

1 BEFORE THE ARIZONA POWER PLANT LS-511
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)
AUTHORIZING THE EAGLE EYE)
THERMAL PLANT AND GEN-TIE)
PROJECT, LOCATED IN LA PAZ)
COUNTY, ARIZONA) EVIDENTIARY HEARING
)

10 At: Parker, Arizona

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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 9:02 a.m. on
5 August 4, 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:

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For the Applicant:

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

3 Mr. Acken.

4 MR. ACKEN: Thank you, Chairman.

5 BY MR. ACKEN:

6 Q. We're going to start off this morning by
7 answering a question, I believe it was raised by Member
8 Little, requesting a one-line diagram. So we have a few
9 additional exhibits. So I'll go through those while that
10 gets put on the screen.

11 So Hearing Exhibit 18 is the one-line diagram
12 that was requested that shows potential configuration for
13 the gen-tie portion of the project from the thermal plant
14 substation to the solar and BESS substation and then
15 onward.

16 19 is a series of photos and KMZ excerpts to
17 show additional context for the area that Member Hill had
18 requested.

19 And then 20, Hearing Exhibit 20 is a chart that
20 shows a comparison of the air quality options, the
21 environmental effects of each that Member Fontes had
22 requested.

23 So we'll go through each in turn, not
24 necessarily right now, but we are going to start with
25 Exhibit 18, which is now shown on the screen.

1 And Mr. Ellis, if you would, please describe for
2 the committee what Exhibit 18 depicts.

3 A. (Mr. Ellis) Thank you, Mr. Acken.

4 So it's a relatively straightforward single-line
5 diagram that depicts right now -- so this is a conceptual
6 single-line. There obviously could be changes between
7 now and the final build.

8 But this reflects what is the plan and what is
9 what we think the most likely scenario in terms of how
10 this gets built out.

11 On the far left what you see is the
12 300 megawatts of PV and storage. We talked yesterday
13 about the ability to add an incremental hundred megawatts
14 of natural gas to that first circuit.

15 And that's what you see. You see two primary
16 blocks on the left and the right and then the gas
17 facilities are with --

18 MEMBER LITTLE: Mr. Chairman.

19 CHMN STAFFORD: Yes, Member Little.

20 MEMBER LITTLE: I'm sorry, but if you could
21 indulge me, my computer updated and I'm having a hard
22 time pulling the exhibit from out of the complicated way
23 that we get these from Tod, so that I can expand it a
24 little and follow along with what you're doing.

25 So I'm wondering if maybe we could do

1 something else first and then do this while I manage to
2 pull it up and so that I can expand it. On my screen
3 what's showing there in the room is not legible to me.

4 CHMN STAFFORD: Okay.

5 MEMBER LITTLE: So I need to be able to
6 pull it up.

7 CHMN STAFFORD: Seeing how the one-line
8 diagram is primarily for your benefit, Member Little, I
9 think it would behoove us to wait until you can actually
10 read it to provide valuable feedback on it.

11 MEMBER LITTLE: Thank you very much. I'm
12 working on it.

13 CHMN STAFFORD: Thank you. All right. But
14 it has been e-mailed to you, so you just have to get it
15 pulled up.

16 MEMBER LITTLE: Yes, it has, and I'm
17 working on it.

18

19 CHMN STAFFORD: Okay. Great.

20 MEMBER DICICCIO: Mr. Chair.

21 CHMN STAFFORD: Yes? Who is speaking?

22 MEMBER DICICCIO: This is Sal Diccio.

23 MEMBER DICICCIO: Can you please turn your
24 camera on, Member DiCiccio?

25 MEMBER DICICCIO: Oh, sure. Hold on. I've

1 got to figure out how to do that. Here we go. Got it.

2 CHMN STAFFORD: Thank you.

3 MEMBER DICICCI0: Regarding -- I had a
4 complicated -- I figured it out how to do it, but it did
5 take some time. If we can just get via e-mail rather
6 than that secure system that's set up, that would be so
7 much easier to be able to download those files. Just as
8 a thought.

9 CHMN STAFFORD: Okay.

10 MEMBER DICICCI0: It did take me a little
11 bit of time to figure it out, and I did get the same
12 document that you show on the screen, too. So not only
13 you see it there, but you also see it on the screen. So
14 just letting you know. Thank you, Mr. Chair.

15 CHMN STAFFORD: Okay. I was not aware it
16 came out through some other method of delivery.
17 Typically it's e-mailed to Tod in a PDF and then he sends
18 them to you.

19 MEMBER DICICCI0: Yeah, it's -- it just
20 takes a little time to get to it. You've got to put it
21 in your e-mail and do all this other stuff and it takes
22 time. All right. For those of us that are a little
23 older and a little less technical. Thank you, Mr. Chair.

24 CHMN STAFFORD: Thank you, Member DiCiccio.

25 Just let us know when you're ready, Member

1 Little.

2 MEMBER LITTLE: Well, I still can't read
3 the words but I should be able to read the -- to follow
4 along the one-line.

5 CHMN STAFFORD: Okay. So you're ready?

6 MEMBER LITTLE: Okay. Yes.

7 CHMN STAFFORD: All right. Please proceed,
8 Mr. Ellis.

9 MEMBER LITTLE: Please start over.

10 MR. ELLIS: I'll be happy to start over.
11 Glad you were able to get it downloaded.

12 MEMBER LITTLE: Thank you very much.

13 MR. ELLIS: You bet.

14 So there are two major circuits. We have,
15 we're planning a double-circuit project on the left-hand
16 side. The two circuits you see going into the point of
17 interconnection, which is Harcuvar substation, upper
18 left-hand corner, and out of that left-hand corner drops
19 down two circuits.

20 One runs straight down and one doglegs off
21 to the right. The one that runs straight down will serve
22 the PV and storage project that we spoke about yesterday
23 which is 300 megawatts of solar and storage for which we
24 have a signed contract signed contract with SRP.

25 And then the LGIA for that circuit is 400

1 megawatts in size. And so you see the 300-megawatt is
2 the main block, and then there's another smaller block
3 representing the incremental 100 megawatts of gas
4 generation that can tie into that conductor and flow
5 through that LGIA. So that represents the left-hand side
6 of the single-line diagram.

7 Off to the right are the additional gas
8 turbine units. So we have the gas turbine units that can
9 fill out the additional 600 megawatts of capacity.

10 So if we take the hundred that is shown in
11 the left block and we add it to the 600 in the right
12 block, that gives us the total 700 for which we're
13 seeking your approval here in this hearing.

14 MEMBER LITTLE: Okay. Thank you. And
15 thank you very much for providing this. It's very
16 helpful to me.

17 So there is no way -- the way the one-line
18 diagram is shown here, there's no way to charge the BESS
19 using -- oh, I guess there is.

20 What you have labeled as phase 2 Eagle Eye
21 gas plant on the right-hand side in the little bubbly
22 thing is totally separate from the solar and the BESS.
23 So the BESS cannot be charged from those generators; is
24 that correct?

25 MR. ELLIS: Generally, yes.

1 MEMBER LITTLE: Why generally?

2 MR. ELLIS: Sorry?

3 MEMBER LITTLE: You said "generally."

4 MR. ELLIS: You know, it's probably the
5 engineer in me and I know electrons flow. I mean,
6 there's physics and then there's contracting.

7 Let me maybe address your question, because
8 I think I know where you're going (indicating) this way,
9 which is when we sign power contracts with utilities,
10 those contracts and the resources that are dispatched
11 under those contracts are typically held separate.

12 The incremental -- so the 600 megawatts of
13 generation you see off to the right, we don't know who
14 that offtaker would be. It could be any number of
15 utilities and it probably will be a different utility.
16 That's typically how it works.

17 And so the utilities don't coordinate,
18 right, they coordinate within their own house, and that
19 would be I would say the primary reason why we can be
20 confident that the battery isn't going to be intermingled
21 with the gas generation.

22 MEMBER LITTLE: Right. But there is --
23 will be the ability under the LGIA with SRP to backfeed
24 into the BESS? To charge it from the grid?

25 MR. ELLIS: That's correct, Member Little.

1 The power contract that we've signed with SRP does give
2 the ability for the grid to backfeed the batteries.

3 I think it's highly unlikely that that will
4 ever happen, because solar energy is free. And once you
5 have the solar energy there right next to the batteries,
6 there's all kinds of efficiency -- when you go through
7 the transformers and there are multiple transformers you
8 have to go through, it just makes it a lot more expensive
9 to charge it from the grid.

10 MEMBER LITTLE: Sure. I understand that.

11 MR. ELLIS: It's always the -- utilities
12 always put it in their power contracts, but we
13 operationally never see it happening. If you have a
14 combined -- go ahead.

15 MEMBER LITTLE: My experience is that
16 that's not the case. Sometimes we have been told that
17 sometimes the LGIA specifies that it will not backfeed
18 just because of the load on the line.

19 MR. ELLIS: May I address that?

20 MEMBER LITTLE: Yes, go ahead.

21 MR. ELLIS: Yeah, you're absolutely right.
22 Is there are -- in order to be able to backfeed from the
23 grid, you have to have studied the technology for that
24 situation.

25 And so sometimes when you're going through

1 the study process, the project's only being studied as an
2 exporter and not as an importer. And you're right that
3 in those cases if you haven't been studied and cleared by
4 the connecting utility to charge from the grid, then they
5 don't want you to do that because you can hurt things in
6 the grid, right, the power --

7 MEMBER LITTLE: Exactly.

8 MR. ELLIS: Power can flow. And so what I
9 was -- and so I think your point stands. And what I was
10 addressing was that when we have that capability as we do
11 here, because that's how this project was studied, that
12 even when it can be backfed, we just don't see that
13 happen operationally hardly ever. So the utility always
14 wants that flexibility, but it just -- there are not many
15 cases where it's ever really used for the reasons I
16 stated.

17 MEMBER LITTLE: Right. Okay. That makes
18 perfect sense, and I appreciate that's a good clear
19 explanation of it.

20 Operationally if the system is running the
21 way it's shown on the one-line diagram, will the solar
22 panels charge the BESS first before power goes into the
23 grid?

24 MR. ELLIS: Yeah, again, because the solar
25 is free and cheap, that would be my expectation is that

1 yeah, and the way -- and there are -- the way the
2 transformers are laid out and the electrical efficiencies
3 is, the solar would typically be feeding the battery,
4 yes. And let me just --

5 MEMBER LITTLE: Okay.

6 MR. ELLIS: -- if I might also just clarify
7 while there are certainly -- it's technically possible to
8 feed a battery from the gas, I just can't ever see that
9 happening in reality.

10 And here's why. If you were to feed
11 thermal generate -- think about what a thermal generator
12 is. A thermal generator is the ability to deliver power
13 whenever you want it. And if you were to feed the
14 feeder, the thermal generator into the battery, it would
15 result in an inefficiency. Right?

16 The battery has a 92 percent round trip
17 efficiency and it just, in my mind, wouldn't make a lot
18 of practical sense to feed the thermal into the battery
19 and then stop the thermal unit from running and then
20 dispatch the battery, because the thermal unit -- the
21 battery will -- it's just inefficient. You're burning
22 more natural gas to do it that way.

23 MEMBER LITTLE: Unless the battery, and
24 this is just a hypothetical, if the battery system were
25 not fully charged when the sun goes down, and you wanted

1 to charge the BESS because the battery -- the power from
2 the battery is more -- can be used more immediately than
3 the thermal generation.

4 So, for example, with the -- which leads me
5 to my next question, if that hundred megawatts that may
6 be possibly interconnected into the circuit that were
7 phase 1, I guess, that could be used to charge the
8 batteries if they were not fully charged and the system
9 operator said, you know, we really would like to have
10 these batteries sitting here, capacitors if you will, to
11 be available immediately if we need it.

12 MR. ELLIS: So what you're describing is
13 technically possible.

14 MEMBER LITTLE: Okay.

15 MR. ELLIS: Let me just validate the way
16 you're saying, the way this is laid out is, you know,
17 that could be done.

18 I don't think there are a lot of situations
19 in the real world where that happens, but I think, but
20 that's not the point you're making. Your point I believe
21 you're making is it could be done that way and I would
22 agree with you, yeah.

23 MEMBER LITTLE: But most likely the
24 batteries will be fully charged from the solar system,
25 will sit there, fully charged, the rest of the power from

1 the solar system will go into the grid for the rest of
2 the day, so most likely the batteries would be fully
3 charged when the sun goes down.

4 MR. ELLIS: Absolutely. And here's why I
5 think we can be confident in what you're saying. Right
6 now in the summertime, the time when power is the
7 cheapest is the mornings today; right?

8 So there's abundant solar on the system,
9 that's when the temperatures are lowest, and because
10 there's such abundant power coming off the solar and the
11 temperatures are lowest, that's when you want to charge
12 the battery with the free available solar energy running
13 the site.

14 MEMBER LITTLE: Right.

15 MR. ELLIS: So you want to take advantage
16 of those market conditions, fill up the battery then and
17 then reserve that battery for dispatch later in the day
18 and then you would run the battery and the thermal
19 generation probably together when the sun was down. That
20 is most likely how it would happen.

21 MEMBER LITTLE: That makes sense. I do
22 everything I can during the day when the sun is out using
23 my solar.

24 MR. ELLIS: Right.

25 MEMBER LITTLE: It's a lot cheaper. And

1 the batteries are dispatchable; right?

2 MR. ELLIS: Correct.

3 MEMBER LITTLE: Well, this is very, very
4 helpful and I appreciate it immensely. And thank you for
5 answering all my questions.

6 MR. ELLIS: Our pleasure.

7 CHMN STAFFORD: I have a few questions of
8 my own. So you're saying that the gas plant is on the
9 left-hand side and then you have the solar and BESS on
10 the right-hand side?

11 MR. ELLIS: No, Chairman.

12 CHMN STAFFORD: It's the other way around.

13 MR. ELLIS: Yeah, so the PV storage -- and
14 the text is a little difficult to read. If you have the
15 PDF you can zoom in.

16 But you see for the left-hand side we have
17 essentially three blocks, right, distinct blocks. But
18 in, within the clouded bubble on the left-hand side is
19 the hundred megawatts -- thank you, that's -- what's
20 going on here? Why is that thing not working? Am I
21 doing something wrong?

22 You do have the magic touch. All right.
23 There we go.

24 So you can see here these labels here is
25 where -- so what I'm circling here on the left, this here

1 is the PV storage, the 300 megawatts of PV storage. This
2 bubble here is incremental hundred megawatts of gas
3 generation that we could fit on that.

4 By the way, we could obviously put another
5 hundred megawatts of PV storage over here, too. But
6 currently the plan right now the way we think the market
7 evolves would be for that to be gas.

8 And then over here on the far right would
9 be the additional 600 megawatts of gas-fired generation
10 on its own, on its own circuit.

11 CHMN STAFFORD: All right. So, but you're
12 not showing the solar on here at all, all you're showing
13 is the storage; correct?

14 MR. ELLIS: No, that is the combined PV and
15 BESS canopy. If you just again zoom in that text, the
16 capacity in the left is the solar and the storage.

17 CHMN STAFFORD: Okay. There it is. I see
18 it. It's pretty --

19 MEMBER HILL: It's hard to see.

20 CHMN STAFFORD: All right. So the way this
21 is set up, so it's 300 megawatts of storage; correct?
22 And you have 300 megawatts of solar that will feed that,
23 that will charge the battery; right?

24 MR. ELLIS: Yes.

25 CHMN STAFFORD: Okay. So when you

1 discharge the 300 megawatts of storage, depending what
2 time of day, couldn't you also send 100 megawatts of the
3 solar through that as well for a total of 400 megawatts,
4 300 from the battery, 100 from the solar panels
5 themselves?

6 MR. ELLIS: I would say no, because our
7 power contract, that would exceed the power contract.

8 What you're describing under --

9 CHMN STAFFORD: I'm talking about
10 physically.

11 MR. ELLIS: What you're describing in the
12 LGIA and physically is possible. Right. So you could
13 send 300 megawatts of solar and 100 megawatts of battery
14 down that electrical conduit, because it's been designed
15 for 400.

16 We won't do that because our -- that would
17 violate the power contract that we have with Salt River.
18 They can't actually call those resources under that power
19 contract in that configuration. Does that make sense,
20 what I'm saying?

21 CHMN STAFFORD: Right. Right. So I'm just
22 saying, because there's two things. There's the
23 interconnection agreement with WAPA; correct?

24 MR. ELLIS: Right.

25 CHMN STAFFORD: And then there's the power

1 contract with SRP.

2 MR. ELLIS: Yep.

3 CHMN STAFFORD: And so my question was
4 physically is this possible?

5 MR. ELLIS: Yep.

6 CHMN STAFFORD: Under the interconnection
7 agreement it is, but it will never happen because it's
8 not contemplated by the power agreement with SRP;
9 correct?

10 MR. ELLIS: Agreed.

11 CHMN STAFFORD: Okay. Understand.
12 However, you could send the 100 megawatts of power --
13 well, that would be subject to a separate agreement with
14 SRP to do that; correct? That hasn't happened yet.

15 MR. ELLIS: Yeah, so we're in discussions
16 right now about service for an additional hundred --

17 CHMN STAFFORD: Okay.

18 MR. ELLIS: -- with gas generation. Yeah.
19 And so that hundred could go the same time as the solar
20 and/or -- solar or the battery, yeah.

21 CHMN STAFFORD: Okay. But you're not going
22 to use, but you're not going to send the solar -- well,
23 let me ask another way.

24 So I guess how the BESS and the solar is
25 operated, so the sun comes up, it starts hitting the

1 panels, you start charging the batteries. That's going
2 to be the typical start to any day; right?

3 MR. ELLIS: That's correct.

4 CHMN STAFFORD: Okay. And so then at what
5 point of the day would the batteries be fully charged?
6 Typically, assuming a wonderful 110 sunny degree day.

7 MR. ELLIS: So it's -- yeah, so -- great
8 question. So that -- the math is relatively
9 straightforward. We can just walk through it here.

10 What I'm going to describe is not perfectly
11 the case because what you typically do is oversize your
12 solar field, so that you can feed your battery behind
13 kind of the primary meter at the same time that you're
14 generating.

15 But to make the math simple, it's 300
16 megawatts, it's a four-hour battery, it's 1200 megawatt
17 hours. So sun comes up, let's say at seven a.m. From
18 seven to eleven or maybe 11:30, maybe even noon, the
19 battery is being charged from the solar. And then from
20 noon until about seven o'clock at night, maybe 7:30 it's
21 all solar. And then from the 7:30 until 11:30, then the
22 battery would be generating.

23 CHMN STAFFORD: Okay. So during the time
24 the battery's charging for this system, it's not going to
25 also be exporting power to the grid.

1 MR. ELLIS: Yeah, the battery doesn't --
2 yeah, correct. It doesn't do two things at one time.

3 CHMN STAFFORD: Okay. All right. So the
4 solar -- okay. Is the window, the first window would
5 charge the battery, and then once the battery is charged
6 it starts sending the electrons from the panels to the
7 grid. And then when the sun goes down they discharge the
8 battery energy to the grid.

9 MR. ELLIS: You have it right.

10 CHMN STAFFORD: Okay. Now, I guess it's
11 going to determine when -- because SRP I'm assuming under
12 the contract they say they want those four hours, they're
13 going to tell you what specific four hours they want that
14 power from.

15 MR. ELLIS: Yeah, in our contract they have
16 full dispatch rights over the battery.

17 CHMN STAFFORD: So it could be --

18 MR. ELLIS: It's whenever they want.

19 CHMN STAFFORD: -- whenever they want.

20 MR. ELLIS: They tell us what to do and we
21 implement their commands.

22 CHMN STAFFORD: Now, looking at the gas
23 side, you've got, let's see here, so there's 14, I'm
24 assuming these are LM6000; right?

25 THE WITNESS: Yes.

1 CHMN STAFFORD: Okay. And those are, what,
2 52 megawatts each?

3 MR. ELLIS: I believe that is their rating,
4 yes.

5 CHMN STAFFORD: So at 50 it puts you at
6 700; correct?

7 MR. ELLIS: Right.

8 CHMN STAFFORD: Now, didn't you say
9 something about having three extra ones or spare,
10 redundant about -- for the LM6000, there would be 14 and
11 then you'd have two or three, I can't remember, was it
12 called spare or redundant? Is that correct?

13 MR. ELLIS: Correct.

14 CHMN STAFFORD: And they're not on, they're
15 not shown on this diagram?

16 MR. ELLIS: They're not shown on the
17 diagram.

18 CHMN STAFFORD: Okay. Is that because they
19 wouldn't be connected to the grid because they're spares?

20 MR. ELLIS: Yeah, we just -- we left them
21 out. Just, yeah, to avoid confusion for doing the math
22 that you're talking about.

23 MR. ACKEN: And it was the testimony of
24 Mr. Crabb that they would not be grid connected.

25 CHMN STAFFORD: Okay. So those would be

1 held in reserve till one of these clunks out, you could
2 swap the new one in.

3 MR. ELLIS: Yeah, they would then get
4 electrically closed in if one was down for repair.

5 CHMN STAFFORD: Okay. Because my thought
6 was, well, if they're hooked up and just not being used,
7 then that would -- the nameplate capacity would actually
8 be greater than 700 megawatts if they're able to be -- if
9 they're connected at all. So, but they're not going to
10 be. They're going to be not connected. That's what
11 you're saying; correct. Just making sure I'm crystal
12 clear on that.

13 MR. ACKEN: That's what the testimony is,
14 that's why we went with 700-megawatt nameplate capacity,
15 because electrically that will be the maximum connected
16 that we are requesting at any one time.

17 CHMN STAFFORD: Okay. And I guess for the
18 math, again, I'm assuming the nameplate on the LM6000 is
19 50 -- I seem to recall it could be 50 or 52. Is there
20 going to be -- do we need to be more fine-tuned because 2
21 times 14 is what? 38 -- no, 28.

22 MR. ACKEN: I think we were comfortable
23 with the 50-megawatt nameplate capacity as we developed
24 the application, and Mr. Ellis can certainly speak to
25 more details. It's fuzzy; right? And we talked about it

1 yesterday as what's operational, not -- that depends on
2 ambient conditions. But the nameplate that we felt
3 comfortable with was 50 megawatts per unit for a maximum
4 of 700 megawatts.

5 CHMN STAFFORD: All right. And then, let's
6 see, but the air permit contemplates it's for the first
7 350 megawatts; correct?

8 MR. ACKEN: Correct.

9 MR. ELLIS: Correct.

10 CHMN STAFFORD: All right. Now, so that's
11 how many machines?

12 MR. ELLIS: 350 would be seven units.

13 CHMN STAFFORD: So it's half of them, it's
14 like phase 1, then, I guess?

15 MR. ELLIS: Eight.

16 CHMN STAFFORD: Eight.

17 MR. ACKEN: I think Mr. Crabb presented
18 this testimony yesterday, working from memory. I think
19 it was eight units. Again, I'm not sure because ADEQ may
20 not be looking at nameplate capacity, just as La Paz
21 County wasn't looking at nameplate capacity. So we're
22 comparing apples and oranges.

23 And so my understanding, I think the
24 testimony, I see him nodding in the back, is that there
25 were eight units -- I think he'll confirm that for us --

1 eight of those 50-megawatt units to get to a 350 for air
2 quality permitting purposes, which doesn't necessarily
3 match nameplate.

4 CHMN STAFFORD: Right. Because I recall
5 that discussion yesterday, because this committee, the
6 statute says nameplate. But the air permit, they're
7 looking at operating capacity.

8 MR. ACKEN: Correct.

9 CHMN STAFFORD: And so is the county, so
10 that's why, that's the discrepancy between the 600 and
11 700 megawatts in the air permit application -- wait.
12 Hang on. Back that up.

13 The 600 megawatts between what you talked
14 to the county and then the 700 megawatts for the
15 certificate.

16 MR. ACKEN: Correct. That was the
17 distinction that we discussed yesterday with respect to
18 La Paz County. I think the same concept applies with
19 respect to the air permit, so the math doesn't quite add
20 up, again, because you're looking at --

21 CHMN STAFFORD: Apples and oranges.

22 MR. ACKEN: Uh-huh.

23 CHMN STAFFORD: Right. Okay. But then the
24 air permits for the first 350 megawatts, which nameplate
25 is going to be more than that because they're looking

1 at -- they're not looking at nameplate, they're looking
2 at operating, so that's the difference there.

3 But then -- okay, assuming you do, so
4 that's -- what does that translate to for nameplate,
5 roughly? It's 350 megawatts operating. You're looking
6 at -- what would you say the nameplate would be to do
7 that?

8 MR. ELLIS: Eight units and 50 megawatts
9 would be 400 megawatts nameplate, 350 operating.

10 CHMN STAFFORD: Okay.

11 MR. ELLIS: Yep.

12 CHMN STAFFORD: And then so you'd have
13 to -- you'd have to -- assuming that you get that
14 approved from the ADEQ and then you want to add the other
15 300 megawatts nameplate, would you have to amend the
16 existing air permit, get a new air permit? Tell me how
17 that process would work.

18 MR. ACKEN: We might have to bring
19 Mr. Crabb back up to clarify, but my understanding is it
20 would be an amendment to your existing permit because,
21 you know, it's -- you have one permit, you don't get a
22 second standalone permit for that. You would add on to
23 is the general rule. You know, I would ask that if I'm
24 wrong, Mr. Crabb, correct me. But I see a thumb's up.
25 So I think I can say that from a legal standpoint it

1 would be an amendment.

2 CHMN STAFFORD: Okay. Now, so would that
3 have the effect of raising the total amount of pollutants
4 you can issue under the permit, or would it be -- or
5 would it just mean that you could put out a higher
6 capacity at once, but not increase the amount of total
7 air pollutants you could emit under that permit?

8 MR. ACKEN: We're probably going to have to
9 bring Mr. Crabb back.

10 CHMN STAFFORD: And that's fine. I'm just,
11 my thought is, okay, the air permit covers the 350
12 operating megawatts and there's a certain amount of
13 pollutants that you're -- but you -- you voluntary --
14 restricting it based on what the permit application says.

15 MR. ACKEN: So there's a couple things that
16 I can say confidently based on the testimony yesterday.

17 One, Mr. Crabb testified that there's a
18 30 percent capacity factor limitation and that will exist
19 regardless because of the greenhouse gas emission
20 requirements. So on each, you know, whatever it is it's
21 going to be 30 percent of that total.

22 The second piece is it's also going to be
23 best available control technologies. So additional units
24 will be subject to the same best available control
25 technology requirements that they would be, whether

1 that's five units or 15 units.

2 I think what happens is you get over a
3 certain size of units, then you could trigger additional
4 permitting requirements as a major source. Remember,
5 Mr. Crabb testified minor source permitting versus major
6 source permitting.

7 I think the long and short of it as it
8 relates here is, and I think where I took comfort is
9 whatever that is, it's got to be approved by ADEQ.

10 And this committee, you know, by statute,
11 that's what's required is the air quality agency sets the
12 air pollution control standard, those are binding, those
13 are what's met. And so if we want to go up to
14 700-megawatt nameplate --

15 CHMN STAFFORD: Is that going to make it a
16 major new source?

17 MR. ACKEN: I don't know. I think there
18 are ways to do it where it wouldn't, but it may require
19 additional controls.

20 CHMN STAFFORD: Right. I mean, it's going
21 to restrict how -- the hours of operation. I mean, you
22 could --

23 MR. ACKEN: That's right.

24 CHMN STAFFORD: Because I think we've seen
25 in other plants where there's 700 megawatts, but there's

1 they still -- they got a synthetic minor new source, and
2 so they're limited 30 percent for the whole 700
3 megawatts, but under that same permit they could operate
4 about five of those units all the time.

5 MR. ACKEN: Yeah. Yeah. So I think the
6 same concept applies where you can -- you have your
7 overall number to be a synthetic minor, and then how you
8 allocate each unit, you have some flexibility subject to
9 those overall restrictions on 30 percent capacity factor,
10 things of that nature.

11 CHMN STAFFORD: Right. And then with the
12 diesel, I think -- I seem to recall from the air permit
13 you're looking at about 75 hours a year running on
14 diesel?

15 MR. CRABB: That's correct.

16 MR. ELLIS: I don't recall the number. I
17 can get it for you and validate it.

18 CHMN STAFFORD: Yeah, it seems like that's,
19 you're not anticipating that hardly at all just from my
20 cursory review of the air permit application.

21 MR. ELLIS: Upon having just read the
22 application I can confirm the 75 hours.

23 CHMN STAFFORD: Okay.

24 MEMBER LITTLE: Mr. Chairman?

25 CHMN STAFFORD: Yes, Member Little.

1 MEMBER LITTLE: Just to clarify what you
2 guys are talking about right here. So it doesn't matter
3 if you dumped all of that stuff into the air all at once
4 over the course of a week, or you space it out over the
5 course of a year?

6 MR. ACKEN: Member Little, I'm going to
7 speak to my understanding of air quality permitting from
8 the legal standpoint where I think it does matter.
9 Because -- and Member Drago, I see him nodding his head,
10 because there's --

11 MEMBER LITTLE: Yes, me too.

12 MR. ACKEN: There's multiple elements,
13 there's multiple thresholds. So we talk about a
14 30 percent capacity factor. We talk about synthetic
15 minor sources. You also have dispersion modeling; right?
16 And so your dispersion modeling has to model
17 expectations, and so if you model all 14 units at once
18 for a week, you may not pass dispersion modeling
19 requirements.

