

1 BEFORE THE ARIZONA POWER PLANT LS-530
2 AND TRANSMISSION LINE SITING COMMITTEE
3 IN THE MATTER OF THE APPLICATION) DOCKET NO.
4 OF SALT RIVER PROJECT) L-00000B-26-0363-00267
5 AGRICULTURAL IMPROVEMENT AND)
6 POWER DISTRICT, IN CONFORMANCE) CASE NO. 267
7 WITH THE REQUIREMENTS OF ARIZONA)
8 REVISED STATUTES § 40-360, ET)
9 SEQ., FOR A CERTIFICATE OF)
ENVIRONMENTAL COMPATIBILITY)
FOR APPROXIMATELY FOUR AND -)
ONE-HALF MILES OF TWO 230 KV)
DOUBLE-CIRCUIT TRANSMISSION)
LINES LOCATED IN PINAL COUNTY,)
ARIZONA.)
10 IN THE MATTER OF THE APPLICATION) DOCKET NO.
11 OF SALT RIVER PROJECT) L-00000B-26-0375-00268
12 AGRICULTURAL IMPROVEMENT AND)
13 POWER DISTRICT, IN CONFORMANCE) CASE NO. 268
14 WITH THE REQUIREMENTS OF ARIZONA)
15 REVISED STATUTES § 40-360, ET)
SEQ., FOR A CERTIFICATE OF)
ENVIRONMENTAL COMPATIBILITY)
AUTHORIZING THE MARIGOLD THERMAL)
PLANT PROJECT, LOCATED IN PINAL)
COUNTY, ARIZONA.)
16) EVIDENTIARY HEARING

17 At: Casa Grande, Arizona

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1 BE IT REMEMBERED that the above-entitled and
2 numbered matter came on regularly to be heard before the
3 Arizona Power Plant and Transmission Line Siting
4 Committee at the FRANCISCO GRANDE HOTEL, 12684 West Gila
5 Bend Highway, Casa Grande, Arizona, commencing at
6 9:00 a.m. on the 23rd day of September, 2026.

7

8 BEFORE: ADAM STAFFORD, Committee Chair

9 LEONARD DRAGO, Department of Environmental Quality
10 LANEY MEEKER, Department of Water Resources
(Remote Appearance)
11 NICOLE HILL, Energy Office, Department of Commerce
MICHAEL COMSTOCK, Arizona Corporation Commission
12 DOUGLAS FANT, General Public
SAL DICICCIO, Cities and Towns (Remote Appearance)
13 MARGARET "TOBY" LITTLE, PE, General Public
ROMAN FONTES, Counties (Remote Appearance)
14 GABBY SAUCEDO MERCER, General Public

15

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POWER DISTRICT

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23

24

25

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

3 Mr. Derstine, I believe we were in the middle
4 of Mr. Harbin's testimony when we left off.

5 MR. DERSTINE: Yes. Good morning.

6

7 PANEL TWO DIRECT EXAMINATION (Cont'd)

8

9 Q. (BY MR. DERSTINE) Mr. Harbin, we have in the
10 hearing room here slides L-121 and R-121. Is that where
11 we left off yesterday?

12 A. BY MR. HARBIN: Yes. We left off -- and I
13 believe we made it through unless there are any other
14 questions on this slide.

15 Q. Okay. I guess the takeaway, and if you can
16 just kind of remind us. You went through kind of the
17 current air quality status in Pinal County when you had
18 a number of slides that showed that Pinal County is, I
19 guess depending on whether it's PM2.5 on the 24-hour or
20 the some other duration, that Pinal County is
21 nonattainment for those two criteria pollutants.

22 Am I thinking about that correctly?

23 A. BY MR. HARBIN: Yeah, that is correct.
24 Currently, for PM2.5 on the 24-hour averaging basis, the
25 area is designated as moderate nonattainment. There is

1 work being done right now from the Maricopa Association
2 of Governments to submit a request for redesignation to
3 a maintenance, meaning that they have now -- they are
4 now attaining the standard in the area.

5 And then on the PM2.5 annual averaging basis,
6 the monitoring data from the Hidden Valley monitor does
7 show that it is exceeding the National Ambient Air
8 Quality standard; however, Pinal County does have a
9 draft request to exclude that monitor from the NAAQS
10 demonstration.

11 And then for PM10, it is nonattainment for --
12 PM10 nonattainment at the Hidden Valley monitor, and
13 there's at this time no effort to change that
14 designation currently.

15 Q. And you spent a bit of time explaining why
16 there may be some problems with that monitor location
17 and how that may affect the county's nonattainment
18 status as to that particular pollutant.

19 A. BY MR. HARBIN: Correct. And that is the work
20 that Pinal County in their draft 2026 network monitoring
21 plan and 2025 data summary, they have an analysis
22 identifying the unique issues with that monitor and why
23 it should not be used for PM2.5 NAAQS demonstrations.

24 Q. Okay. And as to -- aside from the PM2.5 and
25 the PM10, the air quality status in Pinal County is in

1 attainment for the criteria pollutants you have listed
2 at the bottom of slide R-121. Do I have that right? Am
3 I reading that correctly?

4 A. BY MR. HARBIN: That is correct. Not all of
5 Pinal County is in attainment, but the area surrounding
6 the Marigold -- the proposed Marigold facility is in
7 attainment for all of the remaining criteria pollutants.

8 Q. And is this area described or identified in a
9 specific way? Are we West Pinal, or what is this
10 called?

11 A. BY MR. HARBIN: For the PM2.5, it is called the
12 West Central Pinal County nonattainment area. And for
13 PM10, it is just the West Pinal County PM10
14 nonattainment area.

15 Q. Okay. So with that background, I think, then,
16 so your -- the Title V air permit application that's
17 been filed for the Marigold thermal plant takes into
18 account the air quality status that you went through
19 yesterday afternoon?

20 A. BY MR. HARBIN: That is correct. We include
21 that and we look for comparison in our ambient air
22 quality modeling.

23 Q. Okay. Well, take us now through what I think
24 we'll -- your next section and work us towards what you
25 found in terms of your modeling and air quality

1 assessment.

2 A. BY MR. HARBIN: AV, it doesn't look like -- oh.
3 Yeah.

4 We will start walking through the ambient air
5 quality impacts analysis that was conducted as part of
6 the Class I permit application.

7 What I have shown on --

8 Q. Can I stop you there? You said Class -- I keep
9 saying Class 5. Am I calling it the wrong thing?

10 A. BY MR. HARBIN: Class I is the -- it's either
11 going to be a Title V or Class I. They're synonymous.

12 Q. Thanks for the correction.

13 A. BY MR. HARBIN: Yes. So in the Class I or
14 Title V permit application, we conducted an ambient air
15 quality impacts analysis or dispersion model at the
16 request of Pinal County.

17 Shown on L-123 are Table 6 and Table 11 of
18 those analysis. This is a two-step process where we
19 first do what is called a significant impacts analysis
20 where we are looking at just the impacts from the
21 proposed project, and we model that to determine the
22 maximum concentration at any of the receptors shown on
23 the graphic on the right of L-123.

24 So all of these dots are where we calculated
25 what the modeled concentrations would be. And you can

1 see, when you're close to the facility, they are very
2 tightly grouped, and they start to spread out. And that
3 goes out from the fence line of the facility out to
4 50 kilometers is what we're looking at.

5 We first, again, look at just the significant
6 impacts analysis from the project itself, and that is
7 shown in Table 6. And we compare the maximum modeled
8 impacts to what are called the significant impact
9 levels. These are thresholds defined by EPA to,
10 basically, determine if the impact from a facility is
11 significant and would cause or could potentially cause
12 an exceedance of a National Ambient Air Quality
13 standard.

14 And as you'll notice in Table 6 on L-123, for
15 all of the pollutants modeled, so CO, PM10, and PM2.5,
16 we are below the significant impact levels.

17 For NO₂ on the annual basis, we were below the
18 significant impact level. However, for the one-hour
19 NO₂ standard, we were above the significant impact
20 level.

21 Being above the significant impact level
22 requires us to now go through what we call a cumulative
23 analysis or a NAAQS demonstration. That is where we
24 look at not just the project modeled concentrations, but
25 we also bring in background and potentially nearby

1 sources that may not be already included in the
2 background.

3 For the NO₂ one-hour standard, the monitors
4 are typically in urban areas. So there are a lot down
5 in the Tucson area and the Phoenix metro area.

6 There are no nearby monitors to Marigold. So
7 for the initial analysis we used the monitor called the
8 33rd monitor which is located in downtown Phoenix. We
9 selected that monitor, as it is the highest background
10 concentration in the state of Arizona, to be
11 ultraconservative. We then only modeled our emissions
12 or our impacts and added that to the background
13 concentrations and then compared that to the National
14 Ambient Air Quality standard.

15 So in Table 11, we summarize this analysis.
16 Our modeled concentration was 12.35 micrograms per cubic
17 meter. The background from the 33rd monitor was 109.
18 That sums up to be 121.39 micrograms per cubic meter,
19 which is less than the National Ambient Air Quality
20 Standard of 188.

21 We started this, and I believe as Mr. Derstine
22 mentioned yesterday, we did have a conversation with
23 Pinal County on September 21st to discuss the modeling
24 protocol review, which they have requested a revision --
25 slight revision to our analysis. They requested that we

1 include a facility that is permitted but not yet built
2 that is located three-and-a-half kilometers or so to the
3 northwest of our facility. It is an Electric District
4 No. 3 proposed facility that consists of, I believe,
5 five Wärtsilä 18 megawatt RICE engines or internal
6 combustion engines. So we had our consultant rerun the
7 model and included that facility, plus four or five
8 other facilities that were included in their modeling.
9 The analysis or the end result did not change. We did
10 see a slight uptick of our modeled concentration. It
11 went from 12.35 up to a little over 14.

12 Also during that revision to our analysis,
13 Pinal County agreed that we could use the same
14 background monitor that ED3 used, which was the Buckeye
15 monitor, which is a little more representative. It's
16 still kind of in an urban area but it's in the
17 outskirts.

18 So the background concentration from the
19 Buckeye monitor is only 60 micrograms per cubic meter.
20 So we ended up -- our total concentration, including the
21 nearby sources, ended up about 75 to 78 micrograms per
22 cubic meter. Again, well under the National Ambient Air
23 Quality standard of 188.

24 CHAIRMAN STAFFORD: And that was all for the
25 NO₂ pollutant; correct?

1 A. BY MR. HARBIN: That was all for, yeah, the
2 one-hour NO_2.

3 CHAIRMAN STAFFORD: Member Hill.

4 MEMBER HILL: Thank you, Mr. Chair.

5 I don't know that I've seen a map exactly of,
6 like, what, for lack of a better term, like, airshed is
7 what or where the cutoff is for modeling.

8 But the Horseshoe project might also have
9 emissions. Did you include that one in your case?

10 A. BY MR. HARBIN: I am not aware of the Horseshoe
11 project. For the one-hour NO_2, we --

12 MEMBER HILL: Did I name it wrong?

13 MEMBER LITTLE: That's right.

14 MS. GILBERT: Are you thinking of Griffin or --
15 Ms. Justus, there were a couple in your land use
16 section.

17 CHAIRMAN STAFFORD: We can't hear you.

18 MS. GILBERT: Oh, man. I was asking Ms. Justus
19 to review the other projects nearby and see if we can
20 jog your memory.

21 A. BY MS. JUSTUS: There is a proposed project
22 called Horseshoe that, to my understanding, is currently
23 in the entitlement process with Pinal County. It's not
24 as far along as this process, so its entitlements are
25 not yet done and has not filed for a CEC yet.

1 MEMBER HILL: But they will have air emissions
2 and will have to consider your air emissions when they
3 do their modeling; right?

4 A. BY MR. HARBIN: Correct.

5 MEMBER HILL: Okay. I wasn't sure how all of
6 these stack up, because it feels like, for the public,
7 that they're all coming at the same time; right? And I
8 wasn't sure how they all stacked up, so okay.

9 CHAIRMAN STAFFORD: And those two -- your
10 project and the Horseshoe project are in addition to the
11 ED3 project that doesn't have a name?

12 A. BY MR. HARBIN: The ED3 project, I believe it's
13 just called the ED3 facility. It's located right next
14 to their headquarters just to the northeast, I believe.

15 CHAIRMAN STAFFORD: Okay. Thank you.

16 A. BY MR. HARBIN: To Member Hill's comment or
17 question, yeah, so how it works in the modeling and
18 permitting world is whoever goes first, you know,
19 everyone after that will have to take account of their
20 emissions and so on.

21 MEMBER HILL: Okay. And then there's the
22 project that we looked at a couple weeks ago, Sunridge.
23 Is that in the same airshed?

24 A. BY MR. HARBIN: I believe Sunridge is out by
25 Picacho Peak; is that correct?

1 MEMBER HILL: That's correct.

2 A. BY MR. HARBIN: So that would be outside of our
3 modeling domain.

4 MEMBER HILL: Okay. And then APS is looking
5 similarly at some additions out that way but probably a
6 different airshed as well. Okay. All right. I just
7 wanted to run trap on all the projects.

8 A. BY MR. HARBIN: So as I mentioned, we will be
9 resubmitting the air modeling report to Pinal County in
10 the near future. That will have these updated numbers.
11 Again, the numbers presented here demonstrate that we
12 are in compliance, and our revised numbers also
13 demonstrate that we are in compliance with the National
14 Ambient Air Quality standards.

15 And then we're moving on to our conclusion.

16 CHAIRMAN STAFFORD: Quick follow-up on that.

17 So the air analysis, how much did that assume
18 the plant's run?

19 A. BY MR. HARBIN: So for our analysis, we assume
20 worst-case scenario, and we assume 8,760 hours of
21 operation. And in the case of the one-hour NO₂ we
22 assumed one startup per hour of every, you know, 8,760
23 startups per turbine per year. And the remaining
24 time -- so it's about 22 minutes for a startup. The
25 remaining time of that clock hour would be normal

1 operations at full load. So we assume our worst
2 operating case possible.

3 CHAIRMAN STAFFORD: Okay.

4 MEMBER HILL: Just to clarify, your capacity
5 factor is 15 to 40 percent, but you did the air quality
6 modeling as --

7 A. BY MR. HARBIN: 100 percent.

8 MEMBER HILL: 100 percent.

9 A. BY MR. HARBIN: Correct.

10 MEMBER HILL: Okay. So you'll get a permit to
11 run it at 100 percent if you need to.

12 A. BY MR. HARBIN: No. Our permit will be limited
13 to 40 percent, but we do the modeling at 100 percent.
14 And then if it doesn't pass, then we could start putting
15 in some operational restrictions into our permit to
16 attain or to demonstrate compliance.

17 MEMBER HILL: Okay. I was wondering if you had
18 air dispersion maps. We spent a little bit of time on
19 that in the last case. I understand the prevailing
20 winds, but then realizing that depending on the type of
21 pollutant, the altitude, it doesn't always act exactly
22 like people think, and so the model had some dispersion
23 maps.

24 I was just kind of wondering if you had those
25 as well and we could look at those.

1 A. BY MR. HARBIN: I do not have those in either
2 slide deck or in the modeling report itself, but I can
3 reach out to our consultant to see if they can pull --
4 if that is something that they have available.

5 MEMBER HILL: Okay. I think I'm mostly
6 interested in precursors for ozone because that's the
7 thing that I probably get most concerned about, at least
8 understanding the consequences of that living in
9 Maricopa County. And so I think -- I don't need to know
10 it for everything, but I am curious about NOx and things
11 that are kind of precursors for ozone.

12 The other thing I wanted to ask is how -- so
13 the background level -- background concentration that
14 you used, understanding that there's not a lot of
15 monitoring nearby, given what we know about the current
16 land uses out there, how confident do you feel, like,
17 the background concentration that you used in an urban
18 environment and then the land uses in a rural
19 environment, how confident are you feeling, like, the
20 number you used was the right background level?

21 A. BY MR. HARBIN: So in the case of our initial,
22 the 109, and even in the use of the Buckeye monitor at
23 60, we expect that to be significantly higher than what
24 is actually at the area. NO₂ is really a -- the source
25 of NO₂ is really combustion, so traffic and things of

1 that nature, and that's what is really driving those
2 numbers up in that area. And out here, we don't have as
3 much traffic and little industry as well.

4 MEMBER HILL: Okay. Thank you. I just wanted
5 to check in on that.

6 A. BY MR. HARBIN: Thank you.

7 All right. Moving on, just to wrap it up kind
8 of in a nice bow, as we mentioned before, the combustion
9 turbines will be equipped with state-of-the-art emission
10 control technologies, the SCR and oxidation catalyst.

11 We will also conduct continuous emission
12 monitoring for NO_x and carbon monoxide and then
13 parametric monitoring for volatile organic compounds,
14 PM₁₀, PM_{2.5}. Those will all be requirements in our
15 permit at some regular frequency.

16 The final Class I air permit will also contain
17 enforceable emission limits both on a short-term and
18 long-term basis. And, again, our modeling results
19 showed that for the most part, for all but one-hour
20 NO₂, the modeling demonstrated that we were below the
21 significant impact levels and when we did the cumulative
22 analysis that the one-hour NO₂ was below the National
23 Ambient Air Quality standards.

24 And then, lastly, there is going to be another
25 opportunity for public participation during the Class I

1 air permit public comment period and public hearing.

2

3 MEMBER LITTLE: Mr. Chairman.

4 CHAIRMAN STAFFORD: Yes, Member Little.

5 MEMBER LITTLE: I'm curious about how the
6 public is notified of their opportunity to comment for
7 this kind of thing.

8 A. BY MR. HARBIN: So that is handled in two ways.
9 Pinal County has a list of people that have signed up
10 for a distribution list to be notified, and there will
11 also be newspaper publications.

12 MEMBER LITTLE: We very often get the public
13 coming in during our comments saying, "We didn't know
14 about any of this stuff," and that's a real concern for
15 me. So that's why I ask. Thank you.

16 CHAIRMAN STAFFORD: I have a quick follow-up
17 question. Explain to me again why the plant will be
18 limited to a 40 percent capacity factor if you modeled
19 it operating 24/7 and still complying with all the
20 criteria pollutants? What's the limiting factor for
21 that?

22 A. BY MR. HARBIN: Thank you, Chairman Stafford,
23 for that question.

24 The limiting factor for that actually comes
25 from a federal regulation under 40 CFR subpart TTTTa, or

1 you might have heard it's called the carbon pollution
2 standards, where it sets emission thresholds for carbon
3 dioxide on a pounds per megawatt hour gross basis. And
4 it categorizes units into three different categories,
5 either a low load, which is 0 to 20 percent capacity
6 factor, intermediate load between 20 and 40 percent
7 capacity factor, or base load above 40 percent capacity
8 factor.

9 Simple-cycle combustion turbines cannot meet
10 the base load standard, so it will be restricted to
11 either operate in either low or intermediate load.

12 CHAIRMAN STAFFORD: Okay. Thank you.

13 Member Hill.

14 MEMBER HILL: Thank you, Mr. Chair.

15 What does the public participation look like
16 for an air permit? Is it written comments? Is there a
17 public meeting? What does that look like?

18 A. BY MR. HARBIN: There is going to be both.
19 Thank you, Ms. Hill, for the question.

20 There will be both the 30-day public comment
21 period will have either submit written either through
22 e-mail or through an online portal to Pinal County Air
23 Quality Control District. And then on the public
24 hearing, which will be 30 days after the initial notice,
25 they can submit again written comments at that time or

1 provide oral comments.

2 MEMBER HILL: And the county, do they notify
3 residents within a certain area of a new point source
4 discharge somehow?

5 A. BY MR. HARBIN: I do not know the answer off
6 the top of my head. I do not believe so. Again, they
7 have a distribution list that if you have signed up for
8 that you would get notified, and then just the newspaper
9 notices as well.

10 MEMBER HILL: Will you be posting on your
11 website any information on the ability to participate in
12 that?

13 A. BY MR. HARBIN: I believe we could do that.
14 That would be something we can throw onto the project
15 website.

16 MEMBER HILL: Yeah. The other thing that I
17 think that would be helpful, because I think it's a
18 burden for the public to check your website every single
19 day to see when, is that you could actually put
20 instructions on -- if you want to get notified on our
21 permit, this is where you can add your name to that list
22 and the county will send you notification. So that
23 might be a good add.

24 A. BY MR. HARBIN: Okay. I think that is
25 something that we can discuss internally. It doesn't

1 sound like it would be --

2 MEMBER HILL: Too cumbersome.

3 A. BY MR. HARBIN: Yeah.

4 MEMBER HILL: Just some instructions on how to
5 get notice on a permit. Otherwise, I feel like it's a
6 burden to ask people to log in every day and find out
7 then. All right. Thanks.

8 MEMBER COMSTOCK: Mr. Chairman.

9 CHAIRMAN STAFFORD: Yes, Member Comstock.

10 MEMBER COMSTOCK: Thank you.

11 Sir, thank you for your presentation. It was
12 extremely interesting. But for me, I like to put it in
13 simple terms so that I can understand it.

14 If I can see it, if I can smell it, and I can
15 hear it, it causes me problems to have a plant there.
16 We're not going to hide the stacks, I mean, those are
17 big pieces of pipe. But our noise finding says it's not
18 going to be heard too much.

19 Let's talk about air quality. Am I going to
20 smell anything when we fire up these gas turbines that
21 is going to be different than what I would smell during
22 a normal day?

23 A. BY MR. HARBIN: Thank you, Member Comstock, for
24 the question.

25 There should be no smells emanating from the

1 facility. We will have an odor complaint log where, if
2 we do receive a complaint from the public, we will have
3 to investigate that and report back to Pinal County on
4 that.

5 MEMBER COMSTOCK: And who would you file that
6 odor complaint with? How would that be done?

7 A. BY MR. HARBIN: The public would reach out to
8 either Pinal County or SRP, and we would -- that would
9 initiate the investigation.

10 MEMBER COMSTOCK: Thank you. All right.

11 CHAIRMAN STAFFORD: Are we moving on to water
12 now?

13 MR. DERSTINE: I think that's it. Yeah.

14 Q. (BY MR. DERSTINE) Mr. Harbin, that concludes
15 your testimony.

16 I did want to make sure -- we talked about your
17 letter, which was SRP Exhibit 19, but that simply
18 summarizes the information that you've presented here to
19 the committee yesterday and today?

20 A. BY MR. HARBIN: Yes, that is correct. It's
21 just a summary of what was discussed.

22 Q. Okay. And the metrics that you presented in
23 your letter, I think based on your testimony, in your
24 view do not change based on the modeling adjustment that
25 Pinal County asked that you include the ED3 facility?

1 A. BY MR. HARBIN: That is correct, yes. No
2 material difference to the modeling results.

3 MR. DERSTINE: All right. Thank you.

4 Yes, I think at this point in time Ms. Gilbert
5 is going to take you through our air quality testimony
6 from Ms. Mora.

7 Did I say air quality? Water quality.

8 MS. GILBERT: You did say air.

9 MR. DERSTINE: I meant water. Sorry.

10 Q. (BY MS. GILBERT) Hi. Good morning. Ms. Mora,
11 will you please introduce yourself to the committee.

12 A. BY MS. MORA: Yes. I'm trying to get my slide
13 up. Okay. We're missing the slide. Sorry about that.

14 No. Do you guys have the background slide by
15 chance? Thank you.

16 Good morning. My name is Elizabeth Mora. I'm
17 a hydrogeologist and groundwater modeler.

18 I am currently serving the role as a senior
19 project manager at Spheros Environmental, a consulting
20 firm in Phoenix. I educationally have a bachelor's
21 degree in geology from ASU and a master's in hydrology
22 from U of A. I am an Arizona native and have done all
23 my education and career within Arizona.

24 I've spent the last 20 plus years in
25 consulting. I started out during my master's program at

1 the United States Geological Survey in Tucson as a
2 student hydrologist working with the USGS, and there
3 went to consulting.

4 My main roles have been served in the areas of
5 groundwater flow modeling, and I also do a fair amount
6 of work with managed aquifer recharge projects
7 throughout Arizona, recharge and recovery, assured water
8 supply purposes. I spent years on drill rigs, drilling
9 wells, rehabbing wells, doing everything out in the
10 field, testing, analyzing that data, and then
11 implementing that data back into the groundwater flow
12 models.

13 So I have a lot of different arms within the
14 hydrogeology community and within my career.

15 Q. Thank you, Ms. Mora.

16 Could you describe your role in the Marigold
17 project.

18 A. BY MS. MORA: Yes, thank you.

19 My role was to conduct a groundwater
20 availability assessment in support of the water demand
21 for the thermal plant.

22 Q. So before we get into the details of that
23 analysis you did and your testimony, could you start out
24 by describing the groundwater management plan. What is
25 the Pinal AMA? Just give us some foundation here.

1 A. BY MS. MORA: Yes. So some background on
2 groundwater and how it's managed in Arizona.

3 In 1980, Arizona passed the Arizona Groundwater
4 Code, which was the beginning of managing our
5 groundwater resources in Arizona. As a part of that
6 effort, active management areas were developed. There
7 are originating active management areas. Pinal AMA is
8 one of those. Of course, the Pinal AMA is in between
9 the Phoenix and the Tucson AMAs. It's about 4,000
10 square miles.

11 And also as a part of the 1980 Arizona
12 Groundwater Code and the development of the AMAs is
13 developing different management goals. The Arizona
14 Department of Water Resources is the body that
15 administers the code and the management plans and goals
16 through the AMAs. And we are currently in the fifth
17 management plan for the AMAs. It potentially is the
18 final management plan, but that is what we are serving
19 underneath.

20 So within the Pinal AMA, the goal for Pinal is
21 to preserve existing agricultural communities or
22 economies in the AMA for as long as feasible, consistent
23 with the necessity to preserve future water supplies for
24 nonirrigation uses.

25 Q. So we haven't quite gotten into long-term

1 storage credits yet, but I guess my next question is how
2 do long-term storage credits play into that management
3 plan goal? And that might require you to just give a
4 definition of long-term storage credits too.

5 A. BY MS. MORA: Thank you.

6 So the proposed water supply for the Marigold
7 project is to recover long-term storage credits. It is
8 not to pump groundwater.

9 CHAIRMAN STAFFORD: Member Little, you have a
10 question.

11 MEMBER LITTLE: Thank you, Mr. Chairman.

12 I misunderstood your question of me, and I do
13 not have a question. Thank you.

14 CHAIRMAN STAFFORD: Okay. Please proceed.

15 A. BY MS. MORA: Okay. Thank you.

16 So the proposed Marigold Energy Center, and
17 specifically the thermal plant, is located within the
18 Maricopa-Stanfield Irrigation and Drainage District,
19 MSIDD. And within MSIDD, there are long-term storage
20 credits that have been accrued through time, so those
21 are legally separated from what is groundwater.

22 The water use for the plant, the average annual
23 expected water use is 80 acre-feet per year. However,
24 the peak water use demand is estimated at 206 acre-feet
25 per year. So in looking at these uses and demand for

1 the project, consistent with the management goal for the
2 Pinal AMA, the availability of water is the long-term
3 storage credits.

4 And then looking at the impacts on the
5 groundwater users and consistent with the AMA management
6 plan -- I'll talk more about that in subsequent slides,
7 but that is addressed by recovering those long-term
8 storage credits within the area of impact within the
9 MSIDD area.

10 CHAIRMAN STAFFORD: How do you get -- how do
11 you accrue the long-term storage credits? You put water
12 in the ground somewhere?

13 A. BY MS. MORA: Yeah. So my next few slides will
14 explain this.

15 CHAIRMAN STAFFORD: Okay. Great. I'm jumping
16 ahead here.

17 A. BY MS. MORA: Yeah, no problem.

18 First of all, where the credit is stored, I'll
19 go with the slide on the left.

20 So throughout Arizona, there are more than -- I
21 think there are 99 underground storage facilities and
22 somewhere in the 20 or so groundwater savings
23 facilities. So those are the two different types of
24 water storage facilities that ADWR permits and
25 regulates.

1 So an underground storage facility, that is an
2 area where -- and sorry. The map is just showing all of
3 those USF and GSFs within Phoenix, Pinal, and the Tucson
4 AMAs just to give you an extent of where those are
5 located and their approximate size as a plan view map.

6 So within USFs, water is stored in the ground
7 by adding water to the ground in spreading basins.
8 Actually, I have another slide on that, so I'll go into
9 those details in a minute.

10 So water is added to the ground as recharge.
11 So recharge to aquifers can occur naturally, and they
12 can occur artificially. So the artificial component
13 comes into play with the USF and GSFs where water is
14 added to the ground and into the aquifers.

15 So Arizona has been using storing water in the
16 ground since the early '90s as a water management tool.
17 So saving water in the ground for a later time, for use
18 in a later time.

19 When we had access to the Colorado River water
20 through the CAP canal, Arizona wanted to bank that
21 water. It's kind of like putting money into the bank to
22 save for a later date to buy a house. So you're kind of
23 saving that for a later use. And that's similar to what
24 Arizona has been doing since the early '90s in storing
25 water in the aquifers across Arizona.

1 And then you can also recover that water. So
2 that recovery occurs in the form of groundwater pumping.
3 So those water -- the credits are then recovered and
4 pumped out of the ground via groundwater wells.

5 CHAIRMAN STAFFORD: So to get the credit, you
6 have to take surface water and put it into the
7 groundwater.

8 A. BY MS. MORA: So -- yes. Let me go to the next
9 slide.

10 So for the USFs, which are either constructed
11 or managed facilities, those are typically waters added
12 to the aquifer via spreading basins, ASR wells, which is
13 aquifer storage and recovery. So that's a groundwater
14 well that both injects and pumps at the same location.

15 Vadose zone wells, so those are injection wells
16 that are adding water above the water table. The vadose
17 zone is the distance beneath the ground above the
18 saturated zone. So that's the unsaturated zone of the
19 ground. And you can inject water in that unsaturated
20 zone, and then that water, via gravity, finds its way
21 down to the water table.

22 You can also add water in streambeds. Those
23 can be constructed facilities or managed facilities.
24 The difference is a constructed facility you would need
25 to contain the water, build berms, and have a delineated

1 area to define your USF. Whereas, a managed facility is
2 you just discharge water to the existing streambed, you
3 don't have any construction components, and you add
4 water to the ground.

5 In terms of accruing credits for these
6 different types of storage facilities, specifically the
7 streambed, if you have a managed facility there's a
8 50 percent cut to the aquifer, meaning 50 percent of the
9 water you add to the ground you're gifting to the
10 aquifer and the other 50 percent you accrue long-term
11 storage credits. There's only a 5 percent cut to the
12 aquifer on the other components where you're having less
13 losses, basically, along the facility, so you would get
14 95 percent of the water.

15 However, there's also the GSFs. So that's what
16 we're discussing today is the groundwater savings
17 facilities.

18 So the way that credits are accrued within
19 groundwater savings facilities is in-lieu pumping. So
20 groundwater savings facilities are irrigation service
21 areas or can be an accumulation of irrigation
22 grandfathered rights, IGFRs.

23 And so these irrigation district service areas,
24 or IGFR accumulation areas, would use CAP water in lieu
25 of pumping. So they're using surface water to water

1 their crops and to apply to the lands for farming
2 purposes instead of pumping. So they do not pump. And
3 in return, they are accruing long-term storage credits
4 for the water that was not pumped and the groundwater
5 that was saved.

6 The water that was not pumped and was saved now
7 takes on the legal character of the water that was
8 delivered to the farm. So it's technically CAP water
9 even though it was just water that is not pumped. So
10 that's how ADWR's regulations are written.

11 Q. (BY MS. GILBERT) And, Ms. Mora, before we kind
12 of keep going, so you just described that long-term
13 storage credits are legally not considered groundwater.

14 A. BY MS. MORA: Correct.

15 Q. And it was a little bit -- a few slides ago,
16 your modeling was based on 206 acre-feet per year, which
17 is the maximum or peak water use for Marigold thermal
18 plant; is that right?

19 A. BY MS. MORA: That is correct. And I do have
20 slides on the groundwater modeling and the assumptions
21 that we used.

22 MEMBER LITTLE: Mr. Chairman.

23 CHAIRMAN STAFFORD: Yes, Member Little.

24 MEMBER LITTLE: So are you going to describe
25 for us which of these types of storage SRP used to

1 acquire their long-term storage credits.

2 A. BY MS. MORA: Yes. I can answer that question
3 now, Ms. Member.

4 MEMBER LITTLE: Okay.

5 A. BY MS. MORA: So the credits were accrued at
6 the MSIDD GSF, which is a permitted GSF with ADWR, as
7 in-lieu pumping. And so the farms received CAP water
8 delivered to the agricultural areas in lieu of pumping.
9 And so the long-term storage credits proposed for the
10 Marigold thermal plant are long-term storage credits
11 accrued at the MSIDD GSF.

12 MEMBER LITTLE: And then they were sold to SRP.

13 A. BY MS. MORA: I don't know exactly how that
14 happened. You can buy and sell long-term storage
15 credits.

16 MEMBER LITTLE: Because SRP is not a farming
17 organization.

18 A. BY MS. MORA: Well, there are different --
19 there are cities in the Phoenix area that have long-term
20 storage credits rights and a long-term storage credit
21 account within GSFs all throughout Pinal. So there's
22 many different storers that can hold credit accounts
23 within the GSFs.

24 MEMBER LITTLE: So it's not just necessarily
25 water that -- surface water that is used to farm. It

1 could be surface water rights that a city has or an
2 organization has that they would not use that water?
3 I'm confused about how they get the credit if they're
4 not --

5 CHAIRMAN STAFFORD: Farming.

6 MEMBER LITTLE: Yeah. What rights they have to
7 pump that they would not be using and they would be
8 using surface water instead.

9 A. BY MS. MORA: So the credit is accrued at the
10 time the surface water was used at the crops in lieu of
11 pumping. So they did have to use the surface water.

