

1 BEFORE THE ARIZONA POWER PLANT LS-510
2 AND TRANSMISSION LINE SITING COMMITTEE
3
4 IN THE MATTER OF THE APPLICATION) DOCKET NO.
5 OF EAGL, LLC, IN CONFORMANCE) L-21323A-26-0244-00263
6 WITH THE REQUIREMENTS OF ARIZONA)
7 REVISED STATUTES § 40-360, ET) LS CASE NO. 263
8 SEQ., FOR A CERTIFICATE OF)
9 ENVIRONMENTAL COMPATIBILITY)
10 AUTHORIZING THE EAGLE EYE)
11 THERMAL PLANT AND GEN-TIE)
12 PROJECT, LOCATED IN LA PAZ)
13 COUNTY, ARIZONA) EVIDENTIARY HEARING
14)
15)
16)
17)
18)
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22)
23)
24)
25)

10 At: Parker, Arizona
11 Date: August 3, 2026
12 Filed: August 10, 2026
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14 REPORTER'S TRANSCRIPT OF PROCEEDINGS

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16 (Pages 1 through 251)
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1 BE IT REMEMBERED that the above-entitled and
2 numbered matter came on regularly to be heard before the
3 Arizona Power Plant and Transmission Line Siting
4 Committee at, Parker, Arizona, commencing at 10:01 a.m.
5 on August 3, 2026.

6

7 BEFORE: ADAM STAFFORD, Chairman

8 MICHAEL COMSTOCK, Arizona Corporation Commission
9 LEONARD DRAGO, Department of Environmental Quality
(via videoconference)
10 LANEY MEEKER, Arizona Department of Water Resources
NICOLE HILL, Governor's Office of Energy Policy
11 SAL DICICCIO, Incorporated Cities and Towns
(via videoconference)
12 ROMAN FONTES, Counties
MARGARET "TOBY" LITTLE, PE, General Public
(via videoconference)
13 DOUGLAS FANT, General Public
14 GABRIELA SAUCEDO MERCER, General Public

15

APPEARANCES:

16

For the Applicant:

17

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ACKEN LAW
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19 Suite 1-172
Phoenix, Arizona 85020

20

21

22

23

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1 CHMN STAFFORD: Let's go on the record.

2 Now is the time set for hearing on the

3 application of EAGL, LLC, for a certificate of

4 environmental compatibility, Docket No.

5 L-21323A-26-0244-00263, or Line Siting Case 263.

6 Let's start with roll call of the members.

7 Member Comstock.

8 MEMBER COMSTOCK: Present.

9 CHMN STAFFORD: Member Fant.

10 MEMBER FANT: Present.

11 CHMN STAFFORD: Member Hill.

12 MEMBER HILL: Here.

13 CHMN STAFFORD: And online we have Member

14 Little.

15 MEMBER LITTLE: Present.

16 CHMN STAFFORD: Member Drago.

17 (No audible response.)

18 CHMN STAFFORD: Member Drago.

19 MEMBER DRAGO: Here.

20 CHMN STAFFORD: Member Meeker.

21 MEMBER MEEKER: Present.

22 CHMN STAFFORD: Member Fontes.

23 MEMBER FONTES: Present.

24 CHMN STAFFORD: Thank you. All right.

25 There have been no applications to intervene or notices

1 of intent to be a party filed in this matter.

2 Let's start with appearances. Mr. Acken.

3 MR. ACKEN: Thank you, Mr. Chairman. Good
4 morning to members of the committee, both of you who have
5 traveled to Parker, thank you, and those who are making
6 time to participate virtually we are very grateful for
7 your time in this proceeding.

8 CHMN STAFFORD: All right now, Members, do
9 you have the exhibits? The members in the room should
10 have them on the tablet in front of you. Members online?
11 I'm seeing a thumbs-up from Member Fontes. Member
12 Meeker, you have the exhibits.

13 MEMBER MEEKER: Yes.

14 CHMN STAFFORD: Member Little? You're on
15 mute.

16 MEMBER LITTLE: I don't see them yet,
17 Mr. Chairman.

18 MEMBER DRAGO: I don't either.

19 MR. ACKEN: So there was some communication
20 this morning between our team and Tod to make sure that
21 the committee members would have the hearing exhibits.
22 So we can check on status of that.

23 Another thing we can do, for my opening,
24 I'm going to use a handful of slides from the
25 presentation. They aren't provided separately to the

1 committee, so that whatever on the screen is what they
2 will see.

3 So we could start there while we run that
4 to ground. But I do think the team is running that to
5 ground and we had known that was an issue earlier, so I'm
6 hopeful they are on their way.

7 MEMBER FONTES: Mr. Chairman --

8 MEMBER LITTLE: That works for me,
9 Mr. Chairman.

10 CHMN STAFFORD: All right. Thank you,
11 Member Little.

12 Member Fontes.

13 MEMBER FONTES: -- e-mail from Tod this
14 morning, so if we had exhibits that were released over
15 the weekend or this morning, I want to correct that. I
16 do not have those.

17 CHMN STAFFORD: You do not have the 14
18 hearing exhibits that they've provided to the members in
19 the room?

20 MEMBER FONTES: What date timestamp was
21 that e-mail?

22 CHMN STAFFORD: Mr. Acken?

23 MEMBER LITTLE: It was not over the
24 weekend.

25 MR. ACKEN: No, no. My apologies. It

1 wasn't over the weekend. It was this morning.

2 MEMBER FONTES: I do not --

3 MR. ACKEN: Understood. It could be a file
4 size issue, perhaps.

5 MEMBER LITTLE: That's what I'm thinking.

6 CHMN STAFFORD: And let the record reflect
7 that Member Mercer has joined us.

8 MR. ACKEN: Okay. So I'm getting
9 information in realtime. The slides were -- excuse me,
10 the hearing exhibits were sent to Tod on Friday
11 afternoon. And those include the slides. I got confused
12 because I was thinking about the hearing links that you
13 needed for this morning. So when I was referring to this
14 morning those were hearing links, but I see that you're
15 on, so that one has come through. So we just need to
16 figure out where the hearing exhibits are in the ether,
17 so to speak.

18 CHMN STAFFORD: All right. Well --

19 MEMBER LITTLE: Correct.

20 CHMN STAFFORD: While the applicant is
21 working on that, how about you give your opening,
22 Mr. Acken, and then at the conclusion of that, the
23 members online should have the exhibits and then we'll be
24 able to proceed with the hearing.

25 MR. ACKEN: Thank you, Mr. Chairman. And

1 my apologies to the committee members on virtually. It
2 was good intentions to get them to you so that you would
3 have them for the weekend. And here we are.

4 I don't have a particularly long opening,
5 but I hope it's long enough that you will have the
6 hearing exhibits by the end.

7 Just want to highlight a few things before
8 I jump too far in. We're going to have two panels.

9 Panel 1 is three members of the BrightNight
10 team, Erik Ellis, Adam Furman and Michael Crabb.

11 Our second panel is Mr. Ellis and Mr. Kevin
12 Martin of BrightNight. And Kenda Pollio of KP
13 Environmental.

14 They're going to cover the typical topics
15 you would expect in a case like this. Talk about the
16 applicant, the jurisdictional project, which in this case
17 includes both a thermal plant and a gen-tie to connect
18 the thermal plant as well as nonjurisdictional solar and
19 better resources to the regional grid.

20 The needs met and benefits provided by the
21 project, a virtual tour, environmental resource analyses
22 and expert opinion regarding the environmental
23 compatibility of the route. And the extensive public
24 notice and outreach process for the project.

25 So that's kind of the overview, main

1 points.

2 I do want to dive in and preview a few for
3 you. Before I do, I should point out what you are seeing
4 on the screens.

5 Right 12 is a base map, if you will, that
6 we will show throughout the hearing. It puts the project
7 in general vicinity context. The unincorporated
8 community of Wenden is located a couple miles to the
9 south of the project. The project itself is in La Paz
10 County as we are sitting here in Parker, but it is
11 approximately an hour away.

12 On the screen, you see the purple corridor
13 is our requested siting corridor for this project. To
14 the right of that area is the location of the proposed
15 thermal plant. And then you also see outlined in blue is
16 the larger energy center. And I'll talk about all those
17 facilities as we go through.

18 So the first thing I want to do is provide
19 a little history about Eagle Eye. I know Member Hill
20 said certain applicants talk about the history of the
21 area, and there is great history in this area, but I may
22 have to defer to you to speak to it. But I have some
23 history on this project.

24 So in 2024, we received a CEC for Eagle Eye
25 gen-tie in case 236. That was for the northern portion

1 of the gen-tie shown in that lime green color. So as
2 part of our public outreach you're going to hear about
3 all of the efforts done in the 2024-2025 time period for
4 that project.

5 Since that time -- well, let me take a step
6 back. The original plan was that the energy center which
7 at that time included solar and battery, would be located
8 on BLM land shown in yellow just south of the 236
9 corridor where Adam is showing with the pointer.

10 Move forward to today, 2026, the energy
11 center has shifted four to five miles to the south, and
12 that's the area in blue. And it also now includes the
13 thermal plant that we are seeking approval for here.

14 So as a result of that shift to the south,
15 we obviously had to extend the gen-tie shown in purple
16 located on purple land.

17 So just to sum it up we're requesting a CEC
18 now in case 263 for the thermal plant and what is a
19 4.7-mile gen-tie.

20 You've heard me mention the energy center
21 and you will hear the applicants mention the energy
22 center. It includes several components. They're listed
23 on L13, a visual representation of them on R13.

24 They include the thermal plant shown in the
25 foreground. They include the solar generation facility

1 shown wrapping around these two sides of the thermal
2 plant. Includes the battery energy storage system
3 located in the northwest area of the energy center.

4 And then the gen-tie runs from the
5 substation associated with the thermal plant, along the
6 boundary of the energy center, connecting with another
7 nonjurisdictional substation for the solar and BESS, and
8 then onward northward to interconnect with the existing
9 corridor in case 236, ultimately interconnecting to the
10 existing Harcuvar substation operated by WAPA.

11 The jurisdictional components we are
12 requesting approval for here are two: Up to 700
13 megawatts of simple-cycle power generation shown in the
14 lower central portion of R14, as well as the 4.7-mile
15 gen-tie that runs from the thermal plant and then
16 north/northwest on BLM land.

17 I want to briefly mention land position.
18 As I mentioned earlier the project is located in
19 unincorporated La Paz County. The gen-tie project on
20 R15, you see it is primarily located on land shown in
21 yellow. That is BLM-managed federal land.

22 The energy center, which includes
23 jurisdictional and nonjurisdictional components, is
24 located on private land controlled by the applicant and
25 state trust land shown in blue.

1 The thermal plant is entirely located on
2 private land controlled by the applicant. And it has its
3 entitlements in place from La Paz County.

4 A little bit more about the thermal plant
5 specifics that you will hear. This is Slides R17 and
6 L17.

7 R17 shows a plan view for the layout of the
8 turbines as well as the substation and the gen-tie and
9 gas line to serve it.

10 As I mentioned, simple-cycle power
11 generation facility up to 17 exhaust stacks 70 feet high.

12 MEMBER FONTES: Mr. Acken, that graph is
13 not viewable. That site development plan. It just looks
14 like a big blur. Is there anything we can do to enhance
15 that so we can see the specifics of this?

16 MR. ACKEN: Absolutely.

17 MEMBER FONTES: To include I'm looking to
18 specific units eventually here, so just a heads-up.

19 MR. ACKEN: Absolutely. We will do that as
20 part of the presentation. Thank you for the preview so
21 we're prepared.

22 Primary fuel will be natural gas. On an
23 earlier map you can see an existing natural gas
24 infrastructure in the area and I'll talk a little bit
25 more about that.

1 Backup fuel being considered includes
2 ultra-low sulfur diesel that may be used for facility
3 reliability.

4 The thermal plant as you expect is designed
5 to provide energy and capacity to the grid as a peaking
6 facility. It will operate for a subset of total hours
7 which 8760 over the course of the year, it will operate
8 for a smaller percentage of that to help meet peak demand
9 and balance grid energy from renewable resources and when
10 needed on extremely hot days like we have been
11 experiencing.

12 MEMBER LITTLE: Mr. Chairman?

13 CHMN STAFFORD: Yes, Member Little.

14 MEMBER LITTLE: What are the voltages in
15 the thermal plant substation?

16 CHMN STAFFORD: Member Little, let's hold
17 the questions until after he finishes his opening and you
18 can ask the witnesses that are under oath and not their
19 lawyer.

20 MEMBER LITTLE: Thank you. That's a good
21 idea.

22 CHMN STAFFORD: Thank you. Mr. Acken,
23 please proceed.

24 MR. ACKEN: Chairman Stafford, Member
25 Little, I appreciate the question and so we are prepared

1 and I really appreciate Chairman Stafford not asking me
2 to get into too many details. I'm just a lawyer who's
3 not under oath.

4 It is a 230-kilovolt gen-tie. I should
5 have mentioned that.

6 As far as the step up, I'll leave that to
7 my team.

8 Okay. I want to take a second to step back
9 and explain what you are looking at on R19 because
10 there's a lot going on on this map.

11 So you have seen a version of this map that
12 shows project facilities, the energy center in blue, the
13 gen-tie corridor in green, the thermal plant and then the
14 case 236 corridor in lime green.

15 What's new on this map are the red shaded
16 corridors. Those are BLM-designated corridors that
17 follow existing linear infrastructure. So they follow
18 US 60, they follow the existing gas pipeline shown in
19 yellow, and they show existing transmission lines, one
20 running to the southwest, Adam is showing, and the 230kV
21 that Harcuvar substation interconnects to.

22 So as we have worked through the BLM's NEPA
23 process and, yes, there is a NEPA process, because the
24 gen-tie is located on federal lands, BLM has asked us to
25 move our gen-tie corridor about a quarter mile to the

1 west, so that it is within the designated corridor that
2 parallels the existing gas pipeline.

3 Originally we had envisioned more of a
4 straight shot from the energy center to the case 236
5 corridor, but in consultation with BLM they said, you
6 know, we really like you to move that into your
7 designated corridor.

8 So that's what we are now asking. That was
9 not part of our application, but we are asking for
10 approval to do that. And it's a shift of approximately a
11 quarter mile. It's still all on BLM land. We are not
12 asking for a larger corridor, it's still a thousand feet
13 in that area. We are not asking for a larger
14 right-of-way. It's still 150 feet. Just asking to shift
15 it to be within their designated corridor.

16 CHMN STAFFORD: On that note, I looked at
17 the other members. In my opinion that would not
18 constitute a substantial revision that would require
19 renegotiating the hearing. It all has to do with the land
20 of one landowner, the BLM at their own request.

21 So there's no element of notice failure for
22 that change as far as I'm concerned, subject to your
23 disagreement, Member Fant.

24 MEMBER FANT: Thank you, Mr. Chairman.

25 The change is all on federal land; right?

1 MR. ACKEN: Yes.

2 MEMBER FANT: Federal land to federal land.

3 MR. ACKEN: Yes.

4 MEMBER FANT: Okay.

5 MR. ACKEN: And those of you that have
6 worked through the -- or have familiarity with the
7 federal NEPA process, it is an iterative process; right?
8 So we will talk about where we're at in the process
9 and --

10 CHMN STAFFORD: Let me stop you. Have we
11 lost Zoom?

12 AV TEAM MEMBER: Yes.

13 CHMN STAFFORD: I'm seeing some technical
14 difficulties. Let's go off the record for a brief
15 recess.

16 (Recess from 10:20 a.m. to 10:22 a.m.)

17 CHMN STAFFORD: Let's go back on the
18 record.

19 Mr. Acken.

20 MR. ACKEN: Mr. Chairman, when we lost the
21 connection, we were talking about the corridor shift and
22 I don't know if you wanted to -- the question I have is
23 whether the members online heard that discussion or we
24 should revisit it?

25 CHMN STAFFORD: I'm not seeing any members

1 online. I need to get my tablet reconfigured.

2 MEMBER LITTLE: -- how they felt about the
3 change.

4 CHMN STAFFORD: You heard that, Member
5 Little?

6 MEMBER LITTLE: You had just begun to ask
7 the committee how we felt, I believe.

8 CHMN STAFFORD: Right, about -- because the
9 changes -- and it's on federal land, so at the federal
10 government's request, so I don't consider that to be a
11 significant change that would require renegotiating.

12 MEMBER LITTLE: Nor do I.

13 CHMN STAFFORD: Okay. So you agree with me
14 on that determination?

15 MEMBER LITTLE: Yes.

16 CHMN STAFFORD: Okay.

17 MEMBER DRAGO: Mr. Chair?

18 CHMN STAFFORD: Hold on one second. Let's
19 take a brief recess, please.

20 (Recess from 10:24 a.m. to 10:24 a.m.)

21 CHMN STAFFORD: All right. Let's go back
22 on the record now that we've gotten our technical issues
23 sorted out.

24 MR. ACKEN: All right. Thank you,
25 Mr. Chairman. Better to work it out first thing.

1 In my compelling opening, I'm losing my --

2 CHMN STAFFORD: You're losing momentum.

3 MR. ACKEN: I know. I'll try to gain it
4 back. But before I do I also want to note that we
5 understand the exhibits should have been sent to virtual
6 members now. So I'm hopeful. Hey, that's one upside is
7 I have filibustered long enough that they have their
8 exhibits.

9 So next thing I want to talk about is
10 public outreach. So public outreach is a component of
11 every case. What I think is really interesting that I
12 want to highlight and preview is just the depth of
13 outreach first, the depth and extent, you see on Slide
14 L28, all of the outreach efforts that this team across
15 the table from me has undertaken over the past two-plus
16 years, or maybe three.

17 And part of that is because they've been in
18 this community, they've developed those relationships
19 starting with case 236, brought forward those
20 relationships, learned lessons from that and developed an
21 outreach program for this case specifically. That I
22 think is really unique and kind of sets the bar.

23 On Right-30 you see open houses. Okay.
24 Virtual and in-person open houses. You expect to see
25 those. The third bullet is unique to me, the

1 conversations with the community where following the open
2 houses you see Adam and Erik sitting down in a round
3 table, informal format with members of the public who can
4 just sit, ask questions, share information.

5 So it's not that formal, okay, walk around
6 the room, look at the presentation. But let's just sit
7 down and have a discussion. And so to me, I haven't seen
8 an applicant do that, and I'm looking forward to our team
9 sharing that information with you.

10 I think the testimony will show that those
11 efforts have worked really, really well. As I mentioned,
12 campaign's been going on for two-plus years and it wasn't
13 just telling the members of the community about the
14 project. It was listening.

15 What are the community's concerns, and as a
16 result of that, this team has seven letters of support
17 that are included in your binder from a wide variety of
18 stakeholders including the county board of supervisors,
19 the water improvement district, local elementary and high
20 school districts.

21 So groups and individuals who come with
22 different perspectives and concerns in mind all have
23 taken the time to write letters of support for this
24 project, and discuss the positive nature of their
25 interactions with this team. So, again, I'm looking

1 forward to sharing that with you.

2 Let's talk about environmental
3 compatibility, a key component of that is land use.
4 Well, we've got a good land use story to present. Minor
5 comprehensive plan amendments in June as well as a
6 conditional use permit.

7 So local entitlements for the thermal
8 plant, and I guess the energy facility as a whole are in
9 place.

10 And you will see, or you have already seen
11 and the testimony will that this is in an area with
12 significant energy infrastructure east and north of it
13 that this project is going to tap into. So really
14 well-sited remote location.

15 Speaking of remote, KOP 4, we've got six
16 KOPs. This one, I selected for the opening because it's
17 from -- let me see, downtown if you will of Wenden, and
18 it shows a view to the northeast of where the project
19 facilities will be located, both the gen-tie line as well
20 as the gas plant.

21 It's not immediately within the
22 unincorporated community of Wenden. It's a few miles to
23 the north and east.

24 So in sum, we'll present testimony that
25 there are no significant impacts to the resources that

1 this committee considers. We will talk about noise.
2 There's a been a noise study done for the thermal plant.
3 No effects associated with noise.

4 This is an area within an attainment area
5 for air quality and we'll talk about the air quality
6 permit and how it's regulated by ADEQ, and we'll talk
7 about water use and the studies that have been conducted
8 to show that it will not have a detrimental effect to
9 water use in the area.

10 So in sum, our testimony will show that
11 this project provides needed capacity and energy, is
12 located in an area with electrical and natural gas
13 infrastructure that can support it, has local
14 entitlements and local support from La Paz County, and we
15 will respectfully request that you grant a CEC for it.

16 The only other thing I wanted to do as part
17 of my intro is just we have a handful of hard copies of
18 our exhibit binder that should be on your tablets and it
19 should now be available for committee members who are
20 attending virtually. My apologies for the delay.

21 But we have 14 exhibits that we will work
22 through over the course of the hearing. And then for
23 those of you in the room, we have our placemats, a good
24 overview map that I showed earlier just to kind of orient
25 the committee. And then some of the schematics of the

1 thermal plant itself on the other side.

2 So if you want to take a closer look at
3 that when we go through it.

4 So at this time that's all I have for my
5 opening. Thank you. Thank you for your patience as we
6 worked through some of the technical difficulties.

7 CHMN STAFFORD: Thank you, Mr. Acken. And
8 then for the record we have the placemat, the picture of
9 the map that appears on one side is also found in exhibit
10 what?

11 MR. ACKEN: It will be -- it's in multiple
12 places. I used it on R12. I showed that map as well as
13 the -- didn't have the heading, but R12.

14 CHMN STAFFORD: Of Exhibit 5.

15 MR. ACKEN: Of exhibit -- yes, you are
16 correct.

17 And then as far as the two representations
18 of the thermal plant, that will also be in Exhibit 5.
19 That will be R13. Slide R13 is the depiction, the
20 rendering on the left side. And then R17 is the
21 schematic on the right side of the placemat.

22 CHMN STAFFORD: All right. Thank you.

23 Now, I believe, and I'm sure there'll be
24 testimony to this and I think it's mentioned in your
25 Exhibit 13, there was some issue with the certified mail

1 to the affected jurisdictions; correct?

2 MR. ACKEN: Yes, Mr. Chairman. As we
3 discussed at the prehearing conference, the normal course
4 of events is the applicant files the list of affected
5 jurisdictions to whom notice should be provided.

6 ACC dockets takes that list and mails via
7 certified mail to the affected jurisdictions. We have
8 two affected jurisdictions, State Land and La Paz County.
9 BLM is not an affected jurisdiction by statute.

10 Our statute defines affected jurisdictions
11 as state and local agencies. I may be missing -- but it
12 does not include federal agencies, so the two affected
13 jurisdictions are State Land and La Paz County.

14 Following the prehearing, I did follow up
15 with ACC dockets and it appears that they were mailed,
16 the notices, but they were not mailed certified, so we
17 were not able to confirm receipt, and so at the request
18 of the chairman at the prehearing, we did reach out to
19 both jurisdictions to confirm a few things: One, that
20 they had received the notice of hearing; two, that they
21 understood it; and three, that they did not plan to
22 intervene.

23 And so Exhibit 13 provides that
24 confirmation, that written confirmation from both State
25 Land and La Paz County and Ms. Pollio will present

1 testimony on that.

2 CHMN STAFFORD: Excellent. I just wanted
3 to get that out of the way in case members had questions
4 about why are we proceeding with this hearing if it
5 wasn't properly noticed. I think the fact that the two
6 affected jurisdictions had actual notice is sufficient.

7 All right. Now, you have two panels of
8 witnesses.

9 Before I call them, Member Fontes, did you
10 have a comment or question to the attorney?

11 MEMBER FONTES: Yes, Mr. Chairman.

12 No. Let's -- I think I'll wait till after
13 all the witnesses are sworn in and I'd like to ask some
14 prepared remarks to best prepare so they can address the
15 concerns that I have, the material concerns that I have
16 on this.

17 CHMN STAFFORD: Okay. Thank you.

18 MEMBER FONTES: I'll hold off for now.

19 CHMN STAFFORD: Mr. Acken, please call your
20 first panel.

21 MR. ACKEN: Thank you, Mr. Chairman.

22 The applicant calls Erik Ellis, Adam
23 Furman, and Michael Crabb.

24 CHMN STAFFORD: Let's -- I'll swear them
25 in, then. Mr. Crabb, do you swear or affirm that the

1 testimony you will give in this matter will be the truth,
2 whole truth and nothing but the truth?

3 MR. CRABB: I do.

4 CHMN STAFFORD: Mr. Furman, do you swear or
5 affirm that the testimony you will give in this matter
6 will be the truth, whole truth and nothing but the truth?

7 MR. FURMAN: I do.

8 CHMN STAFFORD: Mr. Ellis, do you swear or
9 affirm that the testimony you will give in this matter
10 will be the truth, whole truth and nothing but the truth?

11 MR. ELLIS: I do.

12 CHMN STAFFORD: Thank you. Please proceed.

13 MR. ACKEN: Thank you.

14

15 ERIK ELLIS, ADAM FURMAN, and MICHAEL CRABB,
16 called as witnesses as a panel on behalf of Applicant,
17 having been previously affirmed by the Chairman to speak
18 the truth and nothing but the truth, were examined and
19 testified as follows:

20

21 DIRECT EXAMINATION

22 BY MR. ACKEN:

23 Q. Mr. Ellis, would you please state your name and
24 business for the record?

25 A. (Mr. Ellis) Good morning to the entire

1 committee. My name is Erik Ellis. So we have an office
2 in Phoenix. That business address is 11201 North Tatum
3 Boulevard, Phoenix, Arizona 85254.

4 Q. By whom are you employed and in what capacity?

5 A. (Mr. Ellis) So I am the executive vice
6 president for BrightNight for development. And I've been
7 employed in that capacity for six years. I manage the
8 projects that are developed in the southwest region of
9 the United States.

10 Q. Next, provide a summary of your educational
11 background and work experience.

12 A. (Mr. Ellis) So I am an engineer by training. I
13 worked for a number of years as an engineer. I also have
14 a BS in mechanical engineering from Worcester Polytechnic
15 Institute. I have a master's in educational
16 administration.

17 My background also includes time as a public
18 high school teacher where I taught high school
19 mathematics in the Tempe Union District.

20 For the past 20 years, I have worked in the
21 power industry developing projects like the one that you
22 see before you.

23 That time has been split between a regulated
24 utility, I was the manager of technology and innovation
25 at Arizona Public Service for seven years. And the

1 balance of that time has been working for manufacturers
2 and independent power producers to bring projects online.

3 Over my career I've been involved and have
4 successfully developed thousands of megawatts of
5 generation, and we'll be talking about that generation
6 that's operating here in the state of Arizona later in
7 the testimony.

8 Q. What is your role in this project?

9 A. (Mr. Ellis) So I oversee the team that's been
10 developing this project and I was the core -- the
11 original originator of the project in terms of helping
12 identify the location and reach out to the community.

13 Q. And what topics will you cover in your
14 testimony?

15 A. (Mr. Ellis) So I will primarily describe the
16 applicant, EAGL, LLC, and I'll provide information about
17 the company and the products and services that we offer.

18 My colleagues will be handling the details of
19 the project, and occasionally I may add a little color or
20 additional information. But primarily that'll be handled
21 by them.

22 Q. Thank you, Mr. Ellis.

23 Next, Mr. Furman, please state your name and
24 business address.

25 A. (Mr. Furman) Good morning, Committee, it's a

1 pleasure to see you today. My name is Adam Furman and I
2 also work out of the 11201 North Tatum Boulevard office
3 in Phoenix, Arizona 85254.

4 Q. By whom are you employed and in what capacity?

5 A. (Mr. Furman) I'm currently employed by
6 BrightNight as a director of development.

7 Q. Next summarize your education and professional
8 experience.

9 A. (Mr. Furman) I received my bachelor of science
10 in environmental economics and policy from UC Berkeley.
11 I then received my master of science in environmental
12 studies from California State University Fullerton.

13 I have been employed at BrightNight for over
14 three years now as the director of development. I have
15 been in the renewable energy space for over 10 years now
16 and prior to that I was in environmental consulting for a
17 few years.

18 Q. What has been your role on this project?

19 A. (Mr. Furman) I have been lead developer on the
20 Eagle Eye Energy Center project.

21 Q. And what topics will you cover in your
22 testimony?

23 A. (Mr. Furman) Today I will be providing the
24 project overview, background, and status of project
25 development tasks related to land, permitting and public

1 engagement.

2 Q. Thank you, Mr. Furman.

3 Mr. Crabb, please state your name and business
4 address.

5 A. (Mr. Crabb) Michael Crabb, 515 North Flagler
6 Drive, West Palm Beach, Florida 33401.

7 Q. And by whom are you employed and in what
8 capacity?

9 A. (Mr. Crabb) I am the senior vice president,
10 business development at BrightNight Power, the parent
11 company for EAGL, LLC.

12 Q. Next, provide a summary of your educational
13 background and work experience.

14 A. (Mr. Crabb) I have a bachelor's in
15 architectural engineering with math and economics minors
16 from the University of Nebraska. I have a decade and a
17 half of power markets experience primarily with thermal
18 generation including natural gas and small nuclear
19 reactors across the full life cycle of project
20 development operations and financing.

21 Q. Describe your role in this project.

22 A. (Mr. Crabb) My role in the project is to lead
23 the development and origination for the natural gas
24 project, including the commercial thesis, helping select
25 the technology, and articulating the business case.

1 Q. And what topics will you cover in your
2 testimony?

3 A. (Mr. Crabb) I will cover the details around the
4 power generation, the gas plant, which is my focus on the
5 project.

6 Q. I'm going to shift now to a little background
7 about the applicant. As a reminder, the BrightNight team
8 has been before this committee several times.

9 So we wanted to provide a refresher for those of
10 you who've been on the committee for a number of years
11 and for members who are newer to the committee an
12 introduction into BrightNight.

13 So Mr. Ellis, the applicant is EAGL, LLC. I
14 mentioned BrightNight. If you could describe the two
15 entities for the committee.

16 A. (Mr. Ellis) Happy to. So EAGL, LLC is a
17 Delaware corporation. It is owned by BNC DEVCO, LLC.
18 BNC DEVCO, LLC is a holding company of its parent,
19 BrightNight, and all three are Delaware corporations.
20 BrightNight is an independent -- we are an independent
21 power producer and we've been in business for just over
22 10 years.

23 We have an active development pipeline of
24 roughly 30,000 megawatts across the United States. And
25 we have just over five gigawatts of projects that are

1 either operating, in construction, or at late stage
2 negotiation. The -- we have a number of projects that
3 are in active development.

4 We'll be talking about the Arizona portfolio,
5 the company. The majority of the projects that have come
6 before this committee have been successful. They're
7 either operating, they're in construction, and they are
8 either contracted.

9 All of the projects as a footnote that we've
10 worked on, sometimes this is important to committee
11 members, all of the offtake for the projects in Arizona
12 are going to Arizona purchasers. And so we'll talk a
13 little bit about that in the testimony as well.

14 The company is backed by well-known firms, it's
15 healthy and we're growing. So we look forward to talking
16 with you more about the details of this project.

17 Q. Before you do that, that let's dive in a little
18 bit more on your Arizona experience. You previewed it
19 for the committee, but if you could provide some
20 additional details.

21 A. (Mr. Ellis) Yeah. I'd like to just start off
22 by thanking this committee. I can imagine that you
23 travel all over the state, and a number of you made the
24 effort to show up personally.

25 And our state's growing. Tremendous demand at

1 the time that we have other resources. I just want to
2 thank you for the work that you do to get to know these
3 projects. I've always been impressed at the thoroughness
4 of the committee.

5 To talk about some of the history, the first
6 project, and I've been involved in all of these, that we
7 brought before this committee was the Box Canyon solar
8 project. That project is now in operation.

9 A hundred percent of the output goes to the
10 Southwest Public Power agencies. It's a consortium of 25
11 different smaller municipalities and coops across the
12 state. That went into operation in 2025.

13 The second project that you see on the chart,
14 the Pioneer Clean Energy Center, is a 300-megawatt PV and
15 storage project. That project is now in construction.
16 We have closed our financing on that project. It will go
17 operational in April of next year. And your customer is
18 Arizona Public Service.

19 The Three Sisters project is a project in
20 Cochise County. We are still developing that project.
21 That area's been a little more challenging due to some of
22 the transmission constraints. But we are still seeking
23 to actively develop that project.

24 Of course we were before you in 2024 Case 236
25 for the Eagle Eye Energy Center. That project has

1 evolved since the time we were before you. I am pleased
2 to tell you today that we've already signed a power
3 contract for the output of the project for the first
4 phase, 300 megawatts of solar and storage going to the
5 Salt River Project, the state's second largest utility.

6 And of course now we're before you today with a
7 modified version of that. So just thoroughly pleased
8 that the projects we've brought before you in the past
9 have been hopefully worth your time and now helping to
10 keep the lights on in the state and we continue to look
11 forward to continuing that track record of competence and
12 success.

