

APPENDIX C

Publication #08-02-017C

ESSB 6001/RCW 80.80 Rule Making
Public Hearings
April 2008

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ESSB 6001 Rule Making
Public Hearing
Ecology Headquarters Building, Lacey
April 8, 2008

Let the record show the date today is April 8, 2008. We're located in the Department of Ecology Headquarters Building in Lacey. This hearing is about proposed rules setting emission performance standards for power plants that emit greenhouse gases and we do have guests who are entering their comments verbally.

Our first speaker will be Carrie Dolwick.

V-1

Carrie Dolwick and I'm with the NW Energy coalition 811 First Avenue Seattle Washington.

First of all, I just want to start out by saying as a stakeholder in this process, I just want to commend the process that led to the draft rules. It was a very organized process and I think that given the very difficult subject matter and the complications of the subject matter and also how the law was written and how the actual law was lacking in direction in many ways I think that Ecology in effect has done a fabulous job in coming up with rules that really follow the law and I'd like to go on and on about that tonight but I am going to spend my time talking about the few remaining concerns that the energy coalition has about this draft rule. The main concern that we have deals with one section in the law that deals with contracts and unspecified resources. As the state moves forward in developing more comprehensive climate reduction regulation we think it's really important that this law deals with unspecified resources in a manner that's consistent with the law and with the letter of the law, the intent of the law and that can also be used setting precedence because it is the first rule that deals with unspecified resources but if there's a good chance that unspecified resources will be dealt with subsequent rules. That's (A) why we think that it's really important.

The current draft rule for dealing with unspecified resources does not meet the intent of the law. We believe the rule inappropriately allows utilities to blend any combination of specified and unspecified resources in long term contracts to meet BPS. So for Washington who has a high percentage of hydro, this could mean that a contract could include up to 43 % of dirty fossil fuels because they're averaged together in contract so if you're mixing unspecified resources that are dirty with hydro which is a large end of Washington's mix you could get a lot of dirty fossil fuels into contract and we think that this is definitely not what the legislature intended to allow in this emissions performance standard especially because in the intent section of the law it really does clearly state that an objective is to reduce climate pollution. We're afraid this could allow creative contracting that would allow to utilities and power generation to emit high levels

of carbon dioxide. We do understand that energy and pollution printers do understand that there are flaws in the way that the law was written when we definitely understand the tight timeline that the agencies are under to develop this. We also understand that Washington is unique in that our power supply because of Bonneville Power Association and how public utilities get power but we do think that there's another way to deal with unspecified resources and I'd like to just get on record really quick a few other ideas on how to deal with unspecified resources legally that meet the letter and intent of the law more than what's currently written. We propose that instead of allowing up to 43% of unspecified resources in a contract that ecology could try to limit the amount of unspecified resources. We've talked with utilities and have come up with a figure of 12% to limit unspecified resources. This would allow utilities to make it reasonable and practical to meet the emissions performance standard but it would not allow up to 43% in unspecified resources. It would allow less (12%). It could eventually drive people to use less unspecified resources. That's how we came up with 12% and we think that unspecified resources should be limited to 12% in the formula that Ecology is currently using but we do want to allow some exception to accommodate the uniqueness of Washington power supplies and we would do this by exempting contracts that have power from the Federal Columbia River Power System. This would allow for the clean power that Washington uses and traditionally uses to be in contract with unspecified resources. We were hoping that this may be considered as an alternative way to deal with unspecified resources and I just want to point out why unspecified resources are so important to address because as more regulations come and as Washington moves towards reporting of emissions, unspecified resources will most likely be more dirty because everyone will be claiming clean and low emitting resources. That is our key concern about the law and as I've said before it's a pleasure to be on the stakeholder committee and we believe that Ecology did an excellent job in dealing with the other sections of the law and how the rules developed. Thank you

Next is Jessica Cover.

V-2

Hi, my name is Jessica Cover and I am with Climate Solutions. My office is based in Seattle Washington. I too would like to commend the Department of Ecology and EFSEC for doing such a great job tackling this complicated subject and developing rules of so many different interests in mind. I truly found it a pleasure to serve on the stakeholder committee providing input to Ecology writing these rules and thank you very much for allowing Climate Solutions to participate in that process. I would like to make just a few specific points on areas of the rules. First I'd like to say that we do have to register that we were disappointed that these rules chose to measure greenhouse gas emissions associated with electric generation not on a life cycle basis so not looking at all emissions coming from the fuel source from extraction to combustion, we realize that a compromise was made and we do support these rules and that compromise but would like to register that that was a disappointment. We feel