12 MEMBER LITTLE: I'm sorry. I didn't mean to
13 interrupt you.

14 A. BY MS. MORA: Sorry.

15 MEMBER LITTLE: If it's a city, they're not
16 farming.

17 Q. (BY MS. GILBERT) Ms. Mora, I think this might
18 be a little bit more of the history of how SRP accrued
19 long-term storage credits. And I believe with your
20 involvement, you came in and SRP provided some
21 information to you.

22 Did you have an opportunity to look at kind of
23 our bank account, so to speak? Because are these
24 long-term storage credits in SRP's name? Could you
25 maybe describe a little bit of the information you had

1 in reaching this analysis.

2 A. BY MS. MORA: Yeah.

3 CHAIRMAN STAFFORD: Like how SRP came to
4 possess these long-term storage credits that it's going
5 to use instead of groundwater for this facility
6 specifically. I think that's what we're trying to get
7 to, Member Little?

8 MEMBER LITTLE: That's correct. And if you
9 don't have that information, perhaps somebody else can
10 provide it.

11 A. BY MS. MORA: Yes. Thank you for the question.

12 I do not know how the credits were obtained. I
13 do know that it's common practice for nonirrigator
14 farmers to have long-term storage credit accounts.
15 They're widespread.

16 There are over 13 million acre-feet of water
17 stored in the aquifers across Arizona as credits. So
18 there are a multitude of different owners of those
19 credits.

20 MS. GILBERT: And if it's okay, Mr. Chairman,
21 for me to answer Member Little's question about the
22 background and history. I can give kind of a high
23 level. I'm not as in the weeds as some of our experts.
24 SRP's got people who are deep in water, pun intended.

25 But the stored credits here were water that SRP

1 had priority CAP water that was then intentionally
2 stored in MSIDD's territory several years ago. And so
3 borrowing Ms. Mora's analogy, this was sort of SRP
4 acquired the rights for that surface water and through
5 some accounting process has indicated that they are for
6 this area and, therefore, can be recovered as a
7 long-term storage credit and no longer groundwater.

8 MEMBER LITTLE: So to simplify it for my simple
9 brain, perhaps, SRP provided their surface water to the
10 farmers who then stored in lieu of -- they used SRP
11 water. I see. Okay. I think -- I'm not expressing
12 myself very well, but I think I get it.

13 MS. GILBERT: I might not be expressing myself
14 very well. And I also feel like I need, like, the third
15 grade reader's version of storage credits and
16 groundwater, because it gets pretty complicated.

17 But SRP, essentially, purchased CAP water and
18 through some accounting mechanism then sent it to MSIDD.
19 And our storage facility that Ms. Mora is talking about
20 is the bank of where this is and where we would recover
21 it. Again, I'm not the expert, but that's my
22 understanding of sort of the legal mechanism behind the
23 storage credits.

24 CHAIRMAN STAFFORD: And they sent it -- was it
25 Maricopa-Stanfield?

1 MS. GILBERT: Irrigation and Drainage District.

2 CHAIRMAN STAFFORD: Okay. So I think I'm
3 getting this. I think Member Little is getting it too.

4 So then SRP sold CAP water to the district.

5 MS. GILBERT: We physically sent the water to
6 the district.

7 CHAIRMAN STAFFORD: What?

8 MS. GILBERT: We sent -- yes. We got the water
9 and we sent it to the district.

10 CHAIRMAN STAFFORD: Right. I assume that when
11 you buy water, you take delivery of it in some fashion.

12 So you provided -- sold the water to the
13 district, who then used that for crops for its customers
14 because it doesn't grow it itself. It provides water to
15 the farmers in the area.

16 And so they used the CAP water instead of the
17 groundwater and generated these credits which then SRP
18 acquired. I'm assuming that when they sold the water,
19 they did it in anticipation of getting the credits as
20 some -- as the payment or as part of the payment for
21 that water. Now they have the credits, so they can pump
22 the stored water instead of the groundwater for this
23 project.

24 MS. GILBERT: And that goes back to Ms. Mora's
25 testimony that the farmers were using the surface water

1 instead of the groundwater, and that is the mechanism by
2 which we created those storage credits.

3 CHAIRMAN STAFFORD: Okay. I think we've got
4 it. Is that making sense now, Member Little?

5 MEMBER LITTLE: Yes, it does. Thank you.

6 CHAIRMAN STAFFORD: All right. Thank you.
7 Yes, Member Comstock.

8 MEMBER COMSTOCK: I believe Ms. Mercer beat me
9 to it.

10 CHAIRMAN STAFFORD: Okay. Member Mercer.

11 MEMBER MERCER: Since we're talking about
12 water, I have written some questions. And usually I
13 wait until your presentation is done, but since we're
14 talking about all this, I would like to hear it in
15 layman terms.

16 For the benefit of the public and for the
17 public record, could you explain what groundwater and
18 water use baseline information SRP has developed for the
19 Marigold project and how SRP intends to distinguish
20 impacts attributable to Marigold from impacts resulting
21 from other existing or reasonably foreseeable water uses
22 or projects?

23 I understand all this storage, but can you
24 explain for the public benefit, what does all this mean?

25 A. BY MS. MORA: Yes. Thank you for the question.

1 I will be addressing and answering that
2 question throughout all of my slides. If it's okay if
3 we can wait until I get to those slides to answer the
4 question. There are several steps that we took and
5 groundwater flow modeling looking at future impacts,
6 existing groundwater conditions in the area, and a lot
7 of different factors that play into the analysis that we
8 conducted. I can summarize that at the end, if you
9 don't mind.

10 MEMBER MERCER: Okay. And those analysis will
11 be available for the public so they can understand their
12 concerns?

13 A. BY MS. MORA: Yes. Thank you.

14 I think that the report that we generated is a
15 part of the application packet, and I believe that's
16 public information.

17 Q. (BY MS. GILBERT) It's in Exhibit B-1 is the
18 report that Ms. Mora prepared, and it was the -- some of
19 the graphics in that exhibit were also --

20 Ms. Justus, were they also boards at -- a board
21 at the open house?

22 A. BY MS. JUSTUS: Yes. At the third open house,
23 we did have -- and through all open houses, we had SRP
24 water staff available to talk to the public, but some of
25 the groundwater analysis specific to what Ms. Mora is

1 discussing was available.

2 CHAIRMAN STAFFORD: So when you say it's in
3 Exhibit B-1 to --

4 MS. GILBERT: To the thermal plant application,
5 which is SRP Exhibit 2.

6 CHAIRMAN STAFFORD: Okay.

7 MEMBER COMSTOCK: Mr. Chairman.

8 CHAIRMAN STAFFORD: Member Mercer, are you done
9 asking questions?

10 MEMBER MERCER: Yes. I just wanted to make
11 sure that everything is documented and easy for the
12 public to address their concerns -- or not address their
13 concerns, to check about their concerns.

14 CHAIRMAN STAFFORD: Okay. Thank you.
15 Member Comstock.

16 MEMBER COMSTOCK: Thank you, Mr. Chairman.

17 Ever since the final ruling on the Colorado
18 River water was publicized, almost every city in the
19 Valley, including in the state, has said they're going
20 to ask to their bank for water so they can continue to
21 serve. They've been in the news about that.

22 Can you tell me, will this project, along with
23 everybody else who's going to go to the bank, is going
24 to cause a major depletion of groundwater in the state
25 of Arizona to avoid shortages from what we're not

1 getting on the Colorado through the CAP now, and what
2 the consequences are of that for the storage facilities
3 that are already there.

4 A. BY MS. MORA: Yes. Thank you for the question.

5 It is true that we are -- Arizona as a whole is
6 looking at reducing our supplies from the Colorado River
7 and that we do have this 13 million acre-feet of water
8 stored in the ground throughout the state.

9 And it is any accountholder -- long-term
10 storage accountholder's right to recover that water as
11 long as they are within compliance of ADWR and meeting
12 the management goal for the area where they're
13 withdrawing the water.

14 However, I do believe that Arizona has been in
15 a situation in the past where we were reliant heavily on
16 groundwater and found augmentation processes and
17 projects to bring water in from other sources such as
18 the CAP canal and Colorado River and that offset our
19 groundwater pumping and played into our management plan
20 and goals. So I have faith in Arizona that our leaders
21 will work together to find future processes and water
22 supplies to bring in to offset our demand of the
23 groundwater.

24 Although we do have, as shown on the left
25 slide, L-130, there are all these storage facilities in

1 place, and we are doing a lot of water reuse and water
2 recycling and treating effluent and adding it back into
3 the ground, and it's a loop of water going back into the
4 ground and being pumped out. So there are a lot of
5 different ways in which we can offset those changes in
6 groundwater levels and demands through time.

7 I don't know what's exactly going to happen in
8 the future. I don't think anybody really does. But as
9 mentioned, I personally have faith that Arizona will
10 find -- we're working on solutions to find future water
11 supplies.

12 MEMBER COMSTOCK: How long can we pump
13 groundwater in the state of Arizona to -- I guess what
14 does long-term mean? How long can we pump that
15 groundwater and still have an adequate supply?

16 A. BY MS. MORA: That is highly dependent on where
17 you're located and the aquifer conditions and the
18 aquifer types. And I do have future slides that will
19 show you historical groundwater conditions and
20 groundwater levels through time within our study area
21 for this project, and it will show that some of the
22 groundwater levels at some wells that are regularly
23 monitored by ADWR have rising water levels in some areas
24 and declining in others.

25 So it's not just an overall decline or overall

1 increase. There is kind of a mixed bag of groundwater
2 level conditions.

3 MEMBER COMSTOCK: Thank you. I wanted to get
4 that out there.

5 And maybe to help me understand, all the
6 aquifers are not connected. So if they're pumping in
7 Phoenix, it doesn't necessarily mean that the water in
8 Pinal County is going to go down; right? Is that a fair
9 assumption? Or is it all one big aquifer under the
10 state?

11 A. BY MS. MORA: No. Generally, I mean, there are
12 divides for groundwater conditions and impermeable areas
13 such as mountains or bedrock highs that does not allow
14 water to flow from one area to the other, so they would
15 be hydrologically disconnected.

16 The Arizona Department of Water Resources has
17 developed several groundwater flow models of the
18 different aquifer areas and they generally coincide with
19 the AMA areas. And I will talk in detail about that in
20 my future slides.

21 MEMBER COMSTOCK: Perfect. Thank you.

22 CHAIRMAN STAFFORD: Member Fontes.

23 You're on mute, Member Fontes. We can't hear
24 you.

25 MEMBER FONTES: Thank you, Mr. Chairman. I

1 appreciate that.

2 I appreciate the overview. Faith and hope is
3 not a mitigation plan, however, so I'm looking for a
4 little bit more detail on the conceptual design in terms
5 of how this particular plan is factoring in technology,
6 design, layout, to plan for a low water event.

7 I think we've got ESD requirements. We've got
8 potable water requirements for Staff, and then the
9 cooling technology. So a little bit more precision on
10 the actual site that corresponds to the layout for the
11 water issue would be appreciated. Thank you.

12 Q. (BY MS. GILBERT) Ms. Mora, I think maybe
13 before we go to part two of your testimony, it might be
14 nice to just give kind of a big picture summary, if you
15 don't mind.

16 So could you maybe just clarify is this project
17 using groundwater and kind of big picture purpose and
18 outcome of the analysis that you've reached.

19 A. BY MS. MORA: Okay. Thank you.

20 Yes. So in terms of the groundwater demand for
21 the Marigold thermal plant, as mentioned, the average
22 annual demand is about 80 acre-feet per year.

23 Q. And I might -- I'm sorry to cut you off.

24 Is it groundwater demand? Are we using
25 groundwater for the Marigold thermal plant project?

1 A. BY MS. MORA: No. The proposed supply is to
2 recover the long-term storage credits to meet the demand
3 for the project.

4 CHAIRMAN STAFFORD: I guess let me have a
5 follow-up question.

6 So how many gallons of long-term storage
7 credits are available for use for this project? I mean,
8 because if they have -- I think you're saying
9 80-something acre-feet a year typically, maximum of 206;
10 right? 206 acre-feet.

11 So how many acre-feet of storage credits are
12 available for this plant before you have to actually
13 start using groundwater, I guess. How many years of
14 storage credits are available?

15 Q. (BY MS. GILBERT) Ms. Mora, if I can --
16 Mr. Chairman, if I can rephrase a little bit.

17 Ms. Mora, is it -- in your understanding, based
18 on the information SRP provided, do we have adequate
19 storage credits, water in the bank, for the life of the
20 thermal plant project?

21 A. BY MS. MORA: Yes. So it is my understanding
22 that the life of the plant will be approximately 30 to
23 40 years. And the total account balance, I believe, is
24 16,000 acre-feet. However, there's always options to
25 purchase more long-term storage credits. And just going

1 to groundwater is definitely not the plan, to address
2 your direct question. If groundwater was going to be
3 used for any proposed facility, that is a separate
4 meeting the management goal path that we would be
5 looking at.

6 And so there's plenty of water in the current
7 account that SRP has to meet the demand for Marigold.

8 CHAIRMAN STAFFORD: Now, these credits aren't
9 specific to any aquifer, are they?

10 A. BY MS. MORA: The credits are held -- and I
11 wanted to point this out on the map.

12 So right here where this blue area is where it
13 says "Casa Grande," this is the MSIDD GSF, this area.
14 So the credits are held anywhere within that GSF. So
15 it's defined by ADWR as the area of impact. So the area
16 of impact for a GSF is the service area boundary.

17 CHAIRMAN STAFFORD: Okay. Member Fant.

18 MEMBER FANT: Thank you, Mr. Chair.

19 So just a true or false statement. The water
20 that will be used will be surface water delivery from
21 MSIDD.

22 A. BY MS. MORA: Thank you for that question.

23 Yes. The legal character of the water is CAP
24 surface water, correct.

25 MEMBER FANT: Okay. Thank you.

1 CHAIRMAN STAFFORD: That will be delivered
2 through a well on the property; correct?

3 A. BY MS. MORA: It will be recovered via a
4 groundwater well, yes.

5 CHAIRMAN STAFFORD: Okay.

6 MEMBER FONTES: Mr. Chairman, just a
7 clarification.

8 What I'm trying to get at is what is the
9 requirement per year and for the life of the project in
10 acre-feet for water?

11 CHAIRMAN STAFFORD: Did you understand that
12 question? I couldn't hear what he said.

13 MEMBER FONTES: What is the requirement in per
14 acre-feet per year and for the life of the project.

15 CHAIRMAN STAFFORD: Well, they said a maximum
16 of 206 acre-feet per year, and then expected use of
17 81 acre-feet per year. So multiply either of those
18 numbers times 30 years.

19 A. BY MS. MORA: Yeah, thank you.

20 The average annual demand is 80 acre-feet per
21 year. And if you multiply that by 40, that's 3,200.
22 SRP has 16,000 acre-feet in their account.

23 CHAIRMAN STAFFORD: Okay.

24 MEMBER FONTES: And then to go to Member Fant's
25 question, does that supply source have the capability to

1 provide that?

2 A. BY MS. MORA: Yes. The water supply will be
3 recovering those stored credits, and there's plenty of
4 water in the current account to meet the demand for the
5 life of the facility.

6 We use the 206 acre-feet per year as -- that is
7 the potential peak demand at one given time. That
8 wouldn't be averaged out over the whole year. But we
9 decided to use that higher peak demand in our
10 groundwater analysis and our modeling as a conservative
11 look at the maximum that could ever happen; however,
12 that is not anticipated to be ever needed.

13 Q. (BY MS. GILBERT) Ms. Mora, I think --

14 CHAIRMAN STAFFORD: One second.

15 Is that the end of your questions, Member
16 Fontes? Because if not, then Member Meeker has.

17 MEMBER FONTES: I'm just trying to get at do we
18 have a line of sight on the supply, not the credits.

19 Is that source of water able to supply what is
20 required on a per acre-feet per year.

21 CHAIRMAN STAFFORD: Okay. I think I follow
22 what you're trying to get to.

23 Okay. We know they have the credits. The
24 credits exist. But does the actual water molecules in
25 the ground that's going to be pumped out, do they exist?

1 Is that what you're trying to get to?

2 MEMBER FONTES: Yes, sir. And what I'm trying
3 to understand is, for the public, who is providing that
4 and where is it contractually coming from? Because I
5 think that's where the public really is focused, not on
6 the credits. So I'm just trying to capture that for the
7 record.

8 CHAIRMAN STAFFORD: Okay. Member Meeker.

9 MEMBER MEEKER: Thank you, Mr. Chair.

10 Ms. Mora, I just -- in the application, you all
11 reference the water storage permit, and then I noticed
12 that you don't plan on actually recovering water until
13 2032. And I appreciate that you modeled starting in
14 2026.

15 But has SRP applied for or already received a
16 recovery well permit for this project?

17 A. BY MS. MORA: Yes. Thank you for the question.

18 It is my understanding that they have -- SRP
19 has not applied for a recovery well permit. There is an
20 existing well on the parcel. That well is currently in
21 the GWSI program and, however, it's quite old. It was
22 installed in 1957.

23 So I don't know if SRP's plan is to use that
24 well or to replace the well.

25 MEMBER MEEKER: Okay. Thank you.

1 MS. GILBERT: Mr. Chairman.

2 CHAIRMAN STAFFORD: Anything further, Member
3 Meeker?

4 MEMBER MEEKER: No, Mr. Chair. Thank you.

5 CHAIRMAN STAFFORD: Okay. Member Fontes.

6 MEMBER FONTES: So on the ESD requirements for
7 firefighting, is that source of water from this well, or
8 is it going to be from the CAP contractual resource?

9 A. BY MS. MORA: I don't know the answer to that.

10 MS. GILBERT: It seems unlikely that the
11 firefighting, if there were an incident and water would
12 be needed for an emergency, that it would come from that
13 well. I think it would be a different source.

14 MEMBER FONTES: I think for the record we kind
15 of need to chase that down for the public. What I'm
16 trying to do is assuage any kind of concerns that water
17 will be taken away from other residential, commercial,
18 industrial infrastructure.

19 Not so much on the credit side. I appreciate
20 your background and your depth of knowledge on that, but
21 from the source contractually that you're going to
22 supply. Because those are the three things, the
23 cooling, the emergency services requirement for water,
24 and then the potable water.

25 If you can just outline what the plan is. I

1 know you're in conceptual design. You may not have
2 that. I think that's useful for the public in this
3 proceeding. Thank you.

4 CHAIRMAN STAFFORD: Do you want that in terms
5 of how that water will be allocated for the 80 acres for
6 normal operations and then as a maximum of 206 acre-feet
7 per year? Like, what percentage of it is going to be
8 for cooling, what percentage would be for use, what
9 percentage they think is going to be for fire
10 protection, all those different -- kind of break it out
11 by how it's used? Is that what you're looking for?

12 MEMBER FONTES: Yes, sir.

13 And by way of introduction, I am a developer in
14 my regular life, and I'm doing this in ERCOT. And these
15 are the same as the questions we get for natural gas
16 power plants in other jurisdictions.

17 And I'm just trying to assuage the public of
18 lessons learned in other jurisdictions, because this is
19 an ongoing issue for natural gas plants.

20 CHAIRMAN STAFFORD: Thank you.

21 Is that something that you'll have to work on
22 and come back with?

23 MS. GILBERT: I believe the firefighting or
24 incident response is a topic that we were already
25 planning to come back with, and so the Panel One

1 witnesses are working on the details of that to share.
2 It wouldn't be Ms. Mora whose testimony is very much
3 focused on the operational use of water for the thermal
4 units alone.

5 So, yes, Member Fontes and committee, we will
6 come back in the afternoon with an answer.

7 MEMBER FONTES: I appreciate that. Because the
8 ESD water requirements, the refill rates, how that's
9 going to be sited out, maps into hazardous waste.

10 We are giving you a CEC on a thermal, so I kind
11 of want to just flesh that out a little bit more so we
12 have that on the record.

13 And, again, I know you're in conceptual design,
14 but you have other plants that you can look at and how
15 you've done that. And are you going to drill a well?
16 If so, when?

17 Q. (BY MS. GILBERT) So, Ms. Mora, I kind of hate
18 to jump out of order on your slides. I know you have a
19 presentation and it's good and it's very clean, but I
20 think some of the questions that Member Fontes is
21 raising are about the physical availability of the
22 water.

23 And so I'm hoping maybe you can ruin the
24 conclusion for them and if we could have the techs jump
25 to your conclusion slide, and then we can come back to

1 R-130.

2 And so just want to -- could you speak to that
3 second point about -- you've given a good foundation
4 here of what is a storage credit and the legal right SRP
5 has to this water.

6 Could you talk just briefly about physical
7 availability, and then we'll go back to your usual
8 order.

9 A. BY MS. MORA: Yes, thank you.

10 Yes. To meet physical availability
11 requirements, we did evaluate the future impacts using
12 the ADWR Pinal AMA groundwater flow model. We put
13 together a 100-year predictive model to simulate future
14 impacts just as a conservative measure to look out
15 100 years starting in 2026 to look at what those impacts
16 would be.

17 And the modeling result does show that the
18 water is physically available within the ground at the
19 site to meet the demand of the project.

20 Q. And just to clarify, it's physically available
21 to meet the demand of the project, and, on top of that,
22 your modeling looked at well beyond the expected demand
23 of the project; is that right?

24 A. BY MS. MORA: Yeah. We set up the 100-year
25 predictive model scenario as a conservative measure to

1 look at more than double the life of the plant.

2 Also, if we were proposing to use groundwater
3 which we're not, then we would need to model 100 years
4 in order to meet the management goal. So we went ahead
5 and took that step even though that is not required for
6 recovering stored credits. Meeting the management goal
7 in terms of recovering the stored credits is recovering
8 within the area of impact, which is the MSIDD GSF
9 boundary, which is their service area.

10 Q. And I'll make you flip back to where we were.
11 Thank you.

12 So I think we can turn to the location and
13 setting of the Marigold thermal plant project. So can
14 you maybe just set the scene for your analysis, what
15 area did you study?

16 A. BY MS. MORA: Yes. Thank you.

17 So this map on the right -- if I can find my
18 pointer -- shows where the thermal plant is located for
19 Marigold. And we did look at a 5-mile radius, so
20 10-miles diameter study area within -- surrounding the
21 site. This map here shows the --

22 CHAIRMAN STAFFORD: The map on R-31?

23 A. BY MS. MORA: The map on R-31 -- thank you --
24 shows the light blue areas. That is the area where the
25 groundwater flow model is active. So that indicates and

1 delineates where the aquifer exists.

2 The brown areas outside of the light blue are
3 bedrock areas, mountainous areas where the aquifer does
4 not exist or it's not productive.

5 Also shown on the map are the green areas. So
6 the green area is the MSIDD GSF and the MSIDD service
7 area which defines the area of impact for recovering the
8 stored credits.

9 The aquifers within the Pinal AMA are alluvial
10 in nature, meaning there are sands, gravels, clays,
11 silts. They're unconsolidated and semi-consolidated
12 alluvial fill material. It's not fractured hard rock.
13 This is typical basin and range, the lower one-third
14 part of Arizona aquifers that we see within this area of
15 the state.

16 And so this is a very deep part of the basin.
17 It's greater than 3,000 feet, the alluvium and the
18 aquifer.

19 Q. And I see the yellow dash on R-131 is kind of
20 showing the study area. What was the mile radius for
21 that?

22 A. BY MS. MORA: Yes. The study area that we
23 chose is a 5-mile study area radius from the site. So
24 that is delineated by the dashed yellow line, the circle
25 around the site.

1 So typical study area boundaries may be a
2 couple miles, but we wanted to really look out and see
3 more general impacts. I mean, this is a large regional
4 groundwater flow model, so we didn't want to just look
5 at a small postage stamp of an area, so to speak, but
6 really regionally what's going on and what are the
7 impacts are within a 5-mile radius from the site.

8 Q. And so you have expanded what would be your
9 normal or standard study area. Was that also kind of in
10 addition to the reasons you just gave based on some
11 early engagement and feedback SRP received from the
12 community?

13 A. BY MS. MORA: Yes. In the early stages of
14 developing the water availability memo, we did get
15 feedback from SRP that public involvement. You know, we
16 wanted to look a little bit further out, and so then we
17 chose the 5-mile. And then like I said, this is
18 definitely a larger study area boundary than we
19 typically would look at.

20 Q. So now that you've given us sort of the bigger
21 picture study area, I think it's helpful we can zoom in
22 to the thermal plant parcel.

23 So tell us a little bit about the parcel. And
24 here on L-132, what is the existing water use? What is
25 going on there?

1 A. BY MS. MORA: Yes. So on slide L-132 shows a
2 zoomed in view of the parcel, which is the black hatched
3 area, and then where the thermal plant will be located
4 within that parcel delineated by the red box. So the
5 red box area of the thermal plant site is approximately
6 60 acres within the 170-acre parcel.

7 There is one existing groundwater well on site.
8 It has ADWR Registration No. 55-619754. That well is in
9 the southeast corner of the parcel. This groundwater
10 well, existing well was installed in 1957 and was used
11 for historical agricultural purposes. It is also in the
12 ADWR Groundwater Site Inventory database and program,
13 GWSI, where ADWR goes out and regularly measures water
14 levels in this well and other surrounding wells in the
15 area.

16 This well has a history of pumping from 1984 to
17 2010, and pumped -- over a 25-year period and pumped
18 about, approximately, 5,845 acre-feet within that
19 25-year period. If you average out the total pumping
20 over the 25 years, the average annual pumping rate is
21 234 acre-feet per year. So that's groundwater pumping
22 that occurred at the parcel historically.

23 There is one year where the reported pumping
24 peaked at 481 acre-feet, but this well has not pumped
25 since 2011.

1 So the proposed pumping -- or the proposed
2 demand for the Marigold thermal plant of the peak
3 demand, which is overestimating, which is 206 acre-feet
4 per year, is less than the average annual and less than
5 half the peak year that this well pumped.

6 CHAIRMAN STAFFORD: Member Fontes, you have a
7 question.

8 MEMBER FONTES: I want to go back to the ESD
9 requirement. What is the NFPA standard for this size of
10 plant? And you can look at comparison plants for
11 on-site water storage for firefighting for a thermal
12 plant, natural gas. And how does that backtrack into
13 your retention ponds or your storage and your pumping
14 rate if you're going to use the well as a primary
15 source?

16 CHAIRMAN STAFFORD: I believe you'll have to
17 circle back on that one, won't you, with Panel One?

18 MS. GILBERT: Yes. Panel One is preparing
19 answers to questions regarding emergency response, and
20 the intention here would not be to use that well. But
21 they'll be back up this afternoon with more details.

22 MEMBER FONTES: Excellent. I really appreciate
23 that. I just want to capture that for the record,
24 Ms. Gilbert, because that's what the public is going to
25 focus on is those three things. Appreciate it.

1 CHAIRMAN STAFFORD: Thank you.

2 Member Fant.

3 MEMBER FANT: Thank you, Mr. Chairman.

4 Mr. Fontes, I might mention the first thing you
5 do in any industrial development is go to the fire
6 department and clear NFPA codes. So I'm going to guess
7 that whatever their water requirements are, the West
8 Pinal -- I'm not sure. I'll assume it's West Pinal Fire
9 District reviewed their proposal and approved it. So
10 that's -- I can say that much.

11 MEMBER FONTES: Yes, sir. I just want to check
12 it in terms of the pumping, the storage, the layout,
13 since it's a thermal plant.

14 MEMBER FANT: The one thing I would mention,
15 too, if the fire district has water tenders, that water
16 can be counted too.

17 Q. (BY MS. GILBERT) So you gave us a little bit
18 of the history of the existing water use on the parcel.
19 How would -- let's see.

20 My next question for you is how would you
21 characterize sort of the groundwater conditions? Is
22 that your content per R-132?

23 A. BY MS. MORA: Yes. Thank you.

24 So on slide R-132 shows the existing conditions
25 of the aquifer both in the alluvial units and in the

1 measured groundwater levels through time.

2 Within the Pinal AMA, there are three main
3 aquifer units. There are the upper alluvial unit, the
4 middle silt and clay unit, and the lower conglomerate
5 unit. Those different aquifer units are hydrologically
6 connected. And I have the statistics here on the
7 different values of hydraulic conductivity which
8 measures the effective ability of water to move through
9 those medias throughout the different units and the
10 specific yield or storage coefficient of the different
11 units, so just relative to each other.

12 The ADWR Pinal AMA groundwater flow model does
13 incorporate all three of these units, and they are all
14 simulated in the model.

15 The upper unit in certain parts of Pinal can be
16 confined -- or sorry -- the lower unit can be confined
17 from the upper unit in certain areas of the Pinal AMA
18 where the middle silt and clay unit is abundantly more
19 fine-grained or thicker, and so there isn't a lot of
20 communication between the upper and the lower. However,
21 those conditions are not laterally connected throughout
22 the entire AMA. There's localized areas.

23 And this is a common depositional environment
24 that you see in the different alluvial valleys. You see
25 more coarse grain sands and gravels and then maybe some

1 thinner grained units and then coarse grain units. And
2 so it's not homogeneous throughout the entire aquifer,
3 so the conditions vary.

4 Generally, the direction of groundwater flow
5 across the site is to the southwest. However, that can
6 change depending on different pumping volumes and the
7 way that pumping wells are operated through different
8 years.

9 So we also looked at -- I mentioned earlier the
10 ADWR GWSI database which is a program that ADWR
11 administers that regularly measures water level in
12 existing wells throughout all of Arizona. ADWR
13 characterizes some of those wells as index wells, and
14 those are specific wells that they more frequently
15 measure in order to gather data on water level
16 conditions throughout the state.

17 The map on slide R-132 shows different index
18 wells as diamonds and the 10-year groundwater level
19 change within those wells. The blue diamonds show water
20 levels have risen over that 10-year period, and the red
21 diamonds show that water levels have declined through
22 the 10-year period, and it shows the rate in feet per
23 year.

24 For example, the well at the site, the index
25 well at the parcel for Marigold, has declined over the

1 past 10 years at a rate of 3.3 feet per year. However,
2 there are two wells to the west that have increased at a
3 rate of .9 or 1.5 feet per year.

4 And there's also another well to the northeast
5 that has increased over that 10-year time frame, the
6 last 10 years, at a rate of 21.8 feet per year, and
7 another well that's declined at .3 feet per year.

8 So as mentioned earlier, not all wells in this
9 area show declining water levels through the last
10 decade. There are some wells that show increasing water
11 levels and some decreasing water levels.

12 If you take an average within the circled area
13 across the plant area, which is about a little over
14 3 miles, the range is 21.8 feet of rising water levels,
15 to negative 3.3 lowering water levels through the last
16 decade.

17 CHAIRMAN STAFFORD: All right. Some follow-up
18 questions on this slide.

19 Looking at the three bullets under the first
20 bullet, you have -- you describe the upper unit in terms
21 of feet thick, and then hydraulic conductivity, and then
22 specific yield.

23 So the 298 feet thick, does that mean that
24 that's the depth of where you start getting water under
25 that upper unit?

1 A. BY MS. MORA: Yes, thank you.

2 Yes, the upper alluvial unit is
3 approximately -- at the site is approximately 298 feet
4 thick. That's within the ADWR model. So that's from
5 ground surface down. So it's almost 300 feet thick.

6 And then immediately beneath that is the middle
7 silt and clay unit, which is about 345 feet thick. And
8 then below that is the lower conglomerate unit.

9 CHAIRMAN STAFFORD: And then you had the
10 hydraulic conductivity, 60 feet per day. So does that
11 mean -- I'm assuming water flows down. So does that
12 mean if you put water in the upper unit at 60 feet per
13 day, it can drop down to the middle silt and clay unit?
14 What does that mean?

15 A. BY MS. MORA: Pretty much. I mean, you could
16 look at it consistent with, like, an infiltration rate.
17 Hydraulic conductivity is not exactly infiltration rate,
18 but when it's saturated, a saturated hydraulic
19 conductivity can be close to infiltration. So looking
20 at, yeah, if you apply water at the surface, it may
21 lower at that rate.

22 So the upper alluvial unit is more productive
23 than the middle unit. The middle unit consists of more
24 fine grain silts and clays, and so the water -- the
25 movement of the water would slow down once it hits that

1 middle unit. It would still go through it, but it would
2 slow down and then it would go to the bottom lower unit.

3 Also, I just want to note that the thicknesses
4 on here for the lower conglomerate unit is truncated, so
5 that the total aquifer thickness is 3,000 feet. And
6 that's a measure that ADWR implements in their
7 groundwater flow models for the alluvial basins because
8 really, effectively, below 3,000 feet may not be
9 productive. We don't know what's down there. It may be
10 too expensive to pump water from that depth, and so
11 that's where they cut off the bottom of the models.

12 But we do have geophysical gravity survey data
13 from the Arizona Geological Survey and ADWR that shows
14 that this basin is much thicker than 3,000 feet.

15 CHAIRMAN STAFFORD: You just can't drill that
16 deeply. It's not cost effective to drill that deep.

17 A. BY MS. MORA: Exactly.

18 CHAIRMAN STAFFORD: Okay. And then the
19 specific yield, what does that mean?

20 A. BY MS. MORA: So specific yield also it's kind
21 of how easily the media will kind of give up the water.
22 So you may have -- it's kind of like looking at the
23 retention of the water molecules attaching to the
24 different sediments. And so that really affects kind of
25 the drawdown extent that you're pumping may travel

1 laterally.

2 CHAIRMAN STAFFORD: What do the different
3 numbers mean? You've got a .15 and a .04, so which
4 one -- what do those numbers mean in terms of --

5 A. BY MS. MORA: So, generally, if you have a
6 higher hydraulic conductivity or specific yield, that is
7 indicative of a more productive unit.

8 So if you -- and the specific yield value is a
9 percentage. So .15 is 15 percent in the upper unit. So
10 water is just more easily flowing through that unit than
11 it would in the 4 percent units.