13 We do have other projects that are in
14 development. We have other phases of projects in Yuma
15 County and in Maricopa County. And, yeah, so I'm an
16 Arizona native and it's just great to be able to be
17 involved in this work. And helping keep the state's
18 economy strong.

19 We can move on.

20 Q. Thank you, Mr. Ellis.

21 Now, let's dive into the project description.
22 But before we get too far in the nuts and bolts of the
23 project before the committee, Mr. Furman, I would like
24 you to expand on what I previewed in my opening, a little
25 bit of the history of how we got to where we're at

1 together.

2 A. (Mr. Furman) Certainly. Thank you, Bert. And
3 quite a few of these slides were part of Bert's opening
4 statement, so these will look familiar to you.

5 So we previously received approval for the
6 northern portion of the gen-tie in October 2024 for the
7 previous iteration of the Eagle Eye Energy Center
8 project. That was entirely located on federal land
9 managed by the BLM.

10 This was Case 236. As part of Case 236, we
11 conducted various environmental studies and extensive
12 community outreach throughout 2024 and 2025.

13 In 2025, we shifted the Eagle Eye Energy Center
14 project site to the south from BLM land to a combination
15 of state and private land. This resulted in the gen-tie
16 extending an additional 4.7 miles for a total of
17 6.4 miles across federal, state, and private land.

18 We're now here before you today pursuing a new
19 CEC for the remaining 4.7 miles with the addition of an
20 up to 700-megawatt thermal plant.

21 Q. Next, provide an overview of the energy center
22 as a whole.

23 A. (Mr. Furman) Certainly. So the Eagle Eye
24 Energy Center consists of an up to 700-megawatt thermal
25 plant, and up to 400 megawatts solar photovoltaic

1 facility and an up to 400-megawatt battery energy storage
2 system.

3 The project is located in unincorporated La Paz
4 County, Arizona, approximately two miles north of the
5 nearest town of Wenden. The project will tap into the
6 235kV Harcuvar substation with a newest constructed
7 gen-tie route.

8 The land for the Eagle Eye Energy Center
9 consists of over 1900 acres of state land and 640 acres
10 of private land that we have under option to purchase.

11 The primary discretionary permits for the
12 project include a BLM right-of-way grant for the gen-tie,
13 the CEC permit for the gen-tie, an air permit from ADEQ
14 for the thermal plant, as well as a county conditional
15 use permit and minor comprehensive plan amendment from
16 La Paz County which was obtained on June 1.

17 The project will become commercially operational
18 in May 2028.

19 CHMN STAFFORD: Member Fontes.

20 Member Fontes. We seem to be experiencing
21 a technical difficulty. Wait a second. Here he comes.
22 Member Fontes.

23 MEMBER FONTES: Yes, Mr. Chairman, can you
24 hear me?

25 CHMN STAFFORD: Yes, we lost you there for

1 a second, but you're back.

2 MEMBER FONTES: Yes, sir. Is this an
3 appropriate time to make kind of an introductory
4 statement here?

5 CHMN STAFFORD: Well, if you have something
6 you'd like to preview to the applicant about where
7 your -- in terms of what evidence they need to present, I
8 think now is an appropriate time to do that.

9 MEMBER FONTES: I think so, too, given the
10 things that were skipped over in this description. I got
11 to -- I got to do a little introduction for the team as
12 they did here.

13 So I've been on this committee since May of
14 2024 and I think I've been on 12 thermal plant reviews in
15 this state and ERCOT in particular. I also work in the
16 Southwest Power Pools as subject matter expert for
17 transmission and generation on evaluation of regulated
18 awards.

19 I've worked on power plants for peaking
20 capacity data centers and then just PPAs for IPPs in
21 three different continents. So I've got a little bit of
22 background on project finance development engineering.

23 On this committee I represent the counties.
24 So I look at what the counties review and then I'm also
25 an integral part of it.

1 I think we want all source generation and I
2 appreciate what you're trying to do here with respect to
3 getting a project permitted, and the CEC so you can get
4 going with your offtake. I don't think we have a
5 predisposition towards any technology or offtake
6 arrangement. We want to support all of the above.

7 But there's a couple of things that I
8 wanted to underscore here that I for one am going to need
9 to know at a lot more granular detail than I've seen in
10 this information.

11 The bottom line is I appreciate that you've
12 done stakeholder engagement, but public confidence in
13 both this process and not fast tracking and in staying
14 high level on certain representations I think are as
15 important as well.

16 I'll start with the obvious. You're
17 describing a project that's solar BESS and thermal.
18 That's great, but we're going to need to know things as
19 such detail are you going to charge that BESS with the
20 solar and who is really the offtake customer for all of
21 that?

22 Is it really peaking? Or are you also
23 trying to permit this so that you can have options for
24 commercial offtake such as data centers, because a solar
25 and storage project that's linked to a thermal is used a

1 lot different, as you probably well know, and I do
2 because I'm permitting one to the tune of a gigawatt
3 right now in ERCOT, with my main client is operated
4 different than a peaker plant.

5 So if we look at these and I did go back
6 through 2021 on the CECs, Mr. Acken, I've never seen one
7 that doesn't actually identify specific units, be they
8 aeroderivative or industrial heavy frame.

9 When you do the lay down you start getting
10 into mass grading, you start getting into water flood
11 plain use. For a thermal plant it's a lot different than
12 for different applications.

13 So is it going to be used exclusively as a
14 peaker plant that I just found out about today? Or some
15 of the representations in the studies caused me to have
16 confusion in terms of what the footprint is, the
17 construction and operational profile.

18 I think also I'd like a little more
19 granular detail and representations and sworn testimony
20 on who you're really making this for an offtaker
21 relationship. If you're going to run it for a peaker or
22 you may run it also, as I was confused in some areas, is
23 this near continuous or are you also going to look at the
24 battery for other applications.

25 I kind of want to know how that's going to

1 look in terms of both emissions and reliability, because
2 that utilization, we have to make a system on systems
3 reliability is going to be an important determination
4 that I think one member here, Member Little, will look at
5 a lot more closely than I will. She's the electrical
6 engineer on the panel.

7 With respect to what I'll call a third
8 item, I was shocked that we don't have even as an air
9 emissions application or a study by one of the usual
10 suspect, Trinity or some other consultancy on NOx, CO2,
11 VOC, particulates, all of the other things. Well, I
12 understand it's designated nonattainment zone in this
13 La Paz County.

14 I think if we're making an assessment and
15 we're trying to inform the findings to have the CEC
16 decision, we still need data and analysis to validate
17 that. So I am concerned that we don't have that level of
18 detail.

19 The next item is water. I mean, we're
20 talking about cooling technology here. I get it's
21 private land. It is an unincorporated area. But we
22 still have groundwater effluent floodplain and then cap
23 allocations that I'm going to want to see a lot more
24 detail on. And those got to be driven by the units,
25 frankly.

1 So if we're going to have units and then we
2 have a lot of land where you define as an energy center
3 and we don't know what that may be in the future, we're
4 going to need some sort of representation with it.

5 So there's a lot more detail that I think
6 we need that's driven by the technology and then the
7 requirements for your offtake that we're going to want
8 with respect to how those informed the process that you
9 went through for your biological surveys, your cultural
10 resources, your noise and visual impact.

11 Without those baselines as we've seen in
12 the other CEC applications and in the forthcoming one
13 with that is providing that, I'm kind of dumbfounded on
14 how we're going to go forward.

15 There's also a small indulgence here,
16 Mr. Acken, with respect to attention to detail. We just
17 got this over 200, 300-page document literally minutes
18 ago, and we're supposed to provide your client here with
19 an adequate and fair hearing process. That's a little
20 hard without, like, an adequate resource to do that.

21 In addition, this is not a petty thing, but
22 attention to detail. To include name spellings of
23 members on the CEC proposed certificates is indicative of
24 I think a good product as we go forward.

25 So Mr. Chairman, I'm going to just stop

1 here and say I hope the members, I've prepared you, these
2 witnesses, we're going to need a lot more details
3 starting with the units and we're going to need a little
4 more time to actually read this over 200-page document
5 that we just got in the inbox. Thank you.

6 MR. ACKEN: Thank you, Member Fontes.

7 CHMN STAFFORD: I guess it's a nice segue.

8 Mr. Acken, what would it take to provide
9 the air emission permit as an additional exhibit?

10 MR. ACKEN: So, I respect Committee Member
11 Fontes' perspective. My view on a hearing is we give you
12 what is legally required. But we don't try to presume
13 what else you may be interested in. To the extent other
14 applicants are giving information that's not legally
15 required, that's their choice. But I look for direction
16 from the committee. And so a lot of the information
17 you're requesting will be part of our presentation.

18 As far as the air quality application, we
19 can provide it. It's filed. The issue is I loathe
20 providing that in a CEC application because just the
21 sheer volume of paper.

22 We're here for a certificate of
23 environmental compatibility. There's another agency that
24 will actually review that that we'll talk about. But if
25 the committee wants to see it, we certainly can provide

1 it.

2 But that's why we provided the summary
3 instead of full air quality application. That's --
4 that's a Bert Acken call from I just don't like killing
5 any more trees than I need to. But, again, that's the
6 Committee's call. If you want to see it, we will provide
7 it.

8 The other items on here will be addressed
9 as part of our presentation. And so, you know, look
10 forward to the opportunity to address as we work through
11 that.

12 Yeah. I'll stop there.

13 So I guess is there a direction or request
14 from the committee to see the full application? We can
15 do that.

16 CHMN STAFFORD: Yes. The Committee would
17 very much like to see the air permit application.

18 MR. ACKEN: Okay. We will do that.

19 CHMN STAFFORD: And approximately how many
20 pages is it?

21 MR. ACKEN: I'll look to my team.

22 MR. CRABB: I have to look. I wouldn't
23 venture a guess here.

24 CHMN STAFFORD: Well, you only need to
25 provide two hard copies, one for me, one for the court

1 reporter. Everything else will be electronic to the
2 members both in person and remotely.

3 CHMN STAFFORD: Member Fontes, you had
4 another question?

5 MEMBER FONTES: Thank you, Mr. Chairman. I
6 do appreciate that. On particularly specific units on
7 the basis of that application, and then how they were
8 used in each of the respective environmental studies that
9 this committee does have purview on.

10 And, again, I want to underscore one thing
11 that came to mind. You've got my notes there, but your
12 operational requirements that you're looking for for that
13 commercial offtake, if this is going to go to a data
14 center that's going to want four nines reliability,
15 that's different than a peaker plant.

16 So how this is going to be used is
17 extremely important, electrically and mechanically for
18 your additional permits, water usage, floodplain
19 drainage, mass grading.

20 MR. ELLIS: Mr. Acken, do you mind if I
21 just briefly make a few remarks?

22 MR. ACKEN: Sure.

23 MR. ELLIS: Member Fontes, hello again.
24 You may not remember me, but first of all, I want to
25 thank you for the thoroughness of your questions.

1 I remember when we were before you back in
2 2024, you gave us a number of very extensive questions,
3 but I was pleased to say at the end of that hearing, you
4 gave BrightNight a compliment for one of the very best
5 and thorough presentations we had given.

6 So we hope to through the course of these
7 next three to four days answer all your questions with
8 the same thoroughness, and hopefully you earn your
9 respect that we have a really, really well-planned
10 project, very thoughtfully put together with tremendous
11 community support, and all of the detail that you're
12 looking for.

13 I do want to highlight just really quickly
14 since you said it, and I'm going to give you very
15 high-level answers here. We're giving you much deeper
16 answers as we get later through the day, but you
17 mentioned first of all offtake.

18 We actually have -- so this is a
19 multi-phase project with an energy center like this when
20 projects have different technologies and lead times, and
21 of course your background is extensive, so I don't have
22 to tell you this stuff, you already know this.

23 But a lot of times these projects happen in
24 phases, but for the first phase of the project, we have
25 signed a power contract for 300 megawatts of solar and

1 storage off of the project, which represents a portion of
2 the energy center, and that power and capacity is set to
3 be delivered in May of 2028 to SRP.

4 So that offtake is going to an Arizona
5 offtaker, the state's second largest utility. SRP
6 actually came to BrightNight in October a year ago, not
7 quite a year ago and asked if we could deliver this
8 project, and we're probably one of the few companies that
9 can deliver a project like this in that time frame
10 because just all of the states, and you probably know
11 this, but they exceeded their peak demand just this year
12 by 5 percent, which is extraordinary. And it's probably
13 part of reason SRP came to BrightNight and said, hey, can
14 you do this.

15 We are already in discussions with Arizona
16 offtakers for some of the gas supply, so that is
17 happening as well. I just want to touch on that.

18 We do have an air permit that we've applied
19 for to DEQ, so we'll provide all of that information, and
20 you mentioned data center. So I want to just directly
21 address that since you raised that question.

22 Like all companies that are in this space,
23 we have looked at this area in terms of its data center
24 compatibility, but I just want to be direct, no, we are
25 not -- right now the plan -- the equipment that we're

1 developing and the projects we're developing right now is
2 to serve the power needs of the state.

3 There may be an opportunity to explore this
4 with data centers in the process and we have had some
5 conversations. But there's nothing, really, to report.

6 The first thing that we will do is we will
7 do extensive groundwork with the community before we ever
8 bring anything. Job one is for us to talk with the
9 community first. And so we haven't had those
10 conversations.

11 Members in the community know it's
12 something we've looked at. But we are not currently
13 before you today with the intention to develop these
14 resources right now with a known data center customer.
15 That's -- that's not it. Right now our target are the
16 utilities in the state and that might be something that
17 we look at in the future but our first stop would be the
18 community.

19 MEMBER FONTES: I appreciate that. And I
20 will just want to underscore, I did ask this up front
21 based upon how I compared your last hearing, which was
22 outstanding, by the way, and I stand by that --

23 MR. ELLIS: Thank you.

24 MEMBER FONTES: -- to what I read in these
25 materials and in the late submission, and then the lack

1 of attention to detail --

2 MR. ELLIS: Yep.

3 MEMBER FONTES: -- that was provided in
4 some of this stuff. So I was -- I asked the chairman for
5 me to give you this up front so that we could be better
6 prepared, be more efficient on this.

7 MR. ELLIS: You bet.

8 MEMBER FONTES: I didn't know your offtake,
9 so I listed a series of potential oftakers that we're
10 seeing here in Arizona so, again, as you know, you design
11 a system for what those requirements are, and I know
12 Member Little is going to ask you for an SLD with respect
13 to how you're going to go out to the SRP system versus if
14 you have another customer on which busbar.

15 So that level of granularity I think as we
16 get comfortable with a CEC is important.

17 For the court reporter, I apologize. SLD
18 is single-line diagram.

19 MR. ELLIS: The other thing you talked
20 about is the run time. I just do want to talk about --

21 MEMBER FONTES: Yes, sir.

22 MR. ELLIS: Again, just to give you
23 information, because if you're like, I kind of want to
24 know since you teed it up, let us answer it briefly here
25 and get you the detail.

1 But right now, these are peakers, they are
2 intended to be run in a peaking capacity perspective. I
3 believe the permit that we're getting -- and of course
4 we're still going through this with DEQ -- would have
5 something like a 30 to 40 percent kind of run time cap on
6 it and that is the extent.

7 But it's really going to be the offtaker
8 that's going to dictate how often, as you know, a lot of
9 times the units are economically dispatched. You know,
10 we expect that this is really going to cover just
11 critical peaking needs, solar and storage are doing a lot
12 of the work.

13 But then there are gaps, there are cloudy
14 days and there are times when we hit peak days where
15 we've got four or five days of 110-plus days here in the
16 state and that's exactly the kind of application that
17 units like this would satisfy.

18 You also touched -- go ahead.

19 MEMBER FONTES: I know you're going to get
20 to it, but one concern is, and I have seen this, we're
21 going to need to make sure that we have adequate
22 representation. That you're just going to charge that
23 BESS from the solar and not from the thermal because if
24 you charge it from thermal, that obviously becomes part
25 of the thermal plant, so that level of granular detail

1 when you get to the project, technical, operational and
2 construction --

3 MR. ELLIS: Sure.

4 MEMBER FONTES: -- is what we need to --

5 MR. ELLIS: Sure. Happy to address that.

6 You mentioned water usage, and so we've been -- we also
7 have slides prepared on that, and we think that you will
8 be very satisfied.

9 So, first of all, we know that this is an
10 area that's had significant depletion of the aquifer. We
11 have had extensive discussions with the community around
12 the water concerns. As we met with the local members,
13 this was number one.

14 So we've got slides prepared on this. And
15 I think you'll be very happy to see what the water
16 consumption is relative to other resources in the state,
17 and so we'll be addressing that. But it's significantly
18 low by comparison to anything else, other thermal
19 resources in the state.

20 So with that, I just wanted to highlight
21 all of this. We've got the detail that you're looking
22 for as we go through it and look forward to addressing it
23 with you, and appreciate the questions and the honest
24 feedback.

25 MEMBER FONTES: Thank you, Mr. Chairman.

1 CHMN STAFFORD: Thank you, Member Fontes.
2 Member Hill.

3 MEMBER HILL: Thank you, Mr. Chair. Thank
4 you, Member Fontes. I similarly had some questions.

5 There are places in the application where
6 maps indicate a project area that includes some other
7 state land. There are places in the application where it
8 references a data center, so I wasn't clear on that.

9 The application for air quality is
10 350 megawatts but you're asking us for 700 megawatts. So
11 I'm just asking that we start at ground zero because I
12 was not clear after reviewing the application, like, what
13 we were being asked to approve. And what you could shore
14 up for us around environmental concerns.

15 So I echo Member Fontes' comments and I
16 look forward to learning more about this project, so
17 thank you.

18 CHMN STAFFORD: And on that note, I do
19 notice that we have -- this application is for a
20 double-circuit 230kV line; correct?

21 And then we have the pending -- for the
22 pending amendment to Case 236 to change that from a
23 single circuit to a double circuit. And then I think --
24 I looked at some of the NEPA documents referred to it as
25 a single circuit.

1 I guess at some point you're going to
2 address how that will be handled with the NEPA process of
3 converting from a single to a double circuit. It doesn't
4 seem like that would be too far of a leap, but I just
5 wanted to make sure you get it covered.

6 Member Fant.

7 MEMBER FANT: Thank you, Mr. Chair. I have
8 just one simple question. Are any of the -- portion of
9 the project within the city limits of Wenden?

10 MR. FURMAN: The answer is no. It's all
11 unincorporated La Paz County.

12 MEMBER FANT: Okay. Thank you.

13 CHMN STAFFORD: Mr. Acken.

14 MR. ACKEN: Thank you, Mr. Chairman.

15 CHMN STAFFORD: Oh, wait one second.

16 Member Little, your hand is raised.

17 MEMBER LITTLE: Thank you, Mr. Chairman. I
18 also would just like to say ditto to the comments from
19 Member Fontes and Member Hill.

20 CHMN STAFFORD: Thank you. All right.

21 Mr. Acken.

22 MR. ACKEN: Thank you, Mr. Chairman and
23 Members. We certainly will address as we roll through
24 and we've been taking notes and confident we can address
25 all of your questions as we do this.

1 BY MR. ACKEN:

2 Q. Next, what I'd like to do, we've mentioned the
3 nonjurisdictional energy center. I think it's, again,
4 let's reframe it and highlight for the committee what are
5 we asking -- well, maybe we should start here.

6 Describe the energy center and then let's drill
7 down to the specific projects for which we're requesting
8 a CEC.

9 A. (Mr. Furman) Certainly. So as we'll see here
10 again, a familiar slide that was presented in our opening
11 statement. On Slide R13 you will see a rendering of the
12 Eagle Eye Energy Center, or at least a portion of the
13 Eagle Eye Energy Center.

14 First and foremost in the foreground you do see
15 the thermal plant with up to 17 stacks. Then the darker
16 areas surrounding the facilities is the photovoltaic
17 facility.

18 If you look up at the top center of the
19 rendering, you will see some white structures up there.
20 That is the battery energy storage system.

21 And then the gen-tie route which will start at
22 the nonjurisdictional substation adjacent to the thermal
23 plant. It will head north along the Eagle Eye Energy
24 Center boundary, then head west over to the other
25 nonjurisdictional substation for the solar and battery

1 storage project, and then continue on onto BLM land and
2 up to the Harcuvar substation.

3 Q. Please continue.

4 A. (Mr. Furman) Yep. So we are here today with a
5 CEC application that is requesting approval of an up to
6 700-megawatt thermal plant, as well as a 4.7-mile gen-tie
7 corridor for a 230kV gen-tie line that is shown in green
8 on R14.

9 Q. Next, describe land ownership and jurisdiction.

10 A. (Mr. Furman) So, again, as mentioned earlier in
11 our opening statement, the project is in unincorporated
12 La Paz County and consists of a mix of BLM, Arizona State
13 Land, as well as private land that is under option to
14 purchase.

15 The thermal plant itself is located entirely on
16 private land.

17 CHMN STAFFORD: So the gen-tie for this
18 case is how much on private land and how much on public
19 land?

20 MR. FURMAN: So the -- we can get you the
21 exact measurements of what is on the private land, but
22 the vast majority of it is going to be on the BLM and the
23 state land. And then where you see the nonjurisdictional
24 thermal plant substation, that is right at the border of
25 the private land. So very small portion, if any, of that

1 gen-tie will actually be on the private land itself.

2 CHMN STAFFORD: Okay. What I'm looking for
3 is a percentage for private/BLM/ASLD.

4 MR. FURMAN: We can get you that. It is
5 the vast majority, well over 90 percent I would say is on
6 state and public land -- or state and BLM land, but we'll
7 get that for you.

8 CHMN STAFFORD: Thank you.

9 Member Fant.

10 MEMBER FANT: This is a question that
11 may -- I'm not for sure if it's a development question or
12 a Bert question. Wenden, I'm not sure if it's town or a
13 city, but is it incorporated?

14 MR. ACKEN: It is not.

15 MEMBER FANT: It is unincorporated?

16 MR. ACKEN: It is unincorporated.

17 MEMBER FONTES: Okay. So tax revenues that
18 come from this project go then to the county and allocate
19 back -- does Wenden benefit from the taxes that are paid
20 by this project? I'll put it that way.

21 MR. ACKEN: School districts. School
22 districts directly.

23 MEMBER FANT: School districts.

24 MR. ACKEN: And I believe Mr. Furman will
25 talk about some of that direct benefit to the community

1 when he discusses public engagement to address that
2 specific concern.

3 MEMBER FANT: Thank you, sir.

4 MEMBER FONTES: Mr. Wenden, this is Member
5 Fontes.

6 Can you also address any indirect impacts
7 to the county budget from any kind of tax abatement
8 benefits of the school districts you're getting to for
9 Mr. Fant? If there is any.

10 MR. ACKEN: I'm not sure I understand the
11 question. So this project just went through county
12 entitlements and so I think -- and I did not participate
13 in that -- but whatever concerns the county had would
14 have been addressed as part of the county entitlement
15 process, but if Mr. Ellis or Mr. Furman, who have more
16 details about the county process, have further insight,
17 please share.

18 MEMBER FONTES: Just in terms of
19 socioeconomic benefits as we look at it as a part of this
20 proceeding, both the positive and potentially negative
21 attributes. Because we've seen that before on other
22 cases where it's had a net benefit slightly, but there's
23 also been some loss to county.

24 MR. ELLIS: Yes, Member Fontes, we hired
25 Elliot Pollack and Associates to do an economic impact

1 study. That report was provided to the county. We do
2 have those results summarized in the slides, so when we
3 get to the public benefits and the benefits to the
4 community we will be able to highlight the specific
5 numbers I think you might be interested in in terms of
6 contributions to the school district, the general fund
7 and those kinds of details.

8 CHMN STAFFORD: Thank you.

9 MEMBER COMSTOCK: Mr. Chairman.

10 CHMN STAFFORD: Yes, Member Comstock.

11 MEMBER COMSTOCK: If I may ask the panel,
12 Wenden, the unincorporated area of Wenden has flooded out
13 significantly over the last 25, 27 years. At least two
14 times where the town had been evacuated. What's the
15 proximity of the proposed plant to the floodplain where
16 Wenden sits?

17 MR. ACKEN: And to do that you could either
18 use R15, or perhaps R18 may be a good one as well.

19 MR. FURMAN: Sure. So the project
20 facilities will be avoiding the floodplain. So as you
21 can see, this right here, this is the Centennial Wash
22 that does run right through the town itself.

23 You can follow cursor, right about here is
24 where the floodplain interacts onto the Eagle Eye Energy
25 Center project site itself. Right -- this little corner

1 right here, this will be cut out from our overall site
2 plan. So we will be avoiding the floodplain.

3 And to your comment about the flooding of
4 the town of Wenden, this is certainly a major concern of
5 the town as well as ourselves, and I will be addressing
6 that a little bit later in the presentation.

7 MEMBER COMSTOCK: I'll be interested in
8 hearing that. Thank you.

9 CHMN STAFFORD: Thank you.

10 MR. ACKEN: Okay. Thank you.

11 BY MR. ACKEN:

12 Q. Next we are going to dive into more details
13 regarding the project. And let's start with the thermal
14 plant.

15 And for that, Mr. Crabb, if you would, describe
16 what we are requesting approval for.

17 A. (Mr. Crabb) Sure. We are requesting approval
18 for an up to 700-megawatt nameplate thermal power project
19 that will LM6000 aeroderivative turbines. The site plan
20 contemplates up to 17, 14 of which would be in operation
21 at any given time.

22 The 700-megawatt nameplate adjusted for site
23 conditions is an approximate 600-megawatt peaking
24 capacity.

25 So you may see sometimes those numbers get used

1 interchangeably, 700 megawatts in ideal conditions at sea
2 level, 600 megawatts at local temperatures.

3 CHMN STAFFORD: The definition for this
4 committee is the nameplate, but that's seldom achieved
5 and certainly never achieved in the summertime in this
6 state. So you're looking at the 600 megawatts is at the
7 net operating capacity.

8 MR. CRABB: Correct. Approximately.

9 CHMN STAFFORD: All right. And I had,
10 looking at your application, there was -- I did the math
11 and it seems like the 700 doesn't include several units
12 that are classified as redundant.

13 I guess my question is that are those
14 capable of operating at the same time or are they held
15 as, like, spare parts on the side and will never been
16 operated at the same time?

17 Because I'm thinking nameplate, it's when
18 you take all the nameplates and you add them up, so it
19 would be 850 based on the total number of units in the
20 nameplate capacity of each one.

21 MR. CRABB: Sure.

22 CHMN STAFFORD: If you could kind of talk
23 us through that, please.

24 MR. CRABB: Correct. They would not be
25 connected or able to export or operational. They're

1 contemplated as spares. I don't know if we will use all
2 three of them.

3 I think reliability has become an
4 increasingly -- has increasingly become a concern for the
5 grid and our prospective customers here. And given the
6 lead times of these units including spare parts and
7 maintenance, there's only so much you can do to get a
8 single unit's reliability up to the level that the grid
9 would require. And so we are contemplating having up to
10 three spares.

11 CHMN STAFFORD: Okay. So that -- and those
12 three spares would not be able to be operated in
13 connection with the other ones all at the same time?

14 MR. CRABB: Correct.

15 CHMN STAFFORD: Okay. Because that was
16 kind of -- it wasn't clear to me from the application. I
17 thought, well, I mean, nameplate is what the nameplate,
18 it's the total. I mean, there seems to be some
19 difference of opinion swirling about on that, but
20 ultimately the courts will decide that. But I just
21 wanted to make sure we're clear on what we're talking
22 about.

23 And you have -- you contemplate the thermal
24 units coming in as phases as well?

25 MR. CRABB: Correct.

1 CHMN STAFFORD: Okay. I think I'm getting
2 ahead of you here, but you probably have it covered here,
3 but I'm just -- since we brought it up I'm going to make
4 sure it's getting there.

5 I see Member Fontes' hand raised. Member
6 Fontes.

7 MEMBER FONTES: Thank you, Mr. Chairman. I
8 still cannot see this, and I'll have to at the next
9 recess go into the PDF. But this is, it's just not
10 legible with the small fine print there. Yeah, it just
11 becomes blurrier.

12 CHMN STAFFORD: Yeah, you're not going to
13 be able to see it on the screen. You can look -- you'll
14 have to pull the -- it's Exhibit 5 and then I guess we're
15 looking at Slide R17 is the one on the thermal plant. I
16 think that -- ooh, yes, when you zoom in on that you
17 still can't read a lot of the print.

18 MEMBER FONTES: Yes, sir.

19 CHMN STAFFORD: I believe this map, it
20 appears somewhere in -- now I see the AV team is pulling
21 up on the screen here and it's quite legible.

22 MR. CRABB: We tried to get a PDF here so
23 we could be a bit more live, so I'm happy to do a quick
24 walkthrough on some of the components.

25 MEMBER FONTES: What I'm looking for is a

1 little more granularity on things like spacing, so that
2 we know what your construction in and around between
3 units are, your maintenance requirements are, so cranes,
4 obviously how -- and you may do main fire service and
5 road in your turbine enclosures.

6 And then also where do your major wet and
7 dry utilities come in? I know Member Comstock is going
8 to ask you more about gas intake and I'll defer to him on
9 that.

10 But -- and then also if you could describe
11 because I know Member Hill's going to get into this as
12 well as Member Little, how the step-up transformer works
13 and interconnects. Is there any kind of interconnection
14 to the bus? So a lot more granular detail rather than
15 racing through this slide is appreciated, and I'll have
16 some more questions, but those are just some things off
17 the top of my head.

18 MR. CRABB: Great. I will try to address
19 most of those here. I think we've got additional detail
20 later as well. But the gas pipeline here --

21 BY MR. ACKEN:

22 Q. And for the record we're looking at R17 of
23 Hearing Exhibit 5.

24 A. (Mr. Crabb) Excellent. So, yeah, the utility
25 interconnects are likely to follow the gas lateral

1 utility corridor and come in here on the south. You'll
2 see some fuel gas support infrastructure here.

3 Again, contemplating, and this is conceptual but
4 contemplating two phases of the gas plant, you'll see
5 sort of a mirror image of the facility. So if you think
6 of 350 megawatts split on one-half and 350 megawatts
7 split on the other with up to three redundant units here
8 on the left.

9 And so we have the backup fossil fuel
10 infrastructure here. We have administrative buildings
11 here. You see the parking lots. We have planned for
12 24-foot access roads across all of the aeroderivative
13 turbines themselves.

14 They're not planning to be separately enclosed,
15 like you may see in colder climates. And then there are
16 some auxiliary equipment and cooling for lubricants,
17 et cetera, here on the south bed of each of those turbine
18 layouts.

19 MEMBER FONTES: Are you using an SCR on
20 these in any way?

21 MR. CRABB: They will have, yes, they will
22 have SCR and dry NOx control.

23 MEMBER FONTES: Can you educate us on
24 your -- are you going to use ammonia or any other kind of
25 chemical requirements on this? And when you say fuel on

1 the bottom boxes, what do you mean by fuel? Is that for
2 the diesel backup generation or is that liquefied natural
3 gas storage? Can you be more precise on those things?

4 MR. CRABB: Yes. Let me confirm on some of
5 the exact chemical makeup. We'll certainly talk about
6 the controls, technologies and what we have to prove for
7 ADEQ here in a little bit, but let me get back to the
8 chemical requirements.

9 Yes, the fuel -- I'm trying to see exact --
10 yeah, the fuel gas what you're seeing here, that is for
11 the contemplated ultra low-sulfur backup fuel. We'll
12 talk about the gas interconnection in a little bit. But
13 the El Paso natural gas is one of the main pipelines that
14 brings gas into the state, and in the instance it may be
15 offline, we're designing this plant for utility capacity
16 that could be able to produce when that gas pipeline goes
17 down. Which impacts a lot of generation in the state.

18 MEMBER FONTES: Is the gas pipeline the
19 green line?

20 MR. CRABB: Yep. The lateral here is this,
21 I guess it's blue in our screen here at the bottom. And
22 kind of feeds into the turbines this way.

23 MEMBER COMSTOCK: Mr. Chairman.

24 CHMN STAFFORD: Wait a second. Member
25 Fontes, are you conclude --

1 MEMBER FONTES: I defer to Member Comstock.

2 CHMN STAFFORD: All right. Member Fontes,
3 have you concluded your questions?

4 MEMBER FONTES: I did. I was going to ask
5 Member Comstock to take it from there in terms of how
6 that gas interfaces, any concerns he has.

7 CHMN STAFFORD: All right. Member
8 Comstock.

9 MEMBER COMSTOCK: I appreciate that, Member
10 Fontes. Thank you.

11 And I'll ask some more questions later as
12 we go through the presentation. But for the public's
13 knowledge and understanding, and I know this sounds a
14 little bit petty, but typically natural gas lines are
15 shown in yellow, not purple or green or blue or whatever
16 it is.

