

1 BEFORE THE ARIZONA POWER PLANT AND
2 TRANSMISSION LINE SITING COMMITTEE

3
4 IN THE MATTER OF THE) DOCKET NO.
5 APPLICATION OF SALT RIVER) L-00000B-21-0393-00197
6 PROJECT AGRICULTURAL)
7 IMPROVEMENT AND POWER) LS CASE NO. 197
8 DISTRICT, IN CONFORMANCE WITH)
9 THE REQUIREMENTS OF ARIZONA)
10 REVISED STATUTES, SECTIONS)
11 40-360, et. seq., FOR A)
12 CERTIFICATE OF ENVIRONMENTAL)
13 COMPATIBILITY AUTHORIZING THE)
14 EXPANSION OF THE COOLIDGE)
15 GENERATING STATION, ALL WITHIN)
16 THE CITY OF COOLIDGE, PINAL)
17 COUNTY, ARIZONA.)
18 _____)

12 At: Casa Grande, Arizona
13 Date: February 14, 2022
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1 BE IT REMEMBERED that the above-entitled and
2 numbered matter came on regularly to be heard before
3 the Arizona Power Plant and Transmission Line Siting
4 Committee at Radisson Hotel Casa Grande, 777 North
5 Pinal Avenue, Casa Grande, Arizona, commencing at
6 1:03 p.m. on the 14th of February, 2022.

7

8 BEFORE: PAUL A. KATZ, Chairman

9 ZACHARY BRANUM, Arizona Corporation Commission
(via videoconference)
10 LEONARD DRAGO, Department of Environmental Quality
JOHN RIGGINS, Arizona Department of Water Resources
11 (via videoconference)
JAMES PALMER, Agriculture Interests
12 MARY HAMWAY, Incorporated Cities and Towns
RICK GRINNELL, Counties (via videoconference)
13 KARL GENTLES, General Public (via videoconference)
MARGARET "TOBY" LITTLE, PE, General Public
14 (via videoconference)

15

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1 CHMN. KATZ: We are going to go on the record
2 now. As I indicated, we have -- present with us in
3 person for the Committee we have Leonard Drago, Mary
4 Hamway, Jim Palmer, and appearing virtually are Zachary
5 Branum, Karl Gentles, John Riggins, Toby Little, and
6 last but not least, Rick Grinnell. And welcome,
7 everyone.

8 And we can -- are we ready to get started?

9 MS. POST: We're ready, but there are a
10 couple of preliminary matters.

11 CHMN. KATZ: Please.

12 MS. POST: The first matter is to correct the
13 record from Friday. During Ron Jordan's testimony, the
14 last picture in Exhibit Number 2 he said had been taken
15 from his property, and that was incorrect. It was
16 taken on the same day as the others and he was present
17 when it was taken, but it was taken from Randolph Road.
18 He did send me a picture that was taken from his
19 property, and I have sent that to you and Michele and
20 the attorneys, and I would like to enter that as
21 Exhibit Number 31, if possible.

22 CHMN. KATZ: That's going to be fine. I
23 mean, it's a very similar view that we have seen on
24 slides and elsewhere.

25 MS. POST: Yes.

1 CHMN. KATZ: That would be fine.

2 MS. POST: Then the second issue is a
3 substitute witness. It turns out that Matthew
4 Whittaker cannot make it. And I have found Jacqueline
5 Patterson, who is equally qualified, to step into his
6 place, and she will be prepared this afternoon to give
7 testimony. And also, I have sent her resume to you and
8 the attorneys and to Ms. Maser.

9 CHMN. KATZ: And what is her name again?

10 MS. POST: Jacqueline, J-A-C-Q-U-E-L-I-N-E,
11 Patterson, P-A-T-T-E-R-S-O-N.

12 CHMN. KATZ: And refresh my memory. The
13 scope of her testimony?

14 MS. POST: The historical importance of black
15 communities.

16 CHMN. KATZ: Okay. And I don't know whether
17 we want to go on the record on the other matter that
18 you called to my attention today or not, but --

19 MS. POST: Doesn't seem to be a need to at
20 this point.

21 CHMN. KATZ: Okay. And I don't know if
22 Autumn Johnson is appearing or not this morning -- or,
23 this afternoon.

24 MS. POST: She's not online at this moment.

25 CHMN. KATZ: I'll ask our IT folks. Is that

1 so, that she isn't on the line?

2 MR. ACKEN: She's not.

3 CHMN. KATZ: That's fine, because there's
4 somewhat of a dispute. But Dianne Post is the retained
5 lawyer by the community and she sponsored Autumn
6 Johnson, and Autumn Johnson and she may not necessarily
7 agree as to strategy, but I'm comfortable that we're
8 all getting to understand the concerns of the
9 community, the concerns of the environmental advocates,
10 and the concerns of Salt River Project.

11 And, obviously, the Committee of 10 is going
12 to have to balance those interests and make a decision.
13 And if we deny the CEC, it's denied. If we grant it,
14 there will probably be some special conditions to
15 accommodate, at least in part, the needs of the
16 community, but we'll cross that bridge when we come to
17 it.

18 Are we ready to begin with our first witness
19 for today?

20 MS. POST: Yes. Dagny Signorelli.

21 CHMN. KATZ: And is this witness appearing
22 virtually?

23 MS. POST: Yes.

24 CHMN. KATZ: Would you prefer an -- what's
25 your -- state your full name, if you would, please.

1 MS. SIGNORELLI: Dagny Signorelli.

2 CHMN. KATZ: And would you spell your last
3 name?

4 MS. SIGNORELLI: S-I-G-N-O-R-E-L-L-I.

5 CHMN. KATZ: Thank you very much. And would
6 you prefer an oath or an affirmation?

7 MS. SIGNORELLI: The oath is fine.

8 CHMN. KATZ: Okay. Just raise your right
9 hand, if you would.

10 (Dagny Signorelli was duly sworn by the
11 Chairman.)

12 CHMN. KATZ: Thank you very much.

13 Ms. Post, if you are ready to begin, you
14 may.

15

16 DAGNY SIGNORELLI,
17 called as a witness on behalf of the Randolph
18 Residents, having been previously sworn by the Chairman
19 to speak the truth and nothing but the truth, was
20 examined and testified as follows:

21

22 DIRECT EXAMINATION

23 BY MS. POST:

24 Q. Please state your name and your business
25 address.

1 A. Dagny Signorelli, and 112 North Central
2 Avenue, Phoenix, Arizona 85004.

3 Q. Can you describe your education and
4 professional experience?

5 A. So I am the environmental justice chair of
6 the Social Justice and Engineering Initiative, which is
7 a nonprofit based in Phoenix, Arizona. I am an air
8 quality expert, and I worked for Pinal County Air
9 Quality Control Department for two years prior to
10 commencing my graduate studies here in Colorado in
11 ecology.

12 Q. Go ahead. Is there more?

13 A. No.

14 Q. All right. Did you submit a resume?

15 A. Yes.

16 Q. And is that Exhibit Number 28?

17 A. Correct.

18 Q. What is the purpose of your testimony?

19 A. So I'm going to testify to the air quality in
20 Pinal County and Coolidge, Arizona, and the impacts of
21 exposure to particulate matter in those communities.

22 Q. Are you sponsoring any exhibits?

23 A. Yes, Exhibits 29 and 30.

24 Q. And are you going to be relying on those
25 exhibits when you testify?

1 A. Yes. I will refer to both of them and the
2 pages that I'm talking about during my testimony.

3 Q. What is the air quality situation in Pinal
4 County?

5 A. So the air quality in Pinal County, in
6 Coolidge, is nonattainment for federal standard for
7 PM10 since May 2012. And recently, in 2021, the EPA
8 classified West Pinal from moderate nonattainment in
9 PM10 to severe -- or, serious nonattainment.

10 Q. And what does "nonattainment" mean?

11 A. So it means that this -- the West Pinal area,
12 which includes Coolidge, is not in federal standards
13 for safety of the hazardous air pollutant known as
14 Particulate Matter 10.

15 Q. And you mentioned PM10 particles. What are
16 those?

17 A. So those are -- PM10 is inhalable particles
18 with diameters that are generally 10 micrometers and
19 smaller and are the most damaging-to-health
20 particulates because they can penetrate and launch deep
21 into the lungs.

22 Q. And what are they made up of, these little --

23 A. Yes. Particulate Matter 10 is a complex
24 mixture of small particle solids, droplets, dust
25 particles, heavy metals, radioactive materials, and/or

1 other organic chemicals that have become suspended in
2 the air and are small enough to be inhaled.

3 Q. And how long do they stay in the air?

4 A. Longer than fine particles.

5 Q. Of the counties -- has there ever been a
6 comparison of Pinal County to other counties in the
7 country for these PM data?

8 A. Yes. So the data that was reported to the
9 EPA most recently was, out of the 316 counties
10 nationwide that provide PM10 data to the EPA, Pinal
11 County is the second highest in the entire country in
12 24-hour PM10 levels at 624 micrometers.

13 Q. What are the EPA standards from 1987?

14 A. Yeah. So those standards from 1987 are a
15 24-hour standard of 150 micrograms per cubic meter, or
16 micrometers.

17 Q. And the annual standard?

18 A. The annual standard is 50 micrometers.

19 Q. When Pinal County was reclassified to serious
20 nonattainment, what does that mean for Arizona? What
21 do they have to do?

22 A. So the Pinal County Air Quality Control
23 Department is delegated to try and decrease amounts of
24 PM10 pollution in the air in Pinal County, in the West
25 Pinal nonattainment area specifically.

1 Q. Was there some obligation that they had to
2 submit something by January 2022?

3 A. Yeah. So they have an obligation to submit a
4 nonattainment plan, standard implementation plan
5 revision, that complies with the statutory and
6 regulatory requirements for serious PM10 nonattainment
7 plans.

8 Q. Why did the EPA find that Pinal County had
9 failed to attain the national standards of NAAQS?

10 A. Because the standards that Pinal County was
11 trying to meet by December 2018, the EPA found that
12 they did not meet this, and so then reclassified Pinal
13 County West -- or, West Pinal nonattainment from
14 moderate to serious.

15 Q. What are the impacts of this kind of air
16 quality on the residents of Pinal County?

17 A. So Pinal County is unique because of how low
18 it sits in the Valley, which makes it harder for the
19 wind to clear the air out, and the pollutants will
20 settle and sit in the air that the Pinal County
21 residents breathe. And according to the 2020 U.S.
22 Census Data, Coolidge residents make 36 percent less
23 per capita than the residents of Phoenix and have a
24 makeup of more Native American, black, and Hispanic
25 residents than both the City of Phoenix and Arizona as

1 a whole.

2 Q. So will they feel more consequences from this
3 air pollution?

4 A. Yes.

5 Q. Where is the Randolph community located
6 related to the Salt River Project Coolidge Generating
7 Station?

8 A. So the Randolph community is located less
9 than half a mile from the SRP Coolidge Generating
10 Station.

11 Q. Does the Arizona heat have any kind of an
12 impact on the dangerousness of these chemicals?

13 A. Yeah. So the heat is also one of the unique
14 things about Arizona, and this area in particular.
15 When extreme heat continues for several days and nights
16 in a row, like it does in the summer months in
17 Coolidge, you know, the risk of illness or even death
18 greatly increases due to temperatures and pollution.
19 It's exacerbated, basically.

20 Q. Is it affected by the urban heat island
21 effect?

22 A. Yes. So the growth of the Phoenix
23 metropolitan area since 1950 has led to a significant
24 increase in nighttime temperatures due to the urban
25 heat island effect. High temperatures may also worsen

1 existing health conditions like heart disease and
2 respiratory illnesses such as asthma. And that's from
3 the ASU Exhibit 29 on Page 2.

4 Q. Do the higher temperatures make it difficult
5 to meet the federal standards for air quality?

6 A. Absolutely. Higher temperatures make it a
7 lot harder to meet federal standards for air quality,
8 which are put in place to help regulate safe levels of
9 pollutants.

10 Q. Does this quality increase the risk of
11 disease?

12 A. Yes. Poor air quality increases the risk of
13 heart disease and lung disorders, as well as healthcare
14 costs.

15 Q. And what is the effect of the PM10 versus
16 other kinds of pollutants?

17 A. So, yeah, now I'll be referring to Webb, et
18 al.'s Exhibit 30 on Page 7. PM affects more people
19 than any other pollutant and contributes substantially
20 to negative impacts, including respiratory and
21 cardiovascular disease and premature mortality.

22 Children are a particularly affected
23 subgroup, especially when they are physically active,
24 as breathing faster increases the particle intake. In
25 addition, children's lungs are still developing, and

1 they are more likely to get respiratory inflammation
2 and infection. These conditions are exacerbated when
3 environmental PM10 concentrations are really high, like
4 we saw on that 600 number.

5 Q. Is particulate pollution linked to other
6 kinds of health effects?

7 A. Yes. So particulate pollution is linked to a
8 variety of health effects, including onset and
9 exacerbation of asthma, irritation of airways,
10 coughing, wheezing, chest tightness, and shortness of
11 breath. High concentrations of particulates are of
12 concern because they absorb airborne chemicals which
13 deposit in the lungs and can lead to local or systemic
14 diseases.

15 CHMN. KATZ: Would you repeat that? The last
16 part of your sentence was hard to understand.

17 MS. SIGNORELLI: Okay. Because they absorb
18 airborne chemicals which deposit in the lungs and then
19 can lead to local or systemic diseases.