that the rules developed for sequestration of carbon dioxide, geologic sequestration are very important to ensure that any efforts to sequester greenhouse gas emissions are done in a safe and permanent way would not create rules so strict that it would actively unlock geologic sequestration. We're pleased that the definition of permanent as provided by the rules is in line with scientific standards. For geologic sequestration, we recommend that we did advocate that permanent should mean the dictionary definition of permanent, forever and ever and ever, we accept this compromise because scientists have told us that it's entirely feasible and appropriate so we appreciate that. This few meeting concerns on behalf of ourselves and the Natural Resources Defense Council with the geologic sequestration and we believe that a limit to the concentrations or percentage of contaminants which is allowed to be injected with CO2 should be set along or instead of a cart. We believe that thorough regulation is necessary at this time because of the potential risks to human health and species. Injected CO2 and any impurities it may contain have the potential to endanger or adversely affect human health. Additionally, it is essential that commercial carbon sequestration projects in Washington follow established best practices and not be experimental in nature if the technology is to gain public trust and contribute meaningfully to mitigating greenhouse gas emissions at scale. We also believe detailed site characterization is necessary with the high level of uncertainty of the technology on a commercial scale in Washington's unique and complex geology. Finally we see that throughout the rules, the term "lifetime of the project" is used several times but is not defined and we suggest that the "lifetime of the project" should be defined as when a closure certificate is granted. We will be submitting these printed comments as well but again I would like to thank Ecology and EFSEC for the very good job done on these rules

Thank you, now J.P. Kemmick.

V-3

My name is J.P. Kemmick. I am here on behalf of a group called Cascade Climate Network that is a regional group of youths working for climate solutions in Washington. Thank you for allowing me to speak today and I come from Tacoma Washington. Washington State has been a definitive leader in this country's fight against climate change. The past legislative session and the reason we're all here is proof of that and I commend and thank you for that, however, we must be weary of any false energy solutions especially clean coal. As rules and regulations for sequestration are finalized, I want to remind you that first in point there is no such thing as clean coal. Clean coal has guarded its erroneous name for its unfounded claims that the carbons emitted from such plants can be buried deep within the ground and sequestered from entering our atmosphere. This technology is still unproven and financially unviable. Besides those facts, the environmentally degrading way in which coal is extracted from this earth is ignored and the quality of life of the individuals impacted by this form of energy production is disregarded. Coal acquisition is one of the most destructive processes we currently use to fulfill our energy consumption and

involves blowing up entire mountain ranges, digging up massive swaths of land, and destroying fragile eco systems all while harming the lives of the local residents. By supporting new coal infrastructure in Washington, we are effectively supporting a new coal infrastructure nationally and weakening our leadership in progressive climate change legislation. We cannot forget the price of coal impacted communities wherever they are and watch whether they are Washington residents or not. Coal has become an increasingly difficult sale in Washington due to our emissions standards and I applaud that but I also urge you to avoid falling for clean coal as a global warming solution. To anyone who says that coal must be part of our clean energy future, I say they are severely underestimating the potential of the human race for innovation in the face of challenge and know we can and must do better. And as proof that the youths of Washington are behind this issue, I have with me a small sample of over 600 student photos from seven different universities and colleges from across Washington that I would like to leave with you today. Thank you.

Thank you and these will be part of the record on this rule making effort. Is there anyone else who would like to speak now? That being the case, the time is now 6:45 p.m. and this hearing is adjourned.

**Public Hearing Transcript
Air Quality Program
Thursday, April 10, 2008
Spokane, Washington**

Proposed Rule: Emissions performance Standards for Power Plants that Emit Greenhouse Gases
Chapter 173-218 WAC and Chapter 173-407 WAC
Chapter 463-85 WAC and Chapter 463-80 WAC

FORMAL HEARING

[There was a problem with the interaction between the tape recorder and microphone. I noticed that the tape was not moving consistently during the first testimony. The hearing was stopped, the tape fixed and the hearing intro re-done as well as the first testimony. The first testimony was played back in part to the audience to show it was now working.]

Let the record show it is 7:15 p.m. on Thursday, April 10, 2008. This hearing is being held at the Spokane Regional Health District, 1101 West College Avenue, room 140, Spokane, Washington.

The primary purpose of this evening's hearing is to receive comments regarding the proposed rule "Emissions performance Standards for Power Plants that Emit Greenhouse Gases Chapter 173-218 WAC, Chapter 173-407 WAC, Chapter 463-85 WAC and Chapter 463-80 WAC."

- Paid legal notices for this hearing were published in the Spokesman Review and Daily Journal of Commerce on Wednesday, March 19, 2008.
- Notice was also published in the Washington State Register on March 19, 2008, WSR #08-06-021.
- In addition, notices of the hearing were mailed to people on several listservs, and a press release was distributed to media throughout the state.

I'll now call your name according to the red number in the upper right-hand corner of your registration card. When it is your turn to speak you will have the floor, one person speaks at a time. As previously stated, it is very important to obtain a clear recording of your testimony. Please no side conversations. Keep your comments limited to 5 minutes. Any questions you ask during your testimony will not be answered at this time. They will be answered in the Responsiveness Summary.

