

February 12, 2021

Sage Park
Department of Ecology
1250 West Alder Street
Union Gap, WA 98903-0009
Via upload

RE: Scoping comments, Goldendale Energy Storage Project (FFP Project 101, LLC)

Dear Ms. Park,

Thank you for the opportunity to submit these comments about the scope of environmental review under the Washington State Environmental Policy Act (“SEPA”)¹ for the proposed Goldendale pumped storage hydroelectric facility (the “Project”). I write in my capacity as the Vice President of Project Development for Rye Development, LLC, (“Rye”) which is responsible for developing the facility on behalf of its owner, Copenhagen Infrastructure Partners, LLC (“CIP”). CIP is one of the largest sustainable energy investment funds in the world and focuses on renewable and green energy facility development. Both CIP and Rye are proud that upon its completion the Project will be a key component in Washington’s ability to achieve the objectives set forth in the state’s 2019 Clean Energy Transformation Act (“CETA”)². The importance of the Project is reflected by the 2020 passage of legislation³ that specifically designates “pumped storage project using water rights approved by the legislature for that purpose” as projects of statewide significance eligible for, among other things, expedited permitting and environmental review.⁴ The water rights upon which this Project relies were approved by the 2013 legislature as eligible for pumped storage facilities. Thus, this Project falls squarely within those facilities that Washington’s elected officials have deemed to be of statewide importance and meritorious of expedited processing.

Not only does the state of Washington recognize the role that pumped storage hydro will play in providing renewably-generated electricity, but Rye itself was an active participant in development of the *Joint Statement of Collaboration on U.S. Hydropower: Climate Solution and*

¹ RCW 43.21C.

² RCW 19.405

³ Laws of Washington 2020, c. 46, §2.

⁴ RCW 43.157.020.

Conservation Challenge (“Joint Statement”)⁵ published by Stanford University in 2020. This Joint Statement is the result of a two-and-a-half-year dialogue between the U.S. hydroelectric industry and environmental and river conservation organizations facilitated by Stanford University’s Woods Institute for the Environment, Stanford’s Steyer-Taylor Center for Energy Policy and Finance, and the Energy Futures Initiative. The Joint Statement that these diverse stakeholders arrived at recognizes the urgent need to decarbonize our electric system at the same time as the nation’s rivers and streams, including the habitats they support, are under extreme pressure from alterations to the rivers’ processes and the effects of global climate change. Pumped storage hydro is recognized in the Joint Statement as having the promise to provide storage for large amounts of renewable energy until needed, thereby reducing carbon emissions from fossil-fueled electrical generation in a manner that is not detrimental to healthy rivers and their habitats.

It is unsurprising that this site has been selected for this development. Such a proposal requires acreage, water, and proximity to transmission, all of which are present here. What is also present is the Energy Overlay Zone of Klickitat County. This area of Washington, with proximity to the existing hydroelectric system and high voltage transmission lines, has long been recognized as ideal for the development of renewable electricity. In anticipation of the greening of America’s electrical supply the county prepared a programmatic Environmental Impact Statement (“EIS”) that supported the development of an energy overlay designation placed onto large swaths of land suitable for energy development. The breadth, scope and quality of that EIS has enabled renewable energy developers to submit facility applications whose project-specific environmental reviews tiered off of (were predicated upon) the programmatic SEPA review of each element of the environment that had the potential to be significantly impacted by energy facility development. The proposed Project is located within this overlay zone. As a matter of both law and fact, the compatibility of the site to energy development has already been determined through the EIS supporting the Energy Overlay Zone and Klickitat County’s implementation of the energy overlay zoning itself.

To support Rye’s permit and license applications, project-specific data and information has been gathered and analyzed in a variety of studies. Rye has submitted a complete license application to the Federal Energy Regulatory Commission (“FERC”) including its Pre-Application Document, (“PAD”), Draft License Application (“DLA”), and Final License Application (“FLA”). After filing the PAD, Rye hosted public meetings and solicited feedback from agencies, tribes, and other stakeholders on engineering, cultural, and environmental studies needed to refine its understanding of the potential impacts the Project could have. The results of these studies were incorporated into the DLA filed with FERC in December of 2020. In June of 2021 after soliciting further comments and completing additional studies and analysis, Rye filed its a FLA with FERC. The PAD, DLA, and FLA include substantial amounts of additional

⁵ <https://www.ryedevelopment.com/newsentry/rye-development-is-pleased-to-announce-our-agreement-with-environmental-and-industry-organizations-recognizing-the-importance-of-new-hydropower-for-integrating-wind-solar-into-the-us-electric-grid-to/>

information regarding the existing environment and resource impacts that would arise related to this Project. FERC will use this information to assess the FERC license application. The environmental topics covered in the PAD, DLA, and FLA largely overlap with the same elements of the built and natural environment under SEPA. This information will also inform FERC as it conducts its own NEPA review of this Project. All of these studies, reports and associated materials for this specific Project can be found on Rye's Project website at <https://www.ryedevelopment.com/projectstor/goldendale-washington/>.