20 BY MS. POST:

21 Q. Has the International Agency for Research on
22 Cancer recently classified this particulate matter in
23 any way?

24 A. Yes. The International Agency for Research
25 on Cancer has recently classified the particulate

1 matter component of outdoor pollution as a Class I
2 carcinogen.

3 Q. Does latency have any role in this related to
4 children?

5 A. Yeah. So considering a 10- to 20-year
6 latency period for cancer, it is reasonable to say that
7 childhood exposure to PM pollution plays a role in the
8 later development of cancer.

9 Q. On the temperature projection table in the
10 report, what does it show about the temperature
11 projections for the Coolidge area?

12 A. Yep. That's on Page 10 of that ASU exhibit.
13 The July average daily maximum temperature projection
14 table shows that the largest temperature changes are
15 likely to occur in Arizona's more rural areas, and this
16 includes Coolidge, which it's already over 100 degrees
17 like three months in the summer in Coolidge.

18 Q. You're fading out, so be sure to stay with
19 the microphone, okay?

20 CHMN. KATZ: Yeah. You start out real well,
21 but sometimes toward the end of your testimony it's
22 fading out. So we need to make sure you're
23 articulating and staying close to the microphone, but
24 thank you.

25 You may proceed.

1 BY MS. POST:

2 Q. And do you have another chart that you want
3 to refer to about the number of days falling into the
4 different air quality categories?

5 A. Yeah. So Appendix 3 on Page 9.

6 Q. Can you tell us what that outlines?

7 A. Pinal County continues to have difficulties
8 meeting federal air quality standards due to industrial
9 activity, rising vehicle travel, and a challenging
10 combination of weather patterns and physical geography.
11 So that figure shows the number of days falling into
12 each air quality index category as defined by the U.S.
13 Environmental Protection Agency.

14 So the unhealthy and very unhealthy
15 categories generally represent days where federal
16 standards were not met. Meeting standards for certain
17 pollutants may become more difficult in the future
18 because air pollution chemistry changes when
19 temperatures increase, like we talked a little bit
20 before. And Pinal County, out of all the counties in
21 Arizona, you can see the pink bars, has the most amount
22 of very unhealthy air pollution when compared to the
23 other counties in Arizona.

24 Q. Is SRP currently meeting the NAAQS standards?

25 A. Yes.

1 Q. And West Pinal County still went from
2 moderate to serious nonattainment, is that correct?

3 A. Correct.

4 Q. So if they're meeting the standards, then
5 what is the problem with adding more PM10 pollution?

6 A. Because even if we don't breach the
7 standards, the amount of air pollution in the air
8 currently is enough to make the West Pinal area air
9 quality worse.

10 Q. Is there anything else you would like to add
11 to your testimony?

12 A. Not at this time.

13 Q. Would you like to summarize your conclusions
14 and recommendations?

15 A. Yes. So as of 2021, Pinal County is at
16 serious nonattainment for PM10 due to the last several
17 years of nonattainment with federal air quality
18 standards, even with SRP emitting well below their
19 regulatory threshold for PM10 pollution. PM10 is
20 hazardous to human health and is especially serious for
21 children and their respiratory health and is classified
22 as a Class I carcinogen.

23 Increasing temperatures, with the largest
24 increases predicted to occur in Arizona's rural areas,
25 such as Coolidge, are making it harder to meet federal

1 air quality standards. Pinal County already has the
2 highest level of unhealthy pollution as compared to all
3 other Arizona counties. Coolidge residents make
4 36 percent less per capita than the residents of
5 Phoenix and have a makeup of more Native American,
6 black, and Hispanic residents than both the city of
7 Phoenix and Arizona as a whole. So the residents of
8 Coolidge already and will increasingly
9 disproportionately feel the effects of natural gas
10 production for energy at the Coolidge Generating
11 Station.

12 MS. POST: Okay. Pass the witness for cross.

13 CHMN. KATZ: Mr. Acken, we'll start with you
14 and then go down the line, unless there's some other
15 agreement.

16 MR. ACKEN: Thank you, Chairman.

17

18 CROSS-EXAMINATION

19 BY MR. ACKEN:

20 Q. Good afternoon, Ms. Signorelli. My name is
21 Bert Acken. I'm counsel for Salt River Project in this
22 matter. Can you hear me okay?

23 A. Yes.

24 Q. You referred to PM10 as a hazardous air
25 pollutant in your testimony. Do you know if EPA

1 defines PM10 as a hazardous air pollutant?

2 A. Particulate matter is a hazardous air
3 pollutant.

4 Q. Under EPA's definition of hazardous air
5 pollutants?

6 A. I believe so.

7 Q. And you testified as to the annual and --
8 PM10 NAAQS, correct?

9 A. Yes.

10 Q. Both the annual and the -- excuse me. The
11 annual and 24-hour standards, is that correct?

12 A. Correct.

13 Q. Do you know whether the annual PM standard
14 had been revoked?

15 A. For who? The SRP specifically?

16 Q. No, it wouldn't be specific to SRP. That
17 would be a designation made by EPA. Do you know
18 whether the annual PM10 standard had been revoked?

19 A. No, because the permit that SRP submitted
20 included the 150 micrometers per hour.

21 Q. And that 150 micrometers that you're
22 referring to -- and what is that standard again?

23 A. That's per hour, I believe, or is that
24 annually. 24-hour, yeah. So one day, 24 hours.

25 Q. Right. And my question was whether you knew

1 whether the annual PM10 standard was still in effect?

2 A. Yes, as far as I know, it's still in effect.

3 Q. Okay. Thank you. Let's pull up Slide 230
4 from SRP Number 2. Have you been able to listen to any
5 of the testimony of SRP's witnesses in this proceeding?

6 A. Unfortunately, no.

7 Q. Does this pie chart look familiar to you in
8 any way? It's entitled West Pinal County PM10
9 Nonattainment Area Draft 2017 PM10 Emissions Inventory?

10 A. Yes, I was working there at that time and I
11 have seen this.

12 Q. And so this looks familiar to you?

13 CHMN. KATZ: Mr. Acken, is this from
14 Exhibit 1 or Exhibit 2?

15 MR. ACKEN: Exhibit 2.

16 MS. SIGNORELLI: Yes, it looks familiar.

17 BY MR. ACKEN:

18 Q. And so what is the contribution of permitted
19 sources to the PM10 emissions in the West Pinal County
20 PM10 nonattainment area?

21 A. It looks like it says 1.41 percent.

22 Q. And you have no reason to disagree with that
23 number, do you?

24 A. No.

25 Q. And you testified extensively regarding the

1 PM10 NAAQS standard. Do you know whether this area in
2 which the project will be located is in compliance with
3 all other NAAQS standards?

4 A. Yep, it is in compliance with all others.

5 Q. Yes?

6 CHMN. KATZ: Did you say it is or isn't?

7 MS. SIGNORELLI: It is.

8 CHMN. KATZ: Thank you.

9 BY MR. ACKEN:

10 Q. And that includes PM2.5?

11 A. Correct.

12 Q. And did you look at the air quality permit
13 application for this project?

14 A. I did.

15 Q. Do you understand how ambient air quality
16 modeling is done for air quality permitting purposes?

17 A. Yes, because I did that at Pinal County Air
18 Quality.

19 Q. And do you understand the modeling in support
20 of the application that SRP submitted showed compliance
21 with all applicable NAAQS, including the PM10 standard?

22 A. Yep. Yes.

23 Q. In Randolph Exhibit 29, I want to turn your
24 attention to Page 2, which is Page 3 of the PDF. Do
25 you have that in front of you?

1 A. I do not. Or, actually -- yeah, I do,
2 actually. 3 of the air permit?

3 Q. No, I'm sorry. I'm looking at Randolph 29,
4 and I gave you a bad page number. This is Page 3.

5 MS. POST: That's the Arizona State
6 University report that you submitted.

7 MS. SIGNORELLI: Yep, I see it.

8 BY MR. ACKEN:

9 Q. Can you read the blue box on Page 3 for the
10 record?

11 A. Water quality impact?

12 Q. No, that is not on Page 3 of mine. It starts
13 off, "Air quality in Arizona."

14 A. Oh, I see. Yeah. "Air quality in Arizona
15 has generally improved over the past several decades
16 due to advances in emissions control technology and
17 implementation of pollution control measures."

18 Q. Okay. Thank you. And then you discussed
19 Randolph Exhibit 30. And I believe you're sponsoring
20 that exhibit, is that correct?

21 A. Yes.

22 Q. And what is the study about? Is it -- well,
23 I'll stop there.

24 A. The study itself is about a literature review
25 on the respiratory risks of air pollutant exposure from

1 unconventional oil and natural gas on infants and
2 children. They discussed Particulate Matter 10, which
3 affects respiratory health development and lung
4 function in children.

5 Q. So do you know what an unconventional oil and
6 natural gas operation is?

7 A. Yeah. It has to do with the extraction of
8 the natural gas and not the resource itself.

9 Q. And do you know where SRP is obtaining the
10 natural gas for the Coolidge Expansion Project?

11 A. Texas and New Mexico.

12 Q. And do you know whether there's
13 unconventional natural gas production in those areas?

14 A. It's kind of irrelevant, because we're
15 talking about the resource of natural gas and not the
16 extraction method, which is what's important in this --

17 Q. Let me ask my question --

18 A. -- article.

19 Q. Let me ask my question again.

20 CHMN. KATZ: Hold on.

21 MS. SIGNORELLI: But yes, there's a lot of
22 unconventional --

23 MR. ACKEN: Let me ask the question again.

24 CHMN. KATZ: Hold on. Hold on.

25 Ask your question and then Ms. Signorelli can

1 answer it. We can't talk over each other.

2 BY MR. ACKEN:

3 Q. So my question was whether you know whether
4 the natural gas that SRP will use for this project is
5 obtained from areas in which unconventional natural gas
6 operations are conducted, yes or no?

7 A. Yes.

8 Q. Yes, you know that they do?

9 A. It would be surprising to me if they got gas
10 in Texas that wasn't unconventional.

11 CHMN. KATZ: That was what, nonconventional?

12 MS. SIGNORELLI: Yeah.

13 BY MR. ACKEN:

14 Q. Okay. I'm confused. So is your testimony
15 that in Texas natural gas operations is through
16 conventional means?

17 A. Unconventional.

18 Q. To your understanding, it's unconventional?

19 A. Correct.

20 MR. ACKEN: Okay. Thank you. No further
21 questions.

22 CHMN. KATZ: We'll go down the row -- or, I
23 guess we'll save Mr. Emedi for last, unless he wants to
24 go. But otherwise, Mr. Rich.

25 MR. RICH: I have no questions.

1 CHMN. KATZ: And Mr. Stafford.

2 MR. STAFFORD: No questions, Chairman.

3 CHMN. KATZ: Mr. Emedi.

4 MR. EMEDI: No questions, Mr. Chairman.

5 CHMN. KATZ: Anything further from you,

6 Ms. Post?

7 MS. POST: No.

8 CHMN. KATZ: May this witness be excused?

9 MS. POST: If the Committee has no questions,
10 yes.

11 CHMN. KATZ: Oh, I can't keep ignoring the
12 Committee here.

13 Yes, Mr. Drago. You have a question?

14 MEMBER DRAGO: Yes. I just wanted to put on
15 the record that it is my understanding that the
16 particulate matter comes under the criteria air
17 pollutant list and not the hazardous air pollutant
18 list. That's my understanding.

19 CHMN. KATZ: Is that correct, Ms. Signorelli?

20 MS. SIGNORELLI: Yeah, sure. Semantics.

21 CHMN. KATZ: Any other questions from the
22 Committee Members who are present? And then we'll go
23 to those who are appearing virtually.

24 MEMBER HAMWAY: Yes. I just didn't
25 understand the conversation about unconventional means

1 of gas production in Texas. Can you highlight that a
2 little bit more? What is conventional versus
3 unconventional?

4 MS. SIGNORELLI: So conventional is how we
5 extracted gas in the past and unconventional is how
6 we're extracting natural gas now. So that's more like
7 the hydraulic fracturing kind of natural gas
8 extraction.

9 MEMBER HAMWAY: Okay. So fracking makes it
10 unconventional?

11 MS. SIGNORELLI: Correct.

12 CHMN. KATZ: Anything else from those
13 present?

14 (No response.)

15 CHMN. KATZ: What about any of our folks that
16 are appearing -- Committee Members that are appearing
17 virtually, do we have any questions?

18 MEMBER LITTLE: Mr. Chairman.

19 MEMBER GRINNELL: Mr. Chairman.

20 Oh, go ahead, Toby.

21 CHMN. KATZ: Yes.

22 MEMBER LITTLE: Mr. Chairman.

23 CHMN. KATZ: Yes.

24 MEMBER LITTLE: This is Member Little. Do
25 you know, if SRP were to completely close down that

1 generation plant and not do the expansion, would Pinal
2 County still be in nonattainment?

