

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 16, 2022
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15

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1 INDEX TO PROCEEDINGS

2	ITEM	PAGE
3	Closing Statement of Mr. Acken	1369
4	Closing Statement of Mr. Rich	1373
5	Closing Statement of Mr. Stafford	1380
6	Closing Statement of Ms. Post	1382
7	Closing Statement of Mr. Emedi	(Waived)
8	Further Closing Statement of Mr. Acken	1398
9	Deliberations	1408
10	Vote	1518

11

12 INDEX TO EXAMINATIONS

13	WITNESS	PAGE
14	ANDREW SMITH	
15	Direct Examination by Mr. Emedi	1332
	Cross-Examination by Mr. Acken	1337
16	Cross-Examination by Mr. Rich	1340
	Cross-Examination by Ms. Post	1344
17	Recross-Examination by Mr. Rich	1360
	Cross-Examination by Mr. Stafford	1364
18	Recross-Examination by Mr. Acken	1368

19

20

21

22

23

24

25

1 INDEX TO EXHIBITS

2	NO.	DESCRIPTION	IDENTIFIED	ADMITTED
3	SRP-1	SRP CEC Application filed with the ACC on December 13, 2021	115	1402
4				
5	SRP-2	SRP's Presentation Slides	115	1402
6	SRP-3	SRP's Updated Public Outreach Information (Additional comments and sign-in sheets)	492	1402
7				
8	SRP-4	SRP's Updated Public Outreach Information (Spreadsheet)	492	1402
9				
10	SRP-5	Air Permit Application	681	1402
11	SRP-6	First Settlement Proposal by SRP to Randolph Residents	1110	1402
12	SRP-7	Revised Settlement Proposal by SRP to Randolph Residents	1270	1402
13				
14	SRP-8	Projected Annual Carbon Emissions	1266	1402
15	SRP-9	90-Day Filing for CEP	1307	1402
16	RR-1	Signed Petitions	901	1406
17	RR-2	Photographs of Randolph	901	1406
18	RR-3	Resume of Matthew Whitaker	--	not moved 1406
19				
20	RR-4	Bullward, R., et al., Toxic Wastes and Race at Twenty 1987-2007, A Report Prepared for the United Church of Christ Justice & Witness Ministries. March 2007.	1240	1406
21				
22				
23				
24				
25				

1 INDEX TO EXHIBITS (Cont.)

2	NO.	DESCRIPTION	IDENTIFIED	ADMITTED
3	RR-5	Cep, C. The fight to preserve African American History. The New Yorker. January 27, 2020. https://www.newyorker.com/magazine/2020/02/03/the-fight-to-preserve-african-american-history/	1244	1406
6	RR-6	National Trust for Historic Preservation. Preserving African American Places. October 2020. https://savingplaces.org/equity-report#.YdOZceRlAWM	--	1406
9	RR-7	Leggs, B. Preserving Black Culture. National Trust for Historic Preservation African American Cultural Heritage Action Fund. February 27, 2020. https://www.mainstreet.org/blogs/national-main-street-center/2020/02/27/preserving-black-culture	--	1406
14	RR-8	Resume of Mark Stapp	1056	1406
15	RR-9	David, L. The Effect of Power Plants on Local Housing Values and Rents. The Review of Economics and Statistics. November 2011, 93(4): 1391-1402.	1058	1406
18	RR-10	Currie, J., et al. Do Housing Prices Reflect Environmental Health Risks? Evidence From More Than 1600 Toxic Plant Openings and Closings. National Bureau of Economic Research. Working Paper 18700. http://www.nber.org/papers/w18700 .	1060	1406
22	RR-11	Barnett-Howell, Z., et al. On the Road to Recovery? Power Plant Closures and Neighborhood Well-Being. September 29, 2016.	1061	1406

25

1 INDEX TO EXHIBITS (Cont.)

2	NO.	DESCRIPTION	IDENTIFIED	ADMITTED
3	RR-12	CAWS Coolidge Area map, Kenilworth Garden map, 4 Skousen map	1061	1406
5	RR-13	Resume of Timothy Collins	790	1406
6	RR-14	Liu, J., et al. Disparities in air pollution exposure in the 7 United States by race-ethnicity and income, 1990-2010. 8 Environmental Health Perspectives, 129 (12), 127005. (2021).	781	1406
9	RR-15	Tessum, C.W., et al. PM2.5 10 polluters disproportionately and systemically affect people 11 of color in the United States. Sciences Advances, 7(18), 12 eabf4491. (2021).	781	1406
13	RR-16	Jbaily, A., et al. Air pollution exposure disparities across US 14 population and income groups. Nature, 601(7892),228-233. (2022).	781	1406
15	RR-17	Tessum, C.W., et al. Inequity 16 in consumption of goods and services adds to racial-ethnic 17 disparities in air pollution exposure. Proceedings of the 18 National Academy of Sciences, 116(13), 6001-6006. (2019).	781	1406
19	RR-18	Resume of Sara Grineski	755	1406
20	RR-19	Gee, G.C. and D.C. Payne 21 Sturges. Environmental Health Disparities: A Framework 22 Integrating Psychosocial and Environmental Concepts. 23 Environmental Health Perspectives 112(17): 1645-1653. (2004).	755	1406
24				
25				

1 INDEX TO EXHIBITS (Cont.)

2	NO.	DESCRIPTION	IDENTIFIED	ADMITTED
3	RR-20	Morello Frosch, et al. Understanding the Cumulative 4 Impacts of Inequalities in Environmental Health: Implications 5 for Policy. Health Affairs. 30(5): 879-887. (2011) https:// 6 pubmed.ncbi.nlm.nih.gov/21555471	755	1406
7	RR-21	Resume of Stephanie Malin	1030	1406
8	RR-22	Perera, F. Pollution from Fossil-Fuel Combustion is the 9 Leading Environmental Threat to Global Pediatric Health and 10 Equity: Solutions Exist. International Journal of 11 Environmental Research and Public Health. 2018, 15, 16.	1031	1406
12	RR-23	Mohai, P., et al. Environmental Justice. Annual Review of 13 Environment and Resources. 2009. 34:405-30.	1031	1406
14	RR-24	American Public Health Association. The Lancet 15 Countdown on Health and Climate Change: Policy Brief for the 16 United States of America. December 2020.	1031	1406
17	RR-25	American Public Health Association. The Lancet 18 Countdown on Health and Climate Change: Policy Brief for the 19 United States of America, Appendix. December 2020.	1031	1406
20	RR-26	Roohani, Y., et al. Impact of 21 Natural Gas Development in the Marcellus and Utica Shales on 22 Regional Ozone and Fine 23 Particulate Matter Levels. Atmospheric Environment. 155 24 (2017) 11-20.	1031	1406

1 INDEX TO EXHIBITS (Cont.)

2	NO.	DESCRIPTION	IDENTIFIED	ADMITTED
3	RR-27	Malin, S. Depressed Democracy, Environmental Injustice: Exploring the Negative Mental Health Implications of Unconventional Oil and Gas Production in the United States. Energy Research and Social Science. 70 (202).	1031	1406
7	RR-28	Resume of Dagny Signorelli	1003	1406
8	RR-29	Arizona State University. Extreme Weather, Climate and Health: Synthesis Report 2015.	1017	1406
10	RR-30	Webb, E., et al. Potential hazards of air pollutant emissions from unconventional oil and natural gas operations on the respiratory health of children and infants. Reviews on Environmental Health, 31(2), 225-243. (2016). https://doi.org/ 10.1515/reveh-2014-0070	1017	1406
15	RR-31	Photograph	999	1406
16	RR-32	Resume of Jacqueline Patterson	--	not moved 1406
18	RR-33	2025 General Plan Land Policy Coolidge	1112	1406
20	RR-34	Resume of Adrienne Hollis	1237	1406
21	WRA-1	U.S. EPA, Endangerment and Cause or Contribute Findings for Greenhouse Gases Under Section 202(a) of the Clean Air Act, 74 Fed. Reg. 66, 496 (Dec. 15, 2009)	--	1405

25

1 INDEX TO EXHIBITS (Cont.)

2	NO.	DESCRIPTION	IDENTIFIED	ADMITTED
3	WRA-2	IPCC, 2018: Summary for	946	1405
4		Policymakers. In: Global Warming		
5		of 1.5°C above pre-industrial		
6		levels and related global		
7		greenhouse gas emission pathways,		
8		in the context of strengthening		
9		the global response to the threat		
10		of climate change, sustainable		
11		development, and efforts to		
12		eradicate poverty, available at		
13		https://www.ipcc.ch/sr15/ chapter/spm/ .		
14	WRA-3	IPCC, 2021: Summary for	947	1405
15		Policymakers. In: Climate Change		
16		2021: The Physical Science Basis.		
17		Contribution of Working Group I		
18		to the Sixth Assessment Report		
19		of the Intergovernmental Panel		
20		on Climate Change, available at		
21		https://www.ipcc.ch/report/ar6/ wg1/downloads/report/IPCC_AR6_ WGI_SPM.pdf .		
22	WRA-4	2018: Chapter 25: Southwest.	955	1405
23		In Impacts, Risks, and		
24		Adaptation in the United States:		
25		Fourth National Climate		
		Assessment, Volume II. U.S.		
		Global Change Research Program,		
		Washington, DC, USA, pp. 1101-		
		1184, available at https://nca		
		2018.globalchange.gov/chapter/ southwest .		
	WRA-5	"How the Climate Crisis is	--	1405
		Affecting Arizona," Climate		
		Reality Project, 2019, available		
		at https://www.climatereality		
		project.org/blog/how- climatecrisis-affecting-arizona .		

1 INDEX TO EXHIBITS (Cont.)

2	NO.	DESCRIPTION	IDENTIFIED	ADMITTED
3	WRA-6	Environmental Defense Fund, Climate Costs Will Strain 4 Arizonans' Health and Economy, (Dec 1, 2020), available at 5 https://www.edf.org/climate/ costofinaction/arizona .	956	1405
6	WRA-7	U.S. EPA, What Climate Change 7 Means for Arizona (August 2016), available at https://19january 2017snapshot.epa.gov/sites/ 8 production/files/2016-09/ 9 documents/climate-change-az.pdf .	--	1405
10	WRA-8	SRP's Carbon Reduction Resource Path	961	1405
11	WRA-9	SRP ISP Summer Stakeholder 12 Series: Meeting #1 Q&A	962	1405
13	SC-1	Commissioner Kennedy Letter dated November 19, 2021	210	1404
14	SC-2	2021-12-10 SRP Response to 15 Commissioner Kennedy Letter dated November 19, 2021	668	1404
16	SC-3	2021-12-27 SRP Response to 17 SC 1DR	--	1404
18	SC-4	2022-01-03 SRP Response to SC 2DR	--	1404
19	SC-5	2022-01-06 SRP Response to 20 Revised 1DR	--	1404
21	SC-6	2022-01-24 SRP Response to SC 3DR	--	1404
22	SC-7	Renewables and storage are more 23 economic than gas: Lazards Levelized Cost of Energy 24 Analysis Version 15.0, October 25 2021	1153	1404

1 INDEX TO EXHIBITS (Cont.)

2	NO.	DESCRIPTION	IDENTIFIED	ADMITTED
3	SC-8	Renewables and storage are more economic than gas: Lazards	1153	1404
4		Levelized Cost of Energy Analysis Version 7.0		
5	SC-9	Geographic diversity solves solar integration issues:	1153	1404
6		Mills, Andrew and Wiser, Ryan		
7		Ernest Orlando Lawrence		
8		Berkeley National Laboratory		
		LBNL-3884E, September 2010		
9	SC-10	Western Wind and Solar Integration Study: National	1153	1404
10		Renewable Energy Laboratory;		
		GE Energy, May 2010		
11	SC-11	EIM is meeting flexibility needs: California ISA; WEIM	1153	1404
12		Benefits Report, 3rd Quarter		
13		2021		
14	SC-12	Battery capacity value is high, and there are synergies between	1153	1404
15		solar and battery capability value: Paul Denholm, Jacob		
16		Nunemaker, Pieter Gagnon, and Wesley Cole, 2019. The		
17		Potential for Battery Energy Storage to Provide Peaking		
18		Capacity in the United States. Golden, CO: National Renewable		
19		Energy Laboratory		
		NREL/TP-6A20-74184		
20	SC-13	Sources of Grid Reliability Services: Michael Milligan,	1153	1404
21		Milligan Grid Solutions, Inc.;		
22		The Electricity Journal 31		
		(2018) 1-7		

23

24

25

1 INDEX TO EXHIBITS (Cont.)

2	NO.	DESCRIPTION	IDENTIFIED	ADMITTED
3	SC-14	Southwest Reserve Sharing Group has plenty of capacity for the 4 next decade: NERC Long Term Reliability Assessment, 5 December 2021	1153	1404
6	SC-15	Gas correlated outage risks: FERC - NERC - Regional Entity 7 Staff Report; The February 2021 Cold Weather Outages in Texas 8 and the South Central United States, November 2021	1153	1404
9	SC-16	Report on Outages and 10 Curtailments During the Southwest Cold Weather Event of 11 February 1-5, 2011; Staffs of the Federal Energy Regulatory 12 Commission and the North American Electric Reliability 13 Corporation, August 2011	1153	1404
14	SC-17	Special Reliability Assessment: 15 Potential Bulk Power System Impacts Due to Severe 16 Disruptions on the Natural Gas System; NERC Single Point of 17 Disruption to Natural Gas Infrastructure, November 2017	1153	1404
18	SC-18	Reliability Guidelines Fuel 19 Assurance and Fuel Related Reliability Risk Analysis for 20 the Bulk Power System; NERC March 2020	1153	1404
21	SC-19	Current Nonattainment Counties 22 for All Criteria Pollutants: Green Book US EPA, December 2021	--	1404
23	SC-20	Map of West Pinal County PM10 24 Nonattainment Area: https:// pinal.naps.arcgis.com/apps/ webappviewer/index.html?id= 25 7ad96b8e17294c2386284fd7ba46c363	1198	1404

1 INDEX TO EXHIBITS (Cont.)

2	NO.	DESCRIPTION	IDENTIFIED	ADMITTED
3	SC-21	American Lung Association State of the Air Report, 202: https:// www.lung.org/research/sota/ cityrankings/states/arizona/pinal	388	1404
4				
5	SC-22	The False Promise of Natural Gas, Philip J. Landrigan, M.D., et al., New England Journal of Medicine 2020; 382:104-107	1195	1404
6				
7				
8	SC-23	IPPC, 2021: AR6 Climate Change 2021: The Physical Science Basis: Summary for Policymakers	1194	1404
9				
10	SC-24	Fourth National Climate Assessment, Chapter 25, Executive Summary	1194	1404
11				
12	SC-25	New Climate Maps Show a Transformed United States: Al Shaw, Abrahm Lustgarten, ProPublica, and Jeremy W. Goldsmith, Special to ProPublica, September 15, 2020	1194	1404
13				
14				
15				
16	SC-26	The Myth of Safe Yield: Pursuing the Goal of Safe-Yield Isn't Saving Our Groundwater, Morrison Institute for Public Policy, May 2021	1202	1404
17				
18				
19	SC-27	ADWR: Future development in Pinal County can't rely on groundwater, Aaron Dorman, Casa Grande Dispatch, July 2, 2021	--	1404
20				
21	SC-28	Health Impact of Coolidge Expansion - COBRA Results and Net Present Value (2017\$)	1211	1404
22				
23	SC-29	Publications that Cite EPA's CO-Benefits Risk Assessment (COBRA) Health Impacts Screening and Mapping Tool	1227	1404
24				
25				

1 INDEX TO EXHIBITS (Cont.)

2	NO.	DESCRIPTION	IDENTIFIED	ADMITTED
3	SC-30	Michael Goggin Resume	1403	not moved
4				1403
5	SC-31	Cara Bottorff Resume	1205	1404
6	SC-32	SRP Response to SC 2-21 Coolidge Hourly Generation	--	1404
7		August 2020		
8	SC-33	4-21-2021 SRP Coolidge Replacement Results	369	1404
9				
10	SC-34	5-5-2021 SRP Coolidge Replacement Results	1121	1404
11	SC-35	Resume of Robert Gramlich	1153	1404
12	CHMN-1	Draft CEC	1407	for reference
13				
14	CHMN-2	Redline CEC	1407	for reference

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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 777 North Pinal Avenue, Casa Grande
5 Arizona, commencing at 9:00 a.m. on the
6 16th of February, 2022.

7
8 BEFORE: PAUL A. KATZ, Chairman

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

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21 For the Arizona Corporation Commission:

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23 Ms. Kathryn Ust (via videoconference)
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1 CHMN. KATZ: We'll go on the record, then.
2 This is hopefully our final day in the hearing on CEC
3 197, SRP's application for its Coolidge Expansion
4 Project.

5 Yes, sir, Mr. Emedi.

6 MR. EMEDI: Thank you, Mr. Chairman.
7 Yesterday I did notify the parties that I would make
8 this offer to the Committee. Given Member Little's
9 questions regarding the system impact study and the
10 Coolidge Expansion Project's potential impact on the
11 reliability of the grid, and assuming that the
12 Committee would find this useful, Staff is willing and
13 would like to offer a witness who can speak to those
14 limited issues.

15 I do realize, obviously, it's late in the
16 game and rebuttal witnesses have already gone. So,
17 again, to the extent that the Committee would find that
18 limited testimony useful, we would like to make a
19 witness available to speak to that.

20 CHMN. KATZ: Any objection to doing that?

21 MR. ACKEN: No objection.

22 CHMN. KATZ: Any objection from the
23 Committee?

24 (No response.)

25 CHMN. KATZ: We can go ahead and hear that

1 additional testimony, if you'd like to present it, just
2 so we have that understanding.

3 MR. STAFFORD: Mr. Chairman, is the Zoom up?
4 I got a text from Autumn Johnson, and she said that the
5 Zoom is not up. She's trying to Zoom in.

6 CHMN. KATZ: Is it up? Staff is saying it is
7 up and working.

8 MR. STAFFORD: Okay. Thank you.

9 MEMBER GENTLES: Mr. Chairman, this is Member
10 Gentles. I am here.

11 CHMN. KATZ: Yeah, I see you now. Good
12 morning.

13 MEMBER GENTLES: Good morning.

14 CHMN. KATZ: And please introduce your
15 witness, and then we'll administer the oath or the
16 affirmation.

17 MR. EMEDI: Thank you, Mr. Chairman. Arizona
18 Corporation Commission Staff calls Mr. Andrew Smith.

19 CHMN. KATZ: And Mr. Smith, do you prefer an
20 oath or an affirmation?

21 MR. SMITH: An oath is fine.

22 CHMN. KATZ: Would you please stand and raise
23 your right hand?

24 (Andrew Smith was duly sworn by the
25 Chairman.)

1 CHMN. KATZ: Thank you very much. You may be
2 seated.

3 Mr. Emedi, whenever you're ready, you may
4 proceed.

5 MR. EMEDI: Thank you.

6

7 ANDREW SMITH,

8 called as a witness on behalf of the Arizona
9 Corporation Commission Staff, having been previously
10 sworn by the Chairman to speak the truth and nothing
11 but the truth, was examined and testified as follows:

12

13 DIRECT EXAMINATION

14 BY MR. EMEDI:

15 Q. Mr. Smith, good morning, can you state your
16 name for the record, please?

17 A. Sure. My name is Andrew Smith.

18 Q. And where do you work?

19 A. I work for the Arizona Corporation
20 Commission.

21 Q. And what's your job title at the Corporation
22 Commission?

23 A. I am an engineering supervisor for the
24 Utilities Division.

25 Q. And what are your job duties as an

1 engineering supervisor?

2 A. I assist the chief engineer in managing the
3 engineering section. I regularly work on electric,
4 water, wastewater cases, and line extensions.

5 Q. And did you review SRP's application for a
6 CEC in this matter?

7 A. Yes.

8 Q. And can you generally describe what Staff's
9 involvement in these proceedings have been?

10 A. Sure. I'll give you at least an overview of,
11 you know, typically how we handle these CEC
12 applications. We receive the application, it's
13 docketed, and we assign a Staff member to review it.
14 And typically, around the same time, the Chairman sends
15 a letter to the Utilities Division asking us to comment
16 on the safety, reliability, impact to the grid, and any
17 other relevant issues.

18 Typically, we look at the application and
19 issue out data requests to the applicant. Depending
20 upon the results of those answers to our data requests,
21 we might seek to intervene, or we might just issue out
22 a letter to the Committee with our recommendations.

23 Specifically in this case, we did issue out a
24 data request to SRP requesting any relevant studies,
25 impacts to the grid, and so on. From that point, we

1 issued out a letter to the Chair and the Committee
2 Members. And then we filed for intervention, but
3 limited our scope to cross-examining witnesses. We
4 didn't anticipate presenting any witnesses in this
5 case.

6 Q. Thank you, Mr. Smith. You said that Staff
7 did issue some DRs. Were you able to review a system
8 impact study associated with the Coolidge Expansion
9 Project?

10 A. No, we weren't. So we had asked SRP if they
11 had completed a system impact study, which is a pretty
12 general request as it relates to these CEC
13 applications. The answer we received back is that the
14 system impact study and all other relevant studies
15 would be completed in quarter one of 2022. So
16 therefore, we asked additional questions related to
17 reliability and to the impact to the grid to
18 understand, from a high level, what this project would
19 -- what impact it might potentially have.

20 Three days, I think, before the hearing, I
21 think it was the week of February 7th, we were notified
22 by SRP that they had some preliminary data, if we would
23 like to discuss that. We did -- we did discuss that;
24 however, that was after our -- I think our letter to
25 the Chair was filed on January 12th, so it was after we

1 had issued our letter. So, you know, typically -- we
2 anticipated that that preliminary data would be
3 discussed during this hearing, and that's why we
4 included the recommendation within our letter to
5 allocate sufficient time to discuss the studies.

6 Q. Thank you. And that preliminary data that
7 you were able to review before the hearing began, that
8 data relates to the system impact study?

9 A. Yes.

10 Q. Did you review a power flow study associated
11 with the Coolidge Expansion Project?

12 A. We did not.

13 Q. Based on your review of all of that
14 information that you just summarized, what's your
15 opinion on the Coolidge Expansion Project and how it
16 will impact the reliability of the grid?

17 A. So from a high-level overview, without
18 getting into specifics, Staff believes that the
19 proposed project would improve reliability. When we're
20 talking about adding generators to the grid that are
21 fast ramping, load following, we believe that that
22 strengthens the grid reliability. Typically, you know,
23 when we're talking about having spinning reserves or
24 being able to react to the loss of a generator
25 somewhere else in the grid, having that peaker plant

1 available to stabilize the grid we believe is a
2 benefit, so therefore, we think it has a positive
3 impact to the reliability.

4 Q. Thank you. Is there anything else that you'd
5 like to add to your testimony today that I haven't
6 already asked you about?

7 A. I don't believe so. I would just say that,
8 you know, we had asked, in our data request to SRP, for
9 those System Impact Studies, and in addition to those,
10 please explain why this project would improve
11 reliability, what was SRP's process in determining that
12 this was the best course of action. So we felt
13 comfortable in our letter to the Chairman, and we
14 expected that if the System Impact Studies would be
15 completed that they would be discussed during the
16 hearing.

17 And I would note, for the Committee Members,
18 I believe a previous case that the Committee heard was
19 for the Gen-Tie for Solar Pepper Power, and that one
20 did not have a system impact study completed when it
21 came to the Committee's hearing time. So not having
22 that study done isn't uncommon. And, you know, I think
23 that covers it.

24 MR. EMEDI: Thank you, Mr. Smith.

25 Mr. Chairman, I don't have any further

1 questions of this witness.

2 CHMN. KATZ: We'll just go down the row,
3 Mr. Acken, in the same order that we've been proceeding
4 regularly.

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

6

7

CROSS-EXAMINATION

8 BY MR. ACKEN:

9 Q. And good morning, Mr. Smith. How are you?

10 A. Doing well. Thank you.

11 Q. I want to follow up. And for this, I'd like
12 to have what's been marked for identification as SRP
13 Number 9 shown on the screen. And this is the 90-day
14 filing that SRP submitted before this proceeding.

15 CHMN. KATZ: What exhibit number again?

16 MR. ACKEN: SRP Number 9.

17 CHMN. KATZ: Thanks.

18 BY MR. ACKEN:

19 Q. And while that's being pulled up, I want to
20 ask you if you understand that under 40-360.02 there is
21 no explicit requirement to provide a system impact
22 study prior to filing a CEC. Is that your
23 understanding?

24 A. Subject to check, I believe that's -- that's
25 correct. I would say that, you know, we ask for a

1 system impact study to answer the Chairman's question
2 to Staff whether the project has any impact to the
3 reliability, but I don't believe it's a requirement for
4 the 90-day notice.

5 Q. Thank you. And if you could look at the
6 screen, either the one to your right or the one in
7 front of you, this is what's been marked as SRP
8 Number 9. This is the 90-day notice that SRP submitted
9 for this project. And if I could turn your attention
10 to the third paragraph of this cover letter it says,
11 "The technical study report, internal planning
12 criteria, and system ratings are deemed confidential
13 Critical Energy/Electrical Infrastructure Information
14 (CEII). These confidential reports will be made
15 available upon request under a separate cover once a
16 protective agreement is executed." Do you see that?

17 A. Yes.

18 Q. And you testified, in Staff's review, based
19 on the additional information that SRP provided -- and
20 I don't want to put words in your mouth, but I believe
21 you testified that it was Staff's opinion that this
22 project is helpful with respect to the reliability of
23 the regional transmission system, is that correct?

24 A. Yes.

25 Q. And so -- and the statutory reference in

1 40-360.02 refers to a power flow and stability analysis
2 report. Are you familiar with that phrase?

3 A. Yes.

4 Q. And are you aware that SRP did submit a power
5 flow and stability analysis report as part of its
6 10-year plan filing?

7 A. The 10-year -- so I am aware that that was
8 filed; however, I would say that typically Staff
9 requests an updated power flow analysis and system
10 impact study whenever a CEC comes through, because
11 typically 10-year plans -- they may have changed in the
12 time it comes for the application. So I would just
13 state that even though it was filed, we typically ask
14 for an updated one.

15 Q. And that's a great point. And, in fact, in
16 January of this year SRP did file an updated one that
17 included the Coolidge Expansion Project, is that
18 correct?

19 A. I believe so.

20 Q. And Staff saw no concerns in their review of
21 SRP's 10-year plan filing at this time?

22 A. Yeah, I would say that the 10-year plan is --
23 certainly, I think, the Biennial Transmission
24 Assessment is ongoing, and so I don't think Staff has
25 drawn any conclusions from that filing yet; however, we

1 did review the filing in anticipation of this
2 application.

3 Q. And identified no red flags with respect to
4 reliability?

5 A. That's correct.

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

7 CHMN. KATZ: Moving on, Mr. Rich.

8 MR. RICH: Thank you.

9

10 CROSS-EXAMINATION

11 BY MR. RICH:

12 Q. Good morning, Mr. Smith. Just a few
13 questions.

14 Did Staff analyze any of the potential
15 alternatives to the CEP project in formulating its
16 recommendation today?

17 A. Staff's involvement was not to analyze any
18 alternatives. Again, the Chairman -- if you look at
19 the Chairman's letter to Staff, it requests that Staff
20 analyze the impacts, as well as any reliability issues
21 related to the proposed project, so that's what Staff
22 did.

23 Q. Okay. And so just plainly put, Staff did not
24 analyze or evaluate any alternatives to this project,
25 correct?

1 A. I don't believe that was within the scope of
2 our work or the work that the Committee should view in
3 this case.

4 Q. So in -- I want to make sure I'm clear,
5 because I'm not a hundred percent certain on this. So
6 in 40-360.02 it says that the plans for any new
7 facilities shall include a power flow and stability
8 analysis report. And have you reviewed a power flow
9 and stability analysis report for this project?

10 A. So like I think Mr. Acken just said, the
11 company did file that with their -- with their most
12 recent plan. However, we had asked for an updated one
13 within our data request, and we didn't -- we were told
14 that they were still being completed. So, therefore, I
15 don't know if we've reviewed the most up-to-date one,
16 but, according to Mr. Acken, that one hasn't changed,
17 then I would say yes, we have reviewed it.

18 Q. And I want to make sure I'm clear, because I
19 think when Mr. Acken asked you a question you said, I
20 believe so. And I'm not sure if -- have you personally
21 reviewed the power flow and stability analysis report
22 for this project?

23 A. I reviewed the 10-year plan filing, as well
24 as the data request that were included with it. So if
25 the power flow analysis was included within the 10-year

1 plan, we've reviewed it; however, I can't say if that's
2 the most up-to-date filing. Again, that would be a
3 better question for SRP.

4 Q. And you just said, if it were included in the
5 plan, then you would have reviewed it. And do you have
6 personal knowledge as to whether or not that was
7 included in the plan?

8 A. Yes. I and another Staff member reviewed the
9 10-year filing, as well as the data request.

10 Q. Okay. I just want to make sure we're being
11 precise, because I'm not -- did you -- if you reviewed
12 the 10-year filing, did you review a power flow and
13 stability analysis report?

14 A. If the 10-year -- I don't want to keep going
15 in circles. So I can't say for certain if it was the
16 most up-to-date power flow analysis. Many times those
17 power flow analysis and system impact studies change,
18 and that's why Staff asked for updated ones. We were
19 told that those studies and all other relevant studies
20 would be completed in quarter one of 2022, so that
21 would tell me that perhaps that there is a newer power
22 flow analysis that needed to be completed. Therefore,
23 that's why we recommended, in our letter to the
24 Chairman, that the Committee allocate sufficient time
25 to discuss those studies during this hearing.

1 Q. Okay. And I know you keep referring to, if
2 there was a newer one, you're not sure. But, I mean,
3 the statute is very clear that that shall be submitted,
4 so I want to make sure. Did you review -- in
5 association with the 10-year plan that you reviewed,
6 did you review and did you see a power flow and
7 stability analysis report?

8 A. If it was included in the 10-year plan filing
9 that Mr. Acken referenced, yes; however, like I said, I
10 don't know if it was the most up-to-date one. I don't
11 know how to better answer your question.

12 Q. Well, you're saying, if it was included, you
13 reviewed it. Do you not know whether it was included?

14 A. Off the top of my head today could I say
15 specifically it was on page such-and-such? I couldn't
16 tell you that. However, I have reviewed a power flow
17 analysis for this case, I just can't tell you if it was
18 the most up-to-date one.

19 MR. ACKEN: We can put on a witness to answer
20 that question.

21 MR. RICH: Okay. I think that's all the
22 questions I have. Thanks.

23 CHMN. KATZ: Mr. Stafford.

24 MR. STAFFORD: No questions, Chair.

25 CHMN. KATZ: Ms. Post.

1 MS. POST: Yes, one.

2

3

CROSS-EXAMINATION

4 BY MS. POST:

5 Q. Reliability was all that you looked at. You
6 did not look at any other factors that are required to
7 be considered in 40-360.06, is that correct?

8 A. I believe you're referring to what the
9 Committee should analyze in determining a CEC. Again,
10 we were responding to the Chairman's request to Staff
11 and Staff's analysis of the potential impacts to the
12 grid, as well as any reliability or safety concerns.

13 Q. And only those issues?

14 A. The Chairman's letter does give Staff a
15 little leeway in determining any other relevant issues
16 according to our statutory review; however, in this
17 case we did not veer off that path, I would say.

