest
- 23 KAREN MCGAFFEY, Perkins Coie
- 24 MACKENZIE EVANS, Invenergy
- 25 SARAH DE GROOT, Invenergy
- FRANK SARDUY, South Shore Environmental
- ERIC MELBARDIS, EDP Renewables

1 LACEY, WASHINGTON; SEPTEMBER 15, 2020

2 1:30 P.M.

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4 P R O C E E D I N G S

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6 CHAIR DREW: Good afternoon. This is
7 Kathleen Drew, Chair of the Washington State Energy
8 Facility Site Evaluation Council for our September
9 meeting.

10 And will the clerk call the roll,
11 Ms. Mastro?

12 MS. MASTRO: Good afternoon, Chair Drew,
13 Councilmembers. This -- for the record, this is Tammy
14 Mastro.

15 Department of Commerce?

16 MS. KELLY: Kate Kelly, present.

17 MS. MASTRO: Department of Ecology?

18 MR. DENGEL: Rob Dengel, present.

19 MS. MASTRO: Fish and Wildlife?

20 MR. LIVINGSTON: Mike Livingston, present.

21 MS. MASTRO: Department of Natural
22 Resources?

23 CHAIR DREW: Excused.

24 MS. MASTRO: Utilities and Transportation
25 Commission?

1 MS. BREWSTER: Stacey Brewster, present.
2 MS. MASTRO: EFSEC Staff, Sonia Bumpus?
3 MS. BUMPUS: Sonia Bumpus, present.
4 MS. MASTRO: Ami Kidder?
5 MS. KIDDER: Present.
6 MS. MASTRO: Joan Owens?
7 MS. OWENS: Present.
8 MS. MASTRO: Amy Moon?
9 MS. MOON: Present, Tammy, thanks.
10 MS. MASTRO: Kyle Overton?
11 MR. OVERTON: Yeah, this is Kyle Overton,
12 present.
13 MS. MASTRO: Stewart Henderson?
14 MR. HENDERSON: Here.
15 MS. MASTRO: Patty Betts or AAG Jon
16 Thompson?
17 MR. THOMPSON: Yes, I am present.
18 MS. MASTRO: Thank you, Mr. Thompson.
19 Chair Drew is present and there is a quorum
20 for the regular EFSEC Council. Thank you.
21 CHAIR DREW: Thank you.
22 Is there anyone else on the line who would
23 like to introduce themselves?
24 MR. SHERIN: Chris Sherin, Grays Harbor
25 Energy Center.

1 MS. DIAZ: Jennifer Diaz, Puget Sound
2 Energy.

3 MR. MELBARDIS: Eric Melbardis, EDP
4 Renewables.

5 MR. MCMAHON: Tim McMahon, Stoel Rives.

6 MR. WHITEHEAD: Kip Whitehead, Energy
7 Northwest.

8 (Multiple speakers.)

9 MS. EVANS: Mackenzie Evans, Invenergy.

10 MS. MCGAFFEY: Karen McGaffey, Perkins Coie.

11 MR. SARDUY: Frank Sarduy, South Shore
12 Environmental.

13 CHAIR DREW: There were a couple people from
14 Invenergy that we may not have the correct spelling of
15 your name, so, Mr. Sherin, will you make sure that gets
16 to Ms. Owens and so we can make sure and have the
17 minutes correct?

18 MR. SHERIN: Yes, Chair Drew, I will.

19 CHAIR DREW: Thank you.

20 Okay. Moving on to the proposed agenda in
21 front of you. Councilmembers, we have a proposed
22 agenda. Is there a motion to approve the agenda?

23 MS. KELLY: Kate Kelly, move to approve.

24 MR. DENGEL: Second.

25 CHAIR DREW: Thank you. I think that was

1 Mr. Dengel for a second.

2 MR. DENGEL: Yes.

3 CHAIR DREW: Any discussion? All those in
4 favor, please say aye.

5 COUNCILMEMBERS: Aye.

6 CHAIR DREW: Opposed? Motion carries.

7 Moving on to the meeting minutes from
8 August 18th, 2020. You have received them in your
9 packets and they are presented on the screen. Is there
10 a motion to adopt the minutes from August 18th, 2020?

11 MR. DENGEL: Motion to approve. This is Rob
12 Dengel.

13 CHAIR DREW: Thank you.

14 MS. KELLY: Second, Kate Kelly.

15 CHAIR DREW: Okay. Thank you. It's been
16 moved and seconded.

17 Are there any comments or corrections on
18 this transcript of the meeting?

19 Hearing none, all those in favor of adopting
20 the minutes, say aye.

21 COUNCILMEMBERS: Aye.

22 CHAIR DREW: Opposed? Minutes are adopted.

23 So we will now move on to our -- the rest of
24 our agenda. And first up is Kittitas Valley Wind Power
25 Project, Mr. Melbardis.

1 MR. MELBARDIS: Good afternoon, Chair Drew,
2 EFSEC Counsel. This Eric Melbardis with EDP Renewables
3 for the Kittitas Valley Wind Power Project. We have
4 nothing nonroutine to report during the period.