3 CHMN. KATZ: And you're asking that of the
4 witness, correct?

5 MEMBER LITTLE: Yes.

6 CHMN. KATZ: Ms. Signorelli, did you hear the
7 question and can you answer it?

8 MS. SIGNORELLI: Yes. I have no way of
9 knowing whether they would still be in nonattainment or
10 not.

11 MEMBER LITTLE: Okay. Thank you. Appreciate
12 it.

13 CHMN. KATZ: Any other of our members who are
14 appearing virtually?

15 MEMBER GRINNELL: Yeah, Mr. Chairman.

16 CHMN. KATZ: Yes, Mr. Grinnell.

17 MEMBER GRINNELL: SRP, in an earlier
18 presentation, spoke about bringing natural gas online,
19 but in the future actually reducing the amount of
20 particulates that would be emitted into the air. Are
21 you familiar with that report?

22 MS. SIGNORELLI: Which report is it? Sorry.

23 MEMBER GRINNELL: That's all right. SRP had
24 an exhibit that showed after, I believe, eight to 10
25 years they would actually be reducing the amount of

1 particulates being emitted into the air because of
2 their resource development of nonfossil fuels. Are you
3 familiar with that report?

4 MS. SIGNORELLI: Oh, okay. I might have read
5 parts of it.

6 MEMBER GRINNELL: Okay. If currently
7 Coolidge is in a nonattainment situation, and I believe
8 Committee Member Little had alluded to the fact that --
9 how much of an increase -- let me put it this way. How
10 much of an increase will have an impact over the, say,
11 next eight to 10 years of this additional power plant,
12 assuming it's going to go online?

13 MS. SIGNORELLI: Yeah. So for PM10, it says
14 in the SRP permit application that they're going to add
15 those 12 more turbines and they're going to put out 6.2
16 pounds of PM10 per hour each, okay. So 6.2 times 12,
17 so 74.4 more pounds per hour. And currently, they have
18 those other nine turbines, right?

19 CHMN. KATZ: It's my understanding that there
20 are 12 existing turbines and they're adding 16, if
21 they're permitted to do so.

22 MS. SIGNORELLI: Okay. So 6.2 times 16. So
23 they're adding 99 pounds per hour of PM10 to the
24 atmosphere, and they currently are putting out
25 84 pounds per hour of PM10. So it's more than a double

1 increase.

2 MEMBER GRINNELL: But how much of an impact
3 to the overall negative air quality in Pinal County or
4 the state of Arizona does that actually have?

5 MS. SIGNORELLI: Well, I think it has the
6 ability to keep them in serious nonattainment.

7 MEMBER GRINNELL: But is that the
8 overwhelming factor for their nonattainment status?

9 MS. SIGNORELLI: It exacerbates other
10 pollutants in the air. Because of the chemistry of
11 PM10, it attaches to the other pollutants that are also
12 in the air. So any existing air quality, the PM10 will
13 continue to make worse.

14 MEMBER GRINNELL: But compared to the -- in a
15 percentage, is it 1 percent, less than 1 percent?

16 MS. SIGNORELLI: Of an impact?

17 MEMBER GRINNELL: I'm trying to quantify --
18 I'm really trying to really understand how to quantify
19 the actual impact, if it's approved, over the next
20 eight to 10 years and then the reduction after 10 years
21 or whatever the time frame was in their exhibit.

22 MS. SIGNORELLI: Yeah, I agree it would be
23 really helpful to have quantifiable data in this area,
24 but I think we also need to consider that we're talking
25 about Coolidge and not Arizona as a whole. So even if

1 air quality improves in Arizona as a whole, we are
2 concerned about the residents that live closest to this
3 generation station.

4 MEMBER GRINNELL: And I respect that, but I'm
5 trying to get a -- I guess I'm trying to wrap my head
6 around the amount of percentage does this actually have
7 compared to the other issues related to the
8 nonattainment factor there in Coolidge, in this
9 neighborhood particularly. I'm not a -- I'm not an
10 ADEQ, I'm not an air permit guy, so I'm really speaking
11 from a position here of ignorance, trying to
12 understand. How much more does this add to the overall
13 nonattainment status to this area? Maybe that's a
14 better way to ask it.

15 MS. SIGNORELLI: And you want a number?

16 MEMBER GRINNELL: I want something that I can
17 quantify. Something I can say, it's going to be
18 1 percent or 2 percent more. And then, after the curve
19 goes up and it begins to come back down, after eight to
20 10 years there's going to be a positive impact.

21 MS. SIGNORELLI: Maybe in Arizona as a whole,
22 but I -- as long as these turbines are going to be in
23 existence, it's going to affect Coolidge specifically
24 negatively. The highest concentration of pollutants
25 tend to be around the facilities that emit them, so --

1 I can't give you quantifiable numbers. Sorry. I
2 haven't done statistical analysis on that.

3 MEMBER GRINNELL: Okay. Thank you.

4 CHMN. KATZ: Anybody else who is appearing
5 virtually?

6 MR. ACKEN: Can we get recross? I know
7 Mr. Rich did after Committee questions, and so I was
8 wondering if I could have an opportunity to do that as
9 well, following up on those questions.

10 MR. RICH: Mr. Chairman, just for the sake of
11 the record, I don't think I asked any questions when I
12 took up the cross-examination in that case. It wasn't
13 additional questions.

14 CHMN. KATZ: I'll let you ask a few more
15 questions, but I'll give everybody else an opportunity
16 to then deal with those.

17 BY MR. ACKEN:

18 Q. And I promise you it is narrowly focused on
19 the question that Member Grinnell was asking you.

20 You testified earlier that SRP -- you have
21 looked at SRP's application, correct?

22 A. Correct.

23 Q. And you understand that SRP conducted
24 modeling to quantify what the impact of this project
25 would be on ambient air quality, correct?

1 A. Correct.

2 Q. And you understand that that modeling
3 analysis showed that, with the addition of the Coolidge
4 Expansion Project, this area will meet the
5 PM10 standard, correct?

6 A. Yes.

7 MR. ACKEN: Thank you.

8 CHMN. KATZ: Any follow-up?

9 I did have one question. I didn't write fast
10 enough. But what is the 24-hour standard? You
11 mentioned that and the annual standard, and I'd like to
12 just get those numbers from you again. I kind of did
13 not write them accurately.

14 MS. SIGNORELLI: Yeah. So the
15 24-hour standard is 150 micrometers and the
16 annual standard is 50.

17 CHMN. KATZ: 50 micrometers. Okay.

18 Any follow-up questions, Ms. Post?

19 MS. POST: No, thank you.

20 CHMN. KATZ: Anyone else?

21 (No response.)

22 CHMN. KATZ: Thank you very much for being
23 with us. You are excused. And have yourself a good
24 afternoon.

25 MS. SIGNORELLI: Thank you.

1 MS. POST: Our next witness is online,
2 Stephanie Malin.

3 CHMN. KATZ: Hold on a second. Give me a
4 minute.

5 Would you please, Ms. Malin, state your name
6 for the record and spell your last name.

7 MS. MALIN: Sure. My name is Stephanie
8 Malin. Last name is M-A-L-I-N.

9 CHMN. KATZ: And do you prefer an oath or an
10 affirmation?

11 MS. MALIN: An affirmation, please.

12 CHMN. KATZ: If you would, raise your right
13 hand, please.

14 (Stephanie Malin was duly affirmed by the
15 Chairman.)

16 CHMN. KATZ: Thank you very much, and you may
17 begin.

18

19 STEPHANIE MALIN,
20 called as a witness on behalf of the Randolph
21 Residents, having been previously affirmed by the
22 Chairman to speak the truth and nothing but the truth,
23 was examined and testified as follows:

24 ///

25 ///

1 DIRECT EXAMINATION

2 BY MS. POST:

3 Q. Please state your name and your business
4 address.

5 A. My name is Dr. Stephanie Malin. My business
6 address is B234 Clark Building, Colorado State
7 University, Fort Collins, Colorado 80523.

8 Q. And have you -- can you please describe your
9 education and professional experience?

10 A. Yes. I am currently an associate professor
11 of sociology at Colorado State. I'm an expert in
12 environmental justice, and specifically looking at
13 areas of extraction and fossil fuel use, such as oil,
14 gas, and nuclear.

15 Q. Did you submit a resume in this case?

16 A. Yes, I did.

17 Q. And is this Exhibit Number 22?

18 A. Yes, it is. Actually, I think it's 21.

19 Q. 21. You're absolutely right.

20 What is the purpose of your testimony?

21 A. I'm going to be talking about community
22 impacts of fossil fuel production, and I'm going to
23 focus specifically on the impacts to rural communities.
24 I'm also going to be testifying about the environmental
25 impacts that result from our continued reliance on

1 fossil fuels such as natural gas.

2 Q. And are you going to be referring to any
3 studies that we've marked as exhibits?

4 A. Yes. I will be referring to six different
5 studies that we have marked as exhibits.

6 Q. These are Exhibits 22 through 27. Did you
7 rely on these studies in your testimony and your
8 research for your testimony today?

9 A. Yes, I have, as well as other background
10 expertise that I have for my training.

11 Q. How do fossil fuels impact communities of
12 color?

13 A. Well, we now have hundreds of studies across
14 multiple sites, multiple times, and done by a variety
15 of disciplines that show that there's a pattern of
16 environmental injustice, specifically with how fossil
17 fuels impact communities of color and poor communities.

18 These studies show that ethnic minorities,
19 indigenous people, persons of color, and low-income
20 communities confront a higher burden of environmental
21 exposure from air, water, and soil pollution from
22 activities like industrialization, militarization, and
23 consumer practices.

24 We know that fossil fuel production,
25 processing, and use for various forms of energy are

1 central drivers of the sorts of pollution that have
2 these environmental racism and injustice aspects tied
3 to them. Fossil fuels have been directly linked to
4 climate crisis, human health problems, and premature
5 deaths of at least 6,000 people per year just in the
6 U.S., and this is a problem that is not addressed by
7 turning from coal-fired to natural gas-fired power
8 plants.

9 The unconventional oil and gas production
10 that's utilized to extract natural gas has a variety of
11 environmental inequities and public and mental health
12 problems that are associated with it, as the exhibits
13 show. The problems continue along the production chain
14 all the way from the sites of extraction, to transport,
15 to burning natural gas in power plants.

16 I want to highlight especially that methane
17 emissions and leaks are especially problematic aspects
18 of natural gas, and they can cause more robust and
19 volatile climate change and health outcomes, especially
20 during the first few decades after they're released,
21 compared to carbon dioxide. The impacts of natural gas
22 can be especially detrimental for children and other
23 vulnerable populations that live near extraction or
24 near natural gas-fired power plants.

25 Q. Can you explain, as the question was

1 previously asked, what is unconventional oil and gas
2 production?

3 A. Right. It's a very important question.
4 Unconventional refers to the combination of vertical
5 and horizontal or directional drilling. So we have
6 been using --

7 CHMN. KATZ: Excuse me.

8 MS. MALIN: -- unconventional oil and gas
9 production for --

10 MS. POST: Slow down. Slow down. Slow down.

11 CHMN. KATZ: I just need you to slow down a
12 little bit, because our court reporter -- because
13 you're appearing virtually, and our court reporter
14 needs to be able to take down what you're saying, and
15 we're not in a hurry.

16 MS. MALIN: Okay. Thank you. I'm from
17 Chicago, so hence the fast talking. I apologize.

18 CHMN. KATZ: At least you sound -- I'm from
19 Chicago as well. It's not Chicago. Go ahead.

20 MS. MALIN: So the unconventional oil and gas
21 production refers to the combination of vertical and
22 horizontal or directional drilling. So when you drill
23 down, like we would normally see in conventional
24 drilling, it's usually a vertical shot to oil or
25 natural gas that is trying to be accessed. But

1 unconventional technologies come in when you've got a
2 combination of vertical and horizontal drilling, so
3 where that vertical drill bore meets a shale layer and
4 then is able to send out directional drills more
5 horizontally through that shale layer to access oil and
6 gas. It's not a new method, but it is unconventional
7 in the scale that's been used and how widespread it's
8 been since about 2008 in the United States.

9 BY MS. POST:

10 Q. Do you know whether the natural gas from
11 Texas and New Mexico is done in this particular method,
12 unnatural extraction?

13 A. The methods used in Texas and in New Mexico
14 are predominantly unconventional for any new wells that
15 are drilled. That's by far the predominant method
16 that's used since about 2006, 2007 in the United
17 States. The Permian Basin that we're talking about is
18 one of the largest sites of unconventional oil and gas
19 extraction in the U.S.

20 Q. You talked about specific impacts on
21 children. You did a study on that yourself, didn't
22 you?

23 A. I've looked at the environmental justice and
24 mental health impacts, but I'm going off of other
25 research published about pediatric health because

1 that's not my particular specialization.

2 Q. Can you tell us about that research?

3 A. Sure. Overall, it's been found that fossil
4 fuel combustion byproducts are the world's most
5 significant threat to children's health, and they will
6 continue to be contributing in the future to major
7 contributors to global inequality and environmental
8 injustice. Emissions include a whole array of toxic
9 air pollutants and carbon dioxide, but also this
10 includes methane.

11 And what's important to understand is that
12 the synergies between air pollution and climate change
13 can magnify impacts to children in particular. These
14 impacts include impairment of cognitive and behavioral
15 development, respiratory illnesses, and other chronic
16 diseases. And because of the ways that epigenetics
17 work, or how our genetics are impacted by exposures we
18 have in utero, or in the womb, all of those risks can
19 even be created in utero and affect the health and
20 functioning of children immediately and over the course
21 of their lives.

22 We also have a lot of data that the
23 extraction of natural gas can be incredibly
24 problematic, specifically in leading to more preterm
25 births for women who live near natural gas extraction

1 sites.