18 MS. POST: Thank you.

19 CHMN. KATZ: Anything further, Mr. Emedi?

20 MR. EMEDI: No. Thank you, Mr. Chairman.

21 And I would just like to thank the Committee and the
22 parties for allowing Mr. Smith to testify. Thank you.

23 MEMBER LITTLE: Mr. Chairman.

24 MEMBER GENTLES: Mr. Chairman.

25 CHMN. KATZ: Yes, Committee Members.

1 MEMBER LITTLE: Go ahead, Mr. Gentles.

2 MEMBER GENTLES: No, you go first, please.

3 MEMBER LITTLE: Okay. Thank you, Mr. Emedi
4 and Mr. Smith, for coming today. I really do
5 appreciate it.

6 I have two questions, one of which is -- I
7 think we have all, and I include myself here, sort of
8 used the word "system studies" as a general reference
9 to when we're talking about the power flow and
10 stability studies. Is that the case, Mr. Smith, also
11 for you?

12 MR. SMITH: Member Little, I believe you're
13 correct. And that's where perhaps Mr. Rich and I were
14 talking past each other is that those system impact
15 studies generally include -- when we talk about impacts
16 to the grid, we're looking for those power flow
17 analyses, we're looking for the reliability studies
18 that have been done to determine what impacts the
19 proposed project has on the grid. And so I believe you
20 are correct.

21 MEMBER LITTLE: Thank you. And you may or
22 may not know the answer to this question, but do you
23 know whether this project is included in the SWAT
24 studies that were done for the BTA most recently?

25 MR. SMITH: Member Little, I am not aware if

1 that was included.

2 MEMBER LITTLE: Okay. Thank you very much,
3 and thank you for coming.

4 CHMN. KATZ: Next.

5 MEMBER GENTLES: Mr. Chairman, this is
6 Member Gentles.

7 CHMN. KATZ: Yes, sir.

8 MEMBER GENTLES: I just had one question of
9 Mr. Smith. The power flow and stability studies,
10 reliability studies, is it typical that those are filed
11 in a 10-year plan a month or two prior to a CEC
12 application.

13 MR. SMITH: Member Gentles, I would say that
14 some utilities believe that any system impact study is
15 confidential information, and therefore are only
16 obtained through a protective agreement. So I would
17 say that in some cases you might see a system impact
18 study filed with a 10-year plan; however, many
19 utilities don't include it and only provide it under a
20 protective agreement.

21 MEMBER GENTLES: Well, let me ask the
22 question a different way. For a project of this
23 magnitude, when would you expect to see it included in
24 an applicant's 10-year plan?

25 MR. SMITH: Member Gentles, I don't want to

1 speak for the applicant. I don't know whether it
2 should or shouldn't be included with or without a
3 protective agreement, I can't speak to that; however, I
4 would say that typically Staff does like to see these
5 system impact studies prior to going to hearing.
6 Especially for a project of this magnitude, I think it
7 would have been more prudent to have it completed and
8 available to Staff to review prior to the hearing;
9 however, like I mentioned before, it's not uncommon for
10 these studies to not be completed by the time that they
11 go to hearing.

12 MEMBER GENTLES: All right. Let me ask the
13 question a different way one more time, and maybe
14 Mr. Acken can answer. When are projects of this
15 magnitude added to an applicant's 10-year plan? And I
16 guess my question is: Are those 10-year plans public
17 documents by the applicant?

18 MR. ACKEN: So a couple questions therein.
19 The 10-year plan filing for transmission lines, as well
20 as the 90-day plan for generation projects, is a public
21 filing. As far as when additional reports -- or, when
22 they are filed, the 10-year plan has -- is January 31st
23 of every year. The 90-day filing is 90 days before a
24 project is filed for a generation project.

25 It is not uncommon, however, and I have done

1 this myself on several transmission projects, where you
2 don't know that you're going to bring a transmission
3 project before the Committee on January 31st, and so we
4 file -- and I say "we," I'm not speaking on behalf of
5 SRP, I'm speaking on behalf of my other client -- we
6 file 10-year plans throughout the year, but before the
7 CEC filing.

8 And there was a reference to Solar Pepper
9 Power. That's a case I handled. There was no --
10 couple things. I think we did not file that on
11 January 31st because there was no knowledge on
12 January 31st of 2021 that we were going to be bringing
13 that project forward, so that 10-year plan was filed
14 later. And so that's number one.

15 Number two is this distinction between power
16 flow and system impact study. It's important to
17 remember that the power flow and stability analysis is
18 what is referred to in statute, not the system impact
19 study. The power flow and stability analysis, it is my
20 consistent recommendation to my clients -- and again,
21 not just SRP, but others -- as Mr. Smith testified, we
22 do not provide that in the public docket. And the
23 reason we don't provide that in the public docket is
24 because it contains Critical Energy/Electric
25 Infrastructure Information, CEII, that is considered

1 confidential.

2 So as a standard practice for my clients, not
3 limited to SRP, we do not provide the power flow and
4 stability analysis in the 10-year plan filing or a
5 90-day filing. Instead, my clients do exactly what SRP
6 did here, which is say, those studies have been done.
7 We will make those studies available on request to
8 Staff pursuant to a confidentiality agreement.

9 SRP has a preexisting confidentiality
10 agreement with Staff as it relates to 10-year plan
11 filings. So SRP can then submit that information to
12 Staff under a preexisting confidentiality agreement,
13 and it does. And so I will attest, and I'll put a
14 witness on if the Committee or others want, that the
15 most recent 10-year plan absolutely included this
16 project, the power flow and stability analysis for this
17 project, but that was provided to Staff confidentially,
18 and that's my common practice.

19 The issue in the 90-day filing is we don't
20 have a mechanism to do that. We don't have a standing
21 confidentiality agreement with Staff. We spoke with
22 Staff, I think, before we filed the 90-day filing about
23 doing so, and Staff -- and I won't put words in their
24 mouth, but their preference was let's not do a
25 confidentiality agreement in this proceeding. You have

1 the 10-year plan filing, they get the information they
2 want -- that they need to make their evaluation in the
3 10-year filing.

4 And so there's been some confusion in this
5 case because Staff has also liked to see the system
6 impact study, which is supplementary too, not required
7 by the statutory reference. And as Mr. Smith
8 testified, that is not easy to do. There is a long
9 queue, and SRP can't wave a magic wand and move its own
10 projects to the front of the line. It has to go in
11 order of projects in the queue. You saw the testimony
12 from the Sierra Club witness where he showed all the
13 projects in the queue. Those are projects that have to
14 get system impact studies, and that was a long list.

15 And so every utility -- this isn't unique to
16 SRP. I can tell you, working with the other utilities,
17 you wait a long time for a system impact study. And as
18 you recall in Solar Pepper Power, that was an entity
19 that was interconnecting with both APS and TEP and did
20 not have system impact studies at the time of the
21 hearing because they just take time and they have to be
22 done in order. Utilities cannot take a system impact
23 study out of order, and so that's why sometimes you
24 don't have a system impact study. But what you do have
25 or what Staff has access --

1 MR. RICH: Mr. Chairman, if I could --

2 MR. ACKEN: No. No. I'm answering the
3 question.

4 But what I --

5 MR. RICH: Can I cross-examine Mr. Acken
6 after this?

7 MR. ACKEN: Sure.

8 The question directed to me was: What access
9 does Staff have? And Staff has the power flow and
10 stability analyses that are provided pursuant to a
11 protective agreement.

12 CHMN. KATZ: The question that I have,
13 though: Is the system impact study something that is
14 reviewed and received by the Corporation Commission
15 prior to granting the authority to begin construction
16 on a project such as this?

17 MR. SMITH: Mr. Chairman, I believe -- I can
18 appreciate the question. You know, I think that's
19 something that the Committee perhaps could consider;
20 however, I would just -- like I said before, having a
21 system impact study not completed is not uncommon. And
22 like Mr. Acken just said, there's a -- there's
23 typically like a large generator interconnect process
24 and queue that happens with each of the utilities, and
25 those projects are placed in line and reviewed in

1 order. If the queue is largely backed up, then perhaps
2 there's a reason that the study wasn't completed;
3 however, we were provided preliminary data from the
4 study and we felt comfortable with it.

5 CHMN. KATZ: Thank you.

6 And Mr. Acken, Mr. Smith indicated that the
7 10-year plan did include a power flow and stability
8 analysis, but do you believe that it is current?

9 MR. ACKEN: It is, and I can put on a witness
10 to testify to that, that it includes this project.

11 CHMN. KATZ: I don't think we need to hear
12 any more witnesses.

13 MEMBER GENTLES: Mr. Chairman.

14 CHMN. KATZ: Yes, Mr. Gentles. Go ahead.

15 MEMBER GENTLES: I think my coffee is kicking
16 in, so my apologies for the extended questions. But
17 this is really useful information for me to have a
18 better understanding of how some of the process works
19 and where, in my mind, I have some gaps to fill.

20 And one of those gaps is -- maybe, Mr. Acken,
21 could you give us a 30-second understanding of why a
22 10-year plan is filed? And then I have a follow-up
23 question.

24 MR. ACKEN: Asking a lawyer to give a
25 30-second answer -- I'll do my best.

1 The short answer is why a 10-year plan is
2 filed is because there's a statutory requirement to do
3 so.

4 MEMBER GENTLES: All right. And so when a
5 project is acquired or -- well, let me ask you, when
6 does a project get onto the 10-year plan? What I'm
7 getting at is, just so you can hopefully cut to the
8 chase, I'm just trying to understand when this project
9 would have been placed on SRP's 10-year plan after its
10 acquisition back in 2019. Was it done after that?
11 Sounds like it wasn't placed on the 10-year plan until
12 just this last January, it appears, or was it added to
13 the plan prior to that?

14 MR. ACKEN: Yeah, let me see if I can clarify
15 quickly. A 10-year plan addresses future transmission
16 lines, future projects. So there's no need to put this
17 project, the existing project, in a 10-year plan in
18 2019 when SRP acquired. The 10-year plan deals with
19 future projected projects. The 10-year plan also
20 focuses on transmission lines, okay. And so --

21 Let me see if I remember the second part of
22 your question. A generator project would not
23 necessarily, in and of itself, be done at the same
24 time. But what's important to remember here, if you
25 look at SRP-9, is that work was done. The power flow

1 and stability analysis report was done at the time of
2 the 90-day filing, and SRP said it would make it
3 available upon request.

4 So it was timely done, met statutory
5 requirements. And I will point out, those statutory
6 requirements further allow an applicant such as SRP to
7 provide -- to claim confidentiality to protect Critical
8 Energy Infrastructure.

9 CHMN. KATZ: And Mr. Smith, you heard what
10 Mr. Acken just indicated. Do you agree substantively
11 with what he has stated?

12 MR. SMITH: Yes. I would just add that the
13 statute says, for 10-year plans, that any entity
14 contemplating building transmission lines in the next
15 10 years is to file a 10-year plan.

16 So typically -- you know, I understand, and
17 this is coming from Staff's point of view, Mr. Acken
18 mentioned that there might be utilities that come in
19 and they don't know that they're going to build a
20 transmission line, and therefore file their 10-year
21 plan late because they have a need for a CEC; however,
22 the statute specifically says any entity contemplating
23 the building of a transmission line. So that's where,
24 you know, we typically would like to see that filing.

25 CHMN. KATZ: Thank you.

1 Any other questions or comments from the
2 Committee?

3 MEMBER BRANUM: Mr. Chairman, this is Member
4 Branum.

5 CHMN. KATZ: Yes, Mr. Branum.

6 MEMBER BRANUM: I'd like Mr. Smith or
7 Mr. Acken to confirm my understanding of the 10-year
8 plan filings. I'll summarize the statutory requirement
9 and the Commission's Biennial Transmission Assessment.
10 I think to Member Gentles' questions, this might
11 clarify the record a little bit.

12 So, Mr. Smith, if you could confirm, or
13 Mr. Acken. I think this has been said, but basically
14 anyone who is in the business of building transmission
15 lines has to file a plan with the Commission if they're
16 planning on doing so within a 10-year period. Those
17 plans require a certain standard list of information to
18 be included, which is the power flow information, which
19 I think has been the majority of this conversation.

20 The Commission, then, every two years,
21 reviews all of those plans and puts together an
22 assessment and issues a written decision on the
23 existing and planned transmission system in the state
24 of Arizona. Typically, within that Biennial
25 Transmission Assessment, the Staff of the Corporation

1 Commission will summarize for the Commission and the
2 public pending large generation projects.

3 For example, historically, the Staff has
4 discussed TEP's reciprocating internal combustion
5 engine project that came before the Committee at some
6 point a couple years ago. So it would not be uncommon
7 for, I think, an outlier to see, in a future BTA, the
8 Coolidge Expansion Project discussed.

9 And I think what typically has happened --
10 before I was a Member of the Committee, I was involved
11 in reviewing some of these CECs and responding to the
12 Chairman's request to comment on these projects. What
13 I understand the process to be, and Mr. Smith can
14 correct me if I'm wrong, if it's evolved, is that the
15 Staff will review the most recent BTA and get an
16 understanding of the lay of the land, if you will, of
17 transmission and generation projects. They will then
18 ask the applicant for any study results that can speak
19 to the impact of the proposed project, whether it be a
20 transmission line or a power plant, on the impact to
21 the grid, what that impact is, so that the Staff can be
22 responsive to the Chairman of the Line Siting
23 Committee's request. There are usually, as you know,
24 Chairman, two questions in there about the ability to
25 improve or affect the delivery of power in the state of

1 Arizona, and then also reliability.

2 So I wanted to put that in the record just so
3 it's very clear the process. But also, something that
4 I missed -- and I was late this morning, so I apologize
5 if Mr. Smith has addressed this, but I'll ask it one
6 more time. Did Staff issue a data request to Salt
7 River Project in this matter asking for a system impact
8 study? And if you did, did you receive it? Thank you.

9 MR. SMITH: Member Branum, just to go back to
10 your first part of your statement, I think what you
11 said is correct. And that's why, you know, previously
12 in my testimony I said that Staff hasn't analyzed the
13 current 10-year filing, because that assessment is
14 ongoing, and Staff has not yet rendered a decision in
15 that matter -- or, I should say, the Commission hasn't
16 rendered a decision in that matter, as well as -- what
17 was mentioned previously is under that filing, that's
18 where Staff has that current protective agreement with
19 SRP and is able to gather the appropriate studies to
20 review.

21 And to answer your last question, yes, we did
22 issue a data request to Salt River Project asking for
23 that system impact study, and we were told that those
24 studies were not yet completed and they were expected
25 to be completed in quarter one of 2022. And therefore,

1 that's why, in our recommendation to the Chairman, that
2 we recommended that sufficient time be allocated during
3 the hearing to discuss any potential impacts.

4 MEMBER BRANUM: Thank you. I appreciate your
5 response.

6 CHMN. KATZ: And just for the record, I think
7 everybody here knows the fact that Mr. Branum is the
8 representative on our Committee designated by the
9 Chairman of the Arizona Corporation Commission.

10 Any further questions?

11 MEMBER LITTLE: Mr. Chairman, I have one last
12 question.

13 CHMN. KATZ: Sure. Absolutely.

14 MEMBER LITTLE: I think it's my last
15 question. And probably for Mr. Acken; maybe also for
16 Mr. Smith.

17 What is your understanding of the difference
18 between a system impact study and the power flow and
19 stability analysis? The power flow tells us where the
20 power flows and if there are going to be overloaded
21 components on the system. A stability study talks
22 about how stable the system will be under normal and
23 emergency conditions. What is a system impact study?

24 CHMN. KATZ: What I'd like to do is have that
25 answered by Mr. Smith, rather than having one of the

1 lawyers trying to explain it.

2 MR. SMITH: Sure. Member Little, I think
3 that's a great question. Your -- I believe the power
4 flow analysis was correct as you stated, where the
5 power flow analysis can determine voltages along
6 certain line under load conditions, real and reactive
7 power flows.

8 I think the system impact study, in our view,
9 is a bit beyond just a simple analysis of looking at
10 potential loss of generators under peak load
11 conditions, how does the generator operate, and the
12 overall system impacts with other generators in the
13 area, as well as the affected substation.

14 So I think the power flow is a component of
15 an overall system impact.

16 MEMBER LITTLE: Thank you.

17 CHMN. KATZ: Any other questions from Members
18 of the Committee for Mr. Smith?

19 (No response.)

20 CHMN. KATZ: Anything further from any of the
21 parties directed to Mr. Smith?

22 MR. RICH: Mr. Chairman, I have a couple of
23 additional questions.

24 CHMN. KATZ: Sure.

25 MR. RICH: Thank you.

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REXCROSS-EXAMINATION

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BY MR. RICH:

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Q. Mr. Smith, I just want to make sure that I understand this clearly. The power flow and stability analysis report that you, I believe, testified was included in a 10-year plan, when was -- when was that 10-year plan filed?

9

10

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A. I couldn't tell you off the top of my head. I think that's a better question for SRP. I don't know the exact date of the filing.

12

13

14

Q. And I didn't -- I guess I don't need the specific date. Was it filed prior to the application in this project, to your knowledge?

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A. I'm not sure.

18

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Q. Do you know if it was filed before the 90-day plan was filed in this docket?

A. Again, I think that's a better question for SRP. I couldn't tell you the exact dates.

Q. Okay. And then to your knowledge, was there a -- was there a power flow and stability analysis report submitted along with the 90-day plan?

23

24

25

A. That power flow analysis, I believe, was given to Staff under a confidential -- or, protective agreement that we have with SRP. However, we asked for

1 an updated power flow analysis and an overall system
2 impact study, and we were told that those would be
3 completed in quarter one '22. And maybe a
4 misunderstanding between Staff and SRP is we felt that
5 that perhaps meant that there was updated studies for
6 both coming.

7 Q. The statute in 40-360.02 talks about 10-year
8 plans and it talks about the 90-day plans, right?

9 A. Subject to check, yes.

10 Q. And it requires, under Subsection (C)(7),
11 that the power flow and stability analysis reports
12 shall -- shall be provided in both the 90-day plans and
13 the 10-year plans, correct?

14 A. Yes.

15 Q. Okay. And so I just -- I want to be clear
16 here. Was the power flow and stability analysis report
17 that you review provided as part of the 90-day plan in
18 this docket?

19 A. I believe Staff had to request that under the
20 protective agreement with SRP in order to have access
21 to that.

22 Q. And did you get access to that?

23 A. I believe we were provided the power flow.
24 However, in addition, like I mentioned before, we had
25 asked, please provide us with the most up-to-date

1 studies, as well as the system impact studies, and we
2 were told that those would be completed in quarter one
3 2022.

4 Q. And you're back to saying, "I believe we were
5 provided." Do you know if you were provided?

6 A. I couldn't tell you the exact date of when we
7 were provided that document.

8 Q. I didn't ask the date. I just want to know
9 if you know you were provided or do you believe you
10 were provided?

11 A. Yes, I believe we were provided; however,
12 like I said before, I can't -- I can't testify --
13 because I didn't produce the document, I can't testify
14 that that is the most current up-to-date. I think
15 that's a better question for SRP.

16 Q. Okay. And I'm sorry to -- I don't think
17 you're answering the question that I'm asking. And I'm
18 asking, do you know --

19 MR. EMEDI: Mr. Chairman, I'm going to object
20 at this point. I think Mr. Smith has explained
21 sufficiently what documents, what information he
22 reviewed in the context of this docket, which
23 ultimately resulted in the letter that Staff docketed
24 only January 12th. So I don't know that this line of
25 questioning is a good use of our time at this point.

1 MR. RICH: Mr. Chairman, I'm just asking him
2 to tell me if he knows or if he just believes that he
3 received it. I keep asking him to confirm if he knows
4 it, and he says, yes, I believe I saw it. I'd
5 appreciate him answering that question.

6 MR. SMITH: I believe Staff was provided it
7 under a protective agreement with SRP.

8 MR. RICH: I guess, Mr. Chairman, can you
9 direct him to answer the question?

10 CHMN. KATZ: I think he's in a position where
11 he can't say with certainty because he hasn't seen it,
12 is that correct?

13 MR. SMITH: We did review a power flow;
14 however, like I've said before, we've asked for the
15 most up-to-date studies in a data request to SRP. We
16 were told -- Staff was told that those studies would
17 not be yet completed until quarter one 2022. Like I
18 mentioned before, it's not uncommon for these studies
19 to be modified, and therefore that's why we don't rely
20 on the 10-year plan filings for any potential studies,
21 because we want to see has the project changed and are
22 there any new information.

23 So the best I can do for Mr. Rich is to say
24 that I believe Staff was provided these; however, I
25 can't testify -- that's a better question for SRP to

1 say, yes, the plan that we provided to Staff is the
2 most up-to-date filing.

3 CHMN. KATZ: I don't think the witness can go
4 beyond what he's just indicated. He doesn't have
5 personal knowledge.

6 MR. RICH: That's what I hear too, so thank
7 you. I appreciate it, and sorry about the lack of
8 clarity there.

9 CHMN. KATZ: That's okay.

10 MR. STAFFORD: Mr. Chairman, if I could ask a
11 couple quick questions.

12 CHMN. KATZ: Yes.

13

14 CROSS-EXAMINATION

15 BY MR. STAFFORD:

16 Q. Mr. Smith, the updated system impact study,
17 that's supposed to be completed in the first quarter of
18 this year, correct?

19 A. We were told that the system impact study
20 would be completed in quarter one 2022.

21 Q. Okay. Will the Commission receive and review
22 that before it considers the Committee's decision on
23 this CEC?

24 A. I can't speak for the Commissioners;
25 ultimately, they're the ones that make the decision on

1 the CECs. And ultimately, the Committee makes the
2 recommendation to the Commissioners.

3 Staff's participation in this is limited to
4 providing the potential impacts from our analysis. I
5 can't say whether or not a system impact study should
6 be included as a condition of a CEC, no.

7 I would just indicate that the Committee
8 previously heard a case that didn't include a system
9 impact study, and I believe that that case, subject to
10 check, I believe was approved at the Commission's Open
11 Meeting.

12 Q. Okay. So the Commission could very well make
13 a decision on this CEC before Staff at the Commission
14 ever reviews the updated system impact study?

15 A. As indicated, the system impact study is not
16 a requirement -- statutory requirement for it. And the
17 Commissioners are free to accept, reject, modify the
18 Committee's recommendation and any recommendations that
19 Staff would make. They are free to decide what they
20 want.

21 Q. So that's a yes?

22 A. What was your question?

23 Q. So the Commission could make a decision on
24 the CEC without the benefit of Staff's analysis of the
25 latest system impact study?

1 A. Again, Staff's analysis is requested by the
2 Chairman, not the Commissioners. So Staff's letter to
3 the Chairman was --

4 Q. It's a yes or no question.

5 A. But the way you phrase it is to the
6 Commission's benefit for Staff's analysis. Staff is
7 not required to analyze it in order for the Commission
8 to make a decision. Staff's analysis is requested by
9 the Chairman for the Line Siting Committee. So I don't
10 want to answer a yes or no when you're misrepresenting
11 Staff's participation.

12 Q. I don't believe I'm misrepresenting. I'm
13 asking you a question. I'm saying, SRP is preparing a
14 system impact analysis that will include the Coolidge
15 expansion, correct?

16 A. Correct.

17 Q. That analysis is expected to be completed the
18 first quarter of 2022, correct?

19 A. Correct.

20 Q. This Committee and the Commission are fully
21 -- they are able and it's possible that they will make
22 their decision on whether to grant this CEC for the CEP
23 before they see the results -- before they see that
24 study and before Staff does its analysis of that study?

25 A. There's no requirement for the Committee nor

1 Staff to review the system impact study. That's
2 something we request to answer the Chairman's question,
3 but it's not a requirement.

4 Q. So the answer is yes?

5 A. The answer to your question --

6 MR. EMEDI: Objection, asked and answered.

7 MR. STAFFORD: He didn't answer it. That's
8 a yes or no question; he doesn't give a yes or no
9 answer.

10 CHMN. KATZ: Bottom line, it's my
11 understanding that we can act and the Commission can
12 act without the receipt of that information. But
13 whether or not this Committee grants or denies the CEC,
14 the Corporation Commission can exercise its own
15 independent discretion and can either act without that
16 updated report or can delay acting until they receive
17 the data and information that the majority of the
18 Corporation Commission feels is necessary. Is that
19 essentially correct, Mr. Smith?

20 MR. SMITH: Yes, Mr. Chairman.

21 MR. STAFFORD: Thank you, Chairman. So the
22 answer to my question is yes. Thank you. Appreciate
23 it.

24 CHMN. KATZ: Mr. Acken.

25 MR. ACKEN: I hesitate to ask more questions,

1 but I'm going to try and keep it simple.

2

3

RECROSS-EXAMINATION

4 BY MR. ACKEN:

5 Q. In Staff's opinion, is this project a
6 reliable one based on the information you have reviewed
7 to date?

8 A. Yes.

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

10 CHMN. KATZ: I think we're going to call it a
11 day with respect to our testimony.

12 And what I'd like to do is begin, at least,
13 with the closing arguments of each of the parties in
14 the same order that you presented matters to us today,
15 unless you, between yourselves, agree to a different
16 sequence.

17 MR. ACKEN: I'm prepared to go forward, and I
18 suspect the Committee is ready for us to get going.

19 CHMN. KATZ: Anything else from the
20 Committee? I don't want to ignore you before we hear
21 closing arguments.

22 (No response.)

23 CHMN. KATZ: Okay. Please go ahead,
24 Mr. Acken.

25 MR. ACKEN: I will try to keep this short;

1 again, as short as a lawyer can.

2 We thank you for your time and consideration
3 in this matter. While it is contested, no party
4 challenges the need for more power given the rapid and
5 unprecedented growth in SRP's territory.

6 WRA raised concerns about climate change, but
7 its witness acknowledged that even with this project
8 SRP will be on base to significantly reduce carbon
9 emissions from a 2005 baseline. In fact, the CEP
10 portfolio analysis shows that it would reduce emissions
11 to a third of what they are today, even with -- even
12 with SRP's unprecedented load growth, as this project
13 will help SRP integrate 9,000 megawatts of renewables
14 into its system by 2035.

15 And if I could show Slide 120. Have I got my
16 numbers correct? Thank you.

17 And we spent a lot of noise yesterday on a
18 variation of Slide 110, excuse me, from SRP-2. But the
19 bottom line, the point of this slide, is to show carbon
20 emissions under the Coolidge expansion portfolio as
21 compared to an alternative portfolio that includes
22 batteries but not the CEP. Both of them include
23 9,000 megawatts of renewables. So this case isn't
24 about renewables; it's about batteries at a more rapid
25 pace versus the expansion project.

1 As you see on this slide, in 2035 the
2 alternative analysis, which SRP retained E3 to conduct,
3 shows that it would result in only a negligible
4 additional decrease in carbon emissions.

5 Sierra Club asks you to second-guess SRP's
6 resource planning decisions, but of course, that's not
7 the Committee or Commission's role. And even were you
8 inclined to do so, the evidence shows that SRP's
9 analysis was thoughtful and thorough. SRP is investing
10 in batteries in a significant and prudent fashion. As
11 shown on Slide 51 from SRP-2, 450 megawatts by 2023.
12 And you heard the numbers, what they are currently.
13 450 megawatts by 2023 is a massive investment in
14 batteries.

15 But SRP still needs to be prudent, and
16 prudence is smart when your customers rely on you for
17 reliable energy. As WRA's witness testified,
18 batteries, despite their promise, are still in their
19 infancy.

20 And as Sierra Club's own technical expert
21 testified, plants such as the proposed project operate
22 infrequently. So at the end of the day, Sierra Club is
23 asking you to deny this project even though doing so
24 will have no material effect on carbon emissions, as
25 shown on Slide 110.

1 I respectfully submit that's not the battle
2 we should be having. We should all be working
3 collaboratively and pragmatically towards our shared
4 goal of a reliable and sustainable future, a goal which
5 this project will help SRP achieve. SRP's
6 comprehensive "and" strategy, shown on the left, to
7 meet reliability needs and increase renewables is a
8 great thing, and the Coolidge expansion will help SRP
9 achieve those goals.

10 Sierra Club also raises concerns regarding
11 water and air quality, but the evidence regarding water
12 is that the project is going to rely on stored surface
13 water and will actually reduce existing water use on
14 the property.

15 With respect to health and air quality, the
16 Sierra Club has presented nothing but a crude screening
17 tool, what EPA calls a crude screening tool, in attempt
18 to rebut SRP's robust air quality dispersion modeling
19 that shows this project will comply with all applicable
20 air quality standards, standards that EPA establishes
21 with the support of EPA's cadre of experts to be
22 protective of human health and the environment. And
23 again, challenging the air permit in this proceeding is
24 the wrong forum.

25 So that brings me to Randolph. SRP

1 recognizes Randolph's proud history and the challenges
2 it faces today. That's inarguable, and we all agree
3 with it. And that is why SRP has committed to a
4 number of measures to improve the quality of life for
5 Randolph residents. As we testified, those measures
6 include paving, visual screening, vegetative screening,
7 community landscaping, supporting the historical
8 designation for the community of Randolph, and job
9 training and scholarship opportunities.

10 SRP has a long-standing record of developing
11 partnerships and working collaboratively with its
12 neighbors. The community working group will help
13 facilitate community improvements and also bring
14 together the key stakeholders, Randolph, Pinal County,
15 and Coolidge. All of those need to be speaking
16 together to help give Randolph the voice it deserves.

17 And at the end of the day, when we go back to
18 the Committee's charge on environmental compatibility,
19 we left that discussion, but the testimony shows that
20 this project is environmentally compatible. And in
21 addition to being environmentally compatible and
22 consistent with projects previously approved by this
23 Commission, it is critically needed to reliably,
24 economically, and sustainably serve SRP's unprecedented
25 growth and integrate the many thousands of megawatts of

1 intermittent renewable that SRP will be bringing online
2 in the coming years. We hope you agree.

3 I thank you for your attention. This has
4 been one of the more contentious hearings we've had in
5 a while, and it's been a long one. We thank you for
6 your time and consideration.

7 CHMN. KATZ: Thank you very much.

8 Mr. Rich.

9 MR. RICH: Thank you, Mr. Chairman and
10 members of the Committee. First of all, thank you so
11 much for your time. I know, I think, we're on day
12 eight, and I know you all have other things that you
13 can do with your time rather than be here, and I
14 certainly want to thank you for your attention and
15 putting up with me and the rest of us over here during
16 the last week and a half and just thank you for your
17 service to the state for doing this.

18 I think that through this process we've
19 uncovered a number of issues, and I think the thing
20 that stuck out to me, first and foremost, is the use of
21 questionable data. And what SRP has been presenting to
22 us and to you has oftentimes been shown to be, I'll
23 call it questionable, but I'll take you through a few
24 of them.

25 First of all, I'm dumbfounded that SRP just

1 put up that Slide 110 again today, when their own
2 witness testified yesterday that she's since done
3 recalculations and knows that those numbers are not
4 accurate. That, to me, is --

5 MR. ACKEN: Objection. Objection, misstates
6 the testimony. I've never had to --

7 CHMN. KATZ: Hold on.

8 MR. ACKEN: I've never had to do this in a
9 closing, but that's not what the slide I showed --

10 MR. RICH: That's literally what she said.

11 MR. ACKEN: Not at all.

12 CHMN. KATZ: Hold on. I will allow the
13 argument to go forward. You'll get a chance for some
14 rebuttal. And I think we can, as a Committee, decide
15 what is in evidence and what is not, but I think that
16 each party has the right to try to interpret the
17 testimony that has been given.

18 Go ahead.

19 MR. RICH: Thank you. Thank you. That's a
20 good one. We'll have to remember that, objection
21 during closing arguments.

22 CHMN. KATZ: Just go ahead.

23 MR. ACKEN: We'll recall her and see what
24 happens.

25 CHMN. KATZ: Gentlemen. Gentlemen, stop it.

1 MR. RICH: So yesterday -- let me go back to
2 where I was. Yesterday on the stand the witness
3 testified that that Slide 110, which they're showing
4 again, purported to show a 74 percent reduction in
5 carbon mass, but she testified that, in fact, she had
6 recalculated that number based on new load forecasts
7 that had not been presented even to their own Board
8 yet. And so I'm, again, dumbfounded that they would
9 provide and continue to show us numbers that are
10 inaccurate, that they know that they've since
11 recalculated.