17 So I think if we're going to depict the map
18 correctly, that line color needs to be changed to show
19 that it is natural gas.

20 MEMBER FONTES: I would also like to make
21 sure we clearly annotate electrical interconnect, and if
22 there's any kind of either horizontal or vertical
23 crossings, that we note that.

24 CHMN STAFFORD: Member Comstock, this
25 appears to be sort of an aberrant color scheme for this

1 particular slide. If you look at the placemat, you do
2 have the existing El Paso natural gas line in yellow and
3 the proposed connection in dotted yellow. It's a little
4 hard to see along the blue border, but that's where it is
5 in the placemat.

6 MEMBER COMSTOCK: Mr. Chairman, I do
7 appreciate that and I did see that. I just want to make
8 sure that all slides that the public could view are
9 correct in terms of color coding.

10 CHMN STAFFORD: Well, they're not, but I
11 think the important thing is that the Exhibit A has to
12 reflect when we attach the certificate, accurately
13 reflects what's at the site.

14 MEMBER COMSTOCK: Thank you, Mr. Chairman.
15 Mr. Chairman, if I may, just one other
16 quick question. Who's going to own the lateral into the
17 plant from El Paso?

18 MR. CRABB: We currently plan to own the
19 lateral under project company.

20 MEMBER COMSTOCK: You'll operate it?

21 MR. CRABB: Correct.

22 MEMBER COMSTOCK: And will that be
23 BrightNight that does that or will that be a contractor?

24 MR. CRABB: It will likely be a contractor.

25 MEMBER COMSTOCK: That contractor, or

1 BrightNight is familiar with the regulations of operating
2 a pipeline, the safety regulations required by PHMSA and
3 so on, and the State of Arizona?

4 MR. CRABB: We are, but -- and we would
5 find parties that do that regularly to build and operate
6 that for us.

7 MEMBER COMSTOCK: When would that
8 contractor be bid to operate that pipeline?

9 MR. CRABB: First half of next year.

10 MEMBER COMSTOCK: Thank you.

11 CHMN STAFFORD: Member Fant.

12 MEMBER FANT: Thank you, Mr. Chair. I may
13 be wandering a bit off point here, but in terms of fire
14 fighting, I assume the individual LM6000s are spaced
15 reasonably sufficiently far apart that if one catches
16 fire it's not likely to catch the adjacent unit on fire?

17 MR. CRABB: That is correct.

18 CHMN STAFFORD: If they even end up using
19 LM6000s. I believe that's one of three potential --

20 MEMBER FANT: Oh, okay.

21 CHMN STAFFORD: -- generators.

22 MR. CRABB: It's an evolution, we're kind
23 of jumping around between the air permit. So the timing
24 of the air permit we are contemplating three different
25 technologies and a smaller, just the first half of the

1 project. Since then demand has continued to grow and
2 we've narrowed down to the LM6000, so what you have
3 approval in front of you is for the LM6000.

4 MEMBER FANT: Okay.

5 CHMN STAFFORD: Are those -- what's the
6 lead time on those that you already get them? Because
7 I'm --

8 MR. CRABB: Lead time on all of them is not
9 fun, but there is a lot of gray market activity as well
10 where different parties have purchased lots, their
11 projects are not moving forward and so they become
12 available again.

13 CHMN STAFFORD: Okay. Thank you.

14 MEMBER FANT: Coming into a large payment
15 so they're like, uh.

16 MR. CRABB: Correct.

17 MEMBER FANT: Buddy, wanna buy a LM6000.

18 MR. CRABB: It is a very dynamic
19 environment.

20 MEMBER COMSTOCK: One more question --

21 CHMN STAFFORD: Member Fant has the floor.

22 MEMBER FANT: One more question on fire
23 fighting on BESS. I assume that the local fire fighters
24 will just isolate if a battery unit, storage unit catches
25 fire, they'll just isolate and leave to it burn out?

1 They won't try and fight the fire.

2 MR. FURMAN: That is the likely scenario,
3 yes.

4 MEMBER FANT: Okay. And I'm looking at the
5 map, it looks like the BESS unit is three miles, three
6 and a half miles from downtown Wenden, so it's a fairly
7 substantial distance.

8 MR. ELLIS: Give or take.

9 MEMBER FANT: So I'm just thinking about
10 the fumes off the fire. It's not going to be a major
11 issue for --

12 MR. ELLIS: For residents.

13 MEMBER FANT: -- for Wenden. There's no
14 residents near there. That was my question. Thank you.

15 CHMN STAFFORD: Thank you, Member Fant.
16 Member Hill, you had a question? No? Okay.

17 Member Fontes, did you have a question?

18 MEMBER FONTES: Yes. Gray market. Does
19 that also include refurbished units that you're
20 considering for this project?

21 MR. CRABB: We would consider them if they
22 met the requirements for financing, including long-term
23 service agreements and appropriate documentation.

24 MEMBER FONTES: And they would have a
25 different air dispersion modeling because they're

1 refurbished units, and they would have a different
2 utilization of SCR.

3 Also different chemical requirements and
4 also different water if you had used units. So as you
5 think through this can you give us assurances, what we're
6 looking at an LM6000 unit here, how you would factor it
7 in and how that may impact the environmental impacts of
8 these, with the testimony going forward in the
9 appropriate sections?

10 MR. CRABB: Sure. I can respond maybe a
11 little bit now and then we'll talk more about the air --

12 MEMBER FONTES: Yeah.

13 MR. CRABB: We'll talk more about the air
14 permit process as well, but yes, regardless of what
15 technology we were to use here, we would need to abide by
16 the air permit requirements. And if the SCR and other
17 controls technology differed materially from what that
18 application includes, we would need an amendment from
19 Arizona Department of Environmental Quality to confirm
20 that we were within operating limits.

21 MEMBER FONTES: My concern is on used
22 units, and I'm seeing this all over the country is that
23 you can get an LTSA -- a long-term service agreement, for
24 the court reporter -- however there's no guarantee on
25 heat rate and unit degradations.

1 So you may have issues with those units in
2 future years and that could have additional environmental
3 impacts that are unforeseen. So want to get your
4 mitigation plan beyond LTSA and simple deferring risk to
5 third parties on how we should look at that and how it
6 was informed in the environmental studies.

7 I'd also like to go back to, you know, the
8 cycle layout. One thing we often do is we got great
9 visual maps, I think, on the generation and they tend do
10 a horizontal view. But I'm just concerned about the
11 topography and the layout of this site.

12 And sort of what's the mass grading plan
13 and the access roads just so we know with respect to
14 coming back to Member Comstock on how that natural gas
15 lateral pipeline is going to interact there, and then how
16 the step-up from the transformer from the power
17 generation over to the substation. And then is it going
18 to even interconnect with a BESS, and then the solar? I
19 already mentioned that so just reminding.

20 The last thing I just thought about is the
21 water, because we're talking about that, so we're not
22 talking about water for evaporation cooling. We're also
23 talking about water for construction, potable for the
24 personnel on site and for ESD requirements.

25 So I assume you've talked to the fire

1 marshal because you represented you talked about -- with
2 the BESS, so if you could talk about that on the layout
3 here, and how that impacts the choice of technology.

4 Because fire fighting equipment for the
5 ammonia for chemical hazards on the thermal plant is as
6 much as important, probably more important arguably, than
7 a BESS that you're going to let burn out.

8 So going back to your site layout diagram,
9 I'm going to look for a lot more precision on that if we
10 could.

11 CHMN STAFFORD: Thank you, Member Fontes.
12 With that we have been going for over 90 minutes, the
13 court reporter is due a break. Let's take an
14 approximately 10- to 15-minute recess. Let's go off the
15 record.

16 (Recess from 11:36 a.m. to 11:54 a.m.)

17 CHMN STAFFORD: All right. Let's go back
18 on the record.

19 All right. The applicant has provided
20 copies to the members in the room and should be to Tod
21 for distribution an additional exhibit. It will be
22 marked as Exhibit 15 and is the ADEQ Class 1 Permit
23 Application. Mr. Acken.

24 MR. ACKEN: Thank you, Mr. Chairman. In
25 the interest of giving the committee members an

1 opportunity to digest and for our team, we would propose
2 that we handle the air quality permit discussion in the
3 normal course, which is a little later in the
4 presentation.

5 There does seem to be some confusion
6 because there is a difference between what the air permit
7 requested and what we are requesting for approval from
8 this committee. So just to reiterate what we are
9 requesting from approval for from this committee is for
10 the approval of a 700-megawatt nameplate capacity with 14
11 LM6000s operating at any one time. So that's what the
12 CEC application before you, that's the only thing we are
13 requesting.

14 When you look at the air quality permit
15 application, you will see some other scenarios. Recall
16 that was in an earlier piece of time -- or earlier time.
17 We will address the thinking and the difference and our
18 plan to move forward. But -- wanted to frame that, but
19 wanted to give folks an opportunity to digest it a little
20 bit before we talk about it.

21 CHMN STAFFORD: Thank you. And then so at
22 what point do you anticipate getting to that section of
23 the presentation?

24 MR. ACKEN: Well, right now we have air
25 quality planned for after public outreach. Because the

1 thought was is air quality and water quality were the two
2 things that we heard from the public. And so we thought,
3 okay, let's preview and discuss that public outreach and
4 then our approach to address it.

5 So it would be -- it probably won't be this
6 morning at the rate we're going, but that's not an
7 indictment of anybody, we have other things to cover,
8 like virtual tour and things like that, but it would be
9 this afternoon.

10 CHMN STAFFORD: Okay. And then I believe
11 you have a three p.m. deadline for a decision on a tour
12 to make to be able to make that happen; is that correct?

13 MR. ACKEN: Yes, thank you Mr. Chairman.
14 So in order to facilitate an in-person tour, we have to
15 reserve a van and the nearest place to reserve a van is
16 Havasu. So, which is not close. And so we need to have
17 a decision by three o'clock, so we can if necessary make
18 sure we get to the van rental before they close at
19 five o'clock.

20 So the idea would be we very much would
21 like to show you the virtual tour and see if that's
22 sufficient. Ms. Pollio can talk about in more detail
23 either at the appropriate time but even before she takes
24 the stand, about the -- about what the actual tour would
25 entail and then -- but, yes, if we could get a decision

1 by three o'clock that would be greatly appreciated.

2 CHMN STAFFORD: Okay. All right.

3 Member Hill, and then I believe Member
4 Fontes as a question after you.

5 MEMBER HILL: Mr. Chair, I just wanted to
6 mention that I'm okay with pushing the air quality
7 discussion out a little bit further. It would give me
8 time to review the material, so I'm not in a rush to get
9 that. I think would be more comprehensive if we could
10 move it to the time that you had planned to talk about
11 it. That would be fine with me.

12 MR. ACKEN: Thank you.

13 CHMN STAFFORD: Member Fontes.

14 MEMBER FONTES: Yes, sir, thank you. We
15 got an ADEQ application for LM6000s and then we got some
16 varying units, and then we've also got the applicant
17 stating that they may consider gray market, both new and
18 used alternatives if the supply chain can't support their
19 timeline and their contractual obligations.

20 So I would ask the applicant to consider
21 referencing each individual environmental area that we
22 look at, how different units would impact, how an
23 aeroderivative versus an industrial U-type unit would
24 impact the environmental studies that we're looking at
25 for the individual statutes as a part of those individual

1 section remarks.

2 Is that clear, Mr. Acken? Is that helpful?
3 I'm trying to give you latitude so your applicant can
4 have -- doesn't have control of the supply chain so they
5 can -- you know, as we think through the final CEC we
6 give them some sort of degree of execution based on
7 commercial realities.

8 MR. ACKEN: So Chairman Stafford,
9 Member Fontes, I really appreciate that. I'm hopeful
10 that what we are going to do is make it easier for all of
11 us. Because our application is just for the LM6000, so
12 you will see an air quality permit that covers additional
13 optionality that we are not bringing forward to you today
14 for your approval.

15 The reason -- that's a temporal issue where
16 those were proposed at the time. Now we have a better
17 line of sight on the LM6000s. The LM6000 is the focus of
18 this hearing and so we do not plan to request this
19 committee approve the other technologies that are in that
20 air quality permit application. That is simply a
21 function of permitting schedule, timelines, you need to
22 get that air quality permit started early.

23 At that time it was fuzzier, as far as what
24 supply chains would be available. And boy, I'm
25 testifying as to what Mr. Crabb will testify, so I don't

1 want to tell his thunder, but he will present that. But
2 just to clarify, you know, that would be our plan is,
3 yes, you will see those other options --

4 MEMBER LITTLE: You're gone.

5 MEMBER FONTES: Mr. Acken, we lost most of
6 that.

7 CHMN STAFFORD: At what point did you last
8 hear what he said?

9 MEMBER FONTES: The bit whereby this
10 application was focused on the LM6000s, which I'm fine
11 with. But my, if you will, offer was can you create an
12 additional slide to tell us what is the variance that
13 there could be environmental impacts on noise, water,
14 biological --

15 CHMN STAFFORD: Okay. Thank you.

16 MEMBER FONTES: LM6000s because your
17 applicant is saying they may use the gray market for
18 other units.

19 CHMN STAFFORD: All right. He just
20 explained -- let me see if I could repipe this,
21 Mr. Acken.

22 MR. ACKEN: Thank you.

23 CHMN STAFFORD: Was that the application
24 before the committee is only for the LM6000, the other
25 ones were a placeholder and they're in the air permit

1 application, but for our purposes we would not be
2 approving the other technologies, only the LM6000s.

3 MEMBER FONTES: So if the applicant cannot
4 get LM6000s due to any kind of supply chain, then they
5 would not proceed forward on that? Is that what I'm to
6 understand?

7 I'm trying to offer a view so we can
8 introduce additional evidentiary, if you will,
9 representations by the applicants on how different units
10 that they may consider as backup to the LM6000 would
11 impact the environmental factors and the statutes and the
12 stakeholders here so we may give them a broader view on a
13 CEC final determination that would go beyond an LM6000 as
14 a choice of technology. I'm trying to be useful,
15 Mr. Acken.

16 MR. ACKEN: Member Fontes, I greatly
17 appreciate that. I'm going to be --

18 MEMBER FONTES: Take a pause and consult
19 with your applicant on that --

20 MR. ACKEN: Yeah.

21 MEMBER FONTES: Because if you can give us
22 a little bit more and summarize at each end of each of
23 those sections, I think that's fair to the public. It
24 certainly appeases my concerns.

25 MR. ACKEN: I now understand what you're

1 proposing. And so, yes, if we could take that under
2 advisement, I would be grateful. And I appreciate the
3 spirit in which that's -- in which you propose it. So
4 thank you for that.

5 MEMBER FONTES: And to that, make sure we
6 address, because stakeholders have had comments, as you
7 understood on water and noise and air, they always do on
8 these type of applications, so that's what I'm looking to
9 capture is look, hey, these are the ranges, all these
10 three units and they're still within parameters, so I
11 want to capture that for the record.

12 MR. ACKEN: Understood.

13 MEMBER FONTES: Member Hill, I got to call
14 you because I know you have thoughts on that, too. Did I
15 capture that adequately to address your concerns?

16 MEMBER HILL: Yeah. And we're open to
17 being flexible with the applicant. We just want to
18 understand the range of consequences for any of the
19 technologies selected. And so --

20 CHMN STAFFORD: Thank you. Anything
21 further, Member Fontes?

22 MEMBER FONTES: Help us help you,
23 Mr. Acken.

24 Thank you, Mr. Chairman.

25 CHMN STAFFORD: Thank you. It is now

1 12:04. Let's see, proceed until about 12:30 in which
2 time we'll take our lunch break.

3 I think when we come back from lunch we're
4 going to want to do the virtual tour, and so we'll be
5 able to make our determination whether or not to do a
6 physical tour by the time frame at which it would be
7 necessary to make it happen.

8 Member Comstock.

9 MEMBER COMSTOCK: Thank you, Mr. Chairman.
10 Not to pile on the applicant, but in your water report,
11 the use of water report, are you going to address the
12 drilling of the well? Or is the well that's on site
13 already -- or that's proposed at least by your diagram,
14 has that been drilled already?

15 MR. ELLIS: So the answer is -- a couple
16 answers to that. Has the well been drilled. Most likely
17 not. We are in the process of evaluating that well,
18 although our determinations of that existing well is that
19 it would be inadequate.

20 We're not done with that investigation.
21 But I'll just give you my informed view on what we know.
22 We would obviously like to use that well if we could.
23 But we're not clear that we can. And I think sitting
24 here today probably not if I were to hazard a guess.

25 MEMBER COMSTOCK: So just in general, and

1 I'm not a well expert, but I do know there are setback
2 requirements from hazardous material storage on wells.

3 I take it the distance between the proposed
4 site, at least on this plan, and the storage for diesel
5 fuel is more than 100 feet?

6 MR. ELLIS: So off the top of my head, I
7 can't answer that. But we're going to verify that and
8 make sure it's not a problem. I appreciate you bringing
9 that to our attention.

10 MEMBER COMSTOCK: Thank you. And then back
11 to Member Fant's substitution about grading. I take it
12 that you're going to grade the project to flow water into
13 the water basin that's proposed on the right-hand side of
14 the --

15 MR. ELLIS: Yeah, that's pretty -- that's
16 correct. It's pretty customary. There's typically an
17 entire site plan and drainage plan, where if you can't --
18 yeah, so you will occasionally use retention basins if
19 you can't route the water through the project.

20 MEMBER COMSTOCK: And if you could address
21 in your presentation what your steps will be to minimize
22 aquifer contamination from outflow from the plant, if the
23 water basin does catch water that comes through the plant
24 itself.

25 MR. ELLIS: Yeah, happy to do that. Yes,

1 we'll address that.

2 MEMBER COMSTOCK: Thank you.

3 MR. ELLIS: Yeah.

4 CHMN STAFFORD: Member Acken -- member --

5 Mr. Acken, please proceed with the presentation.

6 MR. ACKEN: I got a promotion despite this
7 morning. Thank you. And appreciate all the members. I
8 do like raising -- I like that you raise these early,
9 give us an opportunity to be responsive to what is of
10 interest to you. And so, so thank you.

11 What I'd like to do next, I'd like to
12 continue discussion of the thermal plant.

13 And we will have some follow-up. But --

14 CHMN STAFFORD: One moment. Member Fontes,
15 your hand is raised. Looks like we're losing connection
16 with the Zoom.

17 MEMBER FONTES: We are getting intermittent
18 connection. And the last I heard was Member Comstock
19 asking about floodplain and drainage just --

20 CHMN STAFFORD: Member Comstock.

21 MEMBER COMSTOCK: Member Fontes, what I was
22 asking is that -- based on your question about grading of
23 the site -- what steps the applicant was going to take to
24 minimize groundwater contamination should the outflow go
25 into the water basin itself --

1 MEMBER FONTES: Yes, sir, there's a
2 complete site --

3 CHMN STAFFORD: One at a time, please. One
4 at a time, Members. Please do not speak over each other.
5 It makes the transcript very difficult to read.

6 Member Comstock.

7 MEMBER COMSTOCK: Go ahead, Mr. Fontes. Go
8 ahead.

9 MEMBER FONTES: I was thanking Member
10 Comstock, yes, sir, the site floodplain and drainage,
11 it's known a plan that supports the site layout. And
12 again, I'll remind, we need to know for ESD, for fire,
13 NFPA standards for water as well as any kind of cooling
14 technology, and then potable water and how that sort of
15 fits in with that. Total plan.

16 CHMN STAFFORD: Thank you.
17 Mr. Acken.

18 MR. ACKEN: Can you hear me now? The room
19 can hear me.

20 BY MR. ACKEN:

21 Q. Mr. Crabb, before we move on to the next slide,
22 I want you to talk about, a little bit, we'll dive more
23 when we get to the air quality piece.

24 But if you would frame for the committee your
25 thoughts on the selected turbines that we have right now,

1 the LM6000s and that 700-megawatt capacity figure. How
2 did you develop that?

3 A. (Mr. Crabb) So as this committee knows, the
4 size and turbine selection process is an evolving one
5 based on customer requirements, community feedback, site
6 characteristics that you learn over the course of the
7 studies that we have completed.

8 The LM6000 is a particularly well-suited turbine
9 for this application. It's an aeroderivative, which
10 means it's similar to a jet engine. We'll show a little
11 bit more diagram here in a little bit.

12 So it means it responds quite quickly to grid
13 signals, it can ramp up and ramp down to satisfy that
14 peaking obligation. It's manufactured by GE, which is a
15 very well established and proven OE, original equipment
16 manufacturer. And has a lot of operating history from an
17 air permitting perspective.

18 It satisfies the best available control
19 technology requirements, which ADEQ requires as part of
20 that air permit as well as has copious amounts of
21 operating history on the performance of the various air
22 pollutant measures.

23 We continue to manage relationships and use
24 different technologies at different projects for
25 different applications, and so we have strong

1 relationships with the supply chain and monitor it
2 incredibly closely, as it sounds like this room is aware,
3 that is a very evolving space.

4 This particular aeroderivative turbine uses dry
5 low-NOx technology for NOx control, which means it does
6 not use water injection and again we'll talk about more
7 about water use in a little bit, but it was a pretty high
8 priority for us and for the community to maintain lower
9 water usage.

10 And we've even made some design decisions to use
11 less water than we otherwise could for performance
12 enhancement sources so, again, we'll talk more about that
13 in a little bit.

14 From the size perspective, you know, if we
15 started with that initial phase for the air permit, we
16 would have to submit an additional permit or an amendment
17 to that current one to move up to the full 700 megawatts
18 of nameplate.

19 But part of the reason that that got pulled in
20 and we're bringing it to you today is just because that
21 demand in the growth on the grid -- the growth and demand
22 on the grid continues to accelerate. And Erik mentioned
23 solar and storage part of this project got pulled forward
24 because of that, and so that's, you know, from an
25 administrative perspective kind of brought the whole

1 project forward.

2 Q. Next, talk about natural gas --

3 MEMBER LITTLE: Mr. Chairman.

4 CHMN STAFFORD: Member Little.

5 MEMBER LITTLE: I'm sorry, Mr. Acken, I
6 didn't mean to interrupt you, but took me a minute to
7 unmute.

8 Mr. Crabb, you froze up there for a minute
9 and I think you addressed something that I have a
10 question about and that is the fact that the air quality
11 permit is only for 350 megawatts. And I'm sorry if you
12 have to repeat yourself, but I totally missed it.

13 MR. CRABB: It's okay. I will try not to
14 freeze up again, although I don't know how much I can
15 control that.

16 Yeah, so the air permit timing was
17 initially submitted, we started premeeting in middle of
18 last year. The application was deemed administratively
19 complete in December of 2025.

20 At that time, we were really focused on the
21 first phase. But since that time and today, the demand
22 for this type of product, the capacity product, right,
23 the ability to provide energy when the grid needs it the
24 most has continued to increase. And so that has pulled
25 in the second phase of the project to get to the full 700

1 megawatts of nameplate capacity.

2 We will not be able to build or move
3 forward with the second phase, the full 700, without even
4 amending the existing permit or submitting a new
5 application into Arizona DEQ.

6 So it's not that we're trying to sort of
7 get around. We'll have to -- sort of the timing of the
8 two different applications. And we'll talk more about
9 the detailed process of the ADEQ permit including their
10 dispersion modeling, the public comment, and where we sit
11 on that timeline.

12 MEMBER LITTLE: Thank you. That answers
13 one of my major questions.

14 CHMN STAFFORD: Thank you.

15 MR. ACKEN: Thank you.

16 BY MR. ACKEN:

17 Q. So, next, let's move to -- unless you have
18 anything else on 17 left and right, let's move to left
19 and right 18.

20 L18 is a busy slide that I believe shows natural
21 gas infrastructure. So I'd like you to take the time and
22 walk the committee through that visual.

23 A. (Mr. Crabb) Yes. So we'll focus on the left
24 slide here which shows the El Paso natural gas pipeline
25 system.

1 This is the main interstate pipeline that our
2 project will draw gas from. It is one of the two main
3 pipelines that supply gas to Arizona as well as the
4 entire desert southwest regions.

5 As a quick overview of the map, this shows many
6 of the major receipt and delivery on the pipeline, the
7 receipt points are in green, delivery in red.

8 And so the flow -- sorry, I need to switch
9 pointers.

10 The flow of the pipeline runs east/west, gas
11 from the Permian Basin, which is in West Texas. This is
12 where they're drilling for natural gas and bringing that
13 into Arizona and ultimately into southern California and
14 Baja, California, and northern Mexico.

15 There's a little bit of gas that gets supplied
16 as well from the San Juan basin, which is in southwest
17 Utah. And so it flows on what is commonly referred to as
18 the north main line and the south main line of El Paso
19 natural gas.

20 And the energy center sits here in the gold star
21 on the Havasu lateral, which connects the north and south
22 main line on the west end of the system.

23 So that lateral piece just west of the site is
24 what you see here in yellow on the right-hand slide which
25 is a 30-inch El Paso natural gas pipeline that crosses

1 our property here in the southwest corner, and our plan
2 on the lateral is to follow the boundary of the site and
3 connect into the natural gas plant here.

4 MEMBER LITTLE: Mr. Chairman?

5 CHMN STAFFORD: Yes, Member Little.

6 MEMBER LITTLE: I'm wondering is there a
7 reason why you're taking kind of a long route to get
8 there as opposed to going straight over?

9 MR. CRABB: I think primarily around the
10 site layout for the solar project, that the more you
11 would have to cross, you want to set laybacks that you
12 access the pipe and maintain the pipe, and so having that
13 utility interconnection corridor run around the boundary
14 felt like a less intrusive way and a cleaner way to
15 separate the two projects.

16 MEMBER LITTLE: That makes sense. Thank
17 you.

18 CHMN STAFFORD: Member Comstock.

19 MEMBER COMSTOCK: Mr. Chairman, thank you.
20 Can you tell me the distance between your proposed
21 gen-tie corridor and the 30-inch pipeline that you'll be
22 tapping into?

23 MR. CRABB: Yes, you're referring to -- I
24 don't know it off the top of my head. You're referring
25 to this gap here?

1 MEMBER COMSTOCK: Yes, sir.

2 MR. CRABB: I don't have that number off
3 the top of my head.

4 MR. ELLIS: We can get it for you directly
5 here, just give us a moment.

6 MR. FURMAN: It's just under a mile, so I'm
7 measuring roughly 0.9 miles.

8 MEMBER COMSTOCK: Do you know if any point
9 of the proposed corridor you come with 100 of running to
10 that pipeline?

11 MR. ELLIS: Yeah. At no point does it. We
12 know that's a requirement, we've had to study that on
13 multiple projects, look at cathodic protection if that's
14 where you're going.

15 MEMBER COMSTOCK: Well, shoot, that took
16 half of my questions away.

17 One last question, the capacity on that
18 pipeline that goes through Topock and Edinburgh, it's
19 been constrained for a while. Do you have a capacity,
20 capability to serve your plant?

21 MR. CRABB: So there's a couple of
22 different terms, and it's important to define capacity.
23 So the pipeline has capacity, right? Physical ability to
24 flow for our 170,000 dekatherm a day or so max rate.

25 We are not planning to procure firm

1 transport directly. Rather, we are in negotiations with
2 a number of global commodities firms to decide firm
3 delivered service under what's called the North American
4 Energy Services Bulletin or NAESB agreement, which is
5 basically a marketplace for natural gas, and so these are
6 firms that manage a portion of firm transport, and will
7 schedule our gas in the day ahead market.

8 MEMBER COMSTOCK: For members of the public
9 who may not know, can you explain what firm capacity is
10 on a pipeline and what's the difference between what
11 you're doing and what firm might be?

12 MR. CRABB: I will -- yes, I will endeavor
13 to do so.

14 So firm transport on a gas pipeline gives
15 you the ability to use the pipeline infrastructure. Sort
16 of like a toll road, you have the option to drive your
17 car on it, but it doesn't pay for gas to actually drive
18 your car on it.

19 And so firm transport means you're
20 reserving the right to use that pipeline, and it means
21 you have seniority in the day ahead market to use that
22 capacity.

23 If you don't use that capacity, you lose
24 it. So it's already paid for, and so pipelines will
25 auction out capacity to a bunch of different parties, and

1 then some of those parties will resell the right to use
2 that gas or to flow the commodity, the driving your car
3 on the toll road example, to parties like us, who will
4 only use gas somewhat less frequently, as a peaking asset
5 will run very rarely.

6 There are other users of that capacity like
7 APS and SRP and utilities that are serving retail load
8 that do use that FT very -- firm transport, FT, very
9 frequently because they're serving a more baseline
10 residential gas capacity.

11 MEMBER COMSTOCK: Thank you. And if I just
12 make one comment about the map, I know you have the major
13 players on here, but there are a number of municipalities
14 in the state of Arizona that tap off of that pipeline. I
15 don't see any of them addressed on this map.

16 And so their ability to serve their
17 residents and their businesses and their hospitals, so
18 on, are directly affected by the ability for this
19 pipeline to operate.

20 And it is the one that you have designated
21 as the one you're going to tap into. So I think it's
22 important to understand the full impact of your capacity
23 need versus having the municipalities addressed and what
24 they have to deal with as well. Thank you.

25 MR. CRABB: Yeah, if I can maybe add on to

1 sort of the operational --

2 MEMBER COMSTOCK: Feel free.

3 MR. CRABB: -- characteristics of that firm
4 transport, so those parties that use firm transport, the
5 benefit to firm transport is that they will get priority
6 rights.

7 So when the pipeline gets constrained, you
8 might have an operational flow order, an OFO, which sends
9 a bulletin to everyone that's tapped into the pipeline
10 and says, hey, if you don't have reserved capacity we may
11 not be able to serve you. And so we will be subordinate
12 to those users on this pipe.

13 And in practice, I've seen this in the
14 northeast in particular, whether or not you have FT, the
15 industrial load like ourselves, we get curtailed first
16 anyway, and that is part of why we're contemplating an
17 ultra-low sulfur diesel backup for a limited number of
18 hour is so -- because when the pipe gets right and
19 everyone is pulling that gas, is exactly when you might
20 need power source like ours to keep the lights on.

21 MEMBER COMSTOCK: Yes, sir. There was a
22 winter in 2012 or so that the Permian froze up and pipe,
23 the pipe could not carry gas out of the Permian into
24 Arizona.

25 Back then I was sitting on a regulator

1 station turning the bypass valve so we could keep the
2 hospitals on in Mesa. So it is possible for the
3 constraint of that pipeline to go to low flow. It's just
4 important knowledge.

5 And, Mr. Chairman, I'll give Mr. Crabb an A
6 on his explanation of firm versus -- he did very well.

7 CHMN STAFFORD: Thank you. All right, now.
8 We have members online who have some questions. Let's
9 start with Member Little.

10 MEMBER LITTLE: I think Mr. Fontes was
11 first.

12 CHMN STAFFORD: I've called on you, Member
13 Little.

14 MEMBER LITTLE: Thank you. I'm just
15 curious because this is a peaking plant. This plant will
16 optimally be used at times when everybody is using lots
17 of electric --

18 MEMBER COMSTOCK: Froze.

19 CHMN STAFFORD: And we have frozen again.
20 We are experiencing technical difficulties.

21 All right. Thank you, Member Little. We
22 lost everything for the last minute and a half of what
23 you said. It froze up. You had just started. So
24 everything you've said I don't think we captured on the
25 record. If you could --

1 MEMBER LITTLE: And now we can't hear you.

2 We can see you. But we can't hear you.

3 MEMBER COMSTOCK: Time for lunch.

4 AV TEAM MEMBER: Okay. Should be back.

5 CHMN STAFFORD: Can you hear me now?

6 MEMBER LITTLE: I can hear you, yes.

7 CHMN STAFFORD: Okay. All right. We
8 missed your question. We had a technical glitch and so
9 if you could please repeat your question.

10 MEMBER LITTLE: I guess I, just in a very
11 longwinded way, am asking if your expectation that you
12 are going to use your backup fuel source infrequently is
13 really very realistically -- realistic given that the
14 times that the peak -- the output of this project is
15 going to be needed during peak hours is also a time when
16 everybody else is going to be using gas.

17 MR. CRABB: Yeah, there are maybe two ways
18 to think about it. We are certainly restricted on the
19 number of hours that we can run with backup fuel, and
20 it's far less efficient and more expensive; right? So it
21 pushes the project to be used less frequently if you were
22 to just look at that portion.

23 Maybe the other way to think about it is
24 just the volumes on these pipelines. So this is one of
25 two main arteries at 2.5, give or take, BCF, a day. I

1 want to say Transwestern's in a similar ballpark, two to
2 two and a half BCF.

