

For twenty years, RDC has re-introduced leachate and condensate into the same percolation pond located in their landfill areas 1 and 4. The landfill is currently constructing area 20. With each successive cell project, the impact of the re-introduced water into the landfill has diminished as the reinjected moisture does not impact the solid waste in the new cells and the waste in areas 1 and 4 are now producing very little methane. This means it is likely that the leachate recirculation is at the point of having little or no impact on gas production.

Additionally, approximately 10 years ago without consultation with the PUD as required by contract, RDC switched to a geo-synthetic liner, which according to their solid waste permit, prohibits them from re-introducing liquids over that liner. They are planning to apply to the County and to the State to modify this permit to allow reinjection over that liner. The liner system they chose was new at the time, has proven effective over the years in many locations across the country, and is accepted industry practice; we are in total support of this change.

At the same time, RDC is in the process of constructing a 5-acre evaporation pond under a corporate directive to remove water from their nationwide landfill fleet to avoid problems associated with excess water in landfills. There are a few areas in the Roosevelt site with elevated temperatures. These elevated temperatures are below reporting requirements to the State, but they are on a monitoring plan within Republic due to the elevated temperatures. I understand that these areas are in locations currently influenced by the current reinjection and should improve as we spread the leachate and that the heat may be due to heat generating materials that were placed in those areas. A landfill is termed an arid landfill if it has less than 25" of precipitation per year and this site average is 9" per year. As you recall, this is one of the reasons it was sited here to start with. Don Tibbets, the Area Director of Operations, has committed to me that they will reinject all leachates per the existing landfill gas contracts that date back to 1998. We are continuing to work with Don and I believe we will resolve this issue. However, we have not signed agreements to this effect yet.

I want to assure the board that Republic understands our position with respect to the injection of leachates. Republic has one legal letter from us preserving our position. At this time, I want the board to allow RNG staff and me the ability to continue to work with Don. He has been a consistent supporter of our project and has been the Republic partner in our efforts at the site. I respect him greatly. My belief is that we will come to terms that allow Republic to operate a safe, low risk landfill and also comply with the contractual agreements we have in place to allow us to optimize RNG production. We still believe that we can be successful in increasing RNG production within these agreements, as we have thought since we started working on the RNG concept. If necessary, we will pursue all remedies under the contract, legal and otherwise.

4. **Goldendale Aluminum Smelter Site Update** - I will provide an update at the meeting.