12 In addition, I think it's curious that it
13 came out yesterday that just over the last six months
14 or so the numbers that underlie this --

15 And I don't need this exhibit up during my
16 closing argument. You can take it down. Thank you.

17 -- that the numbers that underlie this slide
18 have fluctuated wildly from a 35 percent reduction in a
19 calculation that the evidence suggested was done last
20 May or June to a 75 percent reduction in this slide to
21 a new in-the-mid-60s reduction that no one knows the
22 particular details of. So I just -- I find that
23 extremely interesting and questionable. And if we
24 can't rely on the data that we're being provided, I
25 wonder what else we can't rely on.

1 There was also a question about their ELCC
2 numbers that they put up and tried to show the
3 Committee. They admitted that their own consultant
4 provided them different ELCC numbers, yet they proposed
5 and put on exhibits in front of this Committee ELCC
6 numbers that differed from what E3, which is a -- we've
7 heard testimony from several folks is a well respected
8 and renowned consultant. So why did they ignore or not
9 use or not show you, this Committee, those numbers, and
10 why did we have to show you those through documents
11 that were originally designated as confidential? I
12 don't know. But, again, I think that the record in
13 this case is clear that there is some questionable and
14 self-serving, yet not supported, numbers that have been
15 floated around.

16 The other thing that's jumped out at me about
17 this proceeding is just the rush that SRP has been in
18 on this project, and apparently the rush for no purpose
19 other than perhaps to rush this through without a
20 thorough investigation. We heard from their own
21 witness that the Board, the Board of SRP that voted --
22 just one vote separated approving and disapproving
23 this, had asked them -- the staff for more time, and
24 the staff didn't give it to them. They asked them for
25 an extra month, and the testimony was that they

1 wouldn't give it to them. Why on earth would that be
2 the case?

3 We heard testimony that there was time for an
4 RFP in this case, even though RFPs are sort of the
5 industry standard. And, in fact, SRP's own IRP, their
6 bible of how to move forward with resource procurement,
7 said they shall do all-source RFPs, and when they do
8 those, they shall consider other options like batteries
9 and storage and solar and other options. Yet, they
10 didn't do it, even though they said they had time to do
11 that. Why is that? It's just very -- it's very
12 strange.

13 Their witness that came in here to tell you
14 that there will be no visual -- negative visual impacts
15 about -- as a result of this project told us that he
16 had never even been to the site at night. And we saw
17 those pictures; there are dramatic amounts of lights on
18 the existing site, and there will be even more. I
19 mean, it looks like a city, we were told by the
20 neighbors, when you look out there, and we're talking
21 about more than doubling it.

22 The same expert testified that there won't be
23 a noise impact, but also testified that he'd never been
24 out there when the current 12 jet engines are on at the
25 site. I don't think anyone -- I don't know if

1 anyone -- when the Committee went out there, the jet
2 engines weren't firing. We heard from one of the
3 neighbors that, you know, he can hear a hum from just
4 the 12 of them across the street and that it's
5 disturbing. And certainly the addition of 16 jet
6 engines across the street, across the way from this
7 facility, is no doubt -- within a thousand feet of
8 homes is going to have a dramatic impact. How can we
9 rely on statements of, you know, no impact from people
10 that haven't viewed or listened to the very impacts
11 that they're trying to comment on?

12 Now, the reality is, there are going to be
13 hundreds of millions of dollars of health impacts from
14 this project. Now, SRP made a big deal about it, and
15 it's correct, we don't know the exact dollar amount
16 using the COBRA model, but we do know that there is
17 going to be an amount and it's going to be substantial.

18 These pollutants cause real health impacts,
19 and that's really important. There's the health of the
20 earth, and we heard a lot of testimony about that, but
21 there's also human health, and I ask you to keep that
22 in mind. Because there is going to be real pollution,
23 and that real pollution is going to be being spewed
24 right across the street from the historically black
25 community of Randolph and right down -- within a half

1 mile of the home for disabled adults from the Arizona
2 state, and that's really important.

3 So then also, we heard about water issues.
4 SRP would like to simply just ignore that, but there
5 are alternative forms of generation that don't use
6 water. And so while this may not use as much as
7 others, there are opportunities to use no water in
8 generation.

9 Look, this isn't 1982. This isn't 1992.
10 This isn't even 2002. You have options. SRP has
11 options, and they didn't consider them. They didn't do
12 an RFP. Their own consultant, E3, told them that, in
13 fact, they could achieve the same goal with battery
14 storage, 731 megawatts of battery storage. That's less
15 -- that's fewer megawatts of battery storage than
16 megawatts of gas. Think about that. Their own
17 consultant told them they could do that, and yet they
18 came in here and their witness told us something to the
19 effect of they simply have no other options. Well,
20 that just isn't true.

21 And so I'm not asking you, because it's not
22 your authority, to go order them to do a different
23 project. But when you look at the sum of all the parts
24 here, you've got real health impacts, you've got real
25 questionable data, you've got real visual and noise

1 impacts. There are problems, and you can rest assured
2 knowing that there are alternative solutions when you
3 vote to not allow this CEC to move forward. Someone
4 needs to slow this down. Someone needs to step in and
5 make sure the record is complete. Someone needs to
6 make sure that we're getting straight information from
7 the utility before we move forward with this.

8 So I really appreciate, again, all of your
9 time. I know this is a tough issue and a tough
10 decision and you've had to sit through a lot of
11 information, and I appreciate you carefully considering
12 all that as we move forward this morning and ask
13 respectfully that you vote to deny this CEC. Thank
14 you.

15 CHMN. KATZ: Mr. Stafford.

16 MR. STAFFORD: Thank you, Mr. Chairman,
17 Members of the Committee. Western Resource Advocates
18 asks that this Committee deny SRP's application for the
19 CEC. The evidence is incontrovertible that
20 human-caused greenhouse gas emissions have already
21 warmed the planet by about 1.1 degrees Celsius from
22 preindustrial levels.

23 The Intergovernmental Panel on Climate Change
24 states that to keep to a 1-and-a-half-degrees-Celsius
25 increase in global temperature, the level of global

1 warming above which could trigger catastrophic
2 irreversible consequences, economy-wide carbon dioxide
3 emissions must be net zero by 2050, and that unless
4 carbon dioxide and other greenhouse gases are
5 significantly reduced now, global temperatures will
6 likely rise by 2 degrees or more by mid-century.

7 We can't put off reducing carbon emissions.
8 The IPCC says that we need to reduce carbon emissions
9 by 45 percent on a mass basis economy-wide by 2030, not
10 just the electric sector, but also the agricultural,
11 building, industrial, and transportation sectors. The
12 electric sector needs to decarbonize faster in order to
13 support the decarbonization of these other sectors.

14 The Coolidge Expansion Project will emit over
15 half a million tons of carbon dioxide per year. The
16 people in Randolph, Coolidge, and Pinal County will
17 suffer the consequences of these increased emissions.
18 It's going to get hotter here. There will be more
19 heat-related deaths. The megadrought we are currently
20 experiencing will get worse. The people who live in
21 this area are going to have to run their
22 air-conditioning more to survive. Burning more gas to
23 power the air-conditioning increases the amount of
24 carbon dioxide dumped into the air, making the planet
25 warmer and increasing the need for more

1 air-conditioning. The first step in getting out of the
2 hole is to put down the shovel.

3 The multiple changes to SRP's estimation of
4 its reduction to the mass of its carbon emissions
5 highlights the problem of SRP having a carbon intensity
6 goal instead of a mass-based goal. A 60-something
7 percent reduction to mass by 2035 is better than
8 35 percent reduction, but not as good as a 75 percent
9 reduction; however, none of these reductions are enough
10 to mitigate the climate crisis. To do that, the
11 electric sector, including SRP, needs to reduce its
12 emissions by 80 percent on a mass basis by 2030 and to
13 zero by 2050.

14 In making its decision to approve or deny an
15 application for a CEC, A.R.S. 40-360.06(A)(6) requires
16 this Committee to consider the total environment of the
17 area. This must include considering the realities of
18 climate change and its effects on the area around the
19 plant and the people living there. This Committee
20 should deny SRP's application. Thank you.

21 CHMN. KATZ: Thank you.

22 Ms. Post.

23 MS. POST: Yes. I want to focus on some of
24 the testimony that you've heard and its particular
25 relationship to the factors that you have to consider

1 under the law.

2 Now, if you think back to Melvin Moore's
3 testimony, it was notable for four particular things.
4 As a deputy sheriff for 26 years, he drove all around
5 Pinal County, but no other town was surrounded by
6 industry and polluting industry the way Randolph was.

7 He was the unofficial mayor of Randolph for
8 30 years, but he was never consulted by SRP. He
9 testified he didn't even get any notice of the
10 expansion. So while SRP talked about their robust
11 community engagement, I would argue that the residents
12 did not see any robust community engagement, nor have
13 they since SRP bought that plant in 2019.

14 Now, if you remember, it was very emotional
15 when he told about being seven years old and that he
16 wasn't good enough to get a root beer float. This is
17 the kind of stress that Dr. Grineski talked about that
18 black people carry throughout their lives and why they
19 carry that, and that this makes them more vulnerable to
20 these pollutants and to the health harm that it causes.

21 And his particular closing statement was very
22 telling in that he said, I served my country, I served
23 my community, and I should have a say about what goes
24 on in my community.

25 Now, Ron Jordan, his testimony was also very

1 emotional when he talked about he had to be here
2 because his brother could not due to his own health
3 problems. And he's trying to retire from two full-time
4 jobs, so he didn't want to be here, but he had to be
5 because he had to do his duty. And again, he talked
6 about how his geometry teacher would not give him any
7 help when he was trying to take precollege courses.
8 This is the stress they carry and have carried for
9 centuries.

10 Now, Ron was very definite about the problems
11 that they have in the town, the noise, the lights, the
12 dust, the road damage, the loss of scenic view, the
13 fear of an explosion, the fear of a contaminated water
14 aquifer. These are the things that Dr. Collins and
15 Dr. Grineski testified about, the harm of the noise and
16 the lights.

17 He also said that he only got his notice in
18 Casa Grande, he didn't get any notice in Randolph, so
19 he did not feel like there was any robust community
20 involvement either. But when he did go to those
21 hearings and when he did testify, what was he told?
22 How it was going to work.

23 Now, recall that they filed their 90-day
24 prehearing on September 14th. The first meeting in
25 Randolph was the end of October. The residents felt

1 like this was a fait accompli. There was nothing they
2 could do. And as Melvin testified, 50 years they've
3 been fighting these things, 20 or 30 different
4 campaigns, lost them all. They don't have trust or
5 faith that the system works for them.

6 Now, Ron testified that the residents don't
7 get the jobs there. He also testified about the loss
8 of his property. And remember, SRP didn't even do an
9 investigation of the property loss. And later when we
10 talk about things, conditions, I want to look at the
11 fact that in Gilbert and San Tan the residents
12 complained about the loss of property value and SRP
13 took steps. Here, they didn't even listen to that.

14 Now, the whole issue of the preservation of
15 historic communities. Adrienne Hollis talked about how
16 important it is and that sort of thing. And so it's
17 been taken judicial notice that it is a residential --
18 a historic community, but I want to point out one thing
19 we haven't really actually covered yet, and that is
20 that in Exhibit 6 of WRA it talks about Arizona as a
21 leading producer and that cotton is one of the
22 historical key drivers of our economy. Today, and
23 Mr. Palmer will know this, it's 400 to \$500 million per
24 year added to the economy. Now, remember, the
25 historical basis of this town was they were cotton

1 pickers. They built that industry and got no
2 recognition. And if we destroy Randolph, they never
3 will.

4 Now, Mark Stapp is the real estate economist,
5 and he testified that the land values that are already
6 devalued by previous decisions will go down even
7 further. The use and enjoyment of the property will be
8 devalued as well by the lights and the noise, et
9 cetera. He testified that several areas are slated for
10 development, but not Randolph. And as the last exhibit
11 that we submitted, the plan for 2025 for Coolidge shows
12 Randolph completely in the industrial zone, and that's
13 what they intend to do with it.

14 Now, Stapp testified that the lack of
15 investment in the town by the government and business
16 resulted in these disparate conditions for years,
17 granted, for residents of this primarily black and
18 Hispanic town. But in the opposing towns around, they
19 were scheduled for development, residential
20 development, and they were primarily populated by
21 Caucasians. This is the essence of environmental
22 racism.

23 And then the salt in the wound is that SRP
24 doesn't even supply electricity to them. Now, they
25 bear, and Stapp said this, they bear all the burden,

1 but they don't get any of the benefits.

2 Now, we had a little bit of a discussion
3 about this, that in a grid sometimes where the
4 electricity comes from is not particularly your service
5 area and then it goes everywhere; and that's true
6 enough. And we had a statement that, well, you've got
7 to put the plant somewhere; and that's true too. But
8 they don't put the generating plants in Scottsdale or
9 Paradise Valley or Fountain Hills or Sedona.

10 None of the executive managers live near the
11 plant. None of the people who testified for SRP live
12 near the plant. Where do they put the plants? South
13 Phoenix, where black and Hispanic people live; west
14 Phoenix, where Hispanic people live; and Randolph,
15 where black people live. This is the pattern
16 nationwide that was testified to by Professor Collins
17 and Hollis. And we've all heard of NIMBY, not in my
18 backyard. Well, what that's become is what we call
19 IBBY in black people's backyard, let's put them there.

20 What Randolph needs is infrastructure,
21 investment, and jobs, not this plant. They rejected
22 this, and I put it in quotes, "offer" that was made
23 just before the hearing because they don't want
24 charity. They don't want a food box from the United
25 Way. They want equality and inclusion. They want

1 control over their own destiny, as Melvin Moore made
2 clear. They have pride, and they have every right to
3 it.

4 Now, Professor Collins described what
5 environmental justice is and what environmental racism
6 is, how the research is done, and what it means. And
7 he tied it to this particular application by PM2.5,
8 PM10, and NO2, and he testified, as did others, that
9 blacks suffered disproportionately from this. But he
10 tied it down to Arizona by showing that in these
11 studies of those three pollutants, blacks are
12 disproportionately located near the pollutants and the
13 disparate impact was noticeably large in Arizona.

14 Now, SRP tried to sow some confusion about
15 how research works and whether these studies can be
16 applied on the local level. Well, when a significantly
17 large enough population is used and when it's
18 replicated, especially when it's replicated, these
19 studies can be applied to the population even if that
20 population was not specifically included in the study.

21 But, Dr. Collins pointed out, Randolph was
22 included in the studies, because the data comes from
23 Pinal County, from Arizona, and from the census. So
24 the data would have come -- Randolph would have been
25 included in that data anyway.

1 There was also an argument that Collins was
2 not focused on natural gas, but he was focused on the
3 ambient air. The air doesn't care where the pollution
4 comes from, whether it's natural gas or dust or
5 wherever. It's in the air. And that's the point of
6 what he was testifying about.

7 And he and Dr. Grineski found some recent
8 studies that even very small increases in these
9 pollutants, PM2.5 particularly, in the air can cause
10 negative -- does cause negative harmful effects, and
11 even a recent study in 2022 that small amounts of 2.5
12 are even more harmful than large amounts. There's no
13 safe level for that.

14 Now, he also explained that the definition of
15 environmental injustice, it's complex. It does not
16 have to be intentional, does not have to be neglect,
17 does not have to be malign, doesn't have to mean that
18 SRP set out to do damage to these people. It doesn't
19 have to be that. It can be structural, for example,
20 the change from agriculture to industrial zoning, and
21 it has disparate impacts, which we have certainly shown
22 that it does. Intent is not the issue; outcome is.
23 And we've seen the outcome, and it's not been good for
24 the residents who live there.

25 Now, Grineski and also Hollis talked

1 specifically about particular vulnerabilities of the
2 African Americans to these health issues.

3 And also, I just want to point out this issue
4 we had a discussion about, the NAAQS standard versus
5 the WHO standards. The WHO standards were updated in
6 2021. And SRP asked frequently about, well, doesn't
7 the EPA set these standards to protect health? Well,
8 they try, was what the two witnesses said. They try.
9 But that's why WHO changed the standards, because we
10 have found that the EPA standards and the NAAQS
11 standards do not sufficiently protect public health.
12 So WHO has increased these standards.

13 Now, it is true that -- well, let me --
14 before I get there.

15 So these health hazards that are not
16 protected under the current system that were mentioned,
17 asthma, heart disease, pregnancy, low-weight births,
18 COVID, all of these kinds of things, and then
19 Dr. Grineski testified how stress complicates all of
20 these. It's a cascading effect. And we have to look
21 at the cumulative impact, not just one pollutant one
22 day, but the cumulative whole thing.

23 There was also a bit of confusion at the
24 beginning of Grineski's testimony about that chart and
25 she said she thought the numbers were transposed. She

1 was right, they were transposed. Well, SRP got up and
2 said, well, we have another chart where we did it
3 right. Okay. Good. We like them to do it right. But
4 the point is, they make mistakes. And when they make
5 mistakes, it affects people's lives and can cause
6 death.

7 So the WHO standards -- to go back to that
8 issue, SRP brought up that 99 percent of the world does
9 not meet the SRP (sic) standards, and that's correct.
10 But that should not be an excuse for SRP to not meet
11 the standards. We should ask them to be that good
12 neighbor that they say they are and, in fact, move us
13 away from this precipice.

14 Dr. Stephanie Malin, she talked about the
15 problems of the energy production and the impact that
16 methane will have on greenhouse gases. She also
17 repeated some of the negative health impacts that these
18 people will have.

19 And Dagny Signorelli, she actually worked in
20 Pinal County, so she has specific knowledge of the
21 Pinal County issues and how the air is in
22 nonattainment, with Pinal County being the second
23 highest county in the country for these particulates,
24 and that our high temperatures and wind make it even
25 worse.

1 So what's SRP's answer to all of this? Let's
2 create a working group. That only came about after the
3 expansion was approved by the Board, after the
4 application had been filed, after the 90-day prefiling
5 had been done, after the residents got an attorney, and
6 after they intervened in the case. If they hadn't
7 gotten an attorney, would they have gotten anything?
8 One has to ask that.

9 Now, briefly, I want to look at a few of
10 these other issues that are in the statute, such as the
11 historic issues. There was no consideration of the
12 historic issues by SRP. They looked at railroads,
13 ditches, and roads, not people. They mentioned the
14 Hohokam and the O'odham -- if you look at their
15 application, they mentioned the Hohokam and O'odham,
16 who were gone from the area, but they didn't look at
17 the people standing right in front of them.

18 Now, they used the EPA environmental tool kit
19 for assessing potential allegations of environmental
20 justice, so they knew environmental justice was an
21 issue. But amazingly, they never found anything to
22 concern them about that. We call that greenwashing.

23 Now, Mr. Rich mentioned some of Mr. Petry's
24 cross about the noise issues, and I would just ask you
25 to go back to that testimony and look at that and look

1 in the report. All of his noise calculations were not
2 about the level of noise. They were about the increase
3 in the level of noise.

4 He also testified that it was perceptible and
5 he testified that there was no noise level above the
6 EPA recommended level, and that is not true. If you
7 look back in the application that they filed, and I had
8 him read it into the record, there is -- it does go
9 over the level for construction and it does go over the
10 level for occupation -- for when it's in operation.
11 And the increase is the -- the modeling was only on the
12 increase, not on the noise.

13 So he talked about Chart 12. Now, if you
14 look at Table 12 on Page 16, if you look at that it
15 says it's already loud there. Okay, we can agree to
16 that. It is already loud there.

17 And he says, well, this is barely
18 perceptible. We won't be adding very much. But, any
19 of you who have had a jackhammer Sunday morning, that's
20 pretty perceptible. And we've all been to an airport.
21 And when a jet engine starts up, it's perceptible. We
22 can hear it.

23 And it's just only going to add a little bit.
24 Well, again, the jackhammer is not permanent. That was
25 his excuse, well, it's not permanent. Well, of course

1 construction is not permanent. It gets over in about
2 three years. Well, it's not permanent because the
3 turbines are not going to be on all the time. Well, of
4 course they're not. But when they do come on, it's
5 going to be more than perceptible. And the residents
6 testified that, in fact, this humming bothers them in
7 their sleep, the lights bother them in their sleep, and
8 both of those things are very important for health.

9 The light issues also were based solely on
10 modeling, as Mr. Rich said. He did not go out even at
11 night to even look at it. And I find it very
12 instructive in his report, and he did testify about
13 this, that they looked at the impact it would have on
14 bats, but not the impact it would have on people. I
15 think people are more important. I like bats, but I
16 think people are more important.

17 And his analysis on the historic analysis was
18 pretty interesting. He admitted it had historic value,
19 but said he didn't look at -- he did look at some of
20 the materials provided, but not all of them, and his
21 conclusion was that it would not prevent the town from
22 being listed on the state or national list. That is
23 not the proper benchmark. That is a very minuscule
24 part of what is important about a historic place. And
25 it's good to be on the list, but that is not the only

1 thing to look at, and he didn't look at anything else.

2 One other issue with Petry was he testified
3 there were 11 letters sent out for tribal consultation
4 and he only got three back. That's not a very good
5 response. And he admitted that the two closest tribal
6 nations, Ak-Chin and Gila River, never responded.
7 That's not consultation.

8 And Nicole Horseherder testified in public
9 testimony about the way that SRP treated the indigenous
10 people up north, and I would argue that that shows a
11 pattern and practice of how people of color are
12 ignored.

13 Now, Anne Rickard, she showed her pretty
14 slides about the outreach and community work, but the
15 residents said, no, that has not happened to us. And
16 she admitted that she did not provide any funding to
17 Randolph. They had two and a half years since they
18 bought the plant in 2019, and it didn't happen.
19 Nothing happened until after they intervened. And
20 their robust engagement, again, both testified that
21 that never happened.

22 And Ms. Hallows, I had her read into the
23 record those letters from the residents who were there.
24 Everyone who opposed it was a resident. Everyone who
25 supported it didn't even live there, and they were

1 representing communities, not -- governments or unions
2 and not individual people.

3 So we would argue that under the statute,
4 which is 40-360.06, and the factors that have to be
5 considered under the statute, this application does not
6 meet the legal requirements.

7 Number one, it didn't look at existing plans
8 required under (A)(1). That was Stapp's testimony.

9 They didn't look at the noise emission levels
10 under (A)(3), the Petry testimony on cross-examination,
11 the application, and the residents' testimony.

12 They didn't look at (A)(5), existing historic
13 sites, and that's Hollis, Pollio, and Petry.

14 They didn't look at total environment under
15 (A)(6), which was the projected growth that Stapp
16 talked about and also the increased health hazards that
17 five different witnesses talked about.

18 And they didn't look at any additional
19 factors, and those additional factors are the
20 environmental injustice and environmental racism, which
21 is a violation of the 14th Amendment and civil rights
22 laws.

23 So this is a heartwarming story and a
24 heartbreaking story about the resilience of this
25 community after decades of continual assaults on them.

1 It's left them damaged and their lives devalued, but
2 they have pride and they have gone forward with their
3 lives. They suffer from health issues, air
4 quality issues, noise, light pollution, traffic. They
5 have to worry about accidents and their drinking water.
6 They see the value of their land drop, their historical
7 community destroyed even more, and they don't benefit
8 from any of this. They don't get the jobs. They don't
9 get the tax benefits. They don't get the electricity.
10 So the residents are asking you to give them justice.
11 The plant should not be expanded.

12 If you expand the plant, you still have to
13 balance the factors in 06 in the broad public interest
14 with health and safety concerns. They think they
15 should carry a lot of weight in that balance. They've
16 been carrying this weight for decades, centuries. If
17 you approve the expansion anyway, the residents must
18 receive compensation for their losses, relocation
19 assistance if they choose to leave, infrastructure
20 buildup if they choose to stay, economic development
21 for the community, and amelioration of the harms that
22 this plant will bring to them and their children and
23 their grandchildren and their community. Thank you.

24 CHMN. KATZ: Thank you.

25 Mr. Acken, do you have any --

1 Oh, I'm sorry. Mr. Emedi.

2 MR. EMEDI: That's quite all right. Staff
3 waives closing arguments. Thank you, Mr. Chairman.

4 CHMN. KATZ: Thank you for being here.
5 Appreciate it.

6 MR. ACKEN: Mr. Chairman, so much was said
7 that does not accurately reflect the record, but I
8 trust this Committee, they heard the evidence, they can
9 weigh it for themselves.

10 I have never objected in a closing argument
11 until today. And the reason I did, and if I could 110
12 back on the screen, is these facts are uncontroverted
13 in this proceeding that the difference between the
14 Coolidge expansion portfolio and the alternative
15 portfolio in 2035 is the 4.8 million metric tonnes and
16 the 4.6 million metric tonnes. Percentages may change
17 based on load growth, but this slide and the facts in
18 it don't change, weren't changed, weren't controverted.

19 There were other things said by other
20 witnesses with which we strongly disagree; but in the
21 interest of time, I won't go further into them. I'm
22 sure we'll have time during deliberations to discuss
23 further if you have questions. But I did want to
24 explain why I felt it was necessary to correct what
25 was, in my mind, a blatant misstatement, so thank you.

1 CHMN. KATZ: Thank you.

2 In just a minute, we're going to take
3 probably a 15-minute recess and then begin reviewing
4 the proposed CEC. Procedurally what we're going to do
5 is decide if -- I have no idea how the individual
6 members of this Committee are going to vote. We
7 haven't been deliberating in private or anything else.
8 So what I'd like to end up doing is reviewing the CEC,
9 its conditions, its findings, and so forth, and amend
10 whatever might be necessary. That's not an
11 indication -- as we go paragraph by paragraph and the
12 Committee votes to include, alter, or amend the
13 conditions, that doesn't mean that the Committee is
14 going to vote to approve the CEC.

15 At the very end, once the document is
16 completed, we will do a recall vote -- not recall vote.
17 God, I'm in the wrong universe. We're going to do a
18 roll call, not recall, a roll call vote, and each
19 Member will be able to vote. And if they want to
20 explain -- this is one of the more emotional hearings
21 that I've sat through. And each Member will be free,
22 if they want to make any comments before saying aye or
23 nay, yes or no, they can make those comments about why
24 they are voting, but nobody is compelled to do that.

25 Anyway, I'm showing that it's just about

1 exactly -- maybe a minute or two past 10:30. I'd like
2 to begin in about 15 minutes, around 10:45. Anything
3 else before we --

4 MEMBER LITTLE: Mr. Chairman.

5 CHMN. KATZ: Yes, Member Little.

6 MEMBER LITTLE: Yesterday, before we closed,
7 Mr. Stafford suggested that the -- that Tod send to the
8 Committee a copy of Decision 63611, which was the CEC
9 decision for the Gilbert plant, the Gilbert SRP plant.
10 And I took a look at it last night, and there are some
11 provisions in there that I might want to propose that
12 we include in this CEC. Would it be possible for him
13 to send that out to the Committee Members during our
14 break?

15 MS. POST: Mr. Chair, I sent it to you and
16 Tod and Michele and the attorneys this morning.

17 CHMN. KATZ: Okay. Well, what I'm going to
18 do is I'm going to send this -- I don't have my
19 computer open. Could you possibly -- could you send
20 that to Tod?

21 MS. POST: I did send it to Tod.

22 CHMN. KATZ: I'm going to call him, then,
23 during the break and ask him to distribute it.

24 MS. POST: Okay. Yeah, I didn't send it to
25 the Members. I sent it to you and to Tod.

1 CHMN. KATZ: No, I understand. And do the
2 lawyers all have copies?

3 MS. POST: I sent it to all the lawyers and
4 to Michele.

5 CHMN. KATZ: That's fine. I'm going to call
6 Tod and ask him to send that out to everyone.

7 MR. RICH: Mr. Chairman, I just wanted to
8 remind you, we need to move our exhibits at some point,
9 so I'd like to do that when we get back from break.

10 CHMN. KATZ: When we get back from break
11 we'll move the exhibits before we review the CEC.

12 MR. RICH: Thank you.

13 CHMN. KATZ: Thanks.

14 (Off the record from 10:31 a.m. to
15 10:48 a.m.)

16 CHMN. KATZ: I apologize for that slight
17 delay. The only access I have to my work e-mail is to
18 go through this crazy connection. I'm up now. I just
19 wanted to pull up that Gilbert CEC in case we decide,
20 for any reason, to use it. It has some conditions
21 beginning at, I believe, Number 7 that deal with
22 community working groups similar to that which is
23 proposed here, but in a little bit more detail.

24 That all being said, why don't we go ahead
25 and have the parties offer, in the same order that

1 they've been presenting, their respective exhibits.

2 MR. ACKEN: Thank you, Mr. Chairman. SRP
3 would move Exhibits SRP-1 through SRP-9. I'm happy to
4 go through them one by one if anyone would like me to
5 do so.

6 CHMN. KATZ: Why don't you read them all off.
7 And then if anybody has a specific objection, we'll
8 hear it. But I generally tend to be far more lenient
9 in allowing exhibits in here than I would if this were
10 a Superior Court trial.

11 MR. ACKEN: SRP-1 is the CEC application.
12 SRP-2 were the presentation slides that our
13 witnesses used.

14 CHMN. KATZ: So you're offering these now?

15 MR. ACKEN: Yes.

16 CHMN. KATZ: Okay. 1, 2.

17 MR. ACKEN: SRP-3 was the updated public
18 outreach information, which included additional
19 comments and sign-in sheets, that Ms. Hallows testified
20 to.

21 Same with the updated public outreach
22 information, the spreadsheet in SRP Number 4.

23 We provided the SRP air permit application --
24 permit revision application as a separate exhibit, as
25 SRP-5.

1 The first settlement offer to the Randolph
2 community we marked, there was testimony regarding
3 SRP-6.

4 The revised proposal resulting from what we
5 heard during the hearing that Ms. Rickard addressed on
6 rebuttal was SRP-7.

7 The carbon reduction slide that
8 Ms. Bond-Simpson testified was SRP-8.

9 And then the 90-day filing that Mr. McClellan
10 addressed during his testimony in response to questions
11 from Committee Member Little was marked for
12 identification as SRP Number 9.

13 So we would move for the admission of those
14 exhibits.

15 CHMN. KATZ: So 1 through 9, inclusive?

16 MR. ACKEN: Yes.

17 CHMN. KATZ: Any objections?

18 (No response.)

19 CHMN. KATZ: We will admit those exhibits.

20 (Exhibits SRP-1 through SRP-9 were admitted
21 into evidence.)

22 CHMN. KATZ: And we'll next go to Sierra
23 Club.

24 MR. RICH: Thank you, Mr. Chairman. Sierra
25 Club moves the admission of Sierra Club Exhibits 1

1 through 35, with the exception of Sierra Club Exhibit
2 30, which was the resume of Michael Goggin, who was our
3 witness who did not ultimately testify. Would you like
4 me to go through each of those?

5 CHMN. KATZ: I don't think you need to. I've
6 seen the list.

7 Are there any objections?

8 MR. ACKEN: I do have some objections that
9 I'd like to make for the record.

10 CHMN. KATZ: That's fine.

11 MR. ACKEN: Understanding your previous
12 direction about we do want to preserve some of the
13 objections.

14 CHMN. KATZ: Sure.

15 MR. ACKEN: I don't believe Sierra Club 2
16 through 6 were discussed during testimony, so we would
17 object on that ground.

18 We would object to SC-7 through SC-18 on the
19 grounds that it goes to an alternatives analysis that
20 is outside the scope of this proceeding.

21 We object to 19, which was also not
22 discussed, according to our records.

23 21 and 23 are duplicative of WRA -- well, 21,
24 23, and 24 are duplicative of WRA exhibits, and we'll
25 address that then. But these deal with climate crisis,

1 climate change, again, aren't specific to the scope of
2 this Committee's review, so we would object on
3 relevance. Same with SC-22, the false promise of
4 natural gas.

