

Verbatim Transcript of Monthly Council Meeting
Washington State Energy Facility Site Evaluation Council

June 19, 2012



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WASHINGTON STATE
ENERGY FACILITY SITE EVALUATION COUNCIL
Richard Hemstad Building
1300 South Evergreen Park Drive Southwest
Conference Room 206
Olympia, Washington
Tuesday, June 19, 2012
1:30 p.m.

MONTHLY COUNCIL MEETING
Verbatim Transcript of Proceeding

REPORTED BY: SHERRILYN SMITH, CCR# 2097

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A P P E A R A N C E S

Councilmembers Present:

Jim Luce, Chair
Dick Fryhling, Department of Commerce
Jeff Tayer, Department of Fish and Wildlife
Andrew Hayes, Department of Natural Resources
Doug Sutherland, Skamania County (via phone)

Staff in Attendance:

Al Wright, EFSEC Manager
Stephen Posner, Compliance Manager
Jim LaSpina, EFS Specialist
Tammy Talburt, Commerce Specialist
Kayce Michelle, Administrative Assistant 3
Amber George, Office Assistant 3
Kyle Crews, Assistant Attorney General

Guests in Attendance:

T. Patrick Sanchez, PacifiCorp Energy
Rich Downen, Grays Harbor Energy
Jennifer Diaz, Puget Sound Energy
Dan Rottler, Puget Sound Energy
Joe Stohr, Department of Fish and Wildlife
Travis Nelson, Department of Fish and Wildlife
Mark Anderson, Department of Commerce

Guests in Attendance Via Phone:

Shannon Khounnala, Energy Northwest
Eddie Kolitz, EDPR
Eric Melbardis, Kittitas Valley Wind Power Project

1 CHAIR LUCE: Good afternoon. Today is
2 Tuesday, June 19th, 2012, the time is 1:30 p.m. This
3 is the monthly meeting of the Washington State Energy
4 Facility Site Evaluation Council, held in Olympia,
5 Washington, at the Utilities and Transportation
6 Commission hearing room.

7 Clerk will please call the role.

8 THE CLERK: Department of Commerce?

9 MR. FRYHLING: Dick Fryhling is here.

10 THE CLERK: Department of Ecology?
11 Fish and Wildlife?

12 MR. TAYER: Jeff Tayer is here.

13 THE CLERK: Natural Resources.

14 MR. HAYES: Andy Hayes is here.

15 THE CLERK: Utilities and Transpiration
16 Commission?

17 CHAIR LUCE: Excused.

18 THE CLERK: And Chair?

19 CHAIR LUCE: Chair is present.

20 THE CLERK: There is a quorum.

21 CHAIR LUCE: Thank you very much.

22 We have people on the phone. Could you please
23 identify yourselves?

24 No one is on the phone.

25 A proposed agenda has been presented.

1 Councilmembers have any changes, additions,
2 corrections?

3 I have one change. I would ask that we move
4 the report on Chehalis Generation Facility to the end
5 of the agenda. I'm told that Pat Sanchez will be here
6 to make the report.

7 Any other corrections?

8 Hearing none, the agenda is adopted as
9 proposed.

10 The first report is on Kittitas Valley Wind
11 Project.

12 MR. FRYHLING: The minutes?

13 CHAIR LUCE: Oh, yes, minutes. I'm sorry.
14 Thank you very much.

15 Councilmembers had a chance to review the
16 verbatim transcript of minutes for May 22nd, 2012.
17 Any corrections to that verbatim transcript?

18 Hearing none, all in favor say "aye."

19 MULTIPLE SPEAKERS: Aye.

20 CHAIR LUCE: All right. The minutes are
21 approved.

22 Back to the project Kittitas Valley Wind. Do
23 we have a presentation by Eric?

24 THE CLERK: Chair, we may be having some
25 phone difficulties. I'm having Amber check on that.

1 CHAIR LUCE: All right.

2 THE CLERK: So if we could go to --

3 CHAIR LUCE: Satsop?

4 MR. DOWNEN: I'm Rich Downen, the plant
5 manager of Grays Harbor Energy. Chair, Council, good
6 afternoon.

7 This is the monthly report for May. Really,
8 nothing of note to report. We had no accidents,
9 injuries. Still had the normal training. Better than
10 normal reports. The plant did not operate. The only
11 thing, really, to discuss is -- and not really to
12 discuss, just the status, is we are still working with
13 EFSEC staff to resolve the final resolution of the
14 NOV, but that's still an open item. Nothing new.