12 CHAIRMAN STAFFORD: Okay.

13 Q. (BY MS. GILBERT) Thank you, Ms. Mora, for
14 characterizing the area, the aquifer.

15 Is there anything else on these slides you
16 would like to touch on before we move forward?

17 A. BY MS. MORA: No. Thank you.

18 Q. So your next section is about the modeling.

19 So how did you use the information you've just
20 described, the thermal plant parcel, the existing
21 conditions, how was that used to support the model you
22 built?

23 A. BY MS. MORA: Yes. So, as mentioned, the ADWR
24 Pinal AMA model is -- this is a graphic on slide L-133
25 showing those three different model layers. They're

1 consistent with the three aquifer units that are
2 characterized within the Pinal AMA. And this is a
3 graphic that I took from ADWR's website to show a
4 cross-sectional view of what the ground would look like
5 in terms of the different model layers and aquifer units
6 in Pinal.

7 We adopted the ADWR Pinal AMA groundwater flow
8 model which was last calibrated and updated in 2015.
9 That model has reported data in the model through 2014,
10 and so we extended and updated the model with ADWR's
11 reported pumping per well in the model and brought the
12 pumping package in the model up through 2025. So we
13 have actual reported volumes per well in our model-runs
14 that we put together for this project.

15 And then we built a 100-year predictive model.
16 In that 100-year predictive model we assumed that all of
17 the 2025 pumping rates per well stayed the same and
18 extended and repeated that pumping into the 100-year
19 predictive period.

20 We did not change any geometry of the model,
21 properties of the layers, the hydraulic conductivity, or
22 storage values, boundary conditions, solver settings.
23 We left everything exactly as it is in the ADWR model
24 except for the pumping.

25 Q. So just to clarify, the inputs to the modeling

1 that you did were all pulled from information available
2 and created by ADWR; is that right?

3 A. BY MS. MORA: That's correct, yes. Within an
4 active management area, every nonexempt well is required
5 to report their annual pumping to ADWR, and they keep
6 careful records that is publicly available for uses such
7 as this as to implement and update models.

8 Q. And so using the information you gathered from
9 ADWR, what scenarios did you build for your analysis?

10 A. BY MS. MORA: So on slide R-133, it shows a
11 plan view of the active model domain for the Pinal AMA
12 groundwater flow model. You can see the grid cell
13 spacing here is half-mile by half-mile and the extent of
14 the groundwater flow boundary.

15 We adopted the model, updated the model, and
16 then built two scenarios. Scenario one is the base
17 model. So that's assuming that conditions continue into
18 the 100-year predictive period, but there is no demand
19 or pumping to meet the thermal plant project. As
20 mentioned, we left the 2025 reported pumping rates held
21 constant.

22 We also -- there are several USFs, those
23 underground storage facilities, as I showed before,
24 there's several of them located within this model
25 domain, and so we turned the recharge to those

1 facilities off in the predictive period, assuming that
2 none of that recharge is coming into the aquifer.

3 So that's a layer of conservatism that we built
4 into the model. It's also consistent with the way you
5 would model for assured water supply purposes. You
6 wouldn't want to assume that that artificial recharge is
7 going to occur, and you can't rely on that water to show
8 your impacts or your pumping within the model.

9 CHAIRMAN STAFFORD: And the recharge, you're
10 talking about putting surface water back into the
11 ground; correct?

12 A. BY MS. MORA: Yes, or treated effluent or any
13 other water types that are added to underground storage
14 facilities.

15 CHAIRMAN STAFFORD: So you would assume those
16 don't exist for your purposes for this model, then.

17 A. BY MS. MORA: Correct, yes, for the 100-year
18 predictive period. Of course, we have them through 2025
19 in the model because those conditions already occurred
20 and we have those reported USF volumes per facility from
21 ADWR that we submit a public records request from ADWR
22 to get those recharge volumes per facility and add them
23 into the model in the historical period.

24 So the second model scenario is the thermal
25 plant model. So that is taking the base model and then

1 adding the pumping for the thermal plant. And we did
2 simulate 206 acre-feet per year in our model scenario
3 two.

4 Q. (BY MS. GILBERT) Ms. Mora, I did want to just
5 touch on again the assumptions that you outline in base
6 model one on R-133. Could you repeat? What's the
7 conservative approaches you've taken in the model?

8 I think I took down two or three about the
9 100-year, turning off artificial recharge. If you could
10 summarize the conservative approach and the
11 justification for that.

12 A. BY MS. MORA: Yes. So the assumptions built
13 into the 100-year predictive model for the base model
14 and the thermal plant model is assuming that reported
15 2025 pumping rates are held constant into the 100 years,
16 and then also looked at 100 years into the future, which
17 is more than double the life of the plant, and just
18 looking further out into the future to have a
19 conservative approach at what may occur in the future.

20 And then also turning off any artificial
21 recharge in the model, that was added in the historical
22 period and for facilities that exist today, assuming
23 that they will not be recharging in the future.

24 Q. Thank you, Ms. Mora. Let's turn to the next
25 section.

1 And so you did this modeling. Can you tell us,
2 what are the results that you found?

3 A. BY MS. MORA: Yes. Thank you.

4 So looking at the 100-year simulated drawdown,
5 so drawdown is defined as a difference in water level at
6 the beginning of the 100 years to the end of the 100
7 years. So it's what is the water level at the parcel,
8 or at any areas that we wanted to look at, right at the
9 end of 2025, which is the end of our historical period,
10 and then what is that water level at the same location
11 at the end of 100 years and taking the difference.

12 So looking at that drawdown, just looking out
13 as a closer snapshot in just five years' time, the
14 drawdown due to pumping at the project, kind of
15 subtracting the simulated water level between the two
16 scenarios, is .04 feet per year as a five-year average.
17 And looking at 100 years, the average over the 100 years
18 is .025 feet per year for pumping.

19 There is drawdown occurring in the base model
20 at the site in the 5-year mark. That's a little over
21 31 feet. And at the 100-year mark, that's 285 feet, a
22 little over 285 feet. However, taking the difference
23 between the base model and the thermal plant model at
24 the site is just 2.5 feet over the entire 100-year
25 period.

1 CHAIRMAN STAFFORD: And the current depth to
2 water is approximately?

3 A. BY MS. MORA: Currently, the depth to water at
4 the index well at the parcel is about 550 feet, I think.
5 So the simulated depth to water at the end of 100 years
6 at the site is 816 feet below land surface, but that
7 doesn't necessarily exactly correspond with the
8 difference because the model may not match exact
9 measured conditions at the site. There's a little bit
10 of a residual between simulated water levels and
11 measured water levels at site, and that varies
12 throughout the model.

13 CHAIRMAN STAFFORD: Okay. So just so I'm clear
14 what the model predicts, not even looking at what the
15 plant is doing, you're looking at the water table is
16 going to drop 285-and-a-half feet over the next
17 100 years at the current rate of depletion without any
18 additional recharge. Is that what the model tells us?

19 A. BY MS. MORA: That is, yes, that is what the
20 model is showing. And that is also layering in removing
21 those other recharge -- the artificial recharge
22 components and having a conservative estimate on how
23 much water is coming into the aquifer but yet all the
24 water is still being pumped out.

25 CHAIRMAN STAFFORD: Right. And then no

1 recharge. That's all stopped under the model.

2 A. BY MS. MORA: Just the artificial recharge.

3 CHAIRMAN STAFFORD: Okay. So that's like --
4 okay. Rain still happens. That's figured into the
5 model?

6 A. BY MS. MORA: Yes.

7 CHAIRMAN STAFFORD: The artificial recharge is
8 the effluent, the surface water that's --

9 A. BY MS. MORA: Thank you.

10 Yes, the artificial recharge is the recharge
11 that occurs at existing USFs. There are other
12 components of recharge in the model. There is canal
13 seepage. There's mountain-front recharge. There's
14 stream recharge. So there's other natural sources of
15 recharge that occur that are in the model -- in ADWR's
16 model, so we just kept those constant for going into the
17 future period.

18 CHAIRMAN STAFFORD: Okay. All right. Wow.

19 We've been going for 90 minutes. I'm sure the
20 court reporter needs a break. I think we'll probably
21 have more questions when we come back, but let's take a
22 10-minute recess.

23 (A recess was taken from 10:32 a.m. to
24 10:50 a.m.)

25 CHAIRMAN STAFFORD: Let's go back on the

1 record.

2 All right. So we were looking at modeling
3 results. And without the plant, based on current
4 pumping, no artificial recharge, looking at the water
5 table dropping 285-and-a-half feet over the next 100
6 years. That's what the model says; right?

7 A. BY MS. MORA: Yes, correct. That's what the
8 base model shows without pumping from Marigold.

9 CHAIRMAN STAFFORD: Okay. What would that look
10 like in terms of subsidence?

11 A. BY MS. MORA: So in order to address
12 subsidence -- I mean, ADWR regularly measures subsidence
13 and so does the Arizona Geological Survey. They are
14 looking at differences in land elevation and compaction
15 related. It's mostly related to and due to groundwater
16 pumping.

17 You do see areas in the maps that ADWR produces
18 that show areas where there's greater distances of
19 subsidence versus other areas that don't have as much,
20 and those do generally correspond to groundwater wells
21 that are pumping at higher rates.

22 CHAIRMAN STAFFORD: Okay. Just wow.

23 Q. (BY MS. GILBERT) Ms. Mora, you just kind of
24 described the modeled condition. And then with the
25 plant, is that on this slide? What is the added

1 simulated drawdown if you account for the thermal plant?

2 A. BY MS. MORA: Yeah. So looking at the end of
3 the 100-year period future period, with and without the
4 plant, the difference is 2.5 feet of additional
5 drawdown. That is consistent with the 206 acre-feet per
6 year of proposed pumping at the parcel.

7 However, if we do look out at the study area,
8 which is a 5-mile radius from the site, in 2025 there
9 was approximately 100,000 acre-feet of pumping in 2025
10 for the area, and that's reported pumping that happened
11 last year. So comparing that 100,000 to the 206 that's
12 proposed for the facility, it's significantly less than
13 overall the pumping that's occurring in the area.

14 Q. And so I guess maybe another kind of conclusion
15 or punchline is that this 2.5 feet, is this -- the
16 thermal plant would be contributing to in the simulated
17 drawdown, is that a cause for concern? What do you take
18 on that?

19 A. BY MS. MORA: No. It's a very small amount of
20 incremental drawdown due to the demand. If you average
21 that 2.5 feet out over the 100 years, it's only
22 .025 feet. That may not even be measurable within the
23 error of measurement. So it's a very negligible
24 drawdown impact across the area.

25 CHAIRMAN STAFFORD: It looks like the marginal

1 impact is less than a tenth of 1 percent.

2 A. BY MS. MORA: Yes, that's correct.

3 CHAIRMAN STAFFORD: Which is -- I don't know.
4 I think the term negligible comes to mind.

5 MS. GILBERT: I believe that's the term on
6 Ms. Mora's conclusion slide as well.

7 CHAIRMAN STAFFORD: Okay.

8 Q. (BY MS. GILBERT) So let's look at kind of your
9 next kind of result.

10 A. BY MS. MORA: So the next slide is R-135. And
11 I'm now, seeing this on the screen, recognizing that
12 it's a little hard to see the contour lines.

13 But these two maps that are on the slide are
14 showing the 5-year mark and the 100-year mark for that
15 drawdown difference between the two scenarios, the base
16 and the thermal plant scenarios.

17 Looking at what does that -- so if it's
18 2.5 feet at the site, what does that look like as you
19 move out to the 5-mile study area boundary.

20 And so at the 5-year mark, it's about .2, maybe
21 a little bit more than .2 on certain parts of the line,
22 of incremental drawdown.

23 And then at the 40-year mark, which I don't
24 have a map here to show that, but that's the expected
25 life of the plant. It's an average of about half a foot

1 in 40 years.

2 And then at the end of 100 years, it's
3 approximately one foot on the north and the east, and
4 it's a little bit more than one foot on the south, but
5 it just depends on where you are on that 5-mile radius.

6 CHAIRMAN STAFFORD: Member Little.

7 MEMBER LITTLE: Thank you, Mr. Chairman.

8 For the record, for all of these studies, the
9 power supply studies, the air quality studies, the water
10 studies, we rely on simulations, models.

11 And for the record, I'm just wondering if based
12 on your experience you can tell us whether the models
13 generally have tended to be pretty accurate over the
14 years.

15 A. BY MS. MORA: Thank you for the question.

16 So this model was developed and has gone
17 through a few iterations with ADWR. And the latest
18 iteration, which was completed in 2015, underwent a
19 large calibration effort. And this model simulates
20 conditions back to predevelopment in 1923, so that's the
21 start of this groundwater flow model. And so it starts
22 in 1923 and simulates all the way through 2025 with all
23 of the publicly available reported ADWR data for pumping
24 and recharge coming into the model.

25 And then the hydraulic parameters, the

1 hydraulic conductivity and the storage values we talked
2 about, those are estimated based on conceptualization of
3 the groundwater system, but then they're optimized
4 during the calibration process to match water level
5 trends through time at those index wells that we looked
6 at.

7 And so ADWR goes through a very rigorous
8 process in calibrating these models and adjusting the
9 hydraulic parameters so that they can match the actual
10 measured data while implementing the reported pumping
11 and the reported artificial recharge and stream gauge
12 data and precipitation and everything, the entire water
13 cycle coming into this groundwater flow model. And so
14 this model is calibrated from ADWR and does a pretty
15 good job matching water level data.

16 Here you can see on this map that the site is
17 located kind of more toward the basin center and not
18 along the edges. A little bit more difficult or you may
19 see model calibrations not look as good toward the
20 edges. But typically in the model where there's a lot
21 of data, there's more wells and wells have been drilled
22 where the aquifer exists and the water is located, you
23 tend to have a better match to measured data and a
24 better calibration.

25 MEMBER LITTLE: Thank you.

1 Q. (BY MS. GILBERT) Chairman Stafford asked a
2 question about subsidence. I did want to note that your
3 Exhibit B-1 in the thermal application, SRP Exhibit 2,
4 includes a section on subsidence. Is there anything
5 you'd like to add?

6 A. BY MS. MORA: Yes. So the thermal plant is
7 located in an area of a known subsidence feature. It's
8 the Maricopa-Stanfield sub-basin subsidence feature.
9 And ADWR has been measuring using geophysical gravity, a
10 network of gravity measurement data, looking at the
11 differences in land surface and have several maps
12 through time looking at how that has changed and
13 evolved.

14 And the plant is located within that subsidence
15 feature in an area where it's the low to moderate range.
16 We do have that figure in the report that shows a
17 16-year period, 2010 through 2026, and the subsidence in
18 this area is approximately in the range of 1 to 10
19 centimeters in that 16-year period.

20 So it is not located in an area, according to
21 ADWR's maps, where the subsidence is at the larger
22 ranges.

23 CHAIRMAN STAFFORD: Thank you.

24 Q. (BY MS. GILBERT) And I would just maybe like
25 to reemphasize, the previous slide, R-134, where you had

1 the simulated drawdown conclusions, those numbers -- if
2 you want to flip back to it.

3 The base model numbers, I think, to the
4 layperson might seem a little bit extreme, but could you
5 reiterate the picture that this is giving based on the
6 conservative modeling approach SRP used here?

7 A. BY MS. MORA: Yes.

8 So as mentioned, the base model simulates the
9 reported 2025 pumping rates per well and carries those
10 rates forward into the 100-year predictive period.

11 And so looking at the total pumping in 2025
12 across that 5-mile study area, as mentioned, is about
13 100,000 acre-feet per year. So our 206 is definitely
14 not moving the needle in terms of what's causing the
15 drawdown in the area, which is reflected upon that
16 .025 feet per year average over the predictive future
17 period.

18 Q. (BY MS. GILBERT) And is it fair to say that
19 holding constant the existing uses, removing artificial
20 recharge, also probably increases the numbers we're
21 looking at today?

22 A. BY MS. MORA: Yeah, it's assuming no land use
23 changes and water use changes are occurring across the
24 lands. You know, there's some conditions and land use
25 changes are occurring across Pinal and Phoenix and

1 Tucson where agricultural lands may get urbanized or
2 land use changes occur and the associated water demand
3 for the new use of that land may be significantly less.
4 And so overall there could be a reduction in the demand
5 on groundwater.

6 Q. I think we might be ready to turn to your
7 conclusions. I'll let you take us through each of these
8 points.

9 A. BY MS. MORA: Thank you.

10 So in conclusion, the water availability
11 assessment shows that the water is legally available.
12 The supply for the Marigold thermal plant is stored,
13 long-term storage credits across the MSIDD GSF. That
14 was CAP water that was delivered to the agricultural
15 areas in lieu of pumping. So the credits occurred for
16 the pumping that did not happen across those years.

17 The water is also physically available. That's
18 demonstrated by implementing a 100-year predictive
19 groundwater model scenario using ADWR's established
20 Pinal AMA groundwater flow model. And results of that
21 model show that the effects to the aquifer in the
22 surrounding area is negligible, approximately 0.02 feet
23 of additional drawdown -- or sorry -- 0.2 feet of
24 drawdown at the 5-year mark, and 2.5 feet at the
25 100-year mark.

1 And that also looking at the historical data
2 and data available from ADWR in their databases show
3 that the conditions in the area not under undue stress.
4 There are some rising water levels at some index wells
5 and some water levels that have declining throughout
6 last decade.

7 And that overall the demand for the Marigold
8 thermal plant, the incremental effect is negligible and
9 shows that even the water use across this parcel in the
10 historical period, the proposed use for Marigold at the
11 peak rate is less than the average water use across the
12 site.

13 Q. Ms. Mora, does that conclude your direct
14 testimony?

15 A. BY MS. MORA: Yes, it does. Thank you.

16 MS. GILBERT: Thank you.

17 That might conclude all of our direct.

18 MR. DERSTINE: Well, I think we have some
19 follow-up from largely members of Panel One on some of
20 these questions that came up, I guess most recently on
21 -- I think Member Fontes had a question on water use for
22 emergency or fire and that sort of thing.

23 So I think we have some answers on that, and I
24 think we had collected some responses to prior questions
25 that came up over the day yesterday. So we can bring

1 that panel back, unless there's -- Ms. Justus will be a
2 part of that. But in terms of excusing Ms. Mora and
3 Mr. Harbin and then bringing the other panel back to do
4 some of those cleanup questions, I think would be the
5 next piece of our testimony and that would likely
6 conclude our case.

7 CHAIRMAN STAFFORD: All right. In the
8 meantime, I think we've covered most of the exhibits.
9 You have some new ones here. There's the SRP-22, which
10 is the WSP feasibility study, and SRP-23, which is the
11 one-line diagram.

12 SRP-20 was the additional renderings of the
13 plant. I think we looked -- did we specifically look at
14 that or it was included in something else that we saw?

15 MR. DERSTINE: I think it was --

16 CHAIRMAN STAFFORD: The presentation, wasn't
17 it?

18 MR. DERSTINE: -- it was in the presentation
19 slide, yes.

20 CHAIRMAN STAFFORD: Okay.

21 MR. DERSTINE: The breakout of the two cells
22 was, I think, the primary change in that.

23 CHAIRMAN STAFFORD: Okay. And then I think
24 that's Panel One. So I think Member Little has some
25 questions on those.

1 And then I want to give -- you mentioned your
2 witness summaries. I don't think they're really
3 necessary as an exhibit. Do you want to withdraw that
4 one?

5 MR. DERSTINE: Yeah. I don't have any need to
6 necessarily move that. I think the one exhibit -- let
7 me confer with Ms. Gilbert one second.

8 CHAIRMAN STAFFORD: Member Meeker, before the
9 water witnesses leave, do you have any questions you
10 want to ask?

11 MEMBER MEEKER: No, Mr. Chair. No questions.

12 But for the record and for the public, I'll
13 just note that long-term storage account balances are
14 available on our ADWR recharge and recovery webpage. So
15 this is public information as well as the reporting
16 that's required each year not only from these facilities
17 but also on water that is recovered. These entities are
18 required to report that on an annual basis.

19 And all of that information is, again, publicly
20 available, so I just want to note that for the record
21 and for the public.

22 CHAIRMAN STAFFORD: Thank you.

23 MR. DERSTINE: Yeah. It occurred to me that
24 one potential follow-up question for Witness Mora was
25 simply that my understanding is that there is a

1 reporting requirement that goes with the use of the
2 long-term storage credits, that those are done -- and I
3 think that's what Member Meeker just spoke to.

4 I know that the committee has looked at some
5 sort of reporting condition in the past, but I just
6 wanted to note, I think --

7 Q. (BY MR. DERSTINE) And, Ms. Mora, maybe you can
8 just confirm my general understanding, but that there is
9 an obligation to report to ADWR on the -- I guess it's
10 the status or the amount of long-term storage credits
11 that have been used, and maybe there's additional
12 information you have to report to ADWR?

13 A. BY MS. MORA: Yes, thank you. So every well
14 that is a nonexempt well within an active management
15 area is required to report their annual pumping volume
16 to ADWR. And as a part of that reporting process, you
17 would indicate which right you're pumping that water
18 under. So in this case, SRP would report the total
19 volume and say that they are pumping -- recovering that
20 water against their long-term storage credit account.

21 There are, for example, municipalities that
22 have groundwater wells that pump a certain volume and
23 they can parse out the different volumes of pumping for
24 that year under different rights. Maybe they're pumping
25 under a groundwater right. They're recovering a portion

1 of the water under a different water storage permit and
2 long-term storage account.

3 So all of those details are kept by ADWR, and
4 they keep an annual reporting and account balance for
5 all of the long-term storage credit accounts so that
6 each entity knows exactly where they stand at the end of
7 each year and what their account balance is.

8 CHAIRMAN STAFFORD: Thank you.

9 MR. DERSTINE: And I guess ticking off some of
10 our exhibits, maybe when we bring our Panel One back, I
11 assume -- I think you noted, Mr. Chairman, that Member
12 Little probably has some questions on the SRP
13 Exhibit 22, which is the WSP feasibility study. And
14 maybe Member Hill has some questions on the SRP
15 Exhibit 21, which is the additional, I think, biological
16 survey transect study that we provided, again, marked as
17 SRP-21. There was also SRP-23, the one-line drawing.

18 So to the extent that there are further
19 questions on those, before I would maybe move the
20 admission of all of our exhibits, we can finish up with
21 those questions with those panel members, and then we're
22 happy to move our exhibits and close our case.

23 CHAIRMAN STAFFORD: All right. Now the witness
24 summaries, did you decide to go ahead and withdraw that?

25 MR. DERSTINE: I'll just withdraw them as an

1 exhibit.

2 CHAIRMAN STAFFORD: Okay. And then for -- the
3 only one I don't have referenced is the communication
4 with Shamrock.

5 MR. DERSTINE: I believe Ms. Hallows spoke
6 briefly to the communication with Shamrock. Shamrock
7 Dairy is a large operation and employer. There were
8 communications with them as well as some recent
9 follow-up with Shamrock Dairy, and so that's just
10 documenting those communications as part of our general
11 public outreach.

12 CHAIRMAN STAFFORD: And that was SRP-13 was the
13 Shamrock correspondence.

14 MR. DERSTINE: That's correct.

15 CHAIRMAN STAFFORD: All right. And then SRP-15
16 and 16, that's the -- 15 is the CEC for the transmission
17 lines, and then SRP-16 is the CEC for the plant.

18 MR. DERSTINE: That's correct. And I don't
19 know if we were going to address the term condition for
20 the second circuit, pushing that out to a 20-year term.
21 I don't know if we've made that revision yet, but we'll
22 get that to Mr. Brewer in a Word version.

23 CHAIRMAN STAFFORD: Or we can do it when we --

24 MR. DERSTINE: Or do it on the fly.

25 CHAIRMAN STAFFORD: -- when we're adopting

1 conditions. So I don't think we need to redo it just
2 yet.

3 MR. DERSTINE: Okay.

4 CHAIRMAN STAFFORD: Beyond that, SRP Exhibits 1
5 through 3, and 5 through 23 are admitted.

6 MR. DERSTINE: Thank you.

7 CHAIRMAN STAFFORD: So are you ready to swap
8 out the witnesses now?

9 MR. DERSTINE: Yes. Can we have a minute to do
10 that?

11 CHAIRMAN STAFFORD: Let's take a five-minute
12 recess and come back with Panel One, and then wrap up
13 the rest of the members' questions.

14 With that, we stand in recess.

15 (A recess was taken from 11:12 a.m. to
16 11:20 a.m.)

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

19 We've got Panel One back up ready to answer
20 questions from members.

21

22 BILL McCLELLAN, ALEXIS LAURENCE, SARAH JUSTUS,

23 CHRISTINA HALLOWS, and CHELSEY FALK,

24 recalled as witnesses on behalf of Applicant, having

25 been duly sworn by the Chairman to speak the truth and

1 nothing but the truth, were examined and testified as
2 follows:

3 FURTHER DIRECT EXAMINATION

4
5 Q. (BY MR. DERSTINE) There were a series of
6 questions that we were trying our best to track and get
7 answers to. I think the panel members have some of
8 those responses.

9 I don't know, panel members, do you have a list
10 in front of you or do you need us to kind of prompt you
11 with those and -- maybe the place to start while it's
12 just in my head, because I don't know anything about it
13 and I was curious.

14 Ms. Justus, one of your homework items was to
15 look into this VOR. And I don't even know what that
16 stands for, but you were looking into that issue and the
17 concern raised by one of the area residents who was also
18 a pilot, and he had concerns that the solar panels would
19 be impacting the use of that VOR system. Can you speak
20 to that?

21 A. BY MS. JUSTUS: Yes, I can. Thank you.

22 We did do some research and had the opportunity
23 to also consult with NextEra who will be responsible for
24 the solar. It was raised as an issue relative to solar.
25 And there is a legitimate question about that, and what

1 we determined is -- first, I'll explain what it is.

2 VOR stands for VHF, or very high frequency
3 omnidirectional range. And these are a series of
4 antenna that emit signals that help planes navigate. It
5 is not specific to any one airport, but they are
6 distributed more like a grid system that emit signals
7 that aid navigation, and there is one in this area.

8 I will note there is a small airstrip south of
9 Stanfield, but, again, it's not at the airport or the
10 airstrip. It is located -- I can show you on the
11 placemat. Where you see the name "Casa Grande" right
12 near the edge of the placemat --

13 Q. Or if you can use the laser pointer, possibly,
14 up on the screen?

15 A. BY MS. JUSTUS: Oh, yes.

16 So it is along Clayton Road, off the map,
17 actually, off of this map, but it is on the edge of the
18 placemat at Clayton Road and Russell Road. That's where
19 the Stanfield VOR antenna is located. It's out in the
20 middle of a field. It's like a big, white concrete base
21 with an antenna on top. It is about 11 meters tall. So
22 this is one of a large regional grid of these antenna.

23 These antenna and their use is regulated by the
24 FAA. So any potential conflicts do have to get -- they
25 go through a screening and that have to trigger

1 evaluation by the FAA.

2 So any solar or other reflective-type materials
3 in proximity to the antenna do have to go through first
4 this screening tool and then, if it meets the criteria,
5 go through FAA evaluation.

6 The screening tool criteria is if there is a
7 reflective surface or reflective material within
8 350 feet of the antenna and if it is at the same or
9 greater height as the antenna. It is not a question of
10 any signal coming out of the solar panel. It is an issue
11 of reflecting the signal and sort of changing the
12 direction of the signal.

13 So solar panels like NextEra would use that are
14 10 to 12 feet off of the ground and are traditional PV
15 panels are not a concern here. They are not anywhere
16 near the height. The nearest solar panel for the
17 project to this antenna is over three miles away. So it
18 does not meet any of the screening criteria or any of
19 the triggering factors for an FAA evaluation.

20 It does raise other technologies, other solar
21 technologies. For example, the solar concentrator
22 technology where you have a reflective surface that's
23 very, very tall, definitely that type of technology
24 would be of a greater concern and may have an impact at
25 a greater distance because of that interference and

1 reflection of the signal.

2 But a traditional PV solar panel near the
3 ground, far below the level of that antenna, is not
4 identified as a concern.

5 And this is something that NextEra does
6 typically evaluate in the overall development of their
7 projects is knowing these locations.

8 Q. All right. Thank you.

9 The only other thing I think that -- well,
10 Member Little may have questions about the additional
11 biological survey report that we've marked.

12 But while I've got you, I think we touched on
13 yesterday -- Member Little -- Member Hill raised this
14 drainage riparian area that appears to be crossing the
15 site for the thermal plant. You explained yesterday in
16 your testimony kind of how that drainage or that
17 riparian area came to be on the map.

18 And then my understanding was, and I just want
19 you to, I guess, remind me and confirm for the record
20 that I guess our response on that is that we will confer
21 with Game and Fish and give them the information on that
22 and see what they would like us to do regarding, you
23 know, how to mitigate or how we might impact that
24 drainage.

25 A. BY MS. JUSTUS: That's correct. The practice

1 that has been in other projects that we would expect to
2 exercise here would be to share this map and the field
3 photography and the results of the field survey with
4 AZGFD.

5 And in cases similar to this with this kind of
6 lack of habitat, they have said, well, the original
7 computer modeling may have shown a potential for a
8 riparian area that is not currently a riparian area,
9 and, therefore, they haven't made any recommendations
10 for any sort of buffering or other mitigation.

11 So that is a step that we would take, and, if
12 they did find that some sort of mitigation was required,
13 we would definitely continue to work with them on that.

14 Q. And we could -- we will or maybe we have,
15 include that in our mitigation measures?

16 A. BY MS. JUSTUS: Yes. We can definitely include
17 that with the mitigation measures.

18 MEMBER HILL: Can I just ask a follow-up
19 question?

20 MR. DERSTINE: Please.

21 MEMBER HILL: On slide L-25, that's the only
22 slide that I can find that overlays the conceptual
23 design on the aerial photograph or property. Because
24 it's not in the application.

25 There it is.

1 I wondered if you could produce this map in a
2 way that there's even a scale on it?

3 Like, if your conceptual design, you know, and
4 facilities are already 200 feet away, which is a buffer
5 that might be identified by Game and Fish, I'm not going
6 to sweat this one if you can produce the map that just
7 shows, hey, we're already buffering with our facilities
8 this way.

9 I think when I read through the report, it
10 does -- to Member Fontes' question, like, there's no
11 analysis of flow in that channel. Does it get to bank
12 full width? Does it -- you know, like, what is -- it's
13 a hazard. It could be a hazard if it is getting to bank
14 full width to be in proximity to that.

15 And the fact that you're not getting any county
16 oversight, review, or permitting for facilities, that's
17 the other thing that I want to look at. So it would be
18 helpful if I could get a map with a scale with the
19 overlay on the aerial and a sense of what -- I can't
20 tell if that's 50 feet, 100 feet, 200 feet. And that
21 might just help alleviate, like, all of my questions,
22 honestly, just a good map.

23 A. BY MS. JUSTUS: Thank you, Member Hill. We can
24 definitely work on a map with some scale and some
25 dimensions on it.

1 Looking at the map on Page 17 of the report
2 that identifies the Pinal County riparian, it's a fairly
3 large area. But as you're noting, the wash, in
4 particular, is sort of the central feature here.

5 MEMBER HILL: It is.

6 A. BY MS. JUSTUS: So there is a significant
7 spacing from the wash. We will definitely give you an
8 aerial image with some distances and maps. I think
9 that's a very reasonable condition.

10 MEMBER HILL: Yeah.

11 A. BY MS. JUSTUS: And I noted the other day,
12 while not subject to the county approvals, it is typical
13 that we would share the plans for the county to look at
14 and provide any sort of concerns, comments, requests.

15 So the information will be available and
16 reviewable, but we will work on that map for you.

17 MEMBER HILL: Great. Thanks.

18 CHAIRMAN STAFFORD: Member Fontes.

19 MEMBER FONTES: It would be good if you could
20 just call up a KMZ file and superimpose the AutoCAD from
21 the site layout program. I think that would alleviate
22 Member Hill and give her a great visualization. I have
23 seen that in other similar proceedings where they bring
24 up the AutoCAD in the Google Earth through the KMZ, and
25 I think that will address and give her a perspective

1 because it includes the topography.

2 Not required, just a suggestion.

3 A. BY MS. JUSTUS: Thank you.

4 Q. (BY MR. DERSTINE) Ms. Justus, was there
5 anything else on your list of things? Nothing comes to
6 mind but --

7 A. BY MS. JUSTUS: No. Nothing else.

8 Q. Okay. Well, Ms. Laurence, I know you have a
9 long list.

10 A. BY MS. LAURENCE: Thank you. I do have a few
11 that I'd like to address.

12 From the testimony earlier this morning, we
13 heard some questions about water use at the thermal
14 plant, so I would like to address a couple of those
15 questions first.

16 I believe there was a question about the
17 breakdown of water use, and cooling is the predominant
18 use for the water at about 99 percent. The fire water
19 and other uses at the facility account for the remaining
20 1 percent.

21 Q. (BY MS. GILBERT) Ms. Laurence, could we
22 clarify, too, is that 90 percent of 206 acre-feet?

23 A. BY MS. LAURENCE: Yes. It would be 99 percent
24 of the 206.

25 CHAIRMAN STAFFORD: And for cooling you mean

1 it's the air inlet cooling?

2 A. BY MS. LAURENCE: That accounts for the
3 evaporative cooling and then the closed loop cooling
4 water system as well.

5 CHAIRMAN STAFFORD: Okay. Member Fontes, that
6 was your question.

7 MEMBER FONTES: And the source for that?

8 A. BY MS. LAURENCE: I believe that per Ms. Mora's
9 testimony earlier today that that's the long-term
10 storage credits.

11 MEMBER FONTES: No. The physical source.
12 Where are the molecules coming from? Where is the
13 intake? Is that coming from --

14 A. BY MS. LAURENCE: There would be a well at the
15 facility where water would be pumped, and then it would
16 be stored in a water storage tank at the facility.