2 Q. What kind of impact did this have on the
3 preterm births?

4 A. Especially in areas where women were living
5 near flaring, so what happens when natural gas is just
6 burned off and the methane is released, these women
7 have 50 percent higher odds of giving birth prematurely
8 than those living near areas with no flaring within
9 three miles of their homes.

10 Q. Are there any particular impacts on mental
11 health? And I believe this is a study that you worked
12 on yourself.

13 A. Yeah, this was part of a study funded by the
14 National Institutes of Health, and there are quite a
15 few other studies out there on this as well that I'm
16 building on. But we have found -- I have found that
17 negative mental health impacts emerged from living near
18 oil and gas extraction, as well as refineries, and this
19 includes self-reported depression and experiences of
20 chronic stress given how close residential areas are to
21 these industrial activities.

22 Q. Do you know how far away the community of
23 Randolph is to the current SRP plant?

24 A. I don't know the exact distance.

25 Q. It has been --

1 A. I do know it's -- I would like to add, I do
2 know it's quite close, and it's layered on top of other
3 polluting facilities.

4 Q. It has been asserted in this hearing that
5 natural gas is better for the environment than coal.
6 Can you comment on the impact of natural gas on carbon
7 dioxide emissions and climate change?

8 A. So the big difference here that I want to
9 draw our attention to is not so much carbon dioxide as
10 methane. That's the greenhouse gas that we're really
11 concerned about when we look at natural gas and natural
12 gas-fired power plants.

13 So we can assert that natural gas-fired power
14 plants are healthier or better for the environment than
15 coal, but the key point here is that methane matters in
16 this context, and it's an extremely potent greenhouse
17 gas. Methane is the main component of natural gas, and
18 methane is much more effective than carbon dioxide at
19 trapping heat, especially the first two decades after
20 it's been emitted. So just to give us a sense, over
21 the first 20 years after methane is emitted, it's more
22 than 80 times more effective at trapping heat than
23 carbon dioxide is.

24 So if our concern about climate change is
25 that over the next 20 years we need to curb as many

1 projects leading to emissions as possible, this would
2 include expansions like this one to this natural
3 gas-fired power plant.

4 Q. And could you explain to us Exhibit
5 Number 25, the Lancet brief appendix regarding the
6 natural gas and methane climate injustices?

7 A. Yes. So I will quote verbatim from their
8 appendix for clarity. They assert that while natural
9 gas can lower both greenhouse gas emissions and air
10 pollution when it replaces coal power, it's not
11 emissions free, which is very important. Natural gas
12 used in power plants still produces around 42 percent
13 the amount of carbon dioxide as coal per unit of
14 electricity that is generated.

15 Burning natural gas produces air pollution,
16 including nitrogen oxide, volatile organic compounds,
17 or VOCs, and particulate matter, and can lead to ozone
18 formation, which can all contribute to poor health,
19 including respiratory illness.

20 The use of natural gas in the U.S. has risen
21 by 35 percent over the past decade, and in 2019 natural
22 gas produced 35 percent of the total electricity
23 generated in the U.S. compared to 18 percent in 2005.
24 Over the same period, greenhouse gas emissions from
25 natural gas power plants rose by 81 percent. So

1 keeping in mind the role of methane as those emissions
2 are increasing.

3 Furthermore, again, to quote the report, the
4 amount of natural gas that is vented and flared during
5 production more than quadrupled from 2000 to 2018 in
6 the U.S. And that matters, of course, because this big
7 plant expansion would pull from that natural gas --
8 that natural gas production that's going on. Several
9 studies have found higher risks of asthma attacks and
10 poor birth outcomes among communities living in
11 proximity or downwind of oil and gas activity.

12 And, again, just to underscore that the main
13 component of natural gas is the methane. Methane leaks
14 occur throughout the entire natural gas supply chain.
15 And while transmission and storage of natural gas
16 contribute to around 19 percent of the leaked methane,
17 the majority occurs during production.

18 So I will leave it there. But all of this is
19 to say that replacing coal-fired power plants with
20 natural gas-fired power plants do not adequately
21 address the environmental concerns related to fossil
22 fuels.

23 Q. Is there anything you would like to add to
24 your testimony?

25 A. I just want to underscore the climate

1 injustices of any natural gas-related or greenhouse
2 gas-related expansions given the reality of climate
3 crises and the need to stop extracting fossil fuels.

4 Natural gas, again, is a potent greenhouse
5 gas. Given that its main component is methane and
6 given the climate volatility of methane and the need to
7 rapidly shift away from technologies and energy sources
8 that create more greenhouse gas emissions, it would be
9 irresponsible to approve this expansion.

10 Aside from the major immediate environmental
11 injustices this would create for residents of Randolph
12 and regional residents too, this proposed expansion
13 also embodies the sort of fossil fuel dependent
14 projects that we need to avoid and not permit given the
15 climate realities.

16 Q. Can you summarize your conclusions and
17 recommendations?

18 A. Yes. Thank you. So in my opinion, the CEC
19 should not be granted and the expansion should not
20 occur. This is based on evidence that we have that I
21 talked about related to environmental justice impacts
22 of natural gas, alongside the climate justice
23 implications that I just talked about.

24 Again, transitioning from coal to natural gas
25 does not offer substantial improvements over coal from

1 an environmental justice and a health perspective.
2 Natural gas creates substantial environmental impacts
3 across phases of production, and these tend to impact
4 minoritized and marginalized communities first and
5 worst, like other fossil fuels.

6 The research on negative mental health
7 impacts also shows that industrialized activity, like
8 natural gas extraction or the expansion of natural
9 gas-powered facilities like power plants near
10 residential areas, can create chronic stress and
11 self-reported depression.

12 And focusing specifically on natural
13 gas-fired power plants, these do not represent a
14 substantial improvement over coal regarding climate
15 change and climate justice concerns. And I've spoken
16 about that data before, but I'm happy to clarify if
17 needed. Methane emissions are harmful, from a climate
18 perspective, since methane is, again, more than 80
19 times more effective at trapping heat than CO2 in its
20 first 20 years after emission.

21 So if climate change is a concern in the next
22 20 years, which the IPCC and thousands of other
23 scientists have recognized, then it would be
24 irresponsible, from that perspective, to approve this
25 expansion.

1 MS. POST: Pass the witness for cross.

2 CHMN. KATZ: Mr. Acken.

3 MR. ACKEN: Thank you, Chair.

4

5

CROSS-EXAMINATION

6 BY MR. ACKEN:

7 Q. And good afternoon, Professor Malin. I am
8 Bert Acken. I am counsel for Salt River Project. I
9 lived in Chicago for three years. I don't think I ever
10 heard someone speak as quickly as you, so I hope I'm
11 able to keep up with my questions.

12 I want to start off -- it seemed like a large
13 portion of your testimony addressed production of
14 natural gas, is that correct?

15 A. Yes.

16 Q. And you understand that -- well, let me ask
17 it this way. Are you aware if there is any natural gas
18 production in Pinal County?

19 A. I do not believe so, no. And I think that's
20 part of the problem, right, that you would be importing
21 natural gas for projects in the state -- or, for the
22 expansion.

23 Q. Have you ever been to Coolidge, Arizona?

24 A. I have, yes.

25 Q. Have you been to Randolph?

1 A. No, I have not.

2 Q. And do you know that SRP offered to work with
3 the Randolph community to address their specific needs
4 and concerns?

5 MS. POST: Objection, misstatement of the
6 evidence.

7 MS. MALIN: That's usually a required
8 protocol, so I would assume that's happened.

9 CHMN. KATZ: Hold on just a second.

10 MS. POST: Objection, misstatement of the
11 evidence.

12 MR. ACKEN: I don't believe it does. I'm not
13 sure why.

14 MS. POST: Well, my argument would be that
15 the offer to work was after they had intervened and
16 already had an attorney and had intervened, that there
17 hadn't been an offer prior to that time.

18 CHMN. KATZ: But we're talking about, as we
19 sit right now, SRP has offered to give some assistance
20 to the community.

21 And with that in mind, you may go ahead and
22 repeat your question and then Ms. Malin may answer.

23 BY MR. ACKEN:

24 Q. Are you aware that SRP has offered to work
25 with the Randolph community directly to address their

1 needs and concerns?

2 A. I believe that's usually protocol, so I would
3 assume that they would do that. I know that they've
4 also solicited public comment.

5 Q. Have you been following the testimony in this
6 case?

7 A. Not religiously, no.

8 Q. I want to go through a handful of your
9 studies that you reference. Randolph 22, you
10 acknowledge that that study states, "Natural gas emits
11 significantly less toxic air pollution and CO2 than the
12 other fossil fuels," is that correct?

13 A. Yes.

14 Q. And I want to turn you next to page -- or,
15 Randolph 24 and Page 3 of that study under "Hurricane
16 Laura and its Immediate Aftermath." Do you have that
17 in front of you?

18 A. Give me a second to get that article up,
19 please. Thank you.

20 CHMN. KATZ: And what exhibit was that again?

21 MR. ACKEN: Randolph 24.

22 MS. POST: What page of that exhibit?

23 MR. ACKEN: Page 3.

24 MS. MALIN: Okay. So the one that says "13"
25 at the top of the actual page?

1 BY MR. ACKEN:

2 Q. I do not see that. It's Page 3 of the
3 document itself, it may be page 4 of the PDF, where it
4 says, "Hurricane Laura and its Immediate Aftermath."

5 A. Okay. That's not matching up with my page
6 numbers on the document that --

7 MS. POST: Yeah, I'm not finding it either.

8 MR. ACKEN: It's Exhibit 24 entitled "The
9 Lancet Countdown on Health and Climate Change Policy
10 Brief."

11 MS. MALIN: That's not Exhibit 24. The
12 Exhibit 24 I have here is "Roohani, et al., Impact of
13 Natural Gas Development in Marcellus and Utica Shales."

14 MS. POST: 24 is actually the appendix, not
15 the brief.

16 MEMBER HAMWAY: Not on my computer. It's the
17 brief. And it is Page 3, and I'm able to find it under
18 Randolph Exhibit Number 24.

19 MEMBER PALMER: Me as well.

20 MS. POST: Okay. Stephanie, it is the
21 American Public Health Association Lancet Countdown,
22 the policy brief, Page 3. The policy brief.

23 MS. MALIN: Okay. Thank you. Okay. Now I
24 I'm on that. Now I've got it. And you're looking at
25 the section that's titled "A Legacy of Environmental

1 Racism and Pollution in Louisiana"?

2 BY MR. ACKEN:

3 Q. No. Next page, "Hurricane Laura and its
4 Immediate Aftermath."

5 A. Okay. Thank you.

6 Q. About halfway down in that first paragraph it
7 notes that the lack of electricity was deadly. Nine
8 people in Louisiana died from carbon monoxide poisoning
9 associated with generator use. Do you see that?

10 A. Yes.

11 Q. So would you agree with me that not having
12 electricity can be deadly?

13 A. That's a really tricky question.

14 Q. It's just a yes or no question.

15 A. Yes.

16 Q. Thank you. And did you hear SRP's testimony
17 regarding the need for reliability that this project
18 will serve?

19 A. No, I did not.

20 Q. And did you hear SRP's testimony regarding
21 how this project will enable SRP to integrate
22 additional renewable resources?

23 A. I did not hear the testimony, but I read
24 that. And I would have to add, I'm pretty skeptical
25 about the logic there. No.

1 Q. Have you ever operated an electric utility
2 power system?

3 A. No.

4 Q. And have you ever been responsible for power
5 system reliability?

6 A. No.

7 Q. And have you ever been responsible for
8 integrating renewables into a power generation system?

9 A. No.

10 Q. With respect to Randolph 25, I think you
11 testified that -- I think there's a reference that
12 6,000 people died from PM2.5 air pollution, is that
13 correct? Was that in your testimony?

14 A. I want to look for my exact wording. I don't
15 think that's exactly what I said. I think I said it
16 has led to the premature deaths of at least 6,000
17 people per year, fossil fuels more broadly, just in the
18 U.S. That's what I testified to.

19 Q. Okay. And if you would take a look at
20 Page -- let me see if I can get this correct. This is
21 in Randolph 25. I believe it would be Page 5. Let me
22 know when you get there.

23 A. I think I may have different exhibit numbers
24 than you. Randolph 25 I have here as my article called
25 "Depressed Democracy." Is that correct?

1 MS. POST: I think, Bert, you're still on the
2 Lancet policy brief, correct?

3 MR. ACKEN: It's still marked as 25, but I
4 think it's a different portion of it maybe.

5 MS. POST: Okay. But is it the same thing
6 you were talking about earlier?

7 MR. ACKEN: No. This is Randolph 25.

8 MS. POST: Okay. We obviously have different
9 numbers. So what is the title of the exhibit that you
10 are referring to?

11 MR. ACKEN: "Policy Brief of the United
12 States" -- it has the same -- it has the same --

13 MS. POST: Policy brief appendix or just
14 policy brief?

15 MR. ACKEN: This is the policy brief itself.

16 MS. POST: Okay. Just the policy brief
17 itself. And on Page 5 does it start with the U.S.
18 floods? Is that what you're referring to?