5 SC-25 we did not hear discussed in testimony,
6 so we would object to its admission.

7 26 and 27, regard to safe yield and housing
8 developments in Pinal County and its effect on
9 groundwater. And, of course, this is a case about a
10 power plant that will rely on stored surface water, so
11 we object to their introduction.

12 28 we object that it's both -- on relevance
13 and prejudicial discussing that -- this was the COBRA
14 results that EPA's model -- that EPA itself says is a
15 crude tool and there are better tools available,
16 including what was used in this proceeding. SC --

17 I think that covers it.

18 CHMN. KATZ: I don't need to hear any
19 argument. I'm going to admit Exhibits 1 through 35,
20 with the exception of 30.

21 (Exhibits SC-1 through SC-29 and SC-31
22 through SC-35 were admitted into evidence.)

23 CHMN. KATZ: And, again, both SRP, Sierra
24 Club, and everyone else needs to make sure our court
25 reporter gets copies of all of these documents.

1 MR. RICH: Thank you.

2 CHMN. KATZ: And next to Mr. Stafford on
3 behalf of Western Resources.

4 MR. STAFFORD: Thank you, Chairman. I would
5 move for the admission of WRA Exhibits 1 through 9.

6 CHMN. KATZ: Any objection?

7 MR. ACKEN: Same objections. Some of these
8 were not discussed and are not relevant to this
9 proceeding.

10 CHMN. KATZ: Again, I do understand that some
11 of them may not have been discussed. We didn't have
12 formal foundation laid for every exhibit. But that all
13 being said, I think that those documents should remain
14 available for consideration by the Committee to the
15 extent that they have or will review them and should be
16 accessible to the Corporation Commission whether we
17 grant or deny the CEC.

18 1 through 9 will be admitted for Western
19 Resources Advocates.

20 (Exhibits WRA-1 through WRA-9 were admitted
21 into evidence.)

22 CHMN. KATZ: For Randolph.

23 MS. POST: Yes. We would move to admit 1
24 through 34, Randolph Residents 1 through 34, with the
25 exception of 3 and 32 that are both resumes of

1 witnesses that were unable to attend.

2 MR. ACKEN: Same objection, relevance. A
3 number of them are prejudicial because they don't
4 actually deal with power plant expansions, things of
5 that nature, and not all of them were discussed. We
6 did stipulate to a number of them, though.

7 CHMN. KATZ: I will allow the Exhibits 1
8 through 34, with the exception of 3 and 32, to be
9 admitted, and the Committee can view them to the extent
10 that they think appropriate and they'll be preserved as
11 part of the record. I know that if they weren't
12 admitted, they'd still be preserved, but I just want to
13 be on the safe side with respect to those exhibits.
14 And I will -- and I believe we all will be considering
15 only the information that is relevant to these
16 proceedings. And if there are exhibits that aren't
17 self-explanatory and haven't been discussed, they will
18 probably given minimal consideration by the Committee.

19 (Exhibits RR-1 through RR-2, RR-4 through
20 RR-31, and RR-33 through RR-34 were admitted into
21 evidence.)

22 CHMN. KATZ: That all being said, I think we
23 could probably begin. Is there anything else before we
24 begin reviewing the CEC?

25 (No response.)

1 CHMN. KATZ: And what I'd like to have put up
2 on the left screen is the PDF version. And we're not
3 going to make any changes to that, but this will be
4 labeled as Chairman Exhibit 1. I don't think we have
5 any other exhibits as of yet. But this will be
6 Chairman or Chair Exhibit 1, and it's the original CEC
7 that was proposed by SRP as amended. And there are
8 only a few amendments or additions by the work of Tod
9 Brewer and myself.

10 And on the right side, matching line for
11 line, at least at present, is the Word version so that
12 we can manipulate it, and that will be Chairman
13 Exhibit 2 as it gets modified during the course of our
14 discussions.

15 And the way that I've always done these is to
16 go through certain paragraphs. The introduction will
17 probably be from Page 1, Line 11 through Page 2, Line
18 10. We need to strike, though, at Line 8 on Page 2,
19 "Jack Haenichen." He did not participate in these
20 proceedings. He has some health concerns. I know he
21 would have loved to have been here with us.

22 But I would like to seek a motion from one of
23 our Members to approve Page 1, Line 11 through Page 2,
24 Line 10 and --

25 MEMBER DRAGO: Mr. Chairman.

1 CHMN. KATZ: Yes.

2 MEMBER DRAGO: It looks like there's a lot of
3 room to make that larger on our screen in the room. Is
4 there a way to make that as big as you can make it?
5 There you go. If you could do the other one too.
6 Thank you very much.

7 CHMN. KATZ: And can we do it on the left
8 screen as well? You don't really need to pay attention
9 to the left screen. We're just preserving that for our
10 record, so we're not going to worry about that. We can
11 just leave it as the way it was even.

12 But do you want us to scroll back to Page 1?

13 MEMBER DRAGO: I'm good.

14 CHMN. KATZ: Okay.

15 MEMBER PALMER: Mr. Chairman, I move approval
16 of the document down through Page 2, Line 10.

17 MEMBER GRINNELL: Second.

18 CHMN. KATZ: And again, we'll strike "Jack
19 Haenichen," is that correct?

20 MEMBER PALMER: It's done.

21 CHMN. KATZ: It's been seconded.

22 All in favor say aye.

23 (A chorus of ayes.)

24 CHMN. KATZ: Anybody opposed?

25 (No response.)

1 CHMN. KATZ: Then we are going to skip
2 Page 2, Lines 12 through 14, because that is the final
3 vote we will take as to whether or not we approve or
4 reject this CEC.

5 Next, we'll go to Page 2. I think we'll just
6 skip the next, Lines 15 through 20, and deal with that
7 as part of our vote.

8 And move to the "Project Overview" beginning
9 at Page 2, Line Number 21 and take a minute to take a
10 look at that through Page 3, Line 8. And we can go to
11 Page 3 right now. I think we're okay. And I think
12 lawyers have copies of this on their respective
13 computers.

14 Do I have a motion for approval of those
15 lines, again, Page 2, Line 21 through Page 3, Line 8?

16 MEMBER GRINNELL: So moved.

17 MEMBER HAMWAY: Second.

18 MEMBER PALMER: Second.

19 CHMN. KATZ: All those in favor.

20 (A chorus of ayes.)

21 CHMN. KATZ: Anyone opposed?

22 (No response.)

23 CHMN. KATZ: Going on, we are going to review
24 any conditions if this should be approved. But what we
25 may want to do -- Ms. Little indicated that she may

1 want to offer some changes. And after we get to
2 Condition Number 7, we may want to add the SRP
3 conditions and we might modify those as well. And when
4 I say "the SRP conditions," I meant the neighborhood
5 assistance conditions.

6 And we may have some good discussion of those
7 conditions, because it was just called to my
8 attention -- I hadn't seen the old Gilbert CEC where
9 their neighborhood was given protections, and it was
10 another SRP project, but I didn't have a chance to
11 review that until about an hour ago.

12 MS. POST: Your Honor, will I have the time
13 to address that issue when we get to it?

14 CHMN. KATZ: Everybody -- and Your Honor was
15 -- you can call me --

16 MS. POST: Sorry.

17 CHMN. KATZ: You can call me the ex-man now.

18 But when we get to those conditions, the
19 Committee will probably move to approve or amend or
20 insert conditions, and if that occurs, we'll hear
21 discussion. And if the lawyers wish to comment --
22 because that would be probably the most controversial
23 portion of any CEC, again, only if it were to be
24 issued.

25 MEMBER PALMER: Mr. Chairman, I'm assuming

1 that we probably don't need to say it on each
2 condition, but we will strike the reference to previous
3 cases?

4 CHMN. KATZ: Yes. On all of these where we
5 have in red brackets -- where it says, "Case Number,"
6 that just gives reference to prior CECs, but that
7 doesn't need to be contained there. It was for the
8 benefit of the parties and the benefit of our
9 Committee.

10 And beginning at Line 9 of Page 3, but really
11 Condition 1 would be Lines 11 through 15, and it
12 basically calls for a 10-year expiration date of this
13 CEC. Do we have a motion to approve?

14 MEMBER GRINNELL: So moved.

15 MEMBER HAMWAY: Second.

16 CHMN. KATZ: All in favor.

17 (A chorus of ayes.)

18 CHMN. KATZ: All opposed?

19 MEMBER LITTLE: Mr. Chairman.

20 CHMN. KATZ: Yes.

21 MEMBER LITTLE: Could we have some discussion
22 about this, please?

23 CHMN. KATZ: Yes, please.

24 MEMBER LITTLE: I notice that the Gilbert
25 plant, the APS's plant, all of those CECs which are

1 generation plants, have five-year terms. Is there a
2 reason why all of a sudden we're going to 10?

3 CHMN. KATZ: Mr. Acken or someone from SRP,
4 if we need to go to five, we can.

5 MR. ACKEN: Well, I will testify to that.
6 The direction -- or, testify. I will explain that.
7 The direction from the Commission has changed over
8 time. I've been doing this 15-plus years, and earlier
9 Commissions set five when you asked for 10. The most
10 recent direction from the Commission has been 10. And
11 I had a recent case -- and I say "recent," within the
12 past two years -- where we asked for five, and the
13 Commission changed it to 10. So the current direction
14 from the Commission is 10 years. That's why you see a
15 10-year, because that's our understanding of the
16 expectation of the Commission.

17 CHMN. KATZ: And Mr. Emedi, do you have any
18 comment on that particular issue?

19 MR. EMEDI: No, I don't have anything to add
20 as far as the Commission stance on that. And as far as
21 Staff goes, I'm going to look back at my team here, I
22 don't think they have any objection to that either.

23 CHMN. KATZ: Again, we have revised these
24 conditions -- most of the standard conditions. And
25 when we refer to other cases, I do understand that some

1 of the earlier power plants were limited to five years.
2 I don't know if the transmission lines were also
3 limited.

4 MEMBER PALMER: I could add to that,
5 Mr. Chairman. Many years ago, when I came on this
6 Committee, all of the CECs were five, even the
7 transmission lines. And at some point, I think through
8 direction from the Commission, they were all changed to
9 10.

10 MEMBER LITTLE: My only -- my reason for
11 wondering about this, about whether five might be
12 better, is because of the fact that things are changing
13 so rapidly in the power industry right now that if, for
14 some reason, SRP were not even to begin construction of
15 this plant in the next few years, it might make more
16 sense to revisit, at that time, whether there's
17 something that -- you know, a new technology or
18 improved technology that might make more sense. 10
19 years is a long time these days.

20 MR. RICH: Mr. Chairman, if I --

21 CHMN. KATZ: Yes.

22 MR. RICH: I agree wholeheartedly with Member
23 Little. I know in particular SRP came in here saying
24 that they need this very quickly. So when you combine
25 their apparent need for quickly implementing this with

1 the fact that technology, we believe, has already
2 changed enough, but is certainly evolving, we don't
3 think there's any justification for 10 years.

4 CHMN. KATZ: Are you moving to amend the CEC
5 for a five-year term, Ms. Little?

6 MEMBER HAMWAY: If she doesn't, I will.

7 MEMBER LITTLE: Yes, I so move.

8 MEMBER HAMWAY: Yeah, I will if she doesn't.
9 I think it should be five years.

10 MEMBER GENTLES: And I'll second that.

11 CHMN. KATZ: All in favor of the amendment,
12 please say aye.

13 (A chorus of ayes.)

14 CHMN. KATZ: Anyone opposed?

15 MEMBER PALMER: No.

16 MEMBER GRINNELL: No.

17 CHMN. KATZ: Okay. We'll change it to
18 five -- five years. And the Commission, if the CEC
19 gets approved or disapproved, they can always change
20 the time frame.

21 Now, all those in favor of Condition Number 1
22 on Lines 11 through 15, with the amendment now included
23 to five years, please say aye.

24 (A chorus of ayes.)

25 CHMN. KATZ: Anyone opposed?

1 (No response.)

2 CHMN. KATZ: Moving on, then, to Condition --

3 MR. EMEDI: Mr. Chairman, if I could
4 interrupt, it looks like on Line 14 there's also a
5 reference to the 10 years that might need to be
6 changed.

7 CHMN. KATZ: Yeah, thank you for catching
8 that.

9 Okay. And the applicant can always request
10 an extension if, in fact, this gets approved.

11 All those in favor of this condition -- I
12 think we've already voted on it.

13 So let's go to Condition Number 2 at Line 17,
14 and it goes on to Page -- excuse me -- Page 3, Line 17
15 to Page 4, Line 2.

16 MEMBER GRINNELL: Mr. Chairman, may we go
17 back up to Line 17 just real quick, please?

18 CHMN. KATZ: Yes.

19 MEMBER GRINNELL: Okay. So this Line 17
20 addresses if there is a need for an extension prior to
21 -- shall file time extension at least six months prior
22 to the expiration of the Certificate. And I think
23 that's important to understand. We've got five years;
24 however, they do have an opportunity to file an
25 extension within 180 days prior to that five years, is

1 that --

2 CHMN. KATZ: That's correct.

3 MEMBER GRINNELL: Okay. Thank you, sir.

4 CHMN. KATZ: Again, do we have a motion to
5 approve Condition Number 2?

6 MEMBER HAMWAY: So moved.

7 MEMBER PALMER: Second.

8 CHMN. KATZ: All in favor.

9 (A chorus of ayes.)

10 CHMN. KATZ: Any objections?

11 (No response.)

12 CHMN. KATZ: Moving then on -- and again,
13 we'll be striking the case number. Number 3 deals with
14 certain conditions regarding the development,
15 construction, operation, and maintenance of the plant.
16 Please take the time to review it. And once you have,
17 we can entertain a motion to approve.

18 MEMBER PALMER: Can we scroll down to see the
19 remainder of the condition?

20 CHMN. KATZ: Yes, please.

21 MEMBER HAMWAY: Should we add something about
22 light standards? I don't know if the County has light
23 standards.

24 CHMN. KATZ: Would that be included in "all
25 applicable land use regulations"?

1 MEMBER HAMWAY: Probably.

2 CHMN. KATZ: Well, do you want to make a
3 motion to -- does anybody want to amend this to include
4 light pollution? I think it's already covered because
5 it requires compliance with all local -- I mean, all
6 the applicable land use regulations, all zoning
7 stipulations and conditions.

8 MEMBER HAMWAY: Yeah, I'm fine with it. It's
9 just water was called out and other things were called
10 out and light has not been called out.

11 CHMN. KATZ: Well, again --

12 MEMBER LITTLE: I would like to see that
13 also.

14 CHMN. KATZ: So is your motion, then, to add
15 a Condition F, all applicable regulations governing
16 light emissions? Would that be what you would be
17 moving to amend?

18 MEMBER GRINNELL: We could -- Mr. Chairman,
19 we could amend Letter D, applicable noise control
20 standards and light regulations.

21 MEMBER HAMWAY: Light pollution, yeah.

22 MEMBER GRINNELL: Light pollution
23 regulations, whatever the --

24 MEMBER HAMWAY: I'm fine with that on
25 Number D.

1 CHMN. KATZ: And what would you specifically
2 propose? All applicable noise control standards...

3 MEMBER PALMER: I think it should say "light
4 control standards," because "pollution" is a pretty
5 nebulous term.

6 CHMN. KATZ: All applicable noise control
7 and --

8 MEMBER GRINNELL: Light control standards.

9 CHMN. KATZ: -- light control standards.
10 There's that motion to amend Condition --
11 Subcondition 3(D). Is there a second?

12 MEMBER HAMWAY: Second.

13 CHMN. KATZ: All in favor.

14 (A chorus of ayes.)

15 CHMN. KATZ: Anyone opposed?

16 (No response.)

17 CHMN. KATZ: Thank you. We'll then move on
18 to Condition Number 4, which is at Page 4, Line 19.

19 MEMBER PALMER: I think we need to approve
20 Condition 3.

21 MEMBER GRINNELL: We need to approve --

22 CHMN. KATZ: Oh, I apologize. Thank you.

23 Do we have a motion to approve --

24 MEMBER PALMER: I move Condition 3.

25 MEMBER HAMWAY: Second.

1 CHMN. KATZ: And again, that's approving it
2 as amended. All in favor.

3 (A chorus of ayes.)

4 CHMN. KATZ: Anyone opposed?

5 (No response.)

6 CHMN. KATZ: Moving on, then, to Condition
7 Number 4, Lines 19 on Page 4 through Line 22. And
8 that's just requiring approval of all necessary permits
9 that might be required by state, local, and federal
10 government.

11 MEMBER GRINNELL: I move Number 4, please.

12 MEMBER DRAGO: Second.

13 CHMN. KATZ: All in favor.

14 (A chorus of ayes.)

15 CHMN. KATZ: Number 5 is at Page 4, Line
16 Number 23 through Page 5, Line Number 1. And it deals
17 with Game and Fish and federal animal and species
18 protection.

19 MEMBER HAMWAY: I move Number 5.

20 MEMBER GRINNELL: Second.

21 CHMN. KATZ: All in favor.

22 (A chorus of ayes.)

23 CHMN. KATZ: Number 6, that begins on Page 5,
24 Line 3 through Line 8, deals with interconnection
25 facilities to minimize electrocution and impact of

1 avian species.

2 MEMBER HAMWAY: I move Number 6.

3 MEMBER PALMER: Second.

4 CHMN. KATZ: All in favor.

5 (A chorus of ayes.)

6 CHMN. KATZ: Number 7 is the applicant -- the
7 applicant shall consult the State Historic Preservation
8 Office with respect to cultural resources, and then it
9 goes on.

10 MEMBER HAMWAY: I move Number 7.

11 CHMN. KATZ: Then again, that's at Line 9
12 through 15 on Page 5.

13 Second?

14 MEMBER GRINNELL: Second.

15 CHMN. KATZ: All in favor.

16 (A chorus of ayes.)

17 CHMN. KATZ: Anyone opposed?

18 (No response.)

19 CHMN. KATZ: Nobody is opposed.

20 The question now comes down to whether or not
21 we would want to include, was it Exhibit 7 of SRP where
22 they've made certain commitments to the community?

23 MR. ACKEN: Correct. The updated version is
24 SRP-7.

25 CHMN. KATZ: Okay. And I don't know if we

1 want to project that on the left screen. I'm not
2 concerned about projection of Chairman Exhibit 1,
3 because we're not going to play with it, but maybe we
4 can put up that Exhibit Number 7.

5 And we have that. I don't know -- we can't
6 project a ton of different things, but we also now have
7 had the advantage of looking at the Certificate of
8 Environmental Compatibility in Case Number CEC 105,
9 which is Decision No. 63611 from the Corporation
10 Commission. And I just was wondering -- they go out in
11 their Condition Number 7, and it goes on for about a
12 full page. And I don't know -- Ms. Little, you had
13 commented. I don't know how we want to go about adding
14 specific conditions that we might require SRP to comply
15 with regarding community involvement.

16 MEMBER LITTLE: Mr. Chairman, I think that
17 the conditions that I would like to have added may be
18 separate from the establishment of the working group.
19 I guess I see this condition maybe as slightly modified
20 that was proposed by SRP as a condition that
21 establishes the working group and some areas of support
22 that maybe could be quantified as minimum -- a minimum
23 list somehow. And then the other -- the other
24 conditions that I personally would like to see added,
25 or at least like to see us discuss, may be separate.

1 CHMN. KATZ: Okay. Does anybody want to move
2 to at least include, as Condition Number 8, what the
3 condition that is laid out -- the commitment by SRP in
4 its Exhibit 7? Do we want to add that as a possible
5 Condition Number 8?

6 MEMBER GRINNELL: I so move.

7 MEMBER GENTLES: Mr. Chairman.

8 MS. POST: Chair, may I address that before
9 you decide that?

10 MEMBER GRINNELL: Well, we're going to make a
11 motion --

12 CHMN. KATZ: We have to have a motion.

13 MEMBER GRINNELL: -- before we can go to
14 discussion.

15 CHMN. KATZ: We'll have a motion and a
16 second, and then --

17 MEMBER GRINNELL: Then discussion.

18 CHMN. KATZ: -- we'll have discussion by the
19 Committee. And if the lawyers have any comments
20 regarding this, we will take that information.

21 Mr. Gentles.

22 MEMBER GENTLES: Mr. Chairman.

23 CHMN. KATZ: Yes.

24 MEMBER GENTLES: I had some comment prior to
25 any request for a motion, just following up on Member

1 Little's comments.

2 CHMN. KATZ: Okay.

3 MEMBER GENTLES: Is now an appropriate time?

4 CHMN. KATZ: Yeah. I mean, I think we need
5 to figure out what, if anything, we, as a condition,
6 would require the SRP to do for the benefit of the
7 community. They've already agreed to do the things in
8 Exhibit 7. We also have to make sure that anything
9 else we add is within our power or jurisdiction.

10 MEMBER GRINNELL: Mr. Chairman, point of
11 order.

12 MEMBER GENTLES: Mr. Chairman, I don't know
13 that we have agreed to --

14 MEMBER GRINNELL: Member Gentles, may I --

15 CHMN. KATZ: Hold on.

16 MEMBER GRINNELL: Member Gentles, may I make
17 a point of order?

18 CHMN. KATZ: Yes, please.

19 MEMBER GRINNELL: I made a motion on the
20 table to accept this document as Condition 8.

21 MEMBER GENTLES: I asked for discussion
22 before that motion was made.

23 MEMBER GRINNELL: Actually --

24 MEMBER GENTLES: It probably wasn't picked up
25 on the Zoom call.

1 MEMBER HAMWAY: Actually --

2 CHMN. KATZ: Hold on.

3 MEMBER HAMWAY: -- technically we --

4 CHMN. KATZ: Stop, everyone.

5 MEMBER HAMWAY: -- make a motion and then we
6 discuss.

7 CHMN. KATZ: Right. What I'm going to --

8 MEMBER GENTLES: So Ms. Little's discussion
9 happened before the motion.

10 CHMN. KATZ: I understand that. But what I'd
11 like to do -- because she said that she'd like to have
12 additional conditions. What I'd like to do is -- we
13 have a motion to adopt Exhibit 7 conditions. And who
14 made the motion?

15 MEMBER HAMWAY: Mr. Grinnell.

16 MEMBER GRINNELL: I made the motion to adopt
17 Number 7.

18 CHMN. KATZ: Any second?

19 MEMBER HAMWAY: Second.

20 CHMN. KATZ: Now we can have discussion. And
21 Mr. Gentles, you have some concerns. And we can always
22 have a motion to amend this condition, we can add
23 additional conditions separately, but go ahead.

24 MEMBER GENTLES: Mr. Chairman, my concern
25 over this -- this condition is that it is weak at best

1 and I can't support it in its current form,
2 particularly when you take a look at the Gilbert case
3 and the extensive -- obviously the extensive
4 conversation they had with the Gilbert community to
5 come up with their information that they put into their
6 conditions.

7 So, for instance, I'll just make a point that
8 in this -- and I realize the two projects are not the
9 same, so I understand that. They're two different
10 communities; I understand that as well. However, at a
11 minimum, what I'd like to see is, in this community
12 working group, that it is expanded to include
13 representatives of the intervenors in the case, similar
14 to what was granted for the Gilbert case.

15 Secondly, as I discussed in the conversation
16 over the last week or so, that I find these -- I find
17 that these commitments are paper thin. There is no
18 money put behind it. There are certainly -- there's
19 certainly money put behind the Gilbert conditions. In
20 fact, when I talk about the applicant's innovation in
21 the Gilbert case, they are talking about funding -- or,
22 purchasing new buses for the community that are more
23 clean and efficient.

24 So I have significant concerns that these --
25 this proposal literally is to try and just get through

1 this hearing without any major commitments to the
2 community.

3 MEMBER GRINNELL: Mr. Chairman.

4 CHMN. KATZ: Yes.

5 MEMBER GRINNELL: Point of order. There was
6 a -- I made a motion to accept Condition 7. There was
7 a second. This proposal was introduced as a potential
8 for Condition 8. And therefore, I would like to have a
9 roll call or a vote on Condition 7 as it stands alone,
10 and then introduce Committee Member Gentles' discussion
11 and Committee Member Toby --

12 Sorry, but my brain short circuits.

13 CHMN. KATZ: Member Little.

14 MEMBER GRINNELL: -- Member Little's
15 discussion points in Condition 8.

16 CHMN. KATZ: What I'd like to do is,
17 Mr. Gentles, find out whether or not -- I understand
18 that you feel that this isn't strong enough, but you
19 can make -- if you wanted to include a single
20 representative from each of the intervenors, we could
21 add that in the paragraph where it says -- where we
22 have the members listed. We could add -- but I'd need
23 a motion to amend this document, and we can handle
24 additional conditions, and you're free to vote against
25 the entire paragraph if you wish and make

1 alternative --

2 MEMBER GRINNELL: Again, Mr. Chairman, we are
3 voting on Condition 7.

4 MEMBER DRAGO: Not SRP-7.

5 MEMBER PALMER: We're getting ahead of
6 ourselves.

7 MEMBER GRINNELL: Not the SRP discussion
8 point. SRP was considered for inclusion as the new
9 Number 8. We haven't gotten to this bridge yet.

10 CHMN. KATZ: We've already approved Condition
11 Number 7.

12 MEMBER GRINNELL: No, I don't believe we
13 have, sir.

14 CHMN. KATZ: I believe -- this was historic
15 preservation on Page 5, Lines 9 through 15. I believe
16 we had a motion.

17 MEMBER GRINNELL: I made the motion.

18 CHMN. KATZ: It was seconded.

19 MEMBER GRINNELL: Ms. Hamway made the second,
20 but we haven't voted.

21 CHMN. KATZ: I think we did. But to be safe,
22 all in favor of Condition 7 as written, please say aye.

23 (A chorus of ayes.)

24 CHMN. KATZ: All opposed?

25 (No response.)

1 MEMBER GRINNELL: Thank you, sir.

2 CHMN. KATZ: Thank you.

3 Now, we have on the floor a motion to adopt
4 SRP Exhibit 7, the language of it, as a condition. I
5 know that there's some opposition to it. Somebody
6 might oppose the whole thing. But we're hearing from
7 Mr. Gentles, and I don't know whether he has -- even if
8 there are additional conditions added later or this one
9 isn't adopted, do you have any amendments that you wish
10 to make to the proposed Condition Number 8?

11 MEMBER GENTLES: Well, Mr. Chairman, I just
12 -- these conditions, the sub-bullet points, are paper
13 thin. And I would say that these, as Member Little
14 said, have to be minimum, minimum in their commitments.

15 Again, when you go back and you look at the
16 Gilbert CEC, they clearly had extensive conversations,
17 before they came to the CEC deliberation, on what they
18 were willing to do. That is just not evident here in
19 this condition.

20 So at best, I would be willing to accept the
21 first paragraph that sends the applicant back to the
22 community with the expanded community work group to get
23 some real input on what's going to benefit the
24 community outside of three bullet points, four bullet
25 points on the page that was submitted literally a few

1 days ago without much community input. And so for that
2 reason, I don't know that I could vote to approve this
3 portion of the CEC.

4 CHMN. KATZ: Do you wish to offer an
5 amendment or hold off and perhaps --

6 MEMBER GENTLES: I would, yes.

7 CHMN. KATZ: Okay.

8 MEMBER GENTLES: I can make a motion --

9 CHMN. KATZ: Sure.

10 MEMBER GENTLES: -- if I'm allowed to.

11 CHMN. KATZ: You're allowed to.

12 MEMBER GENTLES: I would make a motion that
13 this condition is revised to only include the first
14 paragraph, with the expansion of the community working
15 group from five and up to perhaps no more than 12. I
16 think that's a big number. But I do agree that we have
17 to have the intervenors that testified in this case as
18 part of that working group, similarly to what was done
19 in Gilbert. And then from there we can make a
20 determination, down the road, if what they're proposing
21 is acceptable, however we do that.

22 CHMN. KATZ: So in other words, are you
23 asking that we add a member from each of the
24 intervenors, that is, a Sierra Club representative, a
25 Western Resources Advocates representative, and a

1 representative from -- well, we already have
2 representatives from Randolph.

3 MEMBER GENTLES: Yes.

4 CHMN. KATZ: And you only want to approve the
5 first paragraph?

6 MEMBER GENTLES: Yes.

7 CHMN. KATZ: Is there a second to that
8 motion?

9 MEMBER DRAGO: Just follow-up discussion.

10 CHMN. KATZ: Okay. Well, we need to have a
11 second to --

12 MEMBER GRINNELL: I'll second it for
13 discussion.

14 MEMBER DRAGO: Okay. Good.

15 Mr. Gentles, to have the entirety of this
16 included, would the second paragraph, where it states,
17 "The scope of the CWG will include, but not limited
18 to," help?

19 MEMBER GENTLES: You know what, Member Drago,
20 that's a great point. I would be -- I would be
21 amenable to that because, again, I think these are
22 less-than-minimal potential requirements for me.

23 CHMN. KATZ: So in other words, you would
24 accept the second paragraph, but change the last
25 sentence to, "The scope of the CWG will include, but

1 shall not be limited to"?

2 MEMBER GENTLES: Correct. And perhaps there
3 is language that says to include the outcomes of the
4 community working group, in addition to the minimal
5 requirements below, something like that.

6 CHMN. KATZ: Are we then dealing with an
7 amendment to add the intervenors to the first
8 paragraph, the scope of the CWG will include, but shall
9 not be limited to, and then list those? And where
10 would you like any additional language in your
11 amendment?

12 MEMBER GENTLES: Do you want me to -- I
13 think, you know, I just want to make sure that whatever
14 comes out of the community working group is stipulated
15 to. And the only way that we can do so is include
16 specific language that says the outcomes of the
17 community working group will be stipulated to in this
18 CEC. Right now it just says a community working group
19 will be formed and meetings will be held. I want to
20 make sure that whatever comes out of that, in the good
21 faith of everybody participating, is stipulated to as a
22 condition of the CEC.

23 CHMN. KATZ: Is there -- I already asked, but
24 the amendment, I think, is more clear. I don't know
25 what language we would add or whether that is better

1 off being included in some supplemental conditions.

2 Mr. Drago, you were commenting?

3 MEMBER DRAGO: Yeah. The only thing I would
4 say, Mr. Gentles, is the way you stated that, to me, is
5 more of a charter of that working group. Because what
6 it suggests is that, no matter what the residents ask
7 for, they will get. Is that what you're saying?

8 MEMBER GENTLES: No. And that's a great
9 point of clarification. Clearly what I'd like to see
10 is that whatever -- and as I said, it has to be
11 mutually agreed, clearly. We're not saying that that
12 community can have whatever they want, because that
13 would not be -- that would not be a good approach.

14 What I am suggesting is that whatever comes
15 out of that working group, whatever is formally agreed
16 on needs to be stipulated to in this condition. So,
17 no, I don't think anybody gets anything they want. I
18 think clearly we need to make sure that there's some
19 teeth in this that keeps the applicant accountable for
20 what is agreed on.

21 MEMBER DRAGO: Thank you.

22 CHMN. KATZ: Well, what I need to do, though,
23 is we need to have specific language. I clearly
24 understand that you are seeking to amend Paragraph 1 to
25 include representatives of each of the intervenors, and

1 Randolph is already included, so the other intervenors,
2 and that we'll include but shall not be limited to the
3 following -- "will include, but not be limited to."

4 Where do we want to -- do you have another sentence
5 that you are requesting be added? And if so, where?

6 MEMBER LITTLE: Mr. Chairman.

7 CHMN. KATZ: Yes.

8 MEMBER LITTLE: Could I -- I would like to
9 propose an amendment --

10 CHMN. KATZ: Well, right now we have --

11 MEMBER LITTLE: -- that the first two --

12 CHMN. KATZ: Hold on. We have an
13 amendment --

14 MEMBER LITTLE: I'm just proposing language
15 consistent with what Member Gentles -- my understanding
16 of what Member Gentles has suggested.

