BEFORE THE ARIZONA POWER PLANT AND TRANSMISSION LINE SITING COMMITTEE

LS-366

IN THE MATTER OF THE APPLICATION OF PINAL COUNTY ENERGY CENTER, LLC, IN CONFORMANCE WITH THE REQUIREMENTS OF ARIZONA REVISED STATUTES 40-360 ET. SEQ., FOR A CERTIFICATE OF ENVIRONMENTAL COMPATIBILITY AUTHORIZING THE CONSTRUCTION OF A 480 MW NATURAL GAS-FIRED, SIMPLE CYCLE, PEAKING POWER GENERATING FACILITY LOCATED NEAR CASA GRANDE, ARIZONA, IN PINAL COUNTY.	DOCKET NO. L-21314A-24-0144-00233 LS CASE NO. 233 EVIDENTIARY HEARING

At: Casa Grande, Arizona

Date: August 12, 2024

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REPORTER'S TRANSCRIPT OF PROCEEDINGS

VOLUME I
(Pages 1 through 198)

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BE IT REMEMBERED that the above-entitled and numbered matter came on regularly to be heard before the Arizona Power Plant and Transmission Line Siting Committee at The Francisco Grande Hotel and Golf Resort, 12684 West Gila Bend Highway, Casa Grande, Arizona, commencing at 1:10 p.m. on August 12, 2024.

BEFORE: ADAM STAFFORD, Chairman

GABRIELA S. MERCER, Arizona Corporation Commission
LEONARD DRAGO, Department of Environmental Quality
DAVID FRENCH, Arizona Department of Water Resources
NICOLE HILL, Governor's Office of Energy Policy
R. DAVID KRYDER, Agricultural Interests
SCOTT SOMERS, Incorporated Cities and Towns
(via videoconference)
ROMAN FONTES, Counties
(via videoconference)
MARGARET "TOBY" LITTLE, PE, General Public
DAVE RICHINS, General Public
JOHN GOLD, General Public

APPEARANCES:

For the Applicant:

Jason Moyes, Esq.
Moyes Sellers & Hendricks LTD.
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Phoenix, Arizona 85004

CHMN STAFFORD: Let's go on the record.

Now is the time set for the hearing in the application of Pinal County Energy Center, LLC, Docket Number L-21314A-24-0144-002333 or line siting case 233.

Let's take a roll of the Committee.

Member Kryder.

MEMBER KRYDER: Present.

CHMN STAFFORD: Member Gold.

MEMBER GOLD: Present.

CHMN STAFFORD: Member Mercer.

MEMBER MERCER: Present.

CHMN STAFFORD: Member Drago.

MEMBER DRAGO: Present.

CHMN STAFFORD: Member Little.

MEMBER LITTLE: Present.

CHMN STAFFORD: Member Hill.

MEMBER HILL: Present.

CHMN STAFFORD: Member French.

MEMBER FRENCH: Present.

CHMN STAFFORD: Member Richins.

MEMBER RICHINS: Here.

CHMN STAFFORD: And I believe online we have Member Somers.

MEMBER SOMERS: Present.

CHMN STAFFORD: And Mr. Fontes.

MEMBER FONTES: Present.

CHMN STAFFORD: Thank you.

All right. There are no applications to intervene on this matter.

Be reminded that the ex parte rule is in effect, and you're not to speak to the Committee members about the merits of the application unless it's on the record before the court reporter.

Speaking about taking appearances of the applicant, Mr. Moyes.

MR. MOYES: Good afternoon, Mr. Chairman, Members of the Committee. My name is Jason Moyes with the law firm of Moyes, Sellers & Hendricks here today representing the applicant Pinal County Energy Center, LLC.

With me today are a number of important witnesses and supporting staff whom I'll briefly introduce for the record.

We have Mr. Mark Thompson sitting there in the middle of the table across from me. He is our lead developer for the applicant.

Next to him is Mr. Garen Demirchian, our lead engineer for the project.

And then Steve Morgan, our head environmental witness and consultant.

Tomorrow you'll hear from several more witnesses that will be speaking on a number of environmental factors.

Representing our air concerns we have Mr. James Westbrook with BlueScape Environmental. Mr. Nathan Miller for water with Matrix New World Engineering.

And Mr. Brad Sohm with SWCA speaking on noise issues.

We also, Mr. Chairman and Members of the Committee, have a number of technical staff playing a supporting role, and we want to recognize them here today.

In the background you'll see someone probably very familiar to this Committee, Ms. Kenda Pollio with kp environmental. And also from her firm, Sarah Justus, Leslie McFadden, Cutter McCue.

And sitting next to me is my paralegal Julie Larsen.

We also want to acknowledge and express our appreciation for of all the supporting staff with Peaks Audio for their technical support today and our court reporter as well.

CHMN STAFFORD: Would you like to make an opening statement, Mr. Moyes?