When I call your name, please step up to the microphone, state your name, address and any organization you may be representing, then proceed with your testimony. And we are starting with Doug Morton followed by Norm Osterman.

[Question asked by Bart Haggin: Is that being recorded now?

Carol Bergin: Yes it is.]

V-4

I am **Doug Morton** from Walla Walla. I represent the Blue Mountain Audubon Society.

Reducing greenhouse gas emissions enough to avert a dangerous rise in global temperature requires us to stop emitting carbon dioxide into the atmosphere. Our dependency on fossil fuels threatens our very survival in the long-term. Senate Bill 6001 provides us in Washington with tools to help us to do that, but these hearings are critical in determining whether it will be business as usual or a new day in our planning for the world that our children and grandchildren will inherit. Our actions now will have consequences for those who follow us. We must act responsibly.

SB 6001 is our lawmaker's intent to reduce greenhouse emissions and address the serious consequences of global warming. It is not the intent of the law to encourage future fuel, fossil fuel energy based plants. Across the country, planned coal fuel energy plants are being cancelled frequently now, while over 100 remain on the drawing boards. The federal government recently suspended a major loan program for coal fueled energy plants because of the uncertainties of global warming and the economics of their creation.

The Blue Mountain Audubon Society based in Walla Walla is the longest established conservation organization in southeast Washington. We submit these comments because of our concern for the long-term welfare of our environment. We are proud of our natural heritage and protective of some of Washington State's most significant bird-watching sites in Wallula and the McNary National Wildlife Refuge, which are near the site of the proposed IGCC Plant in Wallula. We enjoy blue skies and bracing air on many days when we don't have inversions which bring us the stench of Tyson's meat processing and Boise Corporation's container production facilities which are also adjacent to the proposed coal plant. We are seriously concerned by the additional assault on our environment. We are worried about the impact on our aquifers, with the injection of greenhouse gases into our subterranean basalt.

We want to note for certain that if storage does occur it will be at least 99 percent or more for at least a thousand years, in essence, permanently. We want to be assured that monitoring will be performed by non-industry sources, not just until the plant is terminated. We are particularly concerned about the validity of sequestration as a science and not as an art. It must work 100 percent of the time. No loss of sequestered greenhouse gasses must be allowed to escape into the atmosphere.

The science of basalt sequestration is unproven. The current studies being considered by Battelle are very preliminary and the lead researcher, Peter McGrail said repeatedly at a Port of Walla Walla meeting that his preliminary study can in no way be used to predict the successes or failures of coal plant sequestration. In other words, we are years and many studies away from adopting this technology for prevention of atmospheric greenhouse emissions. We urge you to consider this and to require peer review replicable studies before authorizing any future fossil fuel based energy production facilities. Currently industry involvement in our IGCC plant sequestration plant renders any data generated suspect.

Who will be the final arbiter of the integrity of sequestration studies? Who will monitor the sequestration process, and who will monitor the success of its long-term permanence? As new technology evolves, will current plants be required to adopt them immediately, and will they be grandfathered into their formative, in at their formative levels at the time of licensing. If sequestration is proven a viable, safe and effective permanent repository of greenhouse gases, it should be used initially on existing polluting plants to reduce their carbon footprints. Remember that SB 6001 was created to reduce our emissions, not encourage more.

There are enormous gaps in the sequestration regulations. We want the emissions involved in the mining and transmission of coal for these plants to count in the total output of greenhouse gasses by requiring 65 percent sequestration it does not really add up to that amount. No emissions below 20 percent leakage are included nor the mining and transportation emissions nor any emissions during the first five years of production, nor every start up action or during the construction of the plants. Those are enormous holes in the net which was created to stop and reduce these pernicious problems. Our desires for a free or cheap fix for our energy needs are just that – desires. Reality shows a conversation measures and renewables and technological advances can contribute more to solving our problems without endangering the planet further. Rational, scientific research and a committed public can and will secure our energy future. Coal in the ground is already 100 percent sequestered for millennium. Why not leave it there?

We believe that the AKART regulation and proposed WAC 173-115(2)(e) is insufficient. There are other pollutants than carbon dioxide that contribute to environmental degradation and should be removed. Will these be removed at the time of production or by polluting our underground with them? We do not want Washington based utilities to be able to mix dirty coal generated energy from elsewhere which is allowed by the current regulations which allow utilities to not report this “unspecified” power.

These coal plants will bring in coal from elsewhere, ship the energy and profits elsewhere, and leave the waste, noise and pollution with us.

Lastly, we strongly endorse enforcement of the greenhouse gas emissions by the revocation of operating licenses for a year or more to prevent them from exceeding standards by simply paying fines and continuing to do business as usual. There is a famous saying that if you are not part of the solution, you are a part of the problem. We wish you luck and courage and acumen in accomplishing meaningful regulations for our citizens. Thank you.