15 That's all I've got.

16 CHAIR LUCE: Questions from
17 Councilmembers?

18 Hearing none, thank you very much. We will
19 move ahead to Wild Horse. Jennifer, you are here.
20 What brought you to the west side of the mountains?

21 MS. DIAZ: I'm here.

22 CHAIR LUCE: Are you over here
23 permanently now?

24 MS. DIAZ: Oh, no.

25 CHAIR LUCE: I was kind of doing a

1 double take.

2 MS. DIAZ: Absolutely not. We hope to
3 make this more of a habit.

4 CHAIR LUCE: All right.

5 MS. DIAZ: Councilmembers, Jennifer
6 Diaz, I'm the environmental manager for the Wild Horse
7 Wind Power Project. I would like to introduce Dan
8 Rottler, who also joined me. He is the plant manager
9 at Wild Horse.

10 I have a quick update. For May, generation
11 totaled 73,000 megawatt hours for an average capacity
12 factor of 36 percent. The Solar Demonstration Project
13 generated 88 megawatt hours. There were no lost time
14 accidents or safety incidents to report in May.

15 Under Compliance and Environmental, on
16 May 30th, EFSEC staff and biologists from Fish &
17 Wildlife conducted a compliance visit focused on
18 restoration progress made by PSE to revegetate and
19 stabilize areas of the project disturbed during
20 construction of both Phase 1 and 2. Fish & Wildlife's
21 overall conclusion is that, although some areas are
22 recovering faster than others, recovery of the
23 disturbed areas is proceeding very well.

24 That's all I have. Short and sweet.

25 CHAIR LUCE: Thank you.

1 Councilmembers, questions?

2 MR. TAYER: Well, just a comment I would
3 make.

4 CHAIR LUCE: Yes.

5 MR. TAYER: I have been around a lot of
6 restoration efforts in the desert part of our state.
7 I really give all of the credit for getting this done
8 through the diligence of Puget Sound Energy staff.
9 They have just done a great job of making sure this
10 worked out right. We really appreciate it.

11 MS. DIAZ: Thank you very much.

12 CHAIR LUCE: Thanks. I think we would
13 all agree with that.

14 Columbia Generating. Do we have any phone
15 action yet?

16 THE CLERK: Jim is supposed to be coming
17 up and checking.

18 CHAIR LUCE: So we will pass on Columbia
19 Generating, and we will pass on 1 and 4.

20 Transmission lines. Do we have a project
21 update on transmission lines?

22 MS. TALBURT: Good afternoon, Chair Luce
23 and Councilmembers. This is Tammy Talburt.

24 The transmission line update is, you have a
25 yellow page in your packet, which is a copy of the

1 postcard that BPA sent out.

2 BPA has informed the I-5 Transmission Project
3 constituents that the EIS will not be published this
4 spring, as previously reported. BPA continues to
5 further assess environmental issues and ensure the
6 most thorough environmental analysis possible. BPA
7 will announce a new project schedule. This review
8 helps BPA make a well-informed decision about whether
9 and where to build a new line and substations. BPA
10 intends to announce a new project schedule once they
11 have more information.

12 That's all I have.

13 CHAIR LUCE: Thank you.

14 Questions, Councilmembers?

15 Let's see, I am looking to see what we've got
16 to take care of yet, without a phone line.

17 We will really bounce around here.

18 MR. HAYES: We did miss Chehalis.

19 CHAIR LUCE: Oh, I'm sorry, I apologize.
20 I thought we were putting Chehalis to the end, but now
21 the end has arrived.