20 So all that gets played into the air
21 quality permitting process, which is why it's a lengthy
22 process. They have a lot of different scenarios they
23 consider, and there's a lot of different, if you will,
24 limits that are imposed to address exactly what you're
25 talking about. That's my legal understanding of it.

1 MEMBER LITTLE: And who monitors all of
2 that?

3 MR. ACKEN: I believe the testimony was
4 from Mr. Crabb that we will have continuous emissions
5 monitoring. I know that there is both semi-annual and
6 additional periodic monitoring requirements imposed by
7 ADEQ.

8 So in addition, you have excess emission
9 reporting, so if you go -- let me take a step back.

10 Typical air quality permit is going to have
11 short-term limits, maybe daily 24-hour limits, it's going
12 to have rolling annual limits that are on a monthly
13 basis.

14 If you go over any of those, that's an
15 excess emission, you have a reporting obligation. So you
16 have to monitor for all of those and those reports are
17 submitted to ADEQ. Both the periodic ones that are
18 required pursuant to the permit, and then if you violate
19 any of your emission limits you have additional immediate
20 reporting obligations.

21 MEMBER LITTLE: Thank you. I appreciate
22 that explanation.

23 Member Drago, do you have anything to add
24 to that?

25 MEMBER DRAGO: Yeah, I think Bert's right.

1 It's usually the permits have a rate of emissions, so in
2 your scenario, that's -- that wouldn't be feasible in any
3 permit. But it's a good question.

4 So, and I think what I heard in the
5 testimony thus far, it all seems accurate about the
6 diesel engines. My understanding it will be like
7 75 hours a year and there's going to be three, four
8 million gallon diesel tanks on site if that scenario goes
9 through, and then a couple scenarios for the turbines,
10 so, but that's all I have to say.

11 MEMBER LITTLE: Thank you.

12 CHMN STAFFORD: And they'll have to have an
13 underground storage tank permit for these diesel tanks,
14 Member Drago?

15 MEMBER DRAGO: I can find out.

16 CHMN STAFFORD: Okay.

17 MR. ACKEN: I believe the site plan
18 contemplated aboveground storage.

19 CHMN STAFFORD: Above ground, okay. Member
20 Hill.

21 MEMBER HILL: Thanks, Mr. Chair. So first
22 of all, thank you for the single-line drawing. This
23 helps me compartmentalize all the thing I like to
24 compartmentalize. And, I mean, overall I think your
25 approach is kind of elegant and responsive to the market

1 that is needed.

2 I was thinking through some questions that
3 Member Comstock asked yesterday about operations, and so
4 I just wanted to kind of ask about how these things work
5 together.

6 BrightNight will be operating the BESS and
7 solar system; right? Every time I say solar system I
8 kind of chuckle, you guys.

9 And then you have a contractor that's
10 operating the thermal side. Is that right?

11 MR. ELLIS: I believe Member Comstock's
12 questions were about the pipeline yesterday.

13 MEMBER HILL: Oh.

14 MR. ELLIS: And Mr. Crabb was answering
15 questions about how the pipeline would be maintained.

16 MEMBER HILL: Okay. You'll have a
17 contractor for that.

18 MR. ELLIS: Right.

19 MEMBER HILL: But you will operate the
20 thermal side, too, so --

21 MR. ELLIS: I'm not prepared to comment on
22 the thermal part of the plant. I mean, really what I
23 would need to do is ask my colleague, Mr. Crabb, to come
24 up and comment on the operation of the thermal units.

25 CHMN STAFFORD: I think we'll be bringing

1 Mr. Crabb back at some point in this hearing. So we
2 don't have to do it right this second, but I'm just
3 saying.

4 MEMBER HILL: I really am just asking not
5 in specific -- I'm not the detail person on this
6 committee.

7 BrightNight will operating the thermal side
8 of the facility as well?

9 MR. ELLIS: As an owner -- so let me say it
10 this way: As an owner we would operate it directly or
11 hire a third-party contractor to do that. I'm going to
12 say that my expectation will be we will hire a contractor
13 to do that. We do that presently for the solar and the
14 battery system right now.

15 MEMBER HILL: Okay.

16 MR. ELLIS: So BrightNight will probably do
17 those services in the future, but currently, for example,
18 in our project in Pinal County we hire Nova Source, who
19 is a large player, and they operate, you know, fleets of
20 solar systems throughout the country. And so as we -- as
21 we build these units that would be my expectation.

22 MEMBER HILL: Okay. Mostly I'm just,
23 because you have described what I think is a unique but
24 elegant solution to meet market demand, I'm trying to
25 figure out how these pieces work together and who's

1 making the calls in terms of putting these things on the
2 grid. And so that's what I wanted to understand. Like
3 how many players are involved operating the solar and
4 BESS systems, someone different operating the thermal
5 system, and --

6 MR. ELLIS: It would be two.

7 MEMBER HILL: Okay.

8 MR. ELLIS: It would be two. So we'll have
9 one operator for the solar and the battery. And, I mean,
10 theoretically you could have three, but there would be no
11 reason for us to have an operator.

12 So this is going to proceed in phases right
13 now, so right now I would predict three phases; right?
14 So we're going to have the 300 megawatts we've already
15 signed.

16 MEMBER HILL: Yeah.

17 MR. ELLIS: We have an opportunity to do an
18 additional hundred, and then later we want to build out
19 the incremental capacity, it would just make imminent
20 sense to use the same contractor across all of the
21 thermal fleet.

22 MEMBER HILL: Okay. That's helpful. Thank
23 you.

24 MR. ELLIS: Yeah.

25 MEMBER LITTLE: Mr. Chairman.

1 CHMN STAFFORD: Yes, Member Little.

2 MEMBER LITTLE: Question about this
3 conversation. If the thermal -- if SRP decides they want
4 the hundred megawatts of thermal and the project is
5 actually built the way it's shown on the one line, with
6 the thermal in its own little bubble --

7 MR. ELLIS: Yes.

8 MEMBER LITTLE: -- how does that work as
9 far, operationally? It looks to me like we've got two
10 projects. We've got one that is solar plus a hundred
11 megawatts of thermal, and then we've got another one that
12 may go to somebody else that's just thermal.

13 MR. ELLIS: Member Little, I think you're
14 thinking about that correct; right? So we would have
15 three different power contracts if it were to unfold in
16 the manner you're describing.

17 We have the one that's already signed. We
18 would sign a second power contract for the incremental
19 hundred that feeds onto the first circuit. And then we
20 would have a different utility for the third contract.

21 Now, even though we have different power
22 contracts does not mean we use different operators;
23 right?

24 So the very same company that we have out
25 there for the first hundred megawatts of natural gas,

1 again, we would want -- we would have every incentive to
2 have the same thermal contractor/operator on both of
3 those thermal power contracts.

4 MEMBER LITTLE: Okay. All right. That
5 answers my question.

6 MR. ELLIS: They might be dispatched at
7 different times it's but the same work force.

8 MEMBER LITTLE: Okay. Thank you.

9 By the way. I would like to say ditto to
10 what Member Hill said about this being a unique and
11 really practical solution to some issues that the
12 industry has not faced in the past. My old system
13 planning experience doesn't quite jive with what's going
14 on in the world today.

15 Mr. Chairman, let me ask you, if we have a
16 thermal plant connected to the solar system, do we have a
17 renewable system or do we have a thermal system? As far
18 as our authorization goes.

19 CHMN STAFFORD: I think our authority
20 extends to the thermal and the transmission. But the --
21 I think we need look at the solar because it plays into
22 the need and the total environment of the area, but other
23 than that, I think our jurisdiction is over just the
24 thermal and the transmission. I don't think that the
25 sharing of the line makes it all the way one or the

1 other.

2 MEMBER LITTLE: Electrically they're
3 connected.

4 CHMN STAFFORD: True.

5 MEMBER LITTLE: I'll leave it at that.

6 CHMN STAFFORD: Any other questions from
7 members?

8 Member Comstock.

9 MEMBER COMSTOCK: Mr. Chairman, as we go
10 down the path of these future production facilities, I
11 think it may be helpful to have an explanation on the
12 record.

13 In the liquid or gas -- in the natural gas
14 industry you can move different densities of liquids
15 through the same pipeline and be able to separate those
16 at the end user, whether it's gasoline or diesel. That's
17 been happening for a long time.

18 But I'm not sure it's clear to the public
19 how electrons are separated. If SRP in this case asks
20 for solar to be sent, it's not necessarily the same
21 electron that I'm going to get at my house to turn on the
22 light.

23 Can we -- maybe -- it's not this panel that
24 does that, but I think somewhere in the future we need to
25 differentiate that so that the public understands the

1 difference between how pipelines move material and how
2 electrons actually run through the wire.

3 CHMN STAFFORD: As useful as that may be, I
4 think it's kind of maybe a little beyond our purview to
5 get that word out.

6 MEMBER COMSTOCK: Well, you're asking me to
7 vote yes or no on whether I want to approve a gas plant
8 and an air permit to generate electricity in a populated
9 area.

10 I think it's important for the public
11 that's around that to understand that. So I'll leave it
12 to you to -- we can discuss offline, but I think it's
13 important in the future to know the difference between
14 the two.

15 CHMN STAFFORD: I guess we can, when it
16 comes time to discuss the certificate and the conditions,
17 if you'd like to propose some sort of condition that
18 would address that, we could discuss that.

19 MEMBER COMSTOCK: I'll work on it. Thank
20 you.

21 CHMN STAFFORD: Thanks.

22 Mr. Acken.

23 MR. ACKEN: Thank you, Chairman.

24 At the risk of beating a horse, from my
25 perspective, the issue is you have electrical realities

1 and then you have statutory framework developed by
2 elected officials, and the lawyers who advise them;
3 right? And sometimes they don't match perfectly.

4 As to your question, Member Comstock,
5 informing the public, I'll preview my closing, but I
6 think it is part of the total environment. That's why we
7 talk about the nonjurisdictional facilities.

8 And the record that we've developed in this
9 case is that the public is well-informed about what the
10 different resources are that are being developed in this
11 area. And I think that's what as an applicant we can do.

12 You know, we live within the framework
13 that's established at the state level as for what's
14 jurisdictional and which agency and which governmental
15 body regulates what, and we go to them, we get the
16 authorization.

17 But we try. I think this team's done a
18 great job of sharing with the public what's the overall
19 story to your point, what's the overall message.

20 And so that's what I will ask that you hold
21 us to and you've heard the public outreach messaging. I
22 don't think that there has been -- we have not tried to
23 slice it and dice it in the public that this is all that
24 matters. Because we've combined in some ways the county
25 entitlement process in this process for public outreach.

1 So they view it as a whole.

2 So I think generally we get there. We
3 being this applicant and the industry, even without some
4 of the pieces and parts don't necessarily ring true in
5 isolation. But I view that as our job to bring it
6 together.

7 MEMBER COMSTOCK: Mr. Chairman, and I
8 appreciate this group. They are well prepared and very
9 well versed in what they are talking about, which is one
10 of the reasons I brought it up, because I thought they
11 could provide that reasonable explanation in a simplistic
12 form that I can understand and maybe that folks out there
13 would be interested in.

14 But I appreciate your explanation and
15 certainly this is not about this panel, but I think in a
16 general overall discussion I think it would be important
17 for people to know. So, thank you.

18 CHMN STAFFORD: Well, I guess while we're
19 on the topic of the air permit, I was kind of confused by
20 the public comment yesterday, this talk of data centers.

21 Because I didn't recall seeing that at all
22 in the application any mention of data centers. But then
23 looking at the air permit application, it states on
24 page 11 of the executive summary that the proposed
25 facility will operate as a behind-the-meter power

1 generation facility, primarily serving data centers.

2 That confused me.

3 MR. ACKEN: So the discussion last night
4 confused me, too.

5 MR. ELLIS: I can address this.

6 MR. ACKEN: Yeah, I would like --

7 MR. ELLIS: Let me address this. So a lot
8 of times when you put together the early documents, as
9 you sit back as a developer and you're talking about the
10 universe of opportunities you can pursue, that was an
11 opportunity we were thinking about at that time.

12 We have had discussions with the members
13 and the town. We've told them that we've looked at this.
14 We have also said that before we ever bring anything
15 forward for that intent, that we would have an extensive
16 vetting session and we would have to work extensively
17 with the community to gain their support before we ever
18 went for such a permit.

19 So that was something we thought about at
20 that time. As we proceeded with the project we have
21 decided to focus exclusively on power generation. We
22 went before La Paz County board of supervisors and we had
23 exactly these questions.

24 We dealt with them in the same way, it's
25 something we've looked at, it's something we've

1 considered. But right now we are only seeking permission
2 and permitting for the power generating resource. And
3 should we decide that this is something we think is worth
4 doing and could be beneficial to the community we would
5 need to spend a lot of time with the community, we'd gain
6 their trust carefully and slowly over a number of years.

7 And so that's not something we're seeking
8 for approval right now, and before we ever decide to go
9 do that we'll spend a lot of time with the community and
10 then we would go get the county permit to do that, but
11 only after we had gained the full support of the
12 community.

13 CHMN STAFFORD: And you have the county
14 entitlements for this project already; correct?

15 MR. ELLIS: We already have the
16 entitlements and it's for 400 megawatts of solar and
17 battery and 600 megawatts of gas generation, and that's
18 it.

19 CHMN STAFFORD: Okay. And that's
20 nameplate. I mean, operating capacity.

21 MR. ELLIS: That's operating. Yeah, we had
22 that exchange yesterday; correct.

23 CHMN STAFFORD: Okay. Thank you.

24 MR. ELLIS: And I apologize for the
25 confusion on the data center, but that's -- yeah, it's

1 not something we pursued with the county. And if we did,
2 we would spend a lot of time with the community first
3 before ever going before the county.

4 CHMN STAFFORD: And that's not relevant to
5 the air permit application?

6 MR. ELLIS: Correct.

7 CHMN STAFFORD: So that's -- you didn't
8 need to --

9 MR. ELLIS: That was an oversight that that
10 got in and it's in there, but that's right.

11 CHMN STAFFORD: Okay. Because I noticed it
12 was still, it was in Exhibit 15, which was the initial
13 one, and was still in Exhibit 17, which is the revision.
14 I guess that's because it's irrelevant to their
15 considerations of what it's going to be used for, I
16 guess? Is that the case?

17 MR. ELLIS: I think typically you have to
18 put a purpose and need in there, but I mean, obviously
19 the air permit and the air quality is what the air
20 quality is. And right now as I said, we plan to -- we're
21 pursuing offtake opportunities for power generation
22 purposes right now.

23 CHMN STAFFORD: Okay. Oh, Member Hill and
24 then Member Fant.

25 MEMBER HILL: So just to confirm what I

1 think I heard is none of the generation proposed and
2 associated with this permit would be used for a data
3 center in the future?

4 MR. ELLIS: In terms of this permit, that
5 is not the plan presently. Like, we don't have -- that
6 is not our plan presently. Right.

7 MEMBER HILL: But if the opportunity arose
8 you would want the option to be able to sell directly
9 to --

10 MR. ELLIS: If the opportunity arose and we
11 were able to gain the trust and support of the community,
12 which would be something that we would consider.

13 MEMBER HILL: Selling directly to the data
14 center?

15 MR. ELLIS: That is an option in the
16 future, but we would only do that with the support of the
17 community.

18 MEMBER HILL: Okay.

19 CHMN STAFFORD: Well, that's only if you
20 put the data center here; right? I mean, if you're
21 generating power into the system it could be powering a
22 data center 50, a hundred miles away; right?

23 MR. ELLIS: Yeah. The more -- I mean,
24 yeah, what you've just described is a scenario, we would
25 sell to a utility and the utility could be doing whatever

1 it needs to do to serve its load.

2 There is a case -- I mean, there is a
3 scenario where someone could decide to colocate, but
4 that's -- and that's really, really extensive and very
5 complicated work and takes years and years to develop
6 that.

7 MEMBER HILL: And the only reason I ask is
8 because at the end of our -- at the end of the CEC
9 there's a bunch of statements around need and purpose --

10 MR. ELLIS: Yeah.

11 MEMBER HILL: -- specifically. And so if
12 you're generating power -- if there's a likelihood that
13 the -- like all the thermal or less than -- 100 megawatts
14 less, the rest of the thermal goes to a data center, then
15 I feel like those need and purpose statements need to be
16 adjusted a little bit. And so that's why I'm asking for
17 clarity on whether this is likely to go to grid or likely
18 to --

19 MR. ELLIS: If you could, what I'd like to
20 do, an opportunity visit with counsel on that and circle
21 back to the purpose.

22 MEMBER HILL: Okay.

23 MR. ELLIS: I appreciate you raising it.

24 MEMBER HILL: Yeah.

25 MR. ELLIS: And I probably would like to

1 visit with Mr. Acken a little bit and then come back
2 and --

3 MEMBER HILL: Okay. That's fine.

4 MR. ELLIS: -- address that's how we want
5 to do that.

6 MEMBER HILL: I'm just trying to think
7 through the CEC and how it's reflected.

8 MR. ELLIS: Yep, you bet.

9 MEMBER HILL: Thank you.

10 CHMN STAFFORD: Member Fant.

11 MEMBER FANT: Thank you, Mr. Chair. If you
12 have a sawhorse and you set it down and you have a big
13 ol' juicy plum and you take a big ol' bite of it and set
14 on top of the sawhorse, and then sit down and start
15 watching that plum, within ten minutes a fruit fly will
16 show up.

17 So large potential energy complex, energy
18 campus complexes are like plums to data center
19 developers. So they'll show up naturally. I mean, it's
20 just a matter of fact. I mean, it will occur.

21 CHMN STAFFORD: Member Mercer.

22 MEMBER MERCER: Since we're talking about
23 all this, I think it's pertinent for me to ask these
24 questions.

25 Public comment yesterday, and I know we

1 haven't covered some of them but I just want to -- I just
2 jotted down some questions.

3 MR. ELLIS: Sure.

4 MEMBER MERCER: The lady that spoke, she
5 said that the tribes had not been consulted. What
6 consultation is legally required? That's my number one
7 question.

8 Number two, has the applicant complied with
9 those requirements? And were any tribes identified as
10 having cultural, historical, or archeological interest in
11 the project area?

12 So basically what I'm asking is could you
13 summarize the tribal consultation and cultural resources
14 coordination that has occurred for this project including
15 any consultation conducted by BLM or other agencies and
16 whether any concerns remain unsolved?

17 CHMN STAFFORD: I think that's going to
18 come up in the next section of testimony with --

19 MEMBER MERCER: Yes.

20 CHMN STAFFORD: -- Ms. Pollio.

21 MR. ELLIS: Great segue.

22 MEMBER MERCER: I just wanted to make sure
23 that since we're talking about, you know, talking to the
24 community and earning their trust, and I thought it was a
25 perfect time for me to fill that in.

1 MS. POLLIO: Absolutely. We are going to
2 go over the entire Exhibit D, the portion does include
3 cultural and the tribal consultation that was conducted.

4 I'll also note that we did spend about, I
5 think almost -- definitely everyone on this panel as well
6 as our previous panel did spend about an hour with the
7 people that were here. So we got a lot accomplished. So
8 I definitely want to go over that and make sure that we
9 do describe, you know, how we talked to that group.

10 I also want to mention there was a bit of
11 confusion I think with the data center piece and we were
12 able to talk through this.

13 There was something on the board of
14 supervisors at La Paz County yesterday, even I spoke to a
15 number of other residents that came in and they all kind
16 of were talking about just, you know, there's other
17 meetings going on. So I think when we were talking to
18 them they said that they may have been at the wrong --
19 had thought the wrong project but we clarified it.

20 But they definitely were very interested in
21 participating. So we did have a very lengthy discussion
22 about clearing up tribal consultation as well as
23 participation. So I will go over that.

24 MEMBER MERCER: Thank you.

25 MR. ACKEN: Member Mercer, would you like

1 us to jump into that now or in the normal course?

2 MEMBER MERCER: In the normal course.

3 CHMN STAFFORD: Coming up next is -- starts
4 with the environmental review of the land use, and then
5 the biological, visual, cultural. And that's what the
6 slide says that's coming up, so --

7 MR. ACKEN: We have a ready-made template
8 based on the exhibits to the application, so --

9 CHMN STAFFORD: Please proceed.

10 MR. ACKEN: So that is the perfect segue.
11 So Ms. Pollio, please summarize the studies that have
12 been conducted for the CEC and the project as a whole.

13 MS. POLLIO: Yes. So myself and Mr. Martin
14 will go over the contents of the environmental studies
15 that are presented in the CEC application.

16 Exhibits A and B talk about ownership
17 jurisdiction, land use, and NEPA.

18 The biological resources are included in
19 Exhibits C and D.

20 Cultural resources are in Exhibit E.

21 Reevaluation resources in F. Existing
22 plans in H, and noise in I. So we will go over all of
23 those different studies and make sure that we summarize
24 and can get through any questions.

25 MR. ACKEN: Thank you, Ms. Pollio, and I

1 should have referenced for the record that she was
2 referring to Slide R47, which provides a summary of the
3 studies conducted.

4 BY MR. ACKEN:

5 Q. Well, let's jump in and discuss your analysis of
6 land use that really begins in earnest on Slides 49 left
7 and right.

8 A. (Ms. Pollio) Thank you. So as you will see
9 there's a summary on L49 And a map that demonstrates the
10 jurisdiction in the area of the project.

11 So the project is located on a mix of BLM,
12 Bureau of Land Management land, state land, which is in
13 light blue, so the BLM land is in light yellow. BLM --
14 BLM in light yellow, state land is in light blue, and
15 where you see white, that is private land.

16 The land use and zoning information was gathered
17 from La Paz County.

18 None of the project components are located
19 within two miles of an incorporated city or town;
20 however, we are approximately two miles northeast of
21 unincorporated community of Wenden.

22 Next we'll look at Slide L50. This talks about
23 future land use. On R50 you can see the map that shows
24 what the current future land use designations are for the
25 site.

1 So first we'll talk about what's out there,
2 what's existing. We have talked about this with the
3 route tour, the virtual route tour, and a number of
4 different aspects.

5 But this is an area where there are existing
6 infrastructure. There's utility substations, gas
7 pipelines, and other transmission lines in the area.

8 The project recently went through the
9 entitlement process with La Paz County. We completed a
10 minor comprehensive plan amendment to change the future
11 land use designation from low-density residential and
12 agricultural to rail and heavy industrial.

13 So the land use of the project right now, the
14 future land use based on that comprehensive plan
15 amendment as well as the -- and I think it's important to
16 note planning and zoning as well as the board of
17 supervisors both voted unanimously to approve the
18 project.

19 Along with that application there was also a
20 conditional use permit that was approved, again,
21 unanimously by planning and zoning and the board of
22 supervisors. And this is basically a conditional use
23 permit to allow the project in the current zoning
24 designation, which is rural agriculture.

25 So, again, this is one of those projects that I

1 enjoy bringing when we have the entitlements, because we
2 can clearly say it is consistent with both the land use
3 and the zoning of La Paz County based on their approval
4 and their unanimous decisions.

5 MR. ACKEN: Thank you, Ms. Pollio.

6 Before we switch to Exhibit B I want to
7 follow up and maybe we could go back a slide. There were
8 questions -- thank you.

9 There were questions from Member Fontes
10 yesterday asking about additional plans. I don't want to
11 put words in his mouth, but such as grading plans, some
12 site development plans.

13 There was a reference to an SPCC, which
14 I'll let Mr. Martin explain what that stands for. So
15 with that, Mr. Martin, can you talk us through what are
16 the next steps in that county entitlement process, and
17 the additional permits that you will need to obtain now
18 that you have the county process, and once you have the
19 NEPA process complete that you're going to talk about in
20 a moment.

21 What's the universe of additional permits
22 that you're going to obtain?

23 A. (Mr. Martin) Certainly. Good morning,
24 Mr. Chairman, members of the committee. So the next
25 steps, once we get entitlements, are that we turn -- we

1 start turning our eye to conceptual design and more
2 formal design.

3 Those designs are going to be informed by data
4 that our engineering division has collected and that my
5 department has put together in terms of constraints on
6 the ground for the limits of grading and where they can
7 and cannot perform ground disturbance.

8 So it's a transition from permitting and
9 entitlement into construction. So the first thing we do
10 is we bring all of the conditions of approval for
11 whatever they may be, if it's notice to proceed on the
12 BLM, if it's grading permit at the county level, those
13 are put into a table that is started track.

14 And that's put into a contract that goes out in
15 our bid package for our EPC contractor to bid on. So
16 they're aware of what they need to do.

17 Part of that scope of work is to finalize the
18 engineering designs. We do that as a transition team,
19 but the permitting makes sure that what's going into
20 design is consistent with the constraints we've received
21 from our entitlements. Same thing with the lease
22 agreements, our land team makes sure that any conditions
23 in the lease go into that EPC packet.

24 As they progress towards a notice to proceed and
25 grading permits, they submit to BrightNight for review

1 and to the county or BLM for review.

2 So once it reaches a level of -- for the
3 grading, two things that came up yesterday. One is the
4 spill prevention containment and countermeasure plan.
5 That is an engineering document that is certified by a
6 PE, and it's based on the volume of hazardous liquid
7 stored on the site.

8 And there are thresholds for the volumes and
9 whatnot for different tiers. But the EPC is responsible
10 for putting that plan together before construction
11 begins. That is to be stamped by an engineer and
12 submitted to whoever the agency is that's doing the
13 building permit.

14 The second is a SWPPP, the stormwater prevention
15 plan, that is also put together by an engineer based on
16 engineering designs in later phases because they have to
17 know the volumes of stormwater that could be potentially
18 generated by that on the nonpervious surfaces.

19 That is also stamped by an engineer, submitted
20 for waste discharge permit that the state regulates.

21 The final process is when all of the design, the
22 plans, fire management plans, waste management plans are
23 submitted as packets to the entitlement agency for review
24 and approval and issuance of grading permits and notices
25 to proceed.

1 BY MR. ACKEN:

2 Q. Thank you, Mr. Martin.

3 A. (Mr. Martin) Sure.

4 Q. If there are no follow-up questions, I'd like
5 you to next, we are going to move to Exhibit B and
6 Mr. Martin is going to present this as well.

7 And just as a reminder for the committee, this
8 is -- Exhibit B includes other studies conducted in
9 support of the project that don't necessarily -- aren't
10 developed specifically for the project.

11 And for this one, we provided the air quality
12 summary and then obviously provided the air quality
13 permit application as requested by the committee. You
14 have the groundwater availability assessment. Those are
15 where those are housed. We talked about those.

16 The next two items we have not talked about in
17 any detail other than just to preview them, and so,
18 Mr. Martin, if you would, talk about these two documents
19 and what exactly they are and why are they here.

20 A. (Mr. Martin) Certainly. A portion of this
21 project, as everyone understands, is on federal land and
22 we are seeking a right-of-way grant which constitutes
23 federal action that the BLM is subject to NEPA, which is
24 the National Environmental Policy Act that requires them
25 to disclose the impacts to the environment to the public

1 in order to make a decision for a less environmentally
2 impactful project.

3 So part of that process is putting together a
4 plan of development which describes in great detail what
5 we're going to be doing for construction. It gives a
6 project description. It describes the environmental
7 conditions and into operations and eventually into
8 decommissioning, so the life cycle of the project over
9 30 years.

10 That plan of development is then used to draft
11 an environmental assessment which in this case is the
12 choice of the BLM in hopes that we can show that there
13 are no significant impacts from this project on the
14 environment as opposed to an EIS to support the NEPA
15 decision.

16 CHMN STAFFORD: And the scope of the NEPA
17 review is going to be just the transmission line,
18 correct, because that's what crosses the BLM land?

19 MR. MARTIN: That's correct. The BLM and
20 us have been working very closely to make sure that
21 they're not creating a transmission line from nowhere.

22 So they have required us to be very
23 transparent and we have recently submitted a new draft of
24 the plan of development which includes the description of
25 the off federal lands activities, and they are going to

1 require us to evaluate those at a comparative level, not
2 a quantitative level. So they acknowledge the fact that
3 there's activities that are generating electricity off
4 federal land and that will be disclosed in the document.

5 CHMN STAFFORD: And that document has been
6 marked as Exhibit 16; correct?

7 MR. MARTIN: Yes, Chairman.

8 CHMN STAFFORD: All right. Thank you.

9 MEMBER HILL: Mr. Chair.

10 CHMN STAFFORD: Yes, Member Hill.

11 MEMBER HILL: The environmental assessment
12 that's in our binder is the old alignment.

13 MR. MARTIN: Yes, ma'am.

14 MEMBER HILL: Can you talk us through
15 how -- the status of the new alignment in the report and
16 where you are with that?

17 MR. MARTIN: Yes, ma'am.

18 MEMBER HILL: This, it's just a little bit
19 different. I know it's adjacent.

20 MR. MARTIN: I will have a slide on that --

21 MEMBER HILL: Okay.

22 MR. MARTIN: -- in just a few moments.

23 MEMBER HILL: I didn't look ahead.

24 MR. MARTIN: That's okay. I want to get
25 through the NEPA process description real quick, and then

1 we'll go into how we're populating that with the data
2 that we've got.

3 MEMBER HILL: Great.

4 MR. MARTIN: So as I discussed, in order to
5 retain a right-of-way grant we have to do -- this is a
6 grant proposed for gen-tie route and it's going to be
7 based on an environmental assessment for the decision
8 that the BLM has to make to issue that grant.