[Carol Bergin: Thank you. Because there was a question raised about whether this is recording, I am going to stop it and just back track it and make sure that we are actually recording. Tape was recording the previous testimony.]

Ok, Norm Osterman

V-5

My name is **Norm Osterman**, I live at 1032 Pomona Street in Walla Walla, Washington and my remarks are representative of the Coal Plant Working Group of Walla Walla, Washington except when I use the word "I."

In writing regulations to put in Senate Substitute Bill 6001 into effect, please keep in mind that the clear intent of that law was to limit CO₂ and other greenhouse gas emissions. The Coal Plant Working Group of Walla Walla wants EFSEC and the Department of Ecology to apply stringent standards across the board as they relate to greenhouse gas emissions, sequestration, enforcement standards and other matters. Locally, we are not the only ones to feel this way. An attached letter from the Walla Walla County Commissioners to the Port of Walla Walla Commissioners states in part,

"We would on behalf of the County feel compelled to make every effort to make sure that if an IGCC plant was ever to be built in the County it would be held to the highest possible technological and environmental safety standards. We believe that the Port Commissioners share our concerns for our citizens and hold the project to the highest possible safety standards. Even if those standards are in excess of those established by EFSEC or the Department of Ecology for the highest possible scrutiny on emissions."

WAC 173-407 and 130 and WAC 463-85-100 state,
"Beginning July 1st 2008 new base load electrical generation and cogeneration facilities are not allowed to emit to the atmosphere total greenhouse gases at a rate greater than 1100 pounds per megawatt annual average."

Our understanding is that the limit on greenhouse gas emissions in the regulations is presently tied to the net or deliverable power produced by a facility. This is the approach we favor. Also, we believe that greenhouse gasses should be further defined and that some greenhouse gases should be weighted when

figuring required amount of emissions to be sequestered. For example, methane is 23 times as harmful as CO₂ as a greenhouse gas when released into the atmosphere. This should be taken into account. If methane is found to be part of the mix of the emission produced by a power generation facility. Regarding WAC 173-407 110, we believe that permanent sequestration, that permanent sequestration definition should read,

“Permanent sequestration means the retention of greenhouse gases in a containment system using a method and in accordance with standard approved by the Department that can be proven to contain at least 99 percent of the greenhouse gases for at least 1,000 years.”

We favor the requirement that emissions standards include the entire process of mining and transporting coal from the source to the coal fuel power generating facility in addition to its use as a fuel in that facility.

AKART regulation and proposed WAC 173-218-115(2)(e) is inadequate. We believe all contaminants other than CO₂ should be required to be removed, not just a reasonable effort made. Otherwise, the sequestration could become a dumping ground for pollutants other than CO₂.

So that Washington state utilities cannot evade our state's regulations by contracting to buy “dirty” power from outside of state facilities, we oppose unspecified power, favor full disclosure in power contracts and oppose averaging various sources. All sources should be disclosed and emissions from any specific source should be required to meet the 1100 pound limit of total emissions.

WAC 173-407-220(1)(c) allows monitoring which shows leakage from sequestration at a threshold greater than 20 percent. This directly contradicts the standard elsewhere which aims at a 99 percent permanent sequestration.

To go off my notes, over the years would amount to millions of tons of CO₂.

With regard to WAC 463-85-240, Enforcement of the emissions performance standard on schedule, I favor the addition of the following language in section (1)(b) Revocation to operate for one year period will be automatic if the source fails to meet performance standards for any two years in a five year period. I believe this is necessary so that a facility does not make the practice of exceeding standards and making fines simply a cost of doing business.

The Coal Plant Working group steadfastly opposes the building of more coal fueled plants. That said, we do feel that EFSEC and the Department of Ecology need to write regulations which work to protect the health and safety of the public and the environment. We do feel more, that can be done and urge you to redouble your efforts in these last several months of your rule revision process to ensure that, to the best of your ability, you are protecting the environment and the health and well-being of citizens now and for generations to come.

Carol – Thank you Jenna Bicknell, and she will be followed by Brad Riordan.

V-6

My name is **Jenna Bicknell** and I live at 671 Abbott Road in Walla Walla, Washington. I would like to thank you for giving me the opportunity to participate in this process of adopting the regulations. I am an environmental studies politics alumna from Whitman College, and it has been an exciting yet arduous to become familiar with this process and the related legislation. The one thing I am certainly clear on is the fact that the intent and instruction for this meeting and the many held prior lies within the guidelines of 6001.

I hope we can all agree that the purpose of 6001 is to promote renewable energy and to limit greenhouse gas emissions. If we look at the ability of renewable energy to meet an increasing energy demand within our state, the outlook is actually very good. Given that renewable energy is sustainable, we must ensure that new coal or fossil fuel plants are held to the highest efficiency and sequestration standards. The permits granted for new facilities should not contribute, should not be allowed to significantly contribute to an increase in greenhouse gas emissions given the ability of solar power to meet rising energy demands. We must consider how these regulations will later be implemented. There are several places within the regulations that I would like to draw attention to with this forward thinking.

