

**Minutes of the  
Energy Northwest  
Regular Executive Board Meeting  
Teleconference  
345 Hills Street  
Richland, Wash.  
Nov. 13, 2014**

Chair Sid Morrison called the regular meeting, held via teleconference, of the Executive Board of Energy Northwest to order at 11:02 a.m. on Nov. 13, 2014. There was a quorum present. An environmental analysis of the Nov. 13, 2014 regular Executive Board meeting agenda had been prepared which reflected that all items on the agenda were exempt from further procedural compliance with the State Environmental Policy Act.

## **Roll Call**

### **Executive Board Members**

Sid Morrison, Chair  
Jack Janda  
Lori Sanders  
Dave Remington  
Tim Sheldon  
Kathy Vaughn  
Skip Orser  
Will Purser  
Marc Daudon  
Linda Gott

**Others Present:** Shirley Reese, Reese Government Relations; Jim Rowland, Rowland Co.; Mark Jones, Bonneville Power Administration; and Nancy Neraas, Foster Pepper.

**Staff Present:** Mark Reddemann; Brad Sawatzke; Brent Ridge; Bob Dutton; John Irvan; Carla Martinez; Curt Moore; Don Queen; Angela Smith; Ken Williams; and Jeff Windham.

## **Regular Executive Board Meeting**

### **Comments from Members of the Public**

Hearing no comments from members of the public, the next item on the agenda was addressed.

### **Approval of Minutes**

The following meeting minutes were presented for approval:

- Regular Executive Board Meeting – Oct. 22 - 23, 2014
- Special Executive Board/Compensation Subcommittee Meeting – Oct. 22, 2014
- Special Joint Executive Board/Board of Directors Meeting – Oct. 23, 2014

Ms. Linda Gott moved that the meeting minutes be approved. Ms. Kathy Vaughn seconded.

Chair Morrison called for the question. MOTION CARRIED.

### **Dry Storage Cask Procurement**

Mr. Curt Moore, Reactor and Major Maintenance supervisor, presented on Action Memorandum #1234 and Resolution #1823 regarding purchase order 342269. Key points included: a background on Columbia Generating Station's used nuclear fuel, Columbia's intent to purchase additional dry cask storage and a recommendation to award the contract to Holtec International, Inc.

Discussion ensued regarding the bidding process, how the multi-purpose canisters and casks are cooled, the robust design of the used fuel containers and their ability to withstand extreme conditions including flooding and earthquakes, licensing, future plans for a national repository and cost comparisons from the previous purchase.

Mr. Brent Ridge, Vice President, Corporate Services and Chief Financial Officer, committed to providing the cost comparison information to the board by the end of the meeting, prior to the resolution being presented to the board for consideration.

### **Columbia's Turbine & Generator Services Contract**

Mr. Ken Williams, Turbine/Generator Project manager, presented on Action Memorandum #1236 and Resolution #1826 regarding Columbia's turbine and generator services contract. Key points included: a background on the services required on the main turbine and generator during Refueling and Maintenance Outage 22, the bidding process and the recommended vendor's previous experience.

Discussion ensued regarding the pricing structure and the cost differences between the bidders.

The board requested staff assess alternative options in the future and also include enhancing staff's in-house technical capability. Additionally, the board requested staff determine the ability to obtain Original Equipment Manufacturer drawings. The board also requested staff research Mechanical Dynamics, Inc. to understand their capabilities to assist Columbia in the future.

Mr. Brad Sawatzke committed to discussing further with Mr. Skip Orser, as chair of the Nuclear Oversight and Safety Committee.

NOS Committee Chair Skip Orser moved to approve EXECUTIVE BOARD RESOLUTION NO. 1826 – a Resolution Authorizing the execution of a contract work release order with Siemens Energy, Inc. to provide inspection, maintenance and repair services for Westinghouse steam turbine, generator and auxiliary components in support of Refueling and Maintenance Outage 22 – Columbia Generating Station. Mr. Will Purser seconded.

Chair Morrison opened the floor up for comments. Hearing none, Chair Morrison asked Ms. Angela Smith to conduct a roll call vote. Votes are as follows:

Jack Janda - Yes  
Lori Sanders - Yes  
Dave Remington - Yes  
Marc Daudon - Yes  
Linda Gott - Yes  
Skip Orser - Yes  
Will Purser - Yes  
Tim Sheldon - Yes  
Kathy Vaughn - Yes  
Sid Morrison - Yes

EXECUTIVE BOARD RESOLUTION NO. 1826 UNANIMOUSLY ADOPTED.

**Dry Storage Cask Procurement cont'd**

Per commitment, Mr. Ridge and Mr. Moore shared additional information regarding the cost comparisons on the previous Holtec International, Inc. contract.