22 MS. GEORGE: There's five people on the
23 line, is what we are told.

24 CHAIR LUCE: All right, that's great.
25 We asked earlier and there was no one on the line.

1 People on the line, do you want to identify
2 yourselves?

3 All right. Let's go ahead with the Chehalis
4 report.

5 MR. SANCHEZ: Good afternoon, Chair
6 Luce, Councilmembers and EFSEC staff. I appreciate
7 the patience with my tardiness. I am the
8 environmental analyst, Patrick Sanchez, for Chehalis
9 Power, to provide a summary of the monthly report for
10 the month of May for Chehalis Power.

11 On safety, we had no medical treatments or
12 recordable incidents. We have achieved 3,511 days
13 without any type of lost time accident or recordable
14 incident.

15 On our environment side, our air, wastewater
16 and stormwater permitting limits, we were in
17 compliance with those for the month of May 2012. On
18 our carbon offset project, we are continuing to work
19 with the Chehalis River Basin -- in the Chehalis River
20 Basin with the Confederated Tribes of the Chehalis
21 Reservation. As an addendum to that, we have made
22 some significant progress. I will be asking to meet
23 with Mr. Wright to review some documents on that.

24 Personnel, our plant staffing level is
25 currently 19, with 17 positions filled. We have

1 conducted interviews for both an operations technician
2 and an electrician, and offers I believe have been
3 made.

4 On operations and maintenance activities, the
5 plant generated 7,791 megawatt hours at a capacity
6 factor of 2.1 percent. Year-to-date, the plant has
7 generated 365,331 megawatt hours at a capacity factor
8 of 19.8 percent. The 20-day outage that was scheduled
9 for the month of June was rescheduled to begin in
10 October 2012. The major activities remain the same.

11 On regulatory compliance, no spills or
12 exceedances were reported, there were no air emissions
13 exceedances reported, and per our Continuous Emissions
14 Monitoring Quality Assurance Plan, evaluation of our
15 data indicated that we needed to change the low span
16 range for both NOx and NH3CLA parameters. The changes
17 were completed from 0 to 20 ppm, down to 0 to 10 ppm,
18 followed by linearity and CGA testing. Prior to the
19 commencement of any of these changes, we communicated
20 with the Southwest Clean Air Agency, for their review
21 and comment.

22 We received the Industrial Stormwater General
23 Permit, which becomes effective July 1, 2012. We
24 reviewed the permit changes and identified any new
25 action items that were required to meet the new

1 permit.

2 There were not Critical Infrastructure
3 Protection Standards violations for the reporting
4 period, and under sound monitoring, we had no issues
5 to report.

6 CHAIR LUCE: Thank you.

7 Councilmember questions?

8 All right. Has the phone issue been resolved?

9 THE CLERK: I'm hoping so.

10 CHAIR LUCE: Hello, people on the phone.
11 Please identify yourselves, people on the phone.

12 MR. SUTHERLAND: This is Doug
13 Sutherland, Skamania.

14 CHAIR LUCE: Hello, Doug. Welcome.

15 A little warm down there, isn't it?

16 MR. SUTHERLAND: It's about 108 degrees
17 today, 112 tomorrow and the rest of the week.

18 CHAIR LUCE: I'll take 20.

19 MR. SUTHERLAND: Yeah.

20 CHAIR LUCE: You can have the rest of
21 it, but 20 would be nice.

22 Other members or public on the phone, or
23 licensees?

24 MR. KOLITZ: This is Eddie Kolitz with
25 EDP Renewables.

1 CHAIR LUCE: I'm sorry, I didn't hear
2 that.

3 MR. KOLITZ: No problem. This is Eddie
4 Kolitz with EDP Renewables.

5 CHAIR LUCE: Oh, thank you, Denny. All
6 right.

7 MR. KOLITZ: Eddie.

8 CHAIR LUCE: Kenny. All right, Kenny,
9 I've got it.

10 MULTIPLE SPEAKERS: Eddie.

11 CHAIR LUCE: All right. I'm with you, I
12 think. Maybe next time speak --

13 (Simultaneous talking.)