First, I would like to agree with the specific comments that Doug Morton and Norm Osterman have made regarding too many of the WAC proposals. The definition of permanent sequestration in proposed WAC 173-407-110 is ambiguous with respect to the phrases “high degree of confidence” and “substantially 99 percent.” I believe this language should be changed to read “permanent sequestration means the retention of greenhouse gases in a containment system using a method and in accordance with standards approved by the Department that can be proven to contain at least 99 percent of the greenhouse gases for at least 1,000 years.” Furthermore, we need to consider the realistic life time of the plant. And, as well as inputs which contribute to greenhouse gas emissions. We should include the emissions related to the transportation and mining of fossil fuels into the total emissions of the plant. Otherwise we will be unable to accurately calculate greenhouse gas emissions for related coal plants.

I am also concerned about mitigation through payment. It makes me very nervous. And, I wonder how can we pay a Portland based company to mitigate when air quality in another region is being directly impacted. This is not an acceptable mitigation tool in my mind.

Lastly, I would like to encourage EFSEC and Department of Ecology to critically and suspiciously consider any permits until more is known about underground sequestration techniques.

I love southeastern Washington and when I choose to raise a family here, I can only hope that the Walla Walla valley will always have blue skies and many, many wind farms.

Carol: Thank you

V-7

I am **Brad Riordan**. I live at 98 Garden Drive in Walla Walla, Washington and thank you very much for allowing me an opportunity to speak, and I would also like to thank Ms. Pritchett and Mr. Fiksdal for their timely responses to e-mails that have been sent out. It is reassuring to know that when we do have questions that we will get a timely response and that is exactly what we have gotten.

We here in Eastern Washington support the Washington Legislative amendment 6001 as we understand it will be enforced. This is to promote renewable energy, limit CO2 and other greenhouse gas emissions. I wish to comment on the following areas of 6001:

1. The greenhouse gas emission rates allowed
2. The definition of permanent sequestration
3. Unspecified contracts
4. Using a life cycle of fossil fuel as a measure of greenhouse gas
5. Penalizing new plants by not requiring retrofitting of existing plants

Greenhouse Gas Emissions

1100 pounds per megawatt hour being used against net deliverable electric production is a solid platform to build standards on going forward. However, this should read "1100 pounds per megawatt hour or the technology equivalent on a two year cycle requiring upgrades not five years." The ability of IGCC plant facility to meet and advance their operations to changing standards based on new technology is critical. The plants have long life cycles and it is unacceptable that they would be allowed to stall out at some point in their life cycle because of financial concerns. If there is a serious possibility that these plants cannot meet this requirement then they should not be allowed to be built in the first place. The requirement to meet the 1100 pounds of CO2 per megawatt hour should be from day one, no promises and pay later.

Definition of Permanent Sequestration and Lifetime of Project versus Closure Certificate

Permanent is an ambiguous word open to interpretation constantly. Please change the language in WAC 173-218-115 where the phrase "for a lifetime of the project" is used to read "a thousand years for the containment and sequestration

of greenhouse gases the methods employed must meet approved standards to contain at least 99 percent of greenhouse gases for at least 1,000 years.” The term lifetime of the project is not defined in the above and should be defined as “when a closure certificate is granted.”

Unspecified Contracts

I am sure you have had contracts on this matter, RCW 80-80-04(9) authorizes the Department of Ecology to deal with unspecified sources. The DOACR 102 does not meet either the intent of letter or the letter of the law used in the RCW. The idea that up to 43 percent of an unspecified contract can be made up from unidentified or known dirty sources is unacceptable. Allowing the use of plants producing the emissions of 2600 pounds per megawatt hour or greater and mixing this with hydro or nuclear or gas production is not the legislatures intention as you can see from comments by Bill sponsors on the floor. Their comments about eliminating polluting power are meant to be taken across the board and not just within Washington State. There intent is to eliminate the use of sources that do not enhance the reduction of greenhouse gases. In the April 2007 Olympian printed “Legislature passes bill targeting climate change by Richelle Laquarte the Associated Press” The article states, “Under the measure any new coal fired plant would be able to inject into the ground any emissions of greenhouse gases primarily CO2 in excess of 1100 pounds per megawatt hour. Utilities would be prevented from entering into contracts with plants that don’t meet the same cap.”

In line with these comments, the term “local jurisdiction” needs to include not only in-state producers of fossil fuel supplies, but local jurisdictions in other states. If this is not done, in-state suppliers as well as the Washington state consumers will be penalized and costs will increase for power production.