MR. MOYES: Yes.

Mr. Chairman, and Members of the Committee, on behalf of myself, Seguro Energy, and its wholly owned subsidiary Pinal County Energy, LLC, I thank you, Members of the Committee, for being here for your preparation and for the personal sacrifices you make to serve on this Committee and discharge its important responsibilities. That kind of sustained volunteer public service does not go unnoticed or unappreciated.

I know your time is valuable. You've had a busy schedule recently and are facing an even busier one hearing other pending cases plus many more that are expected to be filed soon. Therefore, we will make every effort to make this hearing as efficient and as brief as possible.

We also recognize that it's warm in here. I know that the staff at the hotel is doing their best to keep the temperatures down. The placemats on your table will also serve as fans if needed.

But we ask for your patience and indulgence as we try to make this brief despite those temperatures.

Mr. Chairman and Members of the Committee, although under the current regulatory framework, this project may be exempt from mandatory jurisdiction to obtain a CEC, Pinal County Energy is nevertheless

voluntarily seeking a CEC in accordance with the prior practice of the Line Siting Committee and the Arizona Corporation Commission.

As you well know, this permitting process is no small undertaking either in time or expense. And so our hope is that you will recognize our being here today as an expression of our diligence and concern for being as engaging and transparent with the public and our governing bodies as possible. We are all aware that the Commission recently disclaimed jurisdiction over a similar CEC application, but due to the specific facts and circumstances related to this project and our need for regulatory certainty, and out of an abundance of caution, the applicant nevertheless seeks review from the Line Siting Committee pursuant to A.R.S. 40-360.

We've worked hard to avoid duplicative testimony while presenting the basic facts necessary for the record and for you to do your job.

We believe we can efficiently present our direct testimony over the next two days, listen to public comment tonight, and have plenty of time for a Committee deliberation and voting on Wednesday, if not sooner. We are confident of that agenda because of the simple and noncontroversial attributes of this project.

Of course, we expect and welcome questions

from the Committee. We have structured our direct testimony to hit only the highlights leaving ample time for detailed responses to questions on specific points that the Committee wishes to pursue in greater depth.

We believe, however, that those issues needing detailed discussions will be few because of the predominant number of nonissues in this case.

Environmentally speaking this site is most notable for what it does not have. It involves no public lands. It touches no undisturbed desert lands. No native plants, no habitat for special or protected species. No special scenic vistas, no recreational sites, and no known qualifying cultural sites.

It requires no new approvals of lengthy offsite roadways or transmissional pipeline corridors. It has no national terrain to incur construction phase damages or scars requiring rehabilitation or revegetation. And notably, there are no other intervenors in this case.

Well, what this project site does have makes it a uniquely ideal location for a gas-fired peaking generation project. 350 acres of land historically tilled, levelled, and cultivated for agriculture with a facility footprint of only 158 acres leaving plenty of room for setbacks to mitigate noise and

visual impacts, immediate access to a major natural gas pipeline and an existing high-voltage transmission system, both of which already cross the site and adjacent interstate with easy access. An abundant on-site water source and the support of local government in a word -- well, actually two words -- for a gas-fired peaking power plant, this site is the very definition of environmental compatibility.

This project in total also presents the definition of a simple project. Its technology is even characterized by the term "simple cycle." There will be no steam turbines nor the associated large cooling towers and relatively higher water consumption of a steam generator.

At full build-out even in the worst-case scenario if the project were to operate at its maximum possible capacity each year, which will never happen in reality, the project's generators would still only use a modest amount of water above what irrigation of the crops on the project site has used year after year for over a decade now.

The impacts on the underlying aquifer will be negligible over the lifespan of the project, and any incremental additional use of water will have been replenished in advance by recharging the underlying

aquifer with renewable CAP water through long-term storage credits.

This project is being proposed here because there is a substantial need for quick, dependable, firming resources in Arizona to fill the void left by the continuing retirement of historic baseload generators like coal plants.

The value of these peaking generators to Arizona's electric system is substantial even when the generators are not running. How? Because these generators provide standby reserve capacity capable of responding within 10 minutes to daily and seasonal peak power requirements or to sudden shortfalls in other generation.

This capability makes gas-fired peaking plants like Project Bella absolutely vital to the integration and the firming of renewable solar and wind generation.

We all know and value the importance of renewable technologies. This Committee is no stranger to the ongoing influx of large-scale solar in particular and its related infrastructure in Arizona. And the sustainable -- and the substantial battery energy storage system that will accompany the gas turbines at Project Bella is by itself a testament to this applicant's

commitment to renewables.

But solar, wind, and batteries alone cannot sustain the growing demand for power in Arizona. In order for renewable resources to continue to expand as anticipated and dependably serve a significant portion of Arizona's electric utility load on a reliable large-scale basis hour by hour, day in day out, year round, standby peaking and firming capacity like that provided by Project Bella is absolutely essential.