17 I propose an amendment to the first two
18 paragraphs of that Number 8 that on the third line
19 after the words -- "two members selected by SRP: A
20 representative of WRA: A representative of Sierra
21 Club."

22 And in the second paragraph, after the CWG
23 acronym, strike the words "shall be to" and insert
24 "shall include, but not be limited to," so that that
25 first sentence reads, "The objective of the CWG shall

1 include but not be limited to refine the Randolph
2 community assistance plans submitted during the hearing
3 and listed below."

4 Is that sort of what you had in mind, Member
5 Gentles?

6 MEMBER GENTLES: That's more in line with
7 what I had in mind, yes, and I'm okay with that.

8 CHMN. KATZ: So would that be your motion,
9 Mr. Gentles?

10 MEMBER GENTLES: Yes, thank you. Thank you
11 for helping me clarify, Member Little and Member Drago.
12 Thank you.

13 MEMBER GRINNELL: And I'll second that, but I
14 would also like to make a quick comment.

15 When you talk about representatives from
16 Sierra Club and WRA, if they have attorneys there,
17 who's paying for the attorneys? I mean, you're talking
18 about -- are we going to have volunteers from the
19 Sierra Club and WRA participate in this?

20 CHMN. KATZ: That's what we are asking for.
21 We're not --

22 MEMBER GRINNELL: I'm asking the
23 representatives of both entities.

24 MR. RICH: Mr. Chairman, Committee, my
25 understanding of the language there, I assume it would

1 allow Sierra Club to choose whoever they would want. I
2 wouldn't expect it would be someone like me that would
3 be participating, but I don't know.

4 MEMBER GRINNELL: Okay. I just don't want to
5 incur any more costs to this effort than need be. I
6 just want to make sure that we're not hiring attorneys
7 to come sit in there and then redebate what we've
8 already been through.

9 MR. RICH: I don't read that language, for
10 what it's worth, as requiring attorneys to be involved.

11 MEMBER GRINNELL: Well, I hope they wouldn't.
12 Just volunteers from your groups would be absolutely
13 appropriate.

14 MEMBER GENTLES: Well, when you read the
15 Gilbert -- when you read the Gilbert CEC, it just says
16 representatives of the intervenors, and that's what I'm
17 looking for. Because that is clearly not presented
18 here in this -- in this language. I think that's
19 really important, because they were all vitally
20 important to this entire conversation understanding of
21 what is occurring.

22 So who pays for it, you know, look, that's up
23 to them if they want to send Mr. Rich or anybody else.
24 But I'm just looking for full representation and a
25 broader cross section of all the parties involved to

1 have input on what's going to happen with this in the
2 event --

3 MEMBER GRINNELL: Thank you.

4 MEMBER LITTLE: Can I modify my proposal --
5 oh, I guess I didn't -- can I offer --

6 MEMBER GENTLES: You modified my proposal.
7 Thank you.

8 MEMBER LITTLE: Can I offer a friendly
9 amendment to the amendment? I don't know what the
10 legal way of doing this is.

11 CHMN. KATZ: Let me straighten something out.
12 We already have five members from the Roosevelt
13 community.

14 MEMBER PALMER: Randolph.

15 CHMN. KATZ: All we need to do to accomplish
16 what I believe is being requested in Paragraph 1 is
17 to -- two members selected by SRP, one member selected
18 by the Sierra Club, and one member selected by Western
19 Resources Advocates. And who that member is is up to
20 the organization. If they want to pay for a lawyer,
21 they'll do that, but hopefully it will just be a
22 citizen member.

23 Is that a correct understanding from you,
24 Mr. Gentles?

25 MEMBER GENTLES: Yeah, it is. So long as

1 that's the entirety of the intervenors, I believe it
2 is.

3 CHMN. KATZ: It is. So we'll include that
4 change. And I don't know whether we want to go ahead
5 on the right side and -- well, I don't know how -- I
6 don't know how our operators want to include that. Cut
7 and paste it, because it's a PDF?

8 MS. POST: Chair, I really want to address
9 this issue before you vote.

10 CHMN. KATZ: Sure, please do. But what we
11 need to do right now, I'm trying to get an idea -- we
12 have an amendment on the floor that we have to vote on.
13 That takes care of Paragraph 1. What are we going to
14 do in Paragraph 2?

15 MR. EMEDI: Mr. Chairman, I'm so sorry to
16 interrupt. But before we move on to Paragraph 2, if I
17 could just address Paragraph 1. All I can say is,
18 Commission Staff has a lot of fans over here. People
19 are, it seems to me, interested in having maybe
20 Commission Staff also selecting a member.

21 Now, I offer that with the caveat that I
22 haven't had a chance to talk to Staff. But to the
23 extent that the Committee would think it would be
24 useful to -- in addition to having a representative
25 selected by WRA and Sierra Club, if the Committee would

1 -- does think it's useful to have Staff also
2 participate in this, I'm sure that we would be more
3 than happy to do that.

4 MEMBER GENTLES: Mr. Chairman, ACC is an
5 intervenor in the case, correct?

6 CHMN. KATZ: Yes. We can just --

7 MEMBER GENTLES: Then it should say one
8 member from each intervenor, which is what I was
9 looking for.

10 MEMBER LITTLE: Yes.

11 CHMN. KATZ: Well, I'd rather spell them out
12 by name, because we already have Randolph having five
13 members, so everybody else is going to get one. So we
14 can add a member designated by the Arizona Corporation
15 Commission.

16 MR. RICH: Mr. Chairman, if I could, just on
17 behalf of Sierra Club, we would only want to serve on
18 that committee if the members of the Randolph community
19 would like us to serve on that committee with them. So
20 you can take that into account however you'd like.

21 CHMN. KATZ: You can always decline to
22 participate.

23 MR. RICH: Okay.

24 CHMN. KATZ: But we're including all of you
25 and giving you the right. We have five members from

1 Roosevelt. If only four want to participate --

2 MEMBER HAMWAY: Randolph.

3 CHMN. KATZ: Randolph. Excuse me. I did
4 that earlier.

5 But anyway, what I want to understand, we
6 want to put that language in there to add those
7 members.

8 MEMBER GENTLES: Right.

9 CHMN. KATZ: Then what I'd like to do --
10 okay. The applicant shall set -- okay. Yeah, go up
11 there. We need, "One member designated by the Sierra
12 Club; one member designated by Western Resources
13 Advocates; and one member designated by the Arizona
14 Corporation Commission." That would be the first part
15 of your amendment?

16 MEMBER GENTLES: Yes.

17 MR. STAFFORD: Chairman, it's Western
18 Resource Advocates. The "Resource" is singular. The
19 "Advocates" is plural.

20 CHMN. KATZ: Okay. We'll take the "S" off.

21 And this is -- well, we're going to need a --
22 let's go through it, we'll vote on the amendment. If
23 not, we'll go back to the original language if it
24 doesn't get approved.

25 And I'll hear from you momentarily.

1 What do you want to do for -- what was the
2 suggestion for Paragraph 2?

3 MEMBER GENTLES: I'll let Member Little
4 repeat that for me. She did it a much better job than
5 I did.

6 CHMN. KATZ: Then we'll affirm that that's
7 part of your amendment.

8 But go ahead, Ms. Little.

9 MEMBER GENTLES: Yes.

10 MEMBER LITTLE: After the acronym CWG, strike
11 the words "shall be to" and insert "shall include but
12 not be limited to" -- I think "refine" needs to be
13 changed to "refining," so that the paragraph would
14 read, "The objective of the CWG shall include but not
15 be limited to refining the Randolph community
16 assistance plans submitted during the hearing and
17 listed below."

18 CHMN. KATZ: I'm confused. Where are we
19 talking about? We start out, "Applicant shall retain
20 an independent facilitator."

21 MR. ACKEN: Member Little is reading from
22 SRP-6 not SRP-7, that's the confusion.

23 MEMBER LITTLE: My apologies.

24 MEMBER DRAGO: Thank you.

25 MR. ACKEN: And at the appropriate time after

1 Ms. Post speaks, I would like to be heard as to why we
2 proposed the makeup of the condition the way we did.

3 MEMBER LITTLE: Well, then I don't have the
4 current copy, so I'll be quiet.

5 CHMN. KATZ: Can you see it up on the screen?

6 MEMBER LITTLE: Then I guess it would be,
7 "The scope of the CWG will include but not be limited
8 to."

9 MEMBER DRAGO: That was my recommendation. I
10 second.

11 MEMBER LITTLE: In the last paragraph -- or,
12 in the last sentence of that paragraph.

13 CHMN. KATZ: Where are we?

14 MEMBER PALMER: The last sentence in
15 Paragraph 2.

16 CHMN. KATZ: "The facilitator may, if
17 necessary, employ dispute" --

18 MEMBER HAMWAY: No.

19 MS. POST: No.

20 CHMN. KATZ: Okay. "The scope of the CWG" --

21 MEMBER DRAGO: "The scope of the" --

22 MEMBER LITTLE: "The scope" --

23 MEMBER DRAGO: Go ahead, Ms. Little.

24 CHMN. KATZ: -- "shall include but not be
25 limited to?"

1 MEMBER LITTLE: Yes, thank you.

2 CHMN. KATZ: Okay. Will include or -- will
3 include but shall not be limited to.

4 Do you agree with that as part of your
5 proposed amendment, Mr. Gentles?

6 MEMBER GENTLES: I do. Thank you.

7 CHMN. KATZ: Was there anything on the bullet
8 points or anything else you wanted to have added to
9 your amendment?

10 MEMBER GENTLES: Can you bring it back up for
11 me, please?

12 MS. MASER: Do you want 7 back up?

13 MEMBER GENTLES: No. The bullet points that
14 were in the proposal.

15 In all honesty, I don't like any of these.
16 I'll just be frank. It's paper thin. So I don't know
17 how to amend this because it is clear, once again, the
18 input to construct the Gilbert was long and deep. This
19 was constructed as a means to get through, in my
20 opinion, this CEC. And so I don't see enough substance
21 here in any stretch of the imagination that helps
22 offset the impact to the Randolph community. So I
23 don't know how to update these bullet points without
24 having further discussion, that's my challenge.

25 CHMN. KATZ: The question that I have is:

1 Ms. Little had suggested that we add some additional
2 conditions that were similar to the ones in the Gilbert
3 matter in addition to this. This is setting up the
4 work group.

5 MEMBER GENTLES: Well, this appears to be a
6 combination of setting up the work group and some
7 agreements on commitments.

8 CHMN. KATZ: And I don't know why we have a
9 Number 9 there. It was all part of the Number 8.

10 I mean, if you don't want -- there's two
11 things we can do. We can amend it and vote on whether
12 or not to accept the amendment, and then we have to
13 vote on the whole thing and it can be voted down and we
14 can add additional conditions. I just don't want to be
15 stuck here for -- I just don't know how you want to
16 proceed.

17 MEMBER LITTLE: Could we vote on the
18 amendment to those two paragraphs --

19 CHMN. KATZ: Yes.

20 MEMBER LITTLE: -- and then perhaps see if
21 anybody wants to amend it further?

22 MEMBER DRAGO: Can I have further discussion,
23 though?

24 CHMN. KATZ: Yes.

25 MEMBER DRAGO: Mr. Gentles, I've got a

1 comment on "member" versus "volunteers." I view this
2 as volunteers. These are people volunteering their
3 time. I'm not sure the use of "member" is correct
4 here.

5 MEMBER GENTLES: Let's see. Where are you
6 referring to?

7 MEMBER DRAGO: Anywhere it says "members."
8 These are volunteers.

9 CHMN. KATZ: They're members of the group.

10 MEMBER PALMER: They're members of the
11 working group.

12 MEMBER GENTLES: Yeah. Yeah. In this case,
13 I think they are volunteers, but they are going to be
14 members of the community working group.

15 MEMBER DRAGO: Okay. Thank you.

16 MEMBER GENTLES: Mr. Chairman, that's where I
17 struggle with this third portion of this -- of this
18 condition. In fact, can you go back down to it again?

19 CHMN. KATZ: Yes.

20 MEMBER GENTLES: Look, there are -- there are
21 no -- there are no commitments -- can you scroll down,
22 please?

23 MEMBER GRINNELL: Again, Mr. Chairman, a
24 point of order here.

25 CHMN. KATZ: Yes, sir.

1 MEMBER GRINNELL: Mr. Gentles made a motion
2 to amend Paragraphs 1 and 2. I seconded that motion.
3 I move that we --

4 CHMN. KATZ: We'll vote on --

5 MEMBER GRINNELL: -- vote on that amendment
6 and then move on to the totality of Condition 8.

7 CHMN. KATZ: Well, is there any further --
8 Ms. Post, did you have a comment?

9 MS. POST: Absolutely, procedural and also
10 substantive. If you look at the Gilbert/San Tan thing,
11 the way they did it was they went through the standard
12 conditions and then they went to, on Page 4, "This
13 Certificate is granted upon the following conditions,"
14 and then they listed each condition.

15 And the Randolph residents do not agree to
16 these things that were put into this particular exhibit
17 here. There's no guarantee, there's no timeline,
18 there's no dollar figure, and there's no enforcement.
19 And we --

20 It says that SRP is an advisor to this
21 working group. No, they should not be. This working
22 group is the residents who need to determine their own
23 futures, not to be advised by SRP. They don't want big
24 daddy to advise them on how to run their own town.

25 And there's just a lot of things that are

1 objectionable in here. But if you look down at the
2 Gilbert one, you will see that -- okay. On Page 7,
3 they set up this working group. They included
4 landscaping and screening and landscaping consultants
5 and berms.

6 On Page 5 they talked about the increase of
7 the value of the homes. So the people in Gilbert
8 obviously complained about the degradation of the value
9 of their homes, and SRP listened. And here they didn't
10 listen. And they said, you will set it up in such a
11 way as to increase, make positive the value to the
12 homes of the people living in Gilbert, but no mention
13 was made about Randolph.

14 They also, on Page 5, set up maintenance
15 schedules for landscaping, so there's some definite
16 dates that things have to be done. On Number 9,
17 Condition Number 9 on Page 5, it sets the dates for
18 action. Number 10 gives restrictive noise guidelines.
19 And it doesn't just say you have to abide by those
20 noise guidelines that exist. It says OSHA workers
21 guidelines. It says avoiding nighttime construction.
22 In no event more than 3 decibels above the background
23 noise, and no venting between 7:00 and 10:00 a.m. So
24 there were specific conditions.

25 And Member Gentles already mentioned about

1 \$330,000 to convert school buses in Condition
2 Number 11. So there's dollar figures put in there that
3 make something definite and a commitment and serious.
4 In Number 12, SRP agrees to \$400,000 to a major
5 investment study for community rail.

6 CHMN. KATZ: If I might interrupt, though,
7 we're dealing with the first two --

8 MS. POST: I understand.

9 CHMN. KATZ: -- paragraphs.

10 MS. POST: I understand.

11 CHMN. KATZ: And there may be additional
12 conditions that are proposed by Members of the
13 Committee and we may change the bullet points. I don't
14 know.

15 MS. POST: I understand. But I think it will
16 be more efficient if we do this. So if you look
17 through the rest of the conditions there, I mean,
18 they're even going to buy street sweepers for them for
19 PM10, so they can eliminate PM10. That's Condition
20 Number 23. So there's many things in here.

21 And I think it's going to be very difficult
22 to do all of this today, and here is my proposal: That
23 Mr. Acken and I have a set time, a week or two, to come
24 back with a definite proposal with timelines,
25 deadlines, dollar figures, and that would be attached

1 to this or that this would be -- whatever you're going
2 to do, grant it or not grant it, and this be attached
3 to this as a definite thing that has to be done.

4 MEMBER GRINNELL: Okay. Mr. Chairman, I'm
5 going to go back to a point of order. We need to make
6 a vote on the first two paragraphs.

7 CHMN. KATZ: I understand. And the bottom
8 line is that we have no time frame that this Committee
9 can be asked to reconvene, so we're either going to
10 need to take care of it today or as soon as we possibly
11 can.

12 But we right now have an amendment on the
13 floor regarding -- we're not even voting to approve the
14 condition yet. We are just voting to amend those first
15 two paragraphs.

16 MEMBER GENTLES: Mr. Chair, might I suggest
17 that we break this -- break out Paragraphs 1 and 2 into
18 a separate condition. And then we take the additional
19 items, that may or may not include these four rebuttal
20 points, similar to how it was structured in the Gilbert
21 CEC, that we present those separate and independent of
22 the first two paragraphs.

23 I do agree with Member Grinnell that we need
24 to -- I would like to address that first paragraph and
25 the second, and then also we need to be very -- I just

1 need to have more specifics in the CEC similar to what
2 happened in Gilbert that made some hard and fast
3 commitments to this community. Because right now,
4 planting a tree and cleaning up trash is not a
5 commitment, in my opinion, particularly when there's a
6 billion-dollar project that's being invested in across
7 the street literally.

8 MR. ACKEN: Mr. Chairman.

9 MEMBER GENTLES: So I would suggest that we
10 don't include these four bullet points in this
11 condition and we only include Paragraphs 1 and 2, and
12 then we take whatever we might recommend as conditions
13 separately as standalone conditions within the CEC.
14 That's my motion. I guess that's my amended motion.

15 CHMN. KATZ: Then do we take out the last
16 sentence, "The scope of CW will include but shall not
17 be limited to"?

18 MEMBER HAMWAY: Yes.

19 MEMBER GENTLES: Yeah, let me take a look.
20 Well, I would state that would not be limited to -- I
21 think we keep that, because my thought was that the
22 conditions after this would, of course -- you know,
23 they would follow this statement. So Number 9 or 10,
24 whatever the condition number is, would follow -- if we
25 want to -- maybe "shall not be limited to the

1 additional proposed commitments" --

2 MR. ACKEN: Mr. Chairman, can I be heard?

3 CHMN. KATZ: Yes.

4 MR. ACKEN: I'm sorry, Mr. Gentles. I didn't
5 mean to interrupt. Are you done? Are you done with
6 that thought? I didn't mean to interrupt you.

7 MEMBER GENTLES: Yeah, I'm finished. Go
8 ahead.

9 MR. ACKEN: So a couple things. The
10 community working group is separate from conditions
11 that SRP proposed in this hearing such as paving. You
12 know, we discussed commitments to paving, scholarships,
13 supporting historic designation. Those are the
14 concrete proposals that we heard that the community
15 wants that we recommend that could be conditions that
16 are outside the working group.

17 The purpose of the working group is to have a
18 forum for all the key stakeholders, of which SRP is but
19 one, to address other issues for the community. If you
20 take out those items that are listed, then what is the
21 charge of the community working group? And SRP has
22 been very clear from the beginning, SRP didn't want to
23 be -- I think Ms. Post's comment was big daddy. SRP
24 doesn't want to be big daddy. SRP wants to work with
25 the community, identify what the community wants, and

1 that was the goal of the community working group.

2 And that's why you don't find the specificity
3 that you found in San Tan, because the San Tan process
4 was further along than this one is as far as a
5 community working group, because in that case you had
6 HOAs, you had designated points of contact. And the
7 testimony in this case is we didn't have that. We're
8 trying to develop that. So we're not going to be in
9 the same place with respect to the working group, but
10 we can commit to some of the same concepts, vegetative
11 screening, landscaping in the public areas, addressing
12 plant lighting consistent with safety considerations.
13 But again, we don't want to tell the community what to
14 do. We want to work with them.

15 The other piece I wanted to say on this piece
16 is the scope of the working group. In our mind, SRP's
17 mind, the key stakeholders that need to be at that
18 table are the Randolph community, Pinal County, the
19 City of Coolidge, and SRP. That's why we did not
20 include other intervenors. The San Tan case -- no two
21 cases are alike. San Tan had several HOAs, so maybe it
22 made sense include other intervenors.

23 I appreciate Mr. Rich's comment that they
24 would only participate if Randolph wanted them to. I
25 think that's the right approach. My understanding is

1 Randolph wants this to be a Randolph-centric working
2 group, and Ms. Post can correct me if I'm wrong. But
3 if she agrees with that, I think we should think long
4 and hard about how broad do we make this working group.

5 And again, what we tried to do was tailor it
6 after what was done in San Tan as a starting point, but
7 it's a different set of facts. In that case you had
8 thousands of people that lived in very close proximity
9 to what was going to be a massive expansion of a
10 combined cycle plant, not an infrequently used plant
11 such as this that is next door to the Randolph
12 community.

13 And so we look at these on a case-by-case
14 basis. And I think we run the risk if we say, well,
15 you should do X because that was done here. They
16 inform our good policy choices, but they should not be
17 the be-all, end-all. And I'd love Ms. Post -- if she
18 disagrees with me on the scope of the working group,
19 I'd love to hear her correct me.

20 MEMBER GENTLES: Mr. Chairman.

21 CHMN. KATZ: Yes, sir.

22 MEMBER GENTLES: This is Member Gentles.

23 Mr. Acken, I appreciate that explanation.
24 There's an enormous gap between how this community
25 working group occurred -- the Gilbert community working

1 group occurred and the resulting conditions that were
2 provided in the CEC in the Gilbert working group. I
3 agree things are -- communities and CECs are completely
4 different, but it is clear to me that there was
5 extensive work done up front with that Gilbert
6 community to arrive at those conditions to include in
7 the CEC to be approved on the date of -- on the date of
8 our vote, not after the fact.

9 And that's the challenge I have here.

10 Because while you're right, I don't think that we want
11 the applicant to play big daddy, we want the community
12 to have their input and to determine what's in their
13 best interests, the challenge is that --

14 There are two things. One is that I don't
15 see that that's the case here and the work up front was
16 not done. It was not done.

17 And secondly, it has already been said that
18 the Randolph community rejected these. And so we're
19 trying to add these in over the objection of the
20 community that's directly impacted. That's my
21 challenge in connecting these dots. I'm happy to hear
22 more on that issue before we move on.

23 At minimum, I think we just include the first
24 two paragraphs. If we want to include these items in
25 there as well, that's fine, but it's not going to be,

1 for me, the totality of this commitment up front, in
2 writing, before we get -- before the CEC is approved to
3 move forward.

4 CHMN. KATZ: Well, what I'd like to do is --
5 you moved to amend those two paragraphs. Are you
6 asking that we exclude those bullet points or should we
7 include the bullet points and then go on to see what
8 additional conditions, if any, we add that might be
9 mandatory?

10 MEMBER GENTLES: Yeah, I'm -- again, I'm okay
11 with that approach, but my challenge is that there is
12 no possible way, unless the intervenors already have a
13 full list and understanding of what this community
14 needs and wants, that we can actually include those
15 here in this CEC.

16 Again, just for clear understanding, there
17 was enormous work and substantial time invested in the
18 city of Gilbert up front to come up with those seven or
19 eight conditions. That was not the case here. And I
20 am trying to ensure that the same investment that was
21 done in Gilbert is at least considered in this case,
22 because I think it would be tragic for this Committee
23 to approve this CEC without any concrete commitments
24 outside of the trimming of trees and what you see on
25 these four bullet points.

1 So let me just say this. I'm okay with
2 accepting them, but we've got to figure out a way how
3 we're going to include additional commitments in this
4 CEC.

5 MEMBER HAMWAY: Mr. Chairman, can I speak?

6 CHMN. KATZ: Yes.

7 MEMBER HAMWAY: So I made notes of what Ron
8 Moore wanted. And he wants help with the Juneteenth
9 celebration, help with the power bills, a better sewer,
10 Internet, fire hydrants, which is infrastructure. And
11 I don't know of any testimony where the residents of
12 Randolph rejected those.

13 I think you rejected them.

14 MS. POST: No.

15 MEMBER HAMWAY: Who rejected them?

16 MS. POST: Those were not included in the
17 offer that was made by SRP. Those were extra things
18 that Ron said, you need to do this. And it was Ron
19 Jordan, not Moore.

20 MEMBER HAMWAY: Oh, yeah, you're right. I'm
21 sorry. I apologize.

22 MS. POST: So they didn't reject these. This
23 is what they proposed, but that was not what SRP
24 proposed.

25 MEMBER HAMWAY: Right. So they're rejecting

1 SRP's --

2 MEMBER GENTLES: My apologies. My apologies.
3 I didn't understand that.

4 CHMN. KATZ: Okay. What I'd like to do --

5 MEMBER GENTLES: Member Hamway, my apologies
6 for interrupting.

7 CHMN. KATZ: What I'd like to do is call for
8 a vote on the amendment, and we will include those
9 bullet points, and that doesn't limit us to only having
10 those bullet points. But we'll put that language back
11 in, is that correct, with respect to your amendment?

12 MEMBER GENTLES: I'm okay with that.

13 MS. POST: Can I make a comment first?

14 CHMN. KATZ: Please make a comment and then
15 we're going to take a vote.

16 MS. POST: The Randolph residents have been
17 very clear that they believe they should be the drivers
18 of this ship, so I do agree with Mr. Acken on that.

19 You said there's no provision for you to
20 reconvene and approve anything. Could you make a
21 provision that SRP and Randolph residents would come to
22 a written, enforceable, detailed agreement prior to
23 this going to the ACC if you approve the permit in the
24 first place? Can you do that?

25 CHMN. KATZ: We possibly could, but that's --

1 what I'd like to do is figure out whether we're going
2 to accept this amendment and then this condition, and
3 then we can talk further. Ms. Little had some
4 suggestions, other Members may have some suggestions,
5 and I don't know what Mr. Acken would feel with respect
6 to what was just suggested.

7 MR. ACKEN: Certainly we would -- Ms. Post
8 and I have had numerous conversations before, during,
9 and I'm sure after this proceeding, and we will
10 continue to regardless of what happens today. We don't
11 need the Committee to tell us to have those
12 discussions. I will speak and SRP will speak to anyone
13 who wants to discuss potential resolutions, those who
14 want to work pragmatically towards a resolution. We
15 have and we will continue to do so.

16 A condition that forced us to reach an
17 agreement with Randolph would be something that we
18 would certainly oppose. But as far as -- you have my
19 word and you have SRP's long track record that SRP will
20 do what it says and continue to work with Ms. Post.
21 And if there is a way to refine this after today, by
22 all means, we will -- we will pursue that. But we
23 can't have a condition that requires us to reach an
24 agreement, make somehow granting the CEC conditional.

25 I still want to go back to the membership of

1 this working group. SRP has a lot of experience with
2 working groups. This needs to be a local process with
3 Randolph, Coolidge, Pinal County, and SRP. I can't
4 support, and I hope the Committee doesn't support,
5 including intervenors who don't represent the Randolph
6 community and have said on the record they don't
7 represent the Randolph community and, to their credit,
8 have said they would only participate if Randolph
9 wanted them to. Let's just cut to the chase and not
10 have them in unless Randolph says that they want them
11 in.

12 CHMN. KATZ: Again, what I want to do -- you
13 heard these comments from -- Mr. Gentles, you've heard
14 the comments from Dianne Post and from Bert Acken. Do
15 you want us to proceed with the amendment as it is
16 currently written and then we can talk about additional
17 conditions after this one?

18 MEMBER PALMER: I'd like to raise a question
19 of Ms. Post, because I kind of agree with what
20 Mr. Acken is saying. Would the Randolph -- to me, I
21 think they would want the working group to be theirs,
22 not the Sierra Club's.

23 MS. POST: That is exactly what I said.
24 They've been very clear that they want to drive this
25 ship.

1 MEMBER PALMER: So are you opposed to adding
2 the other two intervenors, the other three intervenors?

3 MS. POST: I wouldn't do it if it were up to
4 me. I'm not going to oppose it, but I wouldn't --

5 MEMBER PALMER: That's what I wanted to hear.

6 CHMN. KATZ: Having heard that, do we want to
7 take Sierra Club out and Western Resource Advocates
8 out? And I don't know what their positions are.

9 MR. STAFFORD: Chairman, Members, we would
10 only serve if the residents of Randolph wanted us to.

11 MEMBER PALMER: It sounds like they don't.

12 MEMBER GENTLES: Perhaps we can include that
13 language, Mr. Chairman, so that they're not committed
14 to doing so. But if the community requests that they
15 are a part of it, then I'm okay with that. If they
16 request that they're not, I'm okay with that.

17 CHMN. KATZ: What about where we have one
18 member designated by the Sierra Club if requested by
19 Randolph?

20 MEMBER GENTLES: Yeah, that's fine. You can
21 put that on each of those intervenors. I'm fine with
22 that.

23 MR. STAFFORD: Chairman, quick question.

24 MEMBER GENTLES: I also am a fan of the
25 community driving this, not necessarily an intervenor.

1 But I am just responding --

2 And I have to just say thank you to Member
3 Little for bringing to our attention the Gilbert CEC.
4 It just said that in the Gilbert CEC. And I know
5 intervenors mean a lot of things or could be a lot of
6 different people and it's different for each community,
7 but I would certainly like to see that as an option if
8 the community decides that they need some additional
9 input.

10 CHMN. KATZ: Do we want to, then, just leave
11 it, then, as one member designated by the Sierra Club
12 if requested or approved by Randolph?

13 MEMBER GENTLES: Yeah, that's fine.

14 MR. STAFFORD: Chairman, may I can ask a
15 question? So there's five residents of the Randolph
16 community on this working group. So would it be a
17 unanimous vote by those five to have Sierra Club or
18 Western Resource participate, or is a simple majority
19 of those residents sufficient?

20 CHMN. KATZ: I think that's not something
21 we're going to decide here. They can decide to make it
22 unanimous or not, but we'll just make it...

23 MR. EMEDI: Mr. Chairman, I'm sorry to add to
24 this discussion that's been going on for a while
25 already, but I just heard from Commission Staff. I

1 think based on what we've heard from Ms. Post and SRP,
2 we don't think that Commission Staff is really
3 necessary to be involved in the community working
4 group. So that's just kind of our take on things based
5 on what we've heard.

6 CHMN. KATZ: Should we take the ACC out?

7 MEMBER PALMER: I think so.

8 CHMN. KATZ: We'll take the -- if you agree,
9 Mr. Gentles, we'll take the Corporation Commission out.

10 MEMBER GENTLES: Sure.

11 CHMN. KATZ: And add, to Western Resources,
12 "if requested by the Randolph community."

13 And take a look at the way Number 8 reads
14 now, including the bullet points. And if that's your
15 amendment, we'll vote on it.

16 MEMBER GRINNELL: Mr. Chair, we're voting --

17 CHMN. KATZ: Only on the amendment.

18 MEMBER GRINNELL: Only on the amendment?

19 CHMN. KATZ: Correct.

20 MEMBER GRINNELL: Of the first two
21 paragraphs?

22 MEMBER PALMER: The whole thing.

23 CHMN. KATZ: The whole thing.

24 MEMBER GRINNELL: Oh, the whole thing. Okay.

25 CHMN. KATZ: All those in favor of the

1 amendment that has been proposed by Mr. Gentles and
2 that we have discussed in-depth, all those in favor,
3 please say aye.

4 (A chorus of ayes.)

5 CHMN. KATZ: Anyone opposed?

6 (No response.)

7 CHMN. KATZ: That Condition 8 will be --
8 well, now we need to go further. That all being said,
9 we approved the amendment. Do we now need to vote on
10 adding this as a condition?

11 MEMBER PALMER: Motion to add Condition 8 as
12 presented on the screen.

13 MEMBER HAMWAY: Second.

14 CHMN. KATZ: And that's as amended by
15 Mr. Gentles. All in favor.

16 (A chorus of ayes.)

17 CHMN. KATZ: All opposed?

18 MEMBER GENTLES: Aye. Although, I didn't
19 second that.

20 CHMN. KATZ: Okay. Any second?

21 MEMBER HAMWAY: I seconded it.

22 CHMN. KATZ: Mary Hamway seconded it.

23 All in favor, say aye.

24 (A chorus of ayes.)

25 CHMN. KATZ: Anyone opposed?

1 (No response.)