Using a Life Cycle of Fossil Fuel as a Measure of Greenhouse Gas

WAC 173-407-230 Measuring the greenhouse gas requirements only at the smokestack is fatal to the intent of 6001. Again, it assumes that nothing happens prior to fossil fuel being crushed, gasified and burned. Base load compliance is only part of the life cycle. Enforcement needs to include measuring, monitoring, and enforcement of the entire life cycle of the fossil fuel to include emissions associated with extraction and transportation of the fuel source. To not do this for Washington State is to fail to meet the commitment to reduce greenhouse emissions.

Penalizing New Plants

Washington State must be retrofitted to meet new standards or phased out on a DOE stated timeline with no exceptions. To state that these plants cannot be upgraded is to set the table for the same conversation ten years down the road on new plants going in under 6001. This is not acceptable and regulations should be expanded to deal with old plants.

Thank you

Carol: ok next, we will have Bart Haggin followed by Kitty Klitzke

V-8

My name is **Bart Haggin**. I live at North 15418 Little Spokane Drive in Spokane, Washington.

Well, I hardly know where to start. I mean, I am very discouraged the way that this hearing has been conducted. The publicity was inaccurate and the timeline situation was confusing. The equipment was not pre-tested so that it was going to be working properly so the hearing was held up because of that. And it just seems to me that this is so frequently with these public hearings that they are set up rather haphazardly, so that people are discouraged from attending and participating in public hearings.

Having said that, I agree with most of the people that have already spoken, but I would like to point out that when we are talking about the kinds of programs that we are talking about today, we are talking about clean coal. The idea that there can be such a thing as clean coal. As a matter of fact, there is adequate evidence that that is not possible in a practical way. Robin Williams says that when you are talking about clean coal it is like talking about porous condoms. It just simply is not something that is practical and possible.

I think that we have to understand that there are supposedly vast quantities of coal, but in fact the recent scientific discoveries have said that actually coal is in short supply if it is coal of a high enough quality to be transported. Most of it has to be burned right where it is because it is such poor quality that it doesn't have enough energy in it to justify hauling it some place. The kind of coal that we are talking about that is practical to haul some place mostly comes from Appalachia where they are cutting the tops off of mountains in order to get at the anthracite underneath and destroying not only the topography, but the ecology of the valleys and so forth where the material is being dumped into and destroying huge tracks of land in Appalachia.

So, coal is not just harmful because of the emissions that it comes from, but it is harmful because of the kinds of things that it creates in the mining of it. It seems to me that the best that we can expect here is a level that would be from these plants if they are ever produced to be the same as the levels that are recommended for the natural gas generation plants.

But as a matter of fact, what we are talking about here in both cases of natural gas and coal and oil, these are all finite resources and we shouldn't be damned well burning them up. We should be trying to figure out how we can get along without them in terms of conservation and in terms of using alternative sources that are actually renewable, solar, wind and geothermal and so forth.

So, this is a very discouraging situation here to come to this hearing and find these kinds of things going on. The hearing being haphazard, in a rather haphazard way and for us to be talking about the illusion of clean coal and that is exactly what we are talking about here today.

Carol: Thank you

V-9

Buell Hollister: What number to you have there? Carol number 8. Buell: Where is 7? What number is Bart Haggin? Carol – you were next, I am sorry. So, Kitty, you, Kitty, you follow. Buell: I know Kitty has far more precious comments to make than I have, but I'm going to repeat that litany that you hear so often in public hearings.

Carol: Can you state you name please and address?

Buell: Pardon? I just talk to you?

Carol: Yes, if you go ahead and state your name and your address.

Buell: Oh yeah, I know that, but I was wondering who I address this to.

Carol: To me.

Buell: o.k. My name is **Buell Hollister** and I live at 3411 East 26th Avenue in Spokane, Washington. Now can I proceed?

Carol: Yes, you can.

Buell: Oh, ok. Well, I tell you, all of the, I'm impressed with these people from Walla Walla came so well prepared for this hearing, so my comments are going to be just general.

One of my concerns is the fact that we Americans consume far, far too much energy as it is. You know, 5 percent of the world's population and we consume up to 30 percent of the resources and we are responsible 5 percent for 25 percent of the greenhouse gases. Even though China is catching up, we still are responsible for 4 times on a per capita basis, 4 times the CO2 emissions than the Chinese people are. So, we are the principle contributors. Now James Hansen who is considered one of the preeminent global scientists, he is not talking about 1,000 years. He says we have 10 years to turn this around. As the poet and philosopher Wendle Barry said, the only thing that we can do if we are serious about addressing global warming as a society is to live more simply. To live poorer, to not be such ravenous consumers of not only energy, but other resources.