9 The applications are for approximately
10 five-mile transmission line, and in a corridor about
11 150 feet wide that constitutes about 670 acres.

12 When it's said and done that will be
13 reduced to the actual right-of-way footprint for the
14 30 years of about 110 acres.

15 The rest -- the, again, the plan of
16 development has changed because we've done the
17 realignment, so the 740 acres in this is not accurate.
18 It's now 600. So you've gotten the new plan of
19 development.

20 Also, that new plan of development shows
21 the realignment, the proposed route of that. So that's
22 the process we're in.

23 The next steps are, since we've got the
24 plan of development updated, the BLM will review that for
25 completeness. They've already done several iterations.

1 We believe this is the final one. Under their direction,
2 we've moved that corridor, that transmission line into
3 the corridor that's consistent with their resource
4 management plan.

5 We feel that this makes it a more
6 well-sited project and much more defensible for their
7 decision.

8 So -- and January 15 we submitted the 299,
9 and we've since updated that with the new alignment. In
10 March of this year, we've drafted the environmental
11 assessment. June, we transmitted that to BLM.

12 I'll mention also that a cooperating agency
13 is WAPA, because they are approving the interconnection
14 and the construction of the facilities at their
15 substation. So they, instead of making a separate NEPA
16 document, are piggybacking on this as a cooperating
17 agency to make that decision.

18 Currently the BLM is reviewing our plan of
19 development and the process of finalizing the EA. We're
20 targeting to have that approved sometime in October and
21 we're on track with that.

22 So next I'm going to, Member Hill, I'm
23 going to go into the biological resources and what we've
24 done to date.

25 So our process is based on the land, the

1 guidelines for development of land-based wind energy, and
2 that's a standard Fish and Wildlife Service, it's been
3 vetted by the federal advisory committee in 2009, and so
4 we use that as a standard of care.

5 And one of the sections of this permit is
6 areas of biological wealth. So the fundamentals of our
7 permitting process start at a high level and identify the
8 areas of what you term as biological wealth is areas of
9 regional concern.

10 Important birding areas, refuges, critical
11 habitat, anything that at a regional level we need to
12 take into account, like a utility corridor.

13 So once those are completed, they're
14 documented and we go down to the next level, which would
15 be using tools, basically coordinating with the state
16 agencies, wildlife agencies, and federal wildlife
17 agencies to get their input on what species may occur at
18 the project level across the landscape.

19 So once we identify that, we develop a
20 potential for occurrence table that lists all the species
21 that could potentially occur.

22 From that we scope on the boots -- or our
23 boots-on-the-ground surveys, to your point. We always
24 survey a larger area than where our infrastructure is
25 going to be.

1 MEMBER HILL: Okay.

2 MR. MARTIN: So in this case --

3 MR. ACKEN: Mr. Martin, hold on. I think
4 Member Hill has a question.

5 CHMN STAFFORD: Member Hill, do you have a
6 question?

7 MEMBER HILL: I do.

8 You always survey an area larger than the
9 space, so that's fantastic. My question is is the data
10 you're presenting to us just the BLM stuff?

11 MR. MARTIN: No, ma'am.

12 MEMBER HILL: Okay. I just want to make
13 sure that we're differentiating. I know the standards
14 are different. It's very frustrating to me that the
15 standards are different, that you'll do better on BLM
16 land than you're going to do on the state lands. But I
17 do want to understand how you're going to treat them
18 differently.

19 MR. MARTIN: Correct. So let me see if
20 these -- go back.

21 All right. So the studies that we've done
22 over the past several years from 2003 -- and where is
23 the -- yeah, here it is, I forgot about the right slide.
24 So from 2002 to 2006 we have performed biological
25 cultural surveys to the same standard.

1 So we've done biological field work that
2 was done for the planning area on the BLM that will
3 represent about 3,000 acres.

4 To date -- I'm just going to rush through
5 that -- to date we duplicated those on the state and
6 private land for the additional 3,000 acres.

7 MEMBER HILL: Thank you.

8 MR. MARTIN: Over the past years up till
9 right now they are currently finishing up desert plant
10 surveys, which gives us a hundred percent survey, a
11 census of the saguaros and desert plants that are out
12 there on the ground, so our engineers can plan for either
13 salvaging, relocating, or abiding by state law and
14 notifying for removal.

15 So those are being wrapped up.

16 To date, so we've got 6,000 acres of
17 survey. We've got -- within that 6,000 acres we've got
18 100 acres of thermal. We've got 20 acres of battery.
19 And about 18 acres of transmission line. So we've got a
20 considerable amount of data. And we can very well cite
21 these facilities within that. So does that answer your
22 question?

23 MEMBER HILL: Yeah, I'll be interested in
24 the mitigation piece.

25 MR. MARTIN: Great.

1 MEMBER HILL: But I do want to compliment
2 you, one of your letters of support even identified some
3 of the biological stuff that you were doing and the plant
4 salvage, although I would prefer to call the program
5 plant rescue, that sounds way better than plant salvage,
6 so I rebrand all of that. But the plant rescue component
7 of it, too. If you could talk about that that would be
8 great.

9 MR. MARTIN: Certainly. So --

10 CHMN STAFFORD: I have a question for you,
11 talking about the surveys. Originally under 236 you had
12 the line only going to the -- it's only the northern
13 portion of the line for this project. You had the solar
14 facility located on BLM land. Is that what you're
15 talking about?

16 Did you do a bunch of surveys for that
17 tract of land, or did you decide to relocate the solar
18 facility before -- how far did you get into the analysis
19 of the land impacts of that aspect of it --

20 MR. MARTIN: We got very far into the
21 analysis. We had almost gotten a final draft when the
22 administration changed. And so the BLM was under
23 different direction to treat solar differently. And so
24 we immediately pivoted to private and state land.
25 Because we had that as an option, we could do it quickly.

1 We had -- so we had 3,000 acres of survey to use but not
2 build on.

3 CHMN STAFFORD: So I guess the survey
4 records are still in existence, so I guess does -- was it
5 surveyed for archaeological and cultural resources as
6 well?

7 MR. MARTIN: Yes, sir, both Category 1 and
8 Category 3 complete boots on the ground.

9 CHMN STAFFORD: Okay. So, and then so
10 SHPO, State Historic Preservation Office, has those
11 results of those surveys?

12 MR. MARTIN: They do and to date they've
13 got the -- and Kenda will consider that, but the -- we've
14 already completed all the archaeological surveys on all
15 6,000 acres, both state, private and federal, and we have
16 SHPO concurrence on all those parcels of land.

17 CHMN STAFFORD: I did notice that in the
18 application.

19 MS. POLLIO: And I'll just add that's
20 another thing that we don't usually get to say.

21 CHMN STAFFORD: Yes.

22 MS. POLLIO: That's two checks. I just
23 want -- I like pointing those things out because it's --
24 it's two checks, very expensive and two checks, so you
25 are correct.

1 MR. MARTIN: So in a -- let's see, I think
2 it's Exhibit 9, you have -- so we've coordinated with
3 BLM, with the state Game and Fish, and Fish and Wildlife
4 Service. We have a very close relationship with the
5 Game and Fish department because we've been developing
6 several projects in this portion of -- in Yuma district.

7 And so we provided them through the county
8 process all the facilities on state, private, and federal
9 land to look at again.

10 So in your packet is their response from
11 their review. They give us some recommendations and our
12 engineering team and the permitting team discussed them
13 for practicality. And unfortunately because of what you
14 were discussing yesterday, the ephemeral drainage on the
15 site has got to be very carefully engineered.

16 And the engineers looked at it and said the
17 amount of channelization that will be required
18 specifically is very precise, and the level of armament
19 and riprap that's required to make sure that the water
20 passes through the facility adequately in a safe
21 discharge as does not produce sediment, that they would
22 have to exclude wildlife corridors.

23 So we could implement all of their
24 recommendations with the exception of two. One is to
25 allow for, we typically fence corridors for wildlife

1 movement through our solar projects. The gas plant we
2 can't do that because of safety issues. They understood
3 that.

4 Also, that we can't -- the engineering is
5 such that the armament and riprap, if an animal were to
6 get into that area could be a safety problem for the
7 animal, and so the Game and Fish, they agreed with that.
8 I replied back the letter that's included in your packet.

9 CHMN STAFFORD: We're talking about
10 Exhibit 9?

11 MR. ACKEN: Yes.

12 MR. MARTIN: Yes, sir. There's the three,
13 there's their letter to me, my response, and then their
14 acknowledgment of that response.

15 In total agreement, and so we're moving
16 forward with that.

17 I will add that we have also in part of the
18 mitigation we're working with the Arizona mule deer
19 organization. They approached us and we donated funds
20 for establishment and maintenance of existing and
21 potentially future water facilities in the Harcuvar
22 mountains and hills for big game including mule deer,
23 javelina, and bighorn sheep.

24 So they got those funds and they're working
25 on those projects now. That has been nice to work with

1 them.

2 CHMN STAFFORD: Member Fant.

3 MEMBER FANT: Thank you, Mr. Chair.

4 I want to talk about or ask about two
5 smaller species. The first would be the small boa
6 constrictors that live out there, the Rosy Boas.

7 MR. MARTIN: Yes, sir.

8 MEMBER FANT: Did you find any of those on
9 site or any --

10 MR. MARTIN: We did not. And I will add
11 that we will have both cultural and biological monitors
12 on site prior to ground disturbance throughout
13 construction to make sure that we're looking for the
14 species that may be incidental out there.

15 MEMBER FANT: Because most snakes in
16 Arizona are nocturnal, so you need to go out at nighttime
17 and thrash around the desert to find them?

18 MR. MARTIN: Correct.

19 MEMBER FANT: Number two, this may be a
20 little too far east, fringe-toed lizards in this area?
21 Are they farther west?

22 MR. MARTIN: Farther west. And I've got
23 some stripes from working with that species in Palm
24 Springs.

25 MEMBER FANT: So this is not fringe-toed

1 lizard habitat; right?

2 MR. MARTIN: No, sir.

3 MEMBER FANT: All right. Thank you, sir.

4 MR. MARTIN: So in summary --

5 MR. ACKEN: Before we go to the summary --

6 MR. MARTIN: Mr. Acken, I wanted -- well, I
7 think I want to have you pull up the photographs that
8 have been marked for identification as Hearing Exhibit 19
9 and have you kind of walk through the photographs of the
10 area, which are somewhat consistent with 59, R59, but are
11 also responsive to Member Hill's request for -- to
12 provide a little bit more context about what this area
13 looks like.

14 And so I thank you, team, for pulling this
15 up.

16 So this is the start of Hearing Exhibit 19,
17 and if you would I'd like you just to kind of walk
18 through, this is an aerial, and walk through the aerials
19 and photographs in 19?

20 CHMN STAFFORD: Actually, Mr. Acken, I
21 think we've been going for almost 90 minutes. I think
22 the court reporter is due a break. I think this segment
23 is going to take longer than the next two minutes.

24 MR. ACKEN: Fair.

25 CHMN STAFFORD: Now is the appropriate time

1 to take recess. We'll be back at approximately 10:45.

2 (Recess from 10:28 a.m. to 10:47 a.m.)

3 CHMN STAFFORD: Let's go back on the
4 record. Mr. Acken, I believe we are about to start
5 discussing Exhibit 19 and the view of the site.

6 MR. ACKEN: Yes, that's correct. Thank
7 you, Chairman.

8 So on the left screen is the first slide of
9 Exhibit 19, and Mr. Martin will walk through them. On
10 the right screen we have R11, which is the overview map,
11 one of the overview maps that he may use to help frame
12 and provide context.

13 And, again, the purpose of this is to be
14 responsive to the request for a little more information
15 about what the site actually looks like and the
16 determination of whether to take a tour or not.

17 BY MR. ACKEN:

18 Q. So with that intro, Mr. Martin, if you would,
19 the floor is yours. Just walk the committee through the
20 slides and where they were taken and why they were taken.

21 A. (Mr. Martin) Certainly. This is in response to
22 Member Hill's questions yesterday. She raised some
23 really good questions about what you see when you look at
24 an aerial photo of this area.

25 Adam and I were concerned several years ago when

1 we saw this. It looks like someone's eye. It's very,
2 very Byzantine. And so we started digging into it, what
3 we're actually seeing on the ground.

4 So Kaylan and the team put together some photos
5 that we can show or I can show the solar field, context
6 to what these represent on the ground. And then I want
7 to discuss wildlife corridors and what a corridor really
8 is comprised of in terms of the species, its purpose, and
9 its function.

10 So with this, the first one is our battery
11 storage, that's our largest footprint. I'll use the term
12 permeable. This is impermeable in things can't tranverse
13 the area because it's got a fence.

14 Q. If I could interrupt you real quickly, you
15 referenced battery storage. But I think --

16 A. (Mr. Martin) Oh, sorry.

17 Q. When you're referring to the blue outline that's
18 the energy as a whole primarily made up of solar, but
19 please, you're the witness so --

20 MEMBER HILL: Mr. Chair.

21 MR. MARTIN: Mr. Acken, that's correct.

22 CHMN STAFFORD: Member Hill.

23 MEMBER HILL: I'll also add that I
24 understand that I don't have any jurisdiction or requests
25 that I can make around the battery storage or around the

1 solar field. But I appreciate you looking at the project
2 holistically and trying to figure out how to best serve
3 the habitats in that area.

4 MR. MARTIN: Absolutely. And I'll add that
5 the recommendations apply to all facilities on this
6 center, jurisdictional or not.

7 CHMN STAFFORD: So you're saying the
8 mitigation things apply to the entire area that's
9 encircled in the blue line on this map, then, which is
10 the entire energy center.

11 MR. MARTIN: Correct.

12 CHMN STAFFORD: Okay. And then the yellow
13 and the purple, those represent what again?

14 MR. MARTIN: So yellow is the 100-acre
15 entitlement area that we're seeking approval on. The
16 purple inside of that is actually the proposed footprint,
17 which is 80 acres for the thermal facility. It may not
18 end up there because of constraints, but that's where the
19 engineers put it first.

20 And I went over that process earlier that
21 it will go through refinement once we get an EPC and we
22 bring an engineering firm on to put it specifically
23 someplace that's appropriate.

24 CHMN STAFFORD: And then the battery
25 storage facility will be the northwest corner, that's the

1 top blue area with the green at the top northwest side;
2 correct?

3 MR. MARTIN: Right there, yes, sir.

4 CHMN STAFFORD: All right. That's the
5 other nonpermeable area you were talking about; right?

6 MR. MARTIN: Correct.

7 CHMN STAFFORD: Okay.

8 MR. MARTIN: So, I'm going to advance this
9 if there's no more questions on that so we get a context
10 of where we're at.

11 So we're going to zoom in. So this is the
12 box, the 100-acre box with the proposed footprint.

13 As you can see, we've got ephemeral
14 drainages that run from the north up at the top of the
15 screen south. And so we're going to look at actual
16 photos, because each one of those was delineated by
17 someone with boots on the ground.

18 And the report indicated that there are no
19 waters of the U.S. or wetlands anywhere on our 6,000
20 acres. So I wanted to show some examples of what we're
21 looking at.

22 So this first one is an ephemeral wash
23 that's actually within the energy center footprint. As
24 you can see there is scour that indicates a bed and bank.
25 And, so but these only flow during periods of rainfall

1 when the rainfall exceeds what can infiltrate the ground
2 and we get channelization.

3 This is also termed as what is a
4 zero-riparian ephemeral stream. Zero riparian means
5 xeric, which is dry, and riparian is bank, so we've got a
6 dry bank channel, which is termed ephemeral because it
7 only flows in periods of rainfall.

8 As you can see -- so the dry bank is
9 important because we're looking at vegetation in those
10 aerial photos, but there's no riparian vegetation. These
11 are upland plants that we've got in this example, white
12 bursage, creosote, Mormon tea, but we also see things
13 like velvet mesquite, Palo Verde, Acacia, and upland
14 species that do not require moist soils.

15 So what we're looking at is what -- so in
16 terms of wildlife use, the utility of this area is
17 important for travel and cover, not so much for forage.

18 And so I'm going to just click through some
19 of these again, and I -- so when you look at this, a
20 corridor is based on a number of site variables. The
21 species, the region that -- let's take mule deer, for
22 example.

23 In this area, you would not have a
24 migration that you would typically think of or experience
25 or observe in northern Colorado where you've got extreme

1 weather changes that drive animals from winter range to
2 summer range.

3 The corridors there are enormous and often
4 should be looked at not as individual channels or
5 individual pathways, but more as a regional approach.

6 So you take in that the actual corridor has
7 more value than the sum of its parts.

8 So I'll just move through this a little bit
9 more. So this is another one of, that's in the energy
10 center, that's an ephemeral channel. Again, a
11 zero-riparian area, and we seen bursage and creosote
12 bush.

13 Again, you can look at these as pathways,
14 not necessarily as a corridor. And I'm going to tie that
15 off a little bit later.

16 This is another example, now from aerial
17 pictures. What we see is the increased density closer to
18 the bank channels or the channel's banks, because when
19 the flows subside, those soils still maintain water
20 longer than the uplands, so that the growth of the upland
21 plants through time is more than the neighboring plants
22 in the upland.

23 This is another one, the channel within the
24 energy center. Again, a pathway. Another pathway. But
25 you can see these are predominantly upland species. Very

1 drought tolerant and not reliant on water at all.

2 Pathway. Pathway.

3 So this is what we'd be looking at if we
4 were out there. That's a soil test pit that the
5 ecologist would have used. That's -- so the three
6 indicators of a wetland, one is hydric plants, plants
7 that require water to survive.

8 The other is a soil that was developed over
9 time with moisture, and that pit is to determine if that
10 soil profile was influenced at all by waters. It doesn't
11 have to have standing water, it could be subsurface, and
12 that's a chart. It's called a Munsell soil chart that
13 they characterize that soil with to determine if it's
14 been influenced by water. And the third is the presence
15 of water.

16 MEMBER HILL: Mr. Martin.

17 MR. MARTIN: Yes, Member Hill.

18 MEMBER HILL: Why do you think they chose
19 that spot to do their soil test? Was there vegetation
20 that suggested that maybe there could be a wetland there?
21 Or --

22 MR. MARTIN: I don't believe so. I think
23 that that's probably a wide erosional swale that we can't
24 see the extent of the bank there, but it was questionable
25 enough that they wanted to test the soil.

1 MEMBER HILL: That's --

2 MR. MARTIN: And I appreciate that in a
3 consultant, because when I look over these field forms,
4 this -- yeah, they were thorough.

5 MEMBER HILL: Yeah. Okay. Thanks.

6 MR. MARTIN: Another one?

7 MEMBER HILL: Yeah, I would have tested
8 there, too.

9 MR. MARTIN: Okay.

10 MEMBER COMSTOCK: Mr. Martin.

11 CHMN STAFFORD: Member Comstock.

12 MEMBER COMSTOCK: Thank you, Mr. Chairman.
13 On the digs, is there a standard depth that they check
14 for each one of those?

15 MR. MARTIN: I'm not sure what the standard
16 is. I think that they just stop if they hit something or
17 if they don't. But I'm not sure what the depth is.

18 MEMBER HILL: Yeah. That looks alluvial,
19 so --

20 MR. MARTIN: So, yes, this whole area is an
21 alluvial fan termed as a bajada. So it's very erosional.
22 And it's got a tremendous amount of erosional and arroyos
23 on it that are these zero-riparian areas.

24 So with that said, I'm going to go back to
25 the concept of a wildlife corridor or corridor in

1 general.

2 So on the right slide -- see if -- we've
3 got our facility here, that 100 acres, and we've got
4 these pathways that we've been looking at that go through
5 there. There are probably, oh, a half a dozen.

6 There are six that are very prominent. And
7 now that we know that they are scour, they're channelized
8 but not banked by riparian vegetation. We know what's
9 there. So instead of considering this -- these as the
10 corridor -- so we've got a very unique situation.

11 So a corridor is an area that allows
12 movement of animals between core habitats or vital
13 habitats for at different life stages.

14 We've got the Harcuvar mountains up here to
15 the north and they proceed back off of this map.

16 Down here, we have the -- what is it?

17 MEMBER HILL: Centennial.

18 MR. MARTIN: Centennial Wash. That's
19 correct. Slipped my mind. So that in itself is a
20 corridor. And this mountain range also is a movement
21 corridor.

22 So at different life stages, there's
23 different stages in these animals' lives, I can guarantee
24 that the snow has not pushed them down here. So this
25 would in my opinion be a resident herd of big game. And

1 look at a corridor as regional.

2 What we really see is the corridor, is this
3 larger area. Because all of these pathways are what
4 comprise the real corridor, which is valuable, and it's
5 very valuable because what it represents is random paths,
6 and it's all interconnected, and it's not one straight
7 path through, from point A to point B.

8 So protecting the corridor is this area,
9 not necessarily the small pathways. If you, for an
10 example, and I think this is -- this is where all the
11 time I point off, if that 100 acres became a sinkhole,
12 and completely impervious to anything other than
13 something that's got wings. The raccoons and other
14 animals that use these areas but these are pathways.

15 If we step back and look at a corridor as
16 regional what we really see is the corridor is this
17 larger area. Because all of these pathways are what
18 comprise the real corridor, which is valuable and it's
19 very valuable because what it represents is random paths.
20 And it's all interconnected and it's not one straight
21 path through point A to point B. So protecting the
22 corridor is this area, not necessarily the small
23 pathways.

24 If you -- for an example, and I think this
25 is where I tie my point off.

1 If that 100 acres became a sink hole and
2 completely impervious to anything other than something
3 that's got wings, do you think it would preclude an
4 animal from moving here to over here?

5 They would go around it. And so that
6 illustrates the importance of the regional corridor over
7 the individual pathways that comprise the corridor.

8 So the reason we didn't get any input from
9 the agencies is that they see the regional importance and
10 the relative de minimis impact that that footprint is
11 going to have on movement of animals through that area.

12 MEMBER HILL: Thank you for that
13 explanation. I think when we do -- when we did 236 I had
14 real concerns about the ability, but it was
15 nonjurisdictional to me. So I couldn't ask questions
16 about the solar field.

17 So I agree with you that one project in and
18 of itself isn't going to impact ability for game species
19 to migrate. Although I think there is a loss of habitat
20 and cover, you know, for instance, birds of prey that
21 might nest in the mountains and are foraging through
22 those areas; right? Like, we are losing some habitat.

23 I think it's the cumulative impacts when we
24 start stacking projects and there's no real
25 accountability around that. And what I generally find is

1 it's incumbent on individual projects to provide some
2 kind of benefit to wildlife corridors so that there's
3 space so that when the next project comes along there's
4 been some benefit created and some protection created.

5 So I think what I'm looking for is kind of
6 when you build this facility, what are you building into
7 your plans, and some of it might be straight-up
8 mitigation work with partners and others.

9 What are you doing to build in resiliency
10 in the long-term? Because I think there will be other
11 projects in this area and there's no way to account for
12 the cumulative impacts. So I just end up asking
13 individual projects what they're going to be doing. So,
14 does that make sense, Mr. Martin?

15 MR. MARTIN: It does make sense.

16 MEMBER HILL: Okay.

17 MR. MARTIN: It's a very legitimate
18 concern. And it's -- to be mindful of -- so I think if
19 each company is mindful it will address that.

20 MEMBER HILL: Yeah. I agree. And my --
21 frankly my hope is all the work that you've done around
22 the solar field associated with 236 isn't lost and that
23 that comes to fruition, and that there is some wildlife
24 corridor work in that as well.

25 MR. MARTIN: Correct. And we are taking

1 that into consideration with the drainage, of course.

2 MEMBER HILL: Yeah.

3 MR. MARTIN: But we're doing mitigation
4 such as raising the fence eight inches so that tortoise
5 can move in and out of the facility.

6 MEMBER HILL: Great. Thank you for taking
7 the time to walk me through the site.

8 MR. MARTIN: Absolutely.

9 CHMN STAFFORD: Thank you. A little
10 follow-up to that. I mean, is this the one -- when you
11 did 236, I seem to recall there was testimony about how
12 the solar would be configured to where you'd have areas
13 of wildlife could pass through, you mentioned a raised
14 fence to allow the tortoises.

15 MR. MARTIN: Yes, Chairman. We actually
16 designed the fence so that the panels, they were
17 independently fenced in large or smaller blocks to allow
18 for the major drainages to be unimpaired, and so that
19 area permeable to big game moving through the area, so it
20 wouldn't be one large fence but rather three or four
21 smaller fences that they could --

22 CHMN STAFFORD: Okay. And that's still the
23 plan for it now that it's state trust land as opposed to
24 federal land.

25 MR. MARTIN: Yes, that is the hope. But

1 they -- we have to wait for the final engineering based
2 on the channelization that has to occur. They have to
3 basically impede flow from the north through the site and
4 around. I haven't seen the final design, but I know the
5 engineers are working on getting that engineered
6 correctly so we don't produce sediment and massive
7 erosion.

8 CHMN STAFFORD: Right. Because I guess
9 when it does rain, it's eventually all going to flow down
10 to that Centennial Wash, seems like a much bigger --

11 MR. MARTIN: Correct. And we didn't want
12 to add sediment to that.

13 CHMN STAFFORD: Right. Okay. So, but the
14 issue is going to be with the thermal plant and the BESS
15 because those are not going to be permanent, you're going
16 to have block wall probably around the -- would you have
17 a block wall around the thermal plant or not?

18 MR. MARTIN: I can't -- I can't answer that
19 question. I don't know what the design is for that.

20 CHMN STAFFORD: Okay. But you're not going
21 to have, it's not going to have the eight inch off the
22 ground to allow small animals to scurry through?

23 MR. MARTIN: No, those facilities, we
24 really don't want small animals in there.

25 MEMBER HILL: Pack rats would be a hazard.

1 CHMN STAFFORD: And then like you said the
2 solar, you'd have different sections of it fenced off?

3 MR. MARTIN: That's the hopes.

4 CHMN STAFFORD: Right. But then -- but you
5 won't be able to do that for the solar or the BESS. It
6 will have to be completely closed and graded and they
7 will have to flow around them, they won't be able to flow
8 anywhere through there.

9 MR. MARTIN: That's correct. There's going
10 to be a lot more -- there's a lot less grading with the
11 solar panels because those are pile driven, so they don't
12 need to do as much blading.

13 CHMN STAFFORD: Okay. And so I guess
14 because you have 100 acres staked out for where the
15 thermal plant will go, but you're only going to occupy
16 80 of those acres. Is that --

17 MR. MARTIN: Correct.

18 CHMN STAFFORD: And those 80 acres will
19 have to be -- how much of that will have to be graded and
20 then fenced?

21 MR. MARTIN: I believe it will all have to
22 be graded.

23 CHMN STAFFORD: All 80 acres?

24 MR. MARTIN: Yes, flat and allow for
25 parking and maintenance vehicles and whatnot. Storage

1 tanks.

2 CHMN STAFFORD: Okay. And then I don't
3 have -- the planned well is located, it's somewhere in
4 the corridor; correct? Or is it further south? It's not
5 on the map.

6 MR. MARTIN: The utility corridor?

7 CHMN STAFFORD: Huh?

8 MR. MARTIN: The BLM utility corridor?

9 CHMN STAFFORD: No, no, no. I was talking
10 about the well, the planned well.

11 MR. ELLIS: The planned well -- excuse me.

12 You're wondering where the planned well is?

13 CHMN STAFFORD: Yeah, it's not -- you
14 showed it before. I remember looking at it but it's not
15 on this map, so I can't see it.

16 MR. ELLIS: Give me just a second. I have
17 another map in my files, let me pull it up and then I'll
18 point to it here in just a second.

19 MR. ACKEN: R36.

20 MR. ELLIS: Come again?

21 MR. ACKEN: R36.

22 MEMBER HILL: Mr. Martin?

23 MR. MARTIN: Yes.

24 MEMBER HILL: I have another question while
25 he's looking that up. If we go -- oh, we lost the map.

1 I'm curious about the drainage and moving it around the
2 site. Are engineers more inclined to move it east,
3 around the east side of the project, or is there drainage
4 that they can -- I'm worried about the agricultural lands
5 on the -- okay. And that -- that would have negative
6 community impacts if you're trying to move the water that
7 direction.

8 So are you thinking you're moving the water
9 to the east?

10 MR. MARTIN: They will move the water to
11 the east for the last iteration drawing that I saw.

12 MEMBER HILL: Okay.

13 MR. MARTIN: And it will be directed south
14 from there. There will be retaining basins within that
15 project site --

16 MEMBER HILL: Okay.

17 MR. MARTIN: -- but south. So they will
18 release water slowly through time, not just down
19 through it, so it will retain water.