2 CHMN. KATZ: It will be included.

3 What do we want to -- do we need to -- for
4 the benefit of our court reporter, I don't know if we
5 need to take a break, and I don't know what we want to
6 do with some of these other conditions that were done
7 in Gilbert. Some of them are wholly inapplicable. I
8 don't know how far we need to go today because we don't
9 have recommendations in front of us. The parties
10 didn't work that cohesively together prior to this CEC
11 going forward. And we're going to need to do something
12 today by way of either approving the CEC or not. How
13 do we --

14 MEMBER LITTLE: Mr. Chairman.

15 CHMN. KATZ: Yes, Member Little.

16 MEMBER LITTLE: Some of the conditions that
17 are in the Gilbert CEC or similar ones that I would
18 like to propose are simply putting as conditions things
19 that the applicant has already said in the application.
20 For example, the water, the use of water, how they plan
21 to use their water. So some of those I think can go in
22 there, the applicant has already said that's what
23 they're going to do, I would just like to see them --
24 or, like to discuss whether we should include them in
25 the CEC.

1 CHMN. KATZ: Do you have a specific motion
2 that you wanted to make?

3 MEMBER LITTLE: Yes, I do. Did you want to
4 take a break now or shall I just go ahead?

5 CHMN. KATZ: Let's take a 15-minute break.
6 Try to -- maybe you and Mr. Gentles can confer with one
7 another. Any suggestions as to how we proceed?

8 MEMBER GRINNELL: I would like to make a
9 recommendation. You'll have to excuse me. I have to
10 be in Phoenix. I have --

11 CHMN. KATZ: I understand.

12 MEMBER GRINNELL: -- people waiting for me
13 right now.

14 I would like to maybe take a lunch break and
15 maybe ask Ms. Post and Mr. Acken to have a conversation
16 as to what conditions can and cannot be included.

17 Now, one other point of information here. We
18 cannot approve certain things that there's jurisdiction
19 by the Pinal County Board and their members, i.e., fire
20 hydrants, certain road paving. There has to be
21 approvals to get some of these conditions done. So you
22 all may have an agreement on what can and cannot be
23 done, but there's a third party that is an integral
24 part of this whole deal when it comes to conditions,
25 and that is the County Board of Supervisors and the

1 actions taken by them.

2 Now, Mr. Cavanaugh, in his testimony, agreed
3 to do certain things. But you have to keep in mind,
4 when you're putting forth conditions, who has the
5 authority to approve these conditions. All we are
6 authorized to do, as far as inclusion, we cannot commit
7 anybody outside of SRP with their agreement and the
8 Randolph neighborhood association with their agreement.

9 So given that information, maybe it's
10 appropriate for you two to meet for lunch, talk about
11 some things that we can bring to the table that can
12 make it realistic and provide an opportunity for a
13 resolution today, understanding -- and in that
14 paragraph, shall not be limited to, the inclusion of
15 the Pinal County Board of Supervisors and the people
16 responsible for getting these tasks done.

17 CHMN. KATZ: Mr. Palmer.

18 MEMBER PALMER: And I think it could quite --
19 I won't say simply be said, but I think it could state
20 in a condition that SRP and the Randolph community will
21 work with Pinal County Board of Supervisors and the
22 City of Coolidge to accomplish, and list, you know,
23 paving roads, whatever things that we come up with.
24 Because he's right, I spent 20 years on a board of
25 supervisors, and all we can impose in the condition is

1 that they work with them to accomplish these tasks to
2 the best of their ability.

3 CHMN. KATZ: Any thoughts from you,
4 Mr. Acken?

5 MR. ACKEN: Consistent with what I said
6 earlier, we will speak with Ms. Post, no doubt about
7 it, over the lunch hour, and I do think that there are
8 some areas where we do have some common ground. We
9 won't get all the way there. But I understand the ask
10 and so we will do so.

11 MEMBER LITTLE: This is Member Little.

12 CHMN. KATZ: Yes, Member Little.

13 MEMBER LITTLE: Can I ask that you use as a
14 basis, perhaps, of your discussion today at lunchtime
15 the conditions that are in the Gilbert CEC? I
16 understand that many of those do not apply.

17 MR. ACKEN: Yeah, that's a great --

18 MEMBER LITTLE: This is a different
19 situation, but I believe that there are some that
20 perhaps could be used or modified to use in these
21 circumstances.

22 MR. ACKEN: I'm sorry. I think there's a
23 lag. I keep speaking over you. My apologies.

24 Yes, that's a great idea. We will take --
25 for example, that water condition, I know what you're

1 talking about. We'll have that on our list, and we'll
2 look for similar ones like that that we think, you
3 know, make sense that maybe are consistent with what
4 you are proposing and see if there are some of those
5 that we can include as well. So I've got two action
6 items. One is to go through that list, and also to
7 meet and confer with Ms. Post, and we will do so.

8 CHMN. KATZ: And do we want to have maybe,
9 just as a thought, a condition that provides that SRP
10 will use all reasonable efforts to accomplish the
11 bullet pointed -- I'm not -- the bullet pointed items
12 within a reasonable period of time if approved of by
13 the community working group?

14 MR. ACKEN: You know, we're not going to
15 object to conditions that impose reasonable obligations
16 on SRP. I will say, I don't want to revisit this
17 condition at all, from the standpoint of just the time
18 that it's taken, and we will have others.

19 And I would remind the Committee that we do
20 have self-reporting obligations annually. And so
21 there's notice, and that's public notice, that goes out
22 to everybody. It says, you know, if Number -- what is
23 now Number 8 is adopted by this Committee, SRP needs to
24 make an annual report and say what has been done. So
25 you have SRP's word, its commitment, and then you have

1 the compliance filing to trust but verify.

2 CHMN. KATZ: Well, while we had hoped to
3 maybe be done by noon, I don't want to rush this. It's
4 now about 12:20. Do we want to take an hour?

5 MEMBER HAMWAY: No.

6 CHMN. KATZ: 45 minutes?

7 MR. ACKEN: The Committee doesn't want to
8 take an hour, so how much time --

9 MEMBER HAMWAY: Well, I don't want to take an
10 hour. I won't speak for the Committee.

11 MEMBER PALMER: I'm with you.

12 CHMN. KATZ: I mean, we can resume -- do you
13 think 1:00 is enough time?

14 MEMBER HAMWAY: I do.

15 CHMN. KATZ: And we're not going to have a
16 hundred percent consensus today. And we don't have
17 input from the working group, like it appears happened
18 in the Gilbert situation, so we can't --

19 And I could just point out one other thing.
20 If we have certain other conditions in here, such as
21 the newly added Number 8, the Corporation Commission
22 can always be called upon to enforce that condition.

23 So we can't have everything done in this
24 particular CEC, and the Corporation Commission -- there
25 will be more time between now and the time the

1 Corporation Commission hears this. If we were to
2 approve this CEC or disapprove of it and the Commission
3 wants it approved, they can add a whole host of
4 additional conditions. And perhaps between now and
5 that time, the parties will have further agreement or
6 at least can respectfully agree to disagree and present
7 that information to the Commission.

8 We do stand in recess until 1:00.

9 (Off the record from 12:18 p.m. to 1:03 p.m.)

10 CHMN. KATZ: Let's go back on the record. I
11 just have a few observations to make -- because it's my
12 intent, even if we have to stay here late today, to go
13 home and have us all go back to work and home by the
14 end of the day, I'll make one observation, or maybe a
15 couple.

16 We're in a situation where the Randolph
17 community has been the victim of neglect for probably
18 30, 40, 50 years by Pinal County and the town of
19 Coolidge. We cannot accomplish today what the work
20 group did in the Gilbert matter. They probably worked
21 together for weeks or months in advance of the hearing.
22 There were 17 intervenors in there, multiple homeowners
23 associations, fairly sophisticated middle class --
24 primarily middle class residents, and that resulted in
25 the CEC being issued for that Gilbert plant that had a

1 number of conditions that we can't possibly implement
2 here.

3 And the reason we can't implement them is I
4 can't, for example, order -- or, this Committee has no
5 jurisdiction to order Salt River Project to come up
6 with \$330,000 or a million dollars. That would be a
7 Board decision.

8 The only thing I'd like to do maybe as an
9 additional condition, this is my recommendation, is if
10 there's anything that the Randolph residents and SRP
11 have formally agreed to, or the things that
12 additionally were agreed to by SRP, such as the
13 scholarships and the paving of the roads, the dirt
14 roads that surround the project, we can put that on the
15 record.

16 I will discourage the Members of this
17 Committee to try to incorporate the things that
18 happened in Gilbert. Because in that not only did SRP
19 have Board approval to come up with funds that they
20 don't currently have, they had the City Council coming
21 up with funds or things that the City would do that
22 were documented and agreed to. We don't have that
23 privilege right now, unfortunately, and it's -- I wish
24 in hindsight that we maybe did.

25 But I did hear SRP tell us that they had

1 folks going door to door to get input. Sadly, and it's
2 not their fault, it is not a well-organized community,
3 and that's the result of what we might call
4 environmental injustice or even environmental racism.
5 And I understand that intent doesn't matter, but the
6 community was neglected, it wasn't organized, and it
7 wasn't supported.

8 So we can't solve all of the problems. I
9 just trust that SRP, in the things that we've just
10 included in that Condition Number 8, will act in good
11 faith, and that any of the members that are selected to
12 be on this working group, community working group, will
13 act in good faith.

14 And if there's anything more we want to put
15 on the record, that's fine. And I cannot and will not
16 prevent any of our Committee Members from moving to add
17 to additional comments. I am just discouraging that we
18 not try to rewrite the conditions from the Gilbert CEC
19 that were the result of agreements and stipulations
20 that we don't have here today.

21 And what we may do is -- I feel your
22 frustration, Mr. Gentles. I wish that we could be more
23 firm and specific, but I don't know that we can be.
24 And if between now and the time the Corporation
25 Commission reviews this -- whether it's approved or

1 disapproved, it's going to go to the Corporation
2 Commission, and there may be certain other agreements
3 and stipulations that could be added to the order, if
4 it is approved, that the Commission chooses to add.

5 But let me just ask, Mr. Acken, have you and
6 Ms. Post had an opportunity to meet and discuss
7 anything? Are there any other conditions that you
8 would propose that we would consider, any mandates or
9 conditions that the parties may have reached an
10 agreement on?

11 MR. ACKEN: Mr. Chairman, I am pleased to
12 report that we did actually reach agreement on a
13 number of items, certainly not all, but we had a good
14 faith discussion and it was productive.

15 So let me just -- maybe I should go through
16 the list of where we have agreement and disagreement,
17 and Ms. Post will either confirm or modify as she sees
18 fit.

19 What I will need to do -- we're working as
20 quickly as we can. But depending on this discussion,
21 I'll need another five-, 10-minute break to convert
22 some of these to conditions -- or, proposed conditions
23 for the Committee's consideration based on the
24 discussion that we had.

25 CHMN. KATZ: Because at least the things that

1 are agreed to I'd like to have documented in writing so
2 that we can simply have a Member of this Committee move
3 to accept them and modify or amend them as might be
4 necessary. But again, we're not going to solve all of
5 the community's problems, because it needs support from
6 the City of Coolidge Town council, the Board of
7 Supervisors for Pinal County, and the Board of SRP.

8 Counsel, go a ahead.

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

10 CHMN. KATZ: Please let us know what those
11 things are.

12 MR. ACKEN: Thank you. Items we agree on.
13 SRP is committed to assisting the community of Randolph
14 with the historic designation that it seeks, as
15 consistent with our prior testimony. So we would be
16 willing to propose a condition on that.

17 Paving. As previously discussed in the
18 testimony, paving the streets of Randolph and paving
19 the streets around the plant. That one has to be
20 subject to approval, as there's been a great deal of
21 discussion, subject to the approval of the applicable
22 jurisdictions, whether it's Pinal County for a majority
23 of those roads, the City of Coolidge, but a commitment
24 from SRP to do that.

25 Landscaping we agreed on, and that's already

1 in the community working group. We've also committed
2 to a maintenance schedule, if there's a desire to see
3 that specified. But that's, in our mind, included in
4 the commitment there.

5 Lighting mitigation, again, in the working
6 group we have a commitment to look at that. The job
7 training, skills development, also in the working
8 group.

9 Scholarships, that's not in the working
10 group. We did discuss that. And we would propose a
11 condition on scholarships with the qualifications for
12 said scholarships to be worked out by the community
13 working group. So obviously, we're targeting the
14 Randolph community, and we want to make it for the
15 Randolph community.

16 So those are the areas that we agree on.

17 We also talked -- Member Little, I had two
18 separate lines going on on the San Tan CEC, so some of
19 our team was looking at it separately and I will have a
20 report on that, but we also -- I also spoke with
21 Ms. Post.

22 Condition 10 deals with noise. We can agree
23 to portions of that. There's portions of it that we
24 can't because they're inconsistent with our record, and
25 I'm just not familiar with the San Tan record, but we

1 can certainly agree to comply with OSHA standards and
2 make reasonable efforts to minimize nighttime
3 construction noise. So what we would propose to do
4 again after this discussion is take five, 10 minutes,
5 see if we can wordsmith some actual language for the
6 Committee.

7 16 from the San Tan -- Condition 16 from the
8 San Tan CEC talks about safety and evacuation plans.
9 That's something that SRP is willing to commit to.

10 Where we disagree on is compensation,
11 relocation, and timelines. And Ms. Post can speak --
12 timelines enforcement and hard dollar figures.

13 So on timeline enforcement, you know our
14 position, that we're going to work -- do what we say
15 we're going to do, and there's the opportunity in those
16 annual compliance to vet that. Ms. Post, I think,
17 wants stronger enforcement.

18 Hiring quotas. There are just limitations on
19 what SRP can do there. We'd like to address that
20 through the jobs and -- the job training, skills
21 development that we've committed to.

22 That's my read of this list, but I'm going
23 to --

24 CHMN. KATZ: You had mentioned hiring quotas,
25 money, and timelines, correct?

1 MR. ACKEN: Yes, timelines enforcement, in
2 addition to compensation and relocation.

3 MEMBER LITTLE: Mr. Chairman.

4 CHMN. KATZ: Yes, Ms. Little -- Member
5 Little.

6 MEMBER LITTLE: Can I ask about emission
7 monitoring equipment? It was mentioned, I don't know
8 by whom, but that there is no emissions monitoring
9 equipment located in Randolph. And I'm wondering if
10 the applicant would be willing to have a condition in
11 there that they would be -- they would install that.

12 MR. ACKEN: We actually talked about that
13 with Ms. Post. The issue is, the statutory framework
14 has changed since San Tan came into being. San Tan was
15 at a time when the Commission and the Committee were
16 adopting a lot of air quality-related conditions. The
17 statutory framework was changed to limit the authority
18 of the Committee and the Commission to adopt air
19 quality performance standards greater than what the
20 applicable air quality jurisdictions have.

21 And so in our view, you know, that's -- we
22 can't commit to that. That's something that Pinal
23 County Air Quality Department has to do. And that, you
24 know, quite frankly could be part of that community
25 working group with a Pinal County representative. So

1 if you see certain references to air quality that was
2 done in San Tan, we just have statutory limitations on
3 that today.

4 CHMN. KATZ: Let me ask Leonard Drago, who
5 does air quality work for the Arizona Department of
6 Environmental Quality and has contacts with most of the
7 County and Town folks that are monitoring air quality,
8 do you have any idea what monitors currently exist in
9 the neighborhood of that plant? And if you don't,
10 that's fine. I'm putting you on the spot.

11 MEMBER DRAGO: Not near the plant. I
12 wouldn't be able to distinguish the exact name of that
13 monitor, but I know that -- well, I don't.

14 MR. ACKEN: And Mr. Chairman, to Member
15 Little's question, my co-counsel, Ms. Ramaley, reminded
16 me that the testimony in this case is that SRP will
17 have continuous emissions monitoring of its own
18 facilities, and we'll commit to making that information
19 available to the general public. That's a commitment
20 we can make. So we have our own emission monitoring;
21 that is something that we can provide to the community.

22 MEMBER DRAGO: Just a follow-up. May I
23 follow up, Mr. Chairman?

24 CHMN. KATZ: Yes.

25 MEMBER DRAGO: So, Mr. Acken, I remember the

1 Board of Supervisors gentleman spoke to the fact that
2 they're doing the same thing through Pinal County Air
3 Quality Department.

4 MR. ACKEN: Yes, I believe -- thank you for
5 that reminder as well, Member Drago. Supervisor
6 Cavanaugh said that they were looking at putting like
7 an area -- well, a specific monitor in the Randolph
8 community because, again, they're the entity -- Pinal
9 County Air Quality District is the entity that can do
10 that.

11 CHMN. KATZ: Ms. Post.

12 MS. POST: Yes. Mr. Acken has stated it
13 accurately, as far as it has gone. We do not agree on
14 the compensation for the damages already done or the
15 relocation expenses for someone who might be forced to
16 leave because of increased violations -- or, increased
17 pollution.

18 And the issue of timelines and deadlines is
19 that while they may work in good faith, the people of
20 Randolph don't necessarily believe that or trust that
21 because they haven't seen it. So that's why I think we
22 should need to have specific timelines and deadlines.

23 And I also want to just remind this
24 Committee, the position of the Randolph residents is
25 that this plant is not environmentally compatible with

1 their lives and their community. So that's their
2 position, that it's not compatible and should not be
3 built.

4 But to your point and to the point brought up
5 by Mr. Gentles, we've had 45 minutes to talk about
6 this, whereas the Gilbert situation, where we're
7 talking about middle class white people, they had
8 months to come up with their conditions. So this is
9 insufficient community engagement and this is another
10 reason that the plant should not be built, period.

11 CHMN. KATZ: That's fine. What I'd like to
12 do is maybe take -- I hate to stall, but I'd rather
13 stall and then have us move smoothly. So if you want
14 to take some time to deal with historic designations,
15 paving of streets of Randolph and the plant subject to
16 City or County approval -- required Town or City
17 approval, a landscaping maintenance schedule, lighting
18 mitigation, scholarships, job training, and SRP
19 emission monitoring at or near the plant, if you can
20 draft those conditions and we can at least have one at
21 a time added to this.

22 And then if we have any additional requests
23 by Ms. Little, Mr. Gentles, or any other Member, we can
24 take care of those. But we're not, sadly, going to be
25 able to make total justice for this community, and

1 that's not the function of this Committee. The
2 Corporation Commission has greater authority than we
3 do. And I'm not suggesting that we they will do more
4 than we do, but there will be at least time to get this
5 community working group organized.

6 And what is the Commission, if it gets -- how
7 soon after our decision -- is it 60 days that they have
8 to act?

9 MR. EMEDI: That's correct.

10 CHMN. KATZ: So there will be another two
11 months where, if there's any additional agreements,
12 they can be presented as stipulations to the Commission
13 for their consideration.

14 MEMBER GENTLES: Mr. Chair.

15 CHMN. KATZ: Yes, Mr. Gentles -- Member
16 Gentles.

17 MEMBER GENTLES: Yes, thank you. I
18 appreciate your comments about these conditions and the
19 fact that we can't -- we cannot solve the Randolph
20 community's issues that have been going on for 30 to 50
21 years. So I do appreciate that, and I hope the other
22 Members of this Committee recognize that as well.

23 That being said, we have control over this
24 CEC. And to that point, there were some items in the
25 Gilbert CEC that I thought and Member Little thought

1 might make some sense to include that don't include a
2 hard dollar commitment to funds, which I think will
3 have to come out of the working group if that's the
4 direction that that working group goes. But there were
5 some other conditions in that Gilbert CEC that we think
6 might make some sense. Would you like Member Little to
7 read those off to you and perhaps we take them now or
8 we can address them --

9 CHMN. KATZ: What we can do is at least get
10 some input from Ms. Post and Mr. Acken.

11 And if it sounds like I'm saying Miss, it's
12 M-S, Ms., because I don't care what anybody's marital
13 status is, I just care about being courteous and polite
14 to the best that I'm able to.

15 So if Ms. Little --

16 MEMBER LITTLE: I think that makes more
17 sense, Mr. Chairman.

18 CHMN. KATZ: If you want to at least go
19 through a list of things, perhaps those can be
20 negotiated. And if we have to take 15 minutes or a
21 half an hour, if we have conditions that are not going
22 to be objected to by the parties -- and it's really up
23 to the Committee to object or not, but I want to try to
24 get things smoothed out so that we can add those. And
25 then we'll decide whether or not to issue the CEC, and

1 Members of the Committee are free to say no or free to
2 say yes.

3 Go ahead.

4 MEMBER GENTLES: Maybe we just list off the
5 ones that we --

6 CHMN. KATZ: That's my thought is.

7 MEMBER LITTLE: I think they have
8 addressed -- Member Gentles, I think they have
9 addressed several of them. I think we should wait and
10 see what --

11 MEMBER GENTLES: Okay. I'm good with that.

12 MEMBER LITTLE: -- what SRP comes up with.

13 MEMBER GENTLES: Sure. Okay.

14 CHMN. KATZ: That's fine.

15 MEMBER LITTLE: I think they've addressed
16 most of them.

17 CHMN. KATZ: Let's deal with those additional
18 conditions that the parties might agree to, and
19 hopefully the Committee will agree or not agree to
20 them, but we can go through them fairly quickly or take
21 what time is necessary.

22 Let's take a short -- how long do you think
23 you need to put things together? I don't want to rush
24 you, because the better it's put together the quicker
25 we're going to move once we resume.

1 MR. ACKEN: I'd like to say five minutes, but
2 more likely 15. Because what I'd like to do is share
3 with Ms. Post -- I've already drafted some of them --
4 share with Ms. Post, get them on the screen at 1:35.
5 That's 12 minutes.

6 CHMN. KATZ: We'll make it about 1:40. And
7 if you end up needing any more time than that, let me
8 know. But I'm anxious to get as many of those
9 agreements together as we can, okay?

10 MR. ACKEN: Understood. And thank you,
11 Mr. Chairman.

12 CHMN. KATZ: Thank you.

13 (Off the record from 1:23 p.m. to 1:39 p.m.)

14 CHMN. KATZ: On the screen we would probably
15 -- we had the one condition that was Number 8 regarding
16 the community working group as amended, so now I guess
17 we'd be looking at Numbers 9 forward before we go back
18 to our original CEC, those additional conditions.

19 And is the first one beginning "Subject to
20 approval of Pinal County"? Is that the first of them?

21 MR. ACKEN: Yes.

22 CHMN. KATZ: Okay. I think we have all of
23 our virtual members present and that Mr. Grinnell is
24 maybe and hopefully listening by phone. Oh, he's --
25 are you with Mr. Branum?

1 MEMBER GRINNELL: Mr. Chairman, I'm here with
2 Mr. Branum.

3 CHMN. KATZ: Well, glad to see you.

4 I think it's been worth taking our time. We
5 now have a number of conditions, and I guess we would
6 start with Number -- was it Number 9. So that first
7 one would be Number 9. And what I'd like is to have a
8 member of this Committee, if you're comfortable doing
9 so --

10 And these terms up here are terms that have
11 been agreed to between the Randolph community and SRP,
12 is that correct?

13 MR. ACKEN: Yes. Not all of these. We have
14 a few different lists. Number 9 is one that we
15 discussed and agreed to as part of our meet-and-confer
16 with Ms. Post.

17 CHMN. KATZ: Because the ones that are agreed
18 to will be the quickest ones for us to go through. And
19 if we label this Number 9, "Subject to approval of
20 Pinal County and the City of Coolidge," and it reads --

21 Do I have a Member --

22 MEMBER PALMER: Mr. Chairman, I move approval
23 of Number 9 as presented on the screen.

24 MEMBER HAMWAY: Second.

25 CHMN. KATZ: Any discussion?

1 (No response.)

2 CHMN. KATZ: All in favor, please say aye.

3 (A chorus of ayes.)

4 CHMN. KATZ: Anyone opposed?

5 (No response.)

6 CHMN. KATZ: Which is the next one that you
7 agreed to?

8 MR. ACKEN: The next one down, which would be
9 new Number 10, "The applicant shall establish an annual
10 scholarship program."

11 CHMN. KATZ: Anybody want to move to approve
12 the --

13 MEMBER HAMWAY: So moved.

14 CHMN. KATZ: Second?

15 MEMBER PALMER: Second.

16 CHMN. KATZ: Any discussion?

17 (No response.)

18 CHMN. KATZ: All in favor.

19 (A chorus of ayes.)

20 CHMN. KATZ: Anyone opposed?

21 (No response.)

22 CHMN. KATZ: Moving on, what is the next
23 numbered one that has been agreed to?

24 MR. ACKEN: The following condition, where it
25 talks about supporting efforts to establish Arizona and

1 national historic designations for Randolph.

2 CHMN. KATZ: We'll make that Number 11.

3 MEMBER HAMWAY: I move Condition 11.

4 MEMBER DRAGO: Second.

5 CHMN. KATZ: It's been seconded. All in
6 favor.

7 (A chorus of ayes.)

8 CHMN. KATZ: Anyone opposed?

9 (No response.)

10 CHMN. KATZ: Which is the next one that has
11 been agreed to?

12 MR. ACKEN: 12. It has a -- in our haste to
13 get this, we need to add something. So 12, it should
14 say, at the end -- after "other appropriate
15 authorities" add the following language, "regarding
16 infrastructure improvements for the Randolph
17 community."

18 CHMN. KATZ: And is that correct, Ms. Post?

19 MS. POST: Correct.

20 CHMN. KATZ: We now have Number 12.

21 MEMBER HAMWAY: So moved.

22 MEMBER PALMER: Move Condition 12.

23 MEMBER HAMWAY: Second.

24 CHMN. KATZ: Any discussion?

25 (No response.)

1 CHMN. KATZ: All in favor.

2 (A chorus of ayes.)

3 CHMN. KATZ: Anyone opposed?

4 (No response.)

5 CHMN. KATZ: Moving on, the next one that
6 might have been agreed to. And what about that
7 language that just says "applicant"? That's not
8 currently agreed to?

9 MR. ACKEN: Yeah, and I -- I'm making this
10 overly complicated. We have discussed all of these, I
11 put them in a couple different buckets based on where
12 they came from, but all of these should be stipulated
13 conditions.

14 So the next one should say 13. This
15 actually is a -- comes from -- based off a condition
16 from San Tan CEC, but it is not identical to that
17 condition. But this was language that we were able to
18 reach an agreement with Ms. Post regarding.

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

20 MS. POST: Correct.

21 CHMN. KATZ: Would somebody --

22 MEMBER HAMWAY: I move Condition 13.

23 MEMBER PALMER: Second.

24 CHMN. KATZ: Any discussion?

25 (No response.)

1 CHMN. KATZ: All in favor.

2 (A chorus of ayes.)

3 MR. ACKEN: 14 is also --

4 CHMN. KATZ: Anybody opposed?

5 (No response.)

6 CHMN. KATZ: Moving on, Number 14.

7 MR. ACKEN: My apologies, Chairman.

8 CHMN. KATZ: That's okay.

9 MR. ACKEN: 14 is also a stipulated agreed
10 condition with Randolph that is based on a condition
11 from San Tan.

12 MEMBER LITTLE: May I make a -- oh, I guess
13 you need to move it first.

14 CHMN. KATZ: Yeah. Is there a motion to
15 approve?

16 MEMBER HAMWAY: So move Condition 14.

17 MEMBER PALMER: Second.

18 CHMN. KATZ: Okay. Discussion, and
19 Ms. Little?

20 MEMBER LITTLE: Could we add the language,
21 "Applicant shall discontinue use of groundwater and
22 will rely exclusive" -- I want to put in there that
23 they're going to discontinue use of the groundwater for
24 the existing part of the plant, which is part of the
25 application. And so if we could say, "Applicant will

1 discontinue use of groundwater and will rely
2 exclusively on stored surface water for power plant
3 purposes."

4 CHMN. KATZ: What is the thought -- we can
5 maybe treat that as an amendment, but what's your
6 thought?

7 MR. ACKEN: That's completely consistent with
8 our testimony.

9 CHMN. KATZ: Okay. And Ms. Post, I'm
10 assuming you won't disagree?

11 MS. POST: Correct, do not disagree.

12 CHMN. KATZ: Let me just ask you, then, are
13 you moving that we change Number 14 to read, "Applicant
14 will discontinue use of groundwater. Only stored
15 surface water" --

16 MEMBER LITTLE: "And will use only stored
17 surface water." Yes, I so move. That's an amendment
18 I'm proposing.

19 CHMN. KATZ: And since -- well, go ahead.

20 MR. ACKEN: Can I suggest an edit? It should
21 say, "will discontinue use of groundwater at the
22 existing facility." And I guess I do have a question
23 whether our commitment was upon operation of the new
24 facility.

25 And thereafter will only --

1 MEMBER LITTLE: And thereafter will use
2 only -- yep. Good.

3 MEMBER GENTLES: Mr. Chairman, I'd like to
4 hear from Member Riggins on that point, if he's
5 available.

6 CHMN. KATZ: Mr. Riggins.

7 MEMBER RIGGINS: Mr. Chair, so that is
8 consistent with their testimony. I believe because
9 they're in the Hohokam Irrigation District, they're
10 using long-term storage credits that will be stored CAP
11 water to offset the use of groundwater that they are
12 currently using. So they are storing it -- part of the
13 groundwater saving facility, which is located in the
14 basin, so they will be using the long-term storage
15 credits for that stored water. And Mr. Petry might be
16 able to provide -- I believe that's what Mr. Petry
17 provided in his testimony, so this would be consistent
18 with that, I believe.

19 CHMN. KATZ: And what I'd like to suggest,
20 maybe we can withdraw the motion to approve 14 and then
21 just approve it as we're rewriting it right now. Who
22 moved to approve 14?

23 MEMBER HAMWAY: I probably did. I'll remove
24 my motion and make a new motion to accept 14 as edited.

25 MEMBER PALMER: Second.

1 CHMN. KATZ: The only suggestion I would
2 make -- I hate to do this -- it says, "and thereafter
3 only will use." I think, "thereafter will use only."
4 What do you think?

5 MEMBER LITTLE: Doesn't matter to me.

6 CHMN. KATZ: I think it's better English.
7 Will use only stored water.

8 Okay. And we'll take that as your motion, is
9 that all right?

10 MEMBER HAMWAY: Yes.

11 MEMBER PALMER: And I'll second.

12 CHMN. KATZ: Any further discussion?

13 (No response.)

14 CHMN. KATZ: All in favor.

15 (A chorus of ayes.)

16 CHMN. KATZ: Anybody opposed?

17 (No response.)

18 CHMN. KATZ: It passes.

19 And now we'll go to Number 15.

20 MR. ACKEN: 15 is another stipulated
21 condition based on, if not identical to in this case,
22 the San Tan CEC.

23 CHMN. KATZ: Number 15, do we have a motion?

24 MEMBER PALMER: Motion to Approve 15.

25 MEMBER LITTLE: I move Number 15.

1 MEMBER HAMWAY: Second.

2 MEMBER LITTLE: Second.

3 CHMN. KATZ: Okay. We'll take it as Jim's
4 motion and Toby Little's second.

5 Any discussion?

6 (No response.)

7 CHMN. KATZ: All in favor.

8 (A chorus of ayes.)

9 CHMN. KATZ: Anyone opposed?

10 (No response.)

11 CHMN. KATZ: It passes.

12 And now we have Number 16.

13 MR. ACKEN: This is a stipulated condition
14 based on a condition in the San Tan CEC as well.

15 CHMN. KATZ: And again, you're comfortable
16 with it as written, Ms. Post?

17 MS. POST: Correct.

18 CHMN. KATZ: Do we have a motion to approve?

19 MEMBER HAMWAY: I move Condition 16.

20 CHMN. KATZ: Any second?

21 MEMBER PALMER: Second.

22 CHMN. KATZ: Any discussion?

23 (No response.)

24 CHMN. KATZ: All in favor.

25 (A chorus of ayes.)