19 MR. ACKEN: No. This is -- I'm not in the
20 appendix. I'm in the brief itself --

21 MS. POST: Correct.

22 MR. ACKEN: -- which is 25.

23 BY MR. ACKEN:

24 Q. And the section heading says, "A Transition
25 to Zero-Carbon Electricity Generation."

1 A. I see that.

2 Q. Okay. And so I want to go back to your
3 statement about 6,000 deaths annually. Would you agree
4 that on this page it says that, "Coal power plants
5 continue to cause almost 90 percent of these deaths"?

6 A. That's what it says right there, so yes.

7 Q. And you don't have any reason to disagree
8 with that, do you?

9 A. No.

10 Q. Next, on Randolph 26, as a former geologist,
11 I found your testimony about -- and the prior witness'
12 testimony about unconventional natural gas development
13 quite interesting. This Randolph 26 addresses natural
14 gas development in the Marcellus and Utica Shales, is
15 that correct?

16 A. I assume so, even though, again, I'm having
17 different exhibit numbers, so I'd appreciate the
18 titles.

19 Q. Well, it says, "Impact of Natural Gas
20 Development in the Marcellus and Utica Shales on
21 Regional Ozone and Fine Particulate Matter Levels."

22 A. Okay. I have that in front of me. Thank
23 you.

24 Q. So you would agree that this article is
25 addressing the Marcellus and Utica Shales?

1 A. Yes.

2 Q. And where are those located?

3 A. The Marcellus and Utica Shales are both
4 located in the eastern portion of the United States.
5 Marcellus Shale is predominantly underneath
6 Pennsylvania and New York State, and Utica Shale is in
7 that area as well -- or, in that same -- it kind of
8 continues on from the Marcellus Shale.

9 Q. And you understand -- I think you've
10 testified already that your understanding is the
11 project -- where the natural gas for this project will
12 come from?

13 A. Yes.

14 Q. And you understand it is not from the
15 Marcellus and Utica Shales?

16 A. Yes.

17 Q. You mentioned the Permian Basin. Do you have
18 knowledge about whether the project will also acquire
19 natural gas -- or, utilize natural gas from the San
20 Juan Basin?

21 A. Yes.

22 Q. And do you know how natural gas is produced
23 in the San Juan Basin?

24 A. I don't -- not for every well pad, no. But I
25 know the general trend since 2008 has moved towards

1 unconventional oil and gas production across different
2 shale plays regardless of whether we're talking about
3 Marcellus, Utica, Eagle Ford, or any other shale plays.

4 Q. And I'm asking about the San Juan. And so do
5 you know whether that is conventional or
6 unconventional?

7 A. What I'm saying is that most new development
8 now -- almost all new development is unconventional.
9 So if they're proposing new development, it will be
10 unconventional, would be my prediction.

11 Q. Okay. And so that's -- and that would be new
12 production wells?

13 A. Uh-huh.

14 Q. Was that a yes?

15 A. It would be new production, as well as wells
16 that have gone under production in about the last 10 to
17 15 years, depending on the location.

18 Q. And that's for gas produced from shale
19 formations?

20 A. Uh-huh.

21 Q. That's a yes?

22 A. Yes.

23 MR. ACKEN: No further questions. Thank you.

24 MS. MALIN: Thank you.

25 CHMN. KATZ: Mr. Rich.

1 MR. RICH: No questions.

2 CHMN. KATZ: Mr. Stafford.

3 MR. STAFFORD: No questions, Chairman.

4 CHMN. KATZ: Anything further from you,

5 Ms. Post?

6 Well, let me just ask the Committee first.

7 Mr. Emedi.

8 MR. EMEDI: No questions. Thank you,

9 Mr. Chairman.

10 CHMN. KATZ: Does the Committee have any
11 questions for this witness? And then we'll give
12 Ms. Post the last opportunity for redirect. Any
13 questions from the Committee, those of us in the room?

14 (No response.)

15 CHMN. KATZ: Anybody who is appearing
16 virtually?

17 (No response.)

18 CHMN. KATZ: Hearing no comments, Ms. Post,
19 if you have any redirect.

20 MS. POST: No. The witness may be excused.

21 CHMN. KATZ: Thank you very much,

22 Ms. Malin -- or, Dr. Malin for being with us. Have a
23 nice afternoon and you are excused. Thanks.

24 MS. MALIN: Thank you.

25 MS. POST: The third witness, her executive

1 assistant is online, and she was planning to come on at
2 3:00, but she is checking to see if she can come on
3 early.

4 CHMN. KATZ: That's fine. Do we want to
5 take -- we'd still be going probably another 20, 25
6 minutes, but we could take a break now.

7 MS. POST: I just got a response from her
8 saying that Jackie has not responded, and she's
9 assuming she will not be available until 3:00.

10 CHMN. KATZ: Just have her let you know when
11 she becomes available.

12 MS. POST: Okay.

13 CHMN. KATZ: Do we have any other witnesses
14 that are scheduled for this afternoon?

15 MS. POST: No.

16 MR. RICH: Mr. Chairman, I just have a
17 procedural issue.

18 CHMN. KATZ: Yes.

19 MR. RICH: We can do it, actually, off the
20 record, if you want, about a witness tomorrow.

21 CHMN. KATZ: Okay. Let's go off the record,
22 at least for a minute or two. And if we need to make a
23 record of what we discussed, we certainly will.

24 (A discussion was held off the record.)

25 CHMN. KATZ: We have -- one of the Sierra

1 Club witnesses is unavailable because of a medical
2 emergency in his family, and we substituted a person
3 from his organization or firm, and there was no
4 objection to that. That testimony will be
5 substantially the same as that previously disclosed.

6 We can go off the record.

7 (Off the record from 2:11 to 3:00.)

8 CHMN. KATZ: We are ready to go, and I
9 believe we have another witness. And who is that
10 again, Ms. Post?

11 MS. POST: Mark Stapp.

12 CHMN. KATZ: S-T-A-P-P?

13 MS. POST: Correct.

14 CHMN. KATZ: Okay. And let me see. I have
15 all of the Committee Members here that are present. Do
16 I still have -- I still have Mr. Grinnell, Member
17 Little, Member Riggins, and Member Branum, and last but
18 not least, Karl Gentles is with us as well. So I think
19 we're ready to begin. And you may --

20 Let me just ask you, Mr. Stapp, do you prefer
21 an oath or an affirmation?

22 You're muted.

23 MS. POST: You're muted.

24 MR. STAPP: Either one is fine for me. I'll
25 take an oath. That's perfectly fine.

1 CHMN. KATZ: Okay. Just raise your right
2 hand, if you would.

3 (Mark Stapp was duly sworn by the Chairman.)

4 CHMN. KATZ: Thank you very much.

5 And whenever you're ready, Ms. Post, you may
6 begin.

7

8 MARK STAPP,

9 called as a witness on behalf of the Randolph
10 Residents, having been previously sworn by the Chairman
11 to speak the truth and nothing but the truth, was
12 examined and testified as follows:

13

14 DIRECT EXAMINATION

15 BY MS. POST:

16 Q. Please state your name and business address.

17 A. It's Mark Stapp. And the business address --
18 actually, I don't know the actual street address,
19 Dianne, but it is the Tempe campus of Arizona State
20 University.

21 Q. Are you testifying as a faculty member of
22 ASU?

23 A. I am not.

24 Q. Are you testifying as a representative for
25 the Seidman Institute?

1 A. I am not.

2 Q. Could you summarize your education and
3 experience?

4 A. Yes. So I have been in the business of real
5 estate, which has included everything from design,
6 planning, through entitlements, development, financing,
7 ownership, and management for the past 40 -- almost 43
8 years.

9 Education is -- undergraduate work was
10 environmental studies and urban design. Then went back
11 to ASU, studied urban economics. Then went to the
12 executive program at Stanford Graduate School of
13 Business and then was awarded a doctorate of humane
14 letters from A.T. Still University.

15 Q. Have you submitted a resume?

16 A. I have.

17 Q. This is Exhibit 8, for the record, which will
18 be one of the exhibits we will ask to be admitted.

19 Have you ever testified before this
20 Committee?

21 A. I have not.

22 Q. Have you testified in other proceedings?

23 A. I have.

24 Q. What kind of proceedings?

25 A. Mostly legal proceedings, but also

1 jurisdictional proceedings, like city council hearings
2 and planning and zoning commissions and things of that
3 nature, but also in court, both federal court and state
4 court.

5 Q. And have you testified for private or
6 governmental agencies or both?

7 A. Both.

8 Q. And have you testified in your position as a
9 real estate expert?

10 A. Yes.

11 Q. Are you sponsoring any exhibits?

12 A. I provided you with a couple of maps, I
13 believe.

14 Q. Yes.

15 A. That's all I have. I have a little bit of --
16 I don't know whether you would consider it an exhibit,
17 Dianne, some of the information I took from the
18 Multiple Listing Service just looking at home prices
19 over the last 15, 20 years.

20 Q. The first exhibit we have listed for you is
21 The Effect of Power Plants on Local Housing Values and
22 Rents. Do you recall that?

23 A. Oh, I do, yes. I believe there were three
24 articles too.

25 Q. Yes. Could you summarize what's in that

1 particular Exhibit Number 9?

2 A. These are all academic, I believe,
3 peer-reviewed articles, and they deal with similar --
4 similar subject matter. And this particular one, The
5 Effect of Power Plants, is one of the first large-scale
6 efforts to assess impact of power plants on local
7 housing markets. And I think there's two things about
8 this that are interesting.

9 One of them is, it's looking at the effect
10 that proximity to power plants has on the value of
11 homes, or pricing. And it includes some information
12 and discussion about what's known as taste-based
13 sorting, which means that people have a choice, and so
14 when they have a choice, you can usually see the effect
15 of those choices on their decisions or behaviors.

16 I think overall it suggests that the total
17 local impact from power plant openings during the
18 1990s, which is when this time period for the analysis
19 was being done, was relatively small only because it
20 was focused on power plants that -- and they were
21 predominantly located in urban areas. I think that is
22 relevant to this particular case. But nonetheless, it
23 did find that power plants that were located near
24 neighborhoods within two miles of plants experienced
25 somewhere between a 3 and 7 percent decrease in value

1 from similar neighborhoods with similar demographic
2 characteristics.

3 It also discussed, I believe, issues that
4 relate to decreases in mean household income,
5 educational attainment, and proportion of the
6 population that was employed or -- or, occupied
7 housing, I believe is what it was.

8 Q. Was this study done in Arizona?

9 A. No. I believe it was national. There were
10 national geographies that were studied, so it wasn't
11 just Arizona.

12 Q. Then how is it relevant to this particular
13 application?

14 A. Well, I think it's relevant to this
15 particular application because of the Randolph
16 neighborhood's proximity to the power plant itself.
17 And looking at the characteristics, the socioeconomic
18 and demographic characteristics of the Randolph
19 neighborhood, I think you can draw some parallels
20 between what the study found and the conditions that
21 you'll find in Randolph.

22 Q. And is this the only study?

23 A. No.

24 Q. How many others are there?

25 A. Well, there were two others that I think I

1 had provided. One of them was titled, "Do Housing
2 Prices Reflect Environmental Health Risks?"

3 Q. And that is Exhibit 10, for the record?

4 A. It goes on to say, "Evidence from more than
5 1,600 toxic plant openings and closings," and power
6 plants were included, but it was not only about power
7 plants. And I think -- I know that this particular
8 hearing is about a power plant, but I think it is
9 relevant to Randolph because of the other what we would
10 refer to as locally undesirable land uses that were
11 placed adjacent to the neighborhood over the last
12 several decades and the effect that they have on
13 property values, in particular, home values.

14 And so it found similar effects as the first
15 study had found, which was a diminution in value or a
16 decrease in value. And, you know, it looked at the
17 1,600 plant openings and closings and the effect that
18 they had on the housing market itself to assess the
19 extent to which the plant openings and closings
20 reflected sales price differences.

21 And so I think one of the interesting things
22 here is that they were also looking at the closings and
23 the effect closings would have. In theory, if a plant
24 located adjacent to a neighborhood would decrease
25 value, would the reverse be the case? When one closed,

1 would values similarly go up? And that was part of the
2 findings.

3 So housing prices, you know, serve typically
4 as a valuable summary measure of household welfare and,
5 you know, I think that that's the case in the Randolph
6 neighborhood as well.

7 Q. And the discussion about the plant closings
8 is in Exhibit 11, "On the Road to Recovery," is that
9 correct?

10 A. Yeah, it's also reflected on the third
11 article, which is titled, "On the Road to Recovery?
12 Power Plant Closures and Neighborhood Wellbeing." And
13 it set out to do what I just mentioned before, which
14 was look at the inverse. And it found a correlation
15 between closings and an increase in the value of homes
16 that were within close proximity, about a mile to a
17 mile and a half away.

18 Q. You also provided some maps of development in
19 the area around Randolph, and I would ask if the
20 technical staff can put that Exhibit Number 12 up on
21 the screen. And then you can explain to us what these
22 maps show us, okay?

23 A. Sure. Are they going to put the actual
24 exhibit up?

25 Q. Yeah, I think they are. There we go.

1 A. There you go.

2 Q. What does this first map show us?

3 A. So I have to take a closer look at this. So
4 this shows recorded plats, approved planned area
5 developments. And this is showing developments -- or,
6 I would call it urbanization of the area in and around
7 Coolidge reflected in these approved plans. So the
8 plat being recorded, final plats of single-family lots,
9 reflecting the fact that there is development that is
10 beginning to occur, and I think in significant ways in
11 and around this area.