17 MEMBER FONTES: It will be one water storage
18 tank for both NFPA fire standards, as well as for the
19 cooling, or two? Because it's typically two.

20 What does the conceptual design show?

21 A. BY MS. LAURENCE: The conceptual design
22 includes one initial water storage tank where the
23 water -- the raw water would initially be stored. And
24 that water tank would have segregation within it that
25 would reserve the minimum amount of water needed for the

1 fire suppression systems to ensure that we have the
2 water needed per the code for any kind of event at the
3 facility.

4 And while we're still working on our fire
5 suppression design, so I don't have that exact amount, I
6 was able to get an example for us. At Coolidge, that
7 amount is 240,000 gallons, so we might expect something
8 in that sort of range.

9 And, again, that would be stored in the same
10 water tank together before the water is processed, and
11 then it would be stored in the tanks that we show on the
12 placemat that include two tanks that are for the R0
13 water and the demineralized water.

14 MEMBER FONTES: So is the well and the
15 reservoir that that's going to pull from sufficient for
16 the 40-year period in terms of acre-feet?

17 A. BY MS. LAURENCE: Yes.

18 MEMBER FONTES: I just wanted to capture that
19 key point for the public. So it's going to come from
20 well water on the site for the 40-year period.

21 Now, on the NFPA stuff, is the pump rate that
22 you're planning for sufficient for the refill for the
23 NFPA or have you got there in terms of the fire
24 protection?

25 A. BY MS. LAURENCE: I don't know that we have

1 that yet, but we would design it to be sufficient.

2 MEMBER FONTES: That's all I need. Thank you
3 very much. I appreciate that for the record. That
4 completes my questions, Mr. Chairman.

5 CHAIRMAN STAFFORD: Thank you.

6 Member Fant.

7 MEMBER FANT: Thank you, Mr. Chair.

8 And thank you, Mr. Fontes.

9 I just wanted to suggest keeping your water
10 tank far enough away from your main facility for
11 emergency response purposes.

12 MEMBER LITTLE: Mr. Chairman.

13 CHAIRMAN STAFFORD: Yes, Member Little.

14 MEMBER LITTLE: I'm hoping that there will be
15 some discussion during our question-and-answer period,
16 whenever it's appropriate, to discuss a little bit more
17 about the negotiations for providing emergency services.
18 We talked about this yesterday, and I'm hoping that
19 we'll have a little bit more detail on that at some
20 point today.

21 A. BY MS. FALK: Yes. I'll have those answers.

22 MEMBER MERCER: Mr. Chairman.

23 CHAIRMAN STAFFORD: Yes, Member Mercer.

24 MEMBER MERCER: So the community has raised
25 questions regarding the BESS safety and emergency

1 response. For the benefit of the public and for the
2 public record, could SRP explain the maximum credible
3 BESS fire or thermal runaway scenario it has evaluated,
4 the potential off-site consequences, and what training
5 and equipment local first responders would have before
6 the facility becomes operational.

7 A. BY MR. McCLELLAN: So the battery energy
8 storage facility will be designed and constructed by
9 NextEra Energy, so we don't have those materials with us
10 today.

11 What I can say is that they will follow all the
12 regulations. They will coordinate with those local
13 emergency responders to make sure that those facilities
14 can be operated safely.

15 MEMBER MERCER: Thank you. I know that was one
16 of the public -- when the public shared with us, there
17 was some contradicting accounts. Some said, you know,
18 this is a great thing. We heard from a firefighter. So
19 I understand that this firefighter was in support of the
20 project, but still the majority of the public was
21 concerned about, you know, what are you implementing to
22 take care of any unforeseen fire or problem with this.

23 A. BY MR. McCLELLAN: Yeah, we recognize those
24 concerns. And from what I've heard, it still sounds
25 like there's some work to do in coordinating with those

1 local emergency responders. That's something that we
2 will be looking at and doing as we move forward with the
3 project.

4 MEMBER MERCER: Thank you.

5 MR. DERSTINE: I think Ms. Falk may be
6 addressing kind of where we are in figuring out some of
7 the confusion over who's the proper fire district or who
8 has responsibility for -- or would have responsibility
9 for serving the plant.

10 But I think the bottom line is whatever fire
11 district, whatever -- whether it's Casa Grande or it's
12 one of these private fire agencies, that they will
13 receive the sufficient training in not only dealing with
14 an event at the plant but also at the battery storage
15 facility.

16 And that the training that, I guess, will be
17 related to the battery storage will be directed by
18 NextEra who is responsible and will own the battery;
19 correct?

20 A. BY MR. McCLELLAN: Yes.

21 Q. (BY MR. DERSTINE) Ms. Falk, do you want to --
22 I know we sat over lunch and we said, "Who's the right
23 fire captain for this thing?"

24 I mean, it sounds like there's some folks in
25 town who want to keep their volunteer fire department,

1 and there's other agencies that may be able to respond.
2 And we talked about, you know, well, who does ED3 use
3 for fire?

4 So tell us what you have found in digging into
5 that issue?

6 A. BY MS. FALK: Sure. I can share that now.
7 Thank you.

8 I can confirm that our proposed facilities are
9 not covered by the existing volunteer fire departments.

10 And as mentioned earlier, we are considering
11 working with the Pinal County Fire and Medical Authority
12 because they are planning to expand their jurisdiction
13 into this area. And we have not heard indication from
14 the Casa Grande Fire Department that they are interested
15 in expanding their services to the Stanfield area, which
16 is why we have preliminary meetings with the Pinal
17 County Fire and Medical Authority.

18 And it is also my understanding with the
19 conversations with them, PCFMA, that they are working
20 with ED3 and with Project Bella on their projects as
21 well.

22 Those were my initial talking points.

23 CHAIRMAN STAFFORD: Yes, because ED3 has a
24 generation project in the vicinity that they're going to
25 have to have coverage for as well; right?

1 MR. DERSTINE: They have facilities, I think, a
2 substation or a switchyard within proximity to our
3 project, and they will also have, I guess, a 69kV bay at
4 the Marigold Substation.

5 So, you know, one of the points of contact was
6 "Who is ED3 using?" and it sounds like from Ms. Falk
7 that they are using the same organization who we have
8 had our early discussions with.

9 MEMBER LITTLE: Mr. Chairman.

10 CHAIRMAN STAFFORD: Yes, Member Little.

11 MEMBER LITTLE: Thank you.

12 That all makes perfect sense. I would suggest
13 that perhaps you might at least be in touch with the
14 Casa Grande Fire Department and find out. You know,
15 they may tell you they're not interested, you know, or
16 they may tell you they have no right to serve over here
17 or whatever. But it might be reasonable to at least
18 have a conversation with them.

19 A. BY MS. FALK: Absolutely.

20 MEMBER LITTLE: But what you have said makes
21 sense. Thank you.

22 A. BY MS. FALK: Thank you.

23 CHAIRMAN STAFFORD: Yes, Member Comstock.

24 MEMBER COMSTOCK: Thank you, Mr. Chairman.

25 Is the Stanfield volunteer fire department, is

1 there somebody at the station 24 hours a day, 7 days a
2 week?

3 A. BY MS. FALK: There is not anyone there
4 full-time at all.

5 MEMBER COMSTOCK: What is the expected response
6 time to get from their house to a truck to, say, your
7 thermal plant? What kind of expectation are we looking
8 at here?

9 MR. DERSTINE: I think -- sorry, Member
10 Comstock. I think as Ms. Falk noted, that we don't
11 anticipate that the volunteer fire department will be
12 serving and be the responder for the plant site. That
13 it will be either this Pinal County organization or
14 another organization who will have responsibility.

15 That the volunteer fire department's district
16 is focused on, I think, the local Stanfield community.
17 And I don't know what the exact boundaries are for that,
18 but that they will not be the responder for our plant,
19 and they don't cover our district, and so that's why
20 we're in the hunt to find the right organization.

21 MEMBER COMSTOCK: Thank you. I misheard that,
22 then. I appreciate the response.

23 A. BY MS. FALK: Thank you.

24 CHAIRMAN STAFFORD: Member Fant.

25 MEMBER FANT: Thank you, Mr. Chair and

1 Mr. Comstock.

2 Yes, if you don't have your fire department
3 lined up, your liability insurance provider will look at
4 you with askance when you go to get liability coverage
5 on the site.

6 MEMBER HILL: Mr. Chairman.

7 CHAIRMAN STAFFORD: Yes, Member Hill.

8 MEMBER HILL: Is SRP self-insured?

9 A. BY MS. LAURENCE: Yes.

10 MEMBER HILL: So you're not dealing with
11 insurance, per se. You're self-insured. You're not
12 relying on an insurance policy.

13 A. BY MS. LAURENCE: I think I would have to get
14 some more detail on that, but, generally, I'm aware that
15 we're self-insured.

16 MEMBER HILL: Okay.

17 Q. (BY MR. DERSTINE) Ms. Laurence, I jumped from
18 you over to the fire issue as we were talking about the
19 amount of water that we would have on hand for fire
20 response. I think you have some other questions or
21 issues you were going to address.

22 A. BY MS. LAURENCE: I do. Thank you.

23 We had a few questions yesterday about some of
24 the gas facilities, one question on AC mitigation for
25 gas pipelines.

1 I was able to verify that we do engage with the
2 gas companies very early on in our design process, and
3 they also have involvement during the final stages of
4 our construction and commissioning toward the end of the
5 project for final sign-off.

6 We also have included conditions, I believe
7 it's Condition 18 in the thermal plant CEC and
8 Condition 19 in the transmission CECs, both proposed, to
9 ensure grounding and cathodic protection studies are
10 performed and to ensure that adverse impacts are
11 mitigated. And we intend to have these conditions in
12 our CEC and would comply with these conditions as well.

13 MEMBER COMSTOCK: Thank you.

14 A. BY MS. LAURENCE: Another question that we
15 received related to the gas facilities were about the
16 remote shutoff capability, and we were able to verify
17 that we do not have remote control for that.

18 MEMBER COMSTOCK: I just want to make sure that
19 for the record that we put on there, then, the valves
20 that will control the flow of gas from the tap on the
21 mainline to the metering station will be manually
22 operated; is that correct?

23 A. BY MS. LAURENCE: What I mean is they wouldn't
24 be remotely controlled by a facility not on site.

25 MEMBER COMSTOCK: So the alternative to that is

1 a manually controlled valve that has to be turned off at
2 the site. Is that the design criteria for that?

3 A. BY MR. McCLELLAN: Anything upstream from the
4 metering station would be managed by the natural gas
5 pipeline company.

6 We're talking about any valves that we had that
7 would be downstream of the metering station that would
8 control blending or the flow of gas from either
9 Transwestern or El Paso.

10 MEMBER COMSTOCK: Yes, sir. Inside the
11 property line, the Arizona Corporation Commission's
12 Office of Pipeline Safety who regulates that kind of
13 activity doesn't have jurisdiction over that pipeline,
14 so that's correct. It's the inlet piping that's going
15 to go to your metering station is the question around
16 that.

17 So if SRP -- let me just make sure I
18 understand. SRP is not going to operate that lateral
19 from the tap on El Paso or Transwestern to the metering
20 station; is that correct?

21 A. BY MR. McCLELLAN: Yes, that's correct.

22 MEMBER COMSTOCK: Thank you.

23 Q. (BY MS. GILBERT) Ms. Laurence, did you have
24 any other follow-up questions?

25 A. BY MS. LAURENCE: I did. I have just a couple

1 more.

2 We received some questions about emergency
3 responses at the facility, and so I was -- I reviewed
4 the proposed CEC and was able to find that Condition 24
5 lists that we would prepare an emergency response plan
6 and make it available to the public. We would post that
7 on our SRP website, and we do intend to include this
8 condition in our CEC and comply with the condition.

9 And I have an example of one at our Santan
10 generating facility, and so I reviewed that and found
11 that our emergency response plan includes emergency
12 contacts at SRP, the facility information like the
13 address so that responders know where to go to, the
14 actual emergency response plan and process, evacuation
15 plans, employee training, hazardous material cleanup
16 plans, and a list of those hazardous materials and the
17 fire response plan.

18 So it's quite a lengthy document that includes
19 a lot of detailed information, and that's prepared
20 specifically for each facility and is specific to the
21 materials and the facility itself.

22 Another question that I received was about
23 phase-shifting transformers, and I was able to verify
24 that although there has been space reserved at Pinal
25 Central for a phase-shifting transformer, we do not have

1 any at Pinal Central or at our Duke substations. We do
2 not currently have any plans to add those at either of
3 those substations.

4 Q. (BY MS. GILBERT) I think your next follow-up
5 question was about the cost differences between the
6 single and double circuit?

7 A. BY MS. LAURENCE: That's right. Member Little
8 suggested that it might be about 50 percent more, and
9 you were spot on. That was a very good approximation.
10 Thank you.

11 MS. GILBERT: I'm sorry. Member Little. I
12 thought I saw you reaching for your mic.

13 Q. (BY MS. GILBERT) I think, Ms. Laurence, that
14 concludes your follow-up questions.

15 A. BY MS. LAURENCE: It does.

16 Q. Mr. McClellan, did you have a follow-up
17 research assignment too?

18 A. BY MR. MCCLELLAN: The items that I had, I
19 agree with Ms. Laurence's responses.

20 CHAIRMAN STAFFORD: Member Hill, do you have a
21 question?

22 MEMBER HILL: I do. I ask this of all the
23 thermal plant facilities, so this isn't singling out
24 SRP. And anyone who's a fan of the program knows that
25 I'm going to ask this. But I didn't ask the air quality

1 folks because I didn't think they were in a position to
2 answer, but I do think one of you guys might be able to
3 answer.

4 Has SRP ever violated an air quality permit?

5 A. BY MR. McCLELLAN: Yes, we have had violations
6 of air quality permits. There's a very prescribed
7 process when that occurs. That process is that if we
8 are in violation, we immediately shut down the units,
9 correct that condition, and then we actually report that
10 to the agency to go through a process of -- it could be
11 penalties established for those violations. SRP follows
12 those as prescribed in our air quality permit.

13 MEMBER HILL: Can you give me a couple of
14 examples of how -- when you go -- when you violate the
15 permit, what are the circumstances around that?

16 A. BY MR. McCLELLAN: Well, it's been a few years
17 since I've been in air quality, but one that I can think
18 of is that there could be a situation where we have our
19 SCR isn't functioning properly. Maybe the ammonia
20 injection isn't set properly. We have continuous
21 emissions monitoring systems on those stacks. We will
22 know that immediately, and then we shut the unit down
23 and make that correction. And then we would then, of
24 course, report that to the air quality agency.

25 MEMBER HILL: Okay. And so you've got

1 continuous emissions monitoring, so you know when
2 there's an emissions issue. You can shut the unit down
3 and get it corrected.

4 A. BY MR. McCLELLAN: Yeah. It occurs
5 immediately.

6 MEMBER HILL: All right. Thanks.

7 MS. GILBERT: So having concluded the follow-up
8 questions for this panel, I did want to, if it's all
9 right with Chairman Stafford, see if Member Little had
10 any questions about the additional SRP exhibits.

11 MEMBER LITTLE: Thank you. I did have one
12 question, and that is that the scenario that was modeled
13 in the feasibility study was called -- which is
14 basically a system study. You know, it was the same
15 power flow and transient stability and all the studies
16 that are included are generally included under the
17 umbrella of system impact studies -- modeled the plant
18 as a source, a generation source. That was input into
19 the system, which is usually what is done with a
20 generator plant. And I appreciate very much seeing the
21 conclusions and the description.

22 However, we have talked in here about the
23 possibility that the BESS might be charged from the
24 generators that are a part of this project or from the
25 grid. If they're charged from the generators that are

1 part of this project, that would not impact the system
2 studies that I read about, except it would just diminish
3 the amount of power that is available for use on the
4 system. However, if they are charged from the grid,
5 then, basically, the bus becomes the load as opposed to
6 a source.

7 And we also discussed the fact that there would
8 be system studies that modeled this plant in that way to
9 demonstrate that there are no problems associated with,
10 basically, backfeeding into the BESS. Because that's a
11 big BESS. And if, in fact, at some point you decided
12 you needed to charge the whole thing from the grid, then
13 it becomes a huge load.

14 And I'm wondering -- that was not included in
15 this feasibility study, which is perfectly normal that
16 it wouldn't be -- is that going to be included in the
17 system studies that are being done for the solar plant
18 and the transmission? Do we know?

19 A. BY MR. McCLELLAN: Yes. So NextEra has joined
20 into our Cluster 26. The battery energy storage system
21 is included in that study and will go through the
22 generator interconnection process, which includes the
23 system impact study and reliability studies that we
24 would conduct as part of that process.

25 MEMBER LITTLE: And it will include, for the

1 record, BESS being charged or acting as a load instead
2 of a generation source.

3 A. BY MR. McCLELLAN: Yes. Both discharge and
4 charging, which as you know, looks like a load on the
5 system.

6 MEMBER LITTLE: Okay. Thank you.

7 Believe it or not, that's the only question I
8 had from the review of those two exhibits. Thank you
9 for providing them.

10 CHAIRMAN STAFFORD: Excellent.

11 We're almost at the noon hour. Are there any
12 other follow-up questions that you had your witnesses
13 prepared to answer?

14 MS. GILBERT: I'll just note Mr. Harbin is
15 working on a map in follow-up to Member Hill. I think
16 our answer will be making that an exhibit. And if you
17 had questions, we could bring him up, but hopefully that
18 addresses it.

19 CHAIRMAN STAFFORD: Well, I think now is as
20 good a time to take our lunch break. Let's come back at
21 1:00. And then I think you'll have some additional
22 questions from members about some of the comments that
23 were made by the public and about potential conditions
24 for the certificates.

25 And then I guess once we're done with the

1 questioning, you'll want to give your closing. Will it
2 be Mr. Derstine or Ms. Gilbert doing the closing this
3 time?

4 MR. DERSTINE: It will be a short closing.

5 CHAIRMAN STAFFORD: Okay. All right.

6 MEMBER MERCER: Mr. Chairman.

7 CHAIRMAN STAFFORD: Yes, Member Mercer.

8 MEMBER MERCER: I'm wondering if I should ask
9 the question that I have regarding what you just spoke
10 about the conditions.

11 I appreciate that the members that are affected
12 by this project have taken the time and specific
13 concerns and proposed conditions to the committee.

14 I have a question regarding the jurisdiction
15 scope of those requests. So for the benefit of the
16 public and for the public record, the committee has
17 received the 27 proposed conditions submitted by the
18 Santa Rosa Ranchos and Stanfield community.

19 Could SRP identify which of those proposed
20 conditions it supports, which it does not support, and
21 which it believes fall outside the committee's
22 jurisdiction. And for those that SRP believes are
23 outside this committee's jurisdiction, could you explain
24 what agency or regulatory process SRP believes would be
25 the appropriate forum to address those concerns.

1 And that is for the benefit of the public.
2 Where can they go to get answers for their concerns?

3 CHAIRMAN STAFFORD: All right. So that's a
4 preview for them to answer when we come back from lunch.

5 So with that, we are in recess until 1:00.

6 (A recess was taken from 11:56 a.m. to
7 1:06 p.m.)

8 CHAIRMAN STAFFORD: Let's go back on the
9 record.

10 Mr. Derstine, Ms. Gilbert, I believe you have
11 two more exhibits for us.

12 MR. DERSTINE: That's right. I think we've --
13 I'm told that we have loaded Mr. Harbin's -- oh, there
14 he is. I didn't see you around the corner -- his
15 dispersement model map or -- I'm sure I'm butchering
16 whatever you were requested to give, but please describe
17 it.

18 A. BY MR. HARBIN: Yeah. What we've added to the
19 exhibits is a plot of the concentrations at the various
20 receptors for the one-hour NO₂ cumulative analysis that
21 was performed. In that map, it will show colored dots
22 or -- colored dots at each receptor based on the
23 concentrations with the -- bear with me.

24 So you'll see here we have the green star is
25 the Marigold facility, and then each of the dots

1 represent a receptor that during the significant impact
2 level analysis, that first screening analysis, showed a
3 significant impact.

4 And those receptors were then brought into the
5 cumulative analysis to provide a full model of the
6 background plus the nearby sources on those receptors.

7 You'll notice most of these receptors are going
8 to be in the mountainous areas just 'cause they have the
9 higher altitude, so they tend to have higher model
10 concentrations.

11 And you will see the red dot is our maximum.
12 That is over by the ED3's corporate offices and next to
13 their planned generating station that they have planned.

14 One thing to note, you'll notice in the -- it's
15 the Santa Rosa Ranchos neighborhood, we do not have any
16 significant impact projected for there, and neither --
17 if we can go down -- in the Stanfield area as well.

18 MR. DERSTINE: I think we're going to mark that
19 as SRP Exhibit 24, although I note that Member Hill is
20 not here, and she was the one who was keenly interested
21 in that. So maybe for when she returns, we'll circle
22 back to it and see if she has any questions regarding
23 it.

24 CHAIRMAN STAFFORD: Excellent.

25 Q. (BY MR. DERSTINE) And then our other map also,

1 I think, was requested by Member Hill, but go ahead and
2 explain it to the committee, Ms. Justus.

3 [Exhibit SRP-25]

4 A. BY MS. JUSTUS: Thank you.

5 Member Hill was asking about the distance from
6 the wash to the actual components. I will say we are
7 asking our engineering firm to quickly produce something
8 better than this, that's more accurate with everything
9 to scale and distance measurements.

10 But we wanted to quickly be responsive and, as
11 best we could do, I created the measurements based off
12 of the edge of the cultivated area rather than defining
13 what exactly the wash barrier is. So there is an
14 easement we've identified for the wash that actually
15 falls -- thank you.

16 The easement for the wash is centered on the
17 property line, which is in blue here. The blue is the
18 Pinal County Assessor's Office parcels, and it's about
19 175 on the west side is what's identified as the
20 easement for the wash. That falls actually a little
21 below where my arrows start. But then measuring from
22 where the arrows start, which is really kind of the edge
23 of the cultivated area, inward to the edge of the ponds
24 is about 260 feet, to the edge of the turbine area is
25 about 640 feet.

1 So I would characterize these as the best
2 estimation we could do over lunch and are trying to get
3 something more exact to you as soon as we can.

4 CHAIRMAN STAFFORD: What's the area inside the
5 green square? Is that the 60 acres?

6 A. BY MS. JUSTUS: The green square is
7 approximately 60 acres, yes.

8 CHAIRMAN STAFFORD: All right. SRP-24 and
9 SRP-25 are admitted.

10 MR. DERSTINE: Yeah. And I don't know the best
11 way that you would like us to walk through. There's the
12 filings that were made by Ms. Herrera. I think that's
13 what Member Mercer was asking that we address.

14 And I appreciate your teeing that up for us,
15 Member Mercer, so we understood what you were kind of
16 looking for in the way of responding.

17 There are -- I don't know what my count is --
18 29 or 27, there's 29 requests that are contained in
19 Ms. Herrera's filings. We can do our best to work
20 through those and give you our -- I think our initial
21 response and try to either, as you asked us to do, it's
22 something we can do, we can't do, or it's something
23 that's simply outside the purview of this committee's
24 jurisdiction. And if we're able to identify is there
25 another body or a process that addresses that issue, we

1 can do our best to identify that.

2 MEMBER MERCER: Thank you.

3 CHAIRMAN STAFFORD: Okay. Let's see. So she
4 had -- the first filing she had was -- let's see. It
5 was docketed September 21st. I guess it was filed on
6 the 20th but docketed on the 21st.

7 MR. DERSTINE: Yeah. Happy to start there with
8 that. I do have it.

9 CHAIRMAN STAFFORD: Okay. All right. So she
10 has a number of conditions requested.

11 The first one has to do with the cumulative
12 resource and environmental compatibility assessment.

13 MR. DERSTINE: As I -- there's a fairly long
14 paragraph there that calls out these other projects that
15 are being developed, and we've had testimony from
16 Ms. Justus and --

17 CHAIRMAN STAFFORD: If you could get a little
18 closer to the mic.

19 MR. DERSTINE: We've had testimony from
20 Ms. Justus and comments from the members of the
21 committee. Everyone's aware that there are a lot of
22 projects that are being developed near Stanfield or in
23 this West Pinal area.

24 And as I read this, she wants some sort of an
25 assessment. Cumulative resource environmental

1 compatibility assessment.

2 CHAIRMAN STAFFORD: Now, with the Griffin
3 Energy project, what does that -- I remember we talked
4 about it, but what specifically was that?

5 A. BY MS. JUSTUS: The Griffin Energy Project is
6 one that was identified in the maps in Exhibit H under
7 existing plans.

8 To my understanding, it's gone through
9 entitlement processes with Pinal County. I'm not sure.
10 Either it's not jurisdictional or hasn't come to a CEC
11 that I'm aware of. I know it involves solar, but I
12 don't know if it involves any other components.

13 CHAIRMAN STAFFORD: Okay. So if it's a solar
14 project, then we won't have jurisdiction over it. If it
15 was a thermal project, then the emissions would be
16 accounted for when they make their -- they have to
17 account for this project's emissions when they apply for
18 an air permit with Pinal County Air Quality Control
19 District.

20 But if it's solar, we don't have jurisdiction
21 over that unless they need a generation tie-line, and
22 they would have to come to this committee unless it's
23 shorter than a mile, I guess.

24 MR. DERSTINE: Correct.

25 Yeah, and I think what she also calls out here

1 is she's noting a data center and there's just a lot of
2 things here that we simply -- SRP can't be responsible
3 for being able to gauge the impact of other projects
4 being developed by other entities that may or may not
5 even be power generation projects, data centers, and
6 other things.

7 We're certainly responsible for informing this
8 committee about the impacts of our project. And I think
9 as Mr. Harbin testified to earlier today, his air
10 quality assessment takes into account other sources of
11 emissions that are included in the model, and those are
12 taken into account in assessing what are the impacts of
13 the air emissions from the Marigold thermal plant, but I
14 think that's as far as we can go.

15 And so this kind of look around and look at all
16 the other projects and come up with some sort of an
17 assessment, I don't think that's, one, anything that's
18 within the jurisdiction of the committee; and, two,
19 anything that SRP could undertake.

20 CHAIRMAN STAFFORD: And they don't exist, so
21 it's -- they may or may not ever exist. But I think,
22 you know, if all these things did exist, we could take
23 that into account when looking at the total environment
24 of the area. But it's the environment of the area as it
25 exists, not as it potentially could in the future. I

1 don't know how we would even assess that.

2 Member Little.

3 MEMBER LITTLE: Thank you, Mr. Chairman.

4 Cumulative impacts are something that have
5 concerned me a great deal both on the -- you know, well
6 all the environment impacts of the cumulation of the
7 projects. And I still don't have set in my mind whose
8 responsibility it is to keep track of the cumulative
9 impacts as opposed to the impacts for each individual
10 project.

11 However, I think it's been pointed out that,
12 you know, as each project comes to us, we look to see
13 what else is out there and take into account the impacts
14 of what's existing. And I think that, you know, I would
15 like to think that the county or whoever has
16 jurisdiction would also take into account the cumulative
17 effects of things.

18 And since SRP has stated that they are going
19 to -- although they're not obligated to follow the
20 county's regulations, they are going to continue to work
21 with the county and let them know what's going on. So
22 it's not like the county is going to be totally unaware
23 of what's going on over here.

24 So those are my comments on that one.

25 MR. DERSTINE: I mentioned that the -- and as

1 you did, Mr. Chairman, that in terms of on the air
2 quality side, the existing sources of emissions are
3 taken into account in Mr. Harbin's modeling analysis.

4 And I would to some degree, I think, note that
5 in terms of the groundwater analysis and modeling takes
6 into account the current conditions and groundwater
7 levels of the aquifer that are impacted by other uses
8 and over time, historically, and what is occurring
9 today.

10 Q. (BY MR. DERSTINE) Do I have that -- is that
11 generally correct, Ms. Mora, in terms of the using the
12 ADWR model takes into account existing conditions,
13 including groundwater uses that are ongoing to this day?

14 A. BY MS. MORA: Yes, that's correct. The
15 groundwater flow model simulates conditions through 2025
16 and actual reported pumping rates and data from ADWR in
17 the extended historical period.

18 MR. DERSTINE: Thank you.

19 I think that's as far as -- you know, noting
20 that those are covered by the studies that we've
21 presented to this committee on air emissions and
22 groundwater use, that that's -- we've done the best we
23 can do in terms of including those cumulative existing,
24 you know, impacts on groundwater use and air emissions
25 today. Beyond that, I'm not sure that we can do much --

1 that this committee has the jurisdiction, and we, SRP,
2 certainly doesn't have the ability to gauge and monitor
3 all these other projects.

4 CHAIRMAN STAFFORD: Now, I recall testimony
5 that 206 acre-feet per year is the maximum usage for the
6 plant. How much water is going to be used? And it will
7 be the same source, the storage credits, for the
8 construction of the entire Marigold Energy Center?

9 MR. DERSTINE: Ms. Laurence or Mr. McClellan,
10 in terms of the water that's used for --

11 I guess you're asking, Mr. Chairman, for
12 construction and other preoperational activities. I
13 assume that we will still be using -- pumping and
14 utilizing our long-term storage credits.

15 Q. (BY MR. DERSTINE) But fill us in if there's
16 another source of water other than the water at the site
17 that you'll be using for those activities?

18 A. BY MR. MCCLELLAN: There's not another source.
19 And I believe Ms. Laurence has in her notes the amount
20 of water that will be used during construction, and
21 we'll pull that up right away.

22 CHAIRMAN STAFFORD: I didn't catch that last
23 part.

24 A. BY MR. MCCLELLAN: Ms. Laurence has the amount
25 that we'll be using during construction or that we

1 estimate during construction, and she's looking through
2 her notes, and we'll provide that as soon as we get it.

3 CHAIRMAN STAFFORD: Okay. And that's for the
4 power plant, the transmission line, and then the solar
5 and BESS. Because that's got to cover a much larger
6 area. But it won't consume any water. The only water
7 that would really be used for that would be almost
8 negligible for use at the site and then clean the panels
9 occasionally, but --

10 A. BY MR. McCLELLAN: We've estimated 15 acre-feet
11 per year for the solar and storage portion of the
12 project during operations.

13 CHAIRMAN STAFFORD: Okay.

14 A. BY MR. McCLELLAN: And that is for, as you
15 mentioned, it would be for, you know, maintenance.

16 They don't clean panels very often, but if you
17 did do that, that would be a use for it.

18 And then any landscaping that we have on the
19 site.

20 CHAIRMAN STAFFORD: And the source of that
21 water is all going to be long-term storage credits.

22 A. BY MR. McCLELLAN: We don't expect the
23 long-term storage credits to be used for the solar and
24 storage.

25 CHAIRMAN STAFFORD: What will be the source of

1 water for them?

2 A. BY MR. McCLELLAN: It would be groundwater that
3 would be associated with the land that the facilities
4 are on.

5 CHAIRMAN STAFFORD: So I know we don't have
6 jurisdiction over that, but I'm just curious. Because,
7 like, that's all agricultural land that's got
8 agriculture groundwater rights; correct?

9 A. BY MR. McCLELLAN: Yes.

10 CHAIRMAN STAFFORD: And then when it's
11 converted to commercial use, industrial use, there will
12 be a reduction in that groundwater right?

13 A. BY MS. MORA: Yeah, there is. So when you
14 convert an IGFR to a Type I, there is a conversion. I
15 think it's typically one acre-foot per acre, and you do
16 have a limit on the last time that that land was used
17 for agricultural purposes in converting that to a
18 nonirrigation right. I believe that's five years to be
19 able to convert that right.

20 CHAIRMAN STAFFORD: Okay. And then I remember
21 on the tour it was mentioned that there's irrigation or
22 water rights that are independent of the ownership of
23 the land that would remain with the Maricopa and
24 Stanfield drainage --

25 A. BY MR. McCLELLAN: Maricopa-Stanfield

1 Irrigation and Drainage District?

2 CHAIRMAN STAFFORD: Yes.

3 A. BY MR. McCLELLAN: So my understanding is that
4 those are actually leases that are on wells that are on
5 those properties. And we would be working with
6 Maricopa-Stanfield Irrigation and Drainage District
7 throughout the term of those leases.

8 CHAIRMAN STAFFORD: Terminate those?

9 A. BY MR. McCLELLAN: Well, we would be working
10 with them -- I believe those leases are through 2029.

11 CHAIRMAN STAFFORD: Okay. Okay.

12 All right. And then --

13 Q. (BY MR. DERSTINE) I was just going to note, my
14 understanding, Mr. McClellan, and maybe you can fill me
15 and the committee in a bit more is that MSIDD is going
16 to continue to retain the use and the operation or
17 whatever rights they have to those wells. So those will
18 continue to be part of the irrigation district, and it's
19 not necessarily NextEra is going to own those water
20 rights is my understanding, at least through the term of
21 the lease; is that right?

22 A. BY MR. McCLELLAN: That's correct.

23 CHAIRMAN STAFFORD: But for the purposes of the
24 jurisdictional facilities, only long-term storage
25 credits will be used for the plant and the transmission

1 line.

2 MR. DERSTINE: That's correct.

3 A. BY MR. McCLELLAN: Yes.

4 CHAIRMAN STAFFORD: Let's see now.

5 My recollection of the testimony about the
6 drawdown of the water table attributable to the plant
7 is, like, less than one percent of what the annual
8 reduction would be -- is my recollection correct? --
9 based on the modeling?

10 A. BY MS. MORA: I'm going to do some math.

11 A. BY MR. McCLELLAN: We also have a number for
12 the estimated amount of construction water that
13 Ms. Laurence can provide.

14 CHAIRMAN STAFFORD: Okay.

15 A. BY MS. LAURENCE: Yes. We're estimating
16 500 acre-feet for construction and that would be
17 purchased through MSIDD.