Mr. Dave Remington moved to approve EXECUTIVE BOARD RESOLUTION NO. 1823 – a Resolution Authorizing the execution of a purchase order with Holtec International, Inc. for the fabrication, supply and delivery of nine Multi-Purpose Canister-68MS and nine Hi-Storm 100S overpacks with resistance temperature detector monitoring assemblies for the storage of used nuclear fuel at Columbia Generating Station. Ms. Lori Sanders seconded.

Chair Morrison opened the floor up for comments. Hearing none, Chair Morrison asked Ms. Smith to conduct a roll call vote. Votes are as follows:

Jack Janda - Yes  
Lori Sanders - Yes  
Dave Remington - Yes  
Marc Daudon - Yes  
Linda Gott - Yes  
Skip Orser - Yes  
Will Purser - Yes  
Tim Sheldon - Yes  
Kathy Vaughn - Yes  
Sid Morrison - Yes

EXECUTIVE BOARD RESOLUTION NO. 1823 UNANIMOUSLY ADOPTED.

**Nine Canyon Wind Project Bond Refunding**

Mr. Jeff Windham, Treasury/Budget supervisor, presented on Action Memorandum #1235 and Resolution #1824 regarding the request to approve the issuance and delegation related to the sale of Nine Canyon 2015 Series Bonds. Key points included: a background on Phase III 2006 Series, 2015 Refunding Series and key parameters.

Audit, Legal and Finance Committee Chair Kathy Vaughn moved to approve EXECUTIVE BOARD RESOLUTION NO. 1824 – a resolution authorizing the issuance of a series of Wind Project Revenue Refunding Bonds in the aggregate principal amount not to exceed \$58,265,000 to advance refund certain outstanding 2006 Bonds of the Nine Canyon Wind Project and delegating authority to the Executive Director, Chief Financial Officer or an Assistant Treasurer to approve the final terms of the bonds. Ms. Linda Gott seconded.

Chair Morrison opened the floor up for comments. Hearing none, Chair Morrison asked Ms. Smith to conduct a roll call vote. Votes are as follows:

Jack Janda - Yes  
Lori Sanders - Yes  
Dave Remington - Yes  
Marc Daudon - Yes  
Linda Gott - Yes  
Skip Orser - Yes  
Will Purser - Yes  
Tim Sheldon - Yes  
Kathy Vaughn - Yes  
Sid Morrison - Yes

EXECUTIVE BOARD RESOLUTION NO. 1824 UNANIMOUSLY ADOPTED.

**Water Permit Update**

Mr. Bob Dutton, General Counsel and Chief Ethics Officer, provided an update on Energy Northwest's National Pollutant Discharge Elimination System permit issued by the Washington Energy Facility Site Evaluation Council.

Mr. Dutton committed to providing an additional update at the December board meeting to further discuss.

**Legislative Priorities**

Ms. Shirley Reese, Reese Government Relations, reviewed the Energy Northwest Legislative Issues 2015 draft and requested comments be provided here today or sent to Ms. Smith.

Ms. Lori Sanders requested a copy of South Carolina's comprehensive energy plan as referenced in Issue 1: Carbon Policy & New Nuclear Development, section 2b.

Staff committed to sending the plan to the board.

Once reviewed by the Executive Board, the board will determine if the reference should remain within the document or be removed.

Mr. Mark Reddemann requested similar language from Issue 1, section 2a regarding clean energy, also be added to Issue 3: I-937.

Ms. Reese and Mr. Jim Rowland, Rowland Co. shared that the drafted positions are purposefully generic.

Ms. Reese informed the board that they will ask the board to take action and approve the draft during the December board meeting.

**Commitment Review/Provide Majority-based Direction**

The following new commitments were added:

- Regarding the turbine/generator services contract, follow up on alternative options in the future and also include enhancing staff's in-house technical capability; determine the ability to obtain Original Equipment Manufacturer drawings; and research Mechanical Dynamics, Inc. to understand their capabilities to assist Columbia in the future – Brad Sawatzke
- Provide update to the board regarding the challenge to the National Pollutant Discharge Elimination System permit – Bob Dutton – December meeting
- Send the board South Carolina's comprehensive energy plan – Angela Smith – prior to December meeting
- Update the draft Energy Northwest Legislative Issues 2015, Issue 3 to include language from Issue 1, section 2a – Shirley Reese – prior to December meeting

**Upcoming Meetings**

Chair Morrison reminded the board that the December Executive Board Meeting will be held at the Multi-Purpose Facility, Glenn C. Walkley conference room on Dec. 17 and 18, 2014.

**Other Business**

Ms. Smith reminded board members of reports available on BoardDocs.

Hearing no further discussion, Chair Morrison adjourned the Regular Executive Board Meeting at 12:52 p.m.

Respectfully submitted by,

Angela Smith  
Board Relations