5 Quick update on the smoke situation by us.
6 We're currently on work stand-downs because our -- our
7 AQI, air quality indexes, are at times above 500.

8 CHAIR DREW: Thank you. And I know that's
9 also been going on for some manner of days, so difficult
10 time.

11 MR. MELBARDIS: Yes, thank you.

12 CHAIR DREW: Moving on to the Wild Horse
13 Wind Facility, Ms. Diaz?

14 MS. DIAZ: Yes -- yes, thank you, Chair
15 Drew, Councilmembers, and EFSEC Staff. This is Jennifer
16 Diaz with Puget Sound Energy for the Wild Horse Wind
17 Facility, and I have nothing nonroutine to report for
18 the month of August.

19 CHAIR DREW: Thank you.

20 MS. OWENS: Looks like I'm having trouble
21 with my documents here. Just one moment, please.

22 CHAIR DREW: Okay. No one is speaking.
23 Thank you for asking that question in the chat.

24 So is -- our next item on the agenda --
25 there you go -- is the Chehalis Generation Facility.

1 Mr. Miller or Mr. Smith?

2 MR. OVERTON: This is Kyle Overton, the
3 EFSEC site specialist for the Chehalis facility.

4 CHAIR DREW: Yes.

5 MR. OVERTON: For the month of August, the
6 Chehalis facility had no nonroutine items to report.

7 CHAIR DREW: Okay. Thank you.

8 For the Desert Claim Wind Power Project,
9 Ms. Moon?

10 MS. MOON: Good afternoon, Council Chair
11 Drew and members of the Council. This is Amy Moon
12 providing the update for the Desert Claim project, and
13 EFSEC Staff continue to coordinate with Desert Claim;
14 however, at this time, there are no project updates.

15 CHAIR DREW: Thank you.

16 Columbia Solar Project update, is that
17 Mr. Overton or...

18 MS. KIDDER: Chair Drew, this is Ami Kidder.
19 I'll be providing the update for this month's Columbia
20 Solar Project update.

21 Good afternoon, Chair Drew and Council. For
22 this month, the certificate holder continues to update
23 EFSEC Staff on their progress preparing preconstruction
24 plans for submission. Staff will update Council as
25 things progress.

1 CHAIR DREW: Okay. Thank you.

2 Okay. Invenergy, Grays Harbor Energy,
3 Mr. Sherin?

4 MR. SHERIN: Good afternoon, Chair Drew and
5 Councilmembers. For the month of August, I have no
6 nonroutine items to report other than we submitted
7 applications for some permit amendments which we will
8 cover further. Thank you.

9 MS. OWENS: Looks like I have to reopen the
10 document. One moment, please.

11 CHAIR DREW: Okay. Is this the
12 presentation, then?

13 MS. OWENS: Okay. We should be good now.

14 CHAIR DREW: Okay. Are we going to start
15 with the presentation by Mr. Sherin or the Staff
16 presentation?

17 MS. BUMPUS: I believe we're going to...

18 MR. SHERIN: Yes, Chair Drew, I'll start it
19 and then I'll hand it off to -- for the asset managers
20 with Invenergy.

21 CHAIR DREW: Okay. Please, go ahead.

22 MR. SHERIN: Okay. Do you have the slides?

23 Again, Chair Drew, Councilmembers, today we
24 just have a brief presentation for the Council. Our
25 application to amend our site certification agreement,

1 SCA Amendment No. 5 and our Prevention of Significant
2 Deterioration, PSD, Amendment 4 facilitate upgrading our
3 combustion turbines.

4 Next slide, please. There is just a brief
5 overview of what we'll cover.

6 Next slide. And then, again, I'm Chris
7 Sherin, the plant manager. Also here at the facility I
8 have Eric Pace, our plant engineer. Also on the call
9 are our asset managers, Sarah de Groot, Mackenzie Evans.
10 We also have Phil Mackey and Frank Sarduy on the call
11 from South Shore Environmental and Karen McGaffey,
12 our -- one of our attorneys with Perkins Coie.

13 Next slide, please. So just I'll provide a
14 brief overview of Grays Harbor for our -- specifically a
15 few of our newer Councilmembers. Grays Harbor Energy,
16 LLC is a subsidiary of Invenergy, which is one of the
17 world's leading privately held stable energy companies.
18 More than a hundred natural gas, wind, and solar and
19 storage facilities.

20 EFSEC first permitted a natural gas power
21 plant at Satsop in 1996, which was Site Certification
22 Agreement Amendment 2. UP Energy North America
23 commenced construction of the facility in 2001 and
24 subsequent -- subsequently ceased construction in 2003.
25 Invenergy acquired the project in 2005 and resumed

1 construction in 2007. We completed construction in 2008
2 and been operating the facility ever since.