Beyond the programmatic EIS and the volumes of information about this Project's potential impacts available at the link above, Klickitat County is the repository of extraordinary amounts of additional data and technical study-supported analysis of the project-specific environmental impacts of the many other renewable energy facilities that have been developed and operated in the county over the last fifteen years. Vast areas have been studied for the effects of energy facility development on threatened, endangered and priority species and habitats including without limit avian species; cultural resources; earth, air and water; scenic resources; recreation, land use and shoreline uses; environmental health, noise, light and glare; historic and cultural preservation; transportation; and public services and utilities.

SEPA^{6, 7} encourages the proper use of existing environmental documents when the impacts associated with a new proposal have been adequately evaluated in a previous SEPA document. As discussed above, the potential impacts of this specific Project have already been studied exhaustively and should be examined by Ecology and its selected consultant in preparing the scope of the EIS and the content of the Draft EIS. In addition, Rye respectfully asks that the additional renewable energy facility environmental documents in Klickitat County's planning files be carefully reviewed before preparing the scoping determination for this project, and to incorporate their analysis into the EIS for this project where appropriate. This approach serves the shared interests of stakeholders in appropriate SEPA examination in an expedited manner that results in a document that contains a reasonably thorough of the environmental impacts of a project that is of statewide significance.

The comments below are limited to those elements of the Project that Rye believes should be included in the scope of the EIS as having more than an insignificant impact on the built and natural environment. Scoping is conducted to "narrow the focus of the EIS to significant environmental issues, to eliminate insignificant impacts from detailed study, and to identify alternatives to be analyzed in the EIS."⁸

⁶ WAC 197-11-600(2).

⁷ WAC 197-11-610.

⁸ 2017 State Environmental Policy Act Handbook, <https://ecology.wa.gov/DOE/files/4c/4c9fec2b-5e6f-44b5-bf13-b253e72a4ea1.pdf>, at p. 32. (Last viewed February 10, 2021).

Description of the Proposal

Before speaking to the elements of the environment that should be identified through scoping for further review, we believe that describing the proposal accurately is imperative. An accurate description also helps eliminate confusion about what is not a part of the Project. Our review of scoping comments submitted to Ecology to date suggests that there is significant misunderstanding about what is and is not included in this proposal.

What is included in the Proposal: The Goldendale proposal is for a closed-loop pumped storage hydropower facility comprised of an upper reservoir with a surface area of about 59 acres with capacity to store of 7,100 acre-feet (AF) of water, a lower reservoir with a surface area of about 62 acres with capacity to store of 7,100 AF, an underground water conveyance tunnel and underground powerhouse and 230-kilovolt (kV) transmission line(s). Both reservoirs will be lined to prevent seepage/leakage. This is a closed-loop system where water in the upper reservoir is repeatedly released to the lower reservoir and then returned to the upper reservoir. Electricity is generated as water released from the upper reservoir passes through electrical generation turbines enroute to the lower reservoir, where the water is then pumped back to the upper basin for reuse in repeated cycles. The water for the initial fill of the upper reservoir and periodic make-up water lost to evaporation will be purchased from Public Utility District No. 1 of Klickitat County, Washington (“KPUD”) using a pre-existing KPUD-owned conveyance system and municipal water right. The water right associated with this proposal has been historically put to beneficial use and has since been approved by the Washington legislature for use in pumped storage facilities. The quantity, priority, time, place and purpose of use of this right and any associated impacts have already been examined and resolved by Ecology. The Project will become a buying customer of the KPUD like any other entity or individual that purchases water from the district.

What is not included in the Proposal: The proposed lined-bed reservoirs will not discharge to Columbia River or any streams that drain into the Columbia River. The Project includes no river or stream impoundments. No new water right is needed for the Project. Aside from possible construction stormwater, the Project will not discharge water into any water bodies, rivers, or streams. The site where the lower reservoir will be developed is not a pristine greenfield site. Instead, it is a brownfield with decades of use as an aluminum smelter. The entire Project area landscape is in a state of permanent visual disturbance due to the presence of existing interstate highways, high voltage transmission lines, the John Day facilities, and hundreds of towering wind turbines on both the north and south sides of the Columbia River.

Topics for study in the EIS

With the clarifications about regarding the accurate description of the proposal, we turn to our comments regarding the scope of the EIS. We concur with Ecology’s identification of those

impacts that should be the focus of this EIS, namely impacts to geology, air quality, plant and animal habitat, cultural resources, and transportation⁹.

Geology: Development of this proposal will include the creation of two contained, lined-bed reservoirs on a lower and an upper shelf, along with associated infrastructure for water return, electricity generation and transmission. Rye will coordinate its site activities with Ecology, which has previously stated that the pumped storage project will not hinder the cleanup process. The Project boundary itself does not include any land subject to further cleanup activities.