14 MR. MELBARDIS: -- Melbardis with
15 Kittitas Valley, EDP Renewables.

16 CHAIR LUCE: All right.

17 MS. KHOUNNALA: This is Shannon
18 Khounnala with Columbia Generating Station, Energy
19 Northwest.

20 CHAIR LUCE: Okay.

21 Well, first we will take up the Kittitas
22 Valley Wind Power Project, since that's on the top of
23 the remaining agenda.

24 MR. MELBARDIS: All right, the monthly
25 project update for the Kittitas Valley Wind Power

1 Project. This is Eric Melbardis with EDP Renewables,
2 June 19th, 2012.

3 May production summary was 17,795 megawatt
4 hours, with winds at 18.1 miles per hour, and a
5 capacity factor of 23.7 percent.

6 The project has no safety incidents/OSHA
7 recordables to report. The project is in compliance
8 as of a June 12th, 2012. There are no sound
9 complaints. KV is in compliance with the SCA and WAC
10 with nightly hourly levels below 50 decibels. We have
11 resolved the Robertson complaint. There are no shadow
12 flicker complaints to report.

13 CHAIR LUCE: Well, congratulations on
14 all, and I will go ahead and say especially on
15 resolving the Robertson complaint. Good news.

16 MR. MELBARDIS: Thank you.

17 CHAIR LUCE: Council -- I'm sorry, go
18 ahead.

19 MR. MELBARDIS: I have an environmental
20 report.

21 CHAIR LUCE: Oh, all right. I see that
22 you do. All right.

23 MR. MELBARDIS: We have completed
24 maintenance on of all our stormwater mitigation,
25 checked damns and runoff ditches this past month.

1 Weed and revegetation surveys have begun. We are
2 evaluating our weed control needs and any areas that
3 we need to reseed.

4 We have a TAC meeting here at Kittitas Valley
5 tomorrow. After the TAC meeting, we have a site tour
6 of EFSEC staff, Department of Ecology, WDFW, to tour
7 our habitat restoration successes.

8 Avian and bat fatality monitoring continues.
9 We have no stormwater discharge to report. We are
10 continuing to monitor all stormwater BMPs. We have a
11 full project outage today, for annual substation
12 maintenance.

13 That's all.

14 CHAIR LUCE: Thanks.

15 Councilmember questions?

16 MR. FRYHLING: No. I just want to
17 thank Eric and the company for working with the
18 Robertsons. That was a problem we had out there, and
19 I am glad it is resolved. Thank you.

20 This is Dick Fryhling.

21 CHAIR LUCE: All right.

22 Energy Northwest, you are filling the
23 remainder of the agenda. Let's start with CGS and
24 then move on to 1 and 4.

25 MS. KHOUNNALA: Okay, certainly. Good

1 afternoon, Councilmembers.

2 The update for Columbia Generating Station, we
3 are currently operating 85 percent power, generating
4 981 megawatts. Today, yesterday and this past weekend
5 we have been participating in a BPA-requested economic
6 dispatch.

7 Currently, our plant has been online for 21
8 days following a successful 10-day planned maintenance
9 outage, which ended on May 31st. We are very pleased
10 with the success of our outage. We were able to meet
11 all of our planned maintenance goals and objectives,
12 and all of our human performance objectives, and we
13 completed the outage without any safety incidents.

14 As part of our ongoing NPDES permit renewal,
15 Energy Northwest also submitted our groundwater
16 reports to EFSEC staff. This report was part of our
17 existing permit condition to support the renewal of
18 NPDES permit. We continue to work with staff on that
19 effort.

20 That completes the update for Columbia
21 Generating Station. If there's any questions before I
22 move on to WNP 1 and 4.

23 CHAIR LUCE: Questions?

24 Hearing none, let's move on.

25 MS. KHOUNNALA: All right.

1 So for the 1 and 4 update, a brief update on
2 our water rights effort and applications. On May
3 30th, members of Energy Northwest senior management
4 and our legal counsel met with the manager from the
5 Department of Energy, Richland's operation office, as
6 well as some of the other RL staff members. As the
7 Council is well aware, the focus of that meeting was
8 really to request resolution on our water rights
9 application.