3 Grays Harbor Energy Center is a 650-megawatt
4 rated capacity two-by-one combined cycle natural gas
5 power generation facility located in Elma, Washington,
6 and that combined cycle unit is composed of two General
7 Electric, GE, 7FA.03 combustion turbine generators
8 coupled with Aalborg heat recovery steam generators and
9 a GE D11 steam turbine generator.

10 In 2011, the Council amended the Site
11 Certification Agreement Amendment No. 5 to authorize
12 construction of two more units, Units 3 and 4, to double
13 the size of the facility. This expansion has not yet
14 been built.

15 Grays Harbor Energy Center is one of the
16 most efficient natural gas facilities in the region and
17 as such, we have been operating with greater frequency
18 as peak demand in the region has increased.

19 We've always had a good working relationship
20 with EFSEC and its staff, and we're pleased to be here
21 today to talk about what we think is a pretty simple
22 request, to amend our Site Certification Agreement and
23 modify the PSD Permit so that we can install the latest
24 GE equipment to our facility.

25 At this point, I'll hand off the

1 presentation to Mackenzie Evans, the plant's asset
2 manager, and she'll cover the advanced gas path upgrade
3 and the amendment.

4 MS. EVANS: Thanks, Chris. You can probably
5 go to the next slide.

6 So as Chris mentioned, Grays Harbor Energy
7 Center has been supplying power to the Northwest Power
8 Pool since 2008. So in framing today's conversation,
9 it's -- it's important to understand the changing market
10 dynamics in the Northwest Power Pool. And as you can
11 see here detailed on this side, projected coal and hydro
12 retirements are expected to be over 4.4 gigawatts in the
13 next decade. On top of that, peak demand is expected to
14 increase half a percent annually over the same time
15 period.

16 So together these market forces combine and
17 contribute to the tightening reserve margins and
18 subsequently, a projected increase in Grays Harbor's
19 operating hours as Grays Harbor is already one of the
20 Northwest Power Pool's most efficient, if not the most
21 efficient, gas-fired power plant.

22 And the last thing, you know, kind of to
23 highlight here is just that Grays Harbor Energy does
24 provide flexible gas power that helps with the
25 increasing integration of intermittent renewable

1 resources.

2 Next slide, please. So now that you have a
3 little bit more background on Grays Harbor and its role
4 in the Northwest Power Pool, we are here today outlining
5 the objectives of our recently submitted SCA and PSD
6 amendments, so our objectives are twofold. First, the
7 installation of GE's advanced gas path package and next,
8 the extension of Units 3 and 4's construction deadline.

9 So specifically we submitted some materials
10 that should be in your packet. Kind of walk through
11 those quickly. First, we have the letter requesting the
12 amendment. This letter discusses the Council's
13 regulations concerning amendments and explains how our
14 request satisfies each of those.

15 Next, we have a SEPA checklist which
16 explains why the requested amendment is not expected to
17 have any significant environmental impacts.

18 Next, is the redline of the SCA that shows
19 the specific parts of the SCA that we have asked the
20 Council to amend.

21 And lastly, the PSD minor modification
22 application.

23 So this is the detailed air permitting
24 material. And we do want to emphasize that we are not
25 asking for any changes in the PSD permit limit; however,

1 but because the equipment would change, we do need a
2 minor modification of the PSD permit. So this
3 application obviously goes through all the regulatory
4 issues in detail and provides the technical information
5 for the EFSEC Staff and Ecology to review.

6 Next slide, please. So the first objective
7 of the amendment is installation of GE's advanced gas
8 path package, or AGP, in both units. So AGP involves an
9 upgrade to turbine software and hardware with more
10 robust parts manufactured from enhanced materials or
11 increased reliability. So if you look at the picture on
12 the slide here, the air comes in on the left side
13 through the inlet, it's compressed in the compressor
14 section, and then the gas is combusted and goes to the
15 turbine section to generate the power.

16 So the parts we're talking about here
17 looking at replacing is what's known as the hot gas path
18 section, which is just after the combustion section, so
19 these parts do see the highest temperatures. So then by
20 swapping them out, swapping the existing turbine parts
21 out with these AGP components, the turbines are able to
22 produce more output at an increased firing temperature,
23 which improves overall efficiency.

24 Next slide, please. So diving in a little
25 bit more about the upgrade. This is an upgrade that GE

1 does all the time. Technology has been around for
2 several years. It's one of GE's most common upgrades.
3 In fact, there are other generators in the area who have
4 already upgraded their units to this technology.

5 So the upgrade is entirely interior to the
6 gas turbines. No change in the turbine footprint. And,
7 again, to be clear, we're not requesting any change that
8 limits any existing air water permits. And with that
9 said, we do want to point out that the greenhouse gas --
10 excuse me, greenhouse gas emission rate actually
11 improves with the increased efficiency from AGP.

12 In terms of timing, installation is planned
13 for spring of 2021 as a part of the facility's regularly
14 scheduled annual maintenance outage. So with the units
15 already on outage, no additional downtime is required
16 for installation. And kind of walking back from there,
17 in order to meet that timeline, we did submit the
18 material in August and we're here talking to the Council
19 today in September so that we can get approval before
20 the end of the year to buy the equipment and be good to
21 go for next spring.