I am concerned about and it has been mentioned, but I think it is important to point out, that the mining and transportation of coal, will come mostly from Wyoming. That CO2 is not going to be sequestered, it is going to be emitted into the atmosphere. And those trains, the ones that BNSF called, they hauled it over to the plant at Centralia, four diesel units, 25,000 tons of coal. Those things are going full bore and the black smoke just pours out of them. So, they are emitting a great deal of carbon dioxide just in transportation of the coal.

We have to come up with the idea that even though the coal is there, it wasn't necessarily put there by God or some you know, celestial power to be consumed. That seems to be the attitude. We have to remember that our nuclear waste, we still haven't come up with a viable solution. Nobody wants to be the resident for that waste and we were assured that it was going to be handled very efficiently. And, it hasn't been. What assurances that this sequestration is going to be reliable, that this carbon dioxide is going to be secured?

I am unsure about the aspect of nitrous oxide, mercury and sulfur that is a product of burning coal. What is going to happen to those components? So, anyway, I think that the issue that we have to face is that we have to learn to use less energy and make the facilities that are in operation more efficient which can be done, instead of talking about building new facilities.

So, I guess I have pretty much run the course of what I wanted to say. Thanks for the chance to speak.

Carol: Thank you ok. Kitty

V-10

My name is **Kitty Klitzke** and I work for Future Wise and The Lands Council. The Lands Council is a local watershed based organization of about 1200 members mostly in Eastern Washington. And we are located at 25 West Main, Suite 222, Spokane, Washington 99201.

I would like to thank you all for the opportunity for giving us the chance to comment on these issues and thank Carol for setting this up and bringing everybody here. I want my comments to be directed at EFSEC and both EFSEC and Ecology and I apologize that they are not arranged very well according to their particular WAC. I hope you will all bear with me on that.

We are in no way trying to endorse the idea of carbon sequestration. We don't feel that it has been proven. It is definitely an "if." But, considering that climate change is a huge crisis, we do want to say that we agree that developing rules for sequestration of carbon dioxide is a very important way to ensure efforts to

sequester greenhouse gas emissions are done in a safe and permanent way. And, that the intent of the law was not to create rules so strict, (I'm talking about 6001 here, sorry about that) that it would outlaw carbon sequestration if and when it becomes safe and reliable and technically feasible.

We are pleased that the definition of permanent as provided by the rules is in line with scientific standards for carbon sequestration. It is a fairly feasible and appropriate definition, but we would also support the strengthening of this definition as proposed by the previous testimony. We would also like to echo the previous testimony of every single one of these people who have testified in Spokane. They all bring up very valid concerns that The Lands Council and our members share.

We believe that a limit to the concentration or percentage of contaminants which is allowed in the injected CO₂ should be, should have along with it or instead of the all known available and reasonable methods of prevention, control and treatment a percentage requirement.

We would also like to see in the sequestration portion, especially when you are talking about the non-geologic sequestration methods, in the monitoring section, it appears that it will only be detected, that leaks will only be detected if it is a 20 percent leak. We think that is way too huge. It should be in compliance with the definition of permanent. If there is a 1 percent leak, then we need to know about that 1 percent and that is the maximum percent leak that we should even be considering or worrying about. So, that needs to be changed.

We also saw the term lifetime of the project used a few times in this legislation, but it is not well defined. We believe that the lifetime of the project should be defined. We believe that the lifetime of the project should be defined as when the closure certificate is granted.

The passage of Senate Bill 6001 was important for the health and the economy of Washington. The bill is intended to end the construction of pulverized coal plants to serve Washington loads. It makes the price of IGCC power reflect its emission disposal costs and jump-starts the process toward a comprehensive greenhouse gas emission reduction plan for the state which has now been advanced by House Bill 2815.

The law clearly lays out the state lawmaker's intent to reduce greenhouse gas emissions and address the global problem of climate change. The legislature stated there is a need to take sufficient action so that Washington meets its responsibility to contribute to the global actions needed to reduce the impacts and the pace of global warming. This was a very important first step in a climate action plan for the state of Washington.

The next issue that I want to address is the unspecified resources. The current draft proposal for dealing with unspecified resources does not meet the intent or

letter of the law. The proposal inappropriately allows the utilities to blend any combination of specified and or unspecified resources in long term financial contracts to meet the EPS. For example, it could allow contracts with up to 43 percent of dirty fossil fuels that would not meet the emissions performance standard on their own. To meet the EPS by mixing the dirty power with zero carbon emissions energy from sources like hydro is not appropriate. The legislature did not intend for utilities to comply with these goals by contracting for up to 43 percent of fossil fuel based powers and simply diluting those impacts through creative contracting. Ecology must find another way to address unspecified resources.

Thank you again for the opportunity to comment.

Carol: Thank you Alright, John Osborn and he will be the last person that we have a card for.

V-11

My name is **John Osborn**. I live at 2421 West Mission Avenue in Spokane Washington. I Chair the Sierra Club's Upper Columbia River Group. We are a group that has about 2,000 members, the largest environmental organization in the region. And, the Sierra Club has a membership of about 1.4 million.