18 CHAIRMAN STAFFORD: Say the last part.

19 A. BY MS. LAURENCE: That would be purchased
20 through Maricopa-Stanfield Irrigation and Drainage
21 District.

22 CHAIRMAN STAFFORD: MSDID?

23 A. BY MR. McCLELLAN: MSIDD, the
24 Maricopa-Stanfield Irrigation and Drainage District.

25 CHAIRMAN STAFFORD: IDD. Okay.

1 And then that would be 500 acre-feet for the
2 entire construction of the entire Marigold energy
3 project? That's what we're saying?

4 A. BY MS. LAURENCE: Yes, that's right.

5 CHAIRMAN STAFFORD: Okay.

6 MEMBER LITTLE: Mr. Chairman.

7 CHAIRMAN STAFFORD: Yes, Member Little.

8 MEMBER LITTLE: And not that I think it would
9 make a great deal of difference, but that was not
10 included in the water study that was done; correct?
11 That usage?

12 A. BY MS. MORA: That's correct. It was not
13 included as it won't be sourced from --

14 MEMBER LITTLE: Credits.

15 A. BY MS. MORA: -- recovering the long-term
16 storage credits.

17 MEMBER LITTLE: Okay. Thank you.

18 I'm curious and maybe this is a naive question,
19 but in terms of water rights, I mean, 500 acre-feet, if
20 a person has one acre of water rights, what does that
21 mean in terms of acre-feet of water? Does that question
22 make sense?

23 A. BY MR. McCLELLAN: So it sounds like you're
24 asking what is the water right associated with this
25 land?

1 MEMBER LITTLE: Yes.

2 A. BY MR. McCLELLAN: Do you know what this is?

3 CHAIRMAN STAFFORD: The entire energy center
4 you're talking about?

5 MEMBER LITTLE: Yes.

6 A. BY MS. MORA: I didn't look into water rights
7 associated with the solar part of the project, just the
8 thermal plant. And I'm not sure if there is a water
9 right associated with the parcel any longer, an IGFR,
10 because the proposed use is to recover the long-term
11 storage credits.

12 So if there is a water right associated with
13 the parcel, I'm not sure the intent on what SRP will do
14 with that.

15 MEMBER LITTLE: Well, for example, the land
16 that the solar field will be on, I know we don't have
17 jurisdiction over that, but much of that land is being
18 farmed right now. And I'm assuming that -- and I also
19 know that New Mexico may be different than here, but
20 when I was growing up, we had three acres of water
21 rights because we had three acres that were irrigated.

22 What does that mean in terms of acre-feet of
23 water?

24 MS. GILBERT: Member Little, I'm not sure I
25 understand your question. So if you all witnesses do,

1 you can just raise your hand.

2 But are you asking is the acreage, is it
3 one-to-one from the acreage to the water right?

4 MEMBER LITTLE: Yes. I'm assuming that you
5 don't have to have 500 acres --

6 MS. GILBERT: -- to have 500 acre-feet.

7 MEMBER LITTLE: Or perhaps you do.

8 Q. (BY MS. GILBERT) Ms. Mora?

9 A. BY MS. MORA: Yes. I can attempt to answer
10 that, if I understand the question correctly.

11 So the irrigation grandfathered rights
12 associated with farming the lands is one volume. And if
13 you are not going to farm the lands any longer, then
14 there's a conversion that you can convert that
15 irrigation grandfathered right to a Type I nonirrigation
16 use. And I believe that the standard is one acre-foot
17 per acre.

18 So, for instance, if it was 160-acre parcel and
19 the farmer had 2,000 acre-feet per year as a water
20 right, you do not get that. It's much less if you're
21 converting the land out of agricultural purposes into
22 non-ag uses. So it is much less.

23 In addition to that, you do have a time frame
24 to convert that and to use the water. And so if you
25 miss that, I believe it just -- the right gets

1 forfeited. Because those types of rights are tied to
2 the land.

3 MEMBER LITTLE: Right.

4 A. BY MS. MORA: Not all water rights are tied to
5 the land, but those are.

6 Q. (BY MS. GILBERT) Ms. Mora, I think you said it
7 in your hypothetical, but it's possible that a landowner
8 could have a few hundred acres of land but maybe
9 2,000 acre-feet of water rights. Is that --

10 A. BY MS. MORA: That is very possible, yes. For
11 the farmer, yes.

12 CHAIRMAN STAFFORD: Right. Because some crops
13 you couldn't grow on an acre with one acre-feet per
14 year. You wouldn't be able to be -- there wouldn't be
15 enough water for them; right?

16 MR. DERSTINE: Right.

17 A. BY MS. MORA: I think, generally, the rule of
18 thumb, from what I've heard, is, for instance, alfalfa
19 drinks about 6 acre-feet per acre. So I don't know what
20 you can grow for one acre-foot per acre, but, yeah, it's
21 definitely the conversion is a reduction in that water
22 right.

23 MEMBER LITTLE: Thank you.

24 CHAIRMAN STAFFORD: And for the groundwater
25 monitoring, that's governed by the rules of the active

1 management area, are they not? And then all the
2 groundwater for the jurisdictional projects are not
3 really -- it's being pumped from the ground, but it's an
4 access well to your long-term storage credits, which are
5 also -- all that volume is recorded and publicly
6 available; correct?

7 MS. GILBERT: You've got it.

8 CHAIRMAN STAFFORD: Okay.

9 A. BY MS. MORA: Would you like me to elaborate on
10 that? I can.

11 Regardless of what water right you're pumping
12 under, if you are pumping a nonexempt well within an
13 AMA, you are required to report that pumping volume to
14 ADWR annually, and they keep accounting on all of that.

15 CHAIRMAN STAFFORD: Now, these are all
16 nonexempt wells -- correct? -- that we're talking about
17 here?

18 A. BY MS. MORA: Correct.

19 CHAIRMAN STAFFORD: What is an exempt well? Is
20 that something that has a much lower extraction rate
21 for, like, residential use or something?

22 A. BY MS. MORA: Yeah. So an exempt well is
23 defined as a well that pumps 35 gallons per minute or
24 less. It's typically a domestic well, residential,
25 stock-watering well, a lower use -- still a production

1 well but a lower use production well.

2 CHAIRMAN STAFFORD: Okay. So you could grow
3 crops with it, but it's not enough volume to really grow
4 more than a small garden at that rate.

5 A. BY MS. MORA: Exactly.

6 CHAIRMAN STAFFORD: Okay.

7 MEMBER LITTLE: Mr. Chairman.

8 CHAIRMAN STAFFORD: Yes, Member Little.

9 MEMBER LITTLE: I'm not sure exactly where you
10 are in your review of the 27, 29 --

11 CHAIRMAN STAFFORD: I think I'm down to six.

12 MEMBER LITTLE: Okay. Well, under No. 2 --
13 sorry.

14 CHAIRMAN STAFFORD: Go ahead.

15 MEMBER LITTLE: -- it was requested that if any
16 private, domestic, agricultural, or shared well, or
17 residential utility service connection within three
18 miles of the facility experiences a documented loss of
19 supply or material impairment, the Applicant shall
20 investigate whether its activities materially
21 contributed.

22 And my thoughts on that are that I think it's
23 been demonstrated to us that this project will affect
24 the level of the groundwater so little that probably
25 this would not apply even if we considered it.

1 MS. GILBERT: Yes, Member Little, and that's
2 our position as well on this requested Proposed
3 Condition No. 2, that it really isn't applicable or
4 relevant to the conditions we've shown and testified to
5 today.

6 MEMBER LITTLE: And No. 3, it sounds like she
7 is suggesting --

8 And I would like to say that all of these
9 conditions requested were well thought through and very
10 well written, and I really appreciate the work and the
11 time that went into putting all of this together for our
12 consideration.

13 I think she's suggesting that perhaps we put
14 into the conditions the amount of water that will be
15 used for construction purposes. So I don't know whether
16 we want to consider that as a potential condition or
17 not, or perhaps the Applicant could address that.

18 CHAIRMAN STAFFORD: Yeah. Because they said --
19 I wrote it down -- 500 acre-feet that they'll buy from
20 the Maricopa-Stanfield Irrigation and Drainage District.
21 500 acre-feet, but that's the entire solar, storage,
22 gas, transmission, the whole Marigold Energy Center.

23 MS. GILBERT: Yes.

24 CHAIRMAN STAFFORD: That's correct? My
25 recollection is accurate; right? That's what we said?

1 MS. GILBERT: We heard the same thing. So if
2 we're wrong, we're wrong together.

3 But I think while that is our understanding of
4 what the construction water use would be, SRP's position
5 on this proposed condition is that it be -- this is
6 already addressed by ADWR in the AMA regulations as far
7 as the water use, and Ms. Mora's testified a bit to the
8 public nature of how much water we're using and
9 reporting that out.

10 So I'm not sure it's a needed condition and
11 likely already covered by the standard CEC condition,
12 the 3.c that directs us to comply with the ADWR
13 requirements.

14 CHAIRMAN STAFFORD: Right. But the record --
15 you stated it was going to be purchased from MSIDD. Are
16 those purchases -- the number that you get from them for
17 these purchases, is that going to be publicly available?

18 Q. (BY MS. GILBERT) Ms. Mora, is MSIDD's water
19 service publicly available?

20 Perhaps if you are a water user receiving
21 delivery from MSIDD, is that generally available to the
22 public?

23 A. BY MS. MORA: I'm not 100 percent sure if it
24 is. I know that there are annual pumping volumes per
25 well is reported, but I do not know if there's an

1 accounting of who gets how much water delivered per end
2 user.

3 CHAIRMAN STAFFORD: Right. Because they have a
4 bunch of other customers they supply water to to
5 irrigate the existing agricultural fields because
6 there's -- you're not buying the entire area of land
7 that they provide water to for irrigation; correct?

8 A. BY MS. MORA: Absolutely not. Yeah.

9 CHAIRMAN STAFFORD: I think there was something
10 about this earlier. How much more will the district be
11 irrigating that's not getting purchased by SRP? You
12 bought, like, a one percent chunk of the land they
13 serve? Do you have any ballpark of how much --

14 A. BY MR. McCLELLAN: Is the question is
15 500 acre-feet that we're estimating, is that one percent
16 of all the water deliveries that they would have during
17 the time period? Is that what you're --

18 CHAIRMAN STAFFORD: Not really. I'm just --
19 how big is the service area for the district? How many
20 square miles? How many acres? Do we have an idea?

21 A. BY MS. MORA: No, but I can get you that
22 information.

23 CHAIRMAN STAFFORD: And then how much water do
24 they provide to that service territory annually?

25 A. BY MS. MORA: That's the tricky part. I don't

1 know the answer to that, and I don't know if it's
2 publicly available information.

3 CHAIRMAN STAFFORD: Right. But what they pump
4 will be reported to ADWR; right?

5 A. BY MS. MORA: Definitely. So because they're
6 within an AMA, any nonexempt well pumping records have
7 to be delivered to ADWR annually, their pumping volumes
8 per well.

9 CHAIRMAN STAFFORD: Okay. And they've agreed
10 to provide 500 acre-feet over the next -- but that's
11 over, like, a three-, four-year period, though --
12 right? -- for the construction of this entire energy
13 center?

14 A. BY MR. McCLELLAN: Yes.

15 CHAIRMAN STAFFORD: Okay. So I assume they
16 have the capacity to serve. Otherwise, they wouldn't
17 agree to it.

18 A. BY MS. MORA: Mr. Chairman, can I add one more
19 thing?

20 CHAIRMAN STAFFORD: Please.

21 A. BY MS. MORA: So because MSIDD is an irrigation
22 district and they're not -- this is not specific to
23 them. This is all irrigation districts.

24 They can pump their network of wells how they
25 need to and then wheel the water in their canals and

1 laterals. So just because a well is pumping on site on
2 a parcel does not mean that water gets delivered to that
3 parcel.

4 CHAIRMAN STAFFORD: Right.

5 A. BY MS. MORA: So it's hard to parse out that
6 type of information.

7 CHAIRMAN STAFFORD: Right. But they still have
8 to report all the -- do they have any other source of
9 water besides groundwater? Do they have access to
10 surface water from somebody?

11 A. BY MS. MORA: I believe that there may be
12 surface water still being supplied; however, it's been
13 greatly reduced if there's any. I don't know the answer
14 to that exactly, in what year that was cut off, if it
15 was.

16 CHAIRMAN STAFFORD: I guess what we're kind of
17 looking for, and correct me if I'm wrong, Member Little,
18 is that I think the testimony you provided shows that
19 the withdrawal of the long-term storage credits from the
20 well on the plant site is going to have a de minimis
21 effect on the water table in operation.

22 I guess the issue is how much -- what is the
23 impact of that 500 acre-feet that's going to be used?
24 Because that will probably most likely be groundwater.
25 What effect would that have on the surrounding area?

1 Does that make sense? Is that what we're trying to get
2 to, Member Little?

3 A. BY MS. MORA: It makes sense. However, I don't
4 know the source of that water, if it will come from the
5 ground or not.

6 MR. DERSTINE: According to my phone, MSIDD
7 delivered between 250,000 and 265,000 acre-feet of water
8 annually to its growers. Its base allocation of CAP
9 water was 110,000 to 120,000 acre-feet per year.
10 However, the cutbacks on the Colorado River allocation
11 have reduced that. And, currently, MSIDD has shifted
12 heavily towards groundwater infrastructure, and
13 90 percent of its total water demand is coming from
14 groundwater utilizing wells operated by the district
15 since 1989.

16 MS. GILBERT: Perhaps the proposed Condition
17 No. 3 is -- it seems like it was drafted with the
18 intention of -- or with the maybe understanding that SRP
19 would be pumping the water for construction, but that's
20 not the case here. It's not our plan. We'll be relying
21 on MSIDD like the other landowners in the area. So I'm
22 not sure a condition about SRP's purchases is
23 meaningful. It's really up to MSIDD to manage their
24 obligations to their area and customers.

25 CHAIRMAN STAFFORD: Well, and then,

1 Mr. Derstine, what was the total amount of acre-feet
2 that your phone says that the district delivered to
3 customers?

4 MS. GILBERT: I do have the number of how much
5 they pumped if you would like to phone a friend.

6 MR. DERSTINE: Go ahead.

7 MS. GILBERT: In 2025, 171 acre-feet,
8 approximately.

9 CHAIRMAN STAFFORD: 171?

10 MS. GILBERT: 171,682.

11 CHAIRMAN STAFFORD: Okay. So then
12 500 acre-feet --

13 MR. DERSTINE: Nothing.

14 CHAIRMAN STAFFORD: -- divided by three years,
15 roughly, if you average that over the three-year
16 construction time, compared to the 100-and-something
17 thousand acre-feet that it delivers annually, it
18 seems -- again, that seems -- one tenth of one percent,
19 so it's a de minimis use compared to the vast amounts of
20 other water that the district is providing to other
21 customers. So it puts you in one of the smaller
22 categories of customers. Well, maybe not. I mean, in
23 total volume anyway. I mean, because they're delivering
24 a lot of -- like, a thousand times more water than
25 you're using, so -- okay.

1 All right. Member Fontes, you've had your hand
2 raised for a minute here.

3 MEMBER FONTES: I did. I want to go back to the
4 fire water reserve for the gas and the battery.

5 Did you guys calculate --

6 CHAIRMAN STAFFORD: We can't hear you. You're
7 really muffled.

8 MEMBER FONTES: Is this better?

9 CHAIRMAN STAFFORD: Yes.

10 MEMBER FONTES: I would like to go back to the
11 topic of the fire water reserve for both the gas and the
12 battery. Under the NFPA, they've got, like, an 8-hour
13 filling criteria that I've seen on plants of this size.

14 I'm wondering, did you guys calculate the
15 refill rate to maintain that for an 8-hour requirement
16 that that NFPA requires?

17 A. BY MR. McCLELLAN: We haven't done those
18 calculations yet. That will be part of the design.
19 We'll have to have a refill rate that meets the NFPA 850
20 standards for generating stations and fire protection.

21 MEMBER FONTES: You're relying on one well at
22 35 gallons per minute pumping rate. That just seems a
23 little low. So I guess let me rephrase.

24 What is the mitigation plan if that does not
25 satisfy design criteria for NFPA?

1 A. BY MR. McCLELLAN: I'll look over to Ms. Mora.
2 I think when she said 35 gallons per minute, that's a
3 threshold for an exempt well?

4 A. BY MS. MORA: That's correct. So 35 gallons a
5 minute or less is what defines an exempt well.

6 The well on the parcel is nonexempt. In fact,
7 I believe that it was tested at a rate of 1,500 gallons
8 per minute when it was put in, so it has the capability
9 of pumping up to that 1,500 gallons per minute.

10 MEMBER FONTES: That's typically on the low end
11 for a refill rate for an 8-hour firefight on a BESS in a
12 natural gas power plant. So what's the mitigation
13 Plan B if through your conceptual design into your final
14 design you come up short on one well?

15 A. BY MR. McCLELLAN: We could make a design that
16 stores additional water on site.

17 MEMBER FONTES: So you would put in an
18 additional water storage on the site layout or a
19 retention pond?

20 A. BY MR. McCLELLAN: I think it would be in a
21 tank, in a raw water tank. We would just make a larger
22 tank and then reserve more of the space in that tank for
23 additional fire water supply would be a potential
24 option.

25 MEMBER FONTES: That would work, but I'll defer

1 to my fellow members if we need to capture that based on
2 the well usage.

3 But that's been a big concern for communities
4 and firefighting. And the fact of the matter is we have
5 a BESS and a -- while we don't want to use water on
6 that, but we do have a natural gas plant there.

7 I would look to Member Comstock to comment on
8 that and also Member Hill, if you have any insights.

9 MEMBER HILL: I'll just offer that as we've
10 talked about some of the county review processes that
11 won't happen but plans that you have already made that
12 reflect the county processes, you could add something
13 about NFPA -- did I get the acronym right?

14 -- NFPA's guidance and standards that you'll be
15 following related to require fire protection on the
16 facility.

17 CHAIRMAN STAFFORD: I think that's a condition
18 that's proposed in the draft CEC.

19 MR. DERSTINE: I believe it is there. We'll
20 double-check. And if it's not, we'll add it.

21 CHAIRMAN STAFFORD: Okay.

22 MEMBER HILL: To go back -- I know I was gone
23 for a little bit and might have missed some of the
24 conversation.

25 I think with regards to water, my concern is

1 primarily the long-term use over the life of the
2 project. I'm less concerned about construction because
3 it's temporal. But it's the life of the facility that I
4 think I want to make sure that we all agree on what the
5 water use is going to be there. And the Applicant has
6 given us guidance on what their water use would be.

7 And I think if we're going to provide something
8 in the CEC, it's a limit to the water use annually over
9 the life of the project. I just think the temporary
10 construction period isn't the thing that's going to have
11 the long-term effect. I mean, that's just my opinion.

12 MEMBER LITTLE: Mr. Chairman.

13 CHAIRMAN STAFFORD: Yes, Member Little.

14 MEMBER LITTLE: I would agree with that. I
15 think it's important to put into the conditions the
16 annual water use over the life of the project.

17 If you take the 500 acre-feet and you divide it
18 by two or three years, you're looking at around the same
19 amount of water that's going to be used annually when
20 the project is in operation. I think it's much more
21 important to include the annual water use when the
22 project is operational.

23 MEMBER HILL: And we've got a history of
24 including that in CECs. So if we're discussing the CEC,
25 that's the one that makes sense. That's the one that's

1 applied to other projects. I think we've been
2 consistent.

3 CHAIRMAN STAFFORD: Okay. And then just a
4 quick follow-up, though.

5 I think if I could get a witness under oath to
6 state what the annual production was from the district
7 as opposed to one of the attorneys representing the
8 Applicant, that would be helpful.

9 A. BY MR. McCLELLAN: Would you repeat the
10 question, Chairman?

11 CHAIRMAN STAFFORD: It was how much water does
12 the district deliver to customers on an annual basis. I
13 think Mr. Derstine came up with what they delivered for
14 2025.

15 A. BY MR. McCLELLAN: Yeah. I believe it was in
16 2025 they delivered about 170,000 acres to their
17 customers in the Maricopa-Stanfield Irrigation and
18 Drainage District.

19 CHAIRMAN STAFFORD: Okay. Thank you.

20 Are we working through the concerns, Member
21 Little?

22 MEMBER LITTLE: Mr. Chairman, No. 4, I think
23 has been done. It's a groundwater dependent -- or
24 independent groundwater baseline for appropriate
25 monitoring areas. I think we heard about that today.

1 MEMBER HILL: I'll just suggest that it's not
2 independent the way the author probably would like it to
3 be independent. But the committee doesn't have a budget
4 to do that, so it is the consultants to SRP that
5 provided that. I just want to clarify that.

6 CHAIRMAN STAFFORD: In consultation with DWR,
7 wasn't it?

8 MEMBER HILL: That's right.

9 CHAIRMAN STAFFORD: They're using their model;
10 correct?

11 MEMBER MEEKER: Mr. Chair, I would just clarify
12 not in consultation with us, but they used our publicly
13 available modeling data.

14 CHAIRMAN STAFFORD: Okay. And they don't pay
15 for that at all, I guess, huh?

16 MEMBER MEEKER: No. That is available,
17 typically for purposes of assured water supply, but it's
18 available.

19 CHAIRMAN STAFFORD: Okay. Thank you.

20 MEMBER HILL: What number are we on?

21 MEMBER LITTLE: No. 5.

22 CHAIRMAN STAFFORD: Right. And I guess they
23 will not have an exempt well, and they will be pumping
24 their long-term storage credits and reporting the annual
25 withdrawal; correct? And that's required under AMA.

1 A. BY MS. MORA: That's correct. They will be
2 required to report all of the pumping from their well
3 annually to ADWR.

4 CHAIRMAN STAFFORD: All right.

5 MEMBER LITTLE: Mr. Chairman, these suggested
6 conditions do ask that they be reported to Commission
7 Staff.

8 CHAIRMAN STAFFORD: But Commission Staff
9 doesn't really have -- it's reported to DWR which is the
10 agency in charge of enforcing the groundwater code.

11 MEMBER LITTLE: Thank you.

12 CHAIRMAN STAFFORD: So I don't know what
13 Commission Staff would do with the information.

14 MEMBER LITTLE: Well, I think that that is what
15 Member Mercer requested was to address where the public
16 can find this information if it's not going to be
17 addressed as suggested in the document.

18 CHAIRMAN STAFFORD: Okay.

19 MEMBER LITTLE: So that's where they find it;
20 right?

21 CHAIRMAN STAFFORD: I'm seeing Member Meeker
22 nodding her head.

23 MEMBER MEEKER: Yes. That's all publicly
24 available on our website.

25 CHAIRMAN STAFFORD: Excellent.

1 Member Fant.

2 MEMBER FANT: Thank you, Mr. Chair.

3 Couldn't that also be reported in the annual
4 report that goes to the ACC on a compliance with the
5 CEC?

6 CHAIRMAN STAFFORD: I guess the way to phrase
7 that would be that when they file their annual
8 compliance letter, it has the last annual -- the last
9 thing they filed with DWR stating what their year's
10 water use was. I don't know when they're going to -- I
11 don't know about the timing of those two things.

12 The groundwater code is going to have them
13 required to file -- how does that work? What is the --
14 the annual filing, is it -- when is the file date for
15 that information typically?

16 A. BY MS. MORA: Yes. I think it's the end of
17 first quarter, if I'm not mistaken.

18 CHAIRMAN STAFFORD: Okay.

19 A. BY MS. MORA: For the following year's
20 information.

21 CHAIRMAN STAFFORD: The previous year's?

22 A. BY MS. MORA: Correct.

23 CHAIRMAN STAFFORD: Okay.

24 Okay. So by March 27th, you would file for all
25 the withdrawals for '26, then.

1 A. BY MS. MORA: Correct. Yes.

2 CHAIRMAN STAFFORD: So if you file your annual
3 compliance letter in July of every year, you could just
4 drop what you file with DWR as attached. Like, here it
5 is. Compliance. Here's the document. That seems easy
6 enough.

7 I mean, it's not requiring you to do anything
8 you wouldn't have to do already.

9 MS. GILBERT: Yes, that does seem easy enough.

10 CHAIRMAN STAFFORD: Okay. Was that your
11 suggestion, Member Fant? I suppose you'll have language
12 to suggest when it comes time to discuss the certificate
13 itself? Excellent.

14 Are we moving on to the next one?

15 Number 6. Well, this is for the BESS which we
16 don't have jurisdiction over.

17 MEMBER HILL: It does say the thermal plant,
18 the BESS, the substations. The only thing that we have
19 jurisdiction over is the thermal plant, but I think we
20 had a --

21 MEMBER LITTLE: And transmission.

22 MEMBER HILL: And transmission. Although I'm
23 not concerned about corona.

24 We've had a good discussion about noise. I
25 think that I'm satisfied with SRP's approach that if

1 they get a noise complaint they are going to respond to
2 that and can do additional measuring of the noise
3 impacts if they get that complaint.

4 CHAIRMAN STAFFORD: Is that addressed by a
5 condition that's already in the CEC? Is that a standard
6 condition about -- I know it's interference for sure,
7 but is noise also in there?

8 MS. GILBERT: 3.d references noise control
9 standards. I think so.

10 MEMBER LITTLE: Mr. Chairman.

11 CHAIRMAN STAFFORD: Yes, Member Little.

12 MEMBER LITTLE: I think one of the filings from
13 yesterday addressed this in great depth. My one concern
14 is -- and I don't -- it's not my area of expertise, but
15 I've been hearing that the type of measurement of noise
16 that we see generally, a dBA, does not address the fact
17 that a constant or repetitive low frequency noise is not
18 reflected in that dBA and can be very irritating.

19 And I noticed that -- and I'm pretty sure it's
20 in one of the -- what was filed yesterday. There was a
21 request was made for some different kinds of
22 measurements of noise and low frequency vibration. And
23 I'm just wondering if maybe we could postpone discussion
24 of this until we get to that.

25 CHAIRMAN STAFFORD: Okay. We could go through

1 this document and then move on to the next one; right?

2 MEMBER LITTLE: That would be fine.

3 CHAIRMAN STAFFORD: Instead of jumping back and
4 forth and getting lost.

5 MEMBER HILL: Member Little, are you talking,
6 like, a pitch or a --

7 MEMBER LITTLE: Yes. It's like if you're in a
8 room with a loud band, it's very loud. The dBA is going
9 to be way loud. If you go outside and you shut the
10 door, the dBA is going to be lower, but what you're
11 going to hear is the thump of the bass. I don't know
12 about you, but that irritates me a whole lot more than
13 being in the room with the band even though it's louder.

14 MEMBER HILL: I kind of get it now.

15 Number 7.

16 So, again, we can't do independent studies.
17 The committee doesn't have a budget to do that.

18 CHAIRMAN STAFFORD: Yeah. Any study is going
19 to be done by the Applicant.

20 MEMBER HILL: Right.

21 MEMBER LITTLE: Well, that's what is being
22 suggested, that the Applicant fund it, which means that
23 we would have to require it, if it hasn't already been
24 done. Many of these things have already been done.

25 CHAIRMAN STAFFORD: I seem to recall we talked

1 about this a bit the other day. I mean, they could put
2 noise monitors to confirm that the modeling they did was
3 correct. But if it's not, what kind of mitigation is
4 possible to reduce it. I seem to recall some discussion
5 about thicker walls as opposed to taller walls.

6 But, again, I guess setbacks. But once it's
7 built, you can't adjust those, really. They're fixed.

8 MEMBER HILL: But I do think this is kind of an
9 adaptive management thing where if there is a complaint,
10 if there is a problem and it doesn't reflect the range
11 that was presented as part of the application and
12 there's something found outside of a range that's having
13 impacts, then you adaptively manage at your site.

14 You have a 60-acre site. You're using 30 acres
15 of it. I feel like you have the ability to do some kind
16 of adaptive management. And I guess I'm looking to SRP
17 staff to confirm that is an approach that you could work
18 with.

19 A. BY MR. McCLELLAN: Just to restate what you're
20 thinking about there, so we would -- if we received a
21 complaint, we could investigate that complaint. If we
22 find that there's merit, then we could potentially take
23 action to mitigate at that time?

24 MEMBER HILL: Yes.

25 MEMBER LITTLE: And the Commission, the

1 Corporation Commission organization, has means for
2 anybody in the public to make a complaint.

3 And even though SRP is not -- the Commission
4 doesn't have authority to set rates for SRP, if they get
5 a complaint that something is bothering somebody from
6 the public, they act on it and will let you guys know.

7 MS. GILBERT: Chairman Stafford, Christ is
8 probably going to come back up here and explain.

9 I think there may have been an assumption. I'm
10 not sure if it was in our discussion or just from the
11 proposed conditions about where we modeled the noise.
12 So I would like to ask him to clarify and explain
13 whether the noise modeling was -- the locations and why
14 that might be meaningful to the community.

15 CHAIRMAN STAFFORD: Okay. Do you want to pull
16 the noise model figure back up?

17 MS. GILBERT: Can we --

18 CHAIRMAN STAFFORD: It might be helpful. So
19 we're all on the same page, so to speak.

20 Q. (BY MS. GILBERT) Looking at the slide decks,
21 we can give them the number.

22 A. BY MR. KIRKIAN: So the common question that I
23 always get asked every time I present a figure like this
24 is, "You only assessed three locations." And that's not
25 the case at all; right?

1 So we chose three locations in this particular
2 case where we wanted to gather existing noise
3 measurements. The locations represent, essentially, the
4 region; right?

5 So if we're looking at, you know, NM-1, Noise
6 Monitoring Location 1, whether we went a little more to
7 the north or to the south, it's reasonable to assume,
8 you know, the noise -- that existing noise levels are
9 going to be the same. So we just assume in that general
10 area that's what the existing noise environment is
11 because the existing source of that noise is the same in
12 that area.

13 And so then we go ahead and we present this
14 contour graphic, which essentially just shows, you know,
15 the projected levels at other receptors that aren't
16 specifically identified like in this table over here.

17 Q. And the NM-1 spot is -- which community -- is
18 that in the community?

19 A. BY MR. KIRKIAN: Yeah. The NM-1 is supposed to
20 represent the residential community over there.

21 MS. GILBERT: And so when I look at the
22 proposed condition on noise and the request that there
23 be modeling representative of the community, I think our
24 application and testimony supports the conclusion
25 that -- or supports that we have done that and looked at

1 noise impact at the community.

2 And, Member Hill, you're right. SRP is
3 responsive to calls should someone have a question about
4 noise.

5 CHAIRMAN STAFFORD: Right. I mean, the
6 modeling has been done. I think this is asking for,
7 hey, do it again after the plant's in operation and
8 confirm that it's what you said it was.

9 MS. GILBERT: So some verification modeling.
10 And I'll look to Mr. McClellan to perhaps respond on
11 whether SRP can -- would be interested or willing to
12 model again postconstruction.

13 CHAIRMAN STAFFORD: Not model. I mean,
14 measure.

15 MS. GILBERT: Measure. Thank you. To measure
16 the existing -- the actual condition postbuild.

17 CHAIRMAN STAFFORD: To check the maths on the
18 model, I guess. Because this is a -- because the plant
19 doesn't exist, the noise study, the sound location --
20 was it NM-1? -- you measured the ambient condition --
21 you measured the ambient condition and then you model
22 what the noise from the plant would be.

23 So I guess is it a reasonable condition to say,
24 hey, after the plant's in operation, go out and measure
25 and confirm that the noise levels that you modeled are

1 accurate. And then, if so, then I guess that ends the
2 inquiry.

3 If not, my question is then what? What type of
4 mitigation is available after the fact like that?

5 MEMBER HILL: Mr. Chair, that was my discussion
6 about adaptive management. So I think that there's a
7 couple things you could do. If there's a small number
8 of parties that are impacted, there's probably something
9 that you can do that's closer to the residents or even
10 on their property that would improve the impacts.

11 I also think that there's probably an ancillary
12 wall or other screening that you could do that would
13 reduce the impacts. So I think designing that with
14 whoever seems to be impacted makes more sense to me
15 rather than trying to dictate that now. I think some
16 kind of adaptive management plan should be developed
17 with whoever might be impacted.

18 I saw something different in this, and maybe
19 Christ can explain this to me.

20 Christ, maybe you haven't seen this, but I'm
21 going to read directly from the item in the petition.

22 "Measurements shall include appropriate
23 A-weighted, unweighted, and octave-band data, including
24 31.5 Hertz and 63 Hertz where technically appropriate."

25 Can you talk to us about how your measurements

1 are different than the measurements that were requested?

2 A. BY MR. KIRIKIAN: So the measurements we took
3 are A-weighted and they do include the octave-band data.

4 As to limit the appendices size of the noise
5 study, we kind of compress the ambient measurements that
6 include what we use in the report.

7 We have the raw data that shows that
8 information. And so in the event that future noise
9 levels need to be taken and then they need to include
10 these reference levels, they can be compared to that raw
11 data.

12 MEMBER HILL: So what I hear you saying is you
13 have the octave-band data. You haven't reported it, I'm
14 going to guess, in part because most ordinances are
15 written around dBA and not around Hertz, and so you
16 didn't include that because you were trying to match
17 what most ordinances are based on.

18 A. BY MR. KIRKIAN: In the modeling, we do include
19 an octave band, and that's especially when we have the
20 manufacturer data. So the modeling does take that into
21 account.

22 In this particular case, since some of the
23 assumptions that we used we didn't use manufacturer
24 data, we just used the higher frequency noise as a
25 result to project a higher noise level in that aspect of

1 it.

2 MEMBER HILL: That makes sense. Is that data
3 that you're willing to share?

4 A. BY MR. KIRKIAN: Yes. We have the raw baseline
5 data, so we could share that.

6 MEMBER HILL: Would be great if we could just
7 share that. Because that seemed to be, in my opinion,
8 what they were trying to get at here.

9 And I don't totally understand what that means,
10 but I guess it's not just the loudness or the ability to
11 hear it. It's a certain amount of intensity, tone, or
12 some other kind of --

13 A. BY MR. KIRKIAN: The low-frequency humming,
14 that would most likely be masked by the existing
15 environment since the existing noise levels are within,
16 you know, 50 to 60 decibels. So it would just show that
17 they're going to be masked under those conditions.