20 MEMBER HILL: Okay.

21 MR. MARTIN: And release it over time.

22 MEMBER HILL: Perhaps in proximity to that
23 blue state land piece that's just east of the project
24 site?

25 It's a tricky bugger.

1 MR. MARTIN: Those retaining ponds will be
2 located right in here.

3 MEMBER HILL: Oh, okay. All right.

4 And will any of that -- will that facility
5 be fully enclosed?

6 MR. MARTIN: The ponds?

7 MEMBER HILL: Uh-huh.

8 MR. MARTIN: It will be fenced.

9 MEMBER HILL: Fully fenced. Okay. And
10 wildlife friendly just so nobody's getting in there.

11 MR. MARTIN: Correct.

12 MEMBER HILL: Okay. Thank you.

13 CHMN STAFFORD: Mr. Ellis.

14 MR. ELLIS: Right there, (indicating) that
15 corner up there is where the well --

16 MEMBER HILL: Right here.

17 CHMN STAFFORD: Okay. So it will be just
18 adjacent to the side of the thermal plant, then?

19 MR. ELLIS: That's correct.

20 CHMN STAFFORD: But it will be outside the
21 80-acre footprint of the thermal plant, it looks like.

22 MR. ELLIS: I believe that is correct.

23 CHMN STAFFORD: Okay. Thank you.

24 Please proceed, Mr. Martin. Or had you
25 concluded this section?

1 MR. MARTIN: That concludes what I needed
2 to present.

3 MR. ACKEN: So if we go -- thank you,
4 Mr. Martin. If we go back to the slide presentation, I
5 think we are on Slide 59 at the conclusion slide on
6 biological resources, and so I don't know if Mr. Martin
7 or Ms. Pollio wants to address --

8 MR. MARTIN: I can.

9 MR. ACKEN: -- that content.

10 MR. MARTIN: So in summary we have no
11 designated critical habitat on site. And the project
12 will implement biological mitigations received from the
13 Game and Fish department as well as eventually from the
14 BLM and implement those across the project site.

15 And as I discussed here, primarily with
16 what could be short-term impacts, it's not anticipated
17 that any long-term impacts for any species would occur.

18 MEMBER HILL: And, Bert, I haven't looked
19 at your version of the CEC, but do you reference the
20 Game and Fish letter and the BLM recommendations as part
21 of the CEC?

22 MR. ACKEN: To a degree. So if we could go
23 back to the prior slide, so we incorporated the
24 mitigation measure table as a CEC hearing -- CEC exhibit,
25 Exhibit B.

1 MEMBER HILL: Say no more. I'll review
2 this and if I have any questions I'll let you know.
3 Thank you.

4 MR. ACKEN: Thank you. So, next, we're
5 going to visual resources in Exhibit E.

6 BY MR. ACKEN:

7 Q. And, Ms. Pollio, if you'd describe your
8 analysis.

9 A. (Ms. Pollio) Yes. So start with visual
10 resources. So you did see many of these as part of the
11 virtual route tour, but we want to just go ahead and make
12 sure that we cover everything and make sure that if
13 anyone does have any questions.

14 You can see on L and R61 a representation of
15 those red -- the red dots with arrows. These are the key
16 observation points or what we call KOPs where we took
17 photos.

18 We typically identify KOPs by where viewers
19 would see the project. So we look at traditionally
20 reevaluation areas if there's designated trail heads. If
21 there are roads that are traveled frequently. And
22 obviously sensitive receptors. Probably most importantly,
23 which is the local community or local residential in this
24 case. A lot of times we may have other sensitive
25 receptors like schools, hospital, churches that we would

1 also consider sensitive for viewsheds. In this case we
2 do not have that.

3 So I'll go through these one by one.

4 KOP 1, you can see on L62, is the existing
5 condition. This is on Alamo Road looking east. R62 has
6 the simulated condition, and you can see this is where
7 the gen-tie is located. And you can see the gen-tie off
8 in the distance. It is pretty far away. With the
9 topography and vegetation, there is minimal viewing of
10 that facility.

11 So now let's look, so you can see here
12 specifically where KOP 1 was, and the proximity from
13 Alamo Road looking over toward that gen-tie.

14 Number 2 is down along the railroad corridor.
15 That is looking north towards the proposed thermal
16 project. Here you can see the existing conditions on
17 L64, and on R64 you can see the simulated conditions.

18 Here you can see agricultural lands in the
19 forefront of the view. In the middle ground is really
20 where you where you see the simulator modeled thermal
21 plant. In the background you can see the mountains.

22 KOP 3 is a little bit farther away than KOP 2,
23 but the a similar viewshed. This is representing views
24 from the 60, which basically are travelers that could be
25 going along that travel route. Obviously, typically at

1 speeds 55 miles an hour on, you are not going to see it
2 very well.

3 And especially you can see what the actual
4 viewshed is. You can see this is also, there is an
5 existing RV park in the area. So we wanted to take this
6 so you can see in the photo, I like some kind of
7 perspective if there is a residence so you can kind of
8 see where we're taking it from, and this is from an
9 existing RV park.

10 Again, similarly to KOP 2 except a bit farther
11 away you can see the foreground, obviously the RV park,
12 middle ground is really where you pick up the facilities,
13 and then in the background you can see the mountains.

14 CHMN STAFFORD: Can you go back to L and R
15 66? This is KOP 3. Is the RV park, is that north or
16 south -- it's north of the 60; correct?

17 MS. POLLIO: Correct.

18 CHMN STAFFORD: Okay.

19 MS. POLLIO: KOP 4 and 5 are both
20 representative from the community of Wenden. We
21 obviously wanted to get what's the closest residence in
22 that community -- yeah, the closest to the facility in
23 that community. And so we wanted to take a few of those
24 photos. And here you can also see the existing
25 conditions in L68. You can see the simulated conditions,

1 and specifically we tried to show some leader lines to
2 show exactly what you're looking at because of the
3 distance. But you can see the intervening topography,
4 vegetation, you really --it's very, very hard to see
5 anything from that vantage point.

6 CHMN STAFFORD: And how many miles is that?

7 MS. POLLIO: That is the -- I think it's
8 three.

9 CHMN STAFFORD: And that's to the thermal
10 or to the edge of the energy facility?

11 MS. POLLIO: To the thermal plant.

12 CHMN STAFFORD: Okay.

13 MS. POLLIO: Here's --

14 CHMN STAFFORD: It's about -- I'm still
15 looking at 4. So you said it's three miles, about three
16 miles to the thermal plant?

17 MS. POLLIO: I actually think it's more and
18 I know it is documented in here and I don't want to
19 misspeak. But my friends over at the table may be able
20 to look at the CEC and confirm that distance, but I do
21 think it is three to four miles.

22 MR. ACKEN: Ms. Pollio, you do have a
23 mileage legend there?

24 MS. POLLIO: Right.

25 //

1 BY MR. ACKEN:

2 Q. I don't know if you could eyeball it.

3 A. (Ms. Pollio) That's what's -- when I said
4 three, eyeballing it definitely makes it look like more
5 than three. So I definitely think based on that it may
6 be up to -- 4.2 miles.

7 MR. ACKEN: Thank you.

8 MS. POLLIO: And that is not being
9 eyeballed, so it's 4.2 miles.

10 CHMN STAFFORD: And it's about, looks like
11 about -- I'm just eyeballing, about half that to the edge
12 of the energy facility itself.

13 MS. POLLIO: Yes, that's correct. It's
14 about two miles that -- a little less in that area, that
15 number 6 is about two miles. So from that energy center.
16 So it's thereabouts, yes.

17 CHMN STAFFORD: Okay. And then the
18 southeast corner of the energy center where the
19 floodplain is, and I recall you testified that you
20 weren't going to put infrastructure there. Is that
21 correct?

22 MR. ACKEN: Yes.

23 CHMN STAFFORD: The cursor's not working.
24 I see you pointing something at the screen, but I'm not
25 seeing a dot.

1 MS. POLLIO: I was just trying to make sure
2 that I was confirming which area you were speaking.

3 CHMN STAFFORD: There you go.

4 MS. POLLIO: So you're saying here
5 (indicating).

6 CHMN STAFFORD: No, no. Southeast. The
7 southeastmost corner.

8 MR. ACKEN: The closest to the Centennial
9 Wash in the south.

10 MS. POLLIO: Oh, I apologize. There?

11 CHMN STAFFORD: Yeah. Is that correct?

12 MS. POLLIO: Correct.

13 CHMN STAFFORD: Okay. Would the fence line
14 for the energy facilities still go through where that
15 blue line is, or would it -- if you're not going to put
16 anything there wouldn't the fence not be at that edge?

17 MS. POLLIO: I definitely would need to
18 make sure that I'm confirming with BrightNight folks on
19 the design and the fencing layout.

20 CHMN STAFFORD: Okay.

21 MS. POLLIO: I don't want to misspeak
22 there.

23 CHMN STAFFORD: Is that a Mr. Ellis
24 question?

25 MS. POLLIO: So, Mr. Ellis, we're talking

1 about this area right here, and being fenced.

2 CHMN STAFFORD: Right. Because my
3 recollection of testimony, that's where the floodplain
4 area is. So you're not going to actually put any
5 infrastructure in that section -- so I just --

6 MR. ELLIS: No.

7 CHMN STAFFORD: -- so I just -- I'm looking
8 at the way the blue line is drawn and I'm questioning
9 whether the fence will actually go where that blue line
10 is? Will it actually be further north and east to
11 avoid -- why fence in the floodplain?

12 MR. ELLIS: Yeah. No, we won't -- it's a
13 great question and no, we will not fence the floodplain.
14 What that really represents is so when we do a state
15 lease the state generally leases you the land by parcel,
16 and so we'll be leasing and paying for that, but we won't
17 fence it in.

18 CHMN STAFFORD: Okay. That's what I wanted
19 to establish. Thank you.

20 MR. ELLIS: You have it right.

21 CHMN STAFFORD: Please proceed.

22 MS. POLLIO: Okay. So very similar
23 location just slightly away from KOP 4, but still in the
24 community of Wenden is L70 and R70, presenting the
25 existing conditions and the simulated conditions of

1 KOP 5.

2 BY MR. ACKEN:

3 Q. And Ms. Pollio, would you agree with me that the
4 approximate, or not so approximate distance to both the
5 gas thermal plant and the gen-tie is 4.2 miles from this
6 KOP 5?

7 A. (Ms. Pollio) Correct.

8 Q. Thank you.

9 A. (Ms. Pollio) And last we have KOP 6. KOP 6 is
10 actually the closest resident. This is associated with a
11 farm. And you can see it is about two miles from the gas
12 plant, 880 feet from the boundary of the energy center.

13 Here you can see this would be very close to
14 where we would actually have a route stop, it's a little
15 farther south on Alamo Road, but you can see there is
16 a -- it's fenced, there's vegetation in this area and
17 there was no -- from here we could not see any of the
18 facilities.

19 CHMN STAFFORD: Not even the fence for the
20 solar fields?

21 MS. POLLIO: No. Well, let me clarify. We
22 did not simulate the solar facilities into that photo.

23 CHMN STAFFORD: I thought I saw them in
24 other ones. Am I --

25 MS. POLLIO: We did not simulate solar. We

1 did the rendering, you may be referring to the rendering.

2 CHMN STAFFORD: Okay. Because I thought I
3 saw, looked like the solar array around where the gas
4 plant was in a prior simulated condition.

5 MS. POLLIO: You may be -- I think you're
6 referring to this one.

7 CHMN STAFFORD: There, yeah.

8 MS. POLLIO: Yes, so you can see the
9 substation and the battery storage facility in the
10 distance as well.

11 CHMN STAFFORD: The solar panels are in
12 this one, then.

13 MS. POLLIO: Yes, correct.

14 CHMN STAFFORD: Okay. Good, I'm not crazy.
15 Because I --

16 MS. POLLIO: No, I am crazy on based this
17 line of questions, my responses --

18 MR. ELLIS: I am impressed at the
19 recollection and the detail. Yep.

20 MS. POLLIO: But, yes. Very good.

21 CHMN STAFFORD: All right. So back to the
22 Number 6 -- Number 5 -- no, yeah, Number 6, yes. But the
23 solar is not modeled in that one.

24 MS. POLLIO: Well, no, it would be. He --
25 it is a model. So let me correct. Basically the model

1 that is, has been prepared on your placemat, so the
2 process is we get engineering site plan drawings, we get
3 engineering 3D models either in CAD or whatever format,
4 and we then model those facilities, so as you could see,
5 all the facilities were modeled in the rendering and then
6 they are placed into the KOPs.

7 CHMN STAFFORD: Okay. So the solar
8 facility is.

9 MS. POLLIO: Is in there, yes.

10 CHMN STAFFORD: Okay. I guess, and I know
11 it's not jurisdictional but I'm just -- I'm looking at
12 the, again, the blue line is the -- that's the extent of
13 your lease, it's not necessarily where it's going to be,
14 the fence line will be. So I'm just curious as what the
15 model said the actual setback from the edge of the -- the
16 state trust land property that you're leasing to where
17 the actual fence and solar panels will be placed.

18 MS. POLLIO: I do not know that number, but
19 it would have been on the site plan. So we can go back
20 and look at that and get that information for you.

21 CHMN STAFFORD: Okay. But it's -- the
22 800 feet you mentioned is from that 6 to that blue line
23 on this map?

24 MS. POLLIO: The 880 feet is actually from
25 the residence, so this would be a little bit farther

1 away. This is actually, the 880 is just the closest
2 residence.

3 So we could not get on to -- we don't take
4 the photos from his house. And we did -- when we were
5 out there we were able to speak to a person. It is a
6 farm, it's leased. And we did talk to them. But this --
7 the actual residential is 880 feet. This location is a
8 little bit farther, close to probably a thousand feet.

9 CHMN STAFFORD: But it's the 880 feet is to
10 the property line?

11 MS. POLLIO: Correct.

12 CHMN STAFFORD: Which is that blue line
13 which is not necessarily where the fence will go.

14 MS. POLLIO: Correct.

15 CHMN STAFFORD: Okay. Just wanted to make
16 sure we're clear on that.

17 MS. POLLIO: Thank you very much for
18 clarifying.

19 Okay. Now we're going to move on to
20 cultural resources.

21 So, and I definitely want to make sure that
22 I address the questions that were asked earlier. So I'll
23 try to incorporate those into this discussion just to
24 make sure we've got it all taken care of.

25 But a Class III cultural resource survey

1 has been conducted for the entire area. So for the
2 gen-tie, for the energy center, the solar area, as well
3 as the thermal area.

4 MR. ACKEN: Ms. Pollio, before you continue
5 can you clarify and confirm, or confirm whether that
6 Class III includes the area of the corridor that was
7 shifted as requested by BLM? Because we want to make
8 sure that the record is clear on that point.

9 MR. MARTIN: I was notified yesterday that
10 those cultural surveys have been completed.

11 MR. ACKEN: Thank you.

12 CHMN STAFFORD: So the entire project area
13 that was surveyed includes everything inside the blue
14 square and then the entire purple area up to the
15 previously-certified 236 corridor; correct?

16 MS. POLLIO: Correct. And we also, I mean,
17 just as a finer point, obviously the 236 corridor was
18 also surveyed.

19 CHMN STAFFORD: And apparently a
20 significant portion of the BLM land. That's no longer in
21 play for this project; correct?

22 MR. MARTIN: That is correct.

23 CHMN STAFFORD: 3,000 acres you studied?

24 MR. MARTIN: Yes, sir.

25 CHMN STAFFORD: Thank you.

1 MS. POLLIO: So there is lots of data in
2 the area for a cultural perspective.

3 And I'll just clarify that a Class III
4 cultural survey is the more intense pedestrian survey
5 where archeologists walk transects in order to see if
6 they can see anything, any significant cultural resource
7 or any cultural resources, actually.

8 I mentioned -- well, I'll go into the
9 tribal consultation, and what we did next. So we did
10 prepare a cultural memo because these are a lot of pieces
11 and parts.

12 In terms of how they were surveyed, we
13 asked Tetra Tech, who was the cultural consultant, to
14 prepare a cultural memo to explain basically the results
15 and all of the aspects of those reports. That is
16 included is Exhibit E of your CEC application.

17 We then consulted, there is a SHPO toolkit
18 that is online. We consulted that toolkit, and that
19 identifies the tribes that basically you are -- that you
20 notify as part of this process. So you put in your
21 project location, it identifies those tribes and SHPO in
22 terms of who to consult with.

23 So that is the state process. In addition,
24 there is government-to-government consultation associated
25 with the Bureau of Land Management land.

1 So there are actually two different
2 consultation letters, and information that did go out to
3 the tribes. And there is a list of tribes in Exhibit E
4 that identifies who the letters were sent to and who the
5 reports were sent to for the CEC. I will note that the
6 letters themselves and any responses are also in
7 Exhibit E.

8 Specifically --

9 CHMN STAFFORD: Exhibit -- you're talking
10 about Exhibit E to the Hearing Exhibit 1, the CEC
11 application; correct?

12 MS. POLLIO: Correct.

13 So that includes the letters. To address
14 comments that were made or questions that were made
15 earlier, I want to make sure that you can see the list
16 and that the Colorado River, or the CRIT tribe, that
17 attended last night we did show them the letter and who
18 it was sent to, which is the THPO representative from the
19 tribe.

20 So when you go on the toolkit it is very
21 prescriptive of -- and I'm talking very prescriptive of
22 it's an e-mail, if it's a hard copy letter, if you send
23 the attachments, if you just send the letter, and who
24 everything goes to, because some tribes it goes to
25 different people.

1 But it is very prescriptive, so the CRIT is
2 a tribe that did receive this information, so we did
3 discuss that. We also discussed obviously the Bureau of
4 Land Management, conducting government-to-government
5 consultation with that tribe.

6 So to respond, I just want to make sure it
7 is clear that we did do that. The members of the public
8 and tribal members that attended last night, we did talk
9 them through that and showed them that information and
10 also showed them where to get this information.

11 And, again, it was a very good
12 conversation. But I'll also note that the tribes in this
13 area I think are very active and participate. So
14 specifically we talked about tribal monitoring.

15 Kevin Martin was there, talked about how to
16 participate and coordinate with those tribes. In
17 addition we have had some tribes and communication with
18 tribal members as a response to the letter, you can see
19 the responses in the document. The Chemehuevi tribe, we
20 did have a call and they have also requested to
21 participate in tribal monitoring.

22 Mr. Martin did explain that there have been
23 tribal monitors associated with the cultural work that's
24 been done, and so this is definitely a practice that
25 BrightNight, you know, has done.

1 So I wanted to make sure that I thoroughly
2 went through that. Sometimes we kind of just make
3 statements, so I wanted to make sure that we went through
4 that information.

5 The very nice thing that I can say as a
6 result of the tribal -- or I'm sorry, as a result of
7 the -- well, the tribal letters, responses, as well as
8 most importantly the documents that are in Exhibit E is
9 that we have obtained SHPO concurrence.

10 You can see on Slide R74 this is an excerpt
11 and they do concur, SHPO does concur with the statement
12 that is on L74 by saying there are no historic properties
13 impacted.

14 The project area has been surveyed in its
15 entirety. None of the isolated occurrences recorded are
16 eligible for inclusion in the national register. No
17 further work is required.

18 So I wanted to make sure that is on the
19 record and that we did receive that. So, again,
20 something that is very nice for me to be able to read
21 while I'm testifying.

22 CHMN STAFFORD: I did notice that in the
23 application. I think, I can't recall, I mean, you have
24 filed a proposed CEC as Hearing Exhibit 2. I can't
25 recall if it says that you've already done the survey or

1 it has the standard language directing you to do the
2 survey.

3 MR. ACKEN: Chairman, we left the standard
4 language to do the survey, because that way I don't have
5 to remember from case to case when I'm proposing
6 conditions, just it's the standard condition that this
7 committee's approved. And then of course it makes it
8 easy at compliance time to say that surveys were
9 completed.

10 CHMN STAFFORD: Yeah, so your first
11 compliance will say it's already been done.

12 MR. ACKEN: Exactly.

13 CHMN STAFFORD: How often does that happen?

14 MR. ACKEN: Exactly. You get to check the
15 box right away.

16 MEMBER COMSTOCK: Mr. Chairman.

17 CHMN STAFFORD: Yes, Member Comstock.

18 MEMBER COMSTOCK: Ms. Pollio, thank you for
19 the explanation and the detail around it and I appreciate
20 that. Our speaker last night specifically pointed out
21 several of the area tribal communities that were affected
22 by this or wanted to receive letters.

23 I see a few of them in here, but as my note
24 showed she specifically spoke about the Navajo and Hopi
25 tribes. I don't see any letters in there back from them.

1 Is that something that should be addressed or am I
2 missing that inside of our packet?

3 MS. POLLIO: Yes, they are not, I'll say,
4 on the list or they did not come up as a result. So,
5 again, on the online tool, this is all of the tribal
6 communities that claim affiliation with the area.

7 So based on that toolkit that is a SHPO --
8 a SHPO toolkit, they are not affiliated with this
9 property.

10 MR. MARTIN: I'll also add that the BLM
11 letters that went out over a year ago on our project
12 previously, the BLM recognized they had missed two, and
13 my recollection is the Hopi nor Navajo were included on
14 their list either as requiring to get notified.

15 MEMBER COMSTOCK: And I appreciate that and
16 I want to make it clear for the record that the speaker
17 asked about those particular tribes. They were not in
18 the required checklist for you to check with; is that
19 correct?

20 MR. MARTIN: That is correct.

21 MEMBER COMSTOCK: Thank you.

22 CHMN STAFFORD: Member Fant.

23 MEMBER FANT: And thank you, Mr. Chair.

24 And thank you, Member Comstock, for the question. As I
25 understand the CRIT Colorado River Indian Tribal

1 community, it's four different tribes. It's the Hopi,
2 and Navajo, Chemehuevi, and Mohave. And they're not
3 tribal per se, but they're tribal members that live on
4 the CRIT -- CRIT properties.

5 So the CRITs is the official designation,
6 so in theory if you're addressing the CRITs, you're
7 addressing the Chemehuevi, Hopi, and Navajo, and Mohave
8 members who live in the CRIT nation?

9 MS. POLLIO: That is a very good
10 clarification that I should have probably identified.
11 Thank you.

12 CHMN STAFFORD: Thank you.

13 MR. ACKEN: So just to close the loop on
14 it, were the Colorado River Indian tribes included in the
15 tribal outreach?

16 MS. POLLIO: Yes.

17 BY MR. ACKEN:

18 Q. So the tribal members -- so the members of CRIT
19 who are Hopi and Navajo would have been notified through
20 that notice to CRIT; is that correct?

21 A. (Ms. Pollio) That is correct.

22 MR. ACKEN: Thank you.

23 CHMN STAFFORD: Thank you.

24 MR. ACKEN: Thank you, Member Fant. And
25 thank you, Member Comstock, for the question.

1 CHMN STAFFORD: Are there any other
2 questions from members? Looks like this wraps up this
3 portion. It looks like up next is recreational
4 resources; is that accurate, Mr. Acken?

5 MR. ACKEN: It is.

6 CHMN STAFFORD: Well, I think this would be
7 a nice time to take our lunch break, so we'll recess
8 until about 12:45. We'll come back and then go to about
9 1:45 and then take a recess because I have a pre-hearing
10 conference around that time. And so that should be done
11 I would hope like by 2:30, and then we come back to this
12 hearing.

13 MR. ACKEN: So you just said we're going to
14 take a recess to 1:45, did you mean 12:40 and another one
15 at 1:45?

16 CHMN STAFFORD: Yes. Yes. Lunch from now
17 until 12:45. And then go till 1:45, take a recess till
18 about 2:30.

19 MR. ACKEN: Thank you.

20 CHMN STAFFORD: Okay. With that we are in
21 recess.

22 (Recess from 11:40 a.m. to 12:47 p.m.)

23 CHMN STAFFORD: All right. We're back on
24 the record. Mr. Acken, I believe you're about to start
25 with the recreational resources portion of your

1 presentation.

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

3 We are going to be on Slide 76 left and
4 right. 76 for the discussion of recreational resources.

5 BY MR. ACKEN:

6 Q. And, Ms. Pollio, please describe.

7 A. (Ms. Pollio) Yes. On R66 you can see the
8 figure that demonstrates a mile radius around the
9 facility to assess reevaluation resources. There are no
10 designated reevaluation facilities directly affected by
11 the project. The closest facilities are managed -- BLM
12 managed Harcuvar Mountain wilderness area that comprises
13 about 25,000 acres, and that's located approximately one
14 mile northeast of the substation.

15 You can also see on R76 the orange hatch
16 pattern. This represents off-highway vehicle or OHV
17 areas on the BLM land that the BLM designated.

18 The project would not preclude any of those
19 recreational uses in the area and around the project
20 components.

21 Next, we'll go to Exhibit H, which is existing
22 plans.

23 Similar to recreation you can see a mile radius
24 around the components of the project. There are no --
25 there are no planned area developments. These are

1 designated planned area developments or any that are
2 known by us within one mile of the project.

3 There are no planned local, federal, state
4 developments that would conflict with the project, and
5 the project is consistent with any plans that we're aware
6 of in the project area.

7 Next is noise and communication.

8 CHMN STAFFORD: One second.

9 Member Fontes, you have a question?

10 MEMBER FONTES: I do. Sorry about joining
11 late and perhaps you covered this earlier.

12 Is there any land lease use for cattle or
13 other operations on the BLM land that will be utilized or
14 adjacent to it?

15 And if so, who is that? Who are the
16 lessees?

17 I've had that a lot in transmission
18 projects in Arizona.

19 MS. POLLIO: I am not aware of any leases
20 on the BLM land for cattle grazing, but I am looking to
21 Mr. Martin to confirm if he's aware of any leases --

22 MEMBER FONTES: Ranching in general.

23 MS. POLLIO: -- leases on BLM land in this
24 area.

25 MR. MARTIN: Could you repeat the question,

1 please.

2 MEMBER FONTES: Is there any ranching
3 subleases to the BLM land on any of the areas that will
4 be a part of the land lease --

5 MR. MARTIN: There are no --

6 MEMBER FONTES: -- or state trust?

7 MR. MARTIN: There are no current leases
8 active on the lands that we are putting our facilities
9 on. That would be a Babcock allotment, but it has no
10 allottee at this current time.

11 MEMBER FONTES: Has it in the future,
12 Mr. Martin, or has it past or at any time in the future?

13 MR. MARTIN: I'm sure it has in the past
14 because it has structures -- ranching structures on it.
15 They're inactive. But I do not know what -- the current
16 status of the BLM reissuing an allotment to anyone at
17 this time.

18 MEMBER FONTES: Did you guys engage them
19 during stakeholder outreach agreement just to be thorough
20 like we've seen on other projects?

21 MR. MARTIN: Yes. Mr. Furman had quite a
22 bit of interaction with that individual.

23 MEMBER FONTES: Great. Appreciate that.
24 Just trying to be thorough to make sure we cover all the
25 stakeholders here. Thank you.

1 No further questions, Mr. Chairman.

2 CHMN STAFFORD: Thank you, Member Fontes.

3 Ms. Pollio.

4 MS. POLLIO: Okay. Now we'll go over noise
5 and communication. So on L80 and R80 you can see the
6 summary of noise and communication. And you can also see
7 the contour map. That is the results of the noise
8 analysis.

9 Specifically, a consultant did go out and
10 take noise readings. These were 24-hour noise readings.
11 You can see the noise monitoring locations that were used
12 on R80.

13 The reason these locations were identified
14 is specifically noise location number 2 represents
15 Wenden, the community of Wenden, which is the closest
16 community. And then the closest residence is also along
17 Alamo Road, that farm that we talked about several times,
18 and the visual simulation.

19 So the noise -- the 24-hour noise reads
20 were conducted. I will also note that the -- where the
21 primary sound is emitted from the facilities is about two
22 miles away. So that in and of itself made this much
23 easier to model because the results are -- and you can
24 see by the contour maps the results of what the noise
25 would be from the facility.

1 And I think the most important point is
2 that -- and kind of what we've all been -- I think what
3 we typically use as a standard is if the noise level does
4 not increase from background 3 dBA, which is basically
5 what's discernible to a human ear, so above that is
6 discernible it's still pretty low, but it's almost a
7 whisper would be 3.

8 And that's basically what we're using. And
9 this is below that type of an increase. So this project
10 at the closest receptors would not be discernible to the
11 human ear.

12 CHMN STAFFORD: Member Fontes, you had a
13 question?

14 MEMBER FONTES: We've had this come up in
15 other thermal hearings, Ms. -- Pollio?

16 MS. POLLIO: Pollio, yes.

17 MEMBER FONTES: Pollio. Yeah.

18 And, by the way, I appreciate your
19 background. I used to work for AES Corporation, and I
20 think I've crossed paths with you in a past life. That's
21 just an aside.

22 Did you do your noise modeling at night and
23 in the day?

24 MS. POLLIO: We did.

25 MEMBER FONTES: That's great. I appreciate

1 that.

2 Can you characterize how if there was any
3 material differences because, as you know, in the desert
4 it does carry in the night, and I just want to capture
5 this for the record for the general public if there's any
6 material differences or were there any kind of
7 characteristics --

8 MS. POLLIO: Yeah, if you could give me --

9 MR. FONTES: Again, I've run across this on
10 other projects, and I'm just trying to complete the
11 record here for us.

12 MS. POLLIO: Yes. If you can give me one
13 minute. So the ambient noise reading during the day
14 close to the farm is 59.8. At night at that same
15 location is 46.1. So there is a difference between day
16 and night, and I'm going to take a guess that that's
17 probably farming operations or, you know, activity at
18 that location.

19 The next one is, again, what is in the
20 community of Wenden, so it's the closest residence in the
21 community. So it is pretty much on the edge of the
22 community, but, again, we wanted to get that closest
23 residence. That is 62.3 dBA at daytime and 54.9 at
24 night.

25 Again, this is also in an area where the

1 60 -- Highway 60 is running as well as a railroad
2 facility. So I would assume that picked up some of those
3 background noises through the 24-hour noise read.

4 MEMBER FONTES: So how's that going to
5 impact operational utilization of a peaker plant?

6 Most of that is I would imagine from noon
7 till 9 p.m. How does that noise pattern fit within that,
8 how startups with a peaker plant would operate with
9 LM6000 units?