I would like to make several points. The first, is the paucity of the science as it relates to sequestration. The, I think when we make critical decisions, then we need to have the adequate scientific basis. I happen to work as a hospitalist at the Veteran's Hospital where I have been for 22 years. And, not unlike in the caring for patients, when we make decisions that affect eco-systems and communities, we need to have a solid base as a science for proceeding forward in developing options and implementing them. My concern is that in the science of trying to sequester pollutants in deep aquifer is, we would be basically be moving forward without a solid basis.

A second issue in that has become clear and the Sierra Club and challenge to water rights as it relates to Washington State University and the consolidation of water rights, the characterization of aquifers is challenging and so it is not only just a matter of the science of polluting, or placing pollutants in deep aquifers, it is also being able to adequately characterize those aquifers. In the absence of adequate science, I think it is incumbent upon governments which have a moral duty to protect the common good, to adhere to the precautionary principle.

Secondly, the purpose of 6001 is to promote renewable energy and to reduce greenhouse gases and so the implementing regs for that law needs to think, be guided by the overall purpose. Part of the concern here is that we end up developing and implementing regulations that really give a green light to increasing greenhouse gasses. In regards to the permanent sequestration, we

have a lot of experience with another pollutant and those are the mining wastes in the region. We have had mining companies that have severely polluted the Spokane River system and they have since left, transferring capital and avoiding liability. Most recently Asarco.

I would be concerned that we need to develop regulations that adequately protect the public and the public purse, and assure that liability lies with the polluting industry.

As has been mentioned by Norm Osterman and Doug Morton and others, we need to look holistically at production of greenhouse gasses, just not at the smokestack, so including extraction, plant construction, shipping of the carbon based fuels.

Also, we need to look at how the state would intervene should standards not be met. I think it has been raised already if companies make a major investment the science is inadequate, standards are exceeded, is the state prepared to intercede.

Finally, I think a point that is critical for those of us who live on the East side of the Cascade crest is that we not ended up developing laws and implement regulations that create or worsen the problems of Eastern Washington as an environmental sacrifice for the state. We are already dealing with the legacy of Hanford, mining wastes that contaminant Lake Roosevelt and the Spokane River and Lake Coeur d'Alene Basin. We are at risk of becoming a center for energy production, pollution of agricultural lands and the pollution of our ground waters as well as worsening of global warming.

I think in terms of serving the common good and in meeting a moral test, the governments really need to meet. We need implementing regulations that address these issues as well as the issues raised by prior presenters.

Carol: Thank you I have no other people that have turned in cards wanting to testify. Is there anyone that has changed their mind and wants to testify? Ok

The comments on these proposed changes are going to be accepted through April 18, 2008. And, all testimony that is presented at this hearing along with any written comments that are received will be part of the official record for the proposed rule "Emissions performance Standards for Power Plants that Emit Greenhouse Gases Chapter 173-218 WAC, Chapter 173-407 WAC, Chapter 463-85 WAC and Chapter 463-80 WAC." This includes comments about Ecology's proposed State Environmental Policy Act (SEPA) Determination of Non-significance. Both the oral and written comments that are submitted will receive equal weight in the decision making process. If you would like to receive or if you would like to submit written testimony, please send your comments to the people who are on your agenda. You have them down there. They are:

WA Department of Ecology's Proposed Rule:
Nancy Pritchett, who spoke earlier, she is with the
Air Quality Program
Washington State Department of Ecology
P. O. Box 47600
Olympia WA 98504-7600
Her e-mail address is npri461@ecy.wa.gov
Her fax is 360/407-7534

If you want to send your comment directly to Allen Fiksdal, he is with EFSEC and his address is

Energy Facility Site Evaluation Council's (EFSEC) Proposed Rule:
Allen Fiksdal
Energy Facility Site Evaluation Council
P.O. Box 43172
Olympia WA 98504-3172
e-mail allenf@cted.wa.gov
fax 360/956-2158

Again, these comments must be received by April 18, 2008.

At the end of the comment period, a Responsiveness Summary will be prepared by Ecology and that will include all oral testimony as well as any written comments that are received by April 18th. If you commented this evening you will receive a copy of the summary. If you did not comment but would like a copy of this document, please talk with me after the hearing and I will make sure you get one.

The way that you get your copy of this is making sure that you signed in the back and also that you stated your name and address for your testimony.

On behalf of the Department of Ecology and of EFSEC, I would like to thank you for coming tonight. I apologize for a couple of the bloopers that we had and hope that it won't discourage you from coming back to other meetings and hearings. We really appreciate your cooperation and your courtesy and taking the time that you did. We know there are a lot of things that compete for your time. So we appreciate that.

Let the record show that this hearing is adjourned at 8:01 p.m. on April 10, 2008. Thank You