3 So from a 5,000 dekatherms a day and we are
4 using maybe 100, so it's a very small volume versus the
5 total system. And there continues to be expansion
6 pipelines being built. There is a majority expansion on
7 Transwestern which is serving a lot of that same gas
8 demand that you are articulating.

9 And then the final aspect I guess is it's
10 really a price question, right? And so we will have to
11 compete with not just Arizona power projects but southern
12 California power projects, southern California industrial
13 load. We will have to compete for that gas on a daily
14 basis and that will set our dispatch price in the day
15 ahead market.

16 And when I say we, depending on the
17 commercial structure, it would be us or it could be our
18 customers themselves; right? So the utility may choose
19 to deliver gas to the project as opposed to us directly.

20 So, yes, there is a risk that we run --
21 there is a risk that we run -- there is a risk that gas
22 is constrained, it's just part of the business that we're
23 in and there are a host of tools that we use in order to
24 satisfy that obligation. What I can say is we are in the
25 negotiations with global commodities players that

1 backstop that obligation to deliver gas at an index-plus
2 basis. That means there's a daily gas price printed and
3 they have a contractual guarantee to deliver volume if we
4 call on it at that price plus some margin to deliver the
5 gas.

6 So I think I maybe wandered a little bit.
7 But I gave you kind of the set of tools that we use in
8 this business to address that exact risk.

9 MEMBER LITTLE: Thank you. That is a lot
10 of good information that I did not have.

11 CHMN STAFFORD: Thank you, Member Little.
12 Member Fontes.

13 MEMBER FONTES: A couple of observations
14 and maybe it's going to be covered in a different
15 section.

16 One, I want to remind, you talked about
17 firming on the electrical side. I'm going to want to get
18 clarification if whether you're going to contractually or
19 foresee in a future contractual scenario firming up the
20 solar and storage, just how that relates to the BESS and
21 the overall energy center with this particular unit
22 because that has implications for us.

23 And then I think secondly, you know, as gas
24 and the utilization of peaker capacity, that has a big
25 impact on water usage, so are you going to use a DLE

1 system, dry low emissions for the court reporter, to
2 avoid water consumption, what kind of configurations are
3 you looking at on the LM6000s.

4 Also want to know a little bit more on that
5 gas interconnect as we get into the plant, not on the
6 system, but on there just so we have an understanding of
7 that.

8 And then on -- if you are going to have any
9 kind of cooling whatsoever that you're anticipating, be
10 that for water injection, for NOx reduction or whatever,
11 especially if you get used units and then SCR, again,
12 going back to that, how is that going to be thought of.

13 When we get to that, those additional
14 details I think are going to serve based upon how you use
15 the gas and the water mix there.

16 MR. CRABB: Yeah, let me -- I address some
17 of those. So, yes, it will be dry low NOx. We are using
18 water injection NOx control at some of our other projects
19 where water is not a constraint, but here would be dry
20 low NOx control.

21 And then we would use aqueous ammonia as
22 part of our SCR for emissions. I believe that's
23 reflected in some detail around the best available
24 control technology discussion in the Trinity air report.

25 We do not have cooling as you may be used

1 to seeing from a steam turbine perspective; right?

2 So what you're used to from a combined
3 cycle or a coal plant or nuclear plant where you have a
4 water use on the back end for evaporative cooling, the
5 only water use that we are contemplating here outside of
6 potable water will be for inlet fogging, which is a
7 fairly efficient way to use water to increase the
8 performance of the machine during extreme high items, by
9 changing the density of air coming into the cold side of
10 the -- of the turbine.

11 MEMBER FONTES: I would like to peel that
12 back even further and see what GE is offering you. You
13 say you were going to that, but what is GE's offer in
14 terms of water injection to NOx to take it down to 25 ppm
15 or whatever is required of you for the operating permit.

16 So we look at that, if you can point to
17 data sheets in more specific rather than general
18 representations that you just made, I think that will
19 give the public greater assurances.

20 MR. CRABB: Okay.

21 CHMN STAFFORD: Anything further, Member
22 Fontes? Thank you. It is now 12:30. I think that I'm
23 looking to the applicant. Is lunch ready for us now?

24 MR. ACKEN: Give us 20 seconds.

25 CHMN STAFFORD: All right. While we're

1 waiting, I think that when we come back, Mr. Acken,
2 you're going to be prepared to go on the virtual tour? I
3 guess we're getting a little bit out of order, but you
4 have a deadline on the decision for a physical tour.

5 MR. ACKEN: Yeah. Really appreciate that
6 consideration. So, yeah, my thought would be if now is
7 the break, we are at left and right 18. We were going to
8 shift to the gen-tie route and corridor and some other
9 discussions before we got back to water and air anyway.
10 So I think what I would propose that we do is shift to
11 the virtual tour after lunch.

12 And that will actually kind of lead well
13 into the remainder of the presentation and give our team
14 time to run aground some of the questions that we have as
15 well and give the committee time to digest the additional
16 information we've provided.

17 MS. POLLIO: Lunch is ready but you have to
18 eat with your hands because there's no utensils, but
19 lunch is there.

20 CHMN STAFFORD: Al right. Thank you.
21 Let's take our lunch break and come back at 1:30. We
22 stand in recess.

23 (Recess from 12:32 p.m. to 1:30 p.m.)

24 CHMN STAFFORD: All right. Let's go back
25 on the record.

1 Let the record reflect we are now joined by
2 Member DiCiccio as well.

3 Mr. Acken, I believe you have an additional
4 exhibit.

5 MR. ACKEN: Yes, Mr. Chairman. Thank you.

6 Hearing Exhibit 16 -- what we've marked as
7 16 is the updated plan of development. So what we filed
8 with the application was an earlier iteration. I
9 mentioned earlier we're going through the NEPA process
10 right now, and there was a question earlier about a
11 reference to a single circuit in an earlier version. So
12 that new one is the latest and greatest. It was just
13 submitted to BLM, I think, over the weekend or recently.
14 And Mr. Martin will provide testimony about it.

15 But we wanted to provide it now and give
16 folks time to review it, if they would like, but that's
17 what it is, an update of the plan of development for
18 BLM's consideration.

19 CHMN STAFFORD: Thank you.

20 All right. And then I think next we're
21 going to move to the virtual tour in the interest of
22 time.

23 I believe you're going to have Ms. Pollio
24 as a witness for this portion as well.

25 MR. ACKEN: No. Sorry Mr. Chairman. I'm

1 actually going to have Mr. Furman present the virtual
2 tour. I asked Ms. Pollio to be available next to me so
3 we can talk about potential in-person tour after we
4 present the virtual tour.

5 CHMN STAFFORD: Okay. Well, let's get her
6 sworn in now so we can jump right to questions when the
7 time comes.

8 (Kenda Pollio was duly sworn by the
9 Chairman.)

10 CHMN STAFFORD: Thank you.

11 Please proceed, Mr. Acken.

12 MR. ACKEN: Thank you, Mr. Chairman.

13 So at this time we would like to skip ahead
14 and present the virtual tour. And so for this it will be
15 narrated by Mr. Furman.

16 So with that I'll hand it over to him.

17 MR. FURMAN: Let me get a sip of water
18 first.

19 BY MR. ACKEN:

20 Q. And on our slide deck placeholder is left/right
21 Slide 26.

22 A. (Mr. Furman) Okay. So the first map we're
23 looking at here is the regional map of the project
24 location. You can see we're about an hour and a half
25 west of Phoenix in the west -- or in the eastern portion

1 of La Paz County.

2 Here you can see the project site relative to
3 the local municipalities. Those being Harcuvar, Salome,
4 and the town of Wenden.

5 The town of Wenden is the closest, and it's
6 approximately two miles south of the Eagle Eye Energy
7 Center.

8 The natural surrounding area is largely vacant,
9 undeveloped natural landscapes. There is existing
10 utilities in the area, including two transmission lines
11 as well as the El Paso gas line that runs through the
12 western portion of the energy center.

13 The proposed gen-tie line is shown here in green
14 and red, and here's an overlay of the proposed gen-tie
15 corridor running through BLM property into the Eagle Eye
16 Energy Center.

17 The land jurisdictions as you can see are
18 primarily BLM, but also state land as well as private
19 land.

20 Here's a view of the site looking north, looking
21 northwest. Here's a view looking southwest, looking
22 south, southeast, and finally the view looking east.

23 Now for a project overview of the actual
24 facilities themselves. So as we zoom into the Eagle Eye
25 Energy Center, you will see the location of the thermal

1 plant that is before the committee today. There is also
2 the nonjurisdictional thermal substation as you can see
3 here, which is where the gen-tie line will be
4 originating.

5 It will originate at the nonjurisdictional
6 substation, head north along the Eagle Eye Energy Center
7 boundary, head west to the second nonjurisdictional
8 substation for the solar and battery portion of the
9 project. The gen-tie then heads west into BLM land
10 before heading north within BLM land.

11 And to clarify a question that came up earlier,
12 roughly 70 percent of the gen-tie is on BLM land,
13 28 percent on state land, and 2 percent on private land.

14 As we head north, we will then veer to the right
15 where corridor 263 before you today meets up with the
16 previously certified corridor number 236.

17 Continuing north it will cross the existing WAPA
18 230kV line and continue on into the Harcuvar substation.

19 CHMN STAFFORD: The WAPA line crossing is
20 already approved by CEC 236; correct?

21 MR. ACKEN: That's correct.

22 CHMN STAFFORD: Okay.

23 MR. FURMAN: Are we able to pause real
24 quick? Am I able to do that? Okay. There we go.

25 So now we're going to go through several

1 renderings with the following KOP locations. One theme I
2 want to mention here is that we are pretty far away from
3 any major county roads as well as any site access. So
4 while we will be showing you the simulated renderings,
5 just keep in mind it is a little bit difficult to see
6 them from the main roads, so just want to emphasize that.

7 So continuing on, KOP 1 is along Alamo
8 Road. That is going to be the closest KOP to the gen-tie
9 line. It is about a mile or so away from the road. And
10 as you can see in the simulated condition it's quite hard
11 to make out.

12 We're going to continue further south of
13 the project looking north. Here is a site off Urea Ranch
14 Road. So in this simulated condition as well as in
15 KOP 3, you are able to see the thermal plant quite a bit
16 in the distance. It is quite hard to make out the
17 gen-tie line however.

18 BY MR. ACKEN:

19 Q. Mr. Furman, if you could stop real quick. And
20 would you clarify Ms. Pollio is also going to present
21 these KOP simulations as part of her testimony; is that
22 correct?

23 A. (Mr. Furman) Correct.

24 Q. And so you're previewing them at this point?

25 A. (Mr. Furman) Yeah. And I apologize for how

1 quickly they are going through, but that is correct.

2 So the -- so, again, this is from the -- you
3 know, pretty far south from the project site looking
4 north. The next set of KOPs are going to be from within
5 the town of Wenden. Again, as you can see in the
6 simulated conditions, it is quite difficult to make out
7 the project in the distance further emphasizing just the
8 remote location of the project site itself.

9 This is another one off of the main road, Alamo
10 Road. And then the sixth and final KOP we are showing is
11 on one of the main site access points for the project,
12 and this is an adjacent landowner. And as you can see,
13 while they are closer than the other KOPs, it is still --
14 they are still unable to see out at the project site
15 given the existing vegetation.

16 And here is the final project overview. Now,
17 there is just one clarification I do also want to make on
18 the gen-tie route. In our CEC application, we did list
19 4.3 miles for case 263. As you know, since then the BLM
20 did request we shift our corridor about a quarter mile to
21 the west. That resulted in the 4.3-mile gen-tie
22 increasing to 4.7 miles. So that is the inconsistency
23 between what was showing in the presentation versus what
24 you see in the application itself.

25 That --

1 CHMN STAFFORD: So -- okay. So the gen-tie
2 for this project you said is 4.7?

3 MR. FURMAN: Correct. That is the -- that
4 is the correct one with the shift requested by the BLM.

5 And that concludes the virtual tour.

6 CHMN STAFFORD: Questions from members?

7 I think what I -- do you have any aerial
8 photographs of the site for the thermal plant?

9 I'm looking at the map. It seems like
10 there's a significant amount of washes in that area.

11 MEMBER FONTES: Mr. Chairman, I would like
12 to add the topography, if there's been any topography
13 studies done on that, that would be useful.

14 MR. FURMAN: We do have topographical data,
15 yes.

16 MS. POLLIO: I think the easiest way to do
17 it, which may not be easy. It's easy for me to say. But
18 if we could get the video to go back to where we showed
19 the gas plant site, that's the best view of the actual
20 without the layers on it.

21 MR. FURMAN: Okay.

22 MS. POLLIO: So if we could go back to that
23 zoom-in. It's in the video.

24 MR. FURMAN: I know.

25 AV TEAM MEMBER: Is it before or after

1 this?

2 MS. POLLIO: It's before. Keep going,
3 please. Keep going. He goes through but without the
4 layers on there, so you're going to keep going. I
5 apologize. There we go. That maybe -- is that what
6 you're looking for?

7 CHMN STAFFORD: Yes. Can you zoom in on
8 that, please?

9 MS. POLLIO: We would have to get -- we
10 could get a KOP up. We do not have that readily
11 available, but we -- we can get that.

12 CHMN STAFFORD: Okay. Member Little -- I
13 mean, excuse me, Member Hill.

14 MEMBER HILL: It wouldn't be a meeting
15 without some confusion there. But always happy to be
16 confused with Member Little.

17 I'm curious about -- I was -- you know,
18 I -- there's quite a bit of striation here. And the
19 aerial photos look like there's quite a bit of vegetation
20 and a set of washes there.

21 While there's a lot of existing disturbed
22 land around here, it does look like it's relatively
23 natural, so I was kind of wondering about the habitat
24 consequences of that. I mean, that's why I almost want
25 to see if we can even get to that rather than --

1 MS. POLLIO: So in terms of -- I know
2 Mr. Martin will be on the stand with me tomorrow. We
3 will go over the biological resources studies that have
4 been done because we have -- they've done extensive
5 studies, and he'll be -- he and I will be presenting that
6 information.

7 But to your point about seeing it, we
8 definitely could get a KMZ, which we could then zoom in,
9 zoom out of the exact site so you can see the details,
10 you know, of the underlying vegetation.

11 MEMBER HILL: Okay.

12 MS. POLLIO: We can get that after our next
13 break and come back to that if that is appropriate.

14 But I do want to answer just from a -- the
15 field perspective, our -- and this really goes to -- this
16 does segue right into your route tour, which is just
17 for -- to clarify, it is under Tab 8 in your hearing
18 binders. That is the description of the route tour and
19 where we're going to stop.

20 MEMBER HILL: Okay.

21 MS. POLLIO: One of the issues is to get to
22 this site it is literally only off-road vehicle,
23 two-track lane roads that off-road vehicles that can get
24 to the actual site itself. So the closest --

25 MEMBER HILL: So you and I could go?

1 MS. POLLIO: We could go -- yes, we could
2 go. You are correct we could.

3 We did not arrange that with these
4 temperatures and everyone in off road vehicles. But that
5 is the only way really to get there. Our sign people,
6 they struggled.

7 We -- the -- if you look at where Alamo
8 Road is and the route tour, our proposal is to come in on
9 the 60. You would see the community of Wenden. The
10 biggest issue is from the 60 to the gas plant is 3 miles.
11 From the Alamo Road to the gas plant is 2 miles. So we
12 would have to be on dirt roads in order to get any closer
13 than 2 to 3 miles to the gas plant property.

14 And we really -- you're not going to be
15 able to see anything. I think the aerial -- the KMZ is
16 the best bet to zoom in versus because we can't get to
17 the actual physical thermal plant.

18 MEMBER HILL: Do you have any photos of
19 that actual property so we can see structure of
20 vegetation and survey data, those kinds of things?

21 MS. POLLIO: We -- I'm looking to Kevin. I
22 know that we've got EAs in the area. And we can go back.
23 I will also let you know that the biological -- the
24 studies that have been going on have been lengthy, have
25 been going on for a while.

1 Some Tetra Tech biologists are the ones
2 that did that. I know they put together the memo. We
3 reviewed it. We were able to make conclusions based on
4 their findings, but I think Kevin and I can get together
5 and be able to present information to give you the
6 details of the site characteristics. I think that's
7 really what you're going for is really drilling down into
8 those site characteristics.

9 MEMBER HILL: And trying to understand the
10 loss of habitat, the mitigation of things.

11 So you guys can cover that in the
12 biological things.

13 MS. POLLIO: Correct.

14 MEMBER HILL: Okay. I think I also want to
15 understand given the remote nature of it how you plan to
16 access and construct this site and the impacts associated
17 with that construction.

18 So I feel like I'm a little off topic. I
19 want to advocate for actually doing the tour. I think
20 even just getting understanding of character of the
21 conditions out there is important. We've approved a lot
22 of projects in here. We've never had the opportunity to
23 go out on site to get a sense of both community -- I
24 think there'll be more projects coming along probably,
25 too, in this area -- to get a sense of community, to get

1 a sense of lay of the land.

2 So I'm advocating for going to see the site
3 even though I know we're a distance. There is a
4 character that can be maintained throughout this area. I
5 recognize that my colleagues may not be interested in
6 doing that, but I think if we get going in the morning,
7 we can be back for a late lunch and be fine, so --

8 CHMN STAFFORD: Thank you, Member Hill.

9 Any other questions from members?

10 MEMBER LITTLE: Mr. Chairman.

11 CHMN STAFFORD: Yes, Member Little.

12 MEMBER LITTLE: I didn't get my hand raised
13 when you actually called on me. I thought you were
14 reading my mind.

15 CHMN STAFFORD: I was looking at you on the
16 screen.

17 MEMBER LITTLE: Ah. I have some real
18 problems -- or a real question that arose in my mind when
19 I was reading about the application about subsidence.
20 There's a lot of -- the application pointed out a
21 significant amount of subsidence in that area. And I am
22 hoping that the applicant will address that in great
23 length.

24 I don't know whether you could really --
25 you know, obviously you're not going to be able to walk

1 out there and see where if you've got dropoffs and big
2 cracks and things that go along with subsidence. You
3 won't be able to see that anyway if you take the tour.
4 But that's an issue. And it seems to me that in the
5 whole area, that is the area where there seems to be the
6 most from the pictures, that we have seen the most amount
7 of runoffs and little arroyos and things like that.

8 And I also would like to stress that I
9 would be very interested in seeing how you're going to --
10 where you're going to put the road to access all of this.
11 Thanks.

12 CHMN STAFFORD: Mr. Acken, I guess which
13 witness do you have that would be able to say where the
14 access road to the generation site would be?

15 MR. ACKEN: Excuse me. Thank you,
16 member -- Chairman Stafford. It's afternoon. Carrot
17 cake. I'll get there.

18 Chairman Stafford, Member Little,
19 Mr. Furman is the right person to talk about access.

20 THE WITNESS: (Mr. Furman) Yeah. And I'm
21 going to direct you to the laminated map that everyone
22 has in front of them. So in terms of accessing the
23 corridor itself, there's going to be a couple primary
24 roads that are also county roads, the first being Low
25 Mountain Road. You can see that right where case 263

1 meets with Case 236. That is a county-maintained road.
2 It is well established. There's also a road that will
3 connect Low Mountain Road heading north to the substation
4 that is Rattlesnake Road. That is also a
5 county-maintained road that you can see on the map
6 itself.

7 And then running down the remainder of the
8 case 263 corridor, we are proposing an access road that
9 runs parallel to the gen-tie route that is also included
10 in our right-of-way requests with the BLM. So those are
11 the main access roads to get to the gen-tie corridor.

12 We also have two access road -- two smaller
13 access roads coming off Alamo Road that will grant us
14 access to the Eagle Eye Energy Center. Those are also on
15 BLM land. And you can see them on the map itself right
16 where it says Alamo Road. It will kind of connect us to
17 the lower southwest corner of the Eagle Eye Energy
18 Center.

19 Thank you. I will highlight on the screen
20 here -- so here we go. So this is going to be one of our
21 main access roads with Eagle Eye Energy Center. It
22 crosses a small strip of BLM land. Then it gets into our
23 Arizona state land property. And from there we're able
24 to get over to the thermal plant.

25 MEMBER HILL: So there won't be a crossing

1 across Centennial Wash at all for access?

2 MR. FURMAN: That is correct.

3 MEMBER HILL: Okay.

4 MR. FURMAN: There will not be.

5 MEMBER HILL: Thank you.

6 CHMN STAFFORD: Member Comstock.

7 MEMBER COMSTOCK: Thank you, Mr. Chairman.

8 Do you know the depth of the 30-inch gas
9 line through your property?

10 MR. FURMAN: I will have to pull up that
11 information, but we did do potholing. I'm just going to
12 have to confirm the exact number unless Mr. Ellis has it.

13 MEMBER COMSTOCK: So could you describe the
14 safeguards you'll take as you go over the top of that
15 line back and forth with heavy equipment to keep it
16 from --

17 MR. FURMAN: Sure. We are in active
18 discussions right now with Kinder Morgan who is the owner
19 of the pipeline itself. We are submitting encroachment
20 applications. Fortunately, we will not be crossing with
21 any extremely heavy equipment. For example, the crane
22 that is planned to be used for the battery facility, that
23 is going to be assembled on site. So it does get shipped
24 here essentially in pieces. We bring it across onto the
25 site, and it's assembled there and then disassembled

1 before being removed from the site.

2 MR. ELLIS: I'm going to add to
3 Mr. Furman's commentary here. We've already submitted
4 the initial engineering to Kinder Morgan. And they've
5 come back and told us that fill is going to be
6 sufficient.

7 So we are going to have to come out and add
8 fill. Off the top of my head I believe it's a couple
9 feet, but that we have to add some fill. On a prior
10 project we had to actually put in -- I'll slow it down.
11 We had to put in an air bridge on a similar pipeline, and
12 we were pleased to hear that that's not required here,
13 that we're going to just have to bring in some fill and
14 that will be sufficient. So they've already made a
15 determination for what those crossings will look like and
16 what, if you will, additional engineering needs to take
17 place.

18 MR. FURMAN: And I'll provide just real
19 quick I was able to pull up the information from Kinder
20 Morgan, so I'll just read directly from here. There must
21 be a five-and-a-half-foot cover for the wheeled vehicles
22 crossing the pipeline. We added that to our site plan --
23 or to our crossing details and resubmitted that to Kinder
24 Morgan, and it is, again, under review right now. But we
25 do not believe the air bridges will be required for this

1 project.

2 MEMBER COMSTOCK: So the crane that you're
3 going to build, does it come with counterweights? Is
4 that what's going to --

5 MR. FURMAN: I -- I can't speak to that
6 unfortunately.

7 MEMBER COMSTOCK: I guess what I'm curious
8 of is what's the weight of a counterweight going over the
9 top of that pipeline?

10 MR. FURMAN: I'm going to have to take a
11 note, and I can get back to you on that one.

12 MEMBER COMSTOCK: Thank you. I appreciate
13 it.

14 I'm sorry, Mr. Chairman. Two and a half
15 feet of fill, you said, so I can make a note?

16 MR. FURMAN: Five and a half.

17 MEMBER COMSTOCK: Five and a half? Thank
18 you.

19 MR. ELLIS: Yeah, I was talking about the
20 existing condition versus the modified condition.

21 CHMN STAFFORD: All right. I guess the
22 next step would be for Ms. Pollio to talk us through what
23 the proposed --

24 MEMBER FONTES: Mr. Chairman.

25 CHMN STAFFORD: Member Fontes.

1 MEMBER FONTES: Thank you. I appreciate
2 that.

3 While a lot of this is bringing up grading,
4 drainage plans, and hydrology both on the access road
5 discussion and the actual site and now the gas
6 interconnect, I'm wondering if we have a qualified
7 engineer report at this point that has served to inform
8 the applicant that we can see on the recommendations on
9 total cut fill volumes, those sorts of things.

10 Member Comstock's question I think is
11 really important given that we've got a lot of the
12 disbursed wash sites and the flood risk here in that
13 100-year plain, especially the turbine's pads,
14 switchgear, and then the diesel tank farm.

15 So my ask is can you summarize or present
16 to us any kind of mass grading, any kind of qualified
17 civil engineer reports when you come back with follow-up
18 on that?

19 And then also relating to NFPA standards.
20 That would be super helpful.

21 MR. ACKEN: So I will make a note of that
22 and take that under advisement.

23 We are going to talk about -- on the next
24 panel we'll be prepared to address the questions about
25 grading plans. And so just to preview, the testimony is

1 remember we have county entitlements in place but each
2 county does their process differently. They have their
3 unique steps. And so my understanding is that La Paz
4 County requires the information that you are referring to
5 as part of the next step when we get to the building
6 permit stage, but not as part of the county initial
7 entitlement process.

8 But I took it as a note, and, again, the
9 next panel will talk about it. And if there's some
10 additional information that we have that we can run to
11 ground, we'll certainly present it at that time.

12 Thank you.

13 MEMBER FONTES: I bring it up because
14 sometimes you do prefeasibility studies, and you've got
15 something, and then you've got a plan to get
16 construction-ready permits, Mr. Acken, your applicant in
17 terms of normal development of that, and I feel that I
18 need to offer to the members, you know, you could go out
19 there and you could look at this and you could do a tour,
20 but really those issues that you're looking at will come
21 through a qualified engineering report. So I'm trying to
22 give them an idea that maybe if you could provide at
23 least a prefeasibility that they might get a lot better
24 information than spending all time driving out there
25 tomorrow.

1 MEMBER HILL: Mr. Chair.

2 CHMN STAFFORD: Yes, Member Hill.

3 MEMBER HILL: I'm also not interested in
4 necessarily preempting or being involved in the
5 permitting of grading like the county is. I'm -- I want
6 to understand the habitat loss and the consequence of
7 that, so --

8 MEMBER FONTES: Yes.

9 MEMBER HILL: -- I need to understand the
10 scale of that.

11 So I'm not interested so much in, you know,
12 being involved in a grading permit. I'm interested in
13 understanding how we're going to mitigate the loss of
14 that habitat type and the quality of that habitat type.

15 So I think we're asking for a couple of
16 different things in a roundabout way.

17 MR. ACKEN: Thank you for that
18 clarification and understood.

19 MEMBER FONTES: Just to clarify, grading,
20 drainage, any kind of geotech that -- these issues so we
21 can have an appreciation. Stormwater, pollution runoff,
22 those sorts of geotech normal reports is what I'm
23 referring to, Nicole.

24 MEMBER HILL: Yes, thank you.

25 MEMBER FONTES: Yep. Set the stage.

1 MEMBER COMSTOCK: Mr. Chairman.

2 CHMN STAFFORD: Yes, Member Comstock.

3 MEMBER COMSTOCK: Just one other point.

4 I'm not familiar with La Paz County dust control and
5 mitigation process for construction sites, but in
6 Maricopa County they're fairly strict.

7 And so do you have a plan in place for dust
8 mitigation considering the proximity to Wenden and the
9 control of that access or the exposure to dust for the
10 residents there?

11 MR. FURMAN: Yes. So best management
12 practices will be taken to mitigate fugitive dust, and
13 there will be a dust control plan as part of our EPC's
14 overall package with several other plans, including, you
15 know, a SWPPP, a spill prevention plan. The fugitive
16 dust control plan will be part of that.

17 MEMBER COMSTOCK: I'm sorry, EPC is?

18 MR. FURMAN: Oh, I'm sorry. Engineering --
19 it's our general contractor that will be building the
20 project.

21 MEMBER COMSTOCK: Thank you.

22 CHMN STAFFORD: And it's engineering,
23 procurement, and construction?

24 MR. FURMAN: Correct. That is what EPC
25 stands for.

1 CHMN STAFFORD: Thank you.

2 All right. Are we ready to discuss the
3 actual physics of the physical tour?

4 MS. POLLIO: Yeah. I think you can see
5 that there is a -- it is included in Exhibit 8 or behind
6 Tab 8 of your hearing binder. You can see the directions
7 are on the first page. We identify a script with
8 potential stops on the second and third page. The map of
9 the stops are on the first page.

10 I think -- you know, I did describe what
11 some of the limitations are to -- or what we perceived as
12 limitations in terms of dirt roads versus paved roads
13 with a van. And we also looked into trying to get some
14 type of shade put up. But because of the limits with the
15 way that you could pull off the roads and not having
16 control of that land we were unable to get those out
17 there.

18 So it is one, again, the locations that we
19 are proposing are where number 1, so we're coming off the
20 60 basically through the community of Wenden along
21 heading on Alamo Road. You can see stop 1 is close to
22 the edge of the energy center boundary. Again, the
23 limitation there is you're about two miles from the
24 generation facility. So you're not going to be able to
25 see the site or the footprint of that.

1 Again, I think we talked about trying to
2 have some aerial zoom-ins and photographs tomorrow during
3 the biological discussion to really hone in on that.

4 The second one is to try to get closer to
5 the gen-tie, and you can see there is Low Mountain Road
6 where we are able to get over to the gen-tie location.
7 So those -- that is the proposal. The 60, which is
8 obviously the reason that we came up Alamo Road is to try
9 to get a little closer just because the 60 is about 3
10 miles away.

11 There is a dirt road along the railroad
12 corridor. Again, there's a bit of limitations in turning
13 around. So if we did go out there, we could try to, you
14 know -- but that was really why we picked those two
15 locations is because of, you know, a paved road.

16 CHMN STAFFORD: Are we talking about 72nd
17 Street?

18 MS. POLLIO: It basically is the dirt road
19 that follows the rail -- the Urea Ranch Road. You can
20 see that, and it's basically along the railroad corridor.
21 It's a dirt road. Adam is also pointing to it -- or
22 Mr. Furman is also pointing to it along the railroad
23 corridor.

24 But, again, that's the same distance from
25 the site as location number 1. So, really, the biggest

1 limitation is trying to get close to that thermal plant,
2 and that -- that's the limitation on the route tour that
3 we have.

4 CHMN STAFFORD: All right. Thank you.
5 Any other questions?

6 MEMBER HILL: I'm ready to go when you are,
7 Chairman.

8 CHMN STAFFORD: All right. Traditionally
9 we do tours on a Tuesday morning, but at this point I'm
10 inclined not to do it tomorrow. I really want to see the
11 rest of the testimony about the habitat, the grading, the
12 more detail.

13 I'm not prepared to make a decision right
14 now whether to actually do a physical tour if that was
15 going to be beneficial to our understanding or not. And
16 I don't know -- I mean, we have -- half of committee's
17 remote, so they wouldn't be able to participate in the
18 tour anyway.

19 So I think at this point I'm inclined not
20 to do a tour tomorrow morning. If I think after the
21 additional testimony, perhaps Wednesday or Thursday,
22 depending how long this goes, I guess it's going to
23 depend on how swiftly we can move through the
24 presentation as it's been designed as opposed to
25 leapfrogging around, I guess is what I'm --

1 So looking to you, Mr. Acken, what is
2 the -- is that feasible to potentially do the tour -- a
3 physical tour later on this week as opposed to making the
4 decision right now whether or not to have it happen in
5 the morning?

6 Because I think we're still -- we need to
7 hear more testimony about the conditions and what's at
8 stake out there before we actually go out and look at it
9 from a mile or two away.

10 MR. ACKEN: Thank you, Mr. Chairman.

11 Logistically we could rent the van for
12 Wednesday as opposed to Tuesday, so that's fine, not an
13 issue.

14 And I was just taking a quick look at
15 notice of hearing which does not specify a date, which
16 I'm sure you already knew, so that was my other concern.

17 So I think it's fine as noticed if the
18 committee later decides to do it Wednesday. I think that
19 would be fine. And we would notice it on the website,
20 the project website, as soon as the committee made that
21 decision to inform the public.

22 CHMN STAFFORD: All right.

23 MEMBER HILL: I'm good with that.

24 CHMN STAFFORD: Excellent.

25 So that's -- we'll do that, then. We'll

1 proceed -- you can proceed with your direct case here.
2 We'll hold off on deciding whether to have an actual tour
3 or not depending if you think you can answer any
4 unanswered questions at that point.

5 But, again, I guess you'll need to know by
6 three o'clock the day before?

7 MR. ACKEN: Yes. We'll be in the same
8 situation tomorrow at three o'clock. And so but to your
9 point there will be a lot more testimony. We've talked
10 about some of the information that the committee has
11 requested that I think we will be able to bring to bear
12 if not today certainly tomorrow. And we'll do our best
13 to be responsive and take it from there.

14 CHMN STAFFORD: All right. Thank you.
15 Any other questions or comments from
16 members?

17 (No audible response.)

18 CHMN STAFFORD: Just while we're here, let
19 me take the pulse of the members about a tour, at least
20 from those who could potentially go on it.