22 Next slide, please. So to close the loop
23 here, the chart on this slide details Grays Harbor's
24 projected operations through 2029. We wanted to show
25 this to be clear that the demand for efficient natural

1 gas-fired power is going to increase over the next
2 several years with the retirements discussed earlier.
3 So we expect the plan to run more often even if the
4 equipment is not changed. So the modest increase in
5 capacity from AGP means that Grays Harbor Energy Center
6 can provide a bit more power to meet this increasing
7 demand. And the improvement and efficiency means that
8 the facility may also run a little bit more often
9 because as we know, gas generation in the region is
10 dispatch -- dispatched based on efficiency. So of
11 course, you know, if Grays Harbor is running instead of
12 less efficient generation, it means less gas is consumed
13 and fewer greenhouse gases are emitted overall in order
14 to meet the regional load.

15 Next slide, please. Moving on to the second
16 objective of the amendments, the extension of the
17 construction deadlines for Units 3 and 4. So the
18 Council and the governor have already approved the
19 addition of two more combustion turbine units at the
20 facility as Chris noted. The SCA currently requires
21 construction of these units to begin by 2021. We would
22 like to extend that to 2028, which we think better lines
23 up with the need for generation in the region resulting
24 from the expected retirements.

25 So the SCA already requires us to make

1 detailed filings throughout the environmental
2 requirements in effect at the time we proposed to
3 initiate construction, and it also requires us to get
4 the Council's approval before we begin. So those
5 requirements would of course continue to be in effect,
6 and so the Council would have a chance -- a chance to
7 look at those issues in detail before authorizing
8 construction to proceed.

9 Next slide, please. And that brings us to
10 the end of the presentation we had prepared. On behalf
11 of the team, we really do appreciate your time fitting
12 us on the schedule today, and with that said, I'd like
13 to open it up for any questions.

14 CHAIR DREW: Thank you very much.

15 Now we will move on to Staff. Ms. Bumpus,
16 do you have questions or would you like to go ahead and
17 make your comments?

18 MS. BUMPUS: Thank you, Chair Drew. Good
19 afternoon, Councilmembers. No questions. I can go
20 ahead and proceed with the presentation if that's okay
21 with the Council?

22 CHAIR DREW: Yes, and then we'll come back
23 because I do have a couple of questions about the
24 presentation, but why don't you go ahead because I think
25 you're going to talk about our process here.

1 MS. BUMPUS: Yes. Okay, great.

2 So, again, for the record, this is Sonia
3 Bumpus, and I am going to talk about EFSEC's SCA
4 amendment process. Going to just kind of provide a high
5 level overview of -- of how the process works, and
6 afterwards, I'd like to make some recommendations for
7 the Council to consider with respect to next steps for
8 this SCA amendment that's been proposed.

9 So the procedures concerning an amendment
10 request for a site certification agreement are outlined
11 in EFSEC's WAC, Washington Administrative Code, 463-66.
12 The Council when acting on the site certification
13 agreement amendment request can accept, reject, or
14 reject the request with conditions. This is in
15 463-66-060.

16 So now that we have a written request for an
17 SCA amendment, we look to WAC 463-66-030. This requires
18 the Council to hold one or more public hearing sessions
19 at the times and places determined appropriate by the
20 Council. And so this is where Staff at the end of this
21 overview will make a recommendation. But essentially,
22 the Council can decide as they go along if they need
23 additional information and if they want to conduct
24 additional public hearing sessions on the amendment
25 request.

1 The public hearings, specifically the first
2 public hearing, historically includes a presentation by
3 the certificate holder about the amendment they're
4 requesting, and it also provides an opportunity for
5 public comment on the amendment request before the
6 Council. So you could imagine that once we've had the
7 opportunity of public comment and we've received public
8 input, that helps move the process along particularly
9 with respect to the SEPA process which EFSEC conducts
10 under our promulgation of SEPA WAC in 463-47.

11 So EFSEC SEPA-responsible official, which is
12 the EFSEC manager, would review the amendment
13 documentation re- -- which is what we've already begun
14 to do, would request additional information if -- if
15 needed to complete the review, the environmental review,
16 and would then make a SEPA determination with respect to
17 the environmental impact associated with the amendment
18 request and would report that to the Council in a public
19 meeting.

20 And at that point, the Council then can
21 proceed with review of the SCA amendment request, which
22 is outlined in WAC 463-66-040, and I've encouraged the
23 Council to take a look at these four provisions, and I'm
24 just going to highlight them really quickly.