10 MS. POLLIO: It -- basically the way the
11 model is run they took the basically assumptions of the
12 noise, again, and they ran that assumption over both
13 daytime and night to ensure that we did impact analysis
14 both day and night.

15 So it really is looking at any time it ran
16 to make sure that we were taking an average and including
17 that average to assess impacts if that -- I think that
18 answers your question.

19 MEMBER FONTES: It does.

20 What I'm looking for here is not just an
21 answer to my question, but for the record and what
22 standard was that mapped against just so the general
23 public has that and has it in terms of a reference for
24 these types of power plants.

25 MS. POLLIO: So there, again, really it is

1 the impact we are trying to look at generally is not an
2 increase from background above 3 decibels and that we are
3 below that. So we're below that impact standard that a
4 lot of us have used.

5 It's not a written -- there's not a real
6 written standard. There's no noise -- specific noise
7 regulations in La Paz County. So there's nothing that
8 regulates noise specifically, but that is the criteria
9 that we measure against typically that assesses that
10 impact to humans.

11 MEMBER FONTES: I appreciate you capturing
12 that for the record. I just wanted to make sure that was
13 clearly stated since noise, visual impact, as well as
14 community jobs seem to be a trending issue with power
15 plants in this current market I'll say, so thank you.

16 MS. POLLIO: Thank you.

17 CHMN STAFFORD: All right. So the
18 comparison is would all 14 machines be operating at once?

19 MS. POLLIO: It basically used -- I'm not
20 sure. I would have to look and make sure that I
21 understood if it was all 14. It really was the
22 typical -- it is a very conservative model run. So
23 definitely it is the way that we do it is trying to take
24 what we expect the loudest it would be.

25 CHMN STAFFORD: I would expect that to be

1 all 14 turned on at the same time.

2 MS. POLLIO: Exactly. So yes.

3 CHMN STAFFORD: Okay. If you could follow
4 up and confirm that would be great.

5 Member Little, you have a question?

6 MEMBER LITTLE: Yes.

7 I'm a little confused. So this drawing,
8 whatever we want to call it, that you've shown on the
9 screen is -- that is measured ambient noise plus modeled
10 thermal plant noise; is that correct?

11 MS. POLLIO: So it is the noise level as --
12 this is demonstrating the noise level as it dissipates
13 from the generators. And it does incorporate the
14 background to show -- to show that range. You can see
15 the ranges over on the side. And I --

16 MEMBER LITTLE: So the turquoise less than
17 20 or the green 20 to 25, that is both the ambient
18 noise -- and, I mean, it's as if the thermal plant were
19 running and you were standing there ---

20 So you would --

21 MEMBER LITTLE: -- with and without it?

22 MS. POLLIO: So that's the modeled noise.
23 So I apologize. I want to make sure I'm getting this
24 right. So it is the -- it's what is modeled, but it's
25 not modeled noise, so it's less than 20, if that makes

1 sense, coming from the plant.

2 MEMBER LITTLE: Okay.

3 MS. POLLIO: When you take that --

4 MEMBER LITTLE: So this is just coming from
5 the plant, then?

6 MS. POLLIO: Yes.

7 MEMBER LITTLE: Oh, okay.

8 MS. POLLIO: I want to make sure to
9 clarify. Then when you take that -- because it's not
10 additive, so it's not like you add that necessarily into
11 the equation, but you take that --

12 MEMBER LITTLE: That's right. Okay.

13 MS. POLLIO: Yeah.

14 MEMBER LITTLE: Thank you.

15 MS. POLLIO: That's the confusion. I think
16 that's the confusing part.

17 MEMBER LITTLE: Yeah, it's confusing to me
18 for some reason. Thank you.

19 MEMBER COMSTOCK: Mr. Chairman.

20 CHMN STAFFORD: Yes, Member Comstock.

21 MEMBER COMSTOCK: Ms. Pollio, is there a
22 difference between the noise level of the startup of a
23 generator and the actual running of a generator?

24 MS. POLLIO: I'm going to look -- I mean,
25 typically there is -- there's a bit of a difference in

1 the noise that is generated, and that is included in the
2 model, you know, but, again, it is if you took it a point
3 in time, I think you would hear it more because it's
4 definitely a noise that you're going to hear from no --
5 you know, obviously at startup no noise, so then you
6 would hear the noise start up versus more of that
7 continuing noise, if that makes sense.

8 MR. ELLIS: So the question is during
9 startup do you have a different noise sound profile?

10 MEMBER COMSTOCK: Is the dBA higher at
11 startup than it is at operational?

12 Does it get quieter when it runs versus
13 when it starts up?

14 CHMN STAFFORD: Like your car does?

15 MEMBER COMSTOCK: Yep. Excuse me, yes,
16 sir. Yes.

17 MR. ELLIS: You know, so a car makes a lot
18 of noise because you're starting the system from starter.
19 So grid connected units are going to use the grid to get
20 the unit up and running is my understanding.

21 And then so I just -- I honestly don't know
22 the answer to your question. I don't -- I don't see that
23 it would be -- I can't think of any reason why it would
24 be fundamentally different. I mean, obviously the units
25 are engineered for their operating point, but they're

1 also engineered for the startup.

2 So I can't imagine that it's an appreciable
3 difference to start up versus operation, but I just don't
4 know the answer to your question.

5 MEMBER COMSTOCK: Okay. And the second
6 question is is there a difference between the fuel source
7 and the operational noise level?

8 If I'm running diesel versus natural gas,
9 is that different?

10 MR. ELLIS: Again -- again, so I'm -- the
11 dual fuel units -- I don't know the answer to your
12 question. I'd have to check that and get back to you,
13 Member Comstock.

14 MEMBER COMSTOCK: If you don't mind.

15 MR. ELLIS: Yep.

16 MEMBER COMSTOCK: I appreciate it.

17 MR. ELLIS: Yeah, we can do that.

18 CHMN STAFFORD: Thank you.

19 All right. Member Fontes, you had another
20 question?

21 MEMBER FONTES: I did. Kind of -- again,
22 we're not trying to play gotcha here. We just want to
23 make sure we capture it for the record.

24 When you do noise modeling or acoustic
25 modeling and a technical review, and I actually just did

1 one, so you usually have a consultant look at the
2 baseline measurement if there's any standards or criteria
3 and then operating scenarios.

4 If you could, maybe just a recap of whoever
5 did that from you or the actual report that you have that
6 we've seen from other developers, and actually we already
7 have for the forthcoming hearing on a thermal plant
8 that's very similar to use that's missing from your
9 application that would be helpful to capture for the
10 public record.

11 And then the last point on that Member
12 Comstock just reminded me can you confirm the units for
13 which were looked at in the data sheets?

14 Are these the LM6000s or were they one of
15 the other variant units?

16 We just want to make sure that we inform
17 the public what we're looking at, what is the best-known
18 scenario or base case that you're looking at for the
19 approval of the CEC at this point in time. So if you
20 could follow up on that, I think that would help complete
21 the record.

22 MR. ACKEN: And while Ms. Pollio looks at
23 some -- looks at the study perhaps to be responsive, I do
24 want to note that Exhibit I-1 to the application that was
25 presented with the application is a study conducted by

1 Meridian, a Trinity company. And that was done in
2 April 2026.

3 BY MR. ACKEN:

4 Q. And so, Ms. Pollio, to the extent that you were
5 cross-referencing study results, is that the study that
6 you were referring to that was conducted for the project?

7 A. (Ms. Pollio) Yes, that is correct.

8 MEMBER COMSTOCK: Mr. Chairman.

9 CHMN STAFFORD: Yes, Member Comstock.

10 MEMBER COMSTOCK: If I may just echo what
11 Member Fontes said. I'm not trying to do gotcha. I just
12 want to make sure we're capturing it on the record
13 because it is a desert community, and if you fire up one
14 of those generators at 12 o'clock at night, I just want
15 to make sure they can't hear, like I said, so that's
16 where I'm at on that. Thank you.

17 MS. POLLIO: Thank you.

18 MR. ACKEN: Can we take a quick segue
19 before we -- well, do you want to go to your summary or
20 do you want -- well, no, let's go back to noise.

21 I want to take a brief diversion because I
22 forgot to do something. We had talked yesterday
23 afternoon about doing a tour tomorrow, and then committee
24 deferred it pending additional information.

25 We attempted to address that this morning.

1 And so, you know, we're getting close to the time where
2 we need to make a decision on a tour for tomorrow. So I
3 just wanted to get feedback from the committee as to
4 whether there's interest in the tour or not so we can
5 make that decision.

6 CHMN STAFFORD: Member Hill, thoughts?

7 MEMBER HILL: If no one else wants to go on
8 a tour, I won't ask for it.

9 CHMN STAFFORD: Member Fontes, your hand is
10 raised?

11 (No audible response.)

12 CHMN STAFFORD: Member Little.

13 MEMBER LITTLE: I just said I want to go on
14 a tour, but will be a little tough.

15 CHMN STAFFORD: Member Fontes.

16 MEMBER FONTES: I want to go back to the
17 noise when it's appropriate to point out where I think we
18 need the additional information based on Mr. Acken --
19 looked at the exhibit.

20 CHMN STAFFORD: Okay.

21 MEMBER HILL: So I'll just -- so, first of
22 all, I want to thank the applicant for doing a deeper
23 dive. And, well, literally we got to kind of get on the
24 ground, so thank you for that.

25 I think what I miss in not doing the tour

1 is the community context and getting a sense of
2 topography and layout and all those things that you can't
3 do with a desktop review. So I'm always going to want to
4 see these sites so that I have all the context and
5 understanding.

6 But I understand that the rest of my
7 colleagues may not want to go either because of heat or
8 lack of interest. But I appreciate the applicant trying
9 to accommodate my wanting to have context. So I'll leave
10 it at that.

11 CHMN STAFFORD: Thank you, Member Hill.

12 I think that given the remoteness of it,
13 the heat, the lack of paved roads, I'm inclined to think
14 that the juice isn't worth the squeeze as Member Kryder
15 used to say for a tour.

16 So with that, Mr. Acken, it looks like you
17 are off the hook. We will not be doing the physical
18 tour.

19 MR. ACKEN: Thank you. Thank you for that
20 diversion. And, I'm sorry, Member Hill. It's obviously
21 the committee's election, and I do see the value and hope
22 that the information we provided is sufficient to give
23 you comfort that this project's well sited.

24 I want to go back -- well, Member Fontes
25 had a couple questions.

1 Member Fontes.

2 MEMBER FONTES: Thank you, Mr. Acken.

3 And what we're trying to do is to make sure
4 that we're consistent here, so I appreciate you sending
5 the air emission study. And I'm looking at page 10 of
6 the methodology of the noise study. And it's just thin.
7 It doesn't state the specific units.

8 And what we've seen on the other
9 applications for the CEC is consistency in terms of that
10 operational footprint for the baseline assumptions that
11 we should be looking at for the CEC. It doesn't even
12 name the units here that would be looked at in the
13 footprint.

14 So I'm not asking to redo. I'm just asking
15 maybe we could amend that with what was used a little
16 more robust just so we'd have consistency and then a
17 little more depth on those operational scenarios to
18 address Member Little -- Member Comstock's areas.

19 So if we do that, you know, I think it's
20 fine. It references a 600-megawatt natural gas
21 generation facility at a high level, but -- and it talks
22 about balance of plant, but it really doesn't talk about
23 the startups the sustained -- the continuous operation
24 and then the specific units.

25 CHMN STAFFORD: One other thing quickly too

1 is I didn't hear anything about construction noise.

2 MR. ACKEN: So if I could address one by
3 one with the witness.

4 BY MR. ACKEN:

5 Q. On the gas plant, you know, I'd like to turn to
6 page 10 of the report, which is page 12 of the PDF. It
7 references gas plant.

8 So member -- and so I'd like -- Ms. Pollio, do
9 you see the reference that I'm referring to?

10 A. (Ms. Pollio) Are you on page 10 of the
11 application or --

12 Q. Page 10 of Exhibit --

13 A. (Ms. Pollio) I.

14 Q. -- I-1?

15 A. (Ms. Pollio) Got it.

16 Q. And references "gas plant."

17 Do you see that?

18 A. (Ms. Pollio) Correct.

19 Q. And so it is a generic gas plant that's not
20 specific to a specific type of technology but says the
21 area source, so it was modeled as an area source was
22 assigned on overall A-weighting of 90 decibels; is that
23 correct?

24 A. (Ms. Pollio) Correct.

25 Q. And so do you know is that intended to represent

1 the configuration for which the applicant is seeking a
2 CEC?

3 So it was modeled generically at 90 mega --
4 excuse me, 90-decibel dBA as an area source.

5 Is the intent that that modeled the
6 configuration for which the applicant is seeking a CEC?

7 A. (Ms. Pollio) Yes. It's a conservative
8 assumption based on --

9 CHMN STAFFORD: Can you get closer to the
10 microphone, please.

11 MS. POLLIO: Sorry. Yes, it's conservative
12 assumption for that. Yes.

13 BY MR. ACKEN:

14 Q. And it's going to be somewhat of a segue, but I
15 want to get to the Chairman's question before we jump.
16 And so because the invoice study modeled the facility as
17 an area source and not -- not unit specific, is it your
18 testimony that to the extent different equipment has
19 similar noise profiles that this study can be deemed to
20 be representative of other configurations as well?

21 MS. POLLIO: Correct. Yes.

22 BY MR. ACKEN:

23 Q. Now I'd like you to move to Chairman Stafford's
24 question about construction. And, if you would, I would
25 like you to discuss where that is referenced. I do

1 believe it is. But now, of course, I'm not finding it.
2 But so if you could refer to where in the studies the
3 discussion of construction noise, that would be great.

4 A. (Ms. Pollio) Construction noise is actually
5 addressed in the actual on page I-4 --

6 Q. Thank you.

7 A. (Ms. Pollio) -- of the text of Exhibit I.

8 So specifically the noise model was for the
9 generation facility and basically where those noise --
10 noises are coming from operational. The construction is
11 addressed in those pages in Exhibit I.

12 Q. So the study -- to sum it up, the study that was
13 commissioned that we referenced -- the Meridian Trinity
14 study was designed to be representative of operations of
15 representative gas plant; correct?

16 A. (Ms. Pollio) That's correct.

17 And then the construction noise is referenced in
18 the text itself.

19 Q. Understood. Thank you.

20 CHMN STAFFORD: And so what is that?

21 I mean, I'm looking at the graphic on R80.
22 We have the blue circle, which is the -- and this is a
23 model with the plant operation noises; correct?

24 MS. POLLIO: That's correct. Yes.

25 CHMN STAFFORD: And so where that blue

1 circle is what would the construction noise be at that
2 point? That's where it intersects the residence.

3 MS. POLLIO: So from the gas plant
4 construction since you're over two miles away you would
5 not hear any construction noise associated with the site
6 itself.

7 As construction equipment is moved most
8 likely along Alamo Road, I do want to make sure that I'm
9 not understating, but that there would be temporary noise
10 associated with construction equipment moving along
11 roadways. That would be the predominant construction
12 noise source for those sensitive receptors.

13 CHMN STAFFORD: Okay. And then I think I
14 recall testimony about when you cross the natural gas
15 line you're going to have to add pack to it like five --
16 there's like two now you need to add -- make it to -- add
17 to it to make it five; is that correct?

18 I think that's Mr. Ellis's testimony I
19 believe earlier about crossing the gas pipeline. You
20 were going to have to build a bridge over it I think I
21 recall, but you needed to add more fill to the top of it,
22 over the top of it.

23 MR. ELLIS: You're talking about having to
24 add more fill to the top of the pipeline? Is that what
25 you --

1 CHMN STAFFORD: Yes. Because, like, when
2 the pipeline crosses your energy facility site, you're
3 going to have to have -- you're going to have to be able
4 drive across over that to get to the gas plant.

5 MR. ELLIS: That's right. We have to add
6 fill. Yeah, that's really the conclusion from El Paso
7 Kinder Morgan, yep.

8 CHMN STAFFORD: Okay. And how loud is that
9 adding the fill?

10 That seems like that's going to occur
11 closer to the residences than, say, the actual
12 constructed plant which is a couple miles away.

13 Is that going to be -- is that -- how noisy
14 is that operation?

15 Because I thought you said the construction
16 at the thermal site is going to be -- not going to be
17 really perceptible, but you said the traffic getting
18 there is going to be noticeable.

19 But then my question is, okay, then
20 what's -- because that -- the gas pipeline depending on
21 where you're at it's going to be close -- that
22 construction piece is going to be closer to Alamo Road
23 than the plant construction.

24 MS. POLLIO: My understanding of where the
25 crossing would be, and I think that was in Adam's

1 testimony yesterday, is farther north on Alamo Road from
2 the noise monitoring location number 1, which would be
3 that closest residence.

4 CHMN STAFFORD: Okay.

5 MS. POLLIO: So, yes, I do think -- I agree
6 that there -- that would be probably closer construction.
7 But I still think it is far enough away based on where my
8 understanding it would be that access road would cross.

9 And, again, it would be temporary. And you
10 can also see -- you know, it would be temporary and
11 really restricted to just that crossing.

12 CHAIRMAN STAFFORD: Right.

13 MS. POLLIO: Once you moved onto the site
14 and get -- enter into the generation facility.

15 CHMN STAFFORD: Okay. Thank you.

16 MR. ACKEN: Thank you.

17 BY MR. ACKEN:

18 Q. Ms. Pollio, do you want to provide your overall
19 conclusions at this point with respect to environmental
20 compatibility?

21 A. (Ms. Pollio) Yes, I do want to provide a
22 summary of environmental compatibility.

23 As we have testified to today, there are no
24 significant detrimental effects to land use or
25 jurisdiction. No significant or detrimental effects to

1 wildlife, fish, plant life, that are dependent on that.

2 Similarly, no detrimental or significant effects
3 to scenic historic areas or archaeological areas,
4 recreational facilities. There's no significant or
5 detrimental effects associated with the noise emission
6 levels and interference and communication signals within
7 attainment areas and will be regulated by Arizona
8 Department of Environmental Quality, and the water use
9 will not have detrimental effects on area wells.

10 So in my opinion the project is compatible with
11 the total environment of the area.

12 Q. Next, I'd like to have you discuss Exhibit 20.

13 A. (Ms. Pollio) Can you -- there we go. Thank you
14 very much.

15 Q. And, if you would, describe what and why this
16 is.

17 A. (Ms. Pollio) So yesterday there was -- through
18 testimony and questions there was discussion about
19 alternative that was proposed by the air permit. There
20 was also a question of the impacts associated with
21 alternative generation on the environment.

22 So we did prepare a table that identifies the
23 primary environmental impact areas assessed in the CEC
24 application. And then we have identified what the
25 potential impacts with the alternative generation are.

1 Again, we were just trying to give a high-level
2 description of what we see as potential impacts
3 associated with alternative generation scenarios.

4 So I can go through those one by one or --

5 Q. I think, yeah, summarize them for the committee.

6 A. (Ms. Pollio) Okay. So you can see based on
7 the similar -- the same footprint. So in general an
8 alternative generation is going to use the same footprint
9 approved. Therefore, land use, biological resources, and
10 cultural resources as well as recreation would have no --
11 would be very equivalent because there it's the same
12 footprint.

13 In addition, there would be no new local
14 entitlement if an alternative generation was proposed.

15 Visually, the stacks and the heights are really
16 from these distances to receptors are what would be
17 noticeable, but within the alternative generation we've
18 discussed the stack heights would not increase, so
19 therefore the overall impact is, again, very equivalent
20 to what we've already demonstrated in this case.

21 Noise is the same thing. Siemens units are
22 expected to be equivalent. The reciprocating units
23 typically are housed inside of buildings, which
24 ultimately result in lower numbers in terms of noise
25 that's emitted because of those enclosures.

1 Water, the alternative generation would use the
2 same or potentially even less water.

3 And that basically summarizes kind of what we
4 see as the impacts associated with that alternative
5 generation that was included in the proposed air permit
6 application.

7 CHMN STAFFORD: Okay. And so just so we're
8 clear, this is a comparison between the LM6000s.
9 That's -- that's not -- that's the -- I guess, the
10 primary.

11 MS. POLLIO: Yes.

12 CHAIRMAN STAFFORD: And then the
13 alternative generation would either be the Siemens or the
14 RICE units?

15 MR. ELLIS: Correct.

16 MR. ACKEN: This is to reflect the
17 alternative generation options presented in the air
18 permit application, which as you stated were RICE and a
19 different type of combustion turbine, smaller units.

20 CHMN STAFFORD: Okay. And then -- and I
21 guess for the air permit purposes it's spelled out what
22 their emissions are. It says what they are in the
23 application. I seem to recall that.

24 MR. ACKEN: That's correct.

25 CHMN STAFFORD: And either way they'd all

1 be subject to the same cap or limit?

2 MR. ACKEN: That's right.

3 CHMN STAFFORD: All criteria and pollutants
4 and whatever they're monitoring then; correct?

5 MR. ACKEN: That's correct.

6 CHMN STAFFORD: Member Fontes, you have a
7 question?

8 MEMBER FONTES: Yes, sir. Thank you.

9 So on land use we're talking about an
10 LM6000 45 to 55 megawatts per unit, and the corresponding
11 powerhouse turbine packages are generally compact exact
12 stack you're using SCR.

13 On a RICE unit those are five to
14 20 megawatts per engine, definitely going to require more
15 units and a greater lay down size. I'd say that engine
16 hauls, enclosures, and all the auxiliaries are different.
17 And you're probably going to have a different stack. So
18 explain to me how those are comparable. I'm not
19 following technically.

20 And did you have a consultation with a
21 turbine provider or an EPC contract on that to backstop
22 that representation here?

23 MR. ACKEN: I think I'm going to direct
24 that to Mr. Ellis initially, and we may recall Mr. Crabb.

25 MEMBER FONTES: Balance of plant comes to

1 mind too.

2 MR. ELLIS: Yeah, what I'd like to do is
3 actually -- I'd like to have Mr. Crabb come up and field
4 those questions. That will be cleanest.

5 CHMN STAFFORD: Please come join us,
6 Mr. Crabb, and I'll remind you you're still under oath.

7 MR. ACKEN: And, Mr. Crabb, do you have a
8 copy of the latest air quality application in front of
9 you? Because that might be helpful for you to have.
10 That would be Hearing Exhibit 17.

11 MR. CRABB: Yes.

12 Yeah, so let me repeat the question, make
13 sure I capture the different items here. Yeah, really
14 talking about the difference between reciprocating
15 engines and mid to small-size aeroderivative turbines.

16 The short answer to your question, yes, the
17 specifics of the site laydown and layout do look very
18 different for standalone aeroderivatives as CTG packages
19 versus reciprocating engines, which typically are
20 aggregated within industrial buildings and would
21 typically have maybe a lower stack height.

22 We've used a 70-foot stack height for the
23 air dispersion modeling, so it sort of stays consistent
24 with the visual renderings from a height perspective. I
25 think you're correct that the specific organization of

1 the site would change.

2 But we're contemplating you'd have a
3 smaller specific unit footprint, but we have included
4 fairly significant buffering in our hundred-acre parcel,
5 and it so could easily fit the same number of units, same
6 capacity with more smaller units that take a smaller
7 per-unit footprint versus the larger -- large is
8 relative, the 50-megawatt LM6000s which would have fewer
9 but bigger footprints, and you generally have larger --
10 we've included 24-foot through-ways on all sides of the
11 unit to allow for maintainability. So --

12 CHMN STAFFORD: But for all three of them
13 the thermal site would be 80 acres of that 100?

14 MR. CRABB: Correct.

15 CHMN STAFFORD: So regardless of which
16 technology you're still going to occupy that 80 acres. I
17 guess so would someone have more or less buffer depending
18 on the size of the power --

19 MR. CRABB: Yeah, there's going to be
20 axillary power. You could see maybe on the recips you'd
21 put, like, two buildings instead of right now there's a
22 single unit sort of all in a row you could see a scenario
23 where the recips may have two buildings because, again,
24 smaller, shorter footprints, and they might be more
25 parallel. So we've already done conceptual design of

1 some of those alternatives.

2 And -- but, yes, the size -- this is the
3 site disruption, right, of the different laydown areas as
4 we're evaluating them today are comparable.

5 CHMN STAFFORD: Okay. Member Fontes, you
6 had more questions?

7 MEMBER FONTES: Yeah. I just wanted to get
8 it out that -- suss that out a little more because it
9 just seemed like a too generic of an answer that we're
10 going to have probably a larger site footprint, a
11 different balance of plant in terms of where like lube
12 oil systems there, interconnect auxiliary equipment than
13 we would on an LM6000 laydown.

14 The next item is the biological resource.
15 Can I continue, Mr. Chairman, with that
16 one?

17 CHMN STAFFORD: Yes, please.

18 MEMBER FONTES: How would the site laydown
19 vary in terms of distributed equipment in terms of
20 laydowns, stacks, and the distances on that that we
21 should have thought about for that may be buried for
22 biological resource between the LM6000 site layout plan
23 and the RICE units?

24 MR. ACKEN: I'm going to direct that first
25 to Ms. Pollio. And then Mr. Crabb can supplement as he

1 sees fit.

2 MS. POLLIO: And Mr. Crabb can also
3 confirm.

4 But when we were reviewing this last
5 evening, we were looking at the fact that ground
6 disturbance for either -- any of these alternatives would
7 be limited to the 100 acres that is identified in our
8 application.

9 And that is what we based that there would
10 be -- if it is contained in that 100 acres, then the
11 biological impacts on the ground impacts would not exceed
12 that 100 acres with any of the technology. That is how
13 we came to that biological conclusion.

14 MEMBER FONTES: Thank you.

15 But the concern that I just wanted to focus
16 just for the record, again, is are we going to have to
17 change any access roads or for the discharge pond on how
18 that potentially may impact biological resource you
19 didn't see anything or you don't see a material
20 difference for the record here?

21 MS. POLLIO: I do not see a material
22 difference in terms of biological resource if it stays
23 within that hundred-acre area.

24 MEMBER FONTES: Okay. I didn't have -- I
25 don't have any additional thoughts unless some other

1 member does on cultural resources, but on visual -- and,
2 again, I'm trying to capture this for the record -- it
3 would seem like you would have a more compact visual
4 impact on the reciprocating engines, the Wartsila, than
5 you would on LM6000s.

6 Can you characterize that for the record in
7 terms of how exhaust stacks, radiator banks, and the
8 overall layout would be more dense on the RICE units
9 versus the LM6000s for the record.

10 MR. CRABB: Sure. The -- so if you strip
11 away the buildings, I guess, right, the recips are -- the
12 reciprocating engines are smaller, you know, think of
13 them as large truck engines for the benefit of the
14 record. And generally they're put in dedicated buildings
15 and kind of lined up in a row, a certain number in a row
16 to allow for maintainability.

17 And so visually outside of height it would
18 look a little more like what we have on the southern end
19 of the project, right, which is some of the supporting
20 infrastructure and administrative building kind of look
21 more like an industrial warehouse or a series of
22 industrial warehouses as opposed to standalone turbine
23 enclosures with a dedicated stack.

24 But we have not done detailed analysis of
25 capturing of all of those recips in a single exhaust

1 stack versus modeling them as separate.

2 My recollection without going back to the
3 text itself is that for the air dispersion modeling we
4 did do discrete stack testing from each of the stacks,
5 but we've only done conceptual sort of site layout on how
6 those would sit on the specific project.

7 There would be slight -- yeah, there would
8 be some changes to balance of plant just given the slight
9 difference in footprint. So physically where some of
10 those administrative buildings, sort of the electrical
11 lines where you would have your gas inlet equipment that
12 might vary because of the change in footprint with
13 smaller more compact units in a building as opposed to
14 standalone turbine units. But the -- sort of the total
15 impacted land would be comparable.

16 MEMBER FONTES: Thank you.

17 The next one is noise. Was there in the
18 modeling any variations that -- we talked about that a
19 little bit, but are -- within this -- I guess in my
20 experiences you have a lower frequency tonal issue
21 potentially with RICE units over turbines, especially
22 aeroderivatives.

23 Was that looked at?

24 And, again, I apologize. I haven't had
25 time to go in depth through the noise study within the

1 noise modeling.

2 MR. CRABB: We didn't look at all of the
3 different specific noise sources or different generation
4 sources from a noise modeling perspective. We used that
5 90-decibel threshold as sort of an industrial standard as
6 sort of an area source as opposed to a point source as
7 was testified earlier.

8 I think part of the conclusions of that
9 study was seeing that there was no impact at those
10 sensitive receptors. We wouldn't anticipate dramatically
11 different noise sources between the generation
12 technologies.

13 One of the key considerations is plant
14 staff. And so that's part of where that 90-decibel
15 threshold comes from. You can't have plant staff walking
16 around turbines and have, you know, 115-decibel noise
17 because everyone would be deaf. So that's part of what
18 drives that noise analysis.

19 MEMBER FONTES: I've seen point references
20 be more effective. And then also on the reciprocating
21 engines what we've seen in the desert is that they tend
22 to travel further, and I would encourage you to look at
23 how the utilities here have chosen their technologies and
24 operate them, especially we're not as close to an urban
25 area here, but that low tonal vibration can have a

1 farther, if you will, echoing phenomena on the desert
2 floor.

3 So that's a concern that I see as a
4 variation to your analysis. I'm not -- I'm not calling
5 it out on it. I'm just saying that you need to probably
6 check that out a little bit further for the stakeholders.