21 I'm looking starting with Member Comstock.

22 MEMBER COMSTOCK: Mr. Chairman, I respect
23 Ms. Hill's -- Member Hill's position, but I can't see
24 anything two miles away, so I don't know what I'd be
25 looking at. But, I mean, if it's the consensus of the

1 group, I'll go, but I don't know what we're going to be
2 looking at that's going to help me make a determination
3 one way or the other, so just my feeling.

4 CHMN STAFFORD: Thank you.

5 Member Mercer?

6 MEMBER MERCER: Ditto.

7 CHMN STAFFORD: Member Fant.

8 MEMBER FANT: Member Hill knows I love
9 wildlife, but I'm concerned about the heat out there.
10 It's pretty hot.

11 And you got to go down 72, which is a
12 narrow road where all the diesel trucks who are cutting
13 between I-40 and I-10 use that route, so it's a little
14 bit hairy. If you break down out there, you're out in
15 the middle of a desert 110 degrees. It's not necessarily
16 a good idea. That's my concern.

17 CHMN STAFFORD: All right. Thank you.

18 Anything further, Member Hill?

19 MEMBER HILL: It's not the first time I've
20 been outvoted on a tour. But I always feel like I learn
21 and see -- have more context for things, so --

22 MEMBER FANT: This is the first time I've
23 ever been anti tour, so I'm always pro tour, so --

24 CHMN STAFFORD: All right. Thank you.

25 With that, Mr. Acken, if you can return to

1 the presentation.

2 And just for the record, Member Hill, a
3 tour has not been ruled out yet.

4 MEMBER HILL: I think it has, but okay.
5 Thanks for indulging me.

6 MR. ACKEN: Let the record show that we
7 certainly didn't schedule this hearing in August with the
8 intention of making a tour painful for the committee
9 members. And we will certainly take to heart and between
10 now and hearing tomorrow run down photographs, be able to
11 show KMZ.

12 The testimony tomorrow at this point will
13 show that this project as you would expect has been
14 extensively studied as part of the NEPA process. And so
15 there's a lot of information that we can present.

16 And we'll see. But we'll be in a much
17 better position to present that tomorrow than we are
18 today, so thank you for that.

19 So moving forward -- I guess backwards,
20 Mr. Furman, let's have you talk about the gen-tie route
21 corridor on Slides 19, left and right, understanding you
22 presented some of this in the tour. I talked about it in
23 my opening, but, of course, we need testimony on the
24 record to support what I said in my opening.

25 So, if you would, walk the committee

1 through Slides 19.

2 MR. FURMAN: Certainly. And if the
3 committee will bear with me, I'm going to repeat a lot of
4 information that's already been stated today. But per
5 Bert's comments I'm going to get it in there for the
6 record.

7 CHMN STAFFORD: Under oath.

8 MR. FURMAN: Under oath.

9 All right. So looking here at Slide R19,
10 the gen-tie line would originate at the new
11 nonjurisdictional thermal plant substation. It will then
12 travel north, then west within the Eagle Eye Energy
13 Center to a new nonjurisdictional substation for the
14 solar and battery storage portion of the project, and
15 then travel north-northwest to connect to Case Number 236
16 gen-tie corridor, which then connects to the existing
17 Harcuvar substation.

18 After we filed this CEC application, BLM
19 requested we shift the corridor approximately a quarter
20 mile to the west so that it would be located in a
21 BLM-designated utility corridor. As you can see, the map
22 on Slide R19 shows the BLM designated corridors in this
23 area. One is along the existing WAPA lines that run --
24 that run east west, and the other -- and another is along
25 the existing El Paso pipeline that you can see in yellow.

1 Where these two corridors intersect is the location of
2 the existing Harcuvar substation. Now -- or as a result
3 of the BLM's request, our proposed CEC corridor has
4 shifted to the west as shown in this slide.

5 As you can see now the vast majority of the
6 gen-tie corridor on BLM land is within existing utility
7 corridors. It should also be mentioned that the --
8 sorry, that the right-of-way and corridor widths remain
9 unchanged, and we are requesting 1,000-foot corridors for
10 the majority of the route on BLM-managed land and up to
11 3,700 feet within the boundary of the Eagle Eye Energy
12 Center.

13 The final right-of-way width with BLM will
14 be 150 feet wide.

15 BY MR. ACKEN:

16 Q. Thank you.

17 Next we're going to talk about structure types.
18 But before we switch slides, will you confirm that the
19 applicant seeks approval to use single and double-circuit
20 structures?

21 A. (Mr. Furman) Confirmed, yes.

22 Q. And will you show on Slide R19 where you
23 anticipate using the two different structure types?

24 A. (Mr. Furman) Sure.

25 And my colleagues may correct me as I go through

1 this, but it is -- the likely scenario is that the
2 double-circuit structures will be utilized for the
3 portion of the gen-tie that runs along BLM land all the
4 way up to the Harcuvar substation.

5 The likely scenario where the single-circuit
6 structures would be used are between the two
7 nonjurisdictional substations within the Eagle Eye Energy
8 Center going from the thermal substation over to the
9 solar and BESS substation.

10 CHMN STAFFORD: Member Hill.

11 MEMBER HILL: Question: Is -- the double
12 circuit is just to serve the Eagle Eye Energy Center as
13 it's proposed today. So you guys were looking at a much
14 bigger solar project?

15 Is that off the table or is this double
16 circuit just to serve what you have as nonjurisdictional
17 in this diagram today?

18 MR. ELLIS: Yeah, it is -- it is the
19 latter.

20 MEMBER HILL: Okay.

21 MR. ELLIS: So -- and I'll just provide a
22 little bit of additional detail.

23 As I shared earlier, we already have a
24 signed power contract for the first phase, 300 megawatts
25 of PV and storage.

1 Future phases -- so the projects typically
2 go with an LGIA. And if you have another LGIA, which we
3 will need to have to fill out the full facility, you
4 really need to have a separate conductor because you've
5 got metering and balance authority. And if those things
6 aren't electrically isolated, it gets extremely
7 complicated. And so that's how we see the phases being
8 built out.

9 MEMBER HILL: So the one line is for the
10 solar and battery that you already committed, and then
11 the other line would be for the natural gas plant?

12 MR. ELLIS: That's largely true.

13 There is a possibility -- our first LGIA is
14 for 400 megawatts. We have a 300-megawatt solar and
15 battery project, which leaves 100 megawatts of
16 incremental capacity. There is a possibility that SRP as
17 the offtaker could also elect under a separate contract
18 to take another hundred megawatts. And because it's all
19 one offtaker, and the same offtaker, we can actually do
20 it. It sounds confusing and contradictory to what I
21 said.

22 MEMBER HILL: I understand.

23 MR. ELLIS: If we have different offtakers,
24 we need different circuits. Same offtaker they can fit
25 on the same circuit.

1 MEMBER HILL: Okay.

2 MR. ELLIS: So there would be a little bit
3 of gas on that first circuit. The majority of the gas
4 will need to go to the second circuit.

5 MEMBER HILL: Okay. Thank you.

6 MEMBER COMSTOCK: Mr. Chairman.

7 CHMN STAFFORD: Member Comstock.

8 MEMBER COMSTOCK: Just for my own
9 knowledge, if the CEC is approved for project -- or case
10 263, does that change the conditions approved for case 2
11 -- is it Case 236, or does it stay the same?

12 How does that work?

13 CHMN STAFFORD: Well, I can explain that to
14 you, and then Mr. Acken can elaborate.

15 No, we cannot -- the committee lacks the
16 authority to modify prior Decisions of the Commission.
17 We've already approved the 236. The Commission's
18 approved it. There is a pending request by the applicant
19 to amend that Decision, and it has yet to be ruled on by
20 the Commission. However, the Staff recommendation is to
21 approve the change without hearing. And it's --
22 Mr. Acken can correct me if I'm wrong, but I believe the
23 primary change is to make it go from a single circuit to
24 a double circuit.

25 MEMBER COMSTOCK: That's what I was curious

1 about.

2 CHMN STAFFORD: And that is pending before
3 the Commission as we speak.

4 MEMBER COMSTOCK: Okay. And does that have
5 to be approved before this case can be approved --

6 CHMN STAFFORD: No.

7 MEMBER COMSTOCK: -- by the Commission?

8 CHMN STAFFORD: No.

9 MEMBER COMSTOCK: So we can move forward
10 with this, but not -- thank you.

11 CHMN STAFFORD: They can't build it as a
12 double circuit until the Commission approves it, but
13 this -- they're -- we're approving this one
14 independently. Granted, nothing's going to get built
15 unless they both -- I guess, yeah, nothing's going to get
16 built until it's all approved.

17 I guess this proposed before us is a double
18 circuit, so it would be -- it only would be able to
19 connect one circuit to the 236 if they didn't get that
20 one changed. And I'm sure that would put a whole wrinkle
21 in your development plans, and so that's probably
22 unlikely to happen.

23 But, Mr. Acken, you can tell us about the
24 process of 236 before the Commission.

25 MR. ACKEN: Thank you, Mr. Chairman. You

1 summarized it precisely.

2 236 was not specific on structure types,
3 but our application referenced only single circuits, so
4 we thought that we should specifically request explicit
5 authority for double circuit in Case 236.

6 That application was submitted in June
7 roughly contemporaneously with the new CEC application.
8 That's been marked for identification as Hearing
9 Exhibit 3 is the prior CEC that was approved by the
10 Commission.

11 And then on July 14, 2026, is the
12 Commission Staff memorandum. That's been marked for
13 identification as Exhibit 4. And that Staff memorandum
14 notes that the matter may be scheduled for Commission
15 deliberation at its open meeting scheduled August 12. It
16 is our expectation that that will occur, so, you know,
17 the Commission won't hear this case until September,
18 October. So the Commission, our expectation, will have
19 ruled on our amendment request in Case 236 next week
20 before they see this committee for their review and
21 consideration.

22 MEMBER COMSTOCK: Thank you. Thank you.

23 CHMN STAFFORD: And I think maybe -- I'm
24 not trying to get ahead of your presentation, but I think
25 maybe you talk about the difference in the change that's

1 proposed in 236 as being -- having not much effect or any
2 effect on the environment relative to what was approved
3 by the committee and the Commission already.

4 MR. ACKEN: Yes, Mr. Chairman.

5 And we will make certain that our witnesses
6 on environmental resources provide that context as well
7 just so we have a belt and suspenders record for that.

8 MEMBER COMSTOCK: Thank you.

9 MR. ACKEN: All right. Thank you.

10 BY MR. ACKEN:

11 Q. Next, Mr. Furman, I'd like you to walk us
12 through Slides L and R20 and 21, which depict single and
13 double-circuit structures.

14 MEMBER LITTLE: Mr. Chairman.

15 CHMN STAFFORD: Yes, Member Little.

16 MEMBER LITTLE: You're not looking at your
17 screen. I have my hand up.

18 CHMN STAFFORD: Oh, I think it must be
19 hidden because you're in the top left corner, and there's
20 a little box that says live in it. It must be obscuring
21 the hand.

22 MEMBER LITTLE: Oh, okay. You're forgiven.

23 The voltage for the line between the two
24 nonjurisdictional substations is 230 also; is that
25 correct?

1 MR. ELLIS: That's correct.

2 MEMBER LITTLE: And will that line drop
3 into the nonjurisdictional substation for the solar and
4 battery or will it just go past it?

5 MR. ELLIS: It is expected to tie into
6 that.

7 Michael, I'm looking at you, but what we
8 just discussed this last week. I think you're a little
9 closer to it. Go ahead.

10 MR. CRABB: Yeah, the plan right now is to
11 drop in, particularly if the scenario Erik described --
12 Mr. Ellis described where there is a portion of it that
13 goes on the same single circuit first circuit, and then
14 the second circuit we have additional flexibility to
15 either drop in or bypass entirely.

16 MEMBER LITTLE: I would, again, like to
17 request a one-line diagram, if possible at some point.
18 Thank you.

19 CHMN STAFFORD: Thank you, Member Little.

20 MR. ACKEN: Thank you, Member Little.

21 The team is writing notes so we will have
22 that for you before the conclusion of our testimony.

23 BY MR. ACKEN:

24 Q. Now, Mr. Furman, if you would, describe the
25 structure types.

1 A. (Mr. Furman) Sure.

2 So the application includes 26 structure types
3 for both the double and the single-circuit structures.
4 On Slides R20 and R21 are going to be the most likely
5 types of structures that would be used either for the
6 double or the circuit. So while there are 26 in the
7 application, we are showing three of each single and
8 double as the most likely to be used on the project.

9 The typical height is going to be approximately
10 120 to 150 feet. And the maximum height of the
11 structures would not exceed 199 feet.

12 Q. And on R21?

13 A. (Mr. Furman) And here are the double-circuit
14 structures that are most likely to be used on the project
15 on R21.

16 MEMBER LITTLE: Mr. Chairman.

17 CHMN STAFFORD: Yes, Member Little.

18 MEMBER LITTLE: You show a lower -- a
19 couple of circuits lower.

20 Do you anticipate there being lower voltage
21 necessary in that area, or do they just happen to be
22 shown on the structures, but you don't anticipate using
23 them?

24 MR. FURMAN: This is a bit out of my
25 wheelhouse, but I can certainly confirm with our engineer

1 today.

2 MEMBER LITTLE: Thank you.

3 MR. FURMAN: Unless my colleagues can chime
4 in.

5 MR. ELLIS: Yeah, I believe I can address
6 that.

7 Presently there are not plans to use the
8 underbuilt capacity that you're referring to. We find
9 just by making -- we find it beneficial to include
10 sometimes some capability that we don't necessarily plan
11 on because our experience has been overwhelmingly that
12 sometimes we need to go back and use it. And so that is
13 the best answer to your question.

14 MEMBER LITTLE: If you didn't have that on
15 the poles, would the poles be shorter?

16 I'm just curious.

17 MR. ELLIS: Yes, they would be.

18 MEMBER LITTLE: I'm not objecting to having
19 them on there, at least I agree with you that the
20 flexibility is good to have.

21 MR. ELLIS: Yeah.

22 MEMBER LITTLE: But I was just curious.

23 MR. ELLIS: Yeah, I appreciate how you
24 think about it. That's how we think about it too.

25 //

1 BY MR. ACKEN:

2 Q. And, Mr. Furman, before we leave this I wanted
3 to have you talk about Hearing Exhibit 14, which shows
4 additional structures in Exhibit G. Can you flip to that
5 briefly?

6 Do you have that in front of you?

7 A. (Mr. Furman) Yes.

8 Q. And for the record would you identify figures
9 G-29 through 31, which are included in Exhibit 14?

10 A. (Mr. Furman) Would you like me to read each
11 one?

12 Q. Yes, please.

13 A. (Mr. Furman) Figure G-1 detailed site plan?

14 Q. No, no. I'm sorry.

15 A. Okay.

16 Q. I'm referring to just the three additional ones.

17 So I think -- correct me if I'm wrong, but the
18 first page of Exhibit 14 and half of the second page
19 shows figures that were already included in the
20 application; is that correct?

21 A. (Mr. Furman) Yes.

22 Q. And so I'm asking you to identify what are
23 additional --

24 A. (Mr. Furman) Understood.

25 Figure G-29 double-circuit H-frame structures.

1 Figure G-30 single-circuit H-frame structure.
2 And figure G-31 underground transition
3 structure.

4 Q. And are these additional structures that you're
5 proposing just to be comprehensive as to potential
6 options in light of the discussion that Mr. Ellis just
7 had with Member Little?

8 A. (Mr. Furman) Correct.

9 Q. Thank you.

10 CHMN STAFFORD: Member Hill.

11 MEMBER HILL: Is the Decision around pole
12 selection just market based, or is there some utility
13 purpose to add them all?

14 MR. ELLIS: It's largely I think it's both.

15 MEMBER HILL: Okay.

16 MR. ELLIS: I think we do it -- the
17 marketing element is that we do it so that we can serve
18 the needs of the utilities if that's what you --

19 MEMBER HILL: What I mean is availability
20 like in the market. Like, is there you can't get this
21 pole so you're going to go with that pole?

22 MR. ELLIS: Oh, I see. No, it's really --
23 it's really to make sure that we're planning properly.

24 MEMBER HILL: Okay.

25 MR. ELLIS: I believe right now even though

1 there are some longer lead times on poles for sure
2 there's not a limitation that I'm aware of --

3 MEMBER HILL: Okay.

4 MR. ELLIS: -- in terms of the kinds of
5 poles we can get.

6 MEMBER HILL: Okay. Thanks.

7 CHMN STAFFORD: So there's not like a
8 two-year wait for monopoles then?

9 MR. ELLIS: Right.

10 MR. ACKEN: Not yet.

11 BY MR. ACKEN:

12 Q. Next, I'd like the panel to talk about the
13 transmission interconnection. There was a discussion
14 about the substations, the nonjurisdictional substations,
15 but this question -- and it's on left and right Slide 22
16 goes to the interconnection of this project through the
17 case 263 and 236 gen-ties to the regional grid.

18 MR. ELLIS: Do you want to take that one?
19 Michael's going to field this. Go ahead, Michael. Or
20 Mr. Crabb, more accurately.

21 MR. CRABB: So, yeah, I think you've --
22 we've sort of previewed some of the complexity and
23 flexibility that we have with this project and maybe
24 remind the Commission like the backdrop and, you know,
25 that the power markets have changed more in the last year

1 more than they may have in my entire career.

2 And so we have a couple different
3 strategies in which to supply capacity from the thermal
4 project to the grid as well as the nonjurisdictional
5 solar and storage project. So that's where the project
6 all started. Your original interconnection request,
7 which is very advanced and has been studied by WAPA, and
8 we're in the process of executing that contract.

9 And so that's for 400 megawatts, although
10 contracted as Mr. Ellis said 300 for solar and BESS.

11 There is a technical capacity that we think
12 is highly advantageous for the market called a surplus
13 interconnection where you take that existing
14 400 megawatts that has been studied for solar and BESS,
15 and the grid operator, WAPA in this case, says, well, I'm
16 already looking at 400 megawatts of electrons entering
17 the system. And so when your solar and BESS project
18 aren't using those 400 megawatts, I know that it can take
19 400 megawatts from any other electron source. And so
20 that's really in today's constrained world the fastest
21 way to provide reliability to the system.

22 Now, it comes with drawbacks, right,
23 because you're building all of this infrastructure, but
24 you're only able to get 400 megawatts out the door, if
25 you will, which comes back to some of the discussion

1 around how we think about all three of these projects
2 that fit together. And as you get another layer or two
3 deeper, it gets more complicated with who has dispatch
4 rights, how do you ensure that you're only putting that
5 many megawatts on the grid, right, and how much value
6 does a gas plant have if it may not be called upon
7 because solar is on.

8 And so that's where that hundred megawatt
9 difference between the 400 megawatts that has been
10 studied and the 300 megawatts that have been contracted
11 is likely to be a potentially accelerated phase that
12 we're in some discussions on offtake for.

13 We have also submitted two additional LGIA
14 applications for the gas project, one for 400 and one for
15 500 megawatts. In anticipating, yes, that is 900. We
16 are talking about 700 with a real capability of 600.

17 Kind of coming back to Erik's question,
18 this is the longest pole and least flexible process of
19 the entire development cycle. And so as a general rule
20 we have found to always submit for more than you need.
21 You can always export less. And we could always come
22 back to you to bring more capacity online if we build the
23 upgrades required under the study process.

24 So this -- the new interconnection process
25 will be, you know, two, three years we'll get some

1 interim studies and we're just in the early innings for
2 the thermal project itself.

3 MR. ELLIS: I'll just add one footnote for
4 the two additional interconnections. Number 1 and 2 you
5 see at the bottom of the table. The way the transmission
6 provider rules work is you can always reduce, you can
7 never go up.

8 So as a rule -- and then there's typically
9 a window that says rule of thumb, you go in larger almost
10 without fail. And then if as your project plans shape
11 up, you can reduce it. It just kind of adds to what
12 Mr. Crabb was saying in terms of why the numbers don't
13 all perfectly line up, but we make them line up later.

14 CHMN STAFFORD: All right. And refresh my
15 memory. I know that this can be under the statute where
16 we look at the nameplate capacity.

17 Is that what they're looking at for the
18 interconnections or are they more focused on the
19 operating capacity?

20 MR. CRABB: It's more operating. They will
21 study actual conditions. But our restriction is sort of
22 agnostic. Like, we could build as much nameplate
23 capacity as we wanted, but we could only get that many
24 megawatts onto the system.

25 CHMN STAFFORD: Right. So they're --

1 they're indifferent to the nameplates. It's what you can
2 actually inject into the grid is what they're looking at?

3 MR. CRABB: Correct.

4 CHMN STAFFORD: Okay. Thank you.

5 MEMBER LITTLE: Mr. Chairman.

6 CHMN STAFFORD: Yes, Member Little.

7 MEMBER LITTLE: I'm assuming that the
8 conductor -- the conductors are sized to carry the total
9 amount that's being requested in the LGIA; is that
10 correct?

11 MR. CRABB: That is correct.

12 I will -- just to make sure that we're all
13 aligned, the original interconnection request has been
14 fully studied, and so that's sized with the surplus, the
15 upgrades required or ensuring that the conductoring is
16 sized appropriately. And, if not, we have to pay for
17 upgrades for the two new interconnections we will find
18 out with increasing levels of detail between now and
19 probably the second half of next year.

20 Those studies are ongoing.

21 MR. ELLIS: Chairman Little --

22 MEMBER LITTLE: But you will have the
23 ability, including the interconnect -- or the
24 interconnection and the transmission -- if you have an
25 LGIA that says 500 you will have the ability to get the

1 electrons from its -- their source to the interconnection
2 to the grid.

3 MR. CRABB: Yes. Yes. Sorry, yes.

4 MR. ELLIS: Member Little, the first
5 conductor will be 400 megawatts. That's already been
6 established.

7 And then the additional capacity would be
8 on the second conductor, which would be sized to the
9 project needs as you would expect. Yep.

10 MEMBER LITTLE: Thank you.

11 MR. ELLIS: You bet.

12 CHMN STAFFORD: So would that limit the
13 output of the entire energy center to 800 megawatts at
14 any given time then if it's 400 for the first circuit and
15 400 for the second circuit?

16 MR. CRABB: I think there's a distinction
17 between the specific line size and what the poles can
18 handle, and part of that detail design work and some of
19 those tradeoffs is why we're requesting some flexibility
20 with those specific pole designs.

21 So the short answer is no. Just because
22 one conductor is 400 megawatts doesn't mean that the
23 entire system is sized to 800.

24 And beyond that I'd have to come back with
25 additional engineering specificity from the team.

1 CHMN STAFFORD: Okay. Member Hill.

2 MEMBER HILL: In these interconnection
3 requests, I understand why you're hedging and putting a
4 little bit more in than you may actually need.

5 What is -- what is the criteria for a
6 decision to actually go ahead and add more -- I'm trying
7 to understand the likelihood of you letting go of
8 capacity and the frequency with which you do that or is
9 it much more likely that if you could manage the 400 and
10 500 that you would actually increase capacity, add new
11 gas facilities, add more whatever generation type?

12 Is it much more likely that you'd scale up
13 rather than down if you went through the trouble of
14 actually getting it approved?

15 MR. CRABB: Well, I guess the -- it's so
16 hard to know. I think the for example is we had
17 400 megawatts when we initially submitted for the initial
18 solar and storage project, and that plant became 300 even
19 though we had the 400.

20 MEMBER LITTLE: Right.

21 MR. CRABB: So, yeah, I mean, if the market
22 continues to really need the capacity, we will certainly
23 upsize and have to come back to this panel and additional
24 community engagement, right? Like, we'll have to go
25 through all the steps again to increase capacity.

1 MEMBER HILL: Although --

2 MR. CRABB: It's just so hard to know.

3 MEMBER HILL: Yeah, you may not actually
4 have to come to us. You may not have to actually go
5 through all the community engagement. You could just go
6 through an amendment process, right, if the Commission
7 decided that adding three or four more gas plants wasn't
8 significant?

9 MR. ACKEN: I see Chairman Stafford might
10 want to weigh in on the Commission's view of the world.

11 And I think it's fuzzy. I think we would
12 under today's environment request an attempt to expand
13 capacity.

14 MEMBER HILL: Sure.

15 MR. ACKEN: Who knows what the ultimate
16 decisions will be made on what's the actual jurisdiction
17 over peaker plants. There will be a county entitlement
18 process, I believe. I don't know. Maybe I'm speaking
19 out of turn. That might be a better question for the
20 witnesses as to whether they would need to go back for
21 further county entitlements to expand capacity.

22 MEMBER HILL: Okay.

23 CHMN STAFFORD: Will that be limited by
24 your conditional use permit? Is that what it is for
25 the --

1 MR. ELLIS: It is limited by the use
2 permit, yes. We have a permit with the county to put
3 600 megawatts in presently. And so if we were ever to
4 want to build more than that, we would have to go back to
5 the county.

6 CHMN STAFFORD: Now, is the county looking
7 at nameplate or operating capacity?

8 MR. ELLIS: I believe that they look at
9 nameplate, but I'm not certain on that.

10 CHMN STAFFORD: Okay.

11 MR. ELLIS: Yep.

12 CHMN STAFFORD: It seems to me 700 from
13 this committee would only get to you about 600 operating
14 based on what I'm looking at from the application.

15 Is that ballparking it?

16 MR. ELLIS: Correct.

17 CHMN STAFFORD: I'm seeing nods, but I need
18 a --

19 MR. ELLIS: Yeah. Yes.

20 CHMN STAFFORD: Okay. Thank you.

21 All right. And then also there's the air
22 permit, which we haven't really gotten into yet.

23 MR. ELLIS: Correct.

24 CHMN STAFFORD: But I know I'm jumping
25 ahead, but I'm saying, you know, that would also impose

1 further limitations on what you can build is the air
2 permit's going to be a limiting factor in that as well;
3 correct?

4 MR. ELLIS: Yep.

5 CHMN STAFFORD: Okay. You don't need to
6 tell me what it is yet. We'll get to that, but I'm just
7 --

8 MEMBER HILL: Tomorrow.

9 CHMN STAFFORD: Them's the facts. We'll
10 get into the more details as they come in the
11 presentation. Thank you.

12 MR. CRABB: If I may, kind of to Member
13 Hill's question, right, as, yeah, there can always be
14 more phases and whatever the jurisdictional processes are
15 at that point. And as you can kind of see in the record,
16 we started with a smaller phase.

17 MEMBER HILL: Yes.

18 MR. CRABB: And it has evolved and
19 increased over time. And at some point you have to say,
20 like, this is -- this is just where we're going to start,
21 you know, we're going to lock in this aspect of it, and
22 then, yes, you, you know, kind of evolve over time.

23 MEMBER HILL: Part of me is just genuinely
24 curious about how the industry makes decisions about
25 these things and the likelihood of going back rather than

1 scaling up. But I just keep thinking everything needs to
2 scale up.

3 So I just want to really kind of understand
4 we're weighing what that full buildout looks like.

5 MR. CRABB: Yes.

6 MEMBER HILL: And so I just wanted to
7 understand that better, so I appreciate you taking the
8 time.

9 CHMN STAFFORD: Thank you.

10 And I think -- I'm looking at my fellow
11 members. I think maybe just foreshadowing for the
12 applicant here I think when it comes time to consider the
13 certificate itself, we will probably have a discussion
14 about whether to issue that so that the certificate
15 itself contemplates phases for the gas plant deployment
16 potentially based on depending what the testimony is.
17 I'm just saying that I'm going to put that out there so
18 you're not blindsided if somebody brings that up later
19 on.

20 MR. ELLIS: Yep.

21 CHMN STAFFORD: Thank you.

22 MR. ELLIS: And I think I just want to
23 correct my statement. I believe the answer should have
24 been operating capacity relative to the county permit. I
25 believe I misspoke there. But I think that's something

1 we'll verify and come back.

2 CHMN STAFFORD: Okay. Thanks.

3 Mr. Acken.

4 MR. ACKEN: Thank you. And I always
5 appreciate the heads-up as to what might be coming.

6 Thank you.

7 BY MR. ACKEN:

8 Q. Mr. Ellis, next I'd like you to talk about the
9 needs met by this project.

10 A. (Mr. Ellis) No secret that we hit significantly
11 higher new peaks this summer. I think we're all aware
12 that the reservoirs in the state and bordering on the
13 states have the potential to hit what's called
14 technically dead pool this year where they can't even
15 draw on those resources.

16 When we meet with the utilities, and I think I
17 already described that SRP, the state's second largest
18 utility, came to us last October because their needs are
19 increasing and asked if we could deliver this project
20 from a 2028 capacity, which is when we answered we
21 thought we could.

22 And so the state's just seen huge load growth.
23 People continue to move to the area. We obviously
24 have -- we're in a manufacturing and data center boom,
25 and so that's adding significant new demand to the grid.

1 And so just in total that is -- that is the need
2 is our entire region needs all of the above resources,
3 which is what we're bringing to the table, and that's
4 what our utilities are telling us what they want, and so
5 that's the purpose and need.

6 In terms of the benefits, which would be the
7 next chart, please.

8 CHMN STAFFORD: One moment.

9 Member Fant, you had a question about the
10 need?

11 MEMBER FANT: No, thank you, Mr. Chair. I
12 just wanted to point out I work with fire districts in
13 the Yavapai County north of here, and they tend to see
14 permits first, building permits, because folks go to them
15 for clearing fire codes.

16 You probably are aware that Taiwan
17 semiconductor manufacturing facility is going triple in
18 capacity and size over the next three to four years.

19 MR. ELLIS: Yes.

20 MEMBER FANT: That's a hundred miles --
21 80 miles from your facility dead east, so --

22 MR. ELLIS: I'm sorry, I didn't follow all
23 of that. And so my hearing's not always necessarily the
24 best. It's not the best. I have aids on both ears.

25 So if I followed you, you were referencing

1 a wind project in Yavapai County and then semiconductors?

2 MEMBER FANT: Oh, no.

3 MR. ELLIS: Go ahead.

4 MEMBER FANT: Oh, sorry, I mumble, so we're
5 a perfect combination.

6 MR. ELLIS: No, it's on my side.

7 CHMN STAFFORD: I don't think the court
8 reporter would agree with you.

9 MEMBER FANT: Okay. I just mentioned
10 Taiwan TSMC, the manufacturing facility at Carefree
11 Highway and I-17 in North Phoenix, will triple in size
12 over the next five years, so it will more than triple
13 its --

14 MR. ELLIS: Yes.

15 CHMN STAFFORD: -- load.

16 MEMBER FANT: -- electric load.

17 And I should mention there's actually a 10
18 gigawatts sized project in northern Arizona floating
19 around out there, too, north of you.

20 MR. ELLIS: Yes.

21 MEMBER FANT: But not on the books. Not on
22 the books yet, but --

23 MR. ELLIS: That's correct. So there's big
24 plans -- and I'm nodding to our court reporter because I
25 was supposed to be quiet while you were speaking.

1 But, yeah, the TSM facility alone is
2 projected to add at least a thousand megawatts to the
3 state's demand. And to your point, they're planning to
4 upsize that.

5 So, yeah, there's a lot of potential --
6 there's a lot of demand presently and more forecasted to
7 come, absolutely.

8 CHMN STAFFORD: And I think for reference,
9 and you can -- I'm going to ask the witness to verify
10 this because I'm not testifying under oath, is that I
11 believe that SRP and APS both hit just over
12 9,000 megawatts in July as their new peak loads.

13 MR. ELLIS: That's correct. Yeah, they
14 both exceed 9,000, and their peak was registered, I
15 believe, both about 5 percent higher than their previous
16 recorded peak. And so it's a pretty significant
17 year-over-year increase.

18 CHMN STAFFORD: They crossed the nine
19 gigawatt threshold for the first time, I believe.

20 MR. ELLIS: Right. Yeah, I saw the same
21 news.

22 CHMN STAFFORD: Member Fant.

23 MEMBER FANT: Thank you, Mr. Chair.

24 You know as well as I we're moving through
25 the data center age into the space age. As we move into

1 the space age over the next 10 years electric demand will
2 accelerate, so from where it is now.

3 MR. ELLIS: Yeah.

4 Are you okay to move to the next slide?

5 CHMN STAFFORD: Yes, please.

6 MR. ELLIS: So I believe Member Fontes
7 asked about this, and so here is some detail on the
8 economic impact of the facility for the county.

9 So it's up to 350 million in property taxes
10 from La Paz County and agencies over 30 years, up to 6
11 million a year to La Paz County schools for the first
12 25 years, up to 850 direct construction jobs plus 40
13 long-term operational jobs.

14 You see a lot of information like this, I'm
15 sure. One of the things that BrightNight has -- had a
16 track record of delivering the projects we bring to you,
17 what you see is this is a summary of both the solar, the
18 storage, and the gas should it all be built out.