10 The outcome of that meeting is, during that
11 meeting, the DOE committed to issuing a response to
12 our letter, which was sent to the RL manager on
13 March 12th. DOE also scheduled a meeting of technical
14 staff from RL, as well as from Energy Northwest, to
15 discuss some various logistics and other technical
16 concerns regarding our request.

17 This meeting in fact was actually held
18 yesterday, where members of our group, and
19 environmental, and regulatory programs, and
20 contracting attended that meeting. From this meeting,
21 both parties have some action items and some follow-up
22 information to provide. An additional meeting has
23 been scheduled for July 17th, for bring-back of those
24 action items.

25 CHAIR LUCE: Great, we will look forward

1 to getting a report from your meeting with the
2 Department of Energy.

3 Would it be possible to get a report? I
4 assume there is going to be an exchange of memoranda
5 between the two offices.

6 MS. KHOUNNALA: At this time it is
7 informal take-back, to bring additional information
8 back to the next meeting --

9 CHAIR LUCE: All right.

10 MS. KHOUNNALA: -- as opposed to formal
11 information exchange.

12 CHAIR LUCE: Okay. Well, we will wait.

13 Thank you very much.

14 MS. KHOUNNALA: You're welcome.

15 Thank you.

16 CHAIR LUCE: I think we have reached the
17 point in the agenda -- do any members of the public
18 wish to comment about any matters pending before the
19 Energy Siting Council?

20 Manager's report.

21 MR. WRIGHT: I don't have any.

22 CHAIR LUCE: All right.

23 Well, I have a very -- sad is probably not the
24 right word, because I'm glad, but I am sad. Jeff
25 Tayer, who is the central southwest manager for DFW

1 has been with us since 2006, six years of fun, and now
2 daddy is taking the T-Bird away. Jeff is going to
3 retire. I can't believe that Jeff is really going to
4 retire. Jeff is going to leave the service of DFW and
5 maybe find some -- I won't say more interesting, but
6 some different challenges.

7 So, Jeff, we regret very, very much your
8 leaving because you have provided expertise in Fish &
9 Wildlife matters, avian, bats, and your counsel above
10 all else, leaving aside your technical expertise, has
11 been invaluable to this Council. I know I speak for
12 all the Councilmembers, they probably want to say
13 something themselves, but it is our great honor to
14 present to you this plaque, in commemoration of your
15 excellent service and your many contributions to the
16 Energy Siting Council, 2006 to 2012. Congratulations,
17 Jeff. We will miss you greatly.

18 And at the same time, it is my honor to
19 introduce the new member of the Energy Siting Council,
20 who has probably been told that this is a really a
21 great job.

22 MR. STOHR: Yes.

23 CHAIR LUCE: Fraud -- I'm not sure if
24 fraud is the right word. Misrepresentation is always
25 a possibility. You are retiring and there's no cause

1 of action for a little misrepresentation. Joe Stohr.

2 Joe, do you want rise and introduce yourself?

3 Just say something briefly about yourself.

4 MR. STOHR: I'm Joe Stohr, I'm the
5 deputy director at Fish & Wildlife. I've had a few
6 interactions with UTC over the years on Hanford issues
7 and on oil pipeline issues. I won't be able to
8 replace Jeff, we are going to miss him too, but I am
9 excited about being able to work with all of you. I
10 will meet all of you soon.

11 CHAIR LUCE: It will be fun. You don't
12 know what awaits you. I'm sure that we will clue you
13 in once you have officially signed the documents,
14 accepting this position.

15 I don't have anything else.

16 Councilmembers, do you have any comments you
17 want to make?

18 MR. FRYHLING: I just want to thank
19 Jeff. He's been one of the best teachers to me in
20 learning Fish & Wildlife issues, relating especially
21 to the wind projects and so forth. Every meeting I
22 have come to I have learned something of great value,
23 so thanks, Jeff.