18 MEMBER LITTLE: I think that's great. I would
19 like to at least show that it was measured. I think
20 that adding that to the public record would be good.

21 A. BY MR. KIRKIAN: It was measured.

22 MEMBER HILL: Okay.

23 CHAIRMAN STAFFORD: Number 7.

24 MEMBER HILL: Here is where I feel like I'm
25 assuming that they're getting at the postconstruction

1 thing. And this is where I feel like SRP is probably --
2 that's where that adaptive approach makes sense to me,
3 if it's needed. I think that's my concern is that we
4 don't know that that's going to be needed. So I don't
5 know that we --

6 CHAIRMAN STAFFORD: I guess I'm struggling to
7 understand what would you do to reduce the decibel level
8 at the distance after the fact if it's all said and
9 done, and then how much difference is it and what would
10 the cost be.

11 I'm concerned with the marginal cost of it. So
12 you're one decibel over, but it's going to cost you
13 \$2 million to bring it down that one decibel to comply
14 with the condition.

15 I mean, how do you make the determination?
16 Obviously, if you measure it and it says, okay, it's
17 within the acceptable range that we said it was going to
18 be, that's the end of the inquiry. But if it's not,
19 what is the threshold before they have to take -- what
20 is the term you used?

21 MEMBER HILL: Adaptive management.

22 CHAIRMAN STAFFORD: Adaptive management.

23 Right. And what's the appropriate threshold to spend to
24 lower -- say you're one decibel over. You know, how
25 much is -- what is it appropriate to spend to get -- to

1 lower it by one decibel?

2 A. BY MR. McCLELLAN: I'm not sure what that
3 threshold looks like.

4 The other concerns that I might have -- and I
5 might have to ask Christ to help me out here -- is how
6 do you parse out what is the impact from the new
7 facility versus what else has changed during that time
8 frame.

9 CHAIRMAN STAFFORD: You would have to set a new
10 baseline, I would assume. It's, like, before -- you
11 know, in the time frame before the plant goes
12 operational, you would have to test a new baseline and
13 then redo the -- and then redo the test after it's in
14 operation to say, okay, this -- because you set a
15 baseline to do this initially, but, again, it was done
16 in 2026. This plant won't be online until 2030?

17 A. BY MR. McCLELLAN: Oh, yeah. We'll be -- oh,
18 online? 2032.

19 CHAIRMAN STAFFORD: Yes. It won't even be
20 operating until 2032, so the whole entire baseline could
21 be different. That's quite a bit of time in between.

22 So I think we're getting -- this is -- it's a
23 lot to figure out.

24 MEMBER LITTLE: Well, I think that we have
25 discussed this and considered it. And when we get to

1 putting conditions together, we could talk about it.

2 CHAIRMAN STAFFORD: Okay. Moving on, are we on
3 Number 8 now?

4 MEMBER HILL: Yes.

5 CHAIRMAN STAFFORD: Now, this one here, I think
6 this has come up before. Other plants, that they're
7 subject to county requirements and you guys are not.

8 What are your plans for -- is there even a
9 dark-sky requirement in Pinal County in this area?

10 MS. GILBERT: I'll look to Ms. Justus to
11 describe the dark-sky standards.

12 A. BY MS. JUSTUS: Pinal County does not have a
13 dark-sky ordinance, but they do have dark-sky guidelines
14 that they provide.

15 CHAIRMAN STAFFORD: Okay. All right. And then
16 so they're just guidelines or suggestions.

17 A. BY MS. JUSTUS: Best practices.

18 CHAIRMAN STAFFORD: Yeah. And so people are
19 free to follow it or not, I guess, regardless of whether
20 they're SRP or somebody else; right?

21 MS. GILBERT: Right. Mr. McClellan can maybe
22 speak to our intentions with lighting.

23 A. BY MR. McCLELLAN: Yeah. SRP intends to follow
24 those guidelines. There's no reason why we wouldn't.
25 If it does hinder our ability to provide a safe working

1 environment or hinder our ability to effectively operate
2 the facility, we wouldn't be able to do that.

3 I don't foresee any reason that we can't follow
4 these guidelines, so we are willing to put into place,
5 you know, those design features that are in line with
6 the dark-sky guidelines.

7 CHAIRMAN STAFFORD: Okay. Moving on to
8 Number 9.

9 Decommissioning and site restoration. The
10 county usually has requirements for that, which you're
11 not subject to, but you guys are self-insured.

12 I mean, how many energy sites have you
13 remediated? The latest one to come to mind is the
14 Navajo Generating Station. But then again, that was on
15 somebody else's property, not SRP property, and there
16 were contractual obligations for that.

17 MR. DERSTINE: I guess you have a standard
18 decommissioning condition in the CEC. We're fine with
19 that language. I think that's what you used in one or
20 more of your recent cases. We're fine with that.

21 CHAIRMAN STAFFORD: Right. And that's in the
22 CECs that you proposed for the power plant. So it's the
23 same one we included, I think, for several other ones.

24 MEMBER HILL: Yeah. Mr. Chair, I'll just note
25 that it does sound like the BESS is the bigger concern,

1 and we don't have jurisdiction over that.

2 But I just have a question for the record.

3 When NextEra builds and operates this, do you have
4 decommissioning obligations that you put on NextEra as
5 the operator at some point?

6 A. BY MS. LAURENCE: We mentioned earlier that
7 we'll have a ground lease with NextEra. And in the
8 ground lease, there's a decommissioning period, and
9 they'll have a decommissioning plan and they'll be
10 required to follow that.

11 MEMBER HILL: Great. Thanks.

12 CHAIRMAN STAFFORD: And that's a
13 decommissioning plan dictated by SRP, not the county;
14 correct?

15 A. BY MS. LAURENCE: Correct.

16 CHAIRMAN STAFFORD: Okay. So, again, NextEra
17 won't be subject to the county requirements except
18 through contractual obligation to SRP; correct?

19 I'm looking at the lawyers for this one.

20 MS. GILBERT: Yes, I think that's right.
21 Correct.

22 CHAIRMAN STAFFORD: All right. Number 10.

23 MS. GILBERT: Mr. Chairman, I think that one is
24 also covered by the proposed standard CEC Condition 21
25 and 22, which would require us to come back here should

1 there be a change to the -- a material change to the
2 projects.

3 CHAIRMAN STAFFORD: Right. And it would be --
4 yeah. Yeah. Because if you have -- the certificate
5 approves a maximum nameplate capacity. So if you want
6 to increase that, you've got to go to the Commission and
7 seek an amendment to the decision pursuant to A.R.S.
8 40-252, and then they determine whether or not to send
9 it to the committee. The committee doesn't have the
10 authority to amend Commission decisions.

11 MR. DERSTINE: The same would apply to the
12 transmission project. If there's a substantial change,
13 we would have to go before the Commission.

14 CHAIRMAN STAFFORD: Right. And I guess later
15 we'll have the discussion whether -- because there's two
16 circuits. I think we have some questions about that
17 coming up too, but the thing is for that one it's
18 whether we have one time frame to build both or
19 different time frames for each one, but that's
20 typically -- and then the standard condition, if you
21 want to extend the time frame, you go to the Commission
22 to get it altered.

23 Okay. Then the roadway, dust, emergency
24 access, project-caused infrastructure mitigation.

25 MEMBER HILL: Mr. Chair, I don't think we

1 talked about this much. I did have a small set of
2 questions.

3 CHAIRMAN STAFFORD: Can you get closer to the
4 microphone?

5 MEMBER HILL: I don't think we talked about
6 construction management very much.

7 CHAIRMAN STAFFORD: No, we haven't. That's
8 what we're on now.

9 MEMBER HILL: So I think just understanding --
10 where is the placemat? Thank you.

11 I assume your access points are going to be on
12 Stanfield Road. In this request it's Barnes Road and
13 Anderson Road. Some of those are paved and some of
14 those are unpaved, I think.

15 Can you just talk a little bit about traffic
16 management and construction management and access to the
17 site when you're going through that? How you're going
18 to manage traffic? Because I don't think you're subject
19 to any of the county planning processes around a
20 construction project. So can you talk through that a
21 little bit, Mr. McClellan?

22 A. BY MR. McCLELLAN: Yeah. As is with a lot of
23 the design, we don't have a lot of that outlined yet.

24 What I can talk to is what we've done on other
25 projects and how we typically manage that. And we do

1 look for routes or delivery routes that are less
2 impactful to the surrounding community. You do need a
3 good roadway to be able to make those deliveries,
4 especially for some of the heavy equipment.

5 So in the event that we have a roadway that's
6 not paved or maybe is in poor condition, we would take
7 measures to upgrade those roads. That could be
8 widening, repaving, doing whatever we need to to make it
9 safe for the traffic to come in and out of those
10 locations.

11 CHAIRMAN STAFFORD: Like the road that was
12 flooded yesterday when we went to go on the tour and had
13 to turn back?

14 A. BY MR. McCLELLAN: Yeah, that's a good example
15 of a route that we would not take for a heavy haul to
16 bring in a transformer or something like that.

17 And then as far as routing, historically, we've
18 worked with communities to route in such a way that's
19 least impactful. So if there's a dirt roadway that
20 creates a lot of dust, we wouldn't route our
21 construction traffic on that pathway, or we could --

22 CHAIRMAN STAFFORD: Pave the road before the
23 construction begins.

24 A. BY MR. McCLELLAN: I'm sorry?

25 CHAIRMAN STAFFORD: Or pave the road before

1 construction begins?

2 A. BY MR. McCLELLAN: That's right. Pave it or
3 manage the dust in some other way with a palliative or a
4 solid gravel road if that's applicable. So we would
5 certainly go through that planning process to make sure
6 it's safe and, you know, to reduce any impacts to the
7 surrounding community.

8 And that's through the construction phase.
9 There will be a considerable amount of traffic both from
10 the craft workers that come on site and the deliveries.

11 Once it's operational, we mentioned there is --
12 there will be some permanent jobs there, but I don't
13 foresee traffic being impacted much at all during the
14 operations of either facility.

15 MEMBER HILL: And I focused mentally on the
16 thermal plant because that's our jurisdiction.

17 For the solar fields and construction of those,
18 will NextEra be obligated to coordinate with the county
19 around access for that? Usually there's some kind of
20 construction plan that's kind of coordinated and filed
21 with the county for traffic management and other things.

22 A. BY MR. McCLELLAN: I don't know about
23 obligations. I think that it is prudent that they would
24 coordinate with the county, and it just makes sense from
25 a traffic control and safety standpoint that they would

1 take those measures for safety, efficiency, and then any
2 upgrades to the roads that they might need as well.

3 MEMBER HILL: This just occurred to me, but
4 when you do need traffic control for certain
5 intersections or other things when you're moving heavy
6 equipment during construction, do you cover the cost of
7 that, or is the county obligated to do that?

8 A. BY MR. McCLELLAN: In my experience, the cost
9 is attributed to the person that needs that additional
10 maintenance of traffic. So if you need to hire somebody
11 to put out cones to shut down a lane, or whatever
12 traffic controls you need, the contractor would be
13 responsible for that cost.

14 MEMBER HILL: So you and/or NextEra would be
15 responsible for that during construction.

16 A. BY MR. McCLELLAN: Yeah, on the construction
17 activity.

18 MEMBER HILL: Okay. You talked about planning
19 that out and engaging the community.

20 Once you have that plan in place, is that
21 something that you can put on your website so that
22 people understand what to expect?

23 And I assume there will be some signage on the
24 site that indicates?

25 A. BY MR. McCLELLAN: Yeah, that's a really

1 important part of managing a construction site.

2 If you don't give your delivery drivers very
3 good instructions of where to go, they end up in these
4 communities lost, circling around, and that's something
5 that we don't want to occur.

6 So we'll have adequate signage to make sure
7 that we're providing instructions for those deliveries
8 so they don't disrupt those communities. And I don't
9 have any issue with us posting those sort of plans on
10 our website.

11 MEMBER HILL: Okay.

12 CHAIRMAN STAFFORD: Member Fontes.

13 MEMBER FONTES: I want to go back to the issue
14 of the flowdown to the contractor liability and
15 responsibilities in the EPC execution.

16 If there's a major accident -- and I have seen
17 this recently by a construction contractor. And you're
18 not exempt from SRP for county regulations.

19 How does that handle for liability claims and
20 just general good practice with the public based on
21 previous projects?

22 A. BY MR. McCLELLAN: I didn't quite catch all of
23 that. What I thought I heard was if there is an
24 accident involving a contractor, how is that liability
25 handled or who's responsible for that liability?

1 CHAIRMAN STAFFORD: It would depend upon whom
2 is negligent, isn't it?

3 MS. GILBERT: I think it depends on -- it would
4 be very fact specific, Member Fontes, and also probably
5 dependent on the contract and the relationship we have
6 with the specific contractor.

7 But I imagine your question isn't truly about,
8 like, the legal ties. Is there -- maybe practically are
9 you looking for how SRP plans to work with the
10 third-party developer here or is --

11 MEMBER FONTES: I think I had a bad connection.
12 Let me start again.

13 So you have an EPC contractor. You're out
14 there. You are not subject to the county statutes and
15 permits, but that EPC contractor may. How do you
16 navigate that contractually and practically with the EPC
17 contractor and inform the public?

18 Hopefully, that's clear for you.

19 MS. GILBERT: I think that's a little bit
20 clearer. I think it's worth clarifying that the
21 contractors would be subject to -- as is SRP, to air,
22 water, and waste-handling regulations.

23 And to the extent there's a specific permit
24 that contractor needs to carry out their work, I think
25 they would most likely proceed with getting that as

1 well.

2 MR. DERSTINE: Mr. McClellan, I guess you can
3 speak to the fact that in terms of -- under an EPC
4 contract, I assume your counterparties or contractors
5 are required to have certain -- all required liability
6 insurance, bonding requirements. And to the extent
7 there is an accident, that might be governed by OSHA
8 regulations and investigations.

9 So I don't think the fact that, as we've noted,
10 that SRP is exempt from county zoning ordinances in any
11 way impacts how we do business with and the potential
12 liability of EPC contractors.

13 MEMBER FONTES: Is that true from SRP? I
14 appreciate that, Mr. Derstine. That's what I'm trying
15 to suss out just for the public so they know that
16 although we have an exemption, there's still contractual
17 responsibility there. Not only for that, but for
18 long-term when you're bringing in major cranes over the
19 40-year period for powerhouse and turbine overhauls.

20 Can you speak to that?

21 A. BY MR. McCLELLAN: Yes. We would hold our EPC
22 contractors accountable for things like safety
23 regulations. They would be required to carry insurance
24 that would cover any potential reasons -- or any
25 accidents or anything like that. And then bonding,

1 performance bonding, to make sure that they can complete
2 the project.

3 CHAIRMAN STAFFORD: And licensed too; right?

4 A. BY MR. McCLELLAN: Yeah, they would be licensed
5 contractors in whatever areas that they're working in.

6 So, you know, just as Mr. Derstine said, even
7 though exempt from planning and zoning, we still require
8 our contractors to conduct business like any other
9 entity would here in the State of Arizona.

10 MEMBER FONTES: I think that's important. I
11 appreciate you adding that clarification for the record.

12 MEMBER HILL: Mr. Chair, the last thing I'll
13 mention that I feel like is part of this is that we did
14 establish that there will be a dust control permit
15 because that's required by the state.

16 And so all of those dust concerns will be
17 addressed in that permit; right?

18 CHAIRMAN STAFFORD: That stems from federal and
19 state law, doesn't it?

20 A. BY MR. HARBIN: Yeah, that is correct. We
21 require all of our subcontractors and their
22 subcontractors to obtain the relevant dust control
23 permit.

24 CHAIRMAN STAFFORD: Dust control applies to
25 SRP, too, doesn't it?

1 A. BY MR. HARBIN: Correct. And we will also
2 apply for a dust control permit for the operation of our
3 facility and any construction activities that we would
4 be associated with.

5 CHAIRMAN STAFFORD: That stems from the NAAQS;
6 right?

7 A. BY MR. HARBIN: It stems from the Clean Air Act
8 and, actually, more directly the PM10 nonattainment
9 state implementation plan, which is a requirement to be
10 submitted and approved by EPA.

11 CHAIRMAN STAFFORD: Okay.

12 MEMBER HILL: Number 12.

13 I feel like we tried to tackle this a little
14 bit insomuch as there might be acoustic impacts or air
15 quality impacts.

16 CHAIRMAN STAFFORD: What about visual impacts?

17 MEMBER HILL: Visual impacts. I think we tried
18 to establish that SRP takes any complaint seriously and
19 will evaluate those impacts if they are different than
20 what was indicated in the application and work on
21 mitigation around that.

22 I'm a little bit hesitant to set a pot of money
23 aside just in case that happens. And I also think --
24 but I'm also sensitive to the Chair's mentioning about
25 the marginal cost of things. I think I took an

1 economics class at one point.

2 I'm curious, just based on SRP's record, have
3 there been times when there's been an acoustic impact, a
4 visual impact, or another issue and you've worked with a
5 set of private landowners around a mitigation project to
6 reduce those impacts?

7 Can you say -- can you speak to that at all
8 just as a -- just trying to understand how you guys
9 approach these things. Because it has to have happened
10 at some point.

11 A. BY MR. McCLELLAN: Ms. Hallows, could you talk
12 a little bit about our involvement with the Quail Run
13 Community at the Copper Crossing Project?

14 A. BY MS. HALLOWS: Yes, I would love to. Thank
15 you, Mr. McClellan.

16 So there is a community that borders our Copper
17 Crossing Energy Center, and that community knew to reach
18 out to my team when they had some concerns with visuals
19 of the new solar panels that were being installed.

20 And so what we were able to do is work with
21 that community and agree upon providing some financial
22 amount to the HOA so that they could then plant
23 appropriate, whatever they thought would look nice along
24 the line of the HOA, and they were very pleased with
25 that.

1 So that's an example of how my team can sort of
2 be that liaison to bridge the landowner or the community
3 with our construction crews and mitigate any complaints
4 or concerns.

5 MEMBER HILL: I think that goes to my adaptive
6 management discussion. And Ms. Justus shook her head.
7 Like, sometimes it's not so much what we do on our plant
8 side as much as we support other people creating their
9 own defensible space that works for them, and that
10 sometime is the cheaper alternative.

11 So I happen to feel confident about SRP's
12 ability to do that and having a track record on that. I
13 don't know how others feel, but, I mean, that's my
14 thought on that one is I'm trusting this.

15 MEMBER LITTLE: Mr. Chairman.

16 CHAIRMAN STAFFORD: Yes, Member Little.

17 MEMBER LITTLE: I know it's time for a break,
18 but one thing that has occurred to me is I also trust
19 that SRP, based on history that I'm aware of, has been
20 very good about working with the community and the
21 people that are impacted to minimize the impacts.

22 However, we do have a history of putting some
23 provisions in the conditions that say that SRP will do
24 that. Not necessarily money levels. I'm not sure. I
25 don't remember. Coolidge might have had some money

1 levels in the conditions.

2 CHAIRMAN STAFFORD: I think those were
3 negotiated amounts. It wasn't dictated by the
4 committee, I'm pretty sure.

5 MEMBER LITTLE: Yeah. But I feel very
6 comfortable that we can, you know, regardless of how
7 this is handled that we can definitely address this
8 particular concern that she has.

9 CHAIRMAN STAFFORD: All right. Well, we've
10 been going for 90 minutes. The court reporter needs a
11 break. Let's take a 10- to 15-minute recess.

12 (A recess was taken from 2:30 p.m. to
13 2:51 p.m.)

14 CHAIRMAN STAFFORD: Let's go back on the
15 record.

16 Member Hill, we left off with -- did we finish
17 with 12?

18 MEMBER LITTLE: Yes.

19 MEMBER HILL: Yes. That's my recollection is
20 that we finished 12. We're on to 13.

21 CHAIRMAN STAFFORD: We were on 13?

22 MEMBER LITTLE: Yes.

23 MEMBER HILL: Yes.

24 CHAIRMAN STAFFORD: Okay. I think we had
25 dark-sky. We already covered that.

1 Let's see. Has SRP committed to any community
2 capital improvements for this -- related to this
3 project? I don't recall that.

4 MR. DERSTINE: We have not. But I say that in
5 terms of we have not at this time, but we are, through
6 Ms. Falk's group, the community benefits group, have
7 had, as she's testified to, we've had ongoing and for
8 some period of time discussions with members of the
9 community about needs, including the -- I think Ms. Falk
10 already testified that SRP has already purchased a van
11 for the school. We've already worked with the community
12 food bank and understand there's further needs in terms
13 of the support for the community food bank. I'm certain
14 there are other community needs and maybe Ms. Falk can
15 speak more to that if you would like.

16 So I think the difficulty here is one we'll
17 have -- you know, I think -- I agree. I mean, I'm
18 impressed by Ms. Herrera's filing and all the things
19 that she's drafted here. There's a number of specifics
20 about she wants 25,000 annually for 10 years for
21 Stanfield food pantry, and 50,000 annual basic needs
22 assistance. You know, it's a community of 550 people.
23 I'm not sure that she speaks for everyone.

24 But, obviously, it's a community with needs,
25 and so it's our job to try to work through that and help

1 identify those and then figure out a mechanism and a
2 good way to get those funds into the right hands so that
3 we're doing good in the community. So that's something
4 we're working on.

5 CHAIRMAN STAFFORD: I'm hesitant to prescribe a
6 dollar amount as a condition, really. I mean, I think,
7 certainly, establishing a forum to work with the
8 community I think has value, but I don't think I have
9 enough information to put a dollar amount on things.

10 MR. DERSTINE: No, I don't think we do either.

11 And, you know, if someone is saying, "I want
12 the school to get a new playground," there may be a
13 number of residents who feel like "I don't have kids in
14 school. I don't want money to go to the school. I want
15 the money to go here or there."

16 That's the difficulty of trying to address
17 community needs in this kind of circumstance, but that's
18 what Ms. Falk's organization does, and we will work with
19 this community to identify those needs and to come up
20 with an appropriate level of funding to do that. I
21 think what we're committed to do is overnight have some
22 discussions and maybe identify some of the specifics.

23 I did listen to the portion of the hearing from
24 your last case and the applicant there was being
25 encouraged to meet with the community, work with the

1 community, come up with a plan. Not necessarily
2 something that's a condition for the CEC, but I
3 understand that the committee wants to understand that
4 the applicant, and in this case SRP, will work with the
5 community. We have a history of doing that. And we can
6 come up with some more details and maybe information in
7 the morning.

8 CHAIRMAN STAFFORD: Okay. And I think we also
9 discussed the potential for SRP paving or repairing
10 roads related to -- around the project. You know,
11 abatement of the dust, PM10 and 2.5. You know, paving
12 roads tends to help with that.

13 MR. DERSTINE: Yeah. I think those are among
14 the possibilities of things that SRP can do and will
15 consider doing.

16 CHAIRMAN STAFFORD: Okay. Member DiCiccio, you
17 have your hand raised.

18 MEMBER DiCICCIO: Thank you, Mr. Chair. I do
19 appreciate it. I've been listening to this for some
20 time now.

21 So to Gabby's point, too, there are quite a few
22 things here of these types of conditions that are
23 definitely well beyond our realm. And I just want to
24 let SRP know -- and I think they've been great stewards.
25 I've watched them in the past. I've worked with them in

1 the past. They do an amazing job. If you want to talk
2 about citizen oriented, they are.

3 But it's okay for them to say, "No, we're not
4 going to do that," or it's okay for them to say, "No,
5 we'll take a look at this and not have it be part of the
6 CEC or part of an addendum to the CEC."

7 We're an advisory body. At the end of the day,
8 the Corporation Commission is the one that's going to be
9 making the decision on this.

10 And some of that, the \$25,000 a month I thought
11 was well too exorbitant. I've just never heard of
12 anything like that before.

13 But given that, with SRP, you know, as their
14 attorney just said, they're going to take a look at
15 this. And I just want to let them know that regardless
16 of what comes out of this committee here, it's okay for
17 them to say "This is well beyond the scope. This is
18 well beyond what we're willing to do," or even to the
19 point of, "Hey, you know, we'll take a look at that
20 further, and we don't want that to be part of the CEC."

21 You're welcome to say any of that stuff. I
22 mean, there are a few of us that are quiet here. It's
23 only because, you know, some of it we agree with, some
24 of it we don't. But at the end of the day, if the
25 Applicant feels it's beyond the scope of where we're at,

1 I would implore them to say that and to say, "Hey, look,
2 but we still voluntarily would like to do it. We're
3 fine with that."

4 But some of this is, I think, beyond more than
5 reasonable. And I just want to make sure I put that
6 point out before we vote. Thank you, Mr. Chair.

7 CHAIRMAN STAFFORD: We're a ways from a vote.
8 We're just discussing -- we're not about to vote anytime
9 soon. They haven't even given their closing yet.

10 MEMBER DiCICCIO: I'm fully aware of that. I
11 appreciate that. But I'm just trying to lay a
12 foundation here. You know, I've been very patient about
13 it, too, that -- and I agree that there are definitely
14 some concerns here.

15 But at the end of the day, I wanted -- you
16 know, like, Gabby had mentioned earlier, what is it
17 that we're allowed to do, what are we -- you know, and
18 what are they voluntarily willing to do.

19 And I just wanted to let them know that, you
20 know, just because there are conditions we're discussing
21 here doesn't necessarily mean that all of us agree to
22 that.

23 Thank you, Mr. Chair.

24 CHAIRMAN STAFFORD: Thank you. We were just
25 discussing the comments that have been provided by the

1 public to see where the Applicant is, where the
2 committee is, just kind of get an idea of what we're
3 looking at.

4 MEMBER DiCICCIO: Agreed. Thank you very much.

5 MEMBER LITTLE: Mr. Chairman.

6 CHAIRMAN STAFFORD: Yes, Member Little.

7 MEMBER LITTLE: In the course of the hearing,
8 I've become aware of a group of people in the community
9 that I had not thought about before, and that is those
10 farmers who lease land to farm that has since been sold
11 to SRP and some probably others in other areas.

12 I would hope that the Applicant would also
13 consider the impacts on those farmers. You know, they
14 had no control, obviously, over the landowner's decision
15 to sell the property.

16 I know that, you know, having lived in this
17 area for many years, I know that many farmers do lease
18 land, and the ability to lease the land and farm it is
19 what allows them to keep their heads above water.

20 And I noticed that much of the land that will
21 be in the solar part of the project is currently being
22 farmed and that's probably by lessees.

23 So I'm not -- you know, I've no suggestions at
24 this point as to any way to make them whole or to, you
25 know, mitigate their loss, but that's certainly a group

1 of people that should be considered here.

2 CHAIRMAN STAFFORD: And then this is a question
3 for the attorneys.

4 When SRP bought the property, they bought it
5 subject to the lease, did they not?

6 I imagine whatever the terms of that lease were
7 with the prior landowner, you buy it subject to the
8 lease, but the lease may have a provision that says if
9 this property is sold, you have X amount of time before
10 you can be booted off, you know, to have the use of the
11 property or something.

12 What can you tell us about how that shakes out
13 for this deal?

14 MS. GILBERT: I think Ms. Laurence might be
15 able to answer that one.

16 A. BY MS. LAURENCE: When SRP acquired the
17 property, they did acquire the property subject to some
18 existing leases. A number of those have since expired
19 and, where possible, we've renewed or entered into new
20 leases with farmers.

21 CHAIRMAN STAFFORD: I'm assuming is there,
22 like, a seasonal or annual lease?

23 A. BY MS. LAURENCE: That's correct. They're
24 usually annual.

25 CHAIRMAN STAFFORD: All right. Does that help,

1 Member Little?

2 MEMBER LITTLE: No.

3 CHAIRMAN STAFFORD: It's useful information,
4 though.

5 MEMBER LITTLE: Yes.

6 CHAIRMAN STAFFORD: Member Fant.

7 MEMBER FANT: Thank you, Mr. Chair.

8 I want to throw out a couple of ideas here that
9 I think are low cost ideas. And the first -- we talked
10 about this in the last --

11 CHAIRMAN STAFFORD: Can you hear him on the
12 microphone? Because it doesn't sound like he's getting
13 picked up.

14 (A brief discussion was held off the record
15 with the Court Reporter.)

16 MEMBER FANT: Anyway, one idea is food trucks.
17 There's going to be -- what? -- about 300 to 350 workers
18 out there for about three years. You can commit to
19 either buying -- you know, if you use food trucks. I
20 don't know how you do lunchtime on your sites, whether
21 you bring in food or bring food trucks in and let people
22 pick. You could take those from Stanfield. Stanfield
23 has three or four restaurants.

24 And if you figure you have 300 workers, if a
25 third of them use the food truck and pay 10 bucks,

1 that's about 1,000 bucks a day. Four food trucks would
2 be about 250 per food truck, 1,250 a week, 5,000 a
3 month, that would, you know, do about 60,000 a year
4 business for each of the individual food trucks, four.
5 I'm calling it four for the time being. You can divide
6 it as you see fit.

7 But it would be a source of putting income back
8 into the Stanfield community. So just a thought about
9 working with them on food trucks or catering.

10 Number two, the presence of your power plant is
11 a strong magnet for Casa Grande. And Stanfield is not
12 incorporated. You might want to work with Stanfield and
13 help them incorporate, become a town, because right now
14 they're powerless if Casa Grande comes over and wants to
15 annex all the area around your plant. Well, they would
16 have to deal with the Rancho Santa Rosa, or Santa Rosa
17 Ranchos, Rancheros, whatever is the correct term there.
18 But that would be, I think, a good civic act.

19 Now, Casa Grande's border is within six miles,
20 so you would have to get Casa Grande's permission for
21 Stanfield to incorporate, but I don't think Stanfield is
22 much of a threat to Casa Grande. Another possibility of
23 something that's relatively low budget but would help
24 the people of Stanfield, I think.

25 And then the final one I have, you could hire

1 local teenagers to do some of your solar panel cleaning.
2 It'll be at heights working off ladders, but another
3 idea for easy ways to put dollars back in the community.

4 CHAIRMAN STAFFORD: Thank you.

5 MR. DERSTINE: Thank you for that.

6 CHAIRMAN STAFFORD: So we're done with 13. On
7 to 14.

8 Member Hill? Member Little.

9 MEMBER LITTLE: Uh-huh.

10 MEMBER HILL: No. 14.

11 CHAIRMAN STAFFORD: Okay.

12 This sounds like a community working group.

13 MEMBER LITTLE: Yes. And I think we're all in
14 agreement that perhaps we want to at least consider
15 this.

16 CHAIRMAN STAFFORD: I guess the devil is in the
17 details. I mean, I guess some working groups work
18 better than others.

19 But it sounds like they have Ms. Falk's group.
20 They seem to be pretty involved with reaching out and
21 interacting and getting feedback from the community. I
22 guess there's two. There's Stanfield and then there's
23 the Santa Rosa Ranchos? Is that what it's called?

24 MR. DERSTINE: Correct.

25 CHAIRMAN STAFFORD: I guess those are the two

1 nearest communities that are the most impacted, the two
2 most local communities to the project; correct?

3 MR. DERSTINE: Well, I think -- yeah, I guess
4 it depends how you think about it. I think of that
5 Santa Rosa Ranchos as a housing, you know, loosely
6 platted development that's part of the community of
7 Stanfield, and then you have the broader -- you have the
8 Main Street and other residents who make up the
9 approximately 550 folks who are in this census-
10 designated spot of Stanfield.

11 CHAIRMAN STAFFORD: 550, that includes both the
12 areas marked in the map of Stanfield and the --

13 MR. DERSTINE: Santa Rosa.

14 CHAIRMAN STAFFORD: -- Santa Rosa Ranchos?

15 MR. DERSTINE: That's my understanding, yes.
16 It's inclusive.

17 CHAIRMAN STAFFORD: Ms. Falk can tell us for
18 sure?

19 A. BY MS. FALK: I believe it does.

20 CHAIRMAN STAFFORD: Member Fant.

21 MEMBER FANT: Thank you, Mr. Chair.

22 I've done a little bit of thinking. Here's a
23 suggestion. You could have a community council that
24 meets once a month, two people each from SRP, Stanfield,
25 and Santa Rosa Ranchos and just talk and that would

1 facilitate communication between the parties which
2 builds the community's relationship with the power
3 plant, which is good, because that's -- I'm basing it
4 off the Texas model. Because in Texas, the small towns
5 protect their refineries and plants, et cetera. You
6 know, they're big defenders of those locations. So
7 that's a thought.

8 CHAIRMAN STAFFORD: Okay. And then on to 15.
9 I think we already kind of covered this. I think
10 Mr. Derstine brought up about the \$25,000, the specific
11 dollar amounts that I was leery of --

12 MEMBER HILL: I agree.

13 CHAIRMAN STAFFORD: -- putting it in a
14 condition because I don't think we have enough
15 information to determine a dollar amount. I think it's
16 more of establishing some kind of a process or something
17 for them to coordinate with the community as opposed to
18 dictating a figure out of thin air. Because we haven't
19 had evidence on that particular point, I think.

20 MEMBER HILL: I just had a question. The way
21 this is written, it sounds like these were commitments
22 that were made as part of a community presentation. It
23 has some specifics about dollar amounts and years of
24 commitments.

25 During those public hearings or public

1 meetings, were these commitments made verbally?

2 A. BY MS. FALK: None of these commitments have
3 been made, but I have heard from the community that
4 these are general needs or priorities of theirs, but no
5 dollar amounts have been confirmed either way.

6 MEMBER HILL: So it says, just for the record,
7 "The Applicant is requested to memorialize the
8 community-benefit commitments described in its July 2026
9 community presentation," and then it identifies those
10 different things.

11 So was there a discussion at the July 2026
12 presentation about investments in Stanfield's food
13 pantry or other assistance?