19 And then on the right, you know, it's up to
20 1,000 megawatts of new capacity for the state if we add
21 together the solar and the battery and the gas. And
22 we've already spoken to the need for that.

23 The other item I'll mention, which is not
24 on this screen, but it's really just a great benefit for
25 the state, this is the third project we'll be building

1 that is on state land. So we have about 1,800 acres of
2 the Phase 1 project that's built on state land.

3 And what happens when we build these power
4 plants on state land is we pay pretty significant lease
5 payments to the State of Arizona. And those lease
6 payments go to benefit the land trust, which is
7 principally K 12 schools throughout the state along with
8 hospitals, some correctional facilities in cases.

9 And so our first two projects are already
10 on track to deliver over 100 million of their 40-year
11 period. This project will add another 50 million to the
12 state and obviously to all these public funding resources
13 which allows us to get more bang for the buck. And we
14 can take our current taxes and use them to do other
15 things when projects like this are contributing like they
16 are to these agencies.

17 And so it's just a -- as a former high
18 school teacher it's something I just love to see. It's
19 just a great use of public land. And we're continuing
20 that tradition with this project.

21 CHMN STAFFORD: I have a quick follow-up
22 question on your economic benefits slide here.

23 MR. ELLIS: Yep.

24 CHMN STAFFORD: L25, is this -- this is
25 just the thermal plant because that's what's on private

1 land or does it include -- does the -- does the county
2 also get revenues from plant that's on trust land?

3 MR. ELLIS: Yeah, the county benefits from
4 state land and private land. And so our PV and storage
5 project is mostly located on state land with about 80
6 acres of private land. And the gas facilities will all
7 go on private land. And what you see here on the chart
8 is the combination of those two. They both contribute
9 pretty significantly. The gas I think contributes a
10 little more partially because it's bigger.

11 CHMN STAFFORD: Okay. So this is the
12 combination of the solar storage and thermal, not so much
13 the transmission line because that's on BLM land and they
14 don't --

15 MR. ELLIS: You're correct, Chairman
16 Stafford.

17 CHMN STAFFORD: Thank you.
18 Member Fant.

19 MEMBER FANT: Thank you, Mr. Chair.

20 The permanent jobs, the 40 permanent jobs,
21 will there be an effort to hire people in the Wenden area
22 and try and engage the local community?

23 MR. ELLIS: Yeah, there's always a desire
24 to do that. We don't unfortunately typically find those
25 skill sets in the local community because particularly --

1 so about eight to 10 of the jobs will be associated with
2 the solar and storage and about 30 would be associated
3 with the gas plant. And those are some pretty technical
4 folks that typically have to go and get special training.

5 I do want to talk, however, in the
6 direction that you are indicating in terms of what we're
7 doing for the community, how do we bring these skill sets
8 and this workforce to the market. One of the things I
9 can mention that we've already done for a project in
10 Pinal County, it's already operating as the Box Canyon
11 project, the first one that we got approved with this
12 committee, we're sending 50 electricians to college to
13 Central Arizona College out of the proceeds of that
14 project.

15 That's a voluntary program that we worked
16 on with Chairman Serdy to put in place, and every year 10
17 electricians are going. And we have implemented -- every
18 time we've done a new project in the state we've
19 increased the size of that program, making scholarships
20 and funds available.

21 So I've got a slide to talk about the
22 voluntary contributions. What you see here is the
23 statutory contribution that we have, but we have our own
24 voluntary program which we work with the community, which
25 I'll talk to shortly to help build that workforce that

1 you're referring to.

2 CHMN STAFFORD: Thank you.

3 Member Fontes.

4 MEMBER FONTES: Thank you, Mr. Chairman.

5 I get asked these questions in other states
6 and jurisdictions, so I'm going to ask it here.

7 How much of the projected increase in the
8 local property tax revenue to the schools is going to be
9 offset in terms of reduction to state equalization, the
10 formula that they use for the Arizona school funding?

11 What I'm trying to get at is what's the net
12 fiscal benefit to the school district after the offset?

13 Second question, is the solar and storage
14 going to benefit from any ITC -- for the court reporter
15 that's investment tax credits -- for 45Q carbon capture
16 credits that we should know about on this project?

17 MR. ELLIS: Yes.

18 The first question, about 45 percent of the
19 tax revenues go to the school fund give or take, and
20 about 45 percent go to the general fund.

21 You were asking a question about offsets
22 and normalization that I'm not -- unfortunately, Member
23 Fontes, I'm not familiar with what you're referring to.
24 I was not aware that when you bring a large
25 infrastructure project to a county and that county pays

1 property taxes that those funds that flow to the county
2 somehow reduce a state contribution. That's
3 unfortunately news to me, and so I'm not prepared to
4 speak on that. I can read up on it and try to address it
5 later.

6 MEMBER FONTES: The Arizona Department of
7 Regulation -- I'm sorry, Revenue has a full cash value
8 that they do, and that sometimes can have a net offset
9 impact as it relates to a county. I just don't know on
10 this particular case.

11 I've been asked that in other proceedings.

12 MR. ELLIS: Yeah.

13 MEMBER FONTES: I just wondered if you had
14 dug into that to educate us all.

15 MR. ELLIS: For whatever it's worth we've
16 met multiple times with Lonnie Lewis, who is in the
17 district. And what is Lonnie's title?

18 MR. FURMAN: He's the La Paz County schools
19 superintendent.

20 MR. ELLIS: Yeah, the superintendent.

21 Thank you.

22 And he's not made any mention -- he's
23 nothing but excited about what this means, and he's
24 received a copy of this impact report. And so he's never
25 mentioned -- not that it isn't happening or couldn't

1 happen, but he just has not raised the question that
2 you've just referred to --

3 MEMBER FONTES: Yeah.

4 MR. ELLIS: -- or the economic.

5 MEMBER FONTES: What I'm trying to get
6 is -- you know, in the future maybe ask if it's going to
7 reduce state aid and it's not purely additive.

8 MR. ELLIS: Okay.

9 MEMBER FONTES: Just checking the math on
10 the backside.

11 I've been in your position, so I don't mean
12 to put you on the spot. I was just wondering if it was
13 brought up in the course. Because they do get excited
14 about the benefits, but they don't think about the flip
15 side of that in some cases at the county level.

16 MR. ELLIS: You had a second question, and
17 now I've forgotten it. Would you mind restating it?

18 MEMBER FONTES: ITCs and 45Q carbon
19 capture.

20 MR. ELLIS: So the project is right now
21 placing its financing. We do that in two stages. We get
22 our debt financing first, and then we get what's referred
23 to as the tax equity financing where that investor is
24 able to harvest those tax credits.

25 The plan right now, as I understand it, is

1 there's two different tax credits you can take. The
2 solar portion of the project, the plan is to take
3 advantage of the production tax credits where you don't
4 receive a credit if you don't generate. So it's tied
5 directly to the generation.

6 And I believe the battery storage is going
7 to take advantage of the investment tax credit, and
8 that's how -- so there's two tax credits to the project,
9 and they don't overlap. It's for this part of the
10 infrastructure it's production tax credit, and for this
11 part of the infrastructure it's investment tax credit.

12 MEMBER FONTES: Question on to follow up on
13 the ITC. Is it required on the BESS that it come from a
14 renewable source still, or can it come from the thermal
15 side?

16 MR. ELLIS: I'm rather sure that it -- the
17 investment tax credit available today is not tied to
18 renewable facilities.

19 MEMBER FONTES: So there has been a change
20 of law that it can come from the thermal?

21 MR. ELLIS: I think that happened with the
22 last update to the tax credits.

23 (Simultaneous overspeak.)

24 MR. ELLIS: Many different kinds of -- many
25 different kinds of storage --

1 CHMN STAFFORD: One at a time, please.
2 It's complete the question and then complete the answer.
3 It's getting -- we're getting crosstalk for the court
4 reporter. Thank you.

5 Member Fontes. Please ask your question,
6 Member Fontes.

7 MEMBER FONTES: I'm just wondering on that
8 if you were contemplating any 4Q carbon credit?

9 MR. ELLIS: No, not at this time.

10 MEMBER FONTES: Okay. Thank you.

11 It was useful.

12 CHMN STAFFORD: Member Fant.

13 MEMBER FANT: Thank you, Mr. Chair.

14 I just might add, because I work with fire
15 districts, the money a fire district or school through
16 the State Land trust receives are absolute dollars that
17 increase their cash flow. On solar fields, there is the
18 offset which occurs with tax revenues generated by solar
19 fields with the state funds, but not for dollars that
20 flow to schools or fire districts. Those are absolute
21 pass-throughs that increase --

22 MR. ELLIS: Are you referring -- are you
23 referring in this particular case to an adjustment to the
24 basis?

25 MEMBER FANT: Well, just no -- right. When

1 you increase the basis in the county, you bring in a
2 hundred million dollar natural gas plant, the increased
3 tax value gives extra dollars to the fire districts.
4 That's an absolute increase. And that's true with the
5 school with the state fund also.

6 Now, what does get offset sometimes are the
7 additional funds in renewable projects that flow to the
8 state. And they'll offset funds that go to the county.
9 But that's just a portion of what the value increase
10 causes.

11 MR. ELLIS: Gotcha.

12 MEMBER FANT: So an increase in -- so
13 largely an increase in the value of the manufacturing or
14 industrial base in a rural county is good. It will help.
15 Especially with rural fire districts who need all sorts
16 of training and tools.

17 CHMN STAFFORD: Thank you.

18 MR. ELLIS: Next slide, please.

19 MR. ACKEN: So, Mr. Chairman, we're going
20 to shift gears to public outreach. I don't know if you
21 want to get us started or we're happy to.

22 CHMN STAFFORD: I think this is an ideal
23 time to take a brief recess then, so let's take
24 approximately a 10- to 15-minute recess.

25 (Recess from 2:54 p.m. to 3:10 p.m.)

1 CHMN STAFFORD: All right. Let's go back
2 on the record.

3 Mr. Acken, I believe we were about to begin
4 the public process portion of the presentation.

5 MR. ACKEN: Thank you, Mr. Chair.

6 The slides for this portion of the
7 presentation begin -- the cover slides are left and right
8 27. The first content is on left and right 28.

9 So for this I'm going to -- Mr. Furman is
10 going to present testimony.

11 BY MR. ACKEN:

12 Q. So I'd like you to start off by providing
13 BrightNight's public engagement philosophy.

14 A. (Mr. Furman) BrightNight takes public outreach
15 very seriously. We make it standard practice to meet
16 early and often with all stakeholders and community
17 members that are potentially impacted by the project.

18 Over the last three years BrightNight has met
19 with numerous members of the public to educate them on
20 the project and address any questions or concerns.

21 This has been done in a wide variety of
22 settings, including open houses, public workshops,
23 dinners, community events, virtual meetings, and
24 one-on-one private meetings.

25 I'm now going to turn to Slide L28 for -- just

1 to document the active engagement that's been ongoing.
2 To date we've hosted five community meetings, four open
3 houses, received seven letters of support, and have been
4 involved in several community sponsorships.

5 We also have ongoing stakeholder coordination
6 with the following groups; however, it is not limited to
7 only these groups: The Arizona congressional delegation,
8 La Paz County staff, BLM staff, La Paz Unified
9 Fire-Medical District, who are the emergency service
10 providers for the area, both the Wenden and Salome
11 elementary schools, Salome High School, Wenden Domestic
12 Water Improvement District, and McMullen Valley Chamber
13 of Commerce, and several local businesses and
14 organizations.

15 BrightNight has also established a comprehensive
16 community relations program for the project representing
17 up to \$1.5 million in community investments and
18 charitable contributions that will be fully implemented
19 when the thermal plant begins commercial operations.

20 The first phase of this commitment is already
21 underway following the execution of the power purchase
22 agreement with Salt River Project. This initial phase
23 includes over \$500,000 in community programs and
24 donations, all of which are expected to be delivered by
25 next year.

1 These programs include a \$200,000 scholarship
2 fund, a \$100,000 -- \$100,000 for establishment of a new
3 flood recovery fund, \$50,000 towards a new phone system
4 for Wenden elementary school, \$100,000 towards
5 streetscape improvements, and \$100,000 for community
6 building renovations.

7 Q. Let's take a deeper dive, if you will, if you're
8 ready, on the community meetings held in '24 and '25.

9 A. (Mr. Furman) Sure.

10 So going to L29, meetings with the community for
11 the previous iteration of the Eagle Eye Energy Center
12 were held in 2024 and 2025, including public outreach
13 related to CEC Case Number 236. These meetings included
14 the following: Community meeting held on May 16, 2024; a
15 dinner meeting with the McMullen Valley Chamber of
16 Commerce held on September 17, 2024; a community meeting
17 held on October 14, 2024; and another dinner meeting with
18 the McMullen Valley Chamber of Commerce held on
19 August 19, 2025.

20 After the energy center location was moved and
21 with the addition of the thermal plant, BrightNight met
22 with community leaders, agencies, and members of the
23 public to discuss the updated project in late 2025 and
24 2026.

25 Q. Now describe the outreach for this case 263.

1 A. (Mr. Furman) So, as I had mentioned,
2 BrightNight remained engaged with the community and
3 provided updates as the project evolved from the original
4 plans. This included several in-person meetings with
5 community members from Wenden and Salome as well as
6 La Paz County officials.

7 BrightNight hosted in person and virtual open
8 houses per CEC requirements in March of 2026. This can
9 be seen in Slide R30. BrightNight also hosted
10 conversations with the community in April of 2026.

11 And lastly, BrightNight sent several mailers,
12 responded to general inquiries that came in through the
13 project's informational e-mail address, and kept the
14 project's website up to date.

15 Q. If you would, I'd like you to summarize for the
16 committee what are your key takeaways from those
17 meetings?

18 A. (Mr. Furman) The key takeaway was that the
19 community's generally supportive and interested in the
20 project. All the questions that were asked were
21 addressed by subject matter experts to the satisfaction
22 of the public.

23 There were two -- there were only a handful of
24 issues that came up that consistently came up during
25 these meetings that had to do primarily with water, which

1 we will discuss a little bit later in the presentation.

2 Q. Next I want you to kind of walk through for the
3 committee how you advertised the open houses to let the
4 public know about the opportunities to participate.

5 A. (Mr. Furman) Informational mailers were sent to
6 stakeholders and private property owners within 1 mile of
7 the project plus the community of Wenden on March 10,
8 2026, and April 15, 2026. And on Slide R31 you can see
9 what the mailers and/or postcards look like.

10 CHMN STAFFORD: Member Hill.

11 MEMBER HILL: Thanks, Mr. Chair.

12 How many people is that?

13 And when you say 1 mile, is it 1 mile from
14 the edge of the property or 1 mile from the -- where the
15 power plants would be, or how did you estimate that?

16 MR. FURMAN: The edge of the jurisdictional
17 facilities.

18 MEMBER HILL: Okay.

19 MR. FURMAN: And then -- but as an extra
20 layer we did add the town of Wenden.

21 MEMBER HILL: So everyone in the town of
22 Wenden?

23 MR. FURMAN: Everyone in the town.

24 MEMBER HILL: Okay. That's super helpful.
25 I was thinking that might be the best practice, so thank

1 you for doing that.

2 MR. FURMAN: Thank you.

3 BY MR. ACKEN:

4 Q. Mr. Furman, please continue. You had the
5 postcards and then also social media advertisements
6 referenced on Slides 32.

7 A. (Mr. Furman) Yes. So as far as the Facebook
8 advertisements I'm going to read a couple metrics that we
9 gathered during this advertisement phase.

10 The Facebook advertisements were created for the
11 project to notify the public of the open houses. Both
12 advertisements were geotargeted with ZIP Codes that fell
13 within a two-mile buffer of the project.

14 The advertisements received thousands of clicks
15 and interactions from the public. The advertisement for
16 the open houses held in March of 2026 ran for one week
17 between March 13 and March 24, 2026, and reached almost
18 81,000 individuals with a total of 153,649 impressions.

19 The advertisement for the conversations with the
20 community meeting ran for one week between April 17 and
21 April 28, 2026, and held in April 2026 reached over
22 165,000 individuals.

23 I'm also going to turn to an additional metric.
24 Just bear with me one moment. Thank you.

25 As far as the advertisements for today's

1 hearing, the ad ran from July 22 to August 1. The
2 impressions were over 31,000. The people that clicked on
3 the link were 464. And the people that clicked the ad
4 were 794.

5 Q. Next describe the project website.

6 A. (Mr. Furman) The project website has been
7 active for several years and provides project
8 description, project maps, the full scope of the project,
9 team member contact information as well as a telephone
10 informational line, and we consistently keep it updated
11 with the project timeline, project meetings, and all the
12 CEC documents that have been filed.

13 Q. And so as a result of your outreach efforts, do
14 you think you accomplished the goals set out to
15 meaningfully engage with the community?

16 A. (Mr. Furman) Absolutely. We implemented a
17 robust outreach campaign that has proactively consulted
18 with numerous stakeholders since 2024. We identified
19 stakeholder issues and share information about project
20 developments.

21 Community members identified a handful of key
22 issues, which BrightNight worked proactively to address
23 and resolve, and in the end we were able to obtain seven
24 letters of support for the project.

25 Q. And are those letters of support marked for

1 identification as Hearing Exhibit 10?

2 A. (Mr. Furman) Yes.

3 Q. And excerpts are on Slide R34?

4 A. (Mr. Furman) Thank you. Yes, they are.

5 Q. And so you mentioned the community interest in
6 water.

7 Is this a good segue, Mr. Furman, to talk about
8 water or is there anything else further before we leave
9 the stakeholder outreach?

10 A. (Mr. Furman) This will be a good segue to
11 water.

12 MEMBER LITTLE: Mr. Chairman.

13 CHMN STAFFORD: Member Little.

14 MEMBER LITTLE: Before we go on to water, I
15 do have, when I read the questions that came up from the
16 virtual open house, I'm just wondering what kind of
17 responses were given to those.

18 But first I would like to commend the
19 applicant for their outreach program. I was very
20 impressed that there were 23 people at an open house in
21 that little tiny community down there. You guys are
22 reaching out well.

23 Somebody asked are there any smells that
24 will be associated with the energy production and any
25 pollution in the air?

1 And I realize that, you know, you may not
2 know exactly what response was given to that, but how
3 would you respond to that question right now?

4 MR. CRABB: Yeah, the -- I guess we'll talk
5 about air emissions, but there won't be any adverse
6 impact from air emissions as demonstrated in the air
7 permit. We have to go through a robust exercise to model
8 what sort of air dispersion or air impacts there may be
9 at the plant and how that would impact offsite and ensure
10 that we stay below any thresholds that would impact the
11 surrounding community.

12 And then similarly with smells, we don't
13 anticipate we're not using any significant volumes of
14 noxious chemicals. You know, we may look at traffic
15 studies or what have you, right, which is probably where
16 there may be smells from cars and trucks and such during
17 construction, but won't anticipate any smells that would
18 impact the surrounding community.

19 MEMBER LITTLE: And I guess I'm assuming
20 the other questions had to do with impacts on the
21 off-highway vehicle usage, scholarship plans for high
22 school students, and moneys given to Wenden Elementary,
23 and I'm assuming that you responded to those questions
24 with the information that you have provided us here in
25 the hearing?

1 MR. FURMAN: Yes, we did. And to comment
2 specifically on the off-highway vehicles, approximately
3 two years ago during the first iteration of the Eagle Eye
4 Energy Center that was all on BLM land, we did meet with
5 a president of the local OHV club because there was
6 concern that we would be cutting off the primary access
7 to some of their OHV trails.

8 And it was determined -- we sat down with
9 the gentleman. His name was Dean Keely. We sat down
10 with him. We brought -- we laid out some maps, and we
11 were quickly able to identify that none of the OHV trails
12 would be impacted, and their access would not be hindered
13 by the project.

14 MEMBER LITTLE: Okay. Thank you. I just
15 wanted that on the record.

16 CHMN STAFFORD: Thank you, Member Little.

17 MR. ACKEN: Thank you.

18 BY MR. ACKEN:

19 Q. Mr. Crabb, you're back on the hot seat. Let's
20 talk about water use. Let's talk more about water use.
21 We've talked a little bit about it. But I want you --
22 let's take a deep dive.

23 Describe water use anticipated for the thermal
24 plant.

25 A. (Mr. Crabb) The water use for construction

1 phase for the jurisdictional facility, so both the
2 gen-tie and the thermal plant, is estimated to be more
3 than 160 acre feet during that construction process.
4 It's primarily dust control, which we sort of hit on
5 briefly.

6 During the operational phase, we anticipate two
7 acre feet for potable water use and some ancillary
8 service equipment for the facility. And on average
9 10 acre feet for inlet fogging for the combustion
10 turbine, which will -- or the aeroderivative turbine,
11 which we'll talk about in a moment.

12 That could fluctuate depending on the frequency
13 of runtime and the ambient temperature in any given year.
14 But we have worked with the local community to sort of
15 restrict the use of that but for peak hours so we won't
16 just sort of run it all the time, because we know that
17 water use is a main concern for those local folks.

18 In addition, we're seeking ways to potentially
19 use municipal water as opposed to groundwater, which --
20 or direct groundwater from a well, which we think further
21 increases trust and visibility for the local populous
22 into what the water use is instead of just monitoring
23 from well withdrawal.

24 I can't promise anything there. You know, we
25 have an LOI we're working to figure out if we can access

1 that, so what you have in front of you is focused on
2 groundwater.

3 CHMN STAFFORD: LOI?

4 MR. CRABB: Letter of intent. Sorry.

5 CHMN STAFFORD: Thank you.

6 MR. CRABB: And so we did a study with --
7 if I can get their name right -- Clear Creek Associates
8 to evaluate the impact on the groundwater basin based on
9 those water volumes, and they showed no meaningful impact
10 or no noticeable impact to the groundwater over the
11 useful life of the facility.

12 CHMN STAFFORD: That groundwater analysis
13 is included in the application; correct?

14 MR. CRABB: I believe it is.

15 MR. ACKEN: Yes.

16 CHMN STAFFORD: Okay.

17 MEMBER COMSTOCK: Mr. Chairman.

18 CHMN STAFFORD: Yes, Member Comstock.

19 MEMBER COMSTOCK: When was the analysis
20 completed?

21 MR. CRABB: April 2026, I believe.

22 MEMBER COMSTOCK: Considering the decision
23 of the federal government last week, late last week, and
24 the lower use by the lower three states on the Colorado
25 River water, are you going to recalibrate that analysis

1 to see what additional groundwater pumping may be of
2 concern for this?

3 MR. CRABB: We were just discussing some of
4 that this morning. I think it's too early to know if a
5 different evaluation or if anything would change from
6 that. It doesn't appear that there would be a direct
7 impact.

8 I think we're focused in this study on our
9 volume of withdrawal, and other upstream impacts or other
10 withdrawals is unlikely to change whether our volume has
11 an impact or not, right, because it's calculating what
12 we're taking out versus what's replenished.

13 Now, it may impact, to your point, do we
14 have to do additional pumping that's sort of a
15 techno-economic impact to our project.

16 MEMBER COMSTOCK: And for the record I just
17 want to make sure that it shows that an acre foot of
18 water is 325,850 gallons, so that people who know what a
19 gallon of milk looks like understand that's a lot of
20 water. When you say one acre foot or 160 acre feet, it's
21 a lot of water that you're going to push.

22 And so this area is dependent on -- I think
23 more so is going to be dependent on groundwater than
24 surface water. It looks like it's going to go away for a
25 while. So I think we have to plan for that. And I think

1 it may be wise to do a recalibration on what pumping of
2 groundwater considering what farmers are going to use
3 agriculturally to get their crops up to speed because
4 they're going to take the biggest hit. I think we may
5 want to take a look at that in the near term.

6 CHMN STAFFORD: And then La Paz County is
7 not in an active management area for groundwater;
8 correct?

9 MR. FURMAN: Correct.

10 CHMN STAFFORD: Member Hill and then Member
11 Little.

12 MEMBER HILL: Yes. So in April when this
13 Clear Creek Associates report was developed, you were
14 already assuming 14 LM6000s at that point.

15 Is that what you base this on?

16 MR. CRABB: Correct.

17 MEMBER HILL: Okay. I guess as much
18 community concern around the water use that was -- that
19 you kind of heard did you make commitments to the
20 community to be transparent in your water use or do
21 additional reporting to them around that?

22 MR. CRABB: I don't believe we confirmed --
23 we don't have anything explicit yet on publicizing water
24 to -- on water usage. We have ongoing --

25 MR. ELLIS: We're not opposed to it. We've

1 talked extensively with the community about what the
2 water use is. If we were to get into comparative
3 analysis -- and I know that you all have the case
4 history -- this has to be either the lowest or one of the
5 lowest water consumptive thermal plants that have been
6 proposed. I mean, really significantly lower.

7 A lot of plants are typically doing 500
8 acre feet a year. We've got 10 here. We've done
9 everything we can to minimize the water usage with the
10 exception of taking advantage of the inlet air cooling
11 that Mr. Crabb described earlier, which is really
12 beneficial impactful.

13 MEMBER HILL: I'm not asking a question to
14 be critical at all.

15 MR. ELLIS: Yep.

16 MEMBER HILL: I'm just trying to --

17 MR. ELLIS: Transparency.

18 MEMBER HILL: Transparency. And also some
19 of those plants are in different types of watersheds, so
20 I just want to be sensitive to what the neighbors have
21 asked about, expressed concern about, and the ability to
22 be transparent about the water use. That's all. Yeah.
23 Thanks.

24 CHMN STAFFORD: And then so the water usage
25 for the power plant's going to be, is that for the inlet

1 air cooling when it's 115 degrees out and you need to
2 lower that inlet air temperature to avoid further
3 derating of the machines; correct?

4 MR. CRABB: Correct. And it's a great
5 segue to my next slide. If I can --

6 CHMN STAFFORD: Well, before you do that,
7 we have a couple other members with their hands up. We
8 have Member Little and then Member Fontes.

9 MEMBER LITTLE: Thank you, Mr. Chairman.
10 The application every time it talks about
11 water it mentions the 10 acre feet per year during
12 operational time or 14 feet, but it also says -- mentions
13 that this does not include the evaporative cooling.

14 And I'm not familiar enough with the
15 generators themselves without looking it all up at this
16 point, since I just found today found out what you guys
17 are really seriously considering now as far as generators
18 go.

19 Is there -- with the generator plants that
20 you're planning on using, is there additional evaporative
21 cooling that might be used at peak times?

22 MR. CRABB: No. So the evaporative cooling
23 that is commonly thought of as a -- and is a heavy water
24 consumptive use is when you have a steam turbine. And so
25 that is more dependent -- I'm trying to decide how

1 technical to go. You're recovering heat from your
2 initial gas turbine, and you're needing to reject that
3 heat across the steam turbine, and water is a really
4 effective medium for cooling temperature.

5 So when you have a big combined cycle
6 facility or a coal plant or a nuclear plant, you have
7 that big cooling tower is one technical form; right?

8 MEMBER LITTLE: Right.

9 MR. CRABB: And so you're consuming a ton
10 of water. That is typically what people mean when they
11 say evaporative cooling. For the engineers in the room
12 that like to be really technical, our inlet fogging is
13 another type of evaporative cooling, but it's not that
14 type of evaporative cooling; right?

15 MEMBER HILL: Right.

16 MR. CRABB: All it means is we're spraying
17 this fine mist in front of the turbine, and it evaporates
18 very quickly, and it changes the density of the air
19 coming in to maximize the performance of the turbine.

20 And so I find it useful, and it's a little
21 bit of a caricature maybe, but our diagram here on L and
22 R37 show it sort of comparable to a jet engine. You
23 don't have evaporative cooling on the wing of your
24 airplane; right? You're sucking air in and -- in a plane
25 that energy is creating thrust.

1 For an aeroderivative turbine we just put
2 more blades and capture that energy into rotational force
3 which generates electricity, and then we have a little
4 bit of remaining heat exhaust.

5 And so there are some other potential water
6 uses in this type of technology to further increase
7 performance. There is water injection in the combustion
8 phase that you can include. So there are some other
9 augmentations that exist in the market, but given the
10 sensitivity here we're trying to use the most effective
11 use of the limited water that we believe is available.

12 MEMBER LITTLE: Okay. Because the
13 application at least the way I read it indicated -- and
14 perhaps it's because at the time the application was
15 written you didn't know for sure what kind of
16 generators -- or the turbines you were planning on using.

17 But the way the application read it
18 seemed -- it indicated that there might -- during peak
19 times there might be more water used than just the 10 to
20 14 acre feet per year.

21 MR. CRABB: Yeah, and maybe I'll -- maybe
22 two nuances or, you know, not seeing the specific
23 language right in front I think maybe two comments.

24 We wouldn't use water all the time. So in
25 this instance we're really only using water during the

1 peak period, so that could be some of the temporal
2 language that you were seeing.

3 Then there is a reality that 10 is sort of
4 an average. We look at historical performance and
5 historical price data to estimate how many run hours we'd
6 have above 100 degrees, for example, right? So there is
7 a world where there'll be years that will be below 10 and
8 years that may be above 10, and so that could be some of
9 the language that you were seeing.

10 MEMBER LITTLE: Okay. You have reassured
11 me. Thank you.

12 CHMN STAFFORD: Member Fontes.

13 MEMBER FONTES: Yes, Mr. Chairman.

14 For the applicant, I looked at the
15 Coolidge's public record because SRP actually does
16 voluntary reporting on their use of water. For their
17 LM6000 that's about the closest reference project we have
18 for a peaker unit here in Arizona, and they reported
19 actual recent consumption about 107, 108 acre feet per
20 year.

21 Did you do the math to calculate how that
22 per unit for the public compares to what your planned is?

23 I just -- I was -- I'm sorry if I missed
24 that. But I just logged back in, and I was wondering if
25 you had that reference to the Coolidge project available

1 to the public.

2 MR. CRABB: I didn't look specifically at
3 that exact project. I don't know how much information --
4 go ahead.

5 MEMBER FONTES: Yeah, I'm just looking at
6 your comp to that on per unit. What are you looking at
7 in terms of water consumption?

8 MR. CRABB: I would have to just do the
9 algebra. I guess it's, like, a couple acre feet or one
10 acre feet on a per unit basis; right?

11 We are just using --

12 MEMBER FONTES: Per year.

13 MR. CRABB: Per year. We are just using in
14 the air fogging and we'll be more selective about when we
15 use it, right, because it has -- if we had more water, we
16 would use more water, but since that is such a sensitive
17 item we're not doing compression injection, which is
18 additional augmentation on power output and restricting
19 our inlet fogging to high temperature hours, right,
20 because it's a lot less valuable to do it when it's
21 70 degrees out versus when it's 105 degrees.

22 MEMBER FONTES: Did you -- and, again, I
23 apologize because I had -- I came back late from the
24 break.

25 How much did you say acre feet per year for

1 the entire project on the thermal side?

2 MR. CRABB: So two for potable water and 10
3 estimated on an annual basis for the inlet air fogging.

4 MEMBER FONTES: Okay. And then on wash
5 water and -- and -- any kind of treatment before you do
6 disposal for the wastewater before it goes to the pond or
7 the effluent?

8 MR. CRABB: There won't be any effluent.
9 It basically vaporizes immediately. Or it's a fine --
10 like, you know, you're at the park and there's the fine
11 mist that sprays and sort of cools you down. That's
12 all -- it's just inlet very fine demin water droplets
13 that -- where's my pointer -- basically will be sprayed
14 right in front of the inlet, and they vaporize
15 immediately, but they increase the density of the air
16 going through the turbine to maximize its performance.

17 MEMBER FONTES: And on the outside is do
18 you have an SCR system, did you say?

19 MR. CRABB: Yes. We'll have an SCR and
20 aqueous ammonia for the catalyst.

21 MEMBER FONTES: Yes. Any water dilution
22 because of that and what are the volumes?

23 MR. CRABB: I mean, it is aqueous ammonia,
24 but it is delivered as such, so there's no groundwater
25 for -- we don't mix that onsite.

1 MEMBER FONTES: So there's no effluent
2 produced or there's no discharge?

3 MR. CRABB: Correct.

4 MEMBER FONTES: Okay. Thank you.

5 MEMBER LITTLE: Mr. Chairman.

6 CHMN STAFFORD: Yes, Member Little.

7 MEMBER LITTLE: I do have one more
8 question.

9 Will you be treating the water? This is
10 just for my own curiosity sake.

11 Will you treat the water?

12 We have really hard water.

13 MR. CRABB: Yeah, we will likely need to --
14 yeah, we will likely need to treat the water. We have
15 not performed the full detailed engineering on the exact
16 work that needs to be done, but there's a fairly involved
17 water mass balance associated with that. You don't want
18 particulates going in the front side of an aeroderivative
19 turbine just like you wouldn't want to throw particles in
20 front of a jet engine.