The Project area has been studied and sampled extensively over the years in conjunction with activities related to the former smelter and to determine feasibility for the currently and previously proposed pumped storage hydroelectric facilities. Studies have been completed to properly characterize unsuitable fill materials in reservoir areas for disposal. Geological and geotechnical investigations for the design of the Project, including studies that characterize the surface and subsurface geological conditions at potential areas of concern, such as dam foundations, tunnel alignments, underground caverns, and powerhouse foundation are also complete. While the land disturbances activities associated with the facility make the geology of the area, inclusive of soils, topography, physical features, erosion are appropriate areas for examination in the EIS, the information to develop this section of the EIS already exists and should be used to inform both the scope and content of Ecology's EIS.

Air: The operation of this 1,200-megawatt project will serve to offset the emissions of criteria pollutants and greenhouse gases associated with the generation of electricity using fossil fuels. The temporary impacts resulting from the project's construction and the permanent impacts of the operation of the facility on air quality and climate are also appropriate for examination in the EIS. The information to develop this section of the EIS already exists and should be used to inform both the scope and content of Ecology's EIS.

Plant and animal species and habitats: The Project's FLA and the FERC record contain significant amounts of information regarding plant and animal species (including avian) and habitats (including streams and wetlands) present in the area of the Project, as well as information on the potential impacts on them from the Project. Rye has proposed mitigation to offset any impacts to wildlife species. The information to develop this section of the EIS already exists and should be used to inform both the scope and content of Ecology's EIS.

Cultural Resources:

Rye has already engaged the Washington Department of Archaeological and Historic Preservation ("DAHP") and Tribal interests of the Confederated Tribes and Bands of the Yakama Nation, Confederated Tribes of the Umatilla Indian Reservation, and the Nez Perce Tribe in accordance with requirements of Section 106 of the National Historic Preservation Act

⁹ <https://ecology.wa.gov/Events/SWM/Goldendale-Energy/Goldendale-Energy>

as part of the federal FERC review of the proponents' hydroelectric facility license application. DAHP has indicated that there are recorded archaeological sites in the general area, and the area's landforms and environment are sensitive for archaeological resources. An archaeological survey has already been completed in areas proposed for disturbance by the project and we have engaged with each of the three Tribes for their preparation of cultural resource studies that will further inform the effects of development of this Project. Studies by the Yakama Nation are complete, the Umatilla work will begin within the week, and Nez Perce work will be complete by spring of 2021.

Rye understands the necessity of, and will obtain, all required permits associated with work in and around historic and cultural resources and graves, as well as the need to prepare an Inadvertent Discovery Plan to ensure that contractors and subcontractor appropriately respond to inadvertent discoveries. We are continuing to engage with DAHP and the other interested Tribes throughout the licensing process regarding inventory needs as well as appropriate measures for protection and/or mitigation of identified cultural resources. The EIS should evaluate these materials, steps, and measures to inform an analysis of the effects of this Project.

Transportation: The construction phase of the Project will entail large numbers of trucks and vehicles coming to and departing from the site. Although the rural nature of Klickitat County would suggest that the transportation network is ill-equipped to handle the volumes of traffic that will occur during construction, the development of wind farms in the immediate vicinity has resulted in significant improvement to local and regional roads. Additionally, those wind projects included transportation plans filed with Klickitat County to address impacts. This Project's transportation impacts should be analyzed in the EIS to inform the development of mitigation measures and transportation plans that will reduce, to the maximum extent feasible, impacts to transportation networks in the county.

Socioeconomic Impacts: In addition to the areas of impact discussed above and identified by Ecology as appropriate for study in the EIS, the socioeconomic impacts of the Project should be included. Both the construction and operations of the facility will require significant labor, materials, and supplies. The tax revenues those activities will generate, and the direct, indirect, and induced economic activity that will occur as a result is significant. To support FERC's review of the proposal, Rye engaged the services of a professional independent third-party consulting firm to examine the macro and micro, direct and indirect economic impacts associated with the Project. The study authors used the IMPLAN model to perform its work. IMPLAN is widely recognized as one of the most credible regional impact models used for such assessments. The EIS should examine that study to assess its accuracy and to supplement it where deemed appropriate.

Closing

Rye and CIP appreciate the opportunity to provide both its comments on scoping and an explanation of the tremendous amount of studies already completed to inform decision-makers of the probable significant adverse impacts of this Project. While we believe that the quality and quantum of such information, when coupled with mitigation measures proposed and the added mitigation provided by compliance with all applicable laws, regulations and development standards could support issuance of a Mitigated Determination of Non-Significance, we are confident that Ecology and its EIS consultant will make maximum use out of that existing information to assist in determining the scope of the EIS and development of its content. We are happy to answer any question you may have about the proposal and look forward to timely environmental and permit review of the Project.

Very Truly Yours,

RYE DEVELOPMENT, LLC

A handwritten signature in blue ink, appearing to read 'Erik Steimle', with a long horizontal flourish extending to the right.

Erik Steimle
Vice-President of Project Development

Cc: Amelie Pederson, CIP Assistant General Counsel