12 And then you see two boxes, one on the left
13 side, one on the right side. The green box, which is
14 the subdivision name, and it shows the name of the
15 subdivision and the number of lots that are included in
16 it. And then the other is the list of the PADs.

17 So PADs would be zoning where you have the
18 zoning approved -- the master plan approved, the zoning
19 approved for the property, but you may not have a plat
20 approved yet, so that the actual subdivision of the
21 land hasn't yet -- has yet to occur.

22 Q. Okay. Can we --

23 A. And I think the other exhibit is similar in
24 that it shows the number --

25 Q. Wait. Wait. Can we pull up the next

1 exhibit?

2 A. Sure.

3 Q. Okay. What does this exhibit show us?

4 A. Yeah. And so, again, this is showing
5 projects, residential single-family development
6 projects in and around the Coolidge and Florence area.
7 And, again, you can see these master planned
8 communities or subdivisions. And it also outlines the
9 number of lots that are proposed or planned or under
10 construction or built in each one of them.

11 Q. And can we look at the third map. And what
12 does this map show us?

13 A. That is a subdivision. It's from an offering
14 memorandum that was created by Land Advisors
15 Organization, which is a land brokerage company,
16 showing the layout of lots for this particular piece of
17 property.

18 Q. Why are these three maps relevant in this
19 particular application?

20 A. You know, so here is my take on what's going
21 on, is that urbanization of the Pinal County area is
22 occurring as a result of substantial growth in
23 metropolitan Phoenix, you know, which is ostensibly why
24 the power plant expansion is needed.

25 And growth has got an area that it can

1 actually occur in for a variety of different reasons,
2 some of which are land ownership constraints, some of
3 them are physical constraints, some of them are
4 environmental constrains, such as dedicated open space,
5 mountainous terrain, tribal communities, State Trust
6 land, and floodways, things of that nature.

7 And so development has gotten -- in
8 metropolitan Phoenix has gotten to the point where it
9 is pushing substantially into the Florence and Coolidge
10 area. And there is a significant amount of demand that
11 is now seen for land in these areas, and home builders
12 are actively seeking to purchase this land and home
13 buyers are actively looking to live in these areas.

14 And so the relevancy, I think, with this
15 information is that I believe that the residents of
16 Randolph are going to be precluded from participating
17 in this economic expansion and the opportunity for
18 increase in the land values because of its proximity to
19 not just the power plant, but the other facilities that
20 are adjacent to them, which make them less desirable.

21 And, you know, this goes back to something I
22 mentioned from the first article, which is taste-based
23 selection. When given alternatives, people will select
24 something that is more suitable to them, especially
25 when they have a choice.

1 And so I think that one of the problems that
2 the people -- the residents of Randolph have and will
3 continue to have is the fact that these facilities are
4 immediately adjacent to them, and it makes their
5 neighborhoods highly undesirable, especially when you
6 have choices.

7 And those choices are increasing as
8 development occurs in and around the Coolidge area.
9 And if not for those -- the power plant and the other
10 facilities, I think that ultimately the residents of
11 Randolph would benefit from this expansion, but will be
12 precluded from it as a result of the proximity to the
13 plants.

14 Q. How will the proposed expansion of the
15 generating plant impact the residents of Randolph?

16 A. You know, there's -- I think there's an
17 unfortunate situation here where there has been a
18 systematic maybe disregard for the fact that this was a
19 single-family residential area.

20 When the regulatory bodies -- I'm not talking
21 about this particular body that is listening to this
22 right now, but it may have been Pinal County in decades
23 past that allowed these facilities to be built adjacent
24 to a residential area. You know, the residents of
25 Randolph didn't ask for these, and the community

1 existed long before the facilities existed. And so
2 they were provided the -- this unfortunate situation,
3 no fault of their own.

4 And what we're hearing today is a request to
5 expand upon what I think has already damaged the
6 neighborhood, and that is somewhat unfortunate. And I
7 think the power plant is needed, because we have such
8 substantial economic expansion where we need the power,
9 but I do think that it exacerbates an already
10 unfortunate situation for those residents.

11 Q. Are local residents employed at the adjacent
12 facilities?

13 A. I don't -- you know what, Dianne, I don't
14 know where all of them are employed. My understanding
15 is that if any of them are employed at any of these
16 facilities -- or, at the power plant, it's not many of
17 them. And so they have the burden of these power -- of
18 the power plant and the burden of these other
19 facilities, but they have no benefits from them, you
20 know, unlike a company town. Like if you worked at a
21 mine and you were in a mining town, whatever
22 undesirable effects that might have, you're employed
23 there and therefore you at least receive benefit from
24 it. It's a choice you make to live there.

25 In this particular case, I think that they

1 have the burdens, but they have none of the benefits.

2 Q. What will be the impact on their land and
3 home prices?

4 A. You know, I think it's going to just continue
5 to decrease the value and make them undesirable.
6 There's a -- economists talk in terms of amenities.
7 And in this particular case, the corollary to an
8 amenity is what's known as a disamenity, and these
9 plants are what are known as disamenities.

10 An amenity is something that's attractive and
11 you can benefit from it and it adds value to those
12 things that are within proximity to it. A disamenity
13 does the opposite of that, proximity results in a
14 decrease in desirability and a decrease in value. And
15 I think that's exactly what has happened here, and this
16 will simply make matters worse.

17 Q. Since these facts exist, as you have outlined
18 them, what can be done?

19 A. You know, and I have thought about this.
20 This is a problem that has existed for several decades
21 now, and it is not solely the result of Salt River
22 Project and not solely the result of their power plant,
23 but a series of decisions that were made, and I think
24 probably local, meaning county-level regulatory bodies,
25 and I don't know that you can undo those effects right

1 now.

2 What I think the right thing to do -- so
3 these will be what are known as locally undesirable
4 land uses. And I think, if left completely up to me,
5 and if asked, which you have, for my opinion, I would
6 say the thing that would help make some of this right
7 would be to invest in the Randolph community on behalf
8 of the residents in order to try and increase the
9 quality of their life. And that can take place by
10 doing a number of different things.

11 And my understanding, although I haven't
12 studied the neighborhood in great detail, is they lack
13 a number of what would be considered important
14 jurisdictional services and amenities. And I think
15 investing in those what would be considered desirable
16 land uses, parks, open space, parks, domestic water,
17 fire protection, you know, investing in things that
18 make the quality of life for all the residents in the
19 Randolph neighborhood better, I think would be a really
20 fair and good start to trying to rectify some of these
21 wrongs that have occurred over the last several
22 decades.

23 Q. Did you do any investigation of the
24 particular property values in Randolph and Coolidge?

25 A. Yeah, I didn't -- quite honestly, didn't do a

1 very extensive analysis. What I did was I looked at
2 the Multiple Listing Service for Pinal County and I
3 focused on two areas for some high-level comparative
4 analysis. I looked at what would be considered the old
5 central part of the city of Coolidge, right, so maybe
6 we would call it the historic core of Coolidge, and it
7 is homes that are on the west side of 87 and in and
8 around the downtown area, and then I compared that to
9 sales of homes in Randolph.

10 And from 2005 until recently, there were
11 roughly 1,700 -- I want to say 1,750, 1,760 sales of
12 homes in the Coolidge historic area, and their average
13 price was \$109,000, or about \$87 a square foot. And
14 then I looked at Randolph, and there were, I believe,
15 10 sales, and the average sales price was \$68,000, or
16 about \$51 a square foot.

17 So, you know, I don't know that the analysis
18 is complete enough to say absolutely that 100 percent
19 of the difference in price had to do with the proximity
20 to the power plant.

21 Now, there was a distance to what would be
22 considered the city core, so the city of Coolidge.
23 There's other things, proximity to schools, that may
24 make up some of that difference. But I think that's a
25 stark difference for a housing stock that would be

1 similar in terms of some of the age and
2 characteristics, so I do see a change in value that
3 results from living in Randolph.

4 Q. You mentioned some of these things earlier,
5 but what constitutes a healthy community?

6 A. Well, there's a variety of things. I think
7 one is -- let's look at what health means, and it has
8 to do with not necessarily fixing you when you're
9 broke, but ensuring that you are and remain healthy or
10 have the greatest prospect of remaining healthy. And
11 so things that degrade the quality of the environment
12 certainly pose health risks, so you want to avoid those
13 kinds of things, so things that would affect air
14 quality, water quality, other nuisances, noise, light,
15 things of that nature.

16 But, you know, there's other things. I think
17 social services and support systems and networks are
18 critical to creating healthy communities. Then the
19 quality of the physical environment itself, so streets,
20 curb, gutter, sewer, landscaping, sidewalks, access to
21 those kinds of amenities that we need in order to
22 improve the quality of our life. So access to
23 healthcare, access to schools, access to other support
24 systems. You know, both formal and informal networks
25 that help us connect to each other have important and

1 critical outcomes on our wellbeing and our health.

2 But, you know, one of the most significant
3 determinants of health is the quality of housing, and
4 the availability of quality resilient housing is shown
5 to be very important in establishing both healthy
6 neighborhoods but healthy individuals as well.

7 Q. Is there anything you would like to add to
8 your testimony?

9 A. Not at the moment, Dianne.

10 MS. POST: Pass the witness for cross.

11 CHMN. KATZ: Mr. Acken.

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

13

14 CROSS-EXAMINATION

15 BY MR. ACKEN:

16 Q. And good afternoon, Mr. Stapp. Bert Acken,
17 I'm counsel for Salt River Project in this matter.

18 Can you hear me okay?

19 A. I can. Thank you.

20 Q. Ms. Post asked you about your experience
21 testifying. Have you ever testified regarding -- in
22 condemnation cases?

23 A. Yes.

24 Q. And so you are familiar with the factual
25 showing required to show diminution in value in a

1 condemnation case?

2 A. Yes.

3 Q. And you have not attempted to do that in this
4 case as it relates to the expansion project, have you?

5 A. I have not.

6 Q. And what sorts -- well, let me stop there.
7 I want to turn to Randolph Exhibit 9. And do you rely
8 on Randolph 9, in part, for your conclusions regarding
9 the impacts to Randolph that you've discussed here
10 today?

11 A. Can you be a little bit more specific,
12 Mr. Acken? When you say the things that I testified
13 today, I talked about a lot of things.

14 Q. Sure. And specifically, you said that
15 Randolph, I believe, and correct me if I'm wrong, that
16 Randolph would be precluded from the benefits of
17 development in Coolidge. Is that your testimony?

18 A. Yes, that's my opinion.

19 Q. And is that based, in part, on Randolph
20 Exhibit 9?

21 MS. POST: Exhibit 9 is --

22 MR. STAPP: So let me phrase it this way,
23 Mr. Acken. I think Exhibit 9 is merely a graphic
24 representation of growth that is occurring in and
25 around the Coolidge area.

1 BY MR. ACKEN:

2 Q. And my apologies. It is not. Randolph 9 is
3 the study that talks about the effects of power plants
4 on local housing values and rents, and I should have
5 made that clear to you. So that's the exhibit I'm
6 referring to when I ask you that question about --

7 A. Say that one more time then. I'm sorry.

8 Q. So your testimony was that Randolph would be
9 precluded from the benefits of development in Coolidge.
10 My question is whether you relied, in part, on this
11 study for your conclusion? And this study is, "The
12 Effect of Power Plants on Local Housing Values and
13 Rents."

14 A. Yeah, to some degree. I mean, I rely on my
15 education and my experience as much as anything else,
16 and I think that this -- the three papers that you were
17 given as exhibits reflect what I know from my education
18 and my experience.

19 Q. Okay. I appreciate that. So I want you to
20 look at Randolph 9, Page 1394 of the report itself.

21 A. I don't have page numbers on it. I'd have to
22 pull it up, because I don't have it in front of me.

23 CHMN. KATZ: I believe it's Section III of
24 the report, near its end, and on that page is a Roman
25 Numeral IV that says "Data."

1 MS. POST: Is that what you're talking about,
2 Roman Numeral IV, "Data"?

3 MR. ACKEN: I am.

4 Thank you, Mr. Chairman.

5 MR. STAPP: Yeah. Would you like me to pull
6 those up? I have not pulled them up. I was talking
7 mostly from my memory of the studies.

8 BY MR. ACKEN:

9 Q. Well, let's see if we can do it from your
10 memory. In that section under "Data," this is in the
11 second column about midway through, it says, "Existing
12 facilities that increase the number of generators on
13 site and plants that change their primary energy
14 source, for example, switch from coal to natural gas,
15 are excluded."

16 A. Yes.

17 Q. You're familiar with that?

18 A. Yeah. No, I do recall that.

19 Q. So this study doesn't address the project
20 that is before this Committee?

21 A. Well, of course it doesn't address the
22 project that's before the Committee. It's talking
23 about --

24 Q. It doesn't address this type --

25 A. What you're talking about is --

1 Q. It doesn't address this type of project. It
2 doesn't address expansions, is that correct?

3 A. So what you're asking me is, do I believe
4 that the studies --

5 Q. No. No. I am asking you whether --

6 CHMN. KATZ: Hold on. Just go ahead and
7 explain what you're asking him and then he can answer.

8 BY MR. ACKEN:

9 Q. I am asking you whether this study includes
10 data from plant expansions, yes or no?

11 A. No.

12 Q. And the reason it does not is because the
13 study's author said that it would -- including that
14 information would make the results difficult to
15 interpret, isn't that correct?