And when this project does run, which will likely only be for a small percentage of the hours in a year, it will burn clean, natural gas. It is the most efficient, cost-effective, and environmentally friendly alternative for new peaking resources that can be deployed in Arizona since the probability of developing significant new hydropower in Arizona or anywhere else in the southwest for that matter is practically zero.

You all have received a copy of the application and a binder of exhibits that we may use in presenting applicant's -- applicant's case today with a few supplements that we've also provided.

The application contains extensive detail, which we will not repeat here. But if your review raised questions about the details in the application, we will gladly address them. For time efficiency and with the

Chairman's permission I will try to forego asking too many formalistic questions to elicit responses from our witnesses. Rather, their testimony will proceed largely in narrative presentation format following the summaries contained in your exhibit notebooks.

We will present two segments of testimony over the course of this hearing. The first segment will be in a panel format with three witnesses describing the applicant's background and experience, the need for the project, and an overview of its unique features and benefits.

The second segment will be a panel with four witnesses that will describe the project's compliance with the various environmental factors set forth by statute for consideration of a CEC as well as the robust public outreach process this applicant has undergone leading up to today.

We also have in the room additional project team personnel with technical expertise with whom our witnesses may want to consult in order to accurately respond to questions either on the spot or if necessary deferred to a later point in the hearing.

At the Chairman's pleasure we anticipate that at the end of each segment, we'll receive Committee questions of the witnesses in the specific subject matter

of that segment.

In closing, I am pleased to have the privilege of representing Pinal County Energy, LLC, on behalf of Seguro Energy Partners, one of the great energy-related companies of North America, on its first energy project venture into Arizona.

We are excited to present Project Bella to you. We have prepared diligently to be as concise and efficient as feasible, and we look forward to your interest, attention, and questions. We're confident that you will readily agree with us that this project unequivocally deserves a certificate of environmental compatibility. Thank you.

CHMN STAFFORD: Thank you, Mr. Moyes.

Would you like to call your first panel, and we'll get them sworn in.

MR. MOYES: Yes, Mr. Chairman. We'd like to call for panel number one Mr. Mark Thompson, Mr. Garen Demirchian, and Mr. Steve Morgan.

CHMN STAFFORD: Mr. Demirchian, would you prefer an oath or affirmation?

MR. DEMIRCHIAN: Oath, please.

CHMN STAFFORD: Do you swear the testimony you will give in this matter will be the truth, the whole truth, and nothing but the truth so help you God?

MR. DEMIRCHIAN: I do.
CHMN STAFFORD: Mr. Thompson, oath or affirmation?
MR. THOMPSON: Oath.
CHMN STAFFORD: Do you swear the testimony you will give in this matter will be the truth, the whole truth, and nothing but the truth so help you God?
MR. THOMPSON: I do.
CHMN STAFFORD: Mr. Morgan.
MR. MORGAN: Affirmation.
CHMN STAFFORD: Do you affirm the testimony you will give in this matter will be the truth, the whole truth, and nothing but the truth taking into consideration the penalties for perjury in the State of Arizona?
MR. MORGAN: I do.
CHMN STAFFORD: Thank you.
Please proceed.
MR. MOYES: Thank you, Mr. Chairman.
I'd like to have each of the three witnesses on panel number one briefly introduce themself and then lay a foundation for our application.
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GAREN DEMIRCHIAN, STEVE MORGAN, AND MARK THOMPSON, called as witnesses as a panel on behalf of the applicant, having been previously affirmed or sworn by the Chairman to speak the truth and nothing but the truth, were examined and testified as follows:

DIRECT EXAMINATION

BY MR. MOYES:

Q. Mr. Thompson, would you please state your name -- your full name and business address for the record.

A. (Mr. Thompson) Mark David Thompson.

Business address 3033 North Central Avenue, Phoenix, Arizona.

Q. And, Mark, maybe you can pull the microphone a little closer to your -- Mr. Thompson, by whom are you employed and in what capacity?

A. (Mr Thompson) I'm employed by Segura Energy Partners as the managing partner.

Q. Would you please provide a summary of your educational background and work experience.

A. (Mr. Thompson) Yes. Graduated in 1993 from Creighton University in Omaha with degrees in both finance and economics.

I've dedicated over 30 years of my career in the

power and natural gas energy markets primarily focused on the western area known as WECC.

I've managed 1620 megawatts at the Gila River power station in Arizona for five years prior to the ownership of SRP, TEP, and UNSE who now own that facility.

I also managed 1100 kilowatts of a combined cycle unit in Guadalupe, Texas, which is part of ERCOT that is now owned by Calpine.

I developed over 420 megawatts in CAISO and 70 megawatts in the New York ISO.

Prior to that I was manager of logistics for a British gas LNG. My responsibilities at the LNG