21 MEMBER LITTLE: Yeah, because everything I
22 own has mineral buildup even after it's been filtered.
23 And I know that RO, reverse osmosis, really takes a lot
24 of -- much less usable water out of what you put into the
25 system. So I'd be curious to know how you treat it so I

1 can maybe do the same at my house.

2 MR. CRABB: It will not be inexpensive.

3 And there are -- and, again, perhaps using municipal
4 water is another solution there, right, as, you know,
5 getting piping rather than taking groundwater ourselves.
6 If we're going to do that on -- water treatment on such
7 small volumes, it's particularly uneconomic; right?

8 And so there may be other -- we continue to
9 look for alternative solutions to minimize the impact on
10 the watershed.

11 CHMN STAFFORD: Thank you, Member Little.
12 Member Fant.

13 MEMBER FANT: Thank you, Mr. Chair.

14 Just a question. Are aqueous ammonia and
15 ammonia the same thing?

16 MR. CRABB: You're going to quickly get
17 past my engineering expertise. They're not exactly the
18 same thing, and there are different types of ammonia
19 treatment for the catalyst. So there's, like, anhydrous
20 ammonia, which is a bit more volatile. I mean, ammonia
21 is not a great chemical to have around, and so that
22 aqueous ammonia is much easier to handle and a more
23 modern contemporary solution.

24 MEMBER FANT: Thank you.

25 CHMN STAFFORD: Member Fontes, did you have

1 additional questions?

2 MEMBER FONTES: I did. I was just
3 wondering about any kind of discharge concerns that the
4 agricultural community should have. Have those been
5 looked at in detail?

6 Member Little brought that to my mind after
7 her last question. Water discharge.

8 MR. CRABB: We shouldn't have any water
9 discharge from the plant. We'll have a standard spill
10 prevention plan and some of those other policies for any
11 leaks and finding any, you know, procedures typical to an
12 industrial facility.

13 But it's a -- I can't even really say it's
14 a closed loop, but in all the systems are all effectively
15 closed. There's no major discharge associated with the
16 facility.

17 MEMBER FONTES: So a minimum on any kind of
18 contamination risk despite it being on the floodplain
19 like Member Comstock characterized?

20 MR. CRABB: Correct. To the first part we
21 are not on the floodplain with the thermal plant. The
22 floodplain sits to the south on the -- I forget the
23 waterway's name -- Centennial Wash.

24 MEMBER FONTES: I look forward to seeing
25 any kind of geotech or topographic because what I've seen

1 thus far didn't characterize that for me. But I'll go
2 from there. Thank you.

3 CHMN STAFFORD: Yes, looking at the map on
4 the placemat, refresh my recollection. My recollection
5 is that the southeastern-most portion of the -- what's it
6 called -- the energy center boundary is the only part
7 that's actually in a floodplain, and you testified that
8 you intended not to construct any facilities in that
9 portion of the land.

10 MR. CRABB: That is correct.

11 CHMN STAFFORD: Okay. All right. And so
12 now we're talking about the water usage. You said you're
13 going to use two acre feet a year potable water for usage
14 at the facility that's for like toilets.

15 MR. CRABB: Restrooms and dust control.
16 You know, there's a little bit of water for washing stuff
17 down, you know, whatever kind of all the miscellaneous
18 stuff.

19 CHMN STAFFORD: Including the solar panels?

20 MR. CRABB: Solar panels would be even
21 less.

22 MR. ELLIS: Yeah. The answer is would that
23 be inclusive. So the solar facility itself proper needs
24 about 400,000 acre feet a year. And so that would be
25 about an additional acre foot per year.

1 CHMN STAFFORD: 400,000 acre feet a year
2 what?

3 MR. ELLIS: If I said 400,000 acre feet, I
4 completely misspoke. That should have been gallons. My
5 apologies.

6 CHMN STAFFORD: Okay. Okay. That makes
7 way more sense.

8 MR. ELLIS: I didn't mean to -- yeah, it's
9 typically about six individual households for the
10 entirety of the plant.

11 CHMN STAFFORD: Just to dust off the solar
12 panels to make sure they're maximum effective?

13 MR. ELLIS: Once or twice a year, that's
14 right. And they've gotten them extremely efficient with
15 how little water they use with the machine that runs over
16 the panels.

17 CHMN STAFFORD: So is that included in your
18 12 acre feet a year or is that in addition to that?

19 MR. ELLIS: It's not.

20 CHMN STAFFORD: It's not in addition or
21 it's not inclusive?

22 MR. ELLIS: Yeah, good clarity. It's not
23 included in the 12. So 12 is intended to describe the
24 gas plant, and the solar plant would need an additional
25 roughly 400,000 gallons a year for its operating needs.

1 CHMN STAFFORD: That's slightly more than 1
2 acre foot, right, because it's, what, 380-something
3 thousand gallons in an acre foot?

4 MR. ELLIS: Yeah.

5 CHMN STAFFORD: Okay. So just back to the
6 entire water footprint for the energy facility as a
7 whole, so we're at -- so we're at 12 -- between 13 and 14
8 acre feet per year?

9 MR. ELLIS: Just over 13.

10 CHMN STAFFORD: And the source of that at
11 this point is going to be a well on the site; correct?

12 MR. ELLIS: Correct.

13 CHMN STAFFORD: Okay. And then how many
14 wells? Is it one well? Two wells.

15 MR. ELLIS: One well is the plan right now.

16 CHMN STAFFORD: Okay. Because I see two
17 red dots on Slide R36 inside the energy station boundary.

18 MR. CRABB: Those are existing wells. So
19 the proposed new well is this blue and white circle here
20 just above EEEEC-1.

21 CHMN STAFFORD: Okay. So what will become
22 of the existing wells?

23 MR. FURMAN: As we mentioned earlier, we're
24 still evaluating one of the existing wells. The initial
25 results did not indicate that that existing well could

1 support the project. We are rerunning that analysis with
2 some, you know, more powerful pumps out there.

3 So under the assumption that that well will
4 not be utilized for the project it's likely it would be
5 capped and decommissioned.

6 CHMN STAFFORD: That's the GW-33 -- I
7 can't -- 34. It's blurred out here.

8 MR. FURMAN: That is correct.

9 CHMN STAFFORD: GW-34. And then the other
10 one is the W-206?

11 Well, that's outside your boundary it looks
12 like.

13 MR. FURMAN: I can't see the numbers.

14 MR. ELLIS: I read that -- the report
15 recently, and we can clarify this.

16 There is only one well that was built out
17 there. There may have been another one that was
18 supplied, but we've not been able to see any evidence of
19 a second well on the site.

20 CHMN STAFFORD: Okay. Yeah, because
21 there's a red dot in the middle of the southern -- for
22 the southern border of the project or the energy center
23 boundary that doesn't have a label on it.

24 Is that the one that's the phantom well so
25 to speak?

1 MR. FURMAN: Correct.

2 CHMN STAFFORD: So there's the GW-34 well.
3 That one may or may not cut it. And then the new well
4 would be the EEEEC-1 well that's in the -- that's closer
5 to where the thermal plant would be located; correct?

6 MR. FURMAN: Correct.

7 MR. CRABB: Correct.

8 CHMN STAFFORD: All right. And that's just
9 a concept at this point? You haven't begun any
10 exploratory -- you haven't sunk any kind of shaft to see
11 what kind of production is available in that area?

12 MR. FURMAN: Not for the new well, no.

13 CHMN STAFFORD: Okay. For the existing
14 well what's the quality of the water coming out of there?
15 Is it potable?

16 MR. FURMAN: I don't believe so. I --

17 MR. ELLIS: Yeah, it's been used -- I think
18 we understand it's principally used just to support
19 ranching purposes, and so the answer would be, no, it's
20 untreated water that's coming out of the ground.

21 CHMN STAFFORD: Cattle can drink it,
22 though?

23 MR. ELLIS: Pardon me?

24 CHMN STAFFORD: Cattle can drink it?

25 MR. ELLIS: Yes.

1 CHMN STAFFORD: Okay. But not human
2 beings?

3 MR. ELLIS: I'm not an expert here, but,
4 yeah, I think that's the case.

5 CHMN STAFFORD: That's what potable means,
6 right, people can drink it? That's my understanding of
7 the term. Is that incorrect? All right.

8 So then you don't know what the -- can you
9 tell us what the production -- what the current capacity
10 of that GW well is at this point?

11 MR. FURMAN: Yes. Please bear with me one
12 moment as I pull this up. Yeah, the pumping was limited
13 to 35 gallons per minute and an annual volume of 10 acre
14 feet was its permitting condition or it's registered.

15 CHMN STAFFORD: So assuming you can
16 actually move that volume out, then it would -- it
17 wouldn't meet -- because you're saying 10 acre feet for
18 just the plant that doesn't include the two acre feet for
19 domestic uses and then another less than acre foot for
20 washing solar panels.

21 MR. CRABB: And more importantly is the
22 flow rate, right, the gas plant will have higher flow but
23 for very short periods.

24 CHMN STAFFORD: And so we're talking about
25 was it 14 LM6000s that would be operating at once

1 potentially?

2 MR. CRABB: Correct.

3 CHMN STAFFORD: And how much water would it
4 take to sustain those on a 115-degree day?

5 MR. CRABB: So zero, right? You can run on
6 nothing.

7 CHMN STAFFORD: I'm just saying --

8 MR. CRABB: Yeah, if you're using the
9 full -- I don't have the hourly gallon per minute flow.
10 I can -- let me get that for you.

11 CHMN STAFFORD: It's more than 30 gallons a
12 minute, though?

13 MR. CRABB: Yes. Yeah, that will not
14 satisfy --

15 CHMN STAFFORD: I'm just trying to get a
16 reference what we're talking about.

17 And so right now and then at this point in
18 time because you are outside of an active management area
19 you do not -- the groundwater pumping from that existing
20 well is not reported to DWR, is it?

21 MR. ELLIS: It is.

22 CHMN STAFFORD: It is?

23 MR. ELLIS: We always have to report our
24 water usage to the Department of Water Resources -- we
25 have -- is my understanding. So we have, for example, in

1 Yuma it's the same case. We have there a well or there
2 are wells there that are -- that are in an unregulated
3 district, but I think the usage is still reported. It's
4 just you're not limited on the usage.

5 CHMN STAFFORD: Oh, I see Member Meeker,
6 our DWR representation.

7 Can you educate us on that, please, if you
8 can.

9 MEMBER Meeker: Mr. Ellis, are you
10 referring to exempt wells or nonexempt wells?

11 An exempt well is pumping less than
12 35 gallons per minute and less than 10 acre feet per
13 year. Those are not required outside of the active
14 management areas and irrigation on expansion areas to
15 report. If it's pumping over that, it would be.

16 CHMN STAFFORD: So this well would be based
17 on the rate and the volume that you told it would qualify
18 as an exempt well and it would not be reporting then,
19 correct, if it's only 10 acre feet a year maximum and
20 30 gallons per minute.

21 MR. CRABB: Yes.

22 MEMBER Meeker: 35 gallons per minute,
23 that's correct.

24 CHMN STAFFORD: So it's under that
25 threshold.

1 BY MR. ACKEN:

2 Q. I there's -- and, Mr. Ellis, if I could
3 interject I think there was a -- there is a communication
4 breakdown.

5 You answered about whether you will report your
6 wells which would be nonexempt, is that correct, in your
7 experience reporting on your wells?

8 A. (Mr. Ellis) Correct.

9 And our expectation is we will need to report
10 the volumes from the well that we're going to drill.

11 Q. And that was a different question than the
12 Chairman asked about the -- as I understand it the
13 existing well, which I think -- Mr. Furman, Panel,
14 correct me if I'm wrong -- but is not reported for the
15 reasons just stated that it is an exempt well?

16 MR. CRABB: Correct.

17 MR. ELLIS: I appreciate the clarification.
18 And you have it correct. I was answering the question as
19 I had understood. It sounds like maybe that was
20 different than the one you were posing, so I apologize
21 for that.

22 CHMN STAFFORD: I was asking the about
23 state of the existing well, not --

24 MR. ELLIS: Yes.

25 CHMN STAFFORD: Okay. Now, I guess -- and

1 this next question is what is the capacity you will need
2 for a well to serve this project?

3 What do you anticipate requiring as gallons
4 per minute and it will go up to --

5 MEMBER FONTES: Mr. Chairman, can I add to
6 that?

7 CHMN STAFFORD: One second. One second.
8 It will go up to 14 -- you'll have to have a maximum
9 amount of 14 acre feet a year, somewhere around 13 but
10 less than 14 acre feet per year?

11 MR. ELLIS: Yeah, so would it be helpful if
12 I answer the question in terms of the flow rate for the
13 new well that we'll install?

14 CHMN STAFFORD: Right.

15 MR. ELLIS: Yes. And so that well -- that
16 flow rate will be on the order give or take of around
17 500 gallons per minute. It will be a significantly
18 larger well. And we need to install a significantly
19 larger well to support the water that is needed for dust
20 control and construction of the solar project.

21 So during the construction of the PV and
22 storage portion of the project, the expected usage would
23 be around 350 acre feet for one year. A single -- and we
24 know that number relatively precisely because that is the
25 exact metered use off of the project that we finished in

1 Pinal County.

2 So in all cases we're going to need to go
3 out and build a significantly larger well. And then that
4 well will be repurposed. It will be used for all of the
5 needs on the facility. It will be much larger than it
6 would ever be needed for the gas plant.

7 CHMN STAFFORD: Okay. And then the
8 existing --

9 MR. ELLIS: And we'll be reporting that
10 volume to the DWR.

11 CHMN STAFFORD: Yeah, and that existing
12 well would get capped then you said?

13 MR. ELLIS: That is -- that is -- yes, that
14 is the expectation, that's what we've done out on the
15 project in Yuma, and we would likely do that here.

16 CHMN STAFFORD: And, Member Meeker, that
17 would be -- if they had a well that would be able to pump
18 that amount of water, that would be required to report
19 their pump -- the groundwater that they did do that they
20 log that and report that to DWR?

21 MEMBER Meeker: To clarify earlier, we
22 were -- I was just trying to clarify exempt versus
23 nonexempt. This well would be located outside of an
24 active management area or an INA, so they would not be
25 required to report. It would just differentiate whether

1 it's an exempt or nonexempt well.

2 CHMN STAFFORD: But current DWR
3 regulations, even if they're going to pump 350 gallons a
4 minute, is that what it was?

5 MR. ELLIS: Roughly 500 gallons per minute.

6 CHMN STAFFORD: That's right. It's 350
7 acre feet for the construction year.

8 MR. ELLIS: Correct. Yeah.

9 CHMN STAFFORD: Okay. Would that under --
10 would they be -- since this is outside of the AMA they
11 would not be required to report that to you, Member
12 Meeker?

13 MEMBER Meeker: That's correct.

14 CHMN STAFFORD: But so while it's not an
15 existing requirement under the DWR statutes and rules, it
16 certainly would be a reasonable condition to add to the
17 Certificate to track all the groundwater pumping that
18 occurs at this site whether it's for jurisdictional
19 projects or nonjurisdictional projects?

20 MR. ELLIS: We would support that.

21 CHMN STAFFORD: Okay. Thank you.

22 And then I guess you said it would be
23 treated, and you haven't -- you don't know what that's
24 going to entail just yet; correct?

25 MR. CRABB: Correct.

1 CHMN STAFFORD: Okay. Just off the top of
2 my head, do you guys know if there's -- arsenic is an
3 issue in the groundwater here or not?

4 MR. ELLIS: Did you say arsenic?

5 CHMN STAFFORD: Yes.

6 MR. ELLIS: We don't have a water quality
7 report for the site yet.

8 CHMN STAFFORD: Not even for the existing
9 well?

10 MR. ELLIS: Correct.

11 CHMN STAFFORD: Okay. Thank you.

12 All right. Member Fontes.

13 You're on mute.

14 We still can't hear you.

15 We still can't hear you, Member Fontes.

16 We still can't hear you, Member Fontes.

17 MR. ELLIS: He may not be able to hear us.

18 CHMN STAFFORD: Member Fontes, can you hear
19 us? Raise your hand if you can hear us.

20 Member Fontes, raise your hand if you can
21 hear us, your physical hand, not the icon. I can see
22 you've got the icon on your screen.

23 MR. ELLIS: It looks like Member Hill can
24 hear.

25 MEMBER HILL: Mr. Chair.

1 CHMN STAFFORD: Yes, Member Hill.

2 MEMBER HILL: I do want to point out that
3 in the Clear Creek Associates groundwater basin analysis
4 and modeling there were two water quality tests that were
5 performed, and the results of those water quality tests
6 were in Table 2 on -- in your study.

7 So when you say that we haven't done any
8 groundwater testing, there are -- there are actually two
9 tests, because I was looking at them earlier, so I just
10 wanted to point that out to you.

11 MR. ACKEN: Thank you, Member Hill.

12 MEMBER HILL: Yeah.

13 MR. ELLIS: My apologies for that.

14 MEMBER HILL: That's okay.

15 MR. ELLIS: You know, we did --

16 MEMBER HILL: I just want correct the
17 record.

18 MR. ELLIS: I read that report with
19 interest in terms of the impact to the water table, and I
20 did not realize water quality had been added.

21 MEMBER FONTES: Mr. Chairman, I'm back if
22 you can hear me.

23 CHMN STAFFORD: Yes. We can hear you now,
24 Member Fontes. Thank you.

25 MEMBER FONTES: Thank you. I apologize to

1 everybody for that. The questions that you were getting
2 at are central to most planning, and I'm wondering if the
3 applicant has looked at any kind of fire standards with
4 the local authorities.

5 Specifically you represented that this is
6 a -- the water that you're planning to run the wells for
7 the entire site, so that's the BESS, the solar and the
8 thermal. You talked about the pumping requirements.

9 What I'm looking at on other projects, as
10 you might imagine, is NFPA, national fire protective -- I
11 don't even know what the A is -- standards with respect
12 to the refill rate to fight fire for the three different
13 types of system for fire protection, also separation
14 distance and design, how they impact the layout of the
15 thermal, and then the tank farms the distance as I
16 believe Member Comstock brought up to any kind of
17 chemicals or natural gas facilities, and I didn't see
18 that level of detail in your site layout.

19 So what my question is is can you update us
20 on what your required surface water storage and how
21 you're pumping on your planned well is going to
22 accomplish what is required for the refill rates for the
23 three types of project that you have?

24 MR. CRABB: We can get some of that data to
25 you. What I will say is some of what you are describing

1 is a -- is for future sort of detailed phases of the
2 engineering layout, right? We will need to abide by all
3 of those requirements.

4 There are a host of tools at our disposal.
5 One of those is refill rates, right? You can use larger
6 tank sizes or you can use additional I've seen sort of
7 chemical fire suppressant systems, right?

8 There are other solutions besides purely
9 refill rate, and there's a host of tradeoffs and detailed
10 engineering design that, frankly, I'm not qualified to,
11 you know, get into a lot of specificity with you on, but
12 I will say we -- it would be part of the natural project
13 progression.

14 So I can get you some sort of indicative
15 information to the questions that you asked, but we won't
16 have final construction-ready or building permit-ready
17 answers on our site layout at this time.

18 MEMBER FONTES: I'm a project developer,
19 and I usually have that stuff at a prefeasibility,
20 especially as it impacts site layout. Again, we're
21 focused on applying the site and how it's looked at from
22 the water constraints to these environmental criteria, so
23 know that the genesis of my question is to serve to
24 inform that -- so any kind of -- again, I'm going to use
25 the word again -- prefeasibility-level engineering stuff

1 on those items, and then if you can orient us back on
2 that site layout diagram. I think that's real important
3 to the questions when we get to those areas.

4 So, Mr. Chairman, it's not just the
5 pumping, but it's the onsite storage and the refill rate
6 for things like fire fighting being done, construction I
7 think we need to look at for the lifecycle of this asset.

8 Thank you, Mr. Chairman.

9 CHMN STAFFORD: Thank you.

10 Member Little, the water quality reports
11 you mentioned, they are -- can you tell us if they're in
12 the application, which is Exhibit 1, what page is that
13 on?

14 MEMBER HILL: Yeah, so Member Hill can tell
15 you that.

16 I was looking at the table of contents. It
17 is a water quality section, but the wells that were
18 tested were dated. So it wasn't actually your well.

19 So you guys really did not do any testing
20 of your own well. You commissioned this report and the
21 water quality descriptions aren't your own well?

22 MR. ELLIS: You know, I think I -- if I
23 can, I'd like to go back and read the report and come
24 back and answer your question --

25 MEMBER HILL: That's fine.

1 MR. ELLIS: -- in relation to the question
2 that you're asking here.

3 MEMBER HILL: Okay. Because there is a
4 water quality report in here, but I don't think it's your
5 well, so that's why I was confused.

6 CHMN STAFFORD: Thank you, Member Hill.

7 MEMBER HILL: Yeah.

8 CHMN STAFFORD: Any other questions from
9 members?

10 Mr. Acken, please proceed.

11 MR. ACKEN: Where were we?

12 CHMN STAFFORD: Water use.

13 MEMBER HILL: Air quality.

14 CHMN STAFFORD: I think we were about to
15 move to air quality.

16 MR. ACKEN: I think we're going to move to
17 air quality.

18 And so -- thank you.

19 So in order to do that there's a couple
20 documents that we late filed that I want to provide some
21 context for.

22 BY MR. ACKEN:

23 Q. So, Mr. Crabb, do you have in front of you or do
24 you have available what's been marked as Hearing
25 Exhibit 15, Arizona Department of Environmental Quality

1 Class I permit application, December 31, 2025?

2 A. (Mr. Crabb) Yes.

3 Q. And I hope that the committee has that as well.

4 Also, do you have in front of you what's been
5 marked for identification as Hearing Exhibit 17, ADEQ
6 Class 1 permit application revised submittal and notice
7 of administrative completeness?

8 A. (Mr. Crabb) Yes.

9 Q. Would you explain what those two documents are
10 for the committee?

11 A. (Mr. Crabb) Yes. And let me get the exhibits
12 right.

13 Remind me the first document is exhibit what?

14 Q. For the record, it's Hearing Exhibit 15, and
15 this is the application dated December 31, 2025.

16 A. (Mr. Crabb) Great.

17 So the Exhibit 15 dated December 31, 2025, was
18 our initial air permit application into ADEQ which
19 contemplated up to eight different configurations of the
20 project set across similar aeroderivative and recip
21 technologies based on fairly extensive air permit
22 dispersion modeling that we had done in advance of that
23 permit in consultation with ADEQ.

24 Post that submission, in further discussions
25 with ADEQ we had agreed to shorten that to tighten up

1 their review period to three primary technology
2 selections, which is what was submitted, which was the
3 second exhibit, which I forget the number.

4 Q. 17.

5 A. (Mr. Crabb) 17 dated January 26.

6 Which included the three primary configurations,
7 which were using Wartsila recipis, GE LM6000s, and then
8 the Siemens SGT CTs.

9 Q. All right. Before you dive back into the
10 details of those two submittals, I just wanted to get
11 those on the record as to what they were.

12 I'd like you to take a step back and talk about
13 the air quality permitting approach for the project,
14 which clearly has differed from the CEC permitting
15 process.

16 And so, if you would, what was the thought
17 process and kind of outline the steps.

18 A. (Mr. Crabb) Yeah, so the Arizona Department of
19 Environmental Quality oversees air permit applications
20 across a range of different types of resources and
21 different types of permit thresholds. This is a Type 1
22 class, so it means it's a somewhat meaningful emitter but
23 below the PSD threshold, which is 250 tons per year for a
24 whole set of alphabet soups.

25 CHMN STAFFORD: PSD?

1 MR. CRABB: Permit of significant
2 deterioration.

3 MR. ACKEN: Prevention of significant --

4 MR. CRABB: Prevention of significant
5 deterioration. You're really going to test my
6 understanding of all of these different acronyms.

7 So the process really began in Q3 of 2025
8 as our project was beginning to take shape. You have
9 preapplication meetings with Arizona Department of
10 Environmental Quality. It is a federal regulation that
11 we are conforming to, but adjudicated by the states, and
12 so every state does things a little bit differently, has
13 a slightly different process.

14 And so we really value those premeetings to
15 align on everything from what information they're going
16 to require to justify the best available control
17 technology, or BACT, to how they like to review their air
18 dispersion modeling and what model protocol our
19 consultants were to use.

20 We engage Trinity to run our air consulting
21 analysis. I actually think one of the Commissioners
22 mentioned them earlier in the day. They do a lot of work
23 here in Arizona. And so we trusted that they would be
24 able to run those models competently and efficiently.

25 And then it's up to us to partner with our

1 equipment manufacturers and get the relevant equipment
2 data, and as you will see in the reports have very
3 preliminary site layout because that air dispersion
4 modeling requires source point emissions, so you have to
5 know where on the site you're going to place your exhaust
6 substation, and then you have to model the specific
7 dispersion from those locations. You can't just draw a
8 box on a map. You have to know exactly where those
9 pollutants are coming from and use met tower data in
10 order to determine how those pollutants move and
11 dissipate through the environment to ensure there's no
12 impact beyond the project boundary.

13 So we conducted our modeling over the back
14 half of 2025 and submitted the initial report with eight
15 different tolling configurations in December of 2025.

16 After further discussion with ADEQ and some
17 of their resource constraints as many others were
18 progressing similar processes, we shortened that down to
19 three technologies, which was submitted in January and
20 formally accepted I believe it was the second week of
21 February 2026.

22 BY MR. ACKEN:

23 Q. So talk about those three technology options
24 that ADEQ is currently evaluating.

25 A. (Mr. Crabb) Yeah. So the technology -- the

1 technology choices that we submitted really range between
2 the two primary classes of turbines we were evaluating
3 for the site at the time. Those were aeroderivative
4 turbines and reciprocating engines.

5 There's a lot of talk -- and, you know, we talk
6 about supply chain, and you hear sort of GE and Siemens.
7 Often what people are referring to are the larger
8 frame -- they're called frame units. They're big gas
9 turbines. They can be hundreds of megawatts per unit.
10 These are smaller and more fast ramping, fast reacting
11 types of units and have especially at the time much more
12 achievable delivery time frames.

13 And so we shorten them down to kind of capture
14 basically a range of different types of technologies
15 between the Wartsila recips which are 18 megawatts per
16 unit, the LM6000s, which are the larger aeroderivative
17 turbines at 50 megawatts per unit or so, and then the
18 Siemens CTs for 33 megawatts.

19 They all have sort of tradeoffs, right? Some
20 have slightly higher heat rates, lower heat rates, faster
21 ramp times. And so it's sort of a constant discussion
22 about which of those technologies can best fit the
23 customer requirements which have also been evolving over
24 time.

25 CHMN STAFFORD: Member Fontes, you had a

1 question.

2 MEMBER FONTES: Yes, Mr. Chairman, just
3 seeking some guidance from you with respect to does the
4 applicant need to formally supplement an ADEQ Class 1
5 application to narrow down the scope to match the CEC?
6 Because if we're going to approve it on LM6000 units, 17,
7 is there a requirement for consistency between the two?

8 CHMN STAFFORD: I do not believe so because
9 they're two separate issues. We could authorize a
10 certificate that allowed them to build a thousand
11 megawatts, but if they could not get the air permit, they
12 would be -- the air permit could limit them to a capacity
13 factor of 10 percent based on the total emissions. So I
14 think that they overlap, but they're not -- they're not
15 required to be completely aligned.

16 I think that based on my understanding is
17 that their air permit application is for -- would allow
18 emissions for up -- I guess I need to look at the air
19 permit because I haven't -- because when I look at the
20 air permit, I can see what's the total emissions that
21 you're going to have, and so typically that's going to
22 reflect what your capacity factor would be limited to.

23 Now, normally what we've seen in other
24 counties it's they're synthetic minor permits because
25 even though they had the potential to emit up to a

1 threshold amount for the -- what's the acronym we're
2 talking again?

3 MR. CRABB: The prevention of significant
4 deterioration.

5 CHMN STAFFORD: Right. They do not
6 generate enough to cross those thresholds. And so
7 they -- since that being a major new source would require
8 offsets, they're a synthetic minor resource that doesn't
9 require it, but it limits them to roughly what I've seen
10 is a 30 percent capacity factor.

11 Whereas here you're not in -- this is an
12 attainment area. It's not in a what we've seen in
13 Maricopa and Pinal, Pima Counties is attainment --
14 nonattainment areas is where there's an increased air
15 pollution.

16 So, like, I haven't had a chance to peruse
17 this yet, but I guess is it going to be -- is this a
18 major new source or would this be a synthetic minor
19 source?

20 What's the -- I know it's the thresholds, I
21 think, are they different?

22 Again, I haven't really had a chance to
23 look at the air permit application, so I --

24 MR. CRABB: Totally, yes. So there's a
25 couple of different -- a couple of different things that

1 you are touching on, some of which apply and some of
2 which don't.

3 So the easiest is the attainment,
4 nonattainment. This is really around -- if you are in a
5 nonattainment, you may have to purchase offsets for the
6 particulate that is in nonattainment in that area because
7 maybe not all of them are --

8 CHMN STAFFORD: Right.

9 MR. CRABB: -- nonattainment. Here we are
10 in an attainment zone, so there is no nonattainment
11 particulates, and so that we don't have to satisfy.

12 I will say they do look -- you can't be,
13 like, right across the boundary. They will look at your
14 air permit dispersion modeling, and so that was one of
15 the first steps where we say, okay, well, how far are we
16 from the Maricopa nonattainment, and they had to do a
17 little math on the ADEQ side to confirm that we would be
18 outside of that boundary.

19 You mentioned the --

20 MEMBER FONTES: Mr. Chairman, if I could
21 finish.

22 CHMN STAFFORD: Well, I'd like to hear his
23 explanation because we -- and then we'll get back --

24 MEMBER FONTES: I understand.

25 CHMN STAFFORD: -- back to your question.

1 MR. CRABB: So you mentioned the
2 minor synthetic -- or the synthetic minor, that -- yes,
3 that is a different -- is another nomenclature of
4 describing what I'm describing, which is above the
5 100-ton-per-year threshold but below the 250-ton-per-year
6 threshold is in that sort of synthetic minor, which is
7 typically about 30 percent capacity factors, and you
8 could see as we contemplated different technologies and
9 ran our own air permit dispersion modeling we actually
10 had slightly different restrictions based on the
11 different emission profiles and whichever pollutant
12 becomes governing under that cap.

13 And so that was part of running different
14 technologies to ensure. And we have to look at gas
15 specifications, right, because the gas quality can change
16 that permitting. So there's a lot of modeling that goes
17 into informing that threshold and then reporting against
18 that threshold.

19 I will say that there is one other number
20 that you may hear, which is greenhouse gas regulations,
21 which covers CO₂, and that because this project is
22 connecting to the grid under the current regulations,
23 would be capped at 30 percent capacity factor no matter
24 what because of the heat rate of the facility basically
25 being a simple cycle design.

1 CHMN STAFFORD: Okay. And so the answer to
2 your question, Mr. Fontes, is that know that their air
3 permit doesn't have to match up with the capacity of the
4 CEC application. However, whatever they build will have
5 to comply with the air permit, so it may --

6 MEMBER FONTES: I just want to make sure --

7 CHMN STAFFORD: So if we issue a CEC that
8 allows them to build a 700-megawatt facility, if the air
9 permit only allows them to generate -- well, it would be
10 the capacity, they could still get up to -- even under
11 the terms of the permit, they could still do 700
12 megawatts at one point in time, but they wouldn't be able
13 to generate 700 megawatts 30 percent -- more than
14 30 percent of the time based on what the -- what's the --
15 criteria pollutants thresholds are; correct?

16 MR. CRABB: Correct.

17 CHMN STAFFORD: Okay. Does that answer
18 your question, Member Fontes?

19 MEMBER FONTES: It does. And I'm
20 satisfied.

21 But I want to note something here that I
22 think is important, because in all the other CECs and the
23 forthcoming one we have a match between air dispersion
24 modeling and what's being filed with respect to the
25 applications in the CEC.

1 When we get to the CEC and we have a
2 reference of a document from ADEQ with this in there, I
3 think we need to make a special note up in there. So I
4 just want to flag that for hopefully a positive outcome
5 and vote on this.

6 CHMN STAFFORD: Okay. And I think I
7 foreshadowed this earlier that when it comes to the
8 certificate we may want to talk about approving the
9 megawatt for -- the megawatts for the plant in terms of
10 phases because they're not going to build 700 megawatts
11 by 2028; correct?

12 It's going to come in -- the first likely
13 step is the 100 megawatts that fills the gap to SRP on
14 their existing circuit that they've only got
15 300 megawatts for the solar plus storage; correct?