25 Number one is the intention of the original

1 SCA. So you're looking at whether the proposal is
2 consistent with the intent of the original SCA.

3 Two is, is it consistent with applicable
4 laws and rules.

5 Three, consistent with public health safety
6 and welfare.

7 And four, the provisions of Chapter 463-72.

8 And so there's sort of an outline of -- of
9 how the Council approaches the review of -- of the
10 amendment.

11 For the Council to approve the SCA amendment
12 request, there are two paths on which the Council can
13 proceed. One is to approve the Council -- or to approve
14 the amendment request by resolution, and this is in
15 463-66-070. There's a second option for approval, but
16 it applies only if certain criteria are met. This is in
17 463-66-080 and this requires approval by the governor.

18 So I'm -- and I can answer questions about
19 this. It's a lot of information. So I'm just trying to
20 sort of touch on the highlights, but I wanted to let the
21 Council know that it -- historically what we've done is
22 once public hearings have been conducted, SEPA -- a SEPA
23 determination has been made, the Council is reviewing
24 the SCA amendment request in light of those four
25 provisions, consistency with those four provisions that

1 I just outlined.

2 Typically around that time is when Staff
3 would make a recommendation to the Council on a path
4 forward whether, you know, we would recommend that the
5 Council proceed by approval of -- you know, through
6 resolution or would it be triggering those criteria in
7 463 -- 463-66-080 requiring approval by the governor.

8 So I'm not going to make a recommendation
9 with respect to that at this time, but I wanted to let
10 the Council know about those two paths for approval down
11 the road.

12 So that's -- that's the overview of our
13 process, and I'm going to stop here before I get into
14 what I would recommend as next steps to see if the
15 Council have any questions about any of these rules that
16 I've just gone through.

17 CHAIR DREW: So what I'd like to do perhaps
18 is to ask questions -- let's see, I -- I think I still
19 have some questions on the information and -- that was
20 provided to us by Grays Harbor Energy and Invenergy, and
21 so why don't we start with those questions. I know this
22 is a lot coming at the Council right now and I'm sure
23 that, Sonia, you will also share those citations in an
24 email so people don't have to write them down. And then
25 we'll take questions on the process and then we'll talk

1 about next steps.

2 So I will, if we can, go back to a couple
3 questions about the information from Invenergy and Grays
4 Harbor Energy. Mr. Sherin, I don't know how you want to
5 handle that in terms of responses, but I have -- first
6 of all, my question as we went through the items
7 provided the SEP- -- SEPA checklist as I reviewed it
8 only applies to the advanced gas path and not to the
9 construction extension; is that correct?

10 MR. SHERIN: Yes, Chair Drew, that's
11 correct.

12 MS. MCGAFFEY: Excuse me, Chair Drew, this
13 is Karen McGaffey. The checklist actually applies to
14 both. I think from our view, the actual immediate
15 effects of the amendment all relate to the advanced gas
16 package. There wouldn't be any environmental effects
17 from a -- the extension by itself. The Council's
18 subsequent decision when Grays Harbor requests
19 authorization to begin construction would clearly
20 require some consideration by the council of
21 environmental issues at that point. But I think that
22 extension by itself does not have additional
23 environmental impacts and that's why you don't see a
24 bunch of things discussed in the checklist.

25 CHAIR DREW: Okay. I understand that. And

1 so the -- I'll -- I'll skip to a different question I
2 have which is along those same lines. So the current
3 Amendment 5 allows for construction of two-by-one
4 combined cycle turbine and steam turbines the same as is
5 currently used in Units 1 and 2; is that correct?

6 MR. SHERIN: Yes, that's correct.

7 CHAIR DREW: So would you imagine putting in
8 those exact same units?

9 MR. SHERIN: I wouldn't imagine it would put
10 in the exact same units, but I wouldn't rule it out
11 either. I think this is what Ms. McGaffey was implying
12 is that if we -- when we -- if we were to build Units 3
13 and 4, then we would have -- pretty -- we'd pretty much
14 have to go through another amendment and the whole
15 process for those two units.

16 CHAIR DREW: Okay. So that -- that was
17 actually the point I was getting to I -- is that, and so
18 I think that we should lay that out here that if there
19 are changes to what was approved in the Amendment 5 for
20 the facility for the Units 3 and 4, then we would have
21 to do another amendment, which would have its own SEPA
22 checklist with it?

23 MR. SHERIN: Yes, that would be correct.

24 CHAIR DREW: Okay. So another question I
25 have is -- and -- and this may be something that you

1 want to get back to us on. I'm -- followed the chart a
2 little bit in terms of, I mean, I saw the lines go up in
3 terms of current capacity and with -- and this is with
4 the advanced gas path, so let me clarify that. And then
5 the additional capacity provided by that but also a
6 forecast that's rather substantially increased in terms
7 of the actual sold generation power from the facility.
8 Excuse me if I'm not using the right term there. And
9 that's confusing to me how that forecast was developed
10 because it looks very divergent from the history of the
11 facility.

12 MS. EVANS: I can maybe take a first stab --
13 stab at this one. So with the impact of the retirements
14 expected in the region as -- as we kind of walked
15 through that that creates a larger need for a gas-fired
16 power -- power generation. So that was kind of what
17 we're seeing in the market is that we expect to be
18 operating more than we have historically with that --
19 with or without the AGP installation based on changing
20 market forces and we foresee a need for more power
21 generation.