1 CHMN. KATZ: It's approved.

2 Now, is that correct that this isn't 17, it's
3 27?

4 MR. ACKEN: It's actually 27 in the San Tan
5 CEC. So, again, this is a stipulated condition based
6 on the San Tan CEC.

7 CHMN. KATZ: This would be 17?

8 MR. ACKEN: Which will become new 17 to
9 address one of Member Little's questions about
10 monitoring, air quality monitoring.

11 CHMN. KATZ: And Ms. Post?

12 MS. POST: Correct.

13 CHMN. KATZ: Okay. Do we have a motion to
14 approve --

15 Is the full condition up there right now?

16 Nothing below it, correct?

17 Any motion to approve Number --

18 MEMBER HAMWAY: I move Condition 17.

19 CHMN. KATZ: Second?

20 MEMBER PALMER: Second.

21 CHMN. KATZ: All in favor.

22 (A chorus of ayes.)

23 CHMN. KATZ: Anyone opposed?

24 (No response.)

25 CHMN. KATZ: Moving on, I don't know whether

1 there are any more agreements or not.

2 MS. POST: Mr. Chair.

3 CHMN. KATZ: Yes, ma'am.

4 MS. POST: I would like to go back to
5 something that you said at the beginning of this public
6 intersection, which is that this Committee does not
7 have any authority to order SRP to come up with money.
8 But this Committee sets the conditions of the permit.
9 And if you ordered SRP to pay for mitigation for harm
10 that they have already and will cause, then it's up to
11 SRP to take it or leave it, is that not correct?

12 CHMN. KATZ: It may be correct. I don't know
13 that -- I mean, any order that they do certain things
14 that requires the expenditure of money is going to
15 be -- require approval of their Board. I'm somewhat
16 disinclined to require financial remuneration at this
17 point in time. I just -- I mean, I wish that we could
18 rebuild the entire community, and I hope the working
19 group can work to do that.

20 What are your thoughts, Mr. Acken?

21 MR. ACKEN: 100 percent agree with your
22 statements both as to the appropriateness of the
23 condition and the jurisdiction of the Committee and the
24 Commission.

25 As you can see, we have worked in good faith.

1 And Ms. Post, to her credit, has also worked with us in
2 good faith. But where we do not agree and where we
3 cannot agree is on direct payments to residents. We
4 don't think the record supports that. We understand
5 the legacy, we are committed to doing our part to make
6 it better, and we think these conditions will go
7 substantially towards that, and quite frankly are a
8 better way to improve the community for the long term
9 than other methods, such as direct payments, which,
10 again, we will not -- we will not support. And just to
11 be clear, we would oppose that. We don't think the
12 record supports it.

13 MS. POST: Just to correct the record, I did
14 not ask for direct payments to the residents. I asked
15 for a fund to be set up.

16 MR. ACKEN: My response would be the same.

17 MEMBER GENTLES: Mr. Chairman, I've got to
18 respond to that as well. I don't know that anybody
19 here said direct payments to the residents of Randolph
20 as part of what we're looking for, but there are -- as
21 in the Gilbert CEC, there were funds dedicated to
22 specific things that came out of the months-long, I'm
23 sure, conversations with that City and those residents,
24 which SRP agreed to. So there is precedent for them
25 agreeing to fund certain things based on the

1 community's input. I would hope that in this CEC and
2 our stipulations we could find some language that would
3 allow them to do the same for this CEC in this
4 community.

5 MR. ACKEN: And if I may address that, we
6 have done so. We have made commitments for substantial
7 financial expenditures. And, you know, there's a
8 reference to \$300,000 for diesel retrofits, \$400,000
9 for commuter rail. Paving roads in Randolph and
10 surrounding the plant is a much larger financial
11 commitment than any of those, and that's a financial
12 commitment that SRP has committed to make to this area.

13 So it's not a matter of SRP is not willing to
14 spend dollars. It is and it has and it will. But
15 whether it's direct payments or a fund, again, that is
16 just something we cannot support.

17 We think the working group, quite honestly,
18 will be a great venue to address some of the additional
19 concerns, and SRP is committed to that. And again,
20 there will be the annual compliance reporting. I
21 expect that the residents of Randolph will see the
22 benefits of the working group and see the value of the
23 working group to improve their quality of life. And if
24 they are dissatisfied, I fully expect Ms. Post to
25 express their dissatisfaction in filings with the

1 Commission. So that's where we come down. I just --
2 payments and funds is just not something we can
3 support. Thank you.

4 MEMBER GENTLES: Mr. Chairman, just very
5 quickly, because I thought I read in this Gilbert CEC
6 that a fund was set up in Gilbert for specific things
7 as a result of those conversations. So am I hearing
8 Mr. Acken say that they just -- the applicant will not
9 agree to any funds -- or, a conversation to set up a
10 fund that comes out of the working group, similar to
11 what came out of Gilbert?

12 MR. ACKEN: No, and that's not what I said.
13 I said that should be directed through the community
14 working group. And again, I think that community is
15 going to be happy with the results of that working
16 group.

17 I'm looking at just one reference to a fund.
18 This is a fund administered by the Town of Gilbert to
19 provide for the construction and maintenance of
20 off-site landscaping areas. SRP has already committed
21 to that. We don't need a fund. You already have a
22 commitment from SRP to do that. And so that is a
23 binding -- you know, if this CEC is approved, that's a
24 condition. So in my mind, it's better than a fund.
25 You have a firm commitment that SRP will do what it

1 says it's going to do.

2 CHMN. KATZ: Again, just from my point of
3 view, I don't think we are in a position -- we can't
4 set specific dollar amounts. But there is a
5 commitment, for example, to provide scholarships, to do
6 landscaping, to do paving. And if the working group
7 can get started and, maybe in the next 30 to 60 days,
8 come up with some other specific agreements, that can
9 always be presented in the Corporation Commission.

10 But what I'd like to do, Mr. Gentles, if you
11 want to make a specific motion, I'm certainly not going
12 to preclude you from doing that. We can see if it gets
13 seconded and discuss it. If not, we can go forward
14 with the remaining conditions that are pretty
15 much standard that we haven't yet approved or
16 discussed.

17 MEMBER GENTLES: Mr. Chairman, I don't think
18 it's my position or this Commission's -- this
19 Committee's position or authority to negotiate on
20 behalf of the residents of Randolph. As much as I'd
21 like to, I don't see that that's our role.

22 CHMN. KATZ: I agree.

23 MEMBER GENTLES: That has to be done between
24 the attorneys for Randolph and the applicant, and so I
25 would leave it to them.

1 My only point here was that Mr. Acken said
2 that they would not agree to any fund -- setup of any
3 fund, but the record reflects that they have agreed to
4 that in other cases. So that was my only point.

5 CHMN. KATZ: Without -- do you want to make a
6 motion at all with respect to any of the conditions for
7 setting up of a fund or do we move on?

8 In other words, one of the things I think we
9 need to do in the future is that, hopefully when we get
10 the CEC out early, if anybody has some suggestions we
11 probably need them to be put in writing so we can have
12 formal motions just like we did now.

13 But is there anything that you wanted to
14 present to us?

15 MEMBER GENTLES: No. Again, I was just
16 making a point. I'll leave that to the attorneys for
17 Randolph to make those recommendations through their
18 working group.

19 CHMN. KATZ: Thank you kindly.

20 MEMBER LITTLE: Mr. Chairman.

21 CHMN. KATZ: Yes, Member Little, is it?

22 MEMBER LITTLE: I would like to thank SRP and
23 Ms. Post for getting together and doing all that work
24 for us over the lunch hour. I'm very appreciative of
25 it.

1 There was only one other item that had been
2 addressed for the Gilbert plant -- or, the San Tan
3 plant that I was wondering if we might consider, and
4 that was Item 29 in that CEC, which discussed the value
5 of the residential properties. And it is really more a
6 commitment on the part of the applicant to recognize
7 that their actions may have some effect on the value of
8 the homes in the surrounding neighborhoods.

9 I could read it. It says, "During the
10 proceeding, neighborhoods to the plant site" --

11 CHMN. KATZ: Excuse me. What number is that?

12 MEMBER PALMER: 29.

13 MEMBER LITTLE: Number 29.

14 CHMN. KATZ: Okay. I'm scrolling down. Go
15 ahead.

16 MEMBER LITTLE: "During the proceeding,
17 neighbors to the plant site raised significant concern
18 about the impact of the plant expansion on residential
19 property values. In performing each of the conditions
20 in this order, applicant, in conjunction where
21 applicable with the" -- and perhaps this could be "the
22 community action group and the plant site neighbors
23 shall consider and attempt to maximize the positive
24 effect of its activities on the values of the homes in
25 the surrounding neighborhoods." In other words, where

1 they plant the trees, those kinds of things. It really
2 doesn't -- I don't know. How does the Committee feel
3 about that and how does the applicant feel about that?

4 CHMN. KATZ: Well, we can talk about it with
5 the applicant, but it will be up to you or one of the
6 Members of the Committee to move for approval of this
7 condition as modified if we are inclined to do that.

8 I think Mr. Acken is talking with his SRP
9 representatives.

10 MR. ACKEN: Thank you, Chairman, Member
11 Little. We're going to do this. The measures that SRP
12 has committed to, in conjunction with the community
13 working group, it's our expectation that it will
14 maximize the positive effect on the value of homes in
15 the surrounding neighborhoods.

16 The only thing that gives me pause, and this
17 condition doesn't say this, but it kind of says this,
18 is that there are significant impacts to residential
19 property values. Now, it doesn't say that. It says
20 the residents have concerns about the impact of the
21 plant expansion on residential property values. That
22 is a factual statement, but the record doesn't show
23 that there's evidentiary support for that.

24 If the Committee wants to adopt this
25 condition, we would ask that it again reference SRP's

1 work with Randolph -- and this says Town of Gilbert --
2 so it would be Coolidge, Pinal County, and the Randolph
3 community as part of the community working group to
4 consider and attempt to maximize the positive impact.
5 So that's a little wordsmithing that we would recommend
6 if the Committee wanted to adopt this.

7 MEMBER LITTLE: And I have no problem with
8 that wordsmithing. I just would like to see something
9 in the CEC that acknowledges that we have been aware --
10 made aware of and considered the fact that -- and it's
11 of course, not just the plant. It's the other
12 industrial things in that area.

13 Could you perhaps put together language for a
14 proposed -- that I could propose as a condition?

15 CHMN. KATZ: Do we want to do it now or put
16 it at the very end? I don't care.

17 MR. ACKEN: If you give us time and do it at
18 the -- after you go through some of the other
19 conditions, maybe that will keep things moving forward.

20 MS. POST: And I have one comment to make,
21 which is, it is in the record. There is evidentiary
22 support in the record that the property values will be
23 lowered. Mr. Stapp testified that he looked up the MLS
24 for historic Coolidge and for Randolph and he compared
25 those prices and there was a \$10,000 difference, if you

1 remember that testimony. So there is evidentiary
2 support in the record in this particular case. It was
3 not just neighbors concerned; we actually presented
4 proof.

5 CHMN. KATZ: Well, again, if we could do some
6 wordsmithing. I'd like to maybe go through the other
7 conditions, and we could add this as a final condition
8 or we could move it into an appropriate location once
9 we're done if we decide to approve it. But I'd like to
10 go through the standard conditions now, if we can.

11 And what was originally Number 8, I believe,
12 becomes Number 18. We were at 17, right? And the
13 original Number 8 begins, "The applicant shall comply
14 with the notice and salvage requirements of the Arizona
15 Native Plant Law." That would become Number 18, and
16 it's up there as Number 18.

17 MEMBER HAMWAY: I move Number 18.

18 MEMBER DRAGO: Second.

19 CHMN. KATZ: Any discussion?

20 (No response.)

21 CHMN. KATZ: All in favor.

22 (A chorus of ayes.)

23 CHMN. KATZ: Now we go to Number 19, to
24 promptly investigate, identify, and correct, on a
25 case-specific basis, all complaints, et cetera,

1 regarding -- I don't think we have much of any radio or
2 television interference, but I think there are going to
3 be transmission lines or lines within the plant.

4 So any motion for approval?

5 MEMBER HAMWAY: I move Condition 19.

6 CHMN. KATZ: Second?

7 MEMBER PALMER: Second.

8 CHMN. KATZ: Any discussion?

9 (No response.)

10 CHMN. KATZ: All in favor.

11 (A chorus of ayes.)

12 CHMN. KATZ: All opposed?

13 (No response.)

14 CHMN. KATZ: It passes.

15 Number 20 deals with human remains and

16 funerary --

17 MEMBER HAMWAY: I move Condition Number 10 --

18 or, I'm sorry -- 20.

19 MEMBER PALMER: Second.

20 CHMN. KATZ: All in favor.

21 Any discussion?

22 (No response.)

23 CHMN. KATZ: All in favor.

24 (A chorus of ayes.)

25 CHMN. KATZ: Number 21 -- Number 11 becomes

1 Number 21.

2 MEMBER HAMWAY: I move Condition 21.

3 CHMN. KATZ: Any second?

4 MEMBER LITTLE: Second.

5 CHMN. KATZ: All in favor.

6 (A chorus of ayes.)

7 CHMN. KATZ: Now, Number 22, which was
8 formerly Number 12.

9 MS. POST: 11.

10 CHMN. KATZ: Wait. No I'm talking about the
11 one that reads, "Upon approval of this Certificate."
12 That's now Number 22.

13 MEMBER PALMER: Move Condition 22.

14 MEMBER HAMWAY: Second.

15 CHMN. KATZ: Any discussion?

16 (No response.)

17 CHMN. KATZ: All in favor.

18 (A chorus of ayes.)

19 CHMN. KATZ: It passes.

20 Number 23.

21 MEMBER HAMWAY: I move Condition 23.

22 CHMN. KATZ: And again, we don't have a lot
23 of power line issues here, but we'll still require
24 that, or should.

25 Is there a second?

1 MEMBER LITTLE: Second.

2 CHMN. KATZ: Any discussion?

3 (No response.)

4 CHMN. KATZ: All in favor.

5 (A chorus of ayes.)

6 CHMN. KATZ: Number 23 passes.

7 Now, to Number 24. Any motion?

8 MEMBER HAMWAY: I move Condition 24.

9 MEMBER PALMER: Second.

10 CHMN. KATZ: Discussion?

11 (No response.)

12 CHMN. KATZ: All in favor.

13 (A chorus of ayes.)

14 CHMN. KATZ: Number 25, dealing with WECC and

15 NERC and FERC and --

16 MEMBER PALMER: Move Condition 25.

17 MEMBER HAMWAY: Second.

18 CHMN. KATZ: Any discussion?

19 (No response.)

20 CHMN. KATZ: All in favor.

21 (A chorus of ayes.)

22 CHMN. KATZ: Anybody opposed?

23 (No response.)

24 CHMN. KATZ: 25 passes.

25 26, requiring the applicant to participate in

1 good faith with all regional transmission study --

2 MEMBER HAMWAY: I move Condition 26.

3 CHMN. KATZ: Second?

4 MEMBER PALMER: Second.

5 CHMN. KATZ: Any discussion?

6 (No response.)

7 CHMN. KATZ: All in favor.

8 (A chorus of ayes.)

9 CHMN. KATZ: Anyone opposed? Anybody
10 opposed?

11 (No response.)

12 CHMN. KATZ: Number 27, beginning, "When
13 project facilities are located parallel to and within
14 100 feet of existing natural gas or hazardous
15 pipeline," there's certain requirements. And
16 obviously, we want to make sure that we don't cause any
17 type of explosion or gas leak. Anyway --

18 MEMBER PALMER: Move Condition 27.

19 MEMBER HAMWAY: Second.

20 CHMN. KATZ: Any discussion?

21 (No response.)

22 CHMN. KATZ: All in favor.

23 (A chorus of ayes.)

24 CHMN. KATZ: Any opposed?

25 (No response.)

1 CHMN. KATZ: Number 27 passes.

2 Number 28, requiring the applicant to submit
3 its annual compliance certificate.

4 MR. ACKEN: Can I make a recommendation to
5 change the date on that?

6 CHMN. KATZ: Sure.

7 MR. ACKEN: I think it should say "2023."

8 CHMN. KATZ: Right. It's a year from now.
9 Right.

10 Any objection to changing to 2023?

11 (No response.)

12 CHMN. KATZ: Hearing none, we'll make that
13 change.

14 Now, is there a motion to approve it with the
15 date changed?

16 MEMBER HAMWAY: I move we accept Condition 28
17 with the date change of changing it from 2022 to 2023.

18 CHMN. KATZ: Second?

19 MEMBER PALMER: Second.

20 CHMN. KATZ: All in favor.

21 (A chorus of ayes.)

22 CHMN. KATZ: Number 29.

23 MEMBER HAMWAY: I move Condition 29.

24 MEMBER PALMER: Second.

25 CHMN. KATZ: Any discussion?

1 (No response.)

2 CHMN. KATZ: All in favor.

3 (A chorus of ayes.)

4 CHMN. KATZ: Number 30, which deal --

5 That passes.

6 Number 30 is a transfer or assignment of the

7 Certificate --

8 MEMBER HAMWAY: I move Condition 30.

9 MEMBER DRAGO: Second.

10 MEMBER PALMER: Second.

11 CHMN. KATZ: Any discussion?

12 (No response.)

13 CHMN. KATZ: All in favor.

14 (A chorus of ayes.)

15 CHMN. KATZ: All those opposed.

16 (No response.)

17 CHMN. KATZ: None. It passes.

18 Number 31.

19 MEMBER PALMER: Move Condition 31.

20 MEMBER HAMWAY: Second.

21 CHMN. KATZ: Any discussion?

22 (No response.)

23 CHMN. KATZ: All in favor.

24 (A chorus of ayes.)

25 CHMN. KATZ: It passes.

1 Anybody opposed?

2 (No response.)

3 CHMN. KATZ: It does pass.

4 Number 32.

5 MEMBER HAMWAY: I move Condition 32.

6 CHMN. KATZ: Any second?

7 MEMBER PALMER: Second.

8 MEMBER LITTLE: Second.

9 CHMN. KATZ: Any discussion?

10 (No response.)

11 CHMN. KATZ: All in favor.

12 (A chorus of ayes.)

13 CHMN. KATZ: And we now have -- I don't know
14 whether we've wordsmithed that other matter, but then
15 we'll go to the half a dozen proposed findings of fact
16 and conclusions of law that would be in the
17 Certificate, but only if it passes.

18 MEMBER HAMWAY: I move Conclusion of Law
19 Number 1.

20 CHMN. KATZ: Well, let me -- do we want to go
21 through that or do we want to -- where are you in terms
22 of your wordsmithing?

23 MR. ACKEN: I think we're just about there,
24 but it will take Ms. Maser a minute to get it up on the
25 screen.

1 CHMN. KATZ: We'll hold off just a minute.

2 MR. ACKEN: My apologies. We're having some
3 technical difficulties, but we're just going to have
4 Ms. Maser type it on the screen as whatever the next
5 condition would be for the Committee's consideration.

6 CHMN. KATZ: Do we want to just make this
7 Number 33? I don't know that it matters where we move
8 it.

9 MEMBER HAMWAY: It doesn't.

10 CHMN. KATZ: I just don't know whether we
11 want to go ahead and renumber everything and insert it
12 above or just make it the last condition. Any thoughts
13 from the --

14 MEMBER HAMWAY: I think making it the last
15 condition is fine.

16 MEMBER PALMER: Yeah.

17 CHMN. KATZ: I think so.

18 MEMBER LITTLE: Yeah.

19 I move Condition 33.

20 CHMN. KATZ: Let me just ask, do we need to
21 add a word? It says, "During the proceeding neighbors
22 to the plant." Should it be, "if neighbors to the
23 plant"?

24 MEMBER HAMWAY: Well, they've already raised
25 it.

1 MEMBER PALMER: No. They've already raised
2 it.

3 CHMN. KATZ: Okay. That's fine. Okay. I
4 got it.

5 MS. POST: Also, it's not exactly what was in
6 29. It said, "significant concerns." The
7 "significant," the word is left out here. First line
8 in 29 in the Gilbert --

9 CHMN. KATZ: "Raise significant concerns."

10 MR. RICH: "Raised," with a "D," I think.

11 MEMBER LITTLE: Yeah, I think it should be
12 "D."

13 MEMBER DRAGO: Then you have a typo at the
14 bottom, "effect of the its."

15 CHMN. KATZ: What is the correction?

16 MEMBER DRAGO: Remove "the." They did.

17 MEMBER HAMWAY: It's done.

18 CHMN. KATZ: It's done.

19 Now, do we have a motion to approve
20 Number 33?

21 MEMBER LITTLE: I so move.

22 CHMN. KATZ: Ms. Little has done it.
23 Any second?

24 MEMBER GENTLES: Second.

25 CHMN. KATZ: Discussion?

1 MEMBER GRINNELL: Mr. Chairman.

2 CHMN. KATZ: Yes, sir.

3 MEMBER GRINNELL: This is Rick Grinnell.

4 CHMN. KATZ: Yes, sir.

5 MEMBER GRINNELL: When you're talking about
6 home valuations and everything, I think what's
7 important to understand here is what is the current
8 value of a property, the asset, and then with
9 improvements what does happen with the property, or how
10 does this additional power plant, if approved, impact
11 the property. But to my knowledge, I don't remember
12 any quantifiable information that stated what the value
13 was of the properties in this neighborhood, and I think
14 it's sort of hard to be -- I mean, we're trying to get
15 into the real estate and the appraisal business and --

16 MS. POST: No.

17 MEMBER GRINNELL: -- I'm just -- I'm just
18 concerned that -- again, are we overreaching our
19 ability to make a judgment and a value on these
20 properties without having a baseline to even work from
21 other than a general presentation by the real estate
22 gentleman?

23 MEMBER LITTLE: Mr. Grinnell, the way I read
24 this condition is that it just says that in doing the
25 things that are outlined in the CEC, home values will

1 be considered, period, nothing about value or existing
2 value, future value. It's just that in making the
3 decisions about where they'll plant the tree, they will
4 consider the value of property. That's the way I read
5 the condition.

6 CHMN. KATZ: Any other discussion from our
7 Committee Members?

8 (No response.)

9 CHMN. KATZ: From my perspective --
10 Go ahead, Mr. Gentles.

11 MEMBER GENTLES: I would just say I agree
12 with Member Little that we're not -- I don't think
13 we're really stating a requirement to value the
14 properties. So I'm okay with how this is written,
15 particularly since it's a stipulation -- or, was
16 included in a previous CEC, and we have historically
17 taken a number of other CEC conditions and planted them
18 into the CECs that we're deliberating. So I'm okay.

19 CHMN. KATZ: From my perspective, we do know
20 that we have one expert saying that property values
21 will be affected. We can't go much beyond that,
22 because we don't know at all how many residents live
23 there that are genuine property owners or lessees as
24 opposed to squatters. We don't know how many actual
25 properties are there. We probably could figure that

1 out by looking at the County Recorder's or Assessor's
2 records. But we really don't have any idea of what the
3 worth -- how many homes are actually out there, how
4 many are owned or occupied by owners or their lessees,
5 and what the value of any of those homes are. But I
6 think we ought to be cognizant of any impacts that the
7 plant has and any improvements that the parties have
8 agreed to or will be making have upon the values of
9 what residents do exist out there.

10 Sadly, a lot of the damage was done even
11 years before TransCanada built the plant, and that
12 didn't help things for the neighborhood either. But
13 the plant is there and the other industries are, sadly,
14 there.

15 Anyway, any further discussion?

16 (No response.)

17 CHMN. KATZ: All in favor.

18 (A chorus of ayes.)

19 CHMN. KATZ: Anybody opposed?

20 MEMBER HAMWAY: I'm opposed.

21 MEMBER GRINNELL: I'm opposed.

22 CHMN. KATZ: We have two no votes, but the
23 matter does pass.

24 Now, we can go to the final six. These are
25 -- and again, everybody needs to understand that if the

1 CEC gets issued, these are pretty much standard
2 findings that would have to be made by this Committee.
3 And I know that some of the parties may disagree with
4 these, but it would be -- most of them would be
5 required.

6 Anyway, Number 1, "The project aids the state
7 and the southwest region of the United States in
8 meeting the need for an adequate, economical, and
9 reliable supply of electrical power." Does anybody --

10 MEMBER HAMWAY: I move Condition -- or, Fact
11 and Conclusions of Law Number 1.

12 MEMBER PALMER: Second.

13 CHMN. KATZ: Any discussion?

14 (No response.)

15 CHMN. KATZ: All in favor.

16 (A chorus of ayes.)

17 CHMN. KATZ: All opposed.

18 (No response.)

19 CHMN. KATZ: The next one is, "The project
20 aids the state, preserve a safe and reliable electrical
21 transmission system." And again, I know some of the
22 intervenors may disagree with that, but this would be a
23 required condition. Is there a motion?

24 MEMBER PALMER: Move Condition -- Move
25 Finding of Fact 2.

1 MEMBER HAMWAY: Second.

2 CHMN. KATZ: Any discussion?

3 (No response.)

4 CHMN. KATZ: All in favor.

5 MEMBER LITTLE: Mr. Chairman, do we want to
6 say electric transmission system, since we're not
7 looking a transmission line, or do we just want to say
8 safe and reliable electric system?

9 CHMN. KATZ: Power system, electrical power
10 system?

11 MEMBER LITTLE: Power system.

12 CHMN. KATZ: Any objection to changing it to
13 the electrical power system?

14 (No response.)

15 CHMN. KATZ: Do we have a motion?

16 MEMBER HAMWAY: So moved.

17 CHMN. KATZ: Second?

18 MEMBER DRAGO: Second.

19 CHMN. KATZ: Any discussion?

20 (No response.)

21 CHMN. KATZ: All in favor.

22 (A chorus of ayes.)

23 CHMN. KATZ: Number 3, "During the course of
24 the hearing, the Committee considered evidence on the
25 environmental compatibility of the project as required

1 by 40-360 and subsequent sections."

2 MEMBER HAMWAY: I move Finding of Fact
3 Number 3.

4 MEMBER PALMER: Second.

5 CHMN. KATZ: Any discussion?

6 (No response.)

7 CHMN. KATZ: All in favor.

8 (A chorus of ayes.)

9 CHMN. KATZ: Anybody opposed?

10 (No response.)

11 CHMN. KATZ: Number 4, "The project and the
12 conditions placed on the project in this Certificate
13 effectively minimize the impact of the project on the
14 environment and ecology of the state." And I know that
15 there are parties that may disagree with that, but this
16 would be a required condition if we pass.

17 MEMBER PALMER: Move Finding 4.

18 MEMBER HAMWAY: Second.

19 CHMN. KATZ: Any discussion?

20 (No response.)

21 CHMN. KATZ: All in favor.

22 (A chorus of ayes.)

23 CHMN. KATZ: Anybody opposed?

24 (No response.)

25 CHMN. KATZ: This condition -- or, this

1 finding is passed.

2 Number 5, "The conditions placed on the
3 project in this Certificate resolves matters concerning
4 balancing of the need for the project with the impact
5 on the environment and ecology of the state arising
6 during the course of the proceedings, and, as such,
7 serve as findings and conclusions on such matters."

8 Any motion?

9 MEMBER HAMWAY: So moved.

10 MEMBER PALMER: Second.

11 CHMN. KATZ: Any discussion?

12 (No response.)

13 CHMN. KATZ: All in favor.

14 (A chorus of ayes.)

15 CHMN. KATZ: The last finding of fact or
16 conclusion of law is, "The project in the public
17 interest because the project's contribution to meeting
18 the need for an adequate, economical, and reliable
19 supply of electric power outweighs the minimized impact
20 of the project on the environment and ecology of the
21 state."

22 MEMBER HAMWAY: I move Finding of Fact
23 Number 6.

24 MEMBER PALMER: Second.

25 CHMN. KATZ: Any discussion?

1 (No response.)

2 CHMN. KATZ: All in favor.

3 (A chorus of ayes.)

4 CHMN. KATZ: Anyone opposed?

5 (No response.)

6 CHMN. KATZ: I believe that we are done with
7 what this Certificate, if it were to be passed, would
8 look like.

9 Now, the more difficult thing is going back
10 to Page 2 and --

11 MEMBER PALMER: Mr. Chairman, before we get
12 to that, could I -- with the Chairman's permission, can
13 I make a motion to authorize the Chairman to correct
14 any spelling errors, scrivener's -- correct any
15 mistakes that have been made in the record before this
16 is submitted?

17 CHMN. KATZ: Grammatical or otherwise?

18 MEMBER PALMER: Yeah.

19 MEMBER HAMWAY: Second.

20 CHMN. KATZ: Any discussion?

21 (No response.)

22 CHMN. KATZ: All in favor.

23 (A chorus of ayes.)

24 CHMN. KATZ: Anybody opposed?

25 (No response.)

1 CHMN. KATZ: Tod and I will take a look at
2 this.

3 Going to Page Number 2, we're going to need,
4 in the paragraph that's -- at Line 12 through 14 we
5 need to just add, "The following parties were granted
6 intervention," and that would be the Corporation
7 Commission, the Sierra Club, Western Resource
8 Advocates, and the Randolph community or neighborhood.
9 And we can add that in there and who they're
10 represented by.

11 MEMBER BRANUM: Mr. Chairman.

12 CHMN. KATZ: Yes, Mr. Branum.

13 MEMBER BRANUM: I guess this is a question
14 for the Commission Staff, but should that not state,
15 "The Staff of the Arizona Corporation Commission"?

16 CHMN. KATZ: Yes.

17 MR. EMEDI: Thank you. I agree.

18 MEMBER BRANUM: Thank you.

19 MR. EMEDI: And while we're waiting for all
20 this to be typed in, I just want to give everyone a
21 heads up. Looking at the calendar, if this CEC is
22 docketed sometime this week, it would be too late for
23 the matter to go on the March Open Meeting, so the Open
24 Meeting that would fit within the timelines under the
25 statute would be the April Open Meeting, which is

1 scheduled for April 12th and 13th.

2 MR. ACKEN: And if I can speak to that. I
3 don't disagree with Mr. Emedi as far as making the
4 March regularly scheduled Open Meeting or the schedule
5 for the April Open Meeting, the regularly scheduled
6 April Open Meeting. It was Salt River Project's prior
7 request of all the parties to be supportive of having
8 this heard by the Commission at the earliest possible
9 time, understanding that it will be up to the
10 Commission to do so, and the earliest possible time
11 would be 30 days after the CEC is docketed.

12 So it is SRP's hope, given that -- well, I'm
13 getting ahead of myself. But we would really like to
14 have this heard by the Commission earlier than the
15 April Open Meeting. And I understand they have other
16 contingency meetings and other meetings in which this
17 could be put on the agenda for.

18 MR. EMEDI: And last thing, I guess. The
19 contingency Open Meeting for March is scheduled for
20 March 24th. I don't know that there's anything
21 actually -- I don't think there's any agenda for that.
22 But there is a contingency date on the 24th, and I
23 think that would, yeah, probably by the time -- if the
24 CEC is docketed, I think that would meet the 30-day
25 requirement, but I don't know that that contingency

1 Open Meeting would be held.

2 CHMN. KATZ: My only observation is, I know
3 that SRP is urgently or in an expedited frame of mind
4 to get this project started if the CEC were to be
5 issued, but I also perhaps think it would be
6 advantageous to have the working group formed and begin
7 discussing things so that additional information could
8 productively be presented to the Corporation Commission
9 if this CEC should be approved. I won't tell the
10 Commission when they should set the matter.

11 That all being said, do we want to have -- we
12 had an issue involving Autumn Johnson. She was
13 authorized by me to appear pro hac vice under the
14 sponsorship of Dianne Post, and she is licensed to
15 practice law in Oregon and Washington, works in the
16 city of Phoenix, but had her baby born. And I know
17 there's a conflict between -- Ms. Post is the only
18 person on the retainer. We never removed Autumn
19 Johnson from the matter, I won't revoke her pro hac
20 vice, but she hasn't contributed to this. And I
21 know that there may be a Bar complaint filed against
22 Ms. Post by her, and Ms. Post would like to withdraw
23 her representation, but I don't know whether her name
24 should appear there as a representative.