7 Without -- with looking at the other things
8 too, you know, if you look at the air quality -- I know
9 you know this, but can you explain how a RICE is going to
10 be low NOx within SCR but it's going to be higher, you
11 know, VOC, and you're going to have different treatments,
12 and you're going to have different chemicals that we're
13 going to have to handle on a site versus what we already
14 previously covered with a site layout for the LM6000s. I
15 think that's important to capture here.

16 MR. CRABB: Yeah, I'd have to go back on
17 some of the specific chemicals. I don't want to, you
18 know, overstate my engineering capabilities here. I --

19 MEMBER FONTES: Oh, come on.

20 MR. CRABB: What I will say is, yeah, we
21 will have to with any of these generation technologies
22 meet the relevant best available control technology
23 requirements and total emissions and ratable emission
24 rates or emission rates -- shouldn't be redundant --
25 associated with that air permit.

1 And part of my hesitation here is I am more
2 experienced with the larger scale grid-connected units.
3 It really is only over the last year where reciprocating
4 engines have become a tool in the toolkit for this type
5 of project, which is also why originally we sort of
6 focused on the LM6000 for the grid-connected capacity.

7 So let me confirm on some of the chemicals
8 and SCR differences around the recip. But for avoidance
9 of doubt we will satisfy ADEQ requirements on emissions
10 regardless of generation technology.

11 MEMBER FONTES: I think it's good that you
12 capture that analysis of alternatives because in my
13 personal opinion is the LM6000 is probably a better
14 application for this given the current market and what
15 you're looking to do than the RICE but, again, I want to
16 capture the air, the noise, the visual impact for the
17 public record given sensitivities on those things.

18 And then water. There's going to be a
19 difference in terms of a close-looped jacket cycle on a
20 RICE unit than a turbine. So if you could cover that
21 just so that we can make sure we cover those key areas.
22 And that's all I have. I appreciate your time.

23 Thank you, Mr. Chairman, Mr. Acken, for
24 including me here.

25 CHMN STAFFORD: Thank you.

1 MR. CRABB: No, thank you for the
2 questions. And it's good to keep me honest on the
3 different applications.

4 So, yeah, from the Siemens will look very
5 similar. You know, they're just a slightly smaller
6 aeroderivative turbine.

7 On the recips you would not have the inlet
8 air conditioning, so, as you acknowledge, there may be
9 some additional auxiliary water source, but it would
10 be -- it would likely be a lower water consumption versus
11 aeroderivatives.

12 MEMBER FONTES: I think you've done an
13 analysis of alternatives here that I'll call it in an
14 engineering sense, and I want to bring that -- suss that
15 out here for the public record and why this is the least
16 impact on the environment. So follow that thread, and I
17 think that'll improve that slide for you a little bit.

18 Thank you for your time.

19 CHMN STAFFORD: Thank you.

20 So just to reiterate, on the Exhibit 20
21 water resources it says alternative generation would use
22 the same or even less. The Siemens, which are also the
23 aeroderivative, they would be roughly equivalent to what
24 the LM6000s would do, and the RICE units would have a
25 slightly less water usage.

1 MR. CRABB: Correct.

2 CHMN STAFFORD: So I just wanted to make
3 sure I had that right in my head.

4 Member Little, you had some questions?

5 MEMBER LITTLE: Yes. I'm a little
6 confused. I thought we had decided on the LM6000s and
7 that's what was going to be in the CEC.

8 MR. ACKEN: So I'll speak to that, Member
9 Little, Chairman Stafford.

10 So we are trying to be responsive to
11 committee requests, and so we thought we would provide
12 the analysis. And if it's the committee's decision, you
13 know, we certainly wouldn't be opposed to having that
14 flexibility. And so that could be written into the CEC.

15 So our original ask in the CEC was for
16 combustion turbine simple-cycle combustion turbines of
17 58-megawatt nameplate capacity, maximum capacity of 700
18 megawatts for the thermal plant.

19 The purpose of this exercise was to be
20 responsive to questions from the committee but also to
21 show I hope -- the goal was to show that regardless of
22 the alternatives that were presented in the air quality
23 application for the purposes of this committee's review
24 the analysis and the impacts are largely the same.

25 So if it were the committee's election to

1 say, you know what, in today's high-growth, uncertain
2 environment we'd rather you have the flexibility to build
3 any three of those than come back to us. We wanted to
4 provide an evidentiary record in which you could do so.
5 That's the purpose of this.

6 MEMBER LITTLE: Okay. Well, that's
7 helpful.

8 I have in my length of time on the line
9 siting committee I have not been involved in too many
10 thermal generation hearings applications. However, I
11 don't believe I've ever seen one where it was, well, we
12 want to build a plant and we want to -- we might build it
13 this way and we might build it that way and we might
14 build it the other way.

15 MR. ACKEN: Member Little, you're going to
16 see more of it. I'm previewing you for future cases.
17 That was not our original ask here. That was not our
18 original ask here.

19 But as the case evolved we're, like, well,
20 present it. But in the interest of full disclosure,
21 it's -- I think you said it well it's a different time,
22 and so you will be seeing some different proposals, and
23 it will be up to the committee to decide how they want to
24 handle those.

25 MEMBER LITTLE: Bert, thank you.

1 CHMN STAFFORD: Thank you, Member Little.

2 Any more questions, Member Little?

3 No, you're done?

4 Member Hill.

5 MEMBER HILL: Bert, if that is the case,
6 then I'd like to actually see some higher level of detail
7 of comparing these. Like, when say the visual resources
8 wouldn't exceed 70 feet, I mean, seeing more stacks in
9 the distance makes a difference sometimes. Like, I just
10 feel like this isn't nuanced enough. I think if you're
11 just skimming the surface, some of this holds weight with
12 me.

13 But if people are going to come in and say
14 we want the option of doing these three different things,
15 I want more detailed analysis. I want noise analysis for
16 all three of them side by side. I want height and visual
17 impacts for all three of them so that we can help -- so
18 that we can actually see and understand, hey, maybe we
19 actually don't want this option on the table, but these
20 other two work.

21 So I just want to suggest that if you're
22 involved in future cases that you bring it forward in a
23 way that we can actually understand the spectrum of
24 options and choices and maybe we choose to eliminate one
25 and leave two if we have concerns about the impacts of

1 one; right?

2 MR. ACKEN: So I really appreciate that
3 feedback. And certainly I will take it to heart for
4 future cases.

5 And I've said this as it relates to public
6 outreach. I've said it as it relates to individual
7 resource analyses. Every case is site specific, right?
8 And so if you have neighbors across the street, is this
9 table going to be adequate? No.

10 MEMBER HILL: Good point.

11 MR. ACKEN: If your neighbors are 3 miles
12 away and there's three of them, is this adequate when you
13 have widespread community support? I submit it is.
14 Obviously that'll be your call.

15 But that would be -- but understand what
16 you're saying, and I think -- I think in some ways you're
17 saying it for other applicants as well is be mindful of
18 the location and understand and target it accordingly.
19 And I get that and understand.

20 And that's why, you know, you won't see the
21 same public outreach strategy for every case. I don't
22 think you would see the same analysis of alternatives for
23 every case.

24 I'll go back. This is a really great site
25 for what it is. Remote, existing infrastructure,

1 community support, low water use. And so when you have
2 all those excellent aspects and attributes, maybe this is
3 one you say, you know what, we'll give them that
4 additional flexibility, but we're going to look at each
5 one on its own merits.

6 And so but I understand what you're saying.
7 But that's why I felt comfortable, like, we'll at least
8 present it, and you tell us, you know, isn't enough for
9 now, you know, I get it. But that's -- it's in the
10 record and you're free to make the decisions as you see
11 fit with that information.

12 MEMBER HILL: Okay. I'll just add that,
13 first of all, compliment you on the place matters
14 statement.

15 I'll also add that the precedence of doing
16 a project like this and giving that many alternatives
17 makes it harder for us to roll it back when the place
18 really matters. And not to suggest that this place
19 doesn't matter. I think that there's some
20 appropriateness here.

21 But I also think that -- I mean, I think of
22 cumulative impacts. Once you do it in one place people
23 will feel free to do similar-type projects in similar
24 areas and then the cumulative impact.

25 So I'm just struggling a little bit with

1 the lack of specificity. I was really glad to hear they
2 landed on that like -- like, first day landed on LM6000s,
3 and I was, like, okay, now I know what I'm dealing with,
4 and I can evaluate in that context.

5 So thank you for having the conversation
6 with me.

7 MR. ACKEN: Likewise, thank you.

8 CHMN STAFFORD: Member Fontes, you had
9 additional questions?

10 MEMBER FONTES: Just kind of a suggestion,
11 Mr. Acken.

12 Your comments in the prehearing kind of
13 tipped me off that they don't know what the supply chain
14 decision was going to be, so that's when I went to the
15 air dispersion and I started looking at the noise, and I
16 really got confused.

17 So maybe in the prehearing just as a set
18 the stage tell us that, you know, what are the options,
19 and then to take it to this slide I think we just keep it
20 simple because you can do analysis paralysis.

21 I like the fact that, you know, they said
22 reciprocating engines and aeroderivatives and we just do
23 a simple comparison because that's the most probable
24 procurement that they have.

25 I'm doing this in my day job. I'm doing

1 exactly -- I am a developer in my day job just in a
2 different state, so I have a lot of empathy. I try to
3 guide the questions there for the public just to make it
4 bulletproof based on what I see in parallel universes
5 I'll say and hope that's added value to you as the
6 attorney representing these developers in terms of how to
7 frame it for us.

8 MR. ACKEN: 100 percent. Same comment.
9 Appreciate your perspective. I appreciate you raising it
10 because it did allow us to go through this exercise.

11 And, yeah, I appreciate the opportunity to
12 present it. I appreciate your perspective and hope that
13 it's taken with that in mind and with what we were trying
14 to accomplish.

15 CHMN STAFFORD: Thank you, Member Fontes.

16 And with that we will be taking a recess
17 until 2:30. I have a prehearing conference on another
18 matter to attend. And so with that we are in recess.

19 (Recess from 1:43 p.m. to 2:30 p.m.)

20 CHMN STAFFORD: All right. Let's go back
21 on the record.

22 Mr. Acken.

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

24 We are at the end of our prepared
25 testimony. I have just one last question for the panel.

1 It's directed to Mr. Ellis, if he has any concluding
2 thoughts to share with the committee at this time.

3 MR. ELLIS: Thank you, Mr. Acken. And I'll
4 reiterate for this committee what I was saying at the
5 beginning is really just to thank you. I want to
6 personally thank you for just the thoroughness.

7 I've always -- this being the fifth time
8 through the process -- have been just consistently
9 impressed with the great range of questions, the depth of
10 knowledge, and how you require us to demonstrate the
11 appropriateness and the quality of the project that we're
12 bringing forward. So I'll just start off making that
13 remark.

14 Hopefully over the course of the last
15 couple days as you've gotten to know the project, you now
16 see that the first thing I'll say that community
17 engagement and gaining the support of the community is of
18 paramount importance to us. We have spent multiple,
19 multiple years explaining what our plans are, earning the
20 trust and support of the community. And hopefully that
21 is evidenced in the seven letters of support, the letter
22 of support we have from La Paz County, the unanimous
23 vote.

24 But we also take really seriously making
25 the project a win. These projects have to go somewhere,

1 and we try to be really thoughtful where we put them.
2 And then when we do plan and develop a project like this
3 to do it in a sustainable way.

4 There's a clear need for this project and
5 these facilities for the state. We need the power and we
6 need the resources. We already have a major utility that
7 is depending on this power for 2028, and it is in their
8 plans.

9 The -- we have talked today about -- and I
10 want to thank Member Fontes in particular for suggesting
11 that we maybe expand the certificate to include a couple
12 of the original technology options that were in our
13 application. We heard the arguments for and against, and
14 we would ask for your consideration here, your successful
15 consideration to give us that additional flexibility.
16 That's always a good thing. We think that that is in the
17 public interest. It gives us more options in the market.

18 And because we are multiple miles from the
19 nearest receptor and the sound and the visual studies
20 were originally so minor that we think any variances that
21 we've discussed today would be -- would be really not
22 measurable at the boundary where those impacts would be
23 felt either visually or on a sound base.

24 We respect the committee's concerns about
25 there being differences and those haven't been

1 quantified. I'm confident that those variances should
2 they exist are really minor at those boundaries, but we
3 respect your decision either way.

4 We asked for the greater flexibility, but
5 should you choose in your deliberations that's not been
6 gained today, that it hasn't been demonstrated to your
7 satisfaction, we respect your decision either way on that
8 front.

9 We have a track record of now building
10 really successful projects. And to summarize our
11 position, we think that this project is environmentally
12 compatible. We've done the homework. We've done the
13 studies. Hopefully you've seen from my colleagues that
14 we have demonstrated across the various disciplines that
15 we know what we're doing in all of the functional areas,
16 and we've brought forth a project that is worthy of this
17 community and worthy of this state, and should we get
18 your blessing to move forward, that we'll build it in a
19 competent, in a good way, and it will be good for the
20 state and good for the economy and keep our
21 infrastructure reliable and running in the years to come.

22 So with that I'll conclude my remarks.

23 Thank you for your time and for the thoughtful questions.

24 And I'm going to hand it back to Mr. Acken
25 if there's any final questions, and, if not, then we

1 would move into I think the deliberation period.

2 CHMN STAFFORD: Well, we'll let Bert give a
3 closing first before we do that.

4 But I think I'm looking at the exhibit
5 list, and the only two that I have that we haven't
6 covered yet is Exhibit 6, the witness summaries. I think
7 we've -- they match the testimony that we've heard today.
8 And then the Utilities Division's response letter,
9 Exhibit 11.

10 I think maybe Member Little would have some
11 questions on that.

12 MEMBER LITTLE: Yes.

13 MR. ACKEN: Yes. And I would suggest that
14 those questions -- we do have both Mr. Ellis and
15 Mr. Crabb on the panel right now. I guess I'm going to
16 refer to this panel as 2B now that Mr. Crabb's rejoined
17 it to answer questions about the Staff report, which,
18 yes, was marked for identification as Hearing Exhibit 11.

19 BY MR. ACKEN:

20 Q. And maybe in the interest, Mr. Ellis or
21 Mr. Crabb, if you could just summarize for the record
22 what exactly that document is.

23 A. (Mr. Ellis) So this would be -- I'm looking at
24 Exhibit 11 now. This is Utilities Division's response
25 letter. And, Mr. Acken, are you asking me to summarize

1 what that response covered?

2 Q. Two things. First, it's showing up on the
3 screen, so thank you to the Peaks team.

4 If you would, just confirm that what's showing
5 on the screen is Exhibit 11, which is the Staff letter
6 dated July 27, 2026.

7 A. (Mr. Ellis) Confirmed.

8 Q. And then in the conclusions and recommendations
9 on page 3, I'd like you to take a look at the first two
10 paragraphs and confirm for me that their first paragraph
11 they note that they weren't able to review studies
12 associated with the thermal plant because those studies
13 are not complete.

14 Is that your understanding?

15 A. (Mr. Ellis) That is my understanding.

16 Q. And they had add a recommended -- well, they
17 added the next paragraph where they recommended a
18 condition requiring the applicant to be responsible for
19 any upgrades that are identified in subsequent studies.

20 Is that a fair characterization of that
21 paragraph?

22 A. (Mr. Ellis) It is.

23 Q. And is that condition contained in our proposed
24 CEC -- give me a second. I'll try to find them.

25 CHMN STAFFORD: Exhibit 2?

1 MR. ACKEN: Thank you. It's been marked
2 for identification as Exhibit 2.

3 BY MR. ACKEN:

4 Q. And that would be proposed Condition 17.
5 Proposed Condition 17 reads, "The applicant shall provide
6 Commission Staff with a copy of the interconnection
7 agreements related to the project when executed and
8 approved by the Western Area Power Administration."

9 It goes on to say, "And applicant shall comply
10 with all requirements and be responsible for any future
11 upgrades necessary."

12 Is that fair?

13 A. (Mr. Ellis) That is my reading of Condition 17,
14 yes.

15 Q. And so it's your understanding that our proposed
16 Condition 17 to Hearing Exhibit 2 is responsive to the
17 Commission Staff's recommendation in Hearing Exhibit 11?

18 A. (Mr. Ellis) Correct.

19 Q. Okay. Thank you.

20 MR. ACKEN: Okay. Thank you, Mr. Chairman.
21 And Mr. Ellis is available to answer any questions about
22 that or anything else.

23 CHMN STAFFORD: Member Little.

24 MEMBER LITTLE: I have several questions as
25 shouldn't surprise anybody.

1 The study that has been completed that
2 identified three -- or upgrades in three locations, the
3 first of which is increasing the size of Harcuvar
4 substation, and the second two are just modifications
5 within two other substations on the WAPA system I'm
6 assuming?

7 MR. ELLIS: Correct.

8 MEMBER LITTLE: That was done in support of
9 case 236; is that correct?

10 MR. ELLIS: That work -- are you asking
11 when the studies were completed or are you asking --

12 MEMBER LITTLE: Yes. Yes. That's --

13 MR. ELLIS: Or are you asking when those --
14 those upgrades would be completed?

15 MEMBER LITTLE: No, when the study was
16 completed.

17 MR. ELLIS: So some of the studies were
18 completed under 236. I believe at that time the system
19 impact study may have been completed. I can say that at
20 this point all of the interconnection studies required
21 for the 400 megawatts, the first phase of project that we
22 will build, all of those studies are now done, the system
23 impact -- the feasibility and system impact and the
24 facilities study. So at this --

25 MEMBER LITTLE: And that is -- that is the

1 solar --

2 MR. ELLIS: Storage.

3 MEMBER LITTLE: -- plant and the storage,
4 is that correct, only?

5 MR. ELLIS: That is -- it is correct.

6 It also included, Member Little, should we
7 add the hundred megawatts of incremental gas capacity
8 under a surplus interconnection process, that all of the
9 upgrades that we are making under that 400-megawatt LGIA
10 would benefit not only the 300-megawatt PV and the
11 storage project that is already contracted, but would
12 also be able to accommodate that additional hundred
13 megawatts of generation should it come online.

14 MEMBER LITTLE: So you're telling me that
15 the studies that have been already been completed
16 assume -- have -- because modeling solar is very
17 different than modeling thermal or modeling peaking
18 generation when you're doing the studies.

19 And so you're telling me that the work that
20 WAPA has done to date includes that 100-megawatt thermal
21 in addition to the 300-megawatt solar/BESS?

22 MR. ELLIS: Yes. So there's a yes and a
23 no. Let me tell you the no part first.

24 So, no, that study for the additional
25 hundred megawatts has not been completed yet. I'm

1 offering you my professional judgment that when that
2 study is done that there will be nothing required because
3 of the upgrades that we are making. But that study still
4 needs to be completed by WAPA.

5 MEMBER LITTLE: Okay. Are there any other
6 utilities that come in and out of that substation or is
7 it just a WAPA substation?

8 MR. ELLIS: I want to make sure I
9 understand your question.

10 Are there any other utilities coming into
11 that substation?

12 MEMBER LITTLE: Into or out of it, yeah,
13 but any other -- transmission lines that are owned by any
14 other utilities than WAPA that come in and out of that
15 substation.

16 MR. ELLIS: So if we're talking about the
17 Harcuvar 230kV substation --

18 MEMBER LITTLE: Yes.

19 MR. ELLIS: -- there is an APS transmission
20 line that comes out of that substation.

21 MEMBER LITTLE: Okay.

22 MR. ELLIS: I'd want to verify that on the
23 map if we -- I mean, I'm 90 percent plus. If we can pull
24 it up on the map for everyone to look at it, I can give
25 you a verification of it or even I can look at -- thank

1 you.

2 CHMN STAFFORD: It looks there's a Central
3 Arizona Water Conservation District 115kV line coming out
4 of the or going into the Harcuvar substation as well.

5 MR. ACKEN: Mr. Ellis, to Chairman
6 Stafford's point, the placemat and the general maps do
7 show that is a CAWCD transmission line that also connects
8 at Harcuvar. I'd ask if it's your understanding or
9 Mr. Crabb's understanding that that transmission line
10 exists to serve CAWCD pumping stations along the --

11 MR. ELLIS: Thank you. I was going off of
12 memory, so I had -- the portion I had to correct it
13 wasn't just WAPA, but I mislabeled the utility. Thank
14 you.

15 CHMN STAFFORD: So there is not an APS
16 line?

17 MR. ELLIS: Right.

18 CHMN STAFFORD: Okay.

19 MEMBER LITTLE: Okay. Do you know whether
20 this project has been included in any of the regional
21 studies, not just a WAPA system study?

22 MR. ELLIS: Yeah, great question. So as
23 part of the interconnection process, we have to do what
24 are called affected system studies. You're probably
25 familiar with this, and it's probably why you are asking

1 the question.

2 All of the affected system studies, so we
3 have to look at not only the impact to the WAPA system
4 but then also the potential impacts to other utilities.
5 All of them are done with the exception of one. There is
6 a CAISO affected system study that is right now about to
7 kick off and is going to be completed right now in the
8 November time frame.

9 BrightNight, we have the ability with
10 PLEXOS models to actually go and look at what we think
11 will be the predicted outcomes of those affected system
12 studies, so we've already ran with our internal in-house
13 experts what the outcomes.

14 We do not forecast that there's going to be
15 anything that comes from that. But SCE, which is the
16 affected utility, will need to validate that. I
17 mentioned that it's a CAISO, but it will ultimately fall
18 to SCE to verify these results, and we'll have those
19 results in November. But already we have confidence that
20 that there's going to be nothing that is concluded from
21 that study, no impacts.

22 CHMN STAFFORD: And "SCE" stands for?

23 MR. ELLIS: Southern --

24 CHMN STAFFORD: Southern California Edison.

25 MR. ELLIS: Yes.

1 CHMN STAFFORD: Just making sure.

2 MR. ELLIS: Thank you.

3 (Court reporter clarification.)

4 CHMN STAFFORD: Member Little, please
5 proceed.

6 MEMBER LITTLE: And that CAISO
7 study involved 400 megawatts of phase 1; correct?

8 MR. ELLIS: You broke up.

9 CHMN STAFFORD: You cut off there for a
10 second. You've got to ask your question again, please.

11 MEMBER LITTLE: Yes.

12 The study that you're speaking of that --
13 the CAISO study is just for the 400 megawatts of phase 1;
14 is that correct?

15 MR. ELLIS: That is correct.

16 MEMBER LITTLE: Have you -- you mentioned
17 that you have done in-house PLEXOS model studies.

18 Have you done that for the thermal plant?

19 Have you run those?

20 MR. ELLIS: We actually have looked at the
21 impact of adding the additional thermal generation
22 station and what we think is -- what we think will be
23 required.

24 The first thing I can say is that system
25 upgrades will be required to accommodate the additional

1 600 megawatts of operational capacity. The 700 megawatts
2 of nameplate, 600 megawatts of operational capacity will
3 require an upgrade.

4 This is not my discipline, so I'm relaying
5 to you my understanding of the results that have been
6 performed by other BrightNight team members. But
7 generally I understand it to be a complete upgrade from
8 Parker to Liberty of WAPA's 230kV system, and that
9 upgrade would be on the order of probably 100,
10 \$120 million is the high-level estimate.

11 So I'm able to summarize my understanding
12 of what that would be. That would be an upgrade that
13 would take WAPA, were we to undertake that, multiple
14 years to complete and would -- that transmission system
15 upgrade would probably be completed in the call it 2032
16 time frame. So it's kind of prospective looking. It's a
17 five- to six-year horizon from where we stand here today.

18 So you've asked the question, and that's
19 the best answer I can offer you. But I think it's
20 reasonably close.

21 MEMBER LITTLE: From Parker to where? I'm
22 sorry.

23 MR. ELLIS: From Parker to Liberty.

24 MEMBER LITTLE: To Liberty. Okay.

25 MR. ELLIS: Yep. And that does not --

1 MEMBER LITTLE: And then if --

2 MR. ELLIS: That does include the affected
3 systems. And so that's the effect on WAPA's system. And
4 I don't know that we've done the additional affected
5 system studies beyond that.

6 But we would have to go obviously through
7 all that and satisfy all that before we were ever allowed
8 to connect the additional capacity just like we're doing
9 now. We are just concluding the process on determining
10 all of the effects of the 400. And we're very close to
11 being done with that process, but we still have to do it
12 for the additional generation we've talked about here
13 today.

14 MEMBER LITTLE: Yeah, for the record, would
15 you tell us why the delay in getting the system impact
16 study done before you come to us?

17 MR. ELLIS: I want to make sure I
18 understand the question.

19 Why the delay on the in-house study before
20 what?

21 MEMBER LITTLE: Before coming to us for a
22 CEC.

23 MR. ELLIS: We have done --

24 MEMBER LITTLE: Why is --

25 MR. ELLIS: We have done the --

1 MEMBER LITTLE: Why --

2 MR. ELLIS: I'm confused. We have done the
3 in-house study.

4 CHMN STAFFORD: I believe she's not asking
5 about the in-house study. She's asking about WAPA's --
6 the interconnection study that WAPA's going to do.

7 MEMBER LITTLE: Thank you. Yes.

8 MR. ELLIS: Why have we not completed that
9 study before coming to you?

10 MEMBER LITTLE: Yes.

11 MR. ELLIS: Mr. Crabb I believe wanted to
12 take a stab at that, and I'll allow him to go first,
13 please.

14 MR. CRABB: Yeah. And it might be useful
15 to go to R22 in the presentation, which --

16 CHMN STAFFORD: Exhibit 5.

17 MR. CRABB: -- which outlines the different
18 interconnection strategies. So as we've talked about the
19 different phases in the project, the two new
20 applications, which will go through the additional study
21 process with WAPA, are the long-term expansion
22 opportunities for the project.

23 The surplus interconnection application is
24 a discrete application where as WAPA has studied
25 400 megawatts of injection into their broader system, a

1 surplus interconnection allows you to connect additional
2 generation behind those initial studies, but prohibits
3 you from exporting more than what was studied.

4 And so the market solution that we can
5 bring to bear given this surplus interconnection process
6 allows us to bring capacity online in an accelerated
7 fashion and then expand the project as we conduct
8 additional studies by nature of the third and fourth rows
9 on the table on R22.

10 MEMBER LITTLE: Okay. I guess what I was
11 looking for is that we are hearing that -- I mean, those
12 of us who have done these kinds of studies understand
13 that they're very complex and, you know, you're not
14 looking at just a small area. You're looking at a pretty
15 sophisticated system depending how far you go with it.

16 And they're complicated, they're not cheap
17 to run, and they take time and that the applicant is
18 generally dependent upon others to do those studies. And
19 I'm assuming that that is the case here, that you can't
20 just ask WAPA to do it and have them turn it around in a
21 month.

22 MR. ELLIS: Yeah, let me just build on what
23 Mr. Crabb has said. We have -- with our current
24 application before you we have near-term opportunities
25 that we -- should we gain your favorable vote today there

1 are near-term capacity solutions that we'll be able to
2 bring to the market within just a few years' time frame
3 with your approval today, right.

4 One of them would be an additional hundred
5 megawatts of gas. And Mr. Crabb has described also a
6 scenario where we could bring an additional 300 megawatts
7 onto our 400-megawatt connection should a utility be
8 interested.

9 I would say the very high interest would be
10 the hundred megawatts, but it could be up to 400 on a
11 near-term basis layering on top of the solar and the
12 battery.

13 As we have discussed a few times throughout
14 these proceedings, it is expensive, it is difficult, it
15 is cumbersome for everyone to come back to the apple
16 multiple times, right. We have -- when we develop these
17 projects, we -- I'll give you an example. We went before
18 La Paz County to seek their approval for 600 megawatts
19 because in our industry getting -- clearing these hurdles
20 is really significant. It gives us the confidence to
21 continue to invest and develop knowing that we have the
22 county's approval, knowing that we have our approval.
23 These things are iterative.

24 When we meet with utility customers, they
25 evaluate the project that we have on the basis of the

1 permits that we have, and it's entirely possible that
2 with your approval -- I mean, the utility planning cycle
3 for projects of this size is many, many years.

4 And so if we -- one of the things we would
5 do coming out of these proceedings is we'll be able to
6 then submit responses to SRP and APS as they seek to add
7 the resources, and we can show them that we have a county
8 permit and that we have a state permit and that the rest
9 of the process is honestly administrative, right.

10 Going through the process with WAPA on the
11 interconnection, APS has its own transmission consultants
12 that can evaluate the grid just like we did. We're
13 reasonably confident of what that's going to be. And so
14 when they look at this opportunity, they can look at it
15 and say this is a high quality opportunity, it is
16 substantially derisked.

17 To your point, Member Little, it's not
18 100 percent risk free. We haven't finished that system
19 impact study that we have to do, but it's possible that
20 in the next round we would be selected on the basis of
21 having the what we'll call the thumbs-up, thumbs-down
22 discretionary permits, right.

23 And so it just helps for multiyear
24 planning, which is really important for the utilities and
25 it's important for it. I'm sorry to be long-winded here

1 but I'm trying to explain why it's a prudent decision.

2 The county's already supported it.

3 If we gain your support, it then elevates
4 this project as a quality project that the utilities can
5 get behind, and that's helpful to the multiyear planning
6 regime that we're in when we're growing at such a fast
7 rate. Utilities need these kinds of projects. They can
8 look at them and select them and know with high
9 confidence they're going to be successful.