22 CHAIR DREW: So is that an internal, then,
23 forecast as opposed to an external forecast?

24 MS. EVANS: I believe so, yes. We -- we do
25 have a, you know, commercial modeling team.

1 CHAIR DREW: Okay. Yeah, I'd be -- I'd be
2 interested in -- in more detail because it's quite
3 substantially different, and so I'm -- I'm interested in
4 more information along those lines.

5 MR. SHERIN: Chair Drew, I'll also add that
6 even from 2015 on, basically our total megawatt hours
7 produced in a year has increased. 2018 it dropped off,
8 but that was because of the -- essentially we didn't run
9 for that last month and three-quarters -- we didn't run
10 for a month and three-quarters because of the pipeline
11 explosion up in British Columbia. We were on pace to
12 have a -- potentially have a record-setting year in 2018
13 for total megawatt hours produced, and then last year in
14 2019 we did actually have a record-setting year for the
15 plant's total capacity.

16 CHAIR DREW: And then --

17 MR. SHERIN: Megawatt hours produced over
18 the course of the year and that -- that trend we expect
19 to continue.

20 CHAIR DREW: And this year was a little odd
21 too.

22 MR. SHERIN: Yes, we had a -- this year that
23 will not be the case. This year due to COVID demands
24 down, it's been a challenging year and we also had a
25 forced outage for three and a half months on one of the

1 turbines. So we physically -- with that occurring, we
2 physically -- this year we physically couldn't produce
3 more than in the past.

4 CHAIR DREW: Okay. Well, it would be -- it
5 would be, I think, helpful to the Council to have some
6 view of the recent past and -- and the considerations in
7 the forecast in the future. Thank you.

8 Let's see, then my last question at this
9 point is, so in terms of the construction extension, why
10 2028, why seven years?

11 MS. EVANS: Sarah, you want to take that
12 one?

13 MS. DE GROOT: Sure, I would be happy to.
14 So I -- you know, our thought was to kind of keep this
15 in line with when we're seeing coal retirements and, you
16 know, assuming -- or -- or knowing that it would take a
17 couple years for construction to -- to account for that
18 as well. So that timeline is -- is aligned with -- with
19 the coal retirements in the area.

20 CHAIR DREW: Okay.

21 MS. DE GROOT: And when there would be a
22 potential need for additional capacity.

23 CHAIR DREW: Thank you.

24 I saw in the chat that -- that Mr. Dengel
25 has some questions?

1 MR. DENGEL: Yes, I think they may have just
2 answered one of them. So it sounds like you mentioned
3 in the supporting materials that the market conditions
4 then currently support the construction; however, it may
5 support it in 2028. Is that what you're referring to
6 with the -- with the phase-out creating that additional
7 demand, is that the market conditions that would
8 facilitate the need for this construction or are there
9 other factors that would also heavily weigh in and make
10 this more tentative?

11 MS. DE GROOT: Yeah, great question. That
12 is the primary driver. I think there is an increase
13 in -- we're seeing an increase in peak demand as well,
14 but the -- the main driving factor would be coal
15 retirements.

16 MR. DENGEL: I have one other question
17 regarding the emissions. I don't know if you have this
18 information available, but looking at the -- kind of
19 your -- your operation as a whole, with the -- with the
20 gas pathway, it does sound like there'll be an increase
21 in emissions to the facility as a whole but a decrease
22 in the -- in the pollution per kilowatt hour.

23 Overall to your system, because you're
24 phasing out some coal plants but you're also phasing out
25 hydro as well, where does your kind of overall emissions

1 land as a result of making this change? Is it an -- is
2 it an increase, decrease or is it all negligible?

3 MR. SARDUY: I can field that one. This is
4 Frank Sarduy with South Shore Environmental. The data
5 that GE has provided has -- has shown that for all of
6 the pollutants that -- for which the facility has permit
7 limits and does not have a control, all of those
8 emissions will stay the same or go down on a pounds per
9 MBtu basis.

10 The -- there -- as far as knots in CO goes,
11 any -- any increases would be able to be addressed by
12 the plant's emission control systems by the SCR and the
13 oxidation catalyst, so we wouldn't expect to see
14 increases in those. And as part of the application,
15 there were no requests for increased permit limits so
16 they can live with the -- with the -- with the permit as
17 written.

18 MR. DENGEL: Okay. So I -- I get the
19 immediate facility. I mean -- and I appreciate you
20 providing that additional recap and clarity. I'm just
21 wondering with the retirements going on and the
22 increased capacity, overall looking at what those other
23 emissions were on those retirements and going to this,
24 I'm just wondering emission-wise is it resolving in an
25 increase, decrease, or is it -- is it tough to tell;

1 does that make sense?

2 MR. SARDUY: I -- I gotcha. The -- I -- I
3 don't have that -- that information with me. I know
4 that there are some coal retirements, so obviously
5 there's -- there's going to be a great improvement there
6 when -- when those units are retired. But I -- I don't
7 have a percentage number that I could give you on -- on
8 what the net change would be.