16 A. That is correct.

17 Q. And then on Page 1395 it goes on to say, this
18 is the second column, last paragraph, that "Housing
19 values and rents in the census data are self-reported,"
20 is that correct?

21 A. Yes, it does.

22 Q. Okay. Thank you. Randolph Exhibit 10 is
23 another study that you referenced. This one is the
24 "1,600 Toxic Plant Openings and Closings."

25 A. Yes.

1 Q. I'm going to turn to Page 7 of that report
2 under the heading "3. Data Sources and Summary
3 Statistics. 3.1. The Toxic Release Inventory Data."
4 Are you following me?

5 A. Yes.

6 Q. And so do you agree -- or, do you understand
7 and agree that the toxic plants referred to in this
8 study are those that must report under the Toxic
9 Release Inventory?

10 A. That's what the study says, yes.

11 Q. Okay. And do you know whether the existing
12 Coolidge plant must report under the Toxic Release
13 Inventory?

14 A. I have no idea. I didn't study that.

15 Q. And you don't know whether the expansion will
16 have to report under the Toxic Release Inventory?

17 A. I have not studied that.

18 Q. So the last piece I want to talk with you
19 about is, you talked about amenities and disamenities,
20 and I found that interesting, and you talked about
21 improvements that could be made in the quality -- help
22 with the quality of life, to paraphrase. Is that an
23 accurate summary?

24 A. My comments were in general.

25 Q. So would visual screening of the existing

1 plant and future plant provide a benefit to the
2 community of Randolph?

3 A. That would depend on the design of the
4 screening.

5 Q. Are you an expert in visual screening for
6 power plants from neighboring communities?

7 A. I am not.

8 Q. Okay. But do you -- do you have any reason
9 to dispute or disagree that visual screening may be an
10 amenity for a local community?

11 A. Again, it has to be qualified with, it
12 depends on the design and it depends on the exact
13 conditions.

14 Q. And what about community landscaping, is that
15 a good amenity for most communities?

16 A. Again, it depends. It depends on the
17 specific design.

18 Q. Do you include landscaping in the projects
19 that you work on?

20 A. Depends on the project.

21 Q. Residential communities in common areas, do
22 you typically include some landscaping?

23 A. Always.

24 Q. And why do you do that?

25 A. Well, there's probably two reasons why

1 anybody that is in the business of real estate
2 development does it. One is, they're required. The
3 second is, because it increases the quality of the
4 place and makes it more desirable. And if you're in
5 the business of creating these places for the purpose
6 of generating revenue, you want to appeal to your
7 marketplace and you want them to pick you and lease or
8 buy from you, and therefore, the quality of the place
9 matters.

10 Q. What about paved roads, is that a community
11 amenity that would be considered desirable?

12 A. Depends on the community. If you're talking
13 about North Cave Creek, the people that choose to live
14 there believe it's not. If you're talking about a new
15 master planned community with, I don't know, 5- to
16 6,000-square-foot lots, then the answer is probably
17 yes.

18 Q. Have you seen the Randolph community
19 firsthand? Have you visited?

20 A. You know, I have not been there personally.

21 Q. So you don't have an opinion as to whether
22 paved roads would be a benefit to that community?

23 A. I cannot address that specifically.

24 MR. ACKEN: Okay. Thank you. No further
25 questions.

1 CHMN. KATZ: Mr. Rich.

2 MR. RICH: No questions.

3 MR. STAFFORD: No questions, Chairman.

4 CHMN. KATZ: Mr. Emedi.

5 MR. EMEDI: No questions. Thank you.

6 CHMN. KATZ: Any questions from the Committee
7 Members that are present here at the hotel?

8 (No response.)

9 CHMN. KATZ: Any questions from the five
10 members who are appearing virtually?

11 (No response.)

12 CHMN. KATZ: Hearing silence, we will allow
13 you to wrap things up.

14 MEMBER GENTLES: Mr. Chairman.

15 CHMN. KATZ: Yes.

16 MEMBER GENTLES: I just couldn't hit my
17 button fast enough. This is Member Gentles.

18 CHMN. KATZ: Sure. Go ahead.

19 MEMBER GENTLES: I just have one question for
20 the witness. You testified that -- or, I think
21 Mr. Acken said that the values of the land are
22 self-reported, is that what I heard?

23 MR. STAPP: So the particular study he was
24 asking me about has a note in there having to do with
25 values -- particular values or conditions being

1 self-reported.

2 MEMBER GENTLES: So if you're --

3 MR. STAPP: It was a caveat to the data in
4 the analysis of the -- that was included in the
5 analysis that the paper was reporting on.

6 MEMBER GENTLES: All right. So a homeowner
7 wouldn't have any reason for underreporting the value
8 of their home, would they?

9 MR. STAPP: Well, so if you're talking
10 specifically about Randolph, I don't know what they
11 would be reporting that they would be self-reporting.
12 Property taxes would probably be the only thing that
13 they're reporting on, and that's not something that's
14 left up to individual homeowners to do. The assessor
15 does that.

16 MEMBER GENTLES: Okay. Thank you.

17 CHMN. KATZ: Anything else from any of our
18 virtual participants on the Committee?

19 (No response.)

20 CHMN. KATZ: Hearing silence, Ms. Post, do
21 you have any redirect examination?

22 MS. POST: Yes, I have one question.

23 CHMN. KATZ: Sure.

24 ///

25 ///

1 REDIRECT EXAMINATION

2 BY MS. POST:

3 Q. He asked you about Exhibit Number 9 and the
4 fact that that was the impact by new plants, but not
5 expansion plants. You and I discussed this when we
6 met. And what would be the impact on home prices of
7 the expansion plant given that there already is a plant
8 there?

9 A. Yeah. I mean, obviously, that's the relevant
10 question to be answered for this body, because these
11 are accretive. And I don't know what that is. I would
12 have to spend the time to try and measure, because I
13 frankly don't know what the impact was of the original
14 plant to begin with. You'd have to go back and do
15 what's known as counterfactual analysis.

16 However, I feel pretty confident, based upon
17 my experience and my education, in saying that there
18 would be an accretive diminution in value as a result
19 of expanding the plant. All you're doing is
20 exacerbating an already difficult situation for the
21 residents.

22 MS. POST: No further questions.

23 CHMN. KATZ: May the witness be excused?

24 MS. POST: He may.

25 CHMN. KATZ: Any objection to excusing this

1 witness?

2 (No response.)

3 CHMN. KATZ: If you're still with us,
4 Mr. Stapp -- or, is it Dr. Stapp --

5 MR. STAPP: Yes.

6 CHMN. KATZ: -- you may be excused. Thank
7 you very much. Have a nice afternoon.

8 MR. STAPP: Thank you all very much. You do
9 the same.

10 MS. POST: Unfortunately, the second witness
11 is still not on, and her executive assistant is
12 checking with her now. I do know that she was in
13 Atlanta. Her brother went in the hospital
14 unexpectedly, and perhaps that is the problem. If you
15 want to set a time certain for her to get on, or we
16 have to go to tomorrow and I would like to reserve the
17 time to be able to call her again tomorrow if she can
18 make it.

19 CHMN. KATZ: The question I then have is --
20 if this witness isn't currently available and has a
21 legitimate family medical emergency, we can reschedule
22 her. Was she the one that was supposed to appear at
23 3:00?

24 MS. POST: Yes.

25 CHMN. KATZ: And then we brought in

1 Mr. Stapp -- or, Dr. Stapp instead?

2 MS. POST: Correct.

3 CHMN. KATZ: How many more witnesses do you
4 have?

5 MS. POST: She's the last one.

6 CHMN. KATZ: Is anybody else ready to go now
7 or sometime this afternoon or early evening? We're
8 running, I think, ahead of schedule anyhow, but I hate
9 to not use the time we have available.

10 MR. RICH: Mr. Chairman, I know you're
11 looking in my direction.

12 CHMN. KATZ: I'm not going to pressure you.

13 MR. RICH: Well, I have the only witnesses
14 left, I suppose, besides that, so the question is aimed
15 at me. We're ready to go tomorrow, and I don't have a
16 way to get everybody ready for today, so that's where
17 we're at. Sorry.

18 CHMN. KATZ: Well, does it pay for us -- it's
19 about 3:45. Do you think that this witness might be
20 available by 4:00 or 4:30? And if not, I don't want to
21 hold everybody up in this room or on the screen.

22 MS. POST: Well, her executive assistant is
23 texting her right now to find out if she can get on.
24 So I would say we wait until 4:00 and we know by
25 then -- or, if we hear nothing, we assume she can't

1 come today, or if we hear something, then we'll know
2 exactly what time she can come.

3 CHMN. KATZ: Well, we'll recess to 4:00. And
4 please let me, or somebody know that can reach me, in
5 terms of whether this individual is available. She is
6 your last witness?

7 MS. POST: Correct.

8 CHMN. KATZ: And how many witnesses,
9 Mr. Rich, are you going to be calling?

10 MR. RICH: I have two panels, one with two
11 members on it and then a single witness. Actually, the
12 single witness will go first, but that's the order. So
13 there's three total.

14 CHMN. KATZ: Do you think it takes a full day
15 or half a day?

16 MR. RICH: I don't think it will take a full
17 day. I would expect to potentially be done in the
18 morning tomorrow.

19 CHMN. KATZ: I'm confident that if we don't
20 get everything wrapped up by tomorrow midday, we can
21 definitely review the proposed CEC, have the Committee
22 confirm whether they want certain conditions or not,
23 hear from all of the parties to see what, if anything,
24 we might add.

25 And did you all receive -- and it may not be

1 satisfactory to some; it may be very satisfactory to
2 others. Did you receive a list -- or, a copy of the
3 proposed additional condition that SRP has agreed to
4 regarding community involvement?

5 MS. POST: I did not.

6 MR. ACKEN: Mr. Chairman, this is the -- this
7 is the condition that we had previously offered to the
8 Randolph community exclusively. So when you had -- so
9 we provided that to Ms. Post; it was rejected. Perhaps
10 what we can do, to the extent we have some downtime, is
11 we can speak party to party and see if we can maybe
12 narrow some of the disagreement and come up with some
13 different language or additional language.

14 CHMN. KATZ: That's fine. And I can't speak
15 for how this Committee as a whole is going to vote,
16 because we're not engaged in any deliberations outside
17 this room, and I don't know what will ultimately
18 happen.

19 If the CEC is -- I mean, what we would
20 normally do is go through all the conditions that the
21 Committee thinks are appropriate to have in a CEC if it
22 were to be granted, but that doesn't mean it will be
23 granted. That's a vote that takes place on a roll call
24 basis at the very end. So what we would normally --

25 MEMBER GRINNELL: Mr. Chairman, I'm sorry.

1 CHMN. KATZ: Yes.

2 MEMBER GRINNELL: I didn't mean to interrupt.

3 CHMN. KATZ: Go ahead, Mr. Grinnell.

4 MEMBER GRINNELL: To this discussion about
5 other issues, may I ask counsel for Randolph a quick
6 question regarding some of these issues that we're
7 discussing right now?

8 CHMN. KATZ: She isn't a witness, so
9 obviously we don't want to elicit testimony from an
10 attorney. But if you have some questions that we deem
11 appropriate, you may ask them of any one of the
12 attorneys.

13 MEMBER GRINNELL: Thank you.

14 Is it Ms. Post? I apologize.

15 CHMN. KATZ: Let's go back on the record, if
16 we had gone off.

17 Go ahead.

18 MEMBER GRINNELL: Okay. As I stated earlier,
19 I was going to reach out to Pinal County, as
20 representative on this Committee for the Counties. I
21 did reach out and I did speak with Supervisor
22 Cavanaugh, and he alluded to discussions he'd had with
23 a couple of the members of Randolph and also with
24 counsel for Randolph. And I had asked him to forward
25 that information to Tod so that the rest of the

1 Committee can be purview to some of this. Has --
2 Ms. Post, have you spoken again with Supervisor
3 Cavanaugh?

4 MS. POST: No, I have not. I did speak to
5 him once, and he was to call me back and we were to set
6 up a meeting with the residents, and he did not call me
7 back.

8 MEMBER GRINNELL: Okay. Well, maybe -- he
9 alluded to me that -- I think we're needing to get that
10 conversation involved here, because I think some of the
11 conditions that we may be reviewing could involve Pinal
12 County. And he had alluded to some outreach that he
13 made, and I think that's important for all parties to
14 be privy to.

15 CHMN. KATZ: And this is Paul Katz, or
16 Chairman Katz. I don't know what you specifically
17 discussed. I hope he understands that when I basically
18 said, I think at the end of last week's session, that
19 one of the very troubling things is the neglect that
20 both the City of Coolidge City Council or Town Council
21 and Pinal County Supervisors have given during the
22 course of years, in the '50s, '60s, '70s, and '80s, to
23 allow a community, a residential community that is
24 underprivileged and largely black, to have all of this
25 industrial permitted, I was in no manner attempting to

1 criticize some of the things that Representative -- or,
2 Supervisor Cavanaugh shared with us. And I thought
3 those were good things.

4 I don't know that we're going to resolve that
5 all here, but I'm hoping, if the CEC were to be
6 granted, and only if it's granted, I would hope that
7 Pinal County, Coolidge, and representatives of the
8 neighborhood and perhaps the local NAACP can get
9 together and formulate some plans to make this
10 community more livable. It's never going to become
11 palatial, but it certainly could become more
12 comfortable.