24 MR. TAYER: Thank you, Dick.

25 MR. HAYES: I would also like to say,

1 having only been on the Council for a couple years,
2 Jeff, you are always a reasonable voice, and a
3 thoughtful one as well. I have always appreciated
4 your input. Fish & Wildlife issues aside, you have
5 always contributed to the conversations and I really
6 appreciate that.

7 MR. TAYER: Thanks, Andy.

8 CHAIR LUCE: All right.

9 MR. TAYER: Jim, do you mind if I say
10 something?

11 CHAIR LUCE: Well, I guess. You've
12 retired. Go ahead.

13 MR. TAYER: I just want to say thanks to
14 all my friends --

15 MR. SUTHERLAND: Wait a minute, before
16 he does that -- this is Doug. Jeff has represented
17 the Department of Fish & Wildlife very, very well. He
18 has brought his years of experience and knowledge and
19 has benefited the people in this state in many, many
20 ways. EFSEC is just one of those venues that he has
21 done the outstanding job that he has continued over
22 these many years.

23 I can tell you, Jeff, that retirement is a
24 pain in the backside, and what you will do is you will
25 find something else that you are having fun with and

1 be just as productive with that.

2 And members of EFSEC, I can tell you that Joe
3 Stohr will bring to the body the same bad messages
4 that Jeff has been providing, so the quality of the
5 work is not going to decline whatsoever.

6 Congratulations, Jeff.

7 MR. TAYER: Thanks, Doug, I appreciate
8 that.

9 I just want to say thanks to all the friends I
10 have made in the energy business. When I first got
11 involved in this wind power stuff, I didn't know
12 anything about the energy.

13 I have played a lot of spots in my time. One
14 thing I always thought was important was to always
15 play with a team that was better than you, it always
16 brought your game up. To the extent that I have been
17 on my game ever since this Council, it's because I
18 have been trying to keep up with you guys. I have
19 never been surrounded by so many smart people all the
20 time, that know so many things that I don't know, and
21 that I have tried to learn as I have gone along. I
22 really thank you all for that, both my colleagues on
23 the EFSEC, but also the folks in the industry.

24 This has been a great -- you know, after 30
25 years, to get into something so different was really

1 exciting. Joe, I think you will like that part of it.

2 I also want to say thanks to Tammy and Amber
3 and Kayce for everything they have done for me. This
4 will be a big relief for you, I'm sure. Every time I
5 needed some help, you guys have been just fantastic.
6 I'm going to miss you.

7 MS. TALBURT: We owe you still for that
8 appraisal that you managed to get taken care of for
9 us.

10 MR. TAYER: Good.

11 CHAIR LUCE: We have a court reporter,
12 so you can say other things, too. If you want to
13 build on that speech, we can probably arrange to have
14 it framed.

15 Thanks, Jeff. You will be sorely missed.

16 We do have a note here from -- and I think we
17 have covered this once before, but I just want to read
18 it into the record.

19 It says, "Dear Mr. Wright" -- that's Al --
20 "Staff and EFSEC Members. I had hoped to call in
21 today to thank you all in person but I am not able to
22 do so. I do want to thank Mr. Wright and his staff
23 and the EFSEC board for your help in mitigating the
24 noise problem with EDPR. We have, since I last spoke
25 to you, come to an agreement with EDPR over the

1 matter. I want to also thank Eric Melbardis and Eddie
2 Kolitz from EDPR for working with us so tirelessly
3 over the past few months. Thank you all, I feel as
4 though I can get on with my life again. Regards,
5 Elizabeth F. Robertson."

6 Once again, thank you very much for the hard
7 work on this project and coming to the resolution that
8 has been satisfactory to everyone.

9 And with that note, there is cake and cider.
10 We stand adjourned to the refreshments.

11 (Council Meeting adjourned 1:56 p.m.)

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STATE OF WASHINGTON
COUNTY OF KING

I, Sherrilyn Smith, a Certified
Shorthand Reporter and Notary Public 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 26th day of June, 2012.



Sherrilyn Smith

SHERRILYN SMITH

MY COMMISSION EXPIRES:
JUNE 2012