14 A. BY MS. FALK: There was no discussion made at
15 the open house. There was a board where residents could
16 write down priorities of theirs, but none of these
17 specific things have been discussed.

18 MEMBER HILL: That's actually helpful. Maybe
19 that's what she was referencing is the board. Okay.
20 Great.

21 CHAIRMAN STAFFORD: Okay. No. 16.

22 MR. DERSTINE: I just wanted to circle back.
23 On the community working group, I think -- you know, I'm
24 just cognizant and I went back to the docket and looked
25 at what happened with the community working group

1 condition in Project Bella, and I know the committee
2 filed a request for review and no action was taken on
3 that.

4 I guess our view is that we would -- I guess
5 part of what we'll come back with is how we might
6 facilitate and work with the community through
7 Ms. Falk's organization without having a community
8 working group condition in the CEC that might end up
9 getting struck down when we get back before the
10 Commission.

11 So I guess we're certainly -- whatever you
12 decide, if you want to impose a community working group
13 and tell us how to form that and run it, I mean, those
14 are all the issues that I think create problems for that
15 kind of a condition.

16 But at the same time, I don't know that -- I
17 don't have an easy solution on how you work with an
18 unincorporated community of 500-and-some people and
19 identify what needs are, and how you then, you know,
20 form and operate that kind of an organization. It
21 certainly can be done, but I think --

22 CHAIRMAN STAFFORD: It happened in Randolph,
23 but, again, they had members of the community that were
24 parties to the case and they were represented, so it's a
25 different scenario.

1 MR. DERSTINE: And had counsel.

2 CHAIRMAN STAFFORD: But I think the committee
3 is going to impose the conditions that it thinks are
4 reasonable. And if the Commission disagrees, then they
5 disagree.

6 I think perhaps the way it was formed or how
7 the condition was imposed could be different. I think
8 we've done something similar without establishing a
9 working group, but we required them to interact with the
10 community and then to report what they did as opposed to
11 saying, hey, here's the makeup of -- pick these people
12 from this area and people from that area.

13 And then I think -- I don't think we're
14 attached to that format, but I think it's the concept
15 that there's got to be some kind of working together to
16 determine, I think, things like the mitigation,
17 especially for visual mitigation.

18 I mean, with the Santan plant, that was -- you
19 had the city and multiple homeowner associations
20 involved and SRP had established a working group before
21 they even went to the committee. So that was kind of a
22 different scenario too. But, again, that's an
23 incorporated city. The homeowners association --

24 MR. DERSTINE: You had an HOA, yeah.

25 CHAIRMAN STAFFORD: Right. They had members

1 and they had representation of people. So that's --
2 here, it gets more challenging when you have
3 unincorporated areas that don't have real
4 representation. They don't have elected officials to
5 speak for them. And especially if they don't have
6 individuals that join the case as a party.

7 But I still think there's got to be something
8 in there about working with the community as a
9 condition. What that actually ends up looking like at
10 the end of the day, that's -- the committee will decide
11 that when we deliberate.

12 But I think that we're going to do what we feel
13 is appropriate. And if the Commission disagrees, then
14 they disagree, and that's their prerogative.

15 MR. DERSTINE: I understand. And I think I
16 have some sense maybe -- I haven't looked at it in a
17 while -- of a condition like that, the general outlines
18 in requiring that the Applicant work with the community.
19 I think something like that is certainly something we
20 would be open to and happy to look at.

21 CHAIRMAN STAFFORD: I think so. I mean, we did
22 something similar with the Baccara because it was an
23 unincorporated area, or I think there were people that
24 were from Surprise or something that they were --

25 MEMBER HILL: There were a couple of different

1 cities there and different interests there.

2 I just wanted to offer that I think that this
3 project does feel a little bit more unique in that the
4 public doesn't have the opportunity to work through any
5 county planning processes where they might be able to
6 influence the outcome. And so I think that, for me,
7 that's why it's raising the level a little bit to, like,
8 creating something a little bit more formal where we can
9 provide some certainty that they're going to be engaged
10 on certain aspects of the project.

11 But I am curious to see, with the staff that
12 you have, what that looks like for you guys and what
13 commitments you're willing to make. I don't know that
14 I'm the best person to say it should look like this, but
15 I know SRP enjoys a certain amount of privilege in being
16 able to do what they want because they are a state-
17 designated entity.

18 But I have also seen you guys do good community
19 work. And to the extent there's some format for that
20 that we can explain to the public will be part of this
21 process, you're committed to it with the talent that you
22 have, the resources that you have, I think we can
23 address some of the concerns that the community has
24 through that process.

25 I also have a preference for things not going

1 on forever. I don't think working groups need to go on
2 forever, I think. So I would be thoughtful about what
3 that commitment looks like.

4 MR. DERSTINE: I appreciate your comments,
5 Member.

6 CHAIRMAN STAFFORD: Yes, Member Little.

7 MEMBER LITTLE: I appreciate the Applicant's
8 expressing a desire to see if we can figure out how we
9 can structure this in the CEC under the circumstances we
10 all know exist going forward.

11 CHAIRMAN STAFFORD: Thank you.

12 MEMBER LITTLE: Was that political enough?

13 MEMBER HILL: Can we please talk about the next
14 section?

15 CHAIRMAN STAFFORD: All right. Number 16.

16 MEMBER HILL: I think you roll that into
17 what -- I think that I would ask SRP to look at this
18 section and see if there's something that can be
19 addressed as part of whatever structure or framework
20 they're volunteering tomorrow, I assume.

21 CHAIRMAN STAFFORD: Right. And I think I seem
22 to recall something in the application about that
23 there's some kind of monitoring for schools and whatnot,
24 but they have to be a certain distance and the schools
25 outside of that distance. I'm interested to know if the

1 Applicant would be -- I don't know -- interested.

2 Because I think you're going to monitor all
3 pollutants as they're emitted because you have that
4 tracking for the pollution. Is there a way to say --
5 you know, put some kind of monitor near the school so
6 they can have information about the air quality that's
7 blowing towards them?

8 And given, a lot of that's going to be not from
9 this project. I mean, there's quite a bit of air
10 pollution out there that's not from the Applicant.

11 MR. DERSTINE: Right.

12 CHAIRMAN STAFFORD: So I'm just -- I mean, even
13 if just the monitoring would be for them for their
14 information. Like, "Okay. Maybe keep them inside
15 today," or, you know, something.

16 Because, like, as we know, there's other things
17 that are kicking around that's not attributable to the
18 plant that's bad for air quality.

19 MR. DERSTINE: Yeah. Yeah.

20 CHAIRMAN STAFFORD: And there's probably some
21 specific criteria pollutants that would be from the
22 project, but -- like PM10 and 2.5, that's -- there's a
23 lot of other sources for that in the area, so -- but I
24 guess NOx or other ones, they're more specific to the
25 project?

1 A. BY MR. HARBIN: Thank you, Chairman Stafford.

2 It is, as you mentioned --

3 CHAIRMAN STAFFORD: Is that thing on? Because

4 I can't hear --

5 MR. DERSTINE: Pull it up closer please,

6 Mr. Harbin.

7 A. BY MR. HARBIN: Can you hear me now?

8 It is very hard to determine the source of the
9 emissions. As mentioned, there's the Hidden Valley
10 monitor that's out there that has a dominating source
11 right next to it. There are other commercially
12 available monitors but their accuracy may not be up to
13 the EPA standards.

14 And as far as notifications, the Pinal County
15 Air Quality Control District through the AirNow system
16 does have a notification to alert citizens and anybody
17 who wants to sign up for notifications of when they
18 expect high pollution advisories to stay indoors and
19 things of that nature.

20 As far as commitments that we would make, I
21 think we would have to discuss internally.

22 CHAIRMAN STAFFORD: Right. That's why I'm
23 suggesting that and not saying, "Hey, I want to see
24 this." I'm saying, "This is an issue. What are the
25 possible solutions?"

1 I realize that there's, you know, other
2 emitters in the area that -- and you're not responsible
3 for everybody, and we're not seeking to say that you
4 would be.

5 But I'm just saying is there something that you
6 can do that would, you know, provide information to them
7 without saying, "Okay, it's our bad, you know, it's our
8 fault that this is happening," but just, hey, is there a
9 way to provide information to them that would make them
10 feel better about the air that they're breathing or at
11 least be informed of what's in the air that they're
12 breathing.

13 MS. GILBERT: As Mr. Harbin said, I would have
14 to maybe discuss later. But since the air quality is
15 within ADEQ's jurisdiction, perhaps it's something
16 simple like adding a link on the project website to
17 where the public could go find the information that ADEQ
18 is responsible for providing.

19 Q. (BY MS. GILBERT) Mr. Harbin, do you have
20 something?

21 A. BY MR. HARBIN: Correct. So as a part of our
22 Title V or Class I air permit application, our permit
23 itself will have some -- typically a semiannual or
24 annual monitoring report where we will supply, you know,
25 total emissions from the facility that the public can

1 have access to by going through the Pinal County Air
2 Quality Control District, and we can provide some
3 information on how to obtain that.

4 CHAIRMAN STAFFORD: It sounds like there's
5 something potentially that could be done.

6 Then on to 17. We don't have jurisdiction over
7 the BESS.

8 I think we've talked about action plans for the
9 project, fire plans.

10 Yes, Member Hill.

11 MEMBER HILL: My observation is we don't have
12 jurisdiction over the BESS, but neither does the county
13 at this point. So that's why I feel like there's a
14 group of folks that -- or a conversation to have with
15 the community and why we won't be addressing this, but
16 SRP should be addressing that in some way.

17 CHAIRMAN STAFFORD: But the -- while the county
18 doesn't have jurisdiction over the BESS, there's
19 still -- it's got to comply with -- aren't there, like,
20 national safety standards of something like you can't --

21 MEMBER HILL: We talked about the --

22 CHAIRMAN STAFFORD: -- you can't leak toxic
23 chemicals all over the place and get it in the
24 groundwater and you can't -- there's other requirements
25 that it's going to have to meet; right?

1 I'm looking at a witness that can testify to
2 that.

3 Q. (BY MS. GILBERT) Yes. Mr. McClellan or
4 Ms. Laurence?

5 A. BY MR. McCLELLAN: Yes. There are a number of
6 standards that will have to be met for both the battery
7 energy storage systems and the solar.

8 We also intend to be consistent and NextEra
9 will be consistent with typical industry standards for
10 designing and installing those types of equipment.

11 CHAIRMAN STAFFORD: I think it's going to be --
12 I think it's a proposed condition that you -- we had
13 from another one about having an evacuation plan or
14 something to that nature. And we've included in other
15 certificates that I think it's included in the
16 Applicant's draft certificate for the plant.

17 MS. GILBERT: The emergency response plan?

18 CHAIRMAN STAFFORD: Yes, that's it.

19 MS. GILBERT: That is in our proposed CEC.
20 It's a standard condition, if I'm thinking the same
21 thing you are.

22 CHAIRMAN STAFFORD: But to Member Hill's point,
23 I believe that for other applicants that aren't SRP,
24 they have to get those filed and approved by the county?
25 Is that your recollection?

1 But then here they would just be shared with
2 the county as opposed to --

3 Q. (BY MS. GILBERT) Mr. McClellan, maybe you
4 could speak to that relationship between SRP and the
5 county. I think you may have mentioned earlier that we
6 would -- there's some level of coordination with the
7 county?

8 A. BY MR. McCLELLAN: So for our SRP facilities,
9 we coordinate very closely with not just the county but
10 anybody that we're working with as far as local
11 emergency responders.

12 So if we figure out who would be responding to
13 these facilities, we'll have a number of different
14 things that we do. So that's working through them to
15 make sure that they're familiar with our plans, familiar
16 with our sites.

17 We even do -- I call them workshops. That's
18 not the name that they use, but, basically, will come
19 onto the site and run through some different scenarios
20 so everybody is prepared. In the event that there is a
21 situation that we need to respond to, they have the
22 training, they're familiar with the site, and they know
23 how to go out and do that effectively.

24 So we'll work with -- whether it's the county,
25 whether it's Casa Grande, the Pinal County Fire

1 Alliance, or whoever that may be.

2 CHAIRMAN STAFFORD: And I guess they also need
3 to have the equipment in addition to just the knowledge.
4 Because if you know where to go and what to do, if you
5 don't have the equipment to do the task, you're kind of
6 in a bad spot.

7 A. BY MR. McCLELLAN: Yeah. And our expectation,
8 and in the discussions we've had with NextEra, they do
9 the same type of things.

10 You know, a good example of the sort of
11 coordination that we do and it's really important is
12 different jurisdictions have different size nozzles for
13 their fire trucks. So if we install a nozzle on a fire
14 hydrant or a tank that doesn't fit that truck, that's
15 not going to be effective in responding.

16 So those are the sort of things that we work
17 through as far as coordination through the design and
18 then when we go through and have these workshops at our
19 different facilities.

20 CHAIRMAN STAFFORD: Thank you.

21 Member Fant.

22 MEMBER FANT: Thank you, Mr. Chair.

23 One more low-budget idea, and that's giving
24 access to the locals to supply contracts, bidding supply
25 contracts. Because you might find some local suppliers

1 here that would help you. It helps the local folks and
2 it doesn't -- well, basically, it doesn't cost you
3 anything to give them access to bidding. So just a
4 thought.

5 MEMBER HILL: Mr. Chair, I think we're on
6 No. 19. And I think that the modeling that SRP has
7 provided gives us an indication of the impacts. The
8 impacts are modest, but I think we can address this by
9 simply limiting the water use in the facility, and
10 that's how we have assurances that the water use isn't
11 impactful.

12 I don't know that we need to do monitoring. I
13 mean, when I think about all the water that's pumped
14 through this system, I do think their use is nominal.
15 And if they're limited by that, then it doesn't have a
16 significant impact.

17 I think if it were a different kind of facility
18 and the water use wasn't limited, I would be more
19 concerned about it, but I'm not.

20 CHAIRMAN STAFFORD: Member Little.

21 MEMBER LITTLE: Thank you, Mr. Chairman.

22 I am in agreement with that.

23 I'm wondering if there is some way that the
24 public can be reassured or informed of the kind of
25 information that we got today about the water study and

1 the expectation that, you know, even without the plant,
2 the water level is going to -- or the -- I'm sorry.
3 It's late.

4 MEMBER HILL: Aquifer.

5 MEMBER LITTLE: Thank you. That the aquifer
6 level is going to drop.

7 I just feel like, you know, yes, we have been
8 reassured, but water is always at the top of everybody's
9 list when any kind of development is proposed in
10 Arizona, as it should be.

11 And if there's some way that the public, in
12 general, could be perhaps given more of this
13 information, it might be useful.

14 CHAIRMAN STAFFORD: If they could take the high
15 points of the presentation from the evidence today and
16 put it to a more easily digestible form for the public
17 to consume from their project website perhaps?

18 MR. DERSTINE: I think we did include some of
19 the modeling and basic exhibits that were shared at an
20 open house. I think we could probably include those or
21 other more, you know, user-friendly materials on the
22 project website just identifying what the anticipated --
23 what the modeling shows in terms of the incremental use
24 from the plant.

25 MEMBER LITTLE: It might go a long ways.

1 CHAIRMAN STAFFORD: And you have to report your
2 withdrawals of the storage credits to DWR anyway.

3 MR. DERSTINE: Right.

4 CHAIRMAN STAFFORD: Instead of making them go
5 to DWR to get them, you can put them on there. Here is
6 how much water we withdraw that was -- actually was
7 surface water converted to groundwater. However --
8 that's not the right terminology, I'm sure.

9 But I think it was the surface water used in
10 lieu of groundwater which established the credits, if
11 that's -- was that the actual testimony?

12 MEMBER HILL: Yeah. I mean, even just in your
13 project description adding something about --

14 CHAIRMAN STAFFORD: I thought the witness was
15 going to answer my --

16 A. BY MS. MORA: Yes, Mr. Chairman. You're
17 correct.

18 CHAIRMAN STAFFORD: Thank you.

19 Member Hill.

20 MEMBER HILL: In the project description, just
21 adding a note about your water use. Because all things
22 considered, like, there's a lot of agricultural
23 producers that are using a lot more water in this area.
24 So that might be helpful too.

25 CHAIRMAN STAFFORD: Member Meeker.

1 Member Meeker.

2 MEMBER MEEKER: Apologies. I couldn't hear
3 you.

4 Mr. Chair, I just wanted to add to that same
5 sort of vein of thought.

6 I didn't note that the 500 acre-feet that was
7 going to be used during construction was anywhere on the
8 application, but I just think that would be -- if that
9 can be added or included somewhere as, you know, part of
10 the overall water use.

11 I feel very confident that the public can
12 access all of the reporting that's happening. They can
13 access the long-term storage credit account balances,
14 all of the information that was discussed in great
15 detail today. But just noting that there is that
16 additional usage during the construction period and that
17 it will be purchased from MSIDD, just for the full
18 transparency for the public.

19 CHAIRMAN STAFFORD: Thank you.

20 MEMBER COMSTOCK: Let me go back and encourage
21 the Applicant to work with your natural gas service
22 providers. They're required by regulation to meet
23 annually with public response -- public emergency
24 response officials regarding their capabilities to
25 control emergencies on the pipelines.

1 I would suggest that it would be a good
2 partnership with El Paso and Kinder Morgan, as they put
3 those area presentations on, that you become part of
4 that presentation and talk about what your capabilities
5 are and some of your work around your facilities as
6 well. I think it would go a long way with building
7 trust not only with the natural gas service provider but
8 the community in general.

9 CHAIRMAN STAFFORD: Thank you.

10 Are we on to No. 20?

11 MEMBER LITTLE: Yes.

12 CHAIRMAN STAFFORD: Well, they're going to use
13 exclusively long-term storage credits for the project
14 operations in perpetuity. Isn't that what the testimony
15 was?

16 MS. GILBERT: Yes, that's right.

17 CHAIRMAN STAFFORD: Okay. And your impact on
18 the overall water table is negligible based on their --
19 the physical availability of the water.

20 MS. GILBERT: Yes, that's right.

21 CHAIRMAN STAFFORD: Okay.

22 21. Community emergency notification system.
23 I think this was covered a bit earlier when we talked
24 about the emergency response plan.

25 MEMBER LITTLE: They've requested that the

1 emergency planning area extend at least two miles from
2 the relevant hazard source. Is that generally part of
3 an emergency management plan?

4 MEMBER HILL: Ms. Laurence, you walked us
5 through the sections of the emergency management plan,
6 which was helpful. I think we're trying to figure out,
7 like, a geographic scope, how you normally treat that.

8 A. BY MR. McCLELLAN: We can take a look at those
9 emergency response plans to see what's specifically in
10 them. I know at other facilities we have taken some
11 additional steps to work with Pinal County in being able
12 to notify surrounding communities. I believe it's
13 called PENS in Pinal County. I don't remember what that
14 stands for, but it is -- the E-N-S, I think, is
15 emergency notification system.

16 So that's basically a system where the
17 community members can go sign up for that. And if
18 there's an emergency, they will get a notification on
19 their cell phone in the form of a text message.

20 That is something that's been pretty effective
21 in other communities that we've worked in. So I think
22 we're willing to facilitate informing community members
23 on how they can sign up for that.

24 Pinal County has been an excellent partner in
25 working with those communities and informing them and

1 getting them set up with that type of emergency
2 notification system.

3 MEMBER HILL: Yeah, I don't want to suggest
4 that two miles is the right approach, but understanding
5 how you guys approach this would be helpful.

6 I also think it depends on what the hazard and
7 the prevailing winds and all the other things that we've
8 chatted about, how notification happens. So to the
9 extent you can kind of share your approach to that, that
10 would be fine with us.

11 CHAIRMAN STAFFORD: 22. The first-responder
12 training and specialized equipment support.

13 I think we talked about this somewhat. I think
14 you guys are committed to filing an emergency action
15 plan, but I think the jury is still out on who is going
16 to be responding to any emergency at the site; is that
17 correct?

18 MS. GILBERT: Yes, you've said it correctly. I
19 think we're still -- and Ms. Falk might be able to speak
20 to it -- but we're still looking for more information
21 about who exactly would be the entity responsible for
22 the area the project will be located in.

23 CHAIRMAN STAFFORD: Okay. And informing
24 everybody who that is seems like a reasonable condition
25 to notify the -- as a compliance item for a condition.

1 So, yes, we need to establish who it is. It's like when
2 you -- because you're not going to be able to do an
3 emergency response plan without knowing who the
4 emergency responder is.

5 So I think in the condition that has you do
6 that, when you file your compliance letter, you just
7 state who it is, what the plan is, that it's ready, that
8 you have got an appropriate response for any kind of
9 emergency situation.

10 I'm looking at the members here.

11 Member Fant.

12 MEMBER FANT: I just wanted to point out, most
13 fire departments -- almost all, I should say, have
14 mutual aid agreements between themselves. So I'm
15 willing to bet whoever is the primary responder, you'll
16 see West Pinal, Casa Grande, and Stanfield out there at
17 different times.

18 CHAIRMAN STAFFORD: Okay.

19 MEMBER COMSTOCK: Mr. Chairman, I would
20 encourage them also to include members on the El Paso
21 Natural Gas line, the diagonal that runs through
22 Stanfield. Again, by regulation, they will have already
23 established a number of contacts to deal with
24 emergencies in that area. So that will give you a good
25 baseline to begin your public awareness program.

1 CHAIRMAN STAFFORD: I guess through Stanfield
2 proper, would that be with the emergency -- with the
3 volunteer fire force, something they would respond to?

4 MEMBER COMSTOCK: It could be. And because the
5 regulation on the gas side is a regional approach, it
6 could be a much wider range than that and move into Casa
7 Grande or even over to Maricopa, depending on the nature
8 of the emergency.

9 So I think you'll get a good list and baseline
10 if you start with that set of information.

11 CHAIRMAN STAFFORD: Thank you.

12 I think now we're getting into some more
13 specific things.

14 23 is a 300-acre Santa Rosa Ranchos greenbelt,
15 and then 24 is a 15-foot masonry sound/visual barrier
16 and vegetative screening.

17 I think we had some discussion when we looked
18 on the tour and then looking at the pictures about where
19 visual screening could go. My recollection is that was
20 at Stop One. And this was with the -- I guess this was
21 more -- no. It was the last stop, wasn't it, because
22 there's the community right across the street from where
23 the plant site would be, but it was close enough to
24 where if you had trees on the area that the Applicant
25 already owns, could potentially effectively screen it

1 visually from those residents.

2 But on the other end, the northwest corner, it
3 seemed that there's a lot of property that's not
4 belonging to the Applicant that's between the plant and
5 the stop sign and that corner where the Santa Rosa
6 Ranchos begins or a chunk of that. So that would be --
7 anything on your own property would be ineffective
8 because it's too far away.

9 And then I don't know who owns that parcel
10 that -- against where that intersection was. It looked
11 like it was just a vacant field that had been used for
12 agriculture but wasn't currently, but I don't know. I
13 don't know what would -- how that would work.

14 Yes, Member Hill.

15 MEMBER HILL: Mr. Chair, in my perfect world,
16 we would be rehabilitating a wash. And I still feel
17 like that should be on the table, but it's not something
18 that I'm prepared to obligate applicants to do.

19 I also just want to acknowledge that sometimes
20 the best screening is in an individual's backyard or in
21 their neighborhood rather than up against a plant. And
22 that's often what creates what I think we call
23 defensible space so that the space that you're living in
24 and occupying, there's screening close to you rather
25 than screening far away that may not be as meaningful.

1 So, again, I think that, you know, there may be
2 mitigation down the road. I think there's, you know, a
3 set of meetings to have with the community about those
4 things, and I think that there's probably adaptive
5 management once the plant is operating around some of
6 the visual and sound or other impacts as they're
7 identified under operation.

8 So I think we've not ever obligated an
9 applicant to set aside conservation land the way that we
10 often see in other permitting processes, because those
11 other permitting processes are an effort to mitigate
12 habitat loss or mitigate biodiversity or some other
13 factor. And I just -- I don't think that's really
14 strong on this site, and so I'm a little bit hesitant to
15 consider this one this way.

16 So that's what I have to offer. Those are my
17 thoughts.

18 CHAIRMAN STAFFORD: I don't think we can order
19 mitigation of the BESS seeing how it's
20 nonjurisdictional. I think for the plant we can.

21 And for the transmission line, I guess we're
22 not going to have screening for that. It's just going
23 to be more about where you place the poles, where you're
24 going to put those.

25 Yes, Member Little.

1 MEMBER LITTLE: The way I read this proposal
2 would require the Applicant to purchase 300 acres and,
3 basically, rehab it and establish a community greenbelt
4 and plant all kinds of stuff in there, which would be
5 wonderful, but I'm not sure that, as Member Hill pointed
6 out, that is -- I mean, I'm looking at the map here, and
7 I'm thinking that, you know, it would require purchasing
8 all of the property between the plant and the southern
9 end of that Santa Rosa development where we drove
10 through, all of that. I don't know how many acres that
11 would be.

12 CHAIRMAN STAFFORD: Lots.

13 MEMBER LITTLE: Yeah. I think, personally, I
14 would rather see the rehab of the wash, which would, you
15 know, definitely increase the area that is reverted to
16 its natural state probably even more than a buffer in
17 there. That's my opinion.

18 CHAIRMAN STAFFORD: And Barnes Road, that was
19 the one that had standing water in it in the wash, in
20 the Santa Rosa Wash; correct? When we did the tour?

21 A. BY MS. LAURENCE: That's correct.

22 CHAIRMAN STAFFORD: How much of that -- how
23 much is the Applicant going to use that road to
24 construct the plant, or was it planning on entering from
25 the north someplace else?

1 A. BY MR. McCLELLAN: I would expect very little.
2 I think we would come in on 84 and then head north would
3 be the most direct access.

4 And taking large truck traffic or heavy loads
5 through that wash would be problematic.

6 CHAIRMAN STAFFORD: Right. What is that road?
7 84 to --

8 A. BY MS. LAURENCE: Stanfield.

9 CHAIRMAN STAFFORD: Stanfield Road. Okay.

10 A. BY MR. McCLELLAN: Yes.

11 MEMBER HILL: Mr. Chair, if I could go back
12 to -- oh, no. I've jumped ahead. Sorry.

13 I just don't think we're in a place where we're
14 going to look at 300 acres of conservation and
15 greenbelt. I just don't think that's in the cards at
16 this point.

17 So I'm going to move to 24. We've talked about
18 this as well. I think that there's adaptive management
19 to do.

20 There is a note in here about industrial
21 surfaces facing the community should use low-reflective,
22 earth-tone finishes. I think some of the meetings there
23 was a discussion about finishes that were preference and
24 things like that.

25 So when you think about, like, things that

1 you're already -- based on the conversations you've
2 already had with the community, things you're already
3 planning on including into your design, just state
4 those. And if these words resonate with you and are
5 similar to what you've been thinking, as well, based on
6 your feedback, it might be good to use those words.

7 But I think I just -- I don't -- I mean, I
8 think when we worked on Bella, we looked at the cost of
9 a 15-foot masonry wall and it was astronomically
10 expensive and may not even do what we needed it to do.
11 And so that's when we decided working with the community
12 would be the better approach to figure out what's best
13 to mitigate with.

14 CHAIRMAN STAFFORD: Right. And you had
15 different people wanting different things, and we didn't
16 know if any of it was going to be fit to purpose. You
17 know, you could build this wall, but it's, okay, I still
18 see -- the view of the plant is totally unobstructed.
19 It's got a wall down here that doesn't affect anything.

20 And it was just -- it was just we established a
21 need to have a process to work out what would get the
22 most bang for the buck but didn't prescribe -- I think
23 we did have a dollar figure for that in the Bella.

24 MEMBER HILL: They did do an estimate.

25 CHAIRMAN STAFFORD: We didn't say you have to

1 do a specific mitigation measures. You need to set
2 aside at least this much to do mitigation, work it out,
3 and then let us know what happened as a compliance item.

4 So this one, I think, we're looking at more
5 just having them have a process. Because I think, for
6 example, like the two spots that I'm recalling from the
7 tour, is one seems like it would be pretty simple. The
8 other one it would be probably more effective to try to
9 work with the people who are there and put something on
10 their property that would obscure their vision of the
11 plant.

12 Because, otherwise, you have to buy all this
13 other property and then vegetate one end of it, and it
14 just seems -- I don't know. It seems disproportionately
15 expensive to the number of people that would be impacted
16 by the amount of money and the amount of property that
17 they would have to acquire additionally to what they did
18 for the entire energy project.

19 So, I mean, it just seems it would be more cost
20 effective to plant a few trees in the front yards of the
21 people who don't want to see the plant as opposed to
22 trying to buy the other square mile of property and
23 forest it up. Depending on how long it takes the trees
24 to grow, it could be quite a while before it's effective
25 at all.

1 MEMBER HILL: I agree.

2 CHAIRMAN STAFFORD: I mean, it's not like the
3 Santan plant where it was -- there was neighbors that
4 were right there. So they had a plan to have the berms,
5 have the trees. And it took the trees a minute to grow,
6 but if you were in those neighborhoods, you cannot see
7 that plant at all. So driving away you can see, but
8 when you're right up on it, it's completely obscured.
9 But, again, that was a negotiated deal because they had
10 the city, they had homeowners associations that were
11 participants, and so they had worked on that one.

12 It wasn't -- and it was -- it had been there.
13 The plant had been there for a while and the
14 neighborhood had built up to it. And then when they
15 wanted to expand it, they had to make some significant
16 adjustments to manage the impacts, the visual impacts.

17 Member Fant.

18 MEMBER FANT: Thank you, Mr. Chair. Excellent
19 idea.

20 And maybe one step further would be to have a
21 community project to plant palo verdes or palo breas
22 along there, which are inexpensive, don't need a lot of
23 water, and easy to handle. That could be a community
24 project to help screen.

25 CHAIRMAN STAFFORD: And then whoever's land it

1 is would have to agree to it. Because they're not going
2 to show up and plant a bunch of trees in the middle of
3 the night and vanish. It's hilarious because that would
4 be -- that's not a realistic expectation.

5 MEMBER HILL: All right. Number 25 is BESS,
6 and we don't have jurisdiction over that, so I'm going
7 to let that one go.

8 CHAIRMAN STAFFORD: I'm sure they will address
9 that in their emergency management plan.

10 MEMBER HILL: Yes. Number 26, the ag-to-urban/
11 water-rights conservation verification, I think we've
12 addressed the water approach that generally we're on
13 board with and have been customary in our processes.

14 And then 27, the plant does have continuous air
15 monitoring. I'm not familiar enough with BESS, but also
16 it just isn't jurisdictional to us, so --

17 CHAIRMAN STAFFORD: But the emissions from the
18 plant are continuously monitored; correct?

19 MEMBER HILL: For the plant.

20 MR. DERSTINE: Mr. Harbin, from the stack.

21 CHAIRMAN STAFFORD: From the stack, right.

22 A. BY MR. HARBIN: Yes, that's correct. We will
23 continuously monitor direct emissions from CO and NOx
24 from the stack and use parametric monitoring techniques
25 to monitor all other pollutants.

1 CHAIRMAN STAFFORD: I mean, I think we talked
2 earlier about some kind of air monitor near the school.
3 I guess if you had a monitor in both places you could
4 compare and say, well, things are showing up here that
5 are not coming out of this stack. We can't possibly
6 attribute it to us.

7 A. BY MR. HARBIN: A novel idea. I think there's
8 probably some concerns or issues of actually being able
9 to attribute. We're going to be dealing in parts per
10 millions from the stack, and what you would see at the
11 school is going to be in a microgram per cubic meter.

12 So I think it would be very difficult even with
13 a comparison to really correlate any of our mitigations
14 at the monitoring site location.

15 CHAIRMAN STAFFORD: And this one would be
16 valuable because you could see, especially when you're
17 not even emitting, what's going on over here, and say,
18 well, it could be -- the information could have no
19 correlation because, oh, there's other sources that are
20 coming to this area that you're concerned about.

21 Just a thought. I'm not proposing a condition.
22 I'm just kind of running stuff past the air guy.

23 A. BY MR. HARBIN: Yeah, it's something we can
24 discuss internally and see if there's something we could
25 propose.

1 CHAIRMAN STAFFORD: Okay. And then typically
2 you don't do fence line monitoring. It's all -- all the
3 required monitoring is from the stack; right?

4 A. BY MR. HARBIN: Correct. We do not do any
5 fence line monitoring. We monitor from the stack.

6 And I go back to, you know, the air quality
7 modeling that we conducted as part of our application,
8 we were assuming worst-case scenarios and comparing that
9 to the National Ambient Air Quality standards which are
10 protective of human health and the environment.

11 So the fact that we have demonstrated through
12 that modeling, as long as our emissions on a pound per
13 hour or gram per second basis do not exceed what we used
14 in our model, we would be demonstrating compliance with
15 the NAAQS.

16 CHAIRMAN STAFFORD: Okay. Thank you.

17 MEMBER HILL: I think that wraps up the 27
18 requests.

19 I also think that they probably characterize a
20 lot of the public comment, but I am curious if
21 there's -- I know Member Mercer had to step out, and
22 she's really good at normally picking out the remaining
23 public comment things.

24 Are there other public comment outstanding
25 issues that we feel like we didn't talk about in this

1 cohort of requests?

2 CHAIRMAN STAFFORD: One thing here I think we
3 didn't -- No. 26 about the -- we talked about it, but --
4 because, typically, when you see something like this, we
5 have -- there's a number of parcels. They've been
6 agricultural uses. They get converted to the Class I --
7 or is it Class I or Type I? Type I water rights and
8 there's a significant reduction in the amount of
9 groundwater they're allowed to pump.

10 In this case we didn't talk about it that much
11 because they're not going to use any of the -- it's all
12 going to be long-term storage credits where they're
13 going to acquire the water from the district.