13 MS. POST: Mr. Chair.

14 MEMBER GRINNELL: Well, he did agree with you
15 on that particular lack of support from Pinal County,
16 and he has extended his willingness to do whatever it
17 takes to try to enhance the quality of life of
18 Randolph. But he was in total agreement that his
19 predecessor and the previous Pinal County Board of
20 Supervisors had lacked in any efforts to support
21 Randolph, and he would do whatever he could to make
22 sure that they get what they need. And I think that
23 would be very important that that be part of this
24 discussion, regardless of the outcome of this vote --

25 CHMN. KATZ: And I can't speak --

1 MEMBER GRINNELL: -- because they deserve
2 that.

3 CHMN. KATZ: I can't speak for the whole
4 Committee or the parties, but whether or not the plant
5 is expanded, it's still there. And I think Pinal
6 County and the City of Coolidge need to work with all
7 of the industries, including SRP out there, to make the
8 quality of life better for the community, but I don't
9 have the authority to order them to do it. I'm just
10 hoping that, if we do have a CEC, there will be a
11 condition requiring some community involvement. But
12 whether or not -- we can't wave the wand and have
13 everything remedied in the CEC, if it should be issued,
14 but I'm hoping we can get a dialogue going whether or
15 not the plant is expanded.

16 MS. POST: Mr. Chair.

17 CHMN. KATZ: Yes.

18 MS. POST: I am mindful of Mr. Grinnell's
19 comment about talking to him, but I did not think it
20 was appropriate to do so until after the hearing was
21 over.

22 MEMBER GRINNELL: That's not -- Counsel, I
23 told this body and I made it very clear that I would
24 reach out to the Counties, asking them why they hadn't
25 been there. I further recommended he highly -- put

1 forward his suggestions and his ideas through our
2 liaison, Tod Brewer, to this Committee.

3 We did not elaborate. The only thing he
4 alluded to was his agreement that Pinal County had
5 lacked the support necessary and deserving of the
6 Randolph community, and he was trying to do everything
7 he could. And that was the extent of our conversation.

8 MS. POST: What I'm referring to is that I
9 was not going to contact Mr. Grinnell.

10 CHMN. KATZ: I don't think that anybody
11 that's participating -- any of the lawyers
12 participating in this proceeding ought to be contacting
13 him. Now, if he offers some suggestions in writing to
14 Tod, I'll share them with everybody, and we will
15 determine whether or not any of those things offered
16 somehow could be included in the CEC, but we can't bind
17 the County to do things.

18 All I can do, if we issue a CEC, is to compel
19 all of the parties to negotiate in good faith with the
20 City, the County, and various nonprofit organizations
21 or community organizations to try to make things
22 better. And I would hope that that would happen
23 whether or not a CEC is issued. But I don't want to
24 get us involved in negotiating right now with Pinal
25 County or anybody else.

1 MR. RICH: Mr. Chairman, I guess just for the
2 clarity of the record, I'm a little bit confused about
3 what conversations are going on outside of this room
4 with other members of the public in an effort to try to
5 come up with resolutions. That seems totally
6 inappropriate with the prohibitions on ex parte
7 communications, and I'm just -- I'm concerned.

8 CHMN. KATZ: The Committee is not discussing
9 anything.

10 MR. RICH: It sounds like that -- I mean, I
11 just heard a discussion that was had off the record
12 with Pinal County about potential things to help
13 Randolph.

14 CHMN. KATZ: That was by one of the Members
15 of our Committee, and it hasn't been relayed to any of
16 us except just now. And he wasn't instructed by any of
17 us to do it, but I don't think what he did was
18 inappropriate, but we're not going to be discussing
19 those things other than in an open meeting.

20 MEMBER GENTLES: Mr. Chairman.

21 CHMN. KATZ: Yes, Mr. Gentles.

22 MEMBER GENTLES: You know, it's interesting.
23 I think the topic of this conversation -- these are
24 issues, in my opinion, that should have been vetted
25 during the public process. Am I misunderstanding what

1 the public process is all about to get to a CEC -- to a
2 certificate request?

3 CHMN. KATZ: I don't think that you are, and
4 I think that the Representative -- or, the Supervisor
5 Cavanaugh came and told us some of the things that they
6 were willing to do. I don't think we need to hear more
7 from him at this point in time. And I don't know
8 whether a CEC will be issued or not, and if it is, what
9 conditions it will contain.

10 But I don't think we ought to be reaching out
11 any further to representatives of the Board of
12 Supervisor or the City of Coolidge at this point in
13 time. I don't think Mr. Grinnell did anything wrong or
14 inappropriate, but we have to go and make this decision
15 on the record and the sworn testimony and exhibits in
16 front of us.

17 In other words, I don't want to get us off
18 track. I think we just need to consider everything
19 that has been presented by way of public comment, in
20 writing or verbally, to date, and we ought to be
21 considering the testimony that we hear throughout the
22 remainder of -- throughout this hearing and the
23 exhibits that are presented, and then we can discuss
24 whether or not we want to add any conditions to a CEC
25 based upon the evidence we've heard.

1 MEMBER GENTLES: Mr. Chairman, just one last
2 comment. From my perspective, I think that the issues
3 confronting the Randolph community should have been
4 vetted, known, and understood, and, in fact, discussed,
5 and potentially commitments made, prior to coming and
6 asking for a Certificate, instead of coming and then
7 saying, oh, we'll go back and do it after the fact.
8 That doesn't sit well with me in any stretch of the
9 imagination.

10 So I just want to make that -- I just want to
11 have an understanding of where we're sitting and
12 potential conversations after the fact, when most of
13 these conversations, if not all of these conversations,
14 should have been had coming into this process.

15 CHMN. KATZ: And I think --

16 MEMBER GENTLES: And I say that -- in fact,
17 let me just say this --

18 CHMN. KATZ: Sure. Go ahead.

19 MEMBER GENTLES: -- so it's on the record.
20 As we move forward with other cases that companies --
21 the applicants that come before us probably need to
22 step back and take a look at their public involvement
23 process, their public engagement process that they go
24 through before they come here asking for our approval
25 for something that they should have done months and

1 months and maybe even years before they got here.

2 CHMN. KATZ: Well, again, I won't
3 second-guess what any of the parties or the lawyers did
4 in this case. I always wish that people could all get
5 together and openly discuss their concerns with one
6 other. There was public outreach, but -- I'm not going
7 to go beyond that.

8 I completely appreciate what you are saying,
9 and I think we ought to be only considering the
10 evidence presented to us, and I'm not going to
11 second-guess the things that the parties and the
12 lawyers could have and should have done in advance of
13 this hearing.

14 MEMBER GENTLES: Thank you, Mr. Chairman.

15 CHMN. KATZ: Like we've already continued
16 twice our case involving the City of Tucson and Tucson
17 Electric Power, because the parties are engaged in
18 heavy duty and ongoing settlement negotiations and
19 hopefully will resolve a lot of their differences.

20 That all being said, are there any other
21 comments?

22 MEMBER LITTLE: Mr. Chairman.

23 CHMN. KATZ: Yes, Ms. Little.

24 MEMBER LITTLE: As long as we're discussing
25 issues that are bothering us, I guess I should say, I

1 do have one also that -- and that is that under
2 40-360.02, one of the things that should have been
3 included in the filing with the Commission was the
4 power flow and stability analysis reports. And to my
5 knowledge, those are not done yet, and we have not
6 heard anything from the applicant about when they
7 anticipate they will be done. And this is just a
8 concern that I have right now.

9 CHMN. KATZ: Okay. I think at this point --
10 I don't want to get into a debate about what the
11 statutes require. If elements are not met, people will
12 be able to argue that, and the Committee will be able
13 to determine whether or not there's a deficiency in the
14 application or in the requested relief.

15 Do we want to take a break now? Is there
16 anything else we need to put on the record?

17 MEMBER PALMER: Mr. Chairman.

18 CHMN. KATZ: Yes.

19 MEMBER PALMER: I'm going to completely shift
20 gears here and ask a question. As you know, we're all
21 a citizen Committee. We all have other jobs and other
22 things that we do when we're not here. And we are here
23 willingly to see the outcome of this to a conclusion,
24 and whatever time that takes, we're more than happy to
25 give. But I also think it would be helpful, at least

1 for me, to know kind of what we're looking at.

2 We originally had it booked out for this
3 whole week. It sounds to me like, what I heard here
4 today, that probably, at the latest, by midday on
5 Wednesday we could be done and could plan the rest of
6 our week accordingly, but it would be helpful to me to
7 kind of get a timeline of what the attorneys and we
8 think we're looking at so we can plan our other lives
9 accordingly.

10 CHMN. KATZ: I don't know that there's any
11 disagreement between the parties that we should be able
12 to finish this by midday Wednesday, absent some witness
13 problems.

14 And, Ms. Post, we didn't take our break, but
15 have you heard back? It's 4:00 now.

16 MS. POST: Yes, I have heard back. And,
17 unfortunately, her assistant has not heard from her.
18 She assumes it is related to the family medical
19 emergency with her brother, so she's apparently not
20 going to be able to be here today. I will try online
21 to see if she can be here tomorrow. And if she can,
22 she can; and if she can't, she can't.

23 CHMN. KATZ: But I also want to make sure
24 that you coordinate with Mr. Rich. Because if he has
25 witnesses prescheduled for tomorrow, we'll probably

1 take care of them and fit your remaining witness in --

2 MS. POST: Understood.

3 CHMN. KATZ: -- after they're done or in
4 between their testimony.

5 What time are you expecting to be able to
6 begin, Mr. Rich, tomorrow?

7 MR. RICH: We're ready to go right at
8 9:00 a.m., when the Committee is ready.

9 I had a quick follow-up on, I think, what
10 started this whole discussion earlier. You made
11 mention of a proposed stipulation or condition from
12 SRP. Have you seen that and can you distribute that?

13 MR. ACKEN: I will share it.

14 CHMN. KATZ: That's fine. The Committee, I
15 believe, has it, and I'll ask that it be shared with
16 you. And we'll see, it may be adequate, it may be
17 inadequate, but it at least is food for thought.

18 MR. RICH: Just because I just have to, from
19 a procedural standpoint, how does the Committee have a
20 proposed condition if it hasn't been shared with the
21 parties?

22 MR. ACKEN: It's been shared with the
23 Randolph intervenor because it concerns the interests
24 of the Randolph community. We don't have a proposed
25 condition that goes to the issues of your client, so

1 that's why we didn't share it with you. But happy to
2 share it with you.

3 MS. POST: Actually, I don't believe it was
4 conditions. It was your offer, is that correct?

5 MR. ACKEN: That's correct.

6 MS. POST: Which we did talk about in
7 testimony quite a bit.

8 CHMN. KATZ: Basically, it's a summary of the
9 things that Ms. Rickard testified that she thought
10 ought to be done. So I'll ask that Mr. Acken get that
11 to all of the attorneys in this matter as soon as
12 possible.

13 MR. EMEDI: Mr. Chairman, if I may, going
14 back to Member Little's comment earlier, I just wanted
15 to note that Mr. McClellan did answer a handful of
16 questions that Staff had about the System Impact Study
17 for this project, and so that might be relevant for her
18 to take a look at.

19 MR. RICH: Mr. Chairman, can I just follow up
20 maybe --

21 CHMN. KATZ: Yes, please.

22 MR. RICH: -- by way of you through SRP's
23 attorney and ask him, did you provide -- are you
24 providing information -- is there any other information
25 you've provided to the Committee that you haven't

1 provided to other parties? I've just got to ask that.

2 MR. ACKEN: Mr. Rich --

3 CHMN. KATZ: Let me just tell you, I asked
4 Rickard to summarize the things that she had suggested.
5 And then I presented it to Mr. Acken, and the Committee
6 got copies, and we should have made sure that you all
7 got them, and you will.

8 MR. ACKEN: Yeah. Mr. Rich, we're making --
9 I understand what you're trying to do, make a mountain
10 out of a molehill, but I can assure you we are very
11 familiar with the rules regarding unauthorized
12 communications, and there's been no issue here. But
13 happy to share a condition that does not concern your
14 client. And, as Ms. Post said, not even a condition,
15 but the testimony about what SRP has already testified
16 on the record as to what it's willing to do for the
17 community of Randolph.

18 MR. RICH: I would say, for the record, any
19 communication potentially impacts my client. And this
20 issue, to the extent that your purpose is to try to
21 resolve this matter by way of a stipulation, absolutely
22 impacts my client. So anyway, I just -- I appreciate
23 you allowing me to investigate that further. It
24 shouldn't happen, I would argue. If there's anything
25 else, please forward it.

1 CHMN. KATZ: It's about a
2 three-quarter-of-a-page summary of her testimony. And
3 if it doesn't match that testimony, we're free to
4 disregard it. It's not evidence.

5 MR. RICH: Thank you.

6 CHMN. KATZ: I would like it shared with
7 everyone because it might help resolve issues, and it
8 might do absolutely nothing.

9 Should we recess, then, until 9:00 tomorrow
10 morning?

11 (No response.)

12 CHMN. KATZ: Let's do it. Hopefully we'll be
13 able to get a smooth start tomorrow and finish up with
14 at least our evidentiary presentation or come darn well
15 close to it. Thank you. We do stand in recess.

16 (The hearing recessed at 4:05 p.m.)

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1 STATE OF ARIZONA)

2 COUNTY OF MARICOPA)

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