9 MR. DENGEL: Thank you. That's all the
10 questions that I had. Appreciate it.

11 CHAIR DREW: Okay. Thank you.

12 Are there other questions from
13 Councilmembers?

14 Okay. Hearing none, are there questions
15 about the process as you heard outlined by EFSEC
16 manager, Sonia Bumpus?

17 MS. KELLY: Chair Drew, this is Kate Kelly.

18 CHAIR DREW: Yes, go ahead.

19 MS. KELLY: I -- I guess that -- to
20 understand the process going forward, the -- the
21 application materials that we have are a little thin on
22 the extension of time for the 3 and 4, and there's just
23 not a lot of substance in there. Are -- so I'm -- I'm
24 just trying to understand are we going to receive more
25 material about it so that we can better understand the

1 implications of what's being asked and what happens if
2 this doesn't get approved?

3 And to tack onto that, I -- I got a --
4 particularly reading the existing site certificate, it
5 was a little confusing about what the current
6 requirements are and there was five years and there was
7 ten years and just understanding what the implications
8 are for -- for the site amendment permits that are on
9 it.

10 CHAIR DREW: I think that what we will do as
11 Councilmembers is share some of the questions that we
12 want for additional information with our Staff, and they
13 will then provide that in a data request to the Grays
14 Harbor Energy for additional information. And we can
15 also ask additional questions at the public hearing
16 coming up. So I think those are both two methods where
17 we can make sure that we understand the specific
18 information and the context. And I agree with you, it
19 is quite thin on the construction timeline extension in
20 terms of information.

21 MS. KELLY: Thank you.

22 CHAIR DREW: Are there questions about the
23 process from Councilmembers?

24 MR. DENGEL: So just one clarification on
25 the -- on the time extension and the engines. So my --

1 my take -- my understanding is that if you were to grant
2 this permit extension, if there was to be any change in
3 the proposed -- because there was a prior EFSEC decision
4 for the engines themselves, if there was any change as
5 far as what those engines look like outside of the
6 current proposal, it would have to come back for a later
7 amendment; is -- is that correct?

8 CHAIR DREW: That's correct.

9 MR. DENGEL: Okay. Thank you.

10 CHAIR DREW: So, Ms. Bumpus, if you want to
11 proceed with the next steps.

12 MS. BUMPUS: Thank you, Chair Drew. Yes, so
13 as I was saying, there are -- there's a first public
14 hearing that the Council is required to hold and of
15 course additional public hearing sessions can be held.
16 So to start, Staff would like to recommend that the
17 Council conduct a public hearing session on Invenergy's
18 SCA Amendment request on October 6th and that that
19 public hearing session be conducted virtually as we've
20 been holding our Council meetings, our monthly Council
21 meetings, and we provide a presentation, or rather the
22 certificate holder would provide a presentation. We
23 could, of course, provide some additional information to
24 the Council and public. And another portion of the
25 meeting would be for public comment, and we would do

1 this virtually.

2 The -- the time for the meeting that we are
3 thinking would be best is to start the meeting at 4:00
4 p.m. and go to 6:00 p.m. We also have a public comment
5 database that we would activate on EFSEC's website
6 during that day so that those who could not call into
7 the meeting or attend on the platform in which we're
8 hosting it would -- would be able to submit -- they
9 could also mail it in, but submit an electronic comment
10 to EFSEC.

11 CHAIR DREW: So just to --

12 MS. BUMPUS: There are --

13 CHAIR DREW: I'm -- I'm sorry, on that point
14 can we clarify? I heard you say that we would activate
15 the comment database on that day, but we would give
16 people more than that day to comment I would assume?

17 MS. BUMPUS: Well, we will notice the -- the
18 public hearing session to the public if the Council's
19 agreeable to what we're proposing, this proposed
20 schedule. We would notice that likely this week, and
21 the public is -- is free to submit, you know, comments
22 to us now. The -- Chair Drew, are you wanting to know
23 if we could activate our comment database for basically
24 from the beginning of the notification until the
25 meeting?

1 CHAIR DREW: I think that would be helpful,
2 because if we want to have all the comments collected by
3 the meeting date, then that gives people different
4 opportunities of time to comment rather than extending
5 it beyond hearing that date. Because I -- I understand
6 they can send them in writing too, but it's much easier
7 perhaps for a lot of people to enter a comment in a
8 database. So just a question on that.

9 MS. BUMPUS: Yeah, so I -- I think that
10 that -- that would be fine. We can certainly activate
11 the comment database at the same time as the public
12 notice goes out and then just keep that comment database
13 open and available as an alternative to mailing in a
14 hard copy comment or something like that. And then it
15 can still serve as an alternative should someone be
16 intending to join in on the meeting and then for some
17 reason can't make it, they've got another way of
18 submitting a comment pretty quickly. So yes, we can
19 make sure that that happens.

