



June 28, 2010

Ms. Barb Adkins
Mason County Department of Community Development
Mason County Building I
411 North 5th
PO Box 279
Shelton, WA 98584

**Re: SEPA Checklist Submittal
Proposed Nominal 60-Megawatt (MW) Net Woody Biomass Electric Power Plant
ADAGE Mason LLC**

ADAGE Mason LLC (ADAGE), a joint venture between affiliates of AREVA SA (AREVA) and Duke Energy Corporation (Duke Energy), is proposing the construction of a nominal 60-Megawatt (MW) net woody biomass electric power plant (the Plant) in Mason County, Washington. The Plant will be located approximately two miles northeast of the town of Shelton in Sections 8 and 9 of Township 20 North, Range 3 West.

AREVA and Duke Energy are two highly respected companies with the common goal to expand renewable energy sources and take the bio-power industry to new heights through the sale of green electricity to utilities and municipalities. ADAGE, a limited liability company formed in the State of Delaware, will be the owner of the Plant. ADAGE and its affiliates are important members of the renewable energy community that will meet tomorrow's energy challenges. Bio-power is a critical element of our national plan to create clean energy and to make us less dependent on imported fossil fuels.

ADAGE's proposed plant will produce a nominal 60 MW of electrical power through the use of a highly efficient bubbling fluidized bed (BFB) boiler, which is ideal for combusting woody biomass materials. The Plant will incorporate into its design proven and highly efficient control technologies and techniques to reduce potential emissions of air pollutants. The primary fuel for the proposed BFB boiler will be limited to clean woody biomass, with natural gas, propane, or ultra low sulfur distillate fuel to be utilized only for boiler startup, shutdown and boiler bed stabilization.

Enclosed with this cover letter is the completed SEPA Checklist detailing the proposed biomass power plant in Mason County, Washington. The plant will be constructed and operated in compliance with local, state and federal regulations.

As requested by the Mason County Department of Community Development, we are submitting the following copies of this SEPA Checklist:

- One (1) hard copy of the checklist and corresponding attachments
- Ten extra copies of the checklist and attachments for external reviewers
- Ten additional hard copies of the oversized figures are enclosed
- Ten compact discs (CDs) each containing an electronic version of the SEPA Checklist and corresponding attachments

Included as Exhibits to this SEPA Checklist are the results of environmental studies performed at the Site including a Phase 1 Environmental Site Assessment, Preliminary Geotechnical Assessment, Archaeological Resources Assessment, Biological/Ecological Evaluation, Wetlands Delineation and Mitigation Study, Traffic Impact Analysis, Acoustical Analysis, and Economic Impact Study. Exhibit 17 to the Checklist is a table summarizing the planned mitigation effort that ADAGE will be executing during the construction and operation of this project.

This Checklist has been prepared and submitted to address potential environmental impacts associated with the proposed project. This document is required as part of the overall permitting process for the project. The following permit applications have been prepared in conjunction with this SEPA Checklist:

- Notice of Construction (Air). This permit application is currently under review by the Olympic Region Clean Air Authority.
- Mason County Environmental Permit – variance request for building height. This permit application is submitted with this checklist.
- Mason County Environmental Permit – construction over a critical recharge area. This permit application is submitted with this checklist.

Other permit applications will be submitted at a later date.

We have attached a single check to cover required application fees for the SEPA Checklist, and Environmental Permit applications. If you should have any questions regarding our application to construct the proposed biomass power plant, please contact Mr. Jim Gaston of ADAGE at (509) 713-0467 or Mr. Paul Roberts at (425) 239-2455 at your earliest convenience. We look forward to working with the Mason County Department of Community Development as it completes the SEPA environmental review and permitting of the proposed Plant.

Very truly yours,
ADAGE Mason LLC



F. Reed Wills
President