25 MS. POST: Well, I can tell you what's

1 happened is that I have contacted the Bar and revoked
2 the sponsorship of the pro hac vice, and they said that
3 it's up to me to file a motion with you, the
4 Chairperson of this Committee, to withdraw her from
5 this Committee, which I will do tomorrow. I didn't
6 want to do it while we were still going on. So that
7 will be filed tomorrow.

8 CHMN. KATZ: Should her name appear on this,
9 though?

10 MS. POST: At this time, she is still a
11 representative.

12 CHMN. KATZ: Okay. We'll put it in there,
13 and things will be whatever they are. And if the State
14 Bar revokes her pro hac vice admission, so be it. And
15 I just hope that peace can be made between the two
16 attorneys, but I'm not going to be your referee.

17 The next thing that we do have to do -- and I
18 would encourage, if any of the Members of the Committee
19 wish to make statements in support of their respective
20 positions, that they feel free to do so.

21 And the next thing that we need to do is at
22 Page 15 -- excuse me -- at Page 2, Lines 15 through
23 20 --

24 Well, let me back up. We indicated who
25 appeared, who intervened, and who's represented by

1 whom. Is there any motion to approve Lines 12 through
2 14 of the application as it's presented right now on
3 the screen?

4 MEMBER HAMWAY: So moved.

5 MEMBER PALMER: Second. And I think that
6 actually goes down to Line 17 now.

7 CHMN. KATZ: Okay. It does go down to
8 Line 17 now because we added parties.

9 That being said, it's been moved and
10 seconded. Any discussion?

11 (No response.)

12 CHMN. KATZ: All in favor.

13 (A chorus of ayes.)

14 CHMN. KATZ: Anybody opposed?

15 (No response.)

16 CHMN. KATZ: And now we're dealing -- I guess
17 we begin at Line 19. And if you'd scroll down to get
18 me to the next page, I guess. We're dealing right now
19 with where it says, "At the conclusion of the hearing,"
20 that's Line 19, and it goes on to the next page -- or,
21 to the bottom and then to the next page. Okay. And
22 that's Line 19 through 24 on -- is that now Page 3 or
23 is it still Page 2?

24 MS. MASER: 2.

25 CHMN. KATZ: Still Page 2? Lines 19 through

1 24 of Page 2. And what we're going to need to do is
2 take a roll call vote because -- well, we first need a
3 motion made and seconded and then the Committee needs
4 to vote, and we'll do it in a roll call fashion, and
5 we'll end up with a vote count of whatever it is to
6 whatever it is. It will be those who voted for and
7 those that voted against that would follow.

8 Does anybody want to move to approve this
9 Certificate of Environmental Compatibility?

10 MEMBER PALMER: Mr. Chairman, I would make a
11 motion that we approve the Lines 19 through 24, is that
12 what you're looking for --

13 CHMN. KATZ: Yes, and take the vote.

14 MEMBER PALMER: -- with the vote to be
15 included in that at the conclusion of the hearing.

16 CHMN. KATZ: Second?

17 MEMBER DRAGO: Second.

18 CHMN. KATZ: And I won't ask if you're in
19 favor of it. Well, we're going to have to vote. And
20 what I'd like to do is go ahead and do a roll call
21 vote, and we'll first take the votes of those who are
22 present. And I'll -- and you're free to voice whatever
23 position you want in support or opposed or you're
24 welcome to stay silent.

25 Mr. Drago, how do you vote?

1 MEMBER DRAGO: I vote yes, but I'd like to
2 make a couple comments.

3 First of all, I want to thank everyone in the
4 proceeding. I thought that a lot of good data was
5 brought forward to help make an observation and then a
6 decision for my yes vote.

7 Couple things I want to state, based on my
8 affiliation with the ADEQ, is that I think we're not
9 focusing on the right problem, but I think Pinal County
10 is. One of the telling graphs that I thought spoke
11 volumes in this case is SRP-2, Exhibit 2, Page 230.
12 But this pie graph tells a story about why this area is
13 in nonattainment of the PM10 standard. When you look
14 at it, the top three are unpaved roads, agriculture,
15 windblown dust. I think if collaboratively we can
16 focus on this, support Pinal County to the extent we
17 can, I think this area will come into attainment, but
18 it does take years for that to happen. That's
19 number one.

20 Number two, from a permitting standpoint,
21 while ADEQ doesn't have authority over this particular
22 permit, we do have authority over similar permits
23 throughout the state. And the modeling that was
24 conducted, the permit limits that they're driving to
25 keep underneath the major source threshold and avoid

1 PSD, to me it's -- congratulations to SRP for doing
2 that. This is not an easy process to go through. And
3 I think the permitting, from what I've seen, looks like
4 an application that was complete. So we'll find out,
5 through Pinal County, whether they issue the permit.

6 From a carbon reduction standpoint, I want to
7 commend SRP for having a Board that sets a goal to
8 getting to carbon reduction in the future. It's my
9 belief that for a company to commit to a roadmap that I
10 saw, I think, on Page 10 -- on 110 is a big task ahead
11 to get to that point.

12 The tribal impacts, the fact -- I'm a tribal
13 liaison with ADEQ, and I appreciate the outreach to the
14 tribes. We can't always control whether tribes reach
15 out to us after we reach out to them, but the
16 opportunity was granted.

17 And then finally, the working group I think
18 is a good thing, and I believe in being engaged with
19 the public. Any time you engage with the public,
20 usually good things happen.

21 So with that, that's my yes vote. Thank you.

22 CHMN. KATZ: Member Hamway.

23 MEMBER HAMWAY: Yes, thank you.

24 First of all, I want to thank the intervenors
25 today. I think that they gave us a well-rounded view

1 of the issues that this community has historically been
2 subjected to. And also -- so I appreciate that.

3 And I also appreciate the tour. I could not
4 have appreciated, A, how large this power plant was
5 without going there, and I could feel the air pollution
6 and I saw the light pollution on the photo and I
7 believe that there is noise pollution and I do believe
8 that the Randolph community has been marginalized for
9 years and years. So I appreciate the opportunity to
10 have seen that firsthand.

11 And as far as alternatives to this
12 application, there was a lot of testimony about
13 batteries. And on this Committee we have a very unique
14 opportunity, because we get to hear from TEP and APS
15 and SRP, and sometimes it feels a little bit like the
16 Groundhog Day movie in that we have heard testimony
17 from all three of the major utilities that implementing
18 batteries is a steep learning curve.

19 And so I think it is too much of a risk for
20 SRP to install close to 800 megawatts worth of battery
21 storage when, A, they don't have -- there's nowhere in
22 the country that has that large of a plant. The
23 largest two, one is in Florida and one is in
24 California, 400 megawatts. In Arizona we have
25 95 megawatts currently installed. And so I think it is

1 an unreasonable expectation for SRP to take that risk,
2 so I don't -- I would not deny it based on the fact
3 that there were no other alternatives.

4 And I also think criticizing SRP for not
5 rushing out to the Randolph community during a pandemic
6 is a red herring. I think that the plans of the
7 working group are very positive. And I think if the
8 residents and the landowners of Randolph want to
9 improve their community, then this is the best way to
10 move forward.

11 But I also have to talk a little bit about
12 another option for the Randolph community that has not
13 been talked about today. And I first want to thank
14 Melvin Moore and Ron Jordan for sharing their story.

15 And a lot of the testimony over the last few
16 days has been about preserving the history of Randolph,
17 and I believe that's been done in the book "Not All
18 Okies Are White: The Lives of Black Cotton Pickers in
19 Arizona." That book was written in 2000. And if you
20 go to Goodreads or you go to Amazon and you read some
21 of the -- I don't know what they are -- reviews of that
22 book, it just is littered with wonderful accolades on
23 how accurate it was and how beautifully written it was
24 and how it shared and told the story of Randolph. So I
25 believe the history is recorded, and I appreciate that.

1 And so I would like -- I think the city of
2 Randolph -- excuse me -- community of Randolph is at a
3 crossroads, and I don't believe it's going to be
4 possible for them to just sit back and do nothing. I
5 think they're either going to go down the path of the
6 citizen working group and work to improve their
7 community, or there's another path that has not been
8 mentioned, and I'm going to do that. And I don't want
9 anything I have to say to take away from the history of
10 Randolph. I think that's been preserved, and I'm very
11 grateful for that.

12 But we talked a lot about the property values
13 in Randolph. And I agree that if you look at Randolph
14 from a single-family home perspective, the property
15 values are in the tank. But if you look at the
16 property values of Randolph as a zoned commercial --
17 or, industrial area, then the land values take off
18 astronomically. There are so many -- all the
19 disamenities that --

20 I don't remember his name.

21 MS. POST: Stapp.

22 MEMBER HAMWAY: -- Stapp talked about become
23 amenities. You've got a railroad. You've got a
24 transmission line. And I think that how this could
25 happen, and it is a very viable option, is if all of

1 the landowners in Randolph came together and they put
2 all of their land together and they offered that bit of
3 land as a total package for sale, I think that the
4 property values would escalate, because in Coolidge's
5 general plan it already highlights Randolph as a zoned
6 industrial area. Typically, in general plans that's
7 more aspirational than it is factual, and so probably
8 the zoning has not taken place. But the fact that they
9 are already looking at it adds value to that land.

10 You've got the railroad. You've got all of
11 these disamenities that immediately become amenities if
12 you step back and say, yes, this land is better served
13 in an industrial manner. I know that means the end of
14 Randolph. But as I've said, the history has been
15 preserved, and I don't know that any new revolutionary
16 historical things are happening today in Randolph that
17 really warrant preserving that community. But that's
18 not my -- that is not my position.

19 All I'm saying is the Randolph community can
20 go down two paths. They can rebuild their community
21 with a working group or they can come together in one
22 final act of goodwill, put all their land together, and
23 offer it for sale. And I guarantee you that there's
24 nothing wrong with throwing in the towel and taking
25 your money and finding a new place to live.

1 So with that, I vote yes.

2 And I wish the citizens and the landowners in
3 Randolph good luck in their decision. But they are,
4 for the first time in their -- in a long time, they are
5 in control of their own destiny, and they can choose
6 which path to go. They can rebuild their community or
7 they can come together, sell the property, and take
8 that money and go build a new life.

9 And with that, I vote yes.

10 CHMN. KATZ: Mr. Palmer.

11 MEMBER PALMER: Thank you, Mr. Chairman.

12 My thoughts have been very adequately
13 expressed by my colleagues. In the interest of not
14 repeating those things that have been said, I
15 appreciate the case and the complexity of it, and I
16 vote yes.

17 CHMN. KATZ: Now, we can go to those who are
18 appearing virtually. And Ms. Little, since you're
19 already on the screen, I'll ask you how you would vote
20 on this matter. And if you wish to explain your
21 position, you're welcome to, but you're not obligated
22 to.

23 MEMBER LITTLE: Thank you, Mr. Chairman. I
24 know I've already said a lot, but I would like to make
25 a few comments.

1 First of all, I also would like to thank
2 everyone who's participated in this hearing. I know
3 it's been difficult at times and I know that there have
4 been a lot of issues, and I just -- I really appreciate
5 the time and the work that everyone has put into this.

6 It is a big decision. It's a decision that's
7 going to affect people for years to come. There have
8 been many concerning issues that have been brought up
9 to the hearing, the fast track for this project, the
10 Pinal County air quality environmental inequities for
11 local communities.

12 That said, I believe that the applicant has
13 adequately addressed the factors this Committee has
14 been tasked with evaluating in the statute. I -- as a
15 utility planner for many years, I believe that SRP has
16 shown a need for this project. I also feel that the
17 CEC that we have come up with is a good compromise to
18 meeting both the power needs and the needs of the area.

19 And again, thank you all. And with that, I
20 vote aye.

21 CHMN. KATZ: We'll next go to Mr. -- let me
22 just see how I want to go -- Mr. Gentles. Are you with
23 us, Karl Gentles?

24 MEMBER GENTLES: I am. Thank you very much.
25 I just wanted to make sure my microphone was on.

1 I would like to explain my vote, if I could,
2 please. So I vote no, but I'd like to explain my vote.

3 First, I'd like to thank the Chairman and the
4 applicant, the ACC Staff, intervenors, and my fellow
5 Committee Members for this most important work done
6 over the past two weeks.

7 I'll also say, I missed the wisdom of Member
8 Haenichen and his expertise on these matters, as the
9 ramifications of this decision will last virtually in
10 perpetuity.

11 When I was appointed to this Committee, I did
12 not expect I'd come across a case like this. Most
13 cases are straightforward. This was anything but
14 straightforward.

15 I will say, I have respect for the applicant
16 and their team. They're talented and committed to
17 doing what's right for the company, ratepayers, and the
18 community. On this case, however, I think they got it
19 wrong, in my opinion, and that's the reason why I'm
20 voting no. I'm still a little bit perplexed with this
21 case that was presented over the past two weeks because
22 it feels like it was rushed through without the
23 appropriate amount of time spent in the area that I sit
24 on this Committee to oversee or to render an opinion
25 on, which is the public outreach efforts.

1 I clearly understand the business case for
2 this project and the need for additional power to
3 support the region's growth. I understand it
4 implicitly. The need for additional power to meet
5 explosive growth and demand are vitally important to
6 the economic growth of the region and SRP's service
7 area. Equally important, however, is the economic
8 development and quality of life rights of the
9 communities directly impacted by this expansion of this
10 natural gas plant, and I have seen nor heard any
11 testimony or evidence that there is any benefit to the
12 community directly impacted.

13 I do not believe that the applicant
14 understands -- and I hope I'm wrong, I really do --
15 that the applicant really truly understands the
16 historical and social significance and impact on the
17 entirety of the public, particularly a historically
18 black community that predates the applicant's presence
19 by well over 50 years, the community most directly
20 impacted by the proposed expansion, and that's
21 concerning to me.

22 I heard witness testimony -- I heard
23 witnesses present testimony that emissions from the
24 plant will have no health or environmental impacts.
25 That just doesn't ring true to me based on the

1 testimony and the evidence I saw. The application
2 presented witnesses that was -- the application
3 presented witnesses that said there was no cause nor
4 environmental justice issues and this case did not rise
5 to those standards. And that statement, for me,
6 perhaps, is the most astounding statement made in this
7 entire hearing.

8 And then finally, as I said, I represent the
9 public interest on this Commission. It's my role to
10 weigh the benefit of the CEC with the public good and
11 the entirety of the public good. And I'm not convinced
12 that the applicant acted in a manner that brought in
13 enough public involvement, public comment, and public
14 outreach, particularly to the most impacted community,
15 which is right across the street.

16 As I saw it, Randolph was not really
17 consulted in this process, and, in fact, it sounds like
18 they haven't been consulted in any processes for many
19 years. Perhaps with the attorney that represented
20 them, she might be able to help get them more directly
21 involved to help control their destiny and not let
22 somebody else control it for them.

23 No open houses were held in Randolph formally
24 on the record. As I understand, just a barbecue, and I
25 find that pretty astounding as well.

1 And finally the applicant's last-minute
2 submission of a settlement, you know, outlining some
3 things that they're willing to do just is, in my
4 opinion, a last hail Mary pass, when they've known
5 about their plans to expand this plant for several
6 years, and right across the street they're investing a
7 billion dollars, literally right across from this
8 directly impacted community.

9 So for these and other reasons, I hope that
10 SRP will go back to the community and act in
11 extraordinarily good faith, because this Randolph
12 community deserves it, as does the rest of our greater
13 Phoenix community.

14 So with that, Mr. Chairman, I vote no.

15 CHMN. KATZ: Thank you.

16 We'll next, if he's with us, move to
17 Member Riggins.

18 MEMBER RIGGINS: Thank you, Mr. Chairman.

19 Sorry.

20 CHMN. KATZ: Was that you or your dog?

21 MEMBER RIGGINS: No. No. Of course, it's
22 right now that they start barking. So I apologize.

23 Thank you, Mr. Chairman. I also vote no. I
24 will just give a very brief explanation.

25 So given the factors that are outlined in the

1 statute that this Committee has to consider -- that
2 it's tasked with considering to determine if these
3 projects, these CECs are environmentally compatible,
4 based on the testimony, the evidence that we heard from
5 multiple witnesses, based on the public comment that we
6 heard on Monday night -- or, last Monday night and
7 throughout the hearing, I vote no and vote to deny the
8 CEC. Thank you.

9 CHMN. KATZ: Thank you very much.

10 Mr. Branum.

11 MEMBER BRANUM: Thank you, Chairman. Can you
12 hear me well?

13 CHMN. KATZ: Yes, we can.

14 MEMBER BRANUM: So I'd like to start, like
15 our colleagues did, by thanking everyone for all of the
16 testimony. I think, as you all have probably heard the
17 votes, you may question, you know, your participation
18 and what you provided. But I'd like to say thank you
19 for building out the record, because ultimately this
20 CEC will go to the Commission and the Commission will
21 rely on a complete record to issue its decision. So I
22 think that was important. I tried to ask questions
23 throughout this proceeding to develop the record, and I
24 really appreciate the answers that I received because I
25 felt like it did just that.

1 I think for this one, this is probably the
2 most difficult case that I've heard since I've been on
3 the Committee. And I spent a lot of time thinking
4 about, you know, the factors and balancing this need
5 for the project. And, you know, I completely
6 understand the reliability aspects and the operations
7 from the bulk electric system standpoint that SRP has
8 discussed at length. I understand the proposed
9 objective and what SRP is trying to achieve.

10 I think, at the beginning of the proceeding,
11 SRP had made a statement that going through kind of
12 their resource planning actions were not really under
13 the Committee's jurisdiction, and I would agree with
14 that to an extent, but I did find that their discussion
15 of their resource planning and what they evaluated, it
16 was very informative. Certainly this Committee does
17 not have the ability to direct resource planning
18 actions, but getting to gather that insight and learn
19 what SRP had done, the analyses that were conducted, I
20 think was very important. So I appreciate that.

21 One of the big things that I kind of wrestled
22 with with this case is the impact to the environment.
23 And I think we heard great testimony from everyone
24 regarding emissions, you know, the benefits of
25 expanding an existing plant site versus potentially

1 building elsewhere, but I do think -- I agree with
2 Member Gentles' and Member Riggins' point about the
3 community outreach.

4 What I gathered, from listening to the
5 testimony and these new conditions, is that it was kind
6 of an 11th-hour solution, a hail Mary I think I had
7 heard from Member Gentles, and that was somewhat
8 disappointing to hear that. As the proceeding went on,
9 I had the impression that SRP was somewhat scrambling
10 to put together a solution that would appease the
11 community, and that should have been done, I think,
12 well in advance regardless of the load growth and the
13 system need. So I think the conditions we voted on
14 were important and that was helpful and I appreciate
15 the back and forth with the community and SRP during
16 the breaks, so thank you.

17 But that kind of leaves me with trying to
18 really assess the overall impact and the project need.
19 And, you know, with all that being said, I still do
20 believe that this project is needed, and it does
21 minimize the impact to the environment, so I vote yes.
22 Thank you.

23 CHMN. KATZ: Mr. Grinnell.

24 MEMBER GRINNELL: Thank you, Mr. Chairman,
25 for your judicious refereeing of some of these issues.

1 And I'll thank the attorneys and staff and everybody.

2 But I would like to address something a
3 little bit on a more global perspective. We talked
4 about global warming. Well, global warming -- if you
5 think about it, the amount of air pollution that is
6 being emitted into our very small world compared to the
7 rest of the universe, the majority of it's coming from
8 Asia, Russian, and a good part of India. Now, that
9 doesn't mean we're not responsible for the contribution
10 to this, but it does sometimes put a whole lot of
11 pressure on the U.S. to sort of absorb all the
12 responsibility for global warming.

13 Additionally, we import over 90 percent of
14 the solar panels that are utilized industrially. And
15 that is according to the resources and information that
16 I have researched way before this hearing. But it
17 comes out of China.

18 And I have a real concern that we are not
19 prepared to be independent. Excuse me. And as I
20 stated earlier, clean energy is an evolution, and we
21 have to be willing to take the time necessary to make
22 sure that what we're getting is a true value to the
23 citizens that we serve. Regardless of the utility,
24 regardless of the governmental agency, we have to make
25 sure that we can support our own efforts.

1 Rare earth minerals are controlled from
2 China. The microchips that we're using in our
3 computers and our cars nowadays and everything else,
4 coming out of Taiwan, a majority of them. So we really
5 have to make sure that this country moves in a
6 position. Because if we're not self-sustaining, how
7 can we help the rest of the world develop the freedoms
8 that we so emphatically want to support?

9 As we move forward, I would hope, and I think
10 it's already been alluded to, that this is a great
11 lesson to attorneys and counsel and applicants into the
12 future. At times I felt like I was watching Judge Judy
13 and listening to the people go back and forth over some
14 of these issues. To me, this is not a good example.

15 I realize that this is, you know, a give and
16 take, but it is give and take, and we also have to be
17 understanding of the fact that life doesn't happen in
18 one extreme or another. Eventually, we have to find a
19 medium and a middle.

20 And it's really too bad, as some of the other
21 Members pointed out, it took to the last minute for
22 some kind of discussion to occur between the affected
23 parties so that we could move forward with this.

24 Another issue I think that's important, we
25 talked about the employment opportunities. And nobody

1 pointed out, one way or the other, how many people from
2 Randolph had actually applied to work at SRP
3 previously. And that's not the point, necessarily, but
4 I think if you're going to make a statement about
5 employment and economic development, you have to know
6 who the audience is and what they're prepared to do
7 economically and are there people over there that
8 really want to work at the power plant. These are
9 important things.

10 And finally, I want to say this. Pinal
11 County I find to be -- the history in this relationship
12 with Randolph to be an embarrassment. I think that the
13 previous Supervisor and previous Board of Supervisors
14 have neglected this region for so many years it's
15 like -- I mean, SRP didn't come in and just try to beat
16 anybody up. They've been beat up before, long before
17 this issue came to the table. And my real hope is that
18 Supervisor Cavanaugh does what he said he was going to
19 do and come out there and, what he said on public
20 comment, he really gets involved and gets Pinal County
21 involved in doing right by the people.

22 And as far as environmental justice, I have
23 four grandchildren whose father is black and mother is
24 white. They identify as African American. They're
25 proud of their culture, but they're also proud to be

1 Americans. And if we would learn to come to a point
2 where we could treat each other as Americans -- because
3 the more we identify with one group or another, has
4 been my history and experience, including the military,
5 the more segregated we become.

6 We are one community, and we should always be
7 willing to treat our neighbors the right way. And I
8 think this is a message that needs to move forward
9 regardless of who the neighborhood is, regardless of
10 their economic status. Because these folks are
11 economically stress to a degree I'm really surprised
12 still exists. But I am grateful that we've come to a
13 point where there was some compromise, and I hope this
14 would be an example that we do this before we get to
15 this point in the hearings instead of waiting until
16 way afterwards.

17 So with that, I am going to vote yes. Thank
18 you.

19 CHMN. KATZ: Outside of this guy sitting
20 right here, did I skip over any of our Members? I
21 think that so far we have six yeses and two noes.

22 I just want to indicate that I'm very proud
23 of the way the attorneys and parties participated in
24 these proceedings. I learned a heck of a lot.

25 And when it comes to the environment, I think

1 I have a pretty decent track history, irrespective of
2 how I might rule in this particular matter. For almost
3 seven years I worked in the U.S. Attorney's Office for
4 the district of Arizona, and I handled all of our
5 criminal and civil environmental prosecutions primarily
6 under the Clean Water and Clean Air Act. And
7 environmental law at the time was in its infancy.

8 I've also been a member of the National
9 Audubon Society, making annual contributions to them
10 every year for about the last 40, maybe close to 50
11 years. There was a period of a break, but I've been a
12 long-time supporter and member of the Audubon Society
13 and give, as I said, annual contributions to them.

14 And I think one of the most serious crises
15 that this world, not this country, but that the world
16 faces is global warming. And I can remember back in
17 Ann Arbor, Michigan, in 1971, attending the first Earth
18 Day celebration. And so many of the things that they
19 recommended in 1971, and what would happen if they
20 didn't come to fruition, have, in fact, happened. And
21 I, perhaps naively, came out of college thinking that
22 my generation had solved a lot of problems, that we'd
23 have world peace and love, and that the Vietnam War
24 would soon end, and it did, and I thought we were going
25 to change the world. But I was living in the bubble of

1 a more or less moderate-to-liberal university community
2 and not living in the rest of the world. And I still
3 have those strong and deep beliefs.

4 And I came into this proceeding, from what I
5 had read, inclined to vote no, but I have listened very
6 carefully to all of the testimony in this case. And
7 when I look at what was said by Mr. Drago, the lion's
8 share of the particulate pollution in this county is
9 the result of unpaved roads and agriculture and just
10 plain old dust that is being created by activities
11 other than hydrocarbon emissions.

12 And I favor us going more and more toward
13 electric and possibly hydrogen-powered vehicles and
14 battery storage in lieu of power plants. And I can
15 tell you that if this application were being made for
16 the original plant, I would absolutely say no. But we
17 have 12 generators there already. And we have 16 new
18 ones that are supposedly and represented to us, I hope
19 in good faith, would be run on an interim basis to deal
20 with peak power needs, particularly in light of the
21 rapid growth of southern Maricopa County and northern
22 Pinal County.

23 And I do believe that air quality in Pinal
24 County is amongst the worst in the state and perhaps in
25 the country. I also understand that the Lung

1 Association data may be based on a single source -- or,
2 on a single location of monitoring, rather than
3 monitoring the way that ADEQ or Pinal County Air
4 Quality Control might be monitoring pollutions. That's
5 not to say that this is a healthy place to live.

6 Focusing more on the Randolph community, I
7 think it's a tragedy. And about two or three weeks ago
8 I watched a PBS program that dealt with Louisiana, and
9 it really, for the first time, raised my concerns about
10 environmental racism or environmental injustice. And I
11 saw communities in Louisiana that had been totally
12 destroyed because of the neglect and lack of concern by
13 cities, counties, and towns over minority -- not
14 necessarily black or people of color communities, but
15 just less fortunate folks that aren't well organized
16 and don't have representatives to represent their
17 interests.

18 Sadly, I think, while the historical
19 significance of Randolph is of major importance, and I
20 certainly -- irrespective of whether or not the working
21 group creates a better environment for those folks or
22 they might follow in Ms. Hamway's suggestion, I think
23 that they ought to, at a minimum, get recognition of
24 this community on the national and state registers of
25 historic places. And maybe there needs -- whether the

1 community rebuilds itself or chooses to sell out to
2 industry or somewhere in the middle, I think that there
3 ought to be at least a memorial of some type, a rock or
4 a monument with a plaque, and maybe even a museum that
5 takes some of the things that are expressed in that
6 wonderful book about underprivileged communities that
7 was referenced and is in evidence as an exhibit, I
8 believe, in these proceedings.

9 So I hope that the community remains
10 recognized, but I also think that it is close to being
11 uninhabitable at the present. And I know that there
12 are some community members that deeply love the
13 tradition and the community that they've grown up in,
14 but I'm not sure how carefully -- or, how the community
15 can significantly be improved. Although, I hope that
16 if the CEC is approved, which it appears it will be
17 irrespective of how I vote, that the Corporation
18 Commission digs perhaps a little bit deeper than this
19 Committee has. And I don't know what the best answer
20 is, but I think the community, sadly, was trashed as a
21 result of a lack of concern over the years by industry
22 and the community at large.

23 But SRP already has a power plant at this
24 location, which in hindsight I don't think should have
25 been approved. I don't think the steel plant should be

1 there either or that concrete plant to the north. But
2 they're there, and there's no way we can legally remove
3 them, and we certainly don't have jurisdiction in this
4 Committee to do it.

5 But when I look at the comparison, and I
6 don't think the data was fudged, whether we replaced
7 this expansion plant with 731, I think it was,
8 megawatts of power through batteries or build this
9 plant, I'm not sure, with supply shortages due to COVID
10 and the fact that the minerals in question --

11 One of the largest deposits of lithium
12 happens to be in Afghanistan. Lots of luck trying to
13 mine that as we sit here today. And a lot of rare
14 earth metals and lithium are controlled in the Soviet
15 Union, China, and in Asia. And right now there's
16 supply problems, supply chain problems, and I'm not
17 sure there's enough materials to build lithium ion
18 batteries fast enough to replace the power plant.

19 And with a great deal of reverence to the
20 community and a broken heart, I vote yes in this
21 matter, with a certain degree of trepidation and
22 regret, but I think that it's probably the right thing
23 to do.

24 And I also would point out that there's not
25 going to be tremendous point source pollution. The

1 winds are generally from the west to the east, the
2 stacks are high, and I don't think the air quality in
3 this community is going to be worse than the Pinal
4 County at large. And the major sources of pollutants
5 are automobiles, farm equipment, and just plain old
6 ordinary dust from unpaved roads and unattended-to
7 fields.

8 This is one of the most difficult decisions
9 that I've ever had to make, and I'm torn, but I am
10 going to vote yes in this matter. I know that I could
11 play the role of the politician, knowing that it's
12 going to pass and vote no, but I really think that the
13 benefits, even if it's only by a slight amount, of
14 making sure we have a safe and reliable source of
15 power, which I hope will ultimately be replaced by
16 noncarbon emitting technology --

17 My vote, again, is, with a great deal of
18 regret and trepidation, yes.

19 And I want to thank everybody for their
20 consideration and the contribution they have made in
21 this matter. I sincerely hope that the community, SRP,
22 the City, the County, and the others that might be
23 participating in this community work group do
24 everything to better the community and protect the
25 environment of Pinal County.

1 Is there anything further?

2 MEMBER DRAGO: I have a comment.

3 CHMN. KATZ: Yes.

4 MEMBER DRAGO: Thank you, Mr. Chairman. I'd
5 just like to thank Mr. John Riggins. He represented
6 ADWR on a number of cases. And I'd like to wish John
7 well and thank you for your service on this Committee.
8 On behalf of the Committee, we thank you.

9 CHMN. KATZ: And again --

10 MEMBER RIGGINS: Thank you, Len.

11 CHMN. KATZ: -- the vote in favor of this is
12 6 to 2, and I will -- or, excuse me.

13 MR. ACKEN: 7.

14 CHMN. KATZ: 7, that's correct. 7 to 2.
15 We're missing our tenth member.

16 But again, I want to thank everybody, and I
17 look forward to working with all of you down the road.
18 And I don't think there's a hundred percent decision
19 that could have been made in either direction.

20 And the CEC is approved. And I would ask
21 that you make sure, Mr. Acken, that you get the
22 approved version to Tod. He and I will review it to
23 make sure that there aren't any typographical or
24 grammatical errors, and then it will be signed off by
25 me and issued.

1 MR. ACKEN: We will do so. Thank you,
2 Mr. Chairman. Thank you, Members of the Committee.

3 CHMN. KATZ: Anything further?

4 (No response.)

5 CHMN. KATZ: We do stand in recess.

6 (The hearing concluded at 3:25 p.m.)

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1 STATE OF ARIZONA)

2 COUNTY OF MARICOPA)

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4 BE IT KNOWN that the foregoing proceedings
5 were taken before me; that the foregoing pages are a
6 full, true, and accurate record of the proceedings all
7 done to the best of my skill and ability; that the
8 proceedings were taken down by me in shorthand and
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11 of the parties hereto nor am I in any way interested in
12 the outcome hereof.

13 I CERTIFY that I have complied with the
14 ethical obligations set forth in ACJA 7-206(F)(3) and
15 ACJA 7-206 J(1)(g)(1) and (2). Dated at Phoenix,
16 Arizona, this 21st day of February, 2022.

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KATHRYN A. BLACKWELDER
Certified Reporter
Certificate No. 50666

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24 complied with the ethical obligations set forth in ACJA
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