16 MR. ELLIS: Correct.

17 CHMN STAFFORD: All right. So then I
18 think, you know, it's a discussion we can have, well,
19 maybe the first phase would be the 350 megawatts that
20 would require both the lines because they could only get
21 to 100 megawatts, that on that first circuit they still
22 need that second circuit anyway, so it doesn't eliminate
23 the need to have a double-circuit line for this case.

24 But I think that, you know, we could
25 allow -- and that's what their interconnection I think is

1 for. You have multiple interconnection requests pending
2 as well. We could potentially have the thermal plant be
3 approved in different phases.

4 So the first phase it would happen until X
5 years from now. To construct that I'm assuming that one
6 would have a shorter time frame than the second phase,
7 which would be more along the lines of 10 years out I
8 think. But that's something to bear in mind when we get
9 down to describing how the project is and how it will be
10 phased in. So I think we haven't fleshed that out
11 enough. They've testified to it, but I haven't retained
12 that information fully enough to opine as to what the
13 order should look like.

14 MR. ACKEN: Mr. Chairman, if I may, I want
15 to give some thoughts on kind of the permitting philosophy,
16 because I think there's some questions about why they
17 don't match. And that's -- I look at the CEC process as
18 standing on its own. I look at the air quality
19 permitting process as standing on its own. This project
20 won't get built in any form unless it can meet all;
21 right?

22 When I look at what makes sense to bring to
23 the committee, we evaluate a number of factors, one of
24 which is what else has been permitted or what other
25 processes are ongoing currently, but also what the future

1 may hold.

2 And so I do try to be mindful of this
3 committee's time. I know it's busy and we're seeing such
4 rapid increases. And so if we see an opportunity to ask
5 for a second phase today, then -- and we can show that
6 the environmental effects are minimal, then that's the
7 case we're going to bring with the understanding that
8 we're never going to build something that all other --
9 all the agencies with jurisdiction have to approve.

10 So in my mind that's -- if you want to
11 understand, like, philosophy as to why, you know, I bring
12 projects that don't match or necessarily match that's
13 why, because what will be built will match, and we're
14 just trying to build some additional flexibility in this
15 time of unbelievable rapid growth.

16 CHMN STAFFORD: Does that answer your
17 question, Member Fontes?

18 MEMBER FONTES: It did. But I do have a
19 follow-up comment that, you know, I appreciate that,
20 Mr. Acken, but we're looking at the difference between 10
21 and 17 units here, and things like stack layout, site
22 layout, shutdowns and the equipment and balance of plant,
23 we just want to make sure we're doing a thorough job to
24 make sure that we're being responsible about putting in
25 new power plants, because there is a certain backlash on

1 all sources of generation, and we want to make sure that
2 this developer gets it right the first time. So we've
3 got to carefully I think jointly thread the needle on
4 this. So we're asking these hard questions just to make
5 sure that we capturing the public record and we can get
6 them approved, so we appreciate you. Thank you.

7 MR. ACKEN: And thank you. We appreciate
8 that role. So thank you.

9 CHMN STAFFORD: All right. Any other
10 questions from members?

11 Please proceed.

12 MR. ACKEN: Thank you.

13 BY MR. ACKEN:

14 Q. Is there anything else you wanted to talk about
15 the application process at this time? You've mentioned
16 kind of what you've gone through with ADEQ and why you
17 had the multiple iterations.

18 A. (Mr. Crabb) Maybe one distinction. One
19 distinction and one little follow-up on sort of what the
20 process is from here. So, yeah, as I think the
21 description of, yes, we can only build what's permitted,
22 and if we doubled in size, you would have to have half as
23 much capacity factor, right, it would look at the nominal
24 emissions.

25 But my understanding is we couldn't just

1 build -- we would have to at least seek an amendment to
2 build more because of ongoing monitoring requirements and
3 the specific air dispersion modeling that the committee
4 has discussed here on the exact stack height.

5 So it is -- it is more narrow in scope under the
6 current sort of first phase like we don't have carte
7 blanche to just put as many units as we want as long as
8 we hit a number. So I wanted to give the committee
9 confidence on that respect.

10 So as we think about moving forward, right, we
11 submitted this documentation, had formal acceptance in
12 early February, between now and then, ADEQ has gone
13 through and reviewed and audited Trinity's assessment of
14 the best available control technology, the modeling, the
15 criteria, the results of that modeling, making sure that
16 they agree with Trinity's assessment on the limit to have
17 any adverse impacts offsite.

18 And so, you know, over time they've been
19 submitting questions to us for clarifications and sort of
20 some ongoing back and forth. Yeah, we understand they're
21 getting close to issuing their draft permit, which then
22 goes to a public comment process.

23 And so the -- we're in touch with some of the
24 folks in the local jurisdiction, and they're aware that
25 ADEQ has reached out at least once now, and we expect

1 that to ramp up into the back half of this year. And
2 once that public comment is heard and incorporated, the
3 permit is then issued.

4 That is not the end of it. We will have ongoing
5 and recurring reporting requirements to ADEQ. If we were
6 to perform any sort of major capital programs or
7 improvements, there are thresholds that trigger a
8 reassessment of that, and so there's a pretty robust
9 ongoing permit reporting requirement. Not as stringent
10 as some of the larger -- you know, the major source, but
11 still pretty robust on sort of quarterly and annual
12 review basis.

13 Q. And I'm not sure if you addressed it, so I'm
14 going to ask you again.

15 Is the diesel backup being assessed in the air
16 permit application?

17 A. (Mr. Crabb) I did not address that, but, yes,
18 the diesel is contemplated and has to be contemplated
19 with all of the emissions from natural gas and diesel.
20 It's not looked at in a vacuum. And so there's a
21 restricted number of run hours on diesel and natural gas
22 for any given technology in its aggregate over the
23 balance of a year.

24 CHMN STAFFORD: This is based on the volume
25 of criteria pollutants just emitted; right?

1 MR. CRABB: Correct.

2 CHMN STAFFORD: It's not regardless of fuel
3 source. It's not like you get -- you can dump X amount
4 under this fuel source and Y amount of that fuel source.
5 It's known as a total amount --

6 MR. CRABB: It's a total amount, but we do
7 have to report to -- we do have restrictions. Let me say
8 it this way.

9 The applicant has some flexibility to try
10 to hardwire as much flexibility as they want. That just
11 increases reporting obligations, and so there's some
12 balance between how much flexibility you have versus
13 what's realistic on making sure that you don't just run
14 for 300 hours of diesel in January and then have -- and
15 so we have put a cap on the diesel in the air permit.

16 And then that is assumed -- in evaluating
17 the balance on natural gas, it is assumed that you run on
18 that full 200 -- or I think it was 200 hours -- I'll need
19 to confirm that -- on diesel backup, and then the natural
20 gas is the balance.

21 CHMN STAFFORD: Okay. So I guess that'll
22 be more clear once we've had a chance to review the
23 permit application.

24 Member Fant.

25 MEMBER FANT: Thank you, Mr. Chair.

1 Do those diesel engines run on E and 590 or
2 A6 diesel fuel?

3 MR. CRABB: I'm sorry, the diesel would be
4 used on -- these would be dual fuel units.

5 MEMBER FANT: Oh, okay.

6 MR. CRABB: So they are not -- if you look
7 really closely on the site plan, we do -- we have
8 contemplated as far as that conceptual layout to include
9 black start capabilities, which are very small diesels
10 that just power ox load to power up the units.

11 But when we're talking about ultra-low
12 sulphur diesel for these units, it is for the same ones.

13 MEMBER FANT: Thank you.

14 CHMN STAFFORD: But any diesel black start
15 units would not -- those would not be operating at the
16 same time as the LM6000. They would only be used to
17 start the LM6000s, and they would shut off. They
18 wouldn't keep trying to generate power for those?

19 MR. CRABB: Correct. Yeah, just ox. They
20 don't even connect to the grid. They're just to start up
21 the units in case the grid goes down.

22 CHMN STAFFORD: Okay. All right.

23 MEMBER COMSTOCK: Mr. Chairman.

24 CHMN STAFFORD: Yes, Member Comstock.

25 MEMBER COMSTOCK: I'm trying to think how

1 to phrase this question, but maybe you can help me. Is
2 there an operational plan that allows interchange between
3 natural gas and diesel so that you use the diesel fuel
4 periodically to renew it in the tank, if that's a fair
5 way to assess it?

6 MR. CRABB: We will likely test -- I think
7 the way to start is we will match whatever OEM
8 specifications there are for routine testing. Typically
9 that's a couple hours per year. The diesel itself you
10 don't let it sit for 20 years, but, you know, it can last
11 for years and not have too many issues.

12 You do want to do that annual test just to
13 ensure the auxiliary equipment are working because,
14 again, when you switch over to diesel, you're doing it
15 because you need it to be working.

16 MEMBER COMSTOCK: Okay. Thank you.

17 CHMN STAFFORD: So I guess what you're
18 saying is that you would never run the diesel just to
19 make sure you can. You'd only start it up to make sure
20 that it works, but you would never, well, today we're
21 going to generate based on diesel instead of natural gas?

22 MR. CRABB: Yeah, there'd be -- that would
23 be a very silly decision.

24 CHMN STAFFORD: Right. Because the
25 emissions are significantly -- it's going to cut your

1 capacity factor way down to do that, isn't it?

2 MR. CRABB: Fuel's expensive. It's higher
3 emissions. It's -- these are -- it's a secondary fuel,
4 right. It's not the primary fuel.

5 CHMN STAFFORD: And just out of curiosity
6 what would the cost of natural gas have to be per
7 dekatherm to be -- for diesel to even be economically
8 viable as a replacement fuel based on price, not
9 emergency circumstances?

10 What?

11 MEMBER COMSTOCK: I said, "One million
12 dollars."

13 CHMN STAFFORD: You did the Dr. Evil thing
14 too, huh?

15 MEMBER COMSTOCK: Yeah, I'm Dr. Evil.

16 MR. CRABB: Man, I hesitate to just
17 speculate, but it's probably two to three times, if not
18 more.

19 CHMN STAFFORD: And you can do some --

20 MR. CRABB: A big number.

21 CHMN STAFFORD: And you can do some behind
22 the scenes math and come back to me.

23 MR. CRABB: Yeah, I can look at the napkin.

24 CHMN STAFFORD: I guess don't you think the
25 highest didn't it hit \$16 a dekatherm at one point during

1 the hurricanes back in, like, 2006 or something?

2 MR. CRABB: Depending on how far you go
3 back. Now natural gas has gotten quite expensive. This
4 may be more detail than the Commission cares to know, but
5 one of the sort of strangest enduring gaps in commodity
6 price -- pricing, right, dollar per unit energy is the
7 gap between natural gas and crude oil, mostly driven by
8 our domestic shale production.

9 And so every few years someone forecasts
10 that that gap will close. It has not closed in, like, a
11 decade outside of some weather and sort of geopolitical
12 crisis pricing. So, yes, if you go back pre-2011 it's a
13 totally different world.

14 CHMN STAFFORD: All right. Yeah, I'd like
15 to see if you could come up with some kind of estimate
16 what that would be based on the current price of diesel.

17 Thanks.

18 Member Fant, you had a question.

19 MEMBER FANT: To change a point.

20 Thank you, Mr. Chair. Natural gas prices
21 differently in the U.S. market versus markets outside the
22 U.S. In U.S. it prices on a market pricing basis, so it
23 can differentiate from oil and not necessarily have
24 equivalent BTU pricing, whereas overseas they take
25 natural gas and price it on a BTU equivalent with oil or

1 diesel fuel or whatever, so those prices stay in
2 lockstep, and natural gas is more expensive outside the
3 U.S. Since we have a free market here and lots of
4 natural gas, it tends to stay under the pricing on the
5 BTU basis of oil.

6 MR. CRABB: We can pull up a seat for you
7 here.

8 MEMBER FANT: No.

9 CHMN STAFFORD: All right. Is that the end
10 of this portion of your direct and you are ready to move
11 to the next panel?

12 I'm scrolling through your presentation.
13 That's what I'm seeing is up next.

14 MR. ACKEN: I've got a little cleanup with
15 this panel.

16 BY MR. ACKEN:

17 Q. First of all, Mr. Crabb, anything further on air
18 or water at this time?

19 A. (Mr. Crabb) Not from me.

20 Q. So, Mr. Furman, I do have a couple cleanup for
21 you as it relates to the application.

22 Just to confirm, the CEC application was
23 prepared under your supervision and direction; is that
24 correct?

25 A. (Mr. Furman) Correct.

1 Q. And you had discussed a couple modifications to
2 the CEC applications today. One was a request to move
3 the corridor about a quarter mile to the west to make
4 sure it was within a BLM-designated corridor; is that
5 correct?

6 A. (Mr. Furman) Correct.

7 Q. And the second revision, if you will, was to add
8 three additional structures to Exhibit G; is that
9 correct?

10 A. (Mr. Furman) Correct.

11 Q. Did I miss any other revisions to the
12 application that you discussed at this time?

13 A. (Mr. Furman) Not for 263.

14 Q. Okay. So with those additions is the
15 application true and correct?

16 A. (Mr. Furman) Yes.

17 Q. Does this panel have any further comments at
18 this time understanding, Mr. Ellis, you get to be on the
19 next panel?

20 So does this panel have any further questions at
21 this time?

22 CHMN STAFFORD: Member Hill.

23 MEMBER HILL: I'll let them answer first.

24 MR. ACKEN: I think their heads were
25 nodding, so if I could get a no.

1 MR. CRABB: Not from me.

2 MR. FURMAN: No.

3 MR. ELLIS: No.

4 MEMBER HILL: Okay. Because we haven't had
5 time to review the air permit, we may want to bring them
6 back at some point, Bert.

7 Are you okay with that?

8 MR. ACKEN: Yes.

9 CHMN STAFFORD: Oh, yes. All these
10 witnesses are subject to recall at the whim of the
11 committee.

12 MR. ACKEN: I have given them the good news
13 that they get to stick around for a couple of days.

14 MEMBER HILL: And we are not whimsical,
15 Mr. Chair.

16 CHMN STAFFORD: The same. I think that
17 there will be additional questions once some members have
18 had a chance to review the application.

19 MEMBER COMSTOCK: Mr. Chairman, one last
20 general question because I think this panel is the best
21 to answer it.

22 We talked earlier about ingress and egress
23 to the site during construction.

24 Will that remain as the single point of
25 entry into the construction site, or will there be a

1 secondary point of entry that'll have to be maintained?

2 MR. FURMAN: We're going to go back to the
3 aerial so we can discuss -- I'll attempt to answer your
4 question here.

5 So, again, to access the gen-tie portions
6 of the project up in this area, we're going to be
7 utilizing the existing county roads. Those are
8 well-maintained roads, and those will remain in place for
9 our access and really anyone of the public given it's BLM
10 land.

11 As far as the Eagle Eye Energy Center
12 itself, we will have -- our primary and permanent access
13 will be right in this location. And that is on BLM land.
14 And then once we get to the boundary of Eagle Eye Energy
15 Center we are on Arizona state land. That will be a
16 permanent access road for the Eagle Eye Energy Center.

17 CHMN STAFFORD: Coming out of Alamo Road;
18 right?

19 MR. FURMAN: Correct.

20 CHMN STAFFORD: Okay. Yeah.

21 MEMBER COMSTOCK: So I apologize for being
22 slow. There will be two points of entry off of Alamo?

23 MR. FURMAN: So let me -- this may help. I
24 am going to highlight all the access roads for the
25 project and note the purpose of each one if that's

1 helpful.

2 MEMBER COMSTOCK: The only reason I'm
3 bringing it up is because what you showed us earlier
4 today was that that bottom corner was in the floodplain
5 for Centennial Wash and you were going to abandon that
6 section as I recall your testimony.

7 And if you're going to bring a road in
8 there for ingress and egress, I just wondered where your
9 second one is going to be.

10 CHMN STAFFORD: It's the other side.

11 MR. FURMAN: Yep. To clarify, the
12 floodplain that we're avoiding is in this corner of the
13 project site. So there will be no permanent access road
14 right there.

15 MEMBER COMSTOCK: Perfect. Thank you.
16 That's good. That answers my question.

17 CHMN STAFFORD: All right. I think with
18 that we are ready for a -- oh, Mr. Acken, did you have
19 any more questions for this panel?

20 MR. ACKEN: Thank you, Mr. Chairman.
21 Not at this time.

22 CHMN STAFFORD: Okay. All right. With
23 that let us take a recess for about 15 minutes, and then
24 we'll come back and go with your second panel.

25 MR. ACKEN: Great. Thanks.

1 (Recess from 4:33 p.m. to 4:50 p.m.)

2 CHMN STAFFORD: Let's go back on the
3 record.

4 Mr. Acken, I believe you had an answer for
5 us about the -- my question about what it would take --
6 what would the price of natural gas have to get to to
7 make it -- to make them consider running diesel in not an
8 emergency.

9 MR. ACKEN: Yes, Mr. Chairman. Mr. Crabb
10 was able to run that down quickly. So before he escaped
11 for the afternoon, he's prepared to answer that question.

12 CHMN STAFFORD: Thank you.

13 MR. CRABB: So your typical market it would
14 be about six to seven times more expensive to run on
15 diesel, so if you're \$3 gas, you're talking \$18 gas times
16 a ten heat rate, so you're \$180 a megawatt hour. In
17 today's world with geopolitical events it's up to 10 to
18 11 times the price, so you're \$30 in MMBT equivalent or
19 \$300 a megawatt hour on the diesel, so it's a much more
20 costly solution than gas.

21 CHMN STAFFORD: All right. Yeah, so that's
22 highly unlikely that that would ever take place. And,
23 like you said, I think we haven't seen natural gas hit
24 that price, I think it was 16 bucks back after the
25 hurricanes, and that was in 2006, I believe. But in

1 recent, in the past decade -- that's 20 years ago, so, I
2 mean, we haven't seen those kind of prices in that time
3 frame.

4 All right. Thank you. That was -- I
5 appreciate you figuring that out so quickly.

6 MR. CRABB: You're welcome.

7 CHMN STAFFORD: All right. Mr. Acken, I
8 believe you're ready to call your second panel.

9 MR. ACKEN: Thank you, Mr. Chairman.

10 The applicant calls its second panel, which
11 includes Mr. Ellis again as well as Kevin Martin and
12 Kenda Pollio.

13 CHMN STAFFORD: I believe Ms. Pollio has
14 already been sworn.

15 ERIK ELLIS, KENDA POLLIO, and KEVIN MARTIN,
16 called as witnesses as a panel on behalf of Applicant,
17 having been affirmed by the Chairman to speak the truth
18 and nothing but the truth, were examined and testified as
19 follows:

20

21 DIRECT EXAMINATION

22 BY MR. ACKEN:

23 Q. Thank you. We are on Slide left and right 41 of
24 Hearing Exhibit 5.

25 Mr. Martin, please state your name and business

1 address for the record.

2 A. (Mr. Martin) Kevin Martin. I reside in
3 Santa Fe, New Mexico.

4 And for the Eagle Eye project I do business
5 through the Arizona office at 11201 North Tatum
6 Boulevard, Phoenix, Arizona.

7 Q. By whom are you employed and in what capacity?

8 A. (Mr. Martin) I work for BrightNight Power as
9 the vice president overseeing the permitting department.

10 Q. Next I'd like you to provide a summary of your
11 educational background and work experience as shown on
12 right Slide 41.

13 A. (Mr. Martin) I hold an undergraduate in
14 fisheries and wildlife management and a master's of
15 science degree in natural resource economics and water
16 policy.

17 I've worked the last 33 years as an ecologist in
18 the western United States on various permitting projects.
19 I currently oversee other permitting staff for
20 BrightNight. The last 18 years I've been in the
21 renewable sector developing alternative projects and the
22 associated transmission lines with them.

23 Q. And so what has your role been in this project?

24 A. (Mr. Martin) I've primarily been responsible
25 for overseeing environmental surveys, the scopes,

1 consultancies, and QA/QC of the reports that those
2 consultants generate.

3 I also oversee and work with the BLM in our
4 current right-of-way application and oversee the NEPA
5 process and the associated work in getting that approval
6 through the Bureau of Land Management.

7 Q. And speaking of which, what topics are you going
8 to cover in your testimony likely tomorrow at this stage?

9 A. (Mr. Martin) I'm going to be giving an overview
10 of the right-of-way process and our plan of development,
11 any questions with the environmental assessment, and the
12 scope that we've concluded with our environmental
13 surveys, and any coordination with federal or state
14 resource agencies.

15 Q. Thank you.

16 Next slide. Ms. Pollio, please state your name
17 and business address.

18 A. (Ms. Pollio) Kenda Pollio, KP Environmental,
19 280 Melba, Encinitas, California.

20 Q. By whom are you employed and in what capacity?

21 A. (Ms. Pollio) KP Environmental, principal.

22 Q. And provide a summary of your education and work
23 experience.

24 A. (Ms. Pollio) I have a bachelor's of science in
25 environmental planning from Florida State University, a

1 master's in international environmental policy from
2 University of South Florida, which I've never told
3 specifically but this is actually with an emphasis in
4 India, and I actually -- my first projects were gas power
5 plants and coal plants in India. So that was many, many
6 years ago, but that is what that international
7 environmental policy was about. I lived there for three
8 years.

9 My professional experience, I do have an AICP,
10 which is an American Institute of Certified Planners.
11 35 years of environmental consulting experience. I
12 specialize in transmission line and gas power plants,
13 renewable power plants, and honestly over the past
14 35 years I almost exclusively have worked in the utility
15 industry with just gas, different types of energy
16 facilities, and transmission.

17 I've worked on over 200 transmission line and
18 utility projects. I've testified before the siting
19 committee 24 times and over 35 times in other states.

20 Q. And what's your role in this project?

21 A. (Ms. Pollio) I am going to talk about the
22 statutory filing requirements. We also did assist with
23 the public process and stakeholder engagement process.
24 We prepared the certificate of environmental
25 compatibility, did the environmental analysis.

1 Q. Thank you.

2 I think we can get through the statutory notice
3 relatively quickly if you'd like us to go through it.

4 CHMN STAFFORD: Please do. Thank you.

5 BY MR. ACKEN:

6 Q. So let's jump into the statutory notice starting
7 on Slide 44.

8 What newspapers did you publish the notice of
9 hearing in?

10 A. (Ms. Pollio) We did publish twice in two
11 publications. The Parker Pioneer we published on
12 June 24, 2026. The Arizona Republic also on June 24,
13 2026.

14 Q. Next, did you make the application available for
15 public viewing at any locations?

16 A. (Ms. Pollio) We did. It was available at
17 docket control. It was also available at two public
18 libraries that you can see on L45. These are the two
19 closest libraries to the project site location.

20 Q. On the right slide it references the notice to
21 jurisdictions. Were you here this morning for the
22 discussion about the affected jurisdiction notice?

23 A. (Ms. Pollio) I was.

24 Q. And so could you describe what the applicant did
25 in response?

1 A. (Ms. Pollio) Yes. So when it was determined
2 that these notices were not -- had not yet been sent out,
3 we did follow up this past week confirming that they were
4 aware and acknowledged that they both were noticed of
5 this filing, they were aware of the filing, and so we
6 have that documented in the hearing binder.

7 Q. And that can be found in Exhibit 13, the
8 affected jurisdiction correspondence?

9 A. (Ms. Pollio) Correct.

10 Q. And that is both an e-mail from representative
11 State Land dated July 30 as well as an e-mail from La Paz
12 County representative dated July 28?

13 A. (Ms. Pollio) That is correct.

14 Q. And you referenced the publications.

15 Are the affidavits of publication available in
16 Hearing Exhibit 12?

17 A. (Ms. Pollio) Correct.

18 Q. Did you post signs in the general vicinity of
19 the project?

20 A. (Ms. Pollio) Yes, we did. We posted signs, and
21 they are at the locations that you can see on L46. So
22 there are three sign locations. There is one on Low
23 Mountain Road. There is another on Alamo Road. And then
24 there is another one at basically on the south area on
25 BLM land just south of the thermal plant.

1 The example of what the sign looks like is on
2 R46.

3 Q. Now, Mr. Furman talked about the general
4 outreach efforts. Those are referenced -- some of those
5 are referenced in Hearing Exhibit 7.

6 Did your team prepare that public process
7 summary?

8 A. (Ms. Pollio) That is correct, yes.

9 Q. Is there anything additional in that filing that
10 we should discuss?

11 A. (Ms. Pollio) No, those -- that is all of the
12 statutory filings, and that is an updated version of any
13 meetings or conversations that were held with
14 representatives as well as a summary of all the public
15 outreach.

16 Q. And is there anything further you have to say
17 with respect to the statutory official notices that your
18 team conducted for this project?

19 A. (Ms. Pollio) No, there is not.

20 CHMN STAFFORD: Well, thank you. I think
21 that's a -- barring any questions from members, I think
22 that's a good stopping point.

23 We will come back at 5:30 for public
24 comment. And we'll start tomorrow morning at 9 a.m.

25 We're not doing a tour tomorrow morning,

1 but the potential for one still exists.

2 And so we'll pick it up with panel 2
3 tomorrow morning at 9. With that -- and we'll be back
4 here at 5:30 for public comment.

5 Is there anything else, Mr. Acken?

6 MR. ACKEN: We will likely have additional
7 exhibits.

8 CHMN STAFFORD: I'm pretty sure there's a
9 one-line drawing coming; right?

10 MR. ACKEN: Well, a one-line drawing. But
11 for this panel what I heard was a request for
12 photographs. And so we will have some additional
13 information that we will provide and be prepared to
14 discuss tomorrow. But it likely will be first thing in
15 the morning. I just wanted to preview that that will be
16 coming.

17 CHMN STAFFORD: Okay. Excellent. Thank
18 you.

19 So with that we are in recess until 5:30.

20 (Recess from 5:01 p.m. to 5:31 p.m.)

21 CHMN STAFFORD: Let's go on the record.

22 Now is the time set for public comment.

23 Do we have any members of the public here
24 to make comment?

25 All right. We have someone filling out a

1 form.

2 Do we have anybody online or on the Zoom to
3 make public comment?

4 AV TEAM MEMBER: Mr. Chairman, there is
5 currently no one in Zoom.

6 CHMN STAFFORD: Okay. All right. While
7 they're waiting to make comment, let's go off the record.

8 (Recess from 5:33 p.m. to 5:37 p.m.)

9 CHMN STAFFORD: All right. We have Etta
10 Anderson signed up to make comment. Please come to the
11 podium.

12 MS. ANDERSON: Good afternoon. There's not
13 that many people here. I'm going to go ahead and read
14 off of this.

15 My name is Etta Anderson. I am a lifelong
16 resident of Parker. I'm also a tribal member with the
17 Colorado River Indian Tribes. And I'm also the vice
18 chair of the Mohave Elders Committee.

19 We have four Native American tribes that
20 live on our reservation, and each of them all have
21 committees. I would have wished they would all come. We
22 have the Mohave people, Chemehuevi, Hopi, and Navajo.
23 So -- and we have another young lady back there that's
24 also going to speak. I'm going to read this off.

25 These are the reasons why data centers do

1 not belong in La Paz County or near the Colorado River
2 Indian Tribes.

3 La Paz County and the Colorado River Indian
4 Tribes should not be treated as an empty space available
5 for large-scale industrial development simply because
6 land is available. Data centers may be marketed as
7 economic opportunities, but we must ask a more important
8 question. What will our community have to give up to
9 support them? And who will bear the long-term costs?

10 Our region is already facing an uncertain
11 water future. The Colorado River is overallocated.
12 Drought and climate changes are placing increasing
13 pressure on our water supplies, and tribal water rights
14 continue to require protection and enforcement. Bringing
15 water-intensive data centers into La Paz County could
16 create additional competition for a resource that is
17 already under tremendous strain. Water should be
18 prioritized for people, agricultural, ecosystems, and the
19 sovereign rights of tribal nations, not sacrificed to
20 support industries that can locate elsewhere.

21 Data centers also require enormous amounts
22 of electricity and infrastructure. Their construction
23 can bring new transmission lines, substations, roads,
24 cooling systems, and other industrial infrastructure that
25 permanently changes the character of our rural and desert

1 communities. The environmental costs including noise,
2 heat, land disturbance, and potential impacts on wildlife
3 and culturally significant areas must be considered
4 before approving projects that may be difficult or
5 impossible to reverse.

6 For the Colorado River Indian Tribes, this
7 is about more than economic development. This is about
8 sovereignty, cultural survival, and protecting our
9 homelands. The lands surrounding our communities hold
10 cultural, spiritual, historical, and environmental
11 significance that cannot be measured by a tax revenue
12 prediction or a promise of temporary construction jobs.

13 We should also question whether the
14 economic benefits truly outweigh the costs. Data centers
15 are highly automated facilities that may create
16 substantial demand for public infrastructure while
17 providing relatively few permanent jobs compared with the
18 scale of resources they consume. Local governments must
19 carefully examine who will pay for expanded roads, power
20 infrastructure, emergency services, water systems, and
21 other public needs and whether the land economic benefits
22 will actually remain in La Paz County.

23 There is no shortage of places where
24 corporations can build data centers. There is only one
25 Colorado River, one La Paz County, and one homeland for

1 the Colorado River Indian Tribes. Once water is
2 committed, culturally significant landscapes are
3 disturbed and industrial infrastructure is built, we
4 cannot simply undo those decisions.

5 Development should serve the people who
6 already live here. It should strengthen our communities
7 without threatening the resources and rights that future
8 generations depend upon. If a project requires us to
9 compromise our water security, strain out our power grid,
10 industrialize our landscape, or put tribal resources at
11 risk, then we have every right to say no. La Paz County
12 should not become a sacrifice zone for the technology
13 industry. Our water, our land, our environment, and our
14 tribal sovereignty are worth more than short-term
15 promises of economic development. Data centers can be
16 built somewhere else. Our homeland cannot.

17 So in layman's terms, the area -- I took a
18 look at the map. The area that you are proposing this
19 particular plant at, or whatever it's going to be, is
20 home life to our Mohave people. I would also probably
21 include the Chemehuevis because they wandered; they
22 wandered from California to that area. Some of those
23 mountains in that area are named. We have stories for
24 those mountains. You have the desert turtles, tortoises,
25 that live within those lands. And just like I said in

1 this report, you're going to harm all those things.

2 Our job is to protect our people and our
3 bylaws within the Mohave committee, it's not just our
4 Mohave people. It's our people, period, on this
5 reservation. And we have gone as far out to California
6 to protect those lands, and you are right -- proposing
7 the area where it's at, there's so many stories that we
8 have out there.

9 So I'm surprised right now. I don't see
10 the tribes. Were they even consulted? The THPO program,
11 were they consulted? Our Mohave elders committee, were
12 they consulted? We would have contacted the rest of the
13 tribes that are on the reservation to be included on
14 this, but as of today, we have received no word except
15 for -- we got this from an outside source that this was
16 happening.

17 So that's all I got to say.

18 CHMN STAFFORD: Thank you very much.

19 Is there anyone else to make public
20 comment? Do we have anyone online or on the phone?

21 AV TEAM MEMBER: There is none online.

22 CHMN STAFFORD: Okay. I don't have any
23 other speaker slips for anybody in the room. So we will
24 stay here until at least six o'clock to allow the public
25 the opportunity to comment.

1 So while we wait for any new speakers, we
2 will go off the record.

3 (Recess from 5:44 p.m. to 6:00 p.m.)

4 CHMN STAFFORD: Let's go back on the
5 record.

6 Is there anyone else online or on the phone
7 to make public comment?

8 AV TEAM MEMBER: No, Mr. Chairman.

9 CHMN STAFFORD: All right. Does anyone
10 else in the room want to make public comment?

11 (No audible response.)

12 CHMN STAFFORD: Seeing none, it is now
13 six o'clock. Seeing how there are no more members of the
14 public to make comment, we will recess until nine a.m.
15 when we'll come back and resume the hearing.

16 We stand in recess.

17 (Proceedings recessed at 6:01 p.m.)

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1 STATE OF ARIZONA)
2 COUNTY OF MARICOPA)

3 BE IT KNOWN that the foregoing proceedings were
4 taken before me; that the foregoing pages are a full,
5 true, and accurate record of the proceedings, all done to
6 the best of my skill and ability; that the proceedings
7 were taken down by me in shorthand and thereafter reduced
8 to print under my direction.

9 I CERTIFY that I am in no way related to any of the
10 parties hereto nor am I in any way interested in the
11 outcome hereof.

12 I CERTIFY that I have complied with the ethical
13 obligations set forth in ACJA 7-206(F)(3) and
14 ACJA 7-206(J)(1)(g)(1) and (2).

15 Dated at Phoenix, Arizona, August 10, 2026.

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JENNIFER HONN, RPR
Arizona Certified Reporter
No. 50885

18 I CERTIFY that GLENNIE REPORTING SERVICES, LLC, has
19 complied with the ethical obligations set forth in
20 ACJA 7-206(J)(1)(

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