10 I'll pause there, but you've asked a very
11 thoughtful question, and I want to explain why I think
12 it's important and helpful and prudent to approve this
13 opportunity or this proposal because of the benefits that
14 it brings to state.

15 MEMBER LITTLE: I appreciate what you have
16 said and how you've articulated it.

17 My problem is this: There are several
18 findings that make statements about reliability of the
19 system. And without some kind of confirmation, and
20 historically that confirmation has come from Staff,
21 dependent upon the abilities of Staff to tell us, yes, we
22 reviewed the studies that have been done and you can say
23 that the system will remain reliable.

24 Without that kind of assurance, because I
25 don't -- although I would love to see them, I don't have

1 the ability to -- or I'm not given the opportunity to
2 review the studies in any way, shape, or form. I have to
3 listen to what others say and take what they say.

4 And I don't know quite how to put this, but
5 I've reached a point where I can no longer say that. And
6 so the language may need to change a little in -- or I
7 may suggest that the language change a little in some of
8 the -- in the --

9 CHMN STAFFORD: Findings of fact and
10 conclusions of law?

11 MEMBER LITTLE: Yes.

12 CHMN STAFFORD: What about if you were to
13 see the interconnection study?

14 MEMBER LITTLE: I would have to see the
15 in-house study that was done. I feel comfortable with
16 the phase 1 -- well, I think I feel comfortable with the
17 phase 1 study.

18 As I said, thermal is modeled very
19 differently than renewables, than solar is, because it
20 comes on the system differently, but I feel pretty
21 comfortable with that. You know, and I'm not saying that
22 anybody is not telling me the truth and you guys have not
23 looked at it and that you don't feel comfortable and that
24 the condition that we put in there would, you know,
25 obligate the applicant to follow whatever direction,

1 whatever upgrades need to be made and pay for them.

2 I'm just saying that I cannot personally
3 say as a professional engineer that the system will
4 remain reliable if this project is put online.

5 MR. ELLIS: Member Little, if I --

6 MEMBER LITTLE: That doesn't mean I'm going
7 to vote against the project. It just means that I
8 cannot --

9 CHMN STAFFORD: In good faith make that
10 statement. Okay.

11 MEMBER LITTLE: Thank you.

12 CHMN STAFFORD: Quick question, though.

13 Mr. Ellis, you said that the in-house study
14 is complete?

15 MR. ELLIS: We've -- yeah, so our
16 transmission interconnection team has done an in-house
17 study. You know, I'm not sure if that's in a report
18 format like something we could package up and send to you
19 all. They've done the analysis.

20 I would like the opportunity also to -- I
21 think I understand some of the concerns that Member
22 Little has, and I would like to speak to them, but I'll
23 wait first to answer your question, Chairman Stafford.

24 CHMN STAFFORD: Yes. What would it take to
25 provide that to Member Little?

1 MR. ELLIS: Yeah, so we need an opportunity
2 to -- I need an opportunity to consult with our
3 transmission modeler and just circle back to you.

4 CHMN STAFFORD: Okay. That sounds --
5 that's fair.

6 MR. ELLIS: Yeah.

7 CHMN STAFFORD: I think you can do that at
8 our next break.

9 MR. ELLIS: You bet.

10 CHMN STAFFORD: Did you have an additional
11 question, Member Little?

12 MEMBER LITTLE: Yeah.

13 CHMN STAFFORD: Or I guess my question to
14 you would be if you were to see that study, would that
15 assuage your fears and allow you to make -- to sign on to
16 a document making a statement that you currently have
17 aversions to?

18 MEMBER LITTLE: I --

19 CHMN STAFFORD: Possibly, depending what it
20 says?

21 MEMBER LITTLE: Yeah. And if I were given
22 a little bit of time to digest it.

23 CHMN STAFFORD: Okay.

24 MEMBER LITTLE: I do have a couple of other
25 questions.

1 One is it sounds like if that upgrade from
2 Parker to Liberty is necessary, the time is a little --
3 there's a little disconnect there with when you plan to
4 have the thermal plants online.

5 Is that a problem, do you think, or how
6 would you deal with that?

7 MR. ELLIS: So I'm going to -- I think I'm
8 going to answer this in a few parts.

9 Some of that thermal plant can come online
10 in the relative near term. The -- we've discussed how
11 100 megawatts can come online in the near term. It could
12 be as early as 2028. More realistic would be 2029 at
13 this point.

14 The additional capacity, the 700-megawatt
15 system discussed here, so the additional 600 megawatts,
16 some of that capacity could be added under the existing
17 LGIA in a surplus capacity perspective as Mr. Crabb has
18 described.

19 The additional capacity beyond that would
20 have to wait for that 2031, 2032 network upgrade to be
21 completed. That's not unusual at all in my experience,
22 and I see Member Fontes nodding his head.

23 You know, adding resources --

24 MEMBER LITTLE: Me too.

25 MR. ELLIS: Adding resources of hundreds of

1 megawatts of thermal capacity just requires time. It
2 requires -- I mean, in many cases -- or I think we're
3 really talking about here in many cases the transmission
4 capacity exists, and sometimes it doesn't.

5 And but I will say that we're responding to
6 utility RFPs right now, and the last response that we
7 were looking for we're looking for 2029, 2030 online
8 dates. The next one that comes out this coming year will
9 be the utilities will back that up a year.

10 SRP, for example, is procuring -- well, I'm
11 talking about APS. APS just came out with an a RFP in
12 which they were looking for resources for '29, '30, and
13 '31. SRP came out with an RFP for resources in 2031 and
14 2032. So they're actually looking for resources that are
15 within the very time frame that you're talking about.

16 So there's nothing unusual. It's actually
17 very standard, and, again, this is why I feel like
18 it's -- it is entirely appropriate to be approving
19 resources that have an online date in the future. That's
20 one way of addressing I think your very reasonable
21 concern.

22 The other thing I would say here is that
23 you and I think all of the members of the committee can
24 have very high confidence that WAPA knows what its doing.
25 So if I understand your concern to be that Commission

1 Staff, ACC Staff have not looked yet at a completed
2 system impact study and concurred with the findings, I
3 understand your reservation to be that since the study
4 has not been done and the Staff has not kind of issued
5 their consent that there is a concern about offering the
6 approval.

7 And I would -- if I have understood that
8 correct, I would simply say that I have tremendous
9 respect that when we go through the WAPA study process,
10 that they're going to correctly identify what the
11 upgrades are going to be, and then don't forget that we
12 have a secondary check on that, which is we have to go
13 through all the affected systems.

14 I mean, all of the utilities they operate
15 from the same base model, and then that model gets
16 updated every year with the new transmission and the new
17 generation that gets added. And so everybody is
18 continuously working on the model. And if there's ever
19 an error, the other utilities catch it. So they're all
20 doing their checks.

21 And so we -- I just want to encourage us
22 all to have confidence that when those studies come out,
23 they're going to be done and they're going to be correct.
24 And there's not going to be something that will have been
25 missed in your granting this approval before ACC Staff

1 has reviewed the results from WAPA.

2 MEMBER LITTLE: Mr. Ellis, I'm well aware
3 of that. And I have complete faith in WAPA and the other
4 utilities that are doing the studies. I have faith in
5 your studies.

6 What I don't -- what I cannot do is make a
7 statement based on studies that have not yet been done.
8 And I have complete faith that WAPA will not allow you to
9 make interconnect into their system if it's going to
10 cause problems.

11 However, as I said, it boils down to my not
12 being able to make a statement based on studies that have
13 not yet been done.

14 And with that, I will leave it.

15 MR. ELLIS: Understood. And it sounds to
16 me like there may be a modification to language that you
17 want to see, so we just have to take a look at that. But
18 I understand your reservation. Thank you.

19 CHMN STAFFORD: And then you're going to
20 circle back about the in-house study?

21 MR. ELLIS: Yep.

22 CHMN STAFFORD: Correct? Mr. Ellis?

23 MR. ELLIS: Yes.

24 CHMN STAFFORD: Okay. Excellent.

25 MR. ELLIS: Yes.

1 CHMN STAFFORD: Member Fontes, you have a
2 question?

3 MEMBER FONTES: I did.

4 I was just wondering if your intended
5 offtake is WAPA or a public power preference power
6 customer or is it APS, SRP, TEP contractually?

7 MR. ELLIS: Yeah, thank you, Member Fontes.

8 It would be the latter. WAPA has members
9 and WAPA exists mainly to provide the transmission to
10 support the hydro resources. But WAPA is generally not
11 in the business with going out and adding new generation.

12 So the utilities that we would be seeking
13 to secure offtake would be the major load-serving
14 entities in Arizona principally, but also in the
15 southwest, but most likely Arizona.

16 MEMBER FONTES: I did not intend to set you
17 up. I've led project finance for WAPA on transmission
18 finance for 10 years prior to serving on this committee.
19 That's unrelated. So thank you for that.

20 My question was more on a rate pancake, how
21 that's going to look at you commercially for offtake.

22 Are you intending that the offtaker -- APS,
23 SRP, TEP -- assume that rate pancake --

24 MR. ELLIS: Oh, yeah, yeah.

25 MEMBER FONTES: -- from over to TEP?

1 MR. ELLIS: Yeah, let me -- I was involved
2 in the PPA discussion with SRP, and so let me describe
3 how we structured that, which I think will answer your
4 question and will answer the question about future
5 phases.

6 And so typically it can be handled in two
7 ways. You already know I'm going to tell you, I think
8 what you already understand is we -- we have to go out
9 and secure the point-to-point transmission service from
10 the Harcuvar point of interconnection to wherever SRP or
11 APS might be picking up the power.

12 In the case of phase 1, that pickup for SRP
13 is Liberty substation. So we went out and secured a
14 point-to-point agreement for the delivery of power from
15 Harcuvar to Liberty, which is maybe 40 miles of
16 transmission line on WAPA's system. So we are
17 purchasing, if you will, transmission rights on WAPA's
18 system.

19 And then upon C.O.D. we will hand that
20 point-to-point agreement over to SRP. That's a
21 negotiated point. We could have structured it in such a
22 way where we hung onto that transmission service, but it
23 was -- that was their preference was to take over that
24 leg, and so we could do it either ways. And we typically
25 will structure it based on the needs and the preferences

1 of our -- of the offtaker.

2 Did I answer --

3 MEMBER FONTES: Can you talk about how that
4 impacts affordability? Because it gets back to
5 socioeconomic impact on how that -- you know, the
6 offtake's structured.

7 MR. ELLIS: Yeah.

8 MEMBER FONTES: And the reason I want to
9 suss that out a little bit is because there's only one
10 other peaker project for an independent power project, so
11 you're going into an area that you would be unique in the
12 state.

13 MR. ELLIS: Yeah, there is -- I appreciate
14 the knowledge that's behind the question that you ask.

15 We -- the best way I can answer the
16 affordability question is the only way we win the right
17 to build these projects is to be competitive on our rate
18 of power inclusive of the pancake fee that you're
19 referring to.

20 So we're competing against other projects
21 in some cases that are connected to the host utility's
22 transmission system that doesn't have that pancake cost,
23 and so we have to find a way through our creativity and
24 in cost of capital to still be competitive.

25 And so from an end user perspective it's

1 not going to -- the only way the utility customers will
2 end up purchasing this power is if we're the cheapest or
3 one of the cheapest that are on the docket despite that
4 pancake fee that you're referring to.

5 MEMBER FONTES: And just for the record and
6 for the court reporter here, can you define pancake?

7 And I apologize, I tend to get wonky in
8 power economic terms here.

9 MR. ELLIS: Yeah. For the record a pancake
10 charge in this context is when you have to pay for a leg
11 of transmission to get your power from its point of
12 generation to the purchasing utility's transmission
13 system.

14 CHMN STAFFORD: And so I was going to ask
15 about that too. So you're talking about the wheeling
16 charge because right now you're going to generate power,
17 and it's going to go into the Harcuvar substation, which
18 is part WAPA's system.

19 And then it's going to have to be
20 transmitted through WAPA's system somewhere to SRP's
21 system, and there's a cost for moving the power from
22 Harcuvar to Liberty.

23 And that's what the pancake we're talking
24 about, right, Member Fontes?

25 MEMBER FONTES: Yes, sir.

1 So, for example, transmission service
2 agreements are usually cost out of megawatt months. So,
3 for instance, \$2 on the WAPA system, because it is a
4 rate-based, which is no return on equity, strip, and a
5 market-based rate, which APS, SRP, and TEP have, is more
6 along the lines of 14.

7 And forgive me if I'm dated. Maybe
8 Mr. Ellis can correct me. I've been working in SPP
9 lately, so in ERCOT I'm not as up to speed on that as I
10 should be here.

11 MR. ELLIS: Yeah, it's -- yeah, I agree
12 with everything you say. In some cases it can add
13 another 15 to 20 percent of your cost of power, and so
14 you have to -- you know, when you're delivering from out
15 of system, and it happens all the time, this is not --
16 we're certainly not the first. We're not going to be the
17 last where we have a project where we are going to have
18 to pay transmission service and this pancake wheeling fee
19 to be successful.

20 But we've already demonstrated that success
21 on phase 1. We already have very credible interest for
22 an additional hundred megawatts of the thermal plant,
23 which we've described, and we believe the needs are
24 significant and so great that all quality projects are
25 going to be built.

1 Certainly the first ones to be built will
2 be within a utility's network, but ultimately the state
3 and all of the utilities are going to need to avail
4 themselves of the quality near-term opportunities that
5 exist because when -- when those go away, we're going to
6 be in this cycle where we're more on a seven to eight to
7 10-year planning cycle because the transmission capacity
8 doesn't exist.

9 The reason we're moving forward with these
10 opportunities is because the grid is getting absorbed.

11 MEMBER FONTES: I had a second related
12 question just to follow up on the line of questioning of
13 Member Little just to help out the team here of my fellow
14 members.

15 I just looked up -- I cheated. I looked up
16 at the WAPA 10-Year Plan, and it's actually the
17 Parker-Bouse-Liberty 230kV project on their 10-year
18 capital plan. And I looked in the financials. And right
19 now it's forecasted to go in service in Q4 of '28.

20 I personally would add two years to that,
21 so I appreciate your looking at that in terms of base
22 case and, if you will, downside case. I won't call it
23 worst case in terms of deliverability on that upgrade.

24 But this gets back to the issue of the
25 units on the generation. If -- from my knowledge of the

1 sector, if you place orders in right now, you're probably
2 looking at a '29, '30 delivery for your first delivery
3 into '31, '32, so I kind of think that matches on how
4 you're planning your -- your transmission with the
5 delivery of your units.

6 But can you complete that thought for me --
7 as you know, I'm in the sector -- on how you see your
8 negotiations, because you're doing the P in the EPC, and
9 you're going to have to have a lot of innovations with a
10 lot of tier 1 EPC contractors who are not going to give
11 you LDs, liquidated damages, scheduled damages in this
12 current environment. And that negotiation from my
13 experience is taking longer for tier 1 IPP operators.

14 And so how is your timing with respect to
15 that?

16 And the genesis of my question is when we
17 get to the CEC and we start talking about dates and how
18 this is going to be allowable for construction, how do we
19 adjust that for the realities of the current market given
20 your transmission systems impacts that Member Little
21 is -- the -- the -- the way the supply chain is that
22 Mr. Acken characterized on your behalf in terms of
23 procurement in the EPC negotiation.

24 So think about that in terms of informing
25 us so that we can make a fair assessment on those dates

1 for you. There's some dates that are referenced in that
2 CEC.

3 So just something to think about. Not
4 necessarily a question to answer right now.

5 MR. ELLIS: Thank you.

6 Yeah, I think what you're describing is
7 some complexity, and that's the world we live in. We
8 have to be effective.

9 And you're shake -- you're -- you're -- are
10 you -- you were shaking your head. I wasn't sure --

11 MEMBER FONTES: I'm trying to be helpful
12 here.

13 MR. ELLIS: -- if you were agreeing with
14 the statement or disagreeing.

15 MEMBER FONTES: -- I'm absolutely trying to
16 be helpful here.

17 MR. ELLIS: Oh, okay.

18 MEMBER FONTES: Yes, sir.

19 MR. ELLIS: Okay. Yeah.

20 CHMN STAFFORD: One at a time, please.

21 MEMBER FONTES: No further questions,
22 Mr. Chairman.

23 CHMN STAFFORD: Thank you.

24 Any members have questions?

25 Member Comstock.

1 MEMBER COMSTOCK: Mr. Chairman, thank you.

2 If I may, I would like to go back to the
3 natural gas pipeline that will provide the fuel to your
4 plant.

5 Do you know what the operational pressure
6 of that gas line will be and the size of the pipe?

7 MR. CRABB: We do have a specification on
8 that, but I would have to look up the number.

9 MEMBER COMSTOCK: And I believe you
10 understand the complexity of that in that the
11 pressurization or the maximum allowable operating
12 pressure of that pipeline classifies it as a distribution
13 or a transmission line, and the contract operational and
14 maintenance requirements for that will be significantly
15 different.

16 And as you indicated, the -- you would be
17 contracting out the operational practice of that
18 pipeline. So as you move from distribution pipelines to
19 transmission lines, the limit of contractors who run
20 those types of pipelines diminishes. And I just want to
21 make sure that was on the record and that you understood
22 that.

23 What's the delivery pressure to the units
24 inside the -- for the generators?

25 MR. CRABB: I'm trying to look up the

1 number for you here on the aeroderivatives. Obviously
2 the lateral would be designed for that --

3 MEMBER COMSTOCK: Right.

4 MR. CRABB: -- pressure plus a margin,
5 which is satisfied by the lateral -- existing lateral
6 line pack, but let me get you the exact number.

7 MEMBER COMSTOCK: Sure. As you're
8 looking -- I'll try to keep talking while you keep
9 looking.

10 MR. CRABB: Keep going.

11 MEMBER COMSTOCK: In the State of Arizona
12 they conduct an interstate annual pipeline safety audit
13 from the -- or the offices of the Arizona Corporation
14 Commission Office of Pipeline Safety, they'll come out
15 and take a look at that lateral each year and check for
16 the operational safety practices required by PHMSA in the
17 State of Arizona.

18 Do you know if you'll be putting the meter
19 set and the regulator station inside the fence line of
20 the system or will it be outside so that downstream of
21 the operational -- downstream of the meter set will be
22 your pipe -- technically your pipe?

23 MR. CRABB: Ultimately Kinder Morgan will
24 determine the line tap specifications. Our expectation
25 is the meter will be within their right-of-way. And then

1 we would own everything up and to -- from basically their
2 right-of-way to the gas project themselves. But we have
3 not gone through the detailed physical interconnection
4 process given their backlog and some of the timeline
5 conversations that we've had.

6 MEMBER COMSTOCK: So as a reminder, the
7 jurisdiction of the state Corporation Commission allows
8 them to go up to the inlet of the meter set. And so if
9 it's inside the fence line, that allows them to go inside
10 of your facility in order to conduct an inspection.

11 And so I just wanted to make sure that was
12 clear and for the record. Is that --

13 MR. CRABB: That's my understanding. And
14 part of why we typically in our projects put that meter
15 line as close to their facility as possible. It means
16 less work for them. We take more of that responsibility.
17 And it avoids some of the shared facilities and shared
18 access agreements and risks associated, which I think you
19 are touching on.

20 MEMBER COMSTOCK: Okay. Thank you.

21 And then if I missed this over the last
22 couple of days, I apologize.

23 What type of fire suppression do you have
24 on the units?

25 MR. CRABB: I don't know specific

1 characterizations of the system and the nozzles. It will
2 meet NFPA requirements. We are currently siting a
3 water -- a dedicated water tank for fire suppression.
4 There might be two on the site plan given the different
5 phases.

6 MEMBER COMSTOCK: So it will not be foam,
7 it will be water?

8 MR. CRABB: That's the current plan,
9 correct.

10 MEMBER COMSTOCK: Thank you.
11 Thank you, Mr. Chairman.

12 CHMN STAFFORD: While we're on the topic of
13 gas, they're going to build a new lateral if -- when is
14 that anticipated to be completed?

15 I mean, because obviously you can't run the
16 plant without the -- until the lateral gets built.

17 MR. CRABB: Right. It will match the
18 timelines of the generation. And, again, where it comes
19 down to phases, whether we overbuild a single lateral or
20 build two in parallel, those decisions sort of depend on
21 timing associated with everything we've discussed.

22 CHMN STAFFORD: Okay. And even if the
23 lateral was in existence today, would you be constrained
24 by the ability to get fuel through that lateral until the
25 second interstate pipeline gets built?

1 Are there gas capacity issues that would
2 limit the operations of the plant until that second line
3 gets built?

4 MR. CRABB: Not as of today. We haven't
5 fully executed the firm delivered service agreement that
6 we discussed yesterday, but are in negotiations with a
7 number of large global commodities traders that do the
8 shipping and balancing and scheduling to the plant
9 itself. We are not planning to secure firm transport as
10 of this moment.

11 CHMN STAFFORD: Okay. Yeah, because my
12 understanding is that the gas capacity coming into
13 Arizona is fully subscribed, so you're getting it -- so
14 basically the gas -- you're buying the gas from scalpers?
15 Is that kind of what I'm hearing?

16 MR. CRABB: Maybe I'll object to the tenor
17 of that.

18 MEMBER COMSTOCK: I firmly object to that.

19 MR. CRABB: It's -- yeah, the gas -- so the
20 firm transport is -- is generally fully subscribed. That
21 is typically a set of parties that take long-term
22 commitments on the gas pipeline in order to build that
23 infrastructure, those parties often -- there's a --
24 there's different types of parties. You have oil and gas
25 companies that buy capacity in order to export what they

1 drill.

2 You have utilities or cities and
3 municipalities that have to serve gas load, and so they
4 procure firm transport for their uses.

5 And there is a fairly robust marketplace of
6 commodity traders and shippers who manage industrial load
7 and large, you know, point loads like a gas plant. So
8 those are parties that we will contract with to deliver
9 the commodity for this project.

10 CHMN STAFFORD: And there's -- you have
11 access to enough of that that it would not constrain the
12 operation of the plant?

13 MR. CRABB: That is correct.

14 CHMN STAFFORD: Okay.

15 MR. CRABB: I will make one other note.
16 There is a world depending on the physical nature of the
17 offtake agreement where the customer is actually
18 responsible for bringing in the gas.

19 And so we didn't talk too much about that
20 nuance, but we are planning to bring a solution to a
21 potential customer, but they could tell us, no, we will
22 use our own gas scheduling and our own firm transport to
23 support the dispatch of the unit.

24 CHMN STAFFORD: For example, SRP or APS is
25 fully capable of doing that as well.

1 MR. CRABB: Correct.

2 CHMN STAFFORD: So instead of using the gas
3 to run their plants they can say, hey, we going to send
4 some to you guys. It's going to come out of there.

5 MR. CRABB: They manage an entire book on
6 this pipeline and future expansion pipelines, and that
7 way they can optimize what they have committed to from a
8 firm transport perspective and maximize the utilization
9 of that capacity.

10 CHMN STAFFORD: All right. Thank you.

11 Member Fant, you had a question?

12 MEMBER FANT: No, just a note.

13 On the Kinder Morgan pipeline that goes
14 across the southwestern U.S., Southern California Edison
15 and the gas company Southern California Gas, holds
16 substantial firm rights, but they don't use them all.
17 But they've been holding them anyway for years. So I
18 think that's the capacity they're working with. And they
19 will work deals. But they continue to hold the firm
20 rights even though they don't use them.

21 CHMN STAFFORD: Thank you.

22 MEMBER COMSTOCK: Mr. Chairman, just one
23 other point. In the industry the jargon is hedging.

24 CHMN STAFFORD: Not scalping?

25 MEMBER COMSTOCK: Not scalping.

1 And it is not unusual for end users to
2 hedge supply to help modern or minimize the cost
3 depending on when you buy the supply or the season that
4 you buy the supply. So that's a solid way to provide the
5 fuel to the plant.

6 CHMN STAFFORD: Yeah. I know the local
7 utilities have -- they constantly tout their hedging
8 plans for fuel costs.

9 MEMBER COMSTOCK: That's right.

10 CHMN STAFFORD: So, Member Little, you have
11 a question?

12 MEMBER LITTLE: Yes, Mr. Chairman.

13 Is now the time to ask questions as I go
14 through the application to make sure everything is
15 covered that I noted?

16 CHMN STAFFORD: I think so. I have some of
17 my own to do that has well.

18 MEMBER LITTLE: Okay.

19 CHMN STAFFORD: Before we do that, I was --
20 well, we had -- well, we don't have it on the screen
21 anymore, the Slide R22 from Exhibit 5. I know we've
22 talked about this several times. I'm just trying to make
23 sure I -- because we've talked about the -- and I made
24 notice about the capacity on the lines for the exports
25 are -- you have the first line, which is going to carry

1 the -- it has 300 -- it's the 300 megawatts of solar
2 storage can go on that, and you have 100 megawatts
3 available for gas. And then the second line would be for
4 the 600 megawatts of gas, the operating capacity, not the
5 nameplate capacity; right?

6 MR. CRABB: The way you just articulated
7 that would be nameplate because you have 100 on the
8 surplus and 700 --

9 CHMN STAFFORD: You're right. That's
10 right. That's right. That's what nameplate -- and then
11 so the interconnection requests, these are -- is that
12 nameplate or operating?

13 MR. CRABB: It is a maximum export
14 condition, so they don't -- they don't really
15 distinguish. But if we -- you can't export more than
16 what that obligation is. So we do have circumstances in
17 other projects where the export limitation is lower than
18 the nameplate capacity because the periods of the year or
19 the days -- the hours that this capacity is most needed
20 is generally around peak summer hours where your
21 performance is low and that's how we would contact
22 capacity.

23 But the WAPA or the grid operator doesn't
24 specify -- doesn't distinguish between what capacity
25 we're requesting. They study at that condition and make

1 sure that it achieves their reliability thresholds in
2 order to allow us to connect to the grid.

3 CHMN STAFFORD: Okay. I see you've got the
4 original interconnection requests, the solar storage
5 400 megawatts. That was the 236 -- wasn't it originally
6 planned as a 400 megawatt solar plus storage?

7 MR. ELLIS: It was.

8 CHMN STAFFORD: Okay. And so then it got
9 changed, so you -- but you can -- if your interconnection
10 is for -- if they studied for 400, you could still put
11 300 and there's no issue with that; correct?

12 MR. ELLIS: Yeah, we can put 300. At some
13 point if we didn't use it, we would have to give it up.
14 But it's not unusual to do phases.

15 CHMN STAFFORD: Okay. And so that -- that
16 400 you're almost ready for that interconnection with
17 WAPA for that one? You've identified -- and the upgrades
18 will allow for 400 megawatts, not just the 300 that's the
19 solar and storage?

20 MR. ELLIS: Correct.

21 CHMN STAFFORD: And that will be -- you
22 anticipate that to be online in '27?

23 MR. ELLIS: '28.

24 CHMN STAFFORD: First quarter of '28?

25 MR. ELLIS: May of '28.

1 CHMN STAFFORD: Pardon?

2 MR. ELLIS: May of 2028.

3 CHMN STAFFORD: Second quarter?

4 MR. ELLIS: Second quarter.

5 CHMN STAFFORD: All right. And then what's
6 the time frame again for the LGIA for that original
7 interconnection request?

8 MR. ELLIS: When will we execute the LGIA?

9 CHMN STAFFORD: Yes. When is that
10 anticipated?

11 MR. ELLIS: That would be within the next
12 three months.

13 CHMN STAFFORD: Okay. And then once that
14 occurs, then you'll start working on the surplus part;
15 correct?

16 MR. ELLIS: Correct.

17 CHMN STAFFORD: All right. And then you
18 also have two other pending interconnection requests, one
19 for 400, one for 500 submitted to WAPA; correct --

20 MR. ELLIS: Correct.

21 CHMN STAFFORD: -- with additional gas?

22 All right. Now those two, is that -- are
23 they mutually exclusive?

24 MR. ELLIS: No.

25 CHMN STAFFORD: Okay. So you have -- if

1 you do -- I'm trying to think. Because if you have -- if
2 you do the 400, that only gets you up to 800 megawatts,
3 right, including solar and BESS?

4 MR. ELLIS: If you're referring to if we
5 layer on new gas interconnection number 1 on top of the
6 existing 400, then that would take us to 800 total.

7 MR. ACKEN: Mr. Chairman, I think I
8 understand your question because I had the same question
9 to the team.

10 The megawatts of generation that will go
11 into the interconnection request does not equal the
12 nameplate.

13 CHMN STAFFORD: Right.

14 MR. ACKEN: It is greater than that.

15 And they do have an explanation for that,
16 you know, as to why the interconnection request is
17 greater than the nameplate. So if that's where you're
18 going, they can explain why that is.

19 MR. CRABB: Yeah. So we have found -- we
20 talked a little bit about this yesterday I think as
21 well -- that it's always prudent to sort of go higher.
22 And I think Member Hill sort of asked about, well, you
23 know, do you usually size up the generation or size down
24 the LGIA, and the answer is it depends, and the answer
25 tomorrow is different than it was yesterday.

1 But these are such lengthy processes. And
2 depending on the results and the amount of upgrades and
3 the sizing of upgrades, that all feeds into that decision
4 on whether, you know, we would seek an amendment or
5 whatever procedural requirements to upsize the facility
6 or end up building the, you know, currently planned size
7 of the project itself.