14 I guess I would be interested to know if all of
15 the land that SRP acquired for this whole energy center,
16 what was the total groundwater pumping rights, and then
17 now that it's not going to be agriculture, what would
18 their groundwater pumping rights be aside from the
19 long-term storage credits. What do those numbers look
20 like?

21 Because, typically, it's a significant
22 reduction. Like going back to Project Bella, I remember
23 it went from -- they had -- the parcel had grandfathered
24 rights of -- I don't know. I'm making up numbers
25 because I don't remember exactly. Maybe like 700

1 acre-feet a year. But then when they did the
2 conversion, it went down to, like, 300 or 400 or
3 something. It was a significant reduction. And I think
4 they weren't even going to use the full amount that they
5 had the rights to use.

6 But then in other cases, it's the conversion
7 from grandfathered irrigation rights, conversion to
8 Class I, it wasn't that much of a difference and it had
9 something to do with the amount of irrigable acreage, or
10 something.

11 So I'm curious as to what does that equation
12 look like for this? And I'm asking for, like, the
13 entire energy center, just the land of the power plant
14 and the transmission lines. And just -- it's not --
15 it's not really -- kind of beyond the scope of the
16 certificate, but I'm just curious as to what that
17 information or those numbers are.

18 Because I think that -- and to this particular
19 concern, that's what she's talking about. I mean, you
20 can point to how much less groundwater would be pumped
21 by going from the ag to the energy center. I think that
22 might be useful information. It's not going to be a
23 condition or anything because it's all well beyond what
24 the authority of this committee is, but I'm just curious
25 what those numbers are.

1 MR. DERSTINE: We can see if -- I think SRP has
2 some water experts within the company.

3 But I guess, yeah, the narrative on some of
4 these plant applications where they're converting
5 agricultural land into industrial use, they are
6 typically -- and Ms. Mora is going to correct me and
7 maybe fix anything that I say that's not correct -- but
8 that my understanding and my experience with those
9 projects is that the agricultural use has significant
10 water rights attached to the land. And once it's
11 converted, then the reduction in the water rights
12 converting from Type I to Type III, or whatever the
13 appropriate type is, you have a much lower water right
14 use. And then, typically, those plants are only using a
15 fraction of their industrial water use rights.

16 And so that's always a good story to tell that,
17 you know, previously this land was agricultural land,
18 they were using, pick a number. And now for our
19 project, we're using a fraction of that, and it's a
20 fraction of what we're entitled to use and what we have
21 a right to use, and we're only using a small portion of
22 it to support the water needs of our plant. That sort
23 of narrative and that story doesn't apply here because
24 we're not -- you know, we've got a plant that's going to
25 rely on long-term storage credits.

1 And as to the construction water or the
2 additional water needs, you know, that other than the
3 operation of the plant, we're getting those from MSIDD
4 through an agreement to supply us with that -- with that
5 water that MSIDD has rights to. So, you know, that
6 storyline doesn't really apply to this project.

7 If you're interested and just curious about
8 what it would be if for all the acreage that SRP
9 acquired and if it was converted to whatever the Type I
10 to Type III water right use, what would SRP be entitled
11 to pump, I think it's going to be a large number. And
12 if you're just curious about that math, then we can see
13 if we can dig it up.

14 Q. (BY MR. DERSTINE) Ms. Mora, fix everything
15 that I just said.

16 A. BY MS. MORA: I think you're correct that the
17 conversion is less if you're going from agricultural
18 uses to nonagricultural uses, and that would be an IGFR
19 to a Type I.

20 And so I haven't seen those certificates, and I
21 don't know what they are accumulated across the lands,
22 so -- but I do know that it would be a reduction in the
23 overall water use.

24 CHAIRMAN STAFFORD: Right. I just -- I would
25 like to see what that is. I think that would be just

1 helpful to have the knowledge of that.

2 MEMBER HILL: Mr. Chair.

3 CHAIRMAN STAFFORD: Yes, Member Hill.

4 MEMBER HILL: I'll offer that if you were going
5 through a permitting process with the county for the
6 solar fields, there would have been a discussion and
7 disclosure at the county about the water use reduction,
8 and the public is asking that question.

9 And I know it's nonjurisdictional to us, but it
10 might be the only way that we could answer that question
11 for the public. So we are curious what is going to
12 happen with the water rights associated with the entire
13 energy facility.

14 What they are, what -- you know, that's, I
15 guess, what I'm trying to get at is I am asking more,
16 but I also feel like without the county permitting
17 process that conversation is lost and the public is
18 asking for that from SRP.

19 MR. DERSTINE: I think we've, in part, answered
20 that in terms of what is happening with the water
21 rights. MSIDD is continuing to hold those water rights
22 and will continue to use what pumping rights they have
23 to serve their customers. And we talked a little bit
24 about how much they supplied and all the other
25 agricultural interests in this area.

1 But if you want more the math on what would the
2 conversion and what would the savings be, I --

3 MEMBER HILL: Mr. Chair, are you asking for the
4 conversion math? Or are you just asking for the
5 totality of the water rights associated with the entire
6 energy center and --

7 CHAIRMAN STAFFORD: Yeah, I'm asking for what
8 are the water rights associated with all the land for
9 the energy center and what would be the reduction to a
10 conversion to Class I.

11 I guess the thing is is that there's certain
12 wells on the property that are still -- that belong to
13 or are leased to the district. Is that what I'm
14 hearing?

15 MR. DERSTINE: That's correct.

16 CHAIRMAN STAFFORD: Okay. So those would --
17 but the owners of the property still would have
18 groundwater pumping rights. They're not required to get
19 water from the district, are they?

20 MR. DERSTINE: I don't know if they're required
21 to. It's my understanding that within the district the
22 district serves all those agricultural interests, and
23 that's their water provider for their agricultural
24 operations.

25 Now, whether they can independently pump and

1 use groundwater without relying on or receiving that
2 water through MSIDD, I don't know, but we can -- maybe
3 Ms. Gilbert knows.

4 MS. GILBERT: I don't know that. But can I
5 speak to something else you just said, Chairman
6 Stafford?

7 CHAIRMAN STAFFORD: I didn't catch what you
8 said.

9 MS. GILBERT: I don't know the answer to that
10 specifically, but I wanted to clarify something you had
11 said just a little bit ago, if that's okay.

12 CHAIRMAN STAFFORD: Okay.

13 MS. GILBERT: You said you maybe were looking
14 for the equations or the math on converting to Type I.
15 But since we're using long-term storage credits, there
16 won't be a -- there is no equation for conversion
17 because there will not be a Type I water use.

18 And I'm looking at Ms. Mora to flag me down if
19 I'm wrong.

20 So I don't think that's a number we can provide
21 because our intended use is long-term storage credits.
22 And so the equation or the math we do have is what
23 Ms. Mora testified to, which is what is in our long-term
24 storage credit account, and then what Ms. Laurence and
25 Mr. McClellan spoke to, which is the intended water use

1 for the battery and the solar parcel.

2 So that would be -- if I'm understanding the
3 context of this, I think that's kind of -- that's it.
4 That's kind of the universe of water for this project.

5 A. BY MS. MORA: I think you're correct in terms
6 of the water rights or the proposed demand for the
7 thermal plant, but if -- correct me if I'm wrong,
8 Mr. Chairman. I think you're asking about the rest of
9 it.

10 CHAIRMAN STAFFORD: Right.

11 A. BY MS. MORA: And that's what I don't have the
12 numbers or the answer to that right now.

13 CHAIRMAN STAFFORD: By purchasing all this
14 property, what groundwater pumping rights does SRP have
15 related to this property?

16 MS. GILBERT: That total number we can come
17 back to you, I think, with.

18 CHAIRMAN STAFFORD: Okay. And then is there a
19 change? Because when you initially bought it, it's
20 going to have agricultural pumping rights; correct?

21 I mean, it's being farmed right now, so it's
22 being used for agriculture. They should have
23 agricultural groundwater pumping rights; correct?

24 A. BY MS. MORA: Yes. Across lands that -- you
25 mean where the solar panels will go?

1 CHAIRMAN STAFFORD: The entire all --
2 everything in blue on the map I'm talking about.

3 A. BY MS. MORA: Yes. So anything that has been
4 farmed likely has an IGFR tied to it.

5 CHAIRMAN STAFFORD: Right. And then when it
6 purchased the land, did SRP gain those rights?

7 A. BY MS. MORA: Correct.

8 CHAIRMAN STAFFORD: Okay. So what is the
9 extent of those rights? I mean, we keep saying, okay,
10 they're not going to pump any groundwater. It's all
11 going to be long-term storage credits.

12 If you're not using long-term storage credits,
13 how much groundwater could you pump from owning this
14 land? How much -- first for agriculture uses. Say you
15 bought it and were going to farm it, how much could you
16 pump?

17 Now that you're not going to farm it, it's
18 going to be converted to Type I, what is the reduction?

19 I mean, ignoring the long-term storage credits.
20 I mean, I think -- because that's kind of an apples and
21 oranges thing. But I want to -- usually in these cases
22 we're talking about apples. Here we're talking about
23 oranges. I want to know what the apples would have
24 been.

25 MR. DERSTINE: Hypothetically, if we were doing

1 the standard kind of conversion from agricultural to
2 industrial use and we were converting the agricultural
3 water rights to industrial, what were the water -- the
4 agricultural water rights that were associated with the
5 parcels, the X number of acres that we acquired, and
6 then -- so I think that's the number you're looking for;
7 right?

8 CHAIRMAN STAFFORD: Yeah.

9 MR. DERSTINE: I don't know that -- we acquired
10 the land, so I assume that there might be a way to find
11 out what were the historical water rights that are
12 associated with all of the parcels that SRP acquired at
13 different times over time. I don't know that that's an
14 easy number that we can get, but we will try.

15 CHAIRMAN STAFFORD: Okay. And then independent
16 of that, there's the district's right to pump from the
17 wells that it owns -- that it still continues to own on
18 the property that you bought.

19 MR. DERSTINE: Correct.

20 CHAIRMAN STAFFORD: So I'm not concerned with
21 that so much. I mean, if you know what that is, that's
22 kind of interesting to know, but I'm more concerned with
23 the rights that SRP has and what they're -- how much
24 groundwater that they're not going to use.

25 MR. DERSTINE: Okay.

1 CHAIRMAN STAFFORD: Does that make sense?

2 MR. DERSTINE: I think I understand it, yeah.

3 CHAIRMAN STAFFORD: Okay.

4 MR. DERSTINE: I'm hopeful we can get you a
5 number. See if we can.

6 CHAIRMAN STAFFORD: And it's not -- it doesn't
7 have to be exact. I'm not going to check your math.
8 I'm just going to -- I'm trying to get a ballpark figure
9 of what we're looking at for this.

10 MR. DERSTINE: With the idea of being able to
11 give some magnitude of the water savings by not -- by
12 converting this land from agricultural to the different
13 uses that are being placed for the energy center.

14 CHAIRMAN STAFFORD: Right. And beyond that,
15 you're not even using that. You're using the long-term
16 storage credits.

17 MR. DERSTINE: That's right.

18 CHAIRMAN STAFFORD: So, I mean, it's like first
19 reduction, bonus reduction. It's the apple reduction
20 and then orange reduction.

21 MR. DERSTINE: This is what the reduction would
22 be, but we're not even doing that because we're using
23 long-term storage credits.

24 CHAIRMAN STAFFORD: Right. I think that would
25 be useful information.

1 Member Fant.

2 MEMBER FANT: And in Pinal County, under their
3 AMA, certain water rights can be detached from the
4 property and sold independently, so it takes a while to
5 figure out what the rights are in each parcel.

6 CHAIRMAN STAFFORD: Member Little.

7 MEMBER LITTLE: Thank you for asking that
8 question, first of all.

9 Second of all, should we go on to Ms. Herrera's
10 recently filed?

11 CHAIRMAN STAFFORD: All right. Have we been
12 going for 90 minutes yet?

13 COURT REPORTER: I'm not sure, but I need a
14 break.

15 CHAIRMAN STAFFORD: With that, we will take a
16 15-minute recess.

17 (A recess was taken from 4:05 p.m. to
18 4:19 p.m.)

19 CHAIRMAN STAFFORD: Let's go back on the
20 record.

21 Member Hill.

22 MEMBER HILL: Did I have a job here?

23 CHAIRMAN STAFFORD: Well, which one are we
24 going on to next? We had several comments from the
25 community that we were looking at.

1 MEMBER LITTLE: I thought we were going to go
2 on to the filings from Ms. Herrera.

3 CHAIRMAN STAFFORD: Right. We did the first
4 one. She's got one or two more, I think.

5 MEMBER LITTLE: Yes. The one I'm looking at
6 first was filed yesterday at 5:52 p.m. and docketed on
7 the 23rd of September. That would be today; right?

8 CHAIRMAN STAFFORD: Yes.

9 MEMBER LITTLE: This morning at 8:00.

10 CHAIRMAN STAFFORD: And another one that was
11 docketed at 8:52 this morning.

12 MEMBER LITTLE: Yeah.

13 MEMBER HILL: I haven't had a chance to look at
14 it. Can you characterize any additional things that we
15 haven't already talked about?

16 CHAIRMAN STAFFORD: I'm looking at the first
17 one talking about the acoustic assumptions used for the
18 BESS equipment.

19 MEMBER HILL: I think --

20 CHAIRMAN STAFFORD: Which we don't have
21 jurisdiction.

22 MEMBER HILL: As much as I recognize that
23 concern, like, I just don't think we're in a position to
24 mitigate the BESS.

25 CHAIRMAN STAFFORD: Right.

1 MEMBER LITTLE: I think more than the BESS
2 itself was the cumulative -- that she has addressed the
3 cumulative effects of the people that live close to all
4 of these facilities, not only hearing -- you know, the
5 studies were done with what it looks like today as far
6 as noise is concerned and the thermal plant.

7 But particularly that one group of homes that
8 was across from where we stopped, one of our stops,
9 those people are going to be hearing the BESS. They're
10 going to be hearing whatever noise, if there is any,
11 from the solar plants, as well as whatever corona noise
12 there is from the transmission lines and the thermal
13 plant.

14 And her concern is that the cumulative effects
15 are necessarily what people will be hearing and that
16 that should be studied. I don't know what we can do
17 about that, though.

18 CHAIRMAN STAFFORD: The noise study did look at
19 the BESS and the thermal plant, if my recollection of
20 the testimony is correct.

21 MEMBER LITTLE: I thought it was just the
22 thermal plant.

23 A. BY MS. JUSTUS: The Chairman is correct. The
24 noise study included both the BESS and the thermal plant
25 and included the analysis with all of them operationally

1 together at the same time. So it is a cumulative study.

2 MEMBER LITTLE: Okay. My mistake.

3 Okay. And she also requested that -- and,
4 again, you know, this is not my area of expertise, so I
5 understand it, but necessarily that the cumulative
6 effects be -- the overall A-weighted sound levels be
7 monitored, overall C-weighted sound levels, unweighted
8 or Z-weighted, and one-third octave-band data be
9 provided, particularly within approximately 20 Hertz
10 through 250 Hertz narrow band or other appropriate tonal
11 analysis where identifiable tones are present and
12 predicted cumulative frequency specific levels at the
13 nearest affected residences.

14 I'm wondering if perhaps our noise expert, if
15 he's still here?

16 A. BY MS. JUSTUS: Unfortunately, he had to leave
17 to join an open house elsewhere in Pinal County for the
18 evening.

19 I can speak to what he stated earlier that the
20 noise studies are A-weighted and do take into account
21 the bands that are referenced in there.

22 There are some terms in there I'm not familiar
23 with, but earlier we did talk about the raw data from
24 the study having many of those elements to it and that
25 we could provide that raw data, which would be a

1 baseline of what was taken in the field readings and
2 then also shared with regard to the modeling.

3 CHAIRMAN STAFFORD: And I thought it was
4 measured at the nearest residences as opposed to the
5 property line. It was. That's what the study was
6 looking at.

7 MEMBER HILL: Right.

8 CHAIRMAN STAFFORD: Okay.

9 A. BY MS. JUSTUS: Yes.

10 MEMBER LITTLE: You know, I have some interest
11 in -- we hear from people who actually live next to the
12 solar fields and the BESS who have told us they're
13 noisy. The noise is irritating. We have to run music
14 24 hours a day in order to mask the noise.

15 And yet the dBA levels, measurements that we
16 see, don't reflect that, and I would be curious to know
17 more about this. And, clearly, some of the public is
18 interested also. I'm not quite sure where we go from
19 here with that.

20 A. BY MS. JUSTUS: If we could put up the noise
21 study slides, I can do my best to respond to that in the
22 absence of our expert.

23 MEMBER LITTLE: Okay.

24 A. BY MS. JUSTUS: In this particular example,
25 with the BESS on, our various noise monitoring spots are

1 each, I would say, approximately a mile and a half to
2 two miles away from the BESS. So when we're talking our
3 closest residence, we're measuring here and here and
4 here.

5 And the BESS is in this location, but you can
6 see, based on the colors of the concentric rings coming
7 out, if you are much closer to the BESS, if you are, you
8 know, near this area that is red into orange or getting
9 into lighter orange, if you lived in closer proximity,
10 those levels would be higher.

11 So seeing lower levels in this study, I think,
12 is partially reflective of the distance of the homes
13 where we measured as opposed to perhaps other projects
14 that you or others may be familiar with where people are
15 in closer proximity and, therefore, may hear something
16 louder like a 45, a 50, or a 55.

17 In this case, our residents are not necessarily
18 as close to this as we may see in other projects.

19 MEMBER LITTLE: Yes, I'm aware of that. I'm
20 just curious about whether this particular measurement,
21 the dBA measurement, is it gives us a different picture
22 than some of these other measurements that have been
23 requested, and I know I don't know the difference.

24 I'm not quite sure how to handle this, whether
25 I need to do some homework tonight.

1 MEMBER HILL: So we would like to look at the
2 Hertz piece because I think that is measuring some of
3 the tonal stuff that we've talked about.

4 MEMBER LITTLE: Correct.

5 MEMBER HILL: And understand the impacts of
6 that.

7 I think what we run into is most regulatory
8 environments -- and I realize that the power plants are
9 not subject to sound regulation. But in the country,
10 most sound is regulated by the dBA stuff or the --
11 that's usually what the prescription is. And so I think
12 we're in a new world where --

13 (Audio disruption.)

14 MEMBER HILL: Thank you for trying to improve
15 the sound.

16 We're in a new world where there are other
17 acoustic impacts that we don't really -- that we don't
18 regulate. And so I think I definitely appreciate the
19 question. I think it is worthy of a longer term
20 discussion about the evolution of how we evaluate
21 acoustic impacts, but we're not in a place where we have
22 really good guidance on this even if we had the data.

23 I feel like I sound insensitive, and I don't
24 mean to sound insensitive. But most of these policies
25 around noise are in this metric and in this measurement.

1 And I acknowledge that it may not be sufficient in the
2 world that we live in today, but that's all that we have
3 to go on.

4 MEMBER LITTLE: Well said. Thank you.

5 CHAIRMAN STAFFORD: Any other -- another point
6 you raised was is there an effect on the livestock from
7 the noise. I don't think I've ever heard of livestock
8 being affected by noise from a plant or a BESS or
9 anything like that.

10 Has anybody ever looked at that? Is that some
11 brand new thing or --

12 MEMBER HILL: I think that there have been
13 wildlife impacts with different acoustic impacts. I'm
14 thinking bats. I'm thinking there are some animals,
15 particularly at night, I think, that operate off of
16 acoustics in some way, shape, or form that have been
17 impacted, but they probably stay away from those
18 facilities because those are problematic.

19 I have not heard of anything or any studies
20 related to livestock.

21 CHAIRMAN STAFFORD: Livestock.

22 A. BY MS. JUSTUS: It may be helpful, I had shared
23 the additional questions that you're referring to with
24 Mr. Kirikian earlier today, and he did e-mail me some
25 responses. So I can share what he wrote regarding these

1 animal and livestock questions.

2 MEMBER HILL: That would be great.

3 CHAIRMAN STAFFORD: Please.

4 A. BY MS. JUSTUS: One of the questions was did
5 the analysis evaluate operational noise effects on
6 livestock, farm animals, domestic animals, or wildlife.

7 And his written response was livestock in
8 agricultural settings are routinely exposed to levels
9 far above those the project would produce. Published
10 review of the subject reports farm machinery exposure
11 averaging roughly 90 decibels over a working day.
12 Screening criteria used in that literature are on the
13 order of 70 decibels, L_DN, with a maximum criteria of
14 90 to 100 decibels. Modeled project L_DN at the
15 assessed locations is between 36.9 decibels at NM-1 and
16 40.2 decibels at NM-2, roughly 30 decibels below the
17 most precautionary of those figures.

18 And then the next question, somewhat related,
19 did the analysis consider that animal hearing
20 sensitivity and frequency changes differ from human
21 hearing?

22 And his response was A-weighted -- A-weighting
23 reflects human hearing response, as the commenter
24 correctly notes. The conclusion does not depend on the
25 weighting used. Most published literature associates

1 adverse effects with sudden high-level events rather
2 than steady sound, and the project is a continuous
3 source at levels far below the screening criteria
4 applied.

5 MEMBER LITTLE: Thank you. That's good
6 information.

7 CHAIRMAN STAFFORD: Anything else on this one?

8 MEMBER HILL: No questions from me.

9 I want to be careful about not -- if there's
10 something filed tomorrow, like, I want to be careful
11 about that because there's -- I think there were two
12 filings today, and one goes into her concern about the
13 SPP Market and some other things, so I feel like -- and
14 there are additional questions about the BESS system.
15 So this looks like it was docketed this morning
16 as well, supplemental public comment.
17 So I just want to be careful. I think it's
18 worth evaluating and asking questions about these
19 things, but, like, I don't think we need to talk -- I
20 don't think we can do any more with BESS. I don't think
21 we are prepared to talk about the SPP Markets+ future
22 operation. I think there's some comments or questions
23 about ED3 who's not present.
24 So I appreciate the comprehensive nature of all
25 of these questions and maybe there's a conversation to

1 have with SRP, but I just don't -- I think we're moving
2 away from the purpose of the hearings that we're holding
3 today at this point.

4 CHAIRMAN STAFFORD: One relevant, I think,
5 concern is about the second circuit. Because I think
6 the testimony was that this energy project will work
7 with the first circuit for the transmission line, the
8 267. But then they're going to potentially add the
9 second circuit later on as you have additional needs.

10 I thought we talked about this, but I wasn't --
11 I'm not recalling exactly what it was. I'm going to do
12 my best to guess, and let me know if I got it right or
13 not.

14 But the second circuit was to allow other
15 projects to tie into the new substation; correct?

16 A. BY MS. LAURENCE: That's correct.

17 CHAIRMAN STAFFORD: Okay.

18 MEMBER LITTLE: Mr. Chairman, if I understand
19 your question, the one circuit is -- or one pole line
20 which has one circuit on it is going to be used for the
21 solar project. The second -- and that's the longer one.

22 The second pole line which has one circuit on
23 it will be used for the BESS.

24 The second circuit that they keep talking
25 about, in my understanding, is the second circuit

1 capability on each pole line.

2 CHAIRMAN STAFFORD: Right. They're going to
3 run a line from the solar collector into the substation,
4 a line from the BESS into the substation, and both of
5 those lines will be capable of carrying another 230kV
6 circuit the entire length of the line. That is my
7 understanding. Is that correct?

8 A. BY MS. LAURENCE: Yes.

9 MEMBER LITTLE: So in order to -- for the full
10 buildout of solar and BESS, the way they plan to operate
11 it, they need both lines.

12 CHAIRMAN STAFFORD: No. My understanding is
13 that it will -- this whole project will function with
14 the one -- with the first 230kV line, but the second
15 line would be added later to allow additional load or
16 generation to connect to the new substation.

17 A. BY MS. LAURENCE: Mr. Chairman, the way you're
18 describing it is correct.

19 CHAIRMAN STAFFORD: Okay.

20 MEMBER LITTLE: So with the first line, you
21 would pick up the solar output and then drop into the
22 BESS substation, and then out of the BESS substation
23 into the Marigold Substation.

24 A. BY MS. LAURENCE: The 230kV line that connects
25 from the solar collector substation to the new 230/500kV

1 substation would not have a stop in it at the BESS
2 collector substation. So it just continues straight by.
3 You wouldn't see any connection from that transmission
4 line into the BESS collector substation.

5 MEMBER LITTLE: Then how can one line serve the
6 whole project?

7 A. BY MS. LAURENCE: The second line is on a
8 second set of poles.

9 MEMBER LITTLE: That's right. But I think what
10 the Chairman says is that you don't need that second
11 line in order to serve the solar and the BESS.

12 A. BY MS. LAURENCE: Sorry. I think what we're
13 talking about is the second line that would be on each
14 independent set of poles.

15 CHAIRMAN STAFFORD: That's what I'm talking
16 about. There's going to be one line on double-circuit
17 capable poles from the solar collector substation to the
18 new 230/500kV substation, and then another line going
19 from the BESS collector substation to the 230/500kV
20 substation on a separate set of poles that are
21 double-circuit capable.

22 MEMBER LITTLE: Right.

23 CHAIRMAN STAFFORD: And then at some point in
24 the future, they could string a second circuit on either
25 of those lines.

1 MEMBER LITTLE: Right. But you still need both
2 pole lines initially.

3 CHAIRMAN STAFFORD: Yes. Yes.

4 MEMBER LITTLE: Okay. I misunderstood what you
5 were saying. My apologies.

6 CHAIRMAN STAFFORD: They don't need the second
7 circuit on each set for this plant -- for this whole
8 energy center to operate. That's for potential future
9 adding in additional generation and/or load.

10 A. BY MS. LAURENCE: Yes.

11 MEMBER LITTLE: Thank you.

12 CHAIRMAN STAFFORD: For future things, it's
13 just -- we can -- it will make getting another line
14 easier because it's got existing poles.

15 MEMBER LITTLE: Costing 50 percent more.

16 CHAIRMAN STAFFORD: And then I think we had --
17 I think the initial one, the application and the initial
18 proposed CEC just had a 10-year time frame for both
19 circuits.

20 I think we had some discussion. The Applicant
21 was going to discuss it amongst themselves whether or
22 not they wanted to have two different time frames for
23 each circuit.

24 MEMBER LITTLE: And by the second circuit,
25 you're talking about the second circuit on each of the

1 two pole lines.

2 CHAIRMAN STAFFORD: Right. Because we're going
3 to approve -- the CEC would be for the two lines on
4 double-circuit capable poles.

5 So we would have standard 10-year for the first
6 two lines, and then each line could have a second
7 circuit. Would that also fall under the same 10-year
8 time frame or would it be longer? That was the
9 discussion the Applicant was going to have and get back
10 to us, because they had currently -- in the current
11 exhibits for the proposed CECs, it had just a 10-year
12 time frame for both circuits.

13 MR. DERSTINE: We would like to have the
14 20-year term for the second circuit.

15 CHAIRMAN STAFFORD: Okay. All right. That was
16 easy. The important thing is we all understand what it
17 is we're being asked to approve.

18 Any other further questions on these?

19 MEMBER HILL: I don't have any.

20 CHAIRMAN STAFFORD: Yes.

21 A. BY MR. McCLELLAN: Mr. Chairman, I would like
22 to circle back to the water issue that we were talking
23 about. And we mentioned that it might be difficult to
24 get the actual water rights that are associated with the
25 properties that we've acquired.

1 We did do some estimations on what the existing
2 use of water is for the lands that we have purchased.
3 But we acquired about 5,000 acres of property for the
4 proposed Marigold Energy Center. Of that 5,000 acres,
5 about 4,600 is used for agriculture today. We estimated
6 about four acre-feet per year, per acre. That equates
7 to around 19,000 acre-feet on an annual basis for
8 existing uses today.

9 When we look at our projected use on the entire
10 site, that's maximum about 206 acre-feet, plus the
11 15 acre-feet that we're looking at for the solar and
12 storage, projected use is 80 acre-feet and then 15
13 acre-feet again for solar and storage. So when we
14 compare that existing use that we estimated to what
15 we're projecting for the proposed facilities, it's about
16 a 99 percent reduction.

17 And I'm not representing that that's the actual
18 water rights that are associated with that, but we think
19 that that's a pretty good estimation just from a context
20 and a magnitude basis of what the use looks like today
21 versus what we'll see in the future with the Marigold
22 Energy Center on the site.

23 CHAIRMAN STAFFORD: Okay. Thank you.

24 MEMBER LITTLE: Mr. Chairman.

25 CHAIRMAN STAFFORD: Member Little.

1 MEMBER LITTLE: Based on that and just
2 instinctively, I'm surprised that the scenario with the
3 plant causes any decrease at all in the depth of the
4 aquifer.

5 A. BY MS. MORA: Thank you for the question.

6 In the groundwater modeling, we did not account
7 for any reductions of pumping on any of the lands, the
8 solar lands. We left all of the reported 2025 pumping
9 constant.

10 MEMBER LITTLE: Thank you. That explains it,
11 and that's very conservative.

12 A. BY MS. MORA: Yes.

13 CHAIRMAN STAFFORD: Thank you. That was
14 helpful.

15 All right. Was there anything outstanding that
16 the Applicant was going to address or was that the last
17 thing?

18 Member Hill.

19 MEMBER HILL: Can I ask a question?

20 If we could look at Exhibit 24. It's the
21 nitrous oxide concentrations cumulative plot, which is
22 kind of like the plume map, if you will, or kind of
23 where we'll see the concentrations show up.

24 CHAIRMAN STAFFORD: That's right. You weren't
25 here for Exhibits 24 and 25.

1 MEMBER HILL: I apologize. I caught up on 25,
2 but I think 24 I just had a question about. I just want
3 to make sure I understand it. I don't know if we're
4 going to bring it up or not.

5 Okay. So when nitrous oxide -- when NO₂ comes
6 out of the stacks where the star is, these are where
7 they're dispersed over the first hour? Is that how I
8 read this map?

9 A. BY MR. HARBIN: So these are the receptors
10 from -- let me go back. I don't know which slide it
11 was. We had the map that showed all of our receptor
12 grid.

13 These are the receptors that during our
14 significant impact level analysis showed an impact
15 greater than the established SIL. So we don't show all
16 of the receptors here. You'll notice most of these
17 receptors are in mountainous areas where the elevation
18 is higher.

19 And, again, the one-hour NO₂ concentration is
20 based on that worst-case hour, that scenario that we
21 modeled. And so you'll see here the star, as you
22 mentioned, is the location of Marigold. And going out
23 from here, you'll see we have a cluster. This is on, I
24 think, Miller and White and Parker Road. That's where
25 we actually see our maximum concentration. And this is

1 including the background concentration from the Buckeye
2 monitor as well as the nearby sources, including the ED3
3 facility which is just to the north of that maximum
4 concentration.

5 So these are just the areas that we had a
6 significant impact to and we demonstrate the NAAQS
7 compliance for.

8 MEMBER HILL: Okay.

9 So these are actually places where there are
10 air monitoring equipment that -- when you say
11 receptor --

12 A. BY MR. HARBIN: So the receptor is a data point
13 that we put into the model. We have it at the fence
14 line. It's about 25 meters apart and we kind of -- as
15 we go out further, we step -- we get a little bit more
16 spread on them.

17 So these are just points in the model that we
18 calculated what our impacts would be. They're not
19 actual monitor data. They're just the -- they're not
20 actual monitor data. They are modeled data.

21 MEMBER HILL: Okay. So for lack of a better
22 term, kind of the NO₂ plume moves to the southwest off
23 the site, for the most part, or is -- I'm looking at the
24 blue and the purple.

25 A. BY MR. HARBIN: So this is -- it is going to be

1 dependent on the meteorological. So this is, again, the
2 worst-case scenario. So it looks like during that time
3 it might be blowing from the east to west, and there
4 might be a little bit of a southern direction as well.

5 MEMBER HILL: Okay. Okay. I'm just trying to
6 understand these things, so thank you.

7 A. BY MR. HARBIN: No problem.

8 MEMBER HILL: Mr. Chair, I don't think I have
9 any other questions. There's a couple of things that I
10 want to read tonight and think through, so I would like
11 to reserve maybe the opportunity to ask three to five
12 questions tomorrow, but I think I feel like I have
13 enough information for deliberation.

14 CHAIRMAN STAFFORD: Thank you.

15 Member Little.

16 MEMBER LITTLE: Thank you, Mr. Chairman.

17 I would like to ask the Applicant some
18 questions relative to the input that they received at
19 the open houses and for both remote and in person. I
20 would prefer to do it in the morning rather than
21 tonight.

22 CHAIRMAN STAFFORD: It is 4:47, so I guess we
23 will not be hearing your closing this evening,
24 Mr. Derstine.

25 MR. DERSTINE: We can take up the remaining --

1 what did you say? It was 4:47? The few minutes we have
2 left and get that out of the way, and we can still
3 reserve time for questions. Whatever you prefer.

4 CHAIRMAN STAFFORD: I think it would probably
5 be more appropriate to hear the closing after we're done
6 questioning the witnesses.

7 MR. DERSTINE: That's fine.

8 MEMBER HILL: I usually save this for the end,
9 but I'll take a couple minutes here.

10 So I'm going to attend remotely tomorrow.
11 Forgive me. I've got some family things that I want to
12 do and was planning on doing. So I will be
13 participating.

14 But I just -- while I'm here just want to
15 express a lot of gratitude to the Applicant for working
16 through all of these things with us. We're trying to
17 digest a lot of information and figure out how to pull
18 it all together into something that makes sense for you
19 and makes sense for the public.

20 So I just -- heartfelt appreciation for
21 spending the time, explaining the things, going through
22 things with me, allowing me to be a little messy
23 sometimes, so I appreciate it.

24 CHAIRMAN STAFFORD: Thank you.

25 Anything else from members before we recess for

1 the evening?

2 (No response.)

3 CHAIRMAN STAFFORD: Hearing none, we stand in
4 recess until 9:00 tomorrow morning.

5 (The hearing recessed at 5:00 p.m.)

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