20 CHAIR DREW: Okay. That sounds good. Did
21 you have additional information?

22 MS. BUMPUS: So the only other thing I was
23 going to add is that as I mentioned, we are conducting a
24 SEPA review, and so we are reviewing all of the same
25 materials that the Council has already started to

1 review. We will be compiling a data request, which, of
2 course, can include some of the Councilmembers'
3 questions. Staff will also have a set of questions.
4 We'll send that for additional information, and if we
5 have everything we need, Staff can proceed with
6 preparation of the -- of the SEPA documentation for the
7 SEPA determination.

8 So there'll be more to follow about that
9 pretty soon, I think. The sooner we get the data
10 request out. And then I think we can go from there. So
11 that was the only other thing I was going to add is that
12 we are working on the SEPA review now.

13 CHAIR DREW: So, Councilmembers, I would
14 like you to send your availability for a public hearing
15 on October 6th, between 4:00 and 6:00 p.m. to Ms. Owens
16 because I very much would appreciate as much
17 participation as we can have from the Council at that
18 time.

19 And do you have any other questions for
20 Staff?

21 And are you -- and we don't really have to
22 have a vote on this, but does the approach in terms of
23 the public hearing and the comment database sound
24 reasonable to you?

25 MR. LIVINGSTON: Chair Drew, this is Mike

1 Livingston. It -- it sounds reasonable to me. I
2 would -- with the timing of the public hearing, is there
3 a possibility that this would be coming to us in October
4 for a vote, then, or are we anticipating needing more
5 time before that next meeting?

6 CHAIR DREW: Honestly, I -- I think we need
7 time to digest this right now before we have an answer.
8 I heard the timing in terms of what the certificate
9 holder is looking for is to have some sort of resolution
10 before the end of the year. We don't have to wait until
11 the last minute, but I think we want to hear what the
12 public has to say and make a determination after that.

13 MR. LIVINGSTON: Thank you.

14 MS. KELLY: Chair Drew, this is Kate Kelly
15 again. Has any consideration been given to separating
16 these into two different decision streams, the two
17 issues that have been combined?

18 CHAIR DREW: They -- they are -- I guess
19 that's one of the questions I have is they seem to me
20 unrelated, but I think we can have further conversations
21 as we hear some information. And perhaps -- I don't
22 know if Mr. Thompson has an answer to that question or
23 has thought about that, but he may be able to help us
24 with --

25 MS. BUMPUS: Chair Drew, this is Sonia

1 Bumpus. I -- I wanted to share a little bit of
2 information related to that question. So Staff has
3 discussed internally the possibility of bifurcating
4 these -- these two requests. We also see that they are,
5 you know, basically can stand on their own. And so
6 one -- one approach that we've talked about amongst
7 ourselves internally is that after the initial public
8 hearing session, it might be a good time then to decide
9 if we want to separate these out.

10 I would imagine that if we hear comments
11 about one versus the other or the comments are perhaps
12 complex in nature, it really would make sense at that
13 point to perhaps separate these out and if -- if the
14 Council were to want to hold additional public hearing
15 sessions to perhaps proceed in holding those additional
16 sessions with those issues separated out and having a
17 dedicated hearing session for -- for each by -- by
18 issue.

19 So that's sort of what Staff have been
20 thinking should these start to get tangled or one starts
21 to perhaps hold up the other.

22 MS. KELLY: So, again, this is Kate Kelly
23 and -- and that seems like a good approach. I'm pleased
24 to keep that option on the table. It seems like the
25 standard for review and the decision whether to send it

1 up to the governor or not may be different for the two
2 paths. So it's -- it's -- I'm glad we're keeping our
3 options open.

4 MR. DENGEL: This is Rob Dengel. I would be
5 supportive of this approach as well knowing that maybe
6 we could separate.

7 CHAIR DREW: Okay. Thank you.

8 Any other comments? Thank you all.

9 We will -- hearing the comments from the Councilmembers,
10 we'll ask Staff to proceed with noticing the public
11 hearing on October 6th and opening the comment database.

12 I think that concludes our discussion on the
13 amendment.

14 Okay. Our next item on the agenda is
15 Columbia Generating Station and WNP-1/4 for a monthly
16 report from Mr. Whitehead.

17 MR. WHITEHEAD: Good afternoon. This is Kip
18 Whitehead from Energy Northwest. I'll be reporting on
19 the Washington Nuclear Project 1 and 4 and the Columbia
20 Generating Station. There are no nonroutine issues to
21 discuss for the month of August. Are there any
22 questions?

23 CHAIR DREW: Any questions?

24 Thank you. Hearing none, we will move to
25 our next item. It looks like that is adjournment. So

1 if there's no other business to come before us, thank
2 you all for participation today, and this meeting is
3 adjourned.

4 (Adjourned at 2:29 p.m.)

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C E R T I F I C A T E

STATE OF WASHINGTON
COUNTY OF THURSTON

I, Tayler Garlinghouse, 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.

Taylor Garlinghouse
Tayler Garlinghouse, CCR 3358