8 One thing we didn't touch on yesterday, and
9 part of -- part of -- one tactic we can use to manage the
10 complexities that we described is instead of submitting
11 one 900-megawatt application we submit two, and that is
12 because sometimes what Erik had described, we have a view
13 that is static about what this application would do.

14 In reality over the next two years everyone
15 else is submitting and doing, and so the study results
16 change and evolve. And so often we will submit a couple
17 of different smaller chunks, and sometimes that ends up
18 being, you know, the second chunk will hit a major, major
19 upgrade that makes that part of the project less
20 economic.

21 So part of the tactic is to have a couple
22 of different options into that queue and it is studied in
23 aggregate.

24 CHMN STAFFORD: Okay. So now the
25 interconnection new gas 1 and 2, I'm assuming they're

1 both submitted in the same month, so is WAPA doing
2 cluster studies now?

3 So they're the same cluster.

4 MR. CRABB: WAPA is still serial.

5 CHMN STAFFORD: Okay.

6 MR. CRABB: We just submitted them
7 together.

8 CHMN STAFFORD: Okay. So they're -- so if
9 it's serial, which -- so I guess 1 is first, they'll look
10 at that first, and then they will look at 2?

11 MR. CRABB: That's my understanding, and
12 their processes continually evolve. So we'll -- we do as
13 we're told when -- as it comes to WAPA's review.

14 CHMN STAFFORD: Are they going to move to a
15 cluster study system soon?

16 MR. CRABB: I have not heard that.

17 I don't know if you've heard that.

18 MR. ELLIS: Yeah, no, I think that you have
19 it correct. It will be done in a serial fashion. One of
20 the reasons we're reasonably confident in that is because
21 that's how they did -- our first 400 megawatts is
22 actually a combination of two individual studies --

23 CHMN STAFFORD: Okay.

24 MR. ELLIS: -- at 250 and 150.

25 CHMN STAFFORD: Okay.

1 MR. ELLIS: And they get rolled together in
2 entire 400-megawatt LGIA, but that was done serially.

3 CHMN STAFFORD: And so then that is not the
4 same process for the surplus interconnection; right?

5 MR. CRABB: Correct. Surplus is a -- sort
6 of a separate study process because they have already
7 studied the impact of 400 megawatts of electrons from the
8 transmission system view. And, as I think Member Little
9 was sort of attesting, the -- really what they're looking
10 at is the facilities upgrades, the pieces in the
11 substation that can manage some of the different
12 ancillary services and sort of treatment of those
13 electrons between gas versus solar and battery.

14 CHMN STAFFORD: Okay.

15 MR. CRABB: That's a much more accelerated
16 process.

17 CHMN STAFFORD: And so theoretically then
18 you'd be able to get -- let's see, 1300 megawatts
19 injected into the grid at Harcuvar substation if
20 everything gets approved, then?

21 MR. CRABB: Theoretically, yes.

22 CHMN STAFFORD: Okay. Now, maybe you know
23 this, maybe Member Fontes does, but WAPA's potentially
24 going to lose a bunch of generation coming out of Hoover
25 Dam in the near term.

1 Are they including that in their capacity
2 for transmission availability when they're looking at
3 these things?

4 MEMBER FONTES: That's a seasonality
5 answer, Mr. Chairman. Can't feasibly answer that.

6 CHMN STAFFORD: Okay.

7 MEMBER FONTES: So the answer broadly is
8 yes, but it depends on what season.

9 CHMN STAFFORD: Right.

10 MEMBER FONTES: If I can interject here, I
11 do have one clarification that I want to ask on the
12 interconnect.

13 Is it for energy resource or network
14 resource, the interconnects request to WAPA?

15 MR. ELLIS: Yeah, I'm thinking. I usually
16 know the answer to this request. And I think I need to
17 double-check on that front.

18 MEMBER FONTES: Yeah, can you verify each
19 subsequent request and for the record the --

20 MR. ELLIS: Yes.

21 MEMBER FONTES: Energy is for more of a
22 point to point for transmission capability to get that
23 load or that energy to one area. Network is to -- and a
24 peaker plant could be for network is for systems
25 reliability and stability.

1 And the reason I'm asking is because the
2 Parker-Bouse-Liberty upgrade is for systems reliability.
3 So that's a --

4 MR. ELLIS: Yeah.

5 MEMBER FONTES: -- that you ask because
6 then when you get to the point where your originator is
7 seeking RFPs for APS, SRP, the usual suspects, that will
8 determine how they evaluate and score your project for
9 potential commercial offtake.

10 I have made that error. I have some gray
11 hairs from that, so just sharing a lesson learned.

12 You also are subject to a cluster study in
13 Arizona if there is other interconnects that are
14 subsequent to yours on that line prior to build.

15 WAPA you're correct is a serial -- a series
16 interconnection in Arizona. They operate in SPP and
17 CAISO, so they conform to those ISO RT0 rules for
18 interconnections, and I do believe they're doing cluster
19 studies there, but you still may have a cluster until you
20 get a full facilities engineering study back in the
21 phase 3 as they define it in the early OASIS.

22 I hope that's helpful. Mr. Chairman, I
23 hope that was also helpful for you in terms of orienting
24 this conversation.

25 CHMN STAFFORD: Yes, thank you.

1 I think that wraps up my questions.

2 Member Little, you have been waiting
3 patiently.

4 Oh, before Member Little you were going to
5 go through the application for tying up loose ends;
6 correct?

7 MEMBER LITTLE: Well, I have one question
8 or one point of clarification, I guess, along the lines
9 of what we were just discussing.

10 In that slide that was just up on the
11 screen, when you say layer on an additional 400 megawatts
12 of gas, you're not going to actually layer it on top of
13 the solar and storage? In other words, try to put
14 800 megawatts on that line or through the
15 interconnection.

16 You're looking at running the gas when the
17 solar is not operating; is that correct?

18 MR. ELLIS: As was -- as we reviewed in the
19 one-line diagram, the single-line diagram earlier today,
20 we -- we would have those additional thermal megawatts on
21 its own independent conductor. And the dispatch of those
22 units would be independent of the dispatch of the units
23 that would be on the 400 megawatts.

24 MEMBER LITTLE: This is the supplement.

25 MR. CRABB: Yeah, you're --

1 MR. ELLIS: Oh, my misunderstanding. I
2 think I misunderstood your question.

3 So, Michael, since you have it, why don't
4 you answer it.

5 MR. CRABB: Correct. Your articulation of
6 the surplus interconnection treatment is accurate.

7 MEMBER LITTLE: Okay. Thank you.

8 Now, I understood the other -- the other
9 part.

10 MR. ELLIS: It was my mistake.

11 MEMBER LITTLE: I just wanted to clarify
12 that.

13 CHMN STAFFORD: Thank you.

14 Member Hill.

15 MEMBER LITTLE: Now I'm ready for general
16 questions.

17 CHMN STAFFORD: Well, Member Hill has a
18 quick question on this topic, I believe.

19 MEMBER HILL: Is your company the only
20 company in the queue for this substation or are there
21 others behind you or ahead of you?

22 MR. ELLIS: We are. That's my
23 understanding.

24 MEMBER HILL: I just wanted to clarify
25 that. Thanks.

1 CHMN STAFFORD: All right. Member Little,
2 take it away.

3 MEMBER LITTLE: Well, at this point I only
4 have one, maybe two. I reserve the right to finish my
5 review and ask more questions later.

6 But I'm just curious. I noticed that and
7 you mentioned here in the hearing that the lease
8 agreement from State Land Department I realize that that
9 hasn't -- you know, you're -- you haven't even started
10 that or you have just started that. But do you have a
11 sense of how that's going to go?

12 I don't anticipate it's a problem, but just
13 curious for the record.

14 MR. ELLIS: I want to make sure I
15 understand the question.

16 So as it relates to the State Land
17 Department is it -- would you restate it, please. Is it
18 clear how what will go?

19 MEMBER LITTLE: It said the portion of the
20 project would require a lease agreement from the ASLD.
21 It's the portion of the project that's located on state
22 land.

23 And you've indicated that it would be --
24 the lease agreement would be attained following approval
25 of the CEC.

1 And I'm just curious whether you have
2 started talking to them or if you're going to wait until
3 after we're done here or what your feeling about it is.

4 MR. ELLIS: Thank you, Member Little.

5 So we have -- we are very far along in the
6 process with state land. So the governing board, which
7 is -- goes by the name of the board of appeals, has
8 already approved the roughly 1900 acres of state-leased
9 land that we will be leasing.

10 On top of that, the lease has already now
11 gone to advertising. And so the way the State runs their
12 process is they advertise for, I believe, 70 days before
13 a formal auction is held where we have to show up at an
14 auction event and then successfully bid on the solar
15 lease.

16 And state statutes require all parcels of
17 land that are either sold or leased to go through a
18 public process like this. There's no opportunity to
19 simply bilaterally negotiate something with the State.
20 That said, the State does put restrictions around who can
21 be a qualified bidder.

22 To Member Hill's question earlier, is there
23 anybody else at Harcuvar substation that's completed an
24 impact study, the answer to that is my understanding is
25 no. And so since there is no one else in the queue,

1 there are no kind of third-party qualified bidders that
2 could qualify at this point with the exception of a
3 regulated utility.

4 So we're pretty thoughtful about how we go
5 through this process. I'm giving you a lot of
6 information, but the auction has been scheduled for the
7 middle of November. We'll show up, and we will complete
8 the auction process and execute the solar lease at that
9 time.

10 MEMBER LITTLE: What about the small piece
11 of state land that the transmission line is on?

12 MR. ELLIS: What about -- so that --
13 this -- that's -- our ability -- if I understand your
14 question, when we execute a solar lease, that lease gives
15 us the ability to install everything that's required for
16 a power plant. It isn't restricted to just solar panels.
17 We can install a substation and batteries and
18 distribution and transmission lines.

19 MEMBER LITTLE: Okay. Thank you.

20 MR. ELLIS: My pleasure.

21 MEMBER HILL: Mr. Chair.

22 CHMN STAFFORD: Yes, Member Hill.

23 MEMBER HILL: In that vein, while we're
24 talking about leases, I just wanted to go back to a
25 question that I jotted down about BLM's easement's only a

1 30-year, Mr. Martin; is that correct?

2 MR. MARTIN: That is correct.

3 MEMBER HILL: What's the process to renew
4 that? Is it easy? Is it quick?

5 Does it -- I mean, do you have any -- any
6 risk associated with that?

7 MR. MARTIN: I have actually repowering
8 experience with BLM. It was on -- in the Palm Springs
9 area, and it was the old wind turbines.

10 MEMBER HILL: Oh.

11 MR. MARTIN: So we -- it's a new
12 application and a new plan of development and a new NEPA
13 process.

14 MEMBER HILL: Oh, it is?

15 MR. MARTIN: So it's -- it's the same.

16 Yes, it's a new application process that
17 goes -- the complete vetting.

18 MEMBER HILL: Okay. Thank you for that.

19 CHMN STAFFORD: All right. Member Little,
20 back to you.

21 MEMBER LITTLE: Total subject change.

22 Talking about the summary of consultation
23 and coordination efforts completed for the project with
24 interested agencies, organizations, tribes, and
25 individuals. There's a phrase in there that says, "No

1 external scoping took place." And I'm just curious what
2 that means. It's in Appendix B to --

3 MS. POLLIO: Excuse me, are you referring
4 to the one in the hearing binder or the one in the --

5 MEMBER LITTLE: Yes.

6 MS. POLLIO: In the hearing binder? Okay.

7 MEMBER LITTLE: Yes.

8 It's Appendix B to the McMullen
9 environmental assessment.

10 MR. MARTIN: One moment, let us reference
11 it.

12 MS. POLLIO: We think it might be the
13 application.

14 MEMBER LITTLE: Here it is. Exhibit 1.

15 CHMN STAFFORD: The application you mean?

16 MEMBER LITTLE: I'm sorry, the application,
17 yes.

18 CHMN STAFFORD: Exhibit 1.

19 MEMBER LITTLE: It's getting late.

20 MS. POLLIO: No, that's okay. We just want
21 to make sure we understand.

22 And you said it's on page --

23 CHMN STAFFORD: Closer to the microphone,
24 please.

25 MS. POLLIO: I apologize. What page were

1 you referring to?

2 MEMBER LITTLE: It's B-1, Appendix B.

3 MR. MARTIN: This relates to -- so we've
4 had a converging administration policy Department of
5 Interior BLM soup. And so just as we've had to update
6 our plan of development, so did the Department of
7 Interior and the BLM have to update their NEPA handbook.

8 That NEPA handbook now, unless you are
9 releasing a notice of intent for an EIS, you do not
10 publicly scope NEA. So that's new guidance that came out
11 in January of this year, so they're abiding by that.

12 So this was a previous statement under a
13 different NEPA handbook, and so that text should be
14 updated to say it's not required.

15 However, I will say that the fact that as
16 it related to tribal notification and consultation,
17 government to government, that is going to take place.
18 That very much is in full force. And the archaeologist
19 who's responsible for that should have those letters out
20 to the tribe as of last week.

21 MEMBER LITTLE: But just out of curiosity,
22 what is external scoping?

23 MR. MARTIN: External scoping is typically
24 done when you're -- when we give a plan of development to
25 the BLM, they release that to agencies and ask their

1 input for issue development. That goes into the drafting
2 of the EA to track environmental effects based on those
3 issues.

4 MEMBER LITTLE: Thank you.

5 MEMBER FONTES: Member Little, if I may.

6 MEMBER LITTLE: Yes.

7 CHMN STAFFORD: Member Fontes.

8 MEMBER FONTES: How do you deal with policy
9 changes given that that's probably going to reverse on
10 the NEPA standards during your project execution as a
11 developer?

12 That's both a professional interest
13 question and then a risk mitigation measure on your end
14 given that that might reverse within two years.

15 MR. MARTIN: Could you rephrase the
16 question?

17 MEMBER FONTES: Your NEPA handbook is
18 probably going to reserve under a different
19 administration, and it's gone back and forth. As project
20 developers that's a policy risk change when you go to
21 finance your projects, and, as you know, you're trying to
22 get them developed and bring them to regulatory bodies
23 like us.

24 Do you just retain the more -- I want to
25 use the word strict, but that's not probably an

1 appropriate term -- the more rigid, if you will,
2 requirements?

3 How do you thread the needle on that,
4 Mr. Martin?

5 MR. MARTIN: So over 32 years --

6 MEMBER FONTES: Yes, sir.

7 MR. MARTIN: -- basically almost 19 years
8 dealing with the BLM and alternatives or -- alternatives
9 to policy interpretation, we have faced uncertainty and
10 changes in regulations through EPA, The Clean Water Act,
11 not only the act itself but how it's interpreted.

12 So in my professional opinion, it's hide
13 and watch. Answer the mail and keep your ear to the
14 ground so you can be proactive based on things brewing in
15 not only administration but within the agencies because
16 we've had very rough times with the agencies
17 misinterpreting and misapplying guidance, regulation, and
18 whatnot.

19 So it's a mixed bag, and it basically it's
20 agency by agency whether it's Fish and Wildlife Service,
21 BLM, Forest Service, BIA on how the individuals interpret
22 that, how they use their solicitors in basically
23 administrating their guidance. So that's -- that 's the
24 question we're always going to have to deal with as
25 developers and permitting Staff.

1 I guess just -- you just have to pay
2 attention and deal with your colleagues and what they're
3 seeing, and more than anything probably speak with a
4 unified voice.

5 I know that's what we do as permitting
6 staff, we collaborate. I know that developers are not
7 necessarily -- they don't benefit from collaborating
8 because of trade secrets and whatnot, but as it comes to
9 permitting projects, permitting staff benefit greatly,
10 and we benefit our projects if we speak to the agencies
11 with a unified voice in how things are interpreted as we
12 deal with solving problems and how they implement the
13 regulations and as the regulations change. I know it's
14 pretty convoluted but it's a day-to-day issue.

15 Now, dealing with the uncertainty, so once
16 we get a right-of-way grant that's locked in, that cannot
17 change. And so it rides out the 30-year lifespan. And I
18 think it's just best to anticipate there will be
19 administrative changes and executive orders and edicts,
20 lawsuits, and dealing with agency staff. I don't think
21 there's any way around it. It's not getting any easier.

22 MEMBER FONTES: Yes, I appreciate that
23 situational awareness, if I may use that term.

24 I'm just looking at how you think about it
25 applied to this project now as a shortfall out there, a

1 concise one, with respect to the -- your financing and
2 when you're looking to close on this and then you've got
3 an election cycle.

4 So is it better to stay on the old standard
5 or go with the new standard because the old standard is a
6 lot more rigorous in some cases and how you've applied
7 that, if you will, in a case study here just so we
8 capture your thinking process and can transpose that to
9 other project developers and be aware of that.

10 MR. MARTIN: I'm going to let Mr. Ellis
11 field that.

12 MR. ELLIS: Member Fontes, thank you for
13 the question. And I really appreciate that your -- the
14 thought behind your question because you're looking out
15 for us a little bit.

16 We've already started our financing
17 process. Right now we're going to conclude that in
18 November or December. The fact that we have a signed
19 power contract and the advanced nature -- this project's
20 extremely advanced. We'll be signing the LGIA within
21 just a couple months. We'll be executing our solar lease
22 within just a couple months.

23 And so we're already raising our financing.
24 It's typically six- to eight-month process. We're
25 already halfway through it. So we'll conclude that in

1 November or December, and we will be comfortably
2 executing the grant and getting through the appeal period
3 within just -- within this year.

4 So we are comfortable and we are following
5 BLM's guidance here in terms of how they want to handle
6 the process, and so we're comfortable that -- we're just
7 comfortable with how this rider grant will be issued.

8 If the project were not so near term, I
9 think your guidance and your caution would be absolutely
10 something we would be looking at and considering, but
11 given the near-term nature of it and our certainty that
12 we'll conclude this process within this administrative
13 cycle we're comfortable with the pathway we're on.

14 But thank you. I really do thank you for
15 highlighting it.

16 MEMBER LITTLE: Mr. Chairman.

17 MEMBER FONTES: Thank you.

18 CHMN STAFFORD: Does that conclude your
19 questions, Member Fontes? All right. Good.

20 Member Little.

21 MEMBER LITTLE: Can you talk about --

22 CHMN STAFFORD: We're coming up on
23 four o'clock. How long -- how many questions do you
24 think you have?

25 MEMBER LITTLE: Well, I have two more, but

1 they might take a while to answer, so if you want to take
2 a break, let's do that first.

3 CHMN STAFFORD: Let's take approximately a
4 15-minute recess. Let's go off the record.

5 (Recess from 3:53 p.m. to 4:16 p.m.)

6 CHMN STAFFORD: All right. Let's go back
7 on the record.

8 Member Little, I believe you had a few
9 questions left to ask to the applicant.

10 MEMBER LITTLE: Yes. I'm going to ask two
11 more questions today.

12 One has to do with subsidence, that the
13 reports that are in the application having to do with
14 water deal pretty extensively with the subsidence issues
15 in that area. And while I am sure that you guys would
16 not plan to build a plant that you -- as is proposed
17 without having -- being well aware of that and knowing
18 how to deal with it, I would like that on the record, so
19 I'm wondering if maybe you could just talk a little bit
20 about how -- without going into too much -- too technical
21 a description how you will deal with the subsidence
22 because I'm sure that it's going to increase over the
23 years.

24 MR. ELLIS: The -- this is -- if I
25 understand your question, Member Little, are you

1 referring to subsidence that could occur in the area that
2 could affect the power generating facilities?

3 CHMN STAFFORD: You're on mute.

4 MR. ELLIS: Are you asking in that
5 direction?

6 MEMBER LITTLE: Sorry. Yes, and the
7 structures.

8 MR. ELLIS: Yeah, how do we -- how do we
9 engineer the facility or plan and implement the facility.
10 So these are -- these are known -- fortunately these are
11 known issues and known problems. We're not inventing the
12 wheel here or dealing with issues that are -- that have
13 not been dealt with before.

14 So we -- we look at this. We estimate the
15 severity. We bring in experts that have looked at this
16 previously. There was a project we were working on, for
17 example, down in Cochise County. In Cochise County it's
18 really significant in some of the areas down there just
19 because of how much pumping has taken place.

20 And so the way you deal with it is you
21 engineer structures to be more robust to account for that
22 possibility. In some cases you'll add extra solar
23 arrays, so that if there is a disruption to a particular
24 solar array, you can go out there and correct and fix it
25 and still have a loss of some of your generating

1 capacity. You essentially build in redundancy, you know,
2 for -- for potential issues that could arise that could
3 affect a part of your generating plant.

4 So that's really it just to summarize. You
5 hire engineers that have dealt with this issue to help
6 you design the facilities to withstand some of the
7 issues, and in some cases you build a little extra
8 capacity to account for the fact that you might lose some
9 of it for a fissure opening up. We don't really --

10 MEMBER LITTLE: Thank you.

11 MR. ELLIS: Yeah. Uh-huh.

12 MEMBER LITTLE: I just wanted to have that
13 on the record since it was in the application.

14 My next question has to do with
15 Exhibit C-4, which is the threatened and endangered
16 species memorandum from Tetra Tech.

17 And the maps that are included as a part of
18 that report I have some real question about. Perhaps
19 somebody could open up to those pages so you could take a
20 look at them as I ask my questions.

21 MR. MARTIN: Yes, ma'am, we're doing that
22 right now.

23 CHMN STAFFORD: Which pages, Member Little?

24 MEMBER LITTLE: The pages are not numbered.
25 It is Exhibits -- or Figure 1, 2, 3, 4, 5.

1 CHMN STAFFORD: You're in Exhibit C of the
2 application?

3 MEMBER LITTLE: Yes, Exhibit C-4.

4 MR. MARTIN: Member Little, I've pulled
5 that up.

6 MEMBER LITTLE: Okay. The project area --
7 areas, the area that is -- that we know that is proposed
8 to be the solar project and the thermal project are
9 consistent with everything that we have seen.

10 However, there's no transmission line area
11 indicated on that map, nor is there -- and then in
12 addition there's two little rectangles or one square and
13 one rectangle that are up on the right-hand side that we
14 haven't even heard anything about.

15 Can you explain that, please.

16 MR. MARTIN: Yes, ma'am. Those two
17 rectangles that you're referring to are private land
18 parcels that have nothing to do with us. Those are
19 relics from previous maps.

20 The reason the surveys are not shown on
21 this map for the transmission line on federal land is
22 that those studies were done in 2002, 2003, 2004, 2005.
23 3,000 acres of that public land was already previously
24 surveyed 100 percent.

25 So what you're seeing is the state and

1 private land that was augmented to that previous total.
2 In my testimony today, we have a total of 6,000 acres
3 that we've got surveyed that previous years are not on
4 this because they are now in the new plan of development
5 that you've been provided, that map. But all the surveys
6 have been done for the complete alignment.

7 MEMBER LITTLE: Thank you.

8 MR. ACKEN: Before -- if I could interject
9 before Member Little asks her next question.

10 Mr. Martin, you referenced survey periods,
11 and you said -- I think I heard you say, like, 2002 time
12 period. Could you clarify what time period you were
13 referring to.

14 MR. MARTIN: Yes. '22, '23, '24, and '25.

15 MR. ACKEN: Thank you.

16 MR. MARTIN: I apologize. It's getting
17 late.

18 MEMBER LITTLE: I still am curious about
19 those rectangles because there's pretty detailed
20 information about photo logs and some of the photos that
21 are in there were from that -- those areas. There are
22 locations of things that are indicated in those two
23 areas.

24 MR. MARTIN: Member Little, those areas are
25 inholdings within federal land. And those were surveyed.

1 That's -- so that's part of the 3,000 acres that was
2 surveyed on federal land, and it captured the inholdings.

3 MEMBER LITTLE: Why did you do that?

4 MR. MARTIN: I'll let Mr. Ellis do that.

5 MEMBER LITTLE: Thank you.

6 MR. ELLIS: Member Little, I believe you
7 are aware that we had an original project footprint that
8 was originally on BLM land. The small parcel, the
9 80-acre parcel that's -- there's two rectangles you're
10 referring to. The top rectangle is 80 acres of land that
11 we own, and we purchased that parcel from a private
12 landowner, and at one point it was adjacent to the
13 original footprint, and so it was included in the survey.

14 And then the other square mile of property
15 you see to the east is state land that was also adjacent
16 to that original footprint. And so the reason that you
17 see that included in the -- it's just at one time it was
18 we were mapping out the project. We were going out --
19 and you always go out and survey a larger footprint than
20 you ultimately think that you'll need because you're not
21 sure what you're going to find, and so that's why that
22 data is available.

23 MEMBER LITTLE: All right. That answers my
24 question. And I appreciate it. Thank you.

25 I am finished for the day, Mr. Chairman.

1 CHMN STAFFORD: Thank you, Member Little.

2 Any other questions from members?

3 (No audible response.)

4 CHMN STAFFORD: Well, I believe we have a
5 number of exhibits to admit, Mr. Acken.

6 MR. ACKEN: Thank you, Mr. Chairman. I'm
7 always grateful to you for reminding me to offer my
8 exhibits.

9 So at this time I would offer Hearing
10 Exhibits 1 through 20.

11 Do you want me to go through them?

12 CHMN STAFFORD: No, they've all been
13 introduced and covered, I believe. So Exhibits 1
14 through 20 are admitted.

15 MR. ACKEN: Thank you.

16 (Exhibits 1 through 20 were admitted.)

17 CHMN STAFFORD: Well, I have a number of
18 questions, but given the late hour and that we've been
19 starting these hearings at 10 o'clock yesterday instead
20 of one and no tour today, I think we're about six, seven
21 hours ahead of schedule. So I think we would be better
22 off to come back in the morning with a fresh start. I
23 think we'll be -- everyone will be sharper.

24 So my plan is that I think the way I see
25 this proceeding is that I have some follow-up questions.

1 I believe there's been some letters filed in the docket
2 that raise some issues I think we should cover.

3 I'm sure that after a good night's rest
4 other members will have questions, especially if they've
5 had a chance to follow up and look at any of the
6 additional exhibits that were submitted later on. And
7 then I think we have the whole panel here to kind of bat
8 cleanup and cover any issues at the end.

9 And then you can give your closing. And I
10 think the members we should probably have some kind of
11 general discussion about conditions, how the project's
12 going to look. We want to talk about give them the
13 flexibility of different configurations for the thermal
14 aspect. We can talk about phases for that just kind of
15 big picture before I prepare Chairman's 1 and 2 for us to
16 deliberate on.

17 Any thoughts from members? Applicant? On
18 that timeline?

19 Mr. Acken.

20 MR. ACKEN: Mr. Chairman, while the
21 committee considers that and -- there were two questions
22 raised this afternoon that we can answer very quickly for
23 members, and so if we could just bang those out while
24 it's fresh and before we forget, then we --

25 CHMN STAFFORD: By all means.

1 BY MR. ACKEN:

2 Q. Mr. Crabb, there was a question from Member
3 Comstock asking about -- I believe it was asking about
4 the size of the lateral for the gas pipeline.

5 And do you recall that line of questioning?

6 A. (Mr. Crabb) I do. The inlet gas pressure
7 required for the LM6000 is about 675 PSI. While we
8 haven't specified the lateral itself, that is below the
9 pipeline pressure. There is a chance that the lateral
10 will step down in pressure. We are planning fuel
11 compression regardless of that lateral pressure design
12 specification in case the pressure would be reduced for
13 any reason such as pipeline operations, OFOs, et cetera.

14 MEMBER COMSTOCK: Mr. Chairman.

15 Do you have the operational pressure of El
16 Paso or Kinder Morgan pipeline?

17 MR. CRABB: I don't have the
18 specifications. It's typically in that 800 to 1200 PSI
19 on interstate pipelines, but, again, it would likely step
20 down into the lateral, and we would have fuel compression
21 to support the turbine inlet pressure requirements.
22 Whether or not it would run all the time or not sort of
23 depends on the detailed design basis of that lateral.

24 MEMBER COMSTOCK: And I want to make sure I
25 understand completely. Compression would be on the

1 outlet side of the meter, and the tap, it would be inside
2 the fence line?

3 MR. CRABB: Inside the fence line, correct.

4 MEMBER COMSTOCK: So the compression would
5 not be from the El Paso line to the lateral?

6 MR. CRABB: Correct. Yeah, it's more
7 likely that that would be a step down into the lateral.

8 MEMBER COMSTOCK: Yes. So the regulator
9 would -- the regulator station and the tap would still be
10 at the El Paso interconnect to your lateral?

11 MR. CRABB: Correct.

12 MEMBER COMSTOCK: Thank you.

13 MR. ACKEN: Thank you.

14 And then the second follow-up question I
15 think it was Member Little was asking or maybe it was
16 Member Fontes -- it's getting late for me too -- as to
17 whether the plan was for these resources to interconnect
18 under the first set of studies as a network resource or
19 as an energy resource.

20 Mr. Crabb and Mr. Ellis, do you recall that
21 questioning?

22 MR. ELLIS: Yeah. That was from Member
23 Fontes, and we were able to confirm that those
24 applications were studied as network resources.

25 MR. ACKEN: Thank you.

1 Thank you, Mr. Chairman.

2 CHMN STAFFORD: Thank you.

3 Any other questions from members at this
4 time?

5 (No audible response.)

6 CHMN STAFFORD: All right. With that we
7 will recess until nine a.m. tomorrow. And then I
8 anticipate that we will adjourn tomorrow at some point
9 probably in the afternoon. So I think we're on track.

10 With that we are in recess.

11 (Proceedings concluded at 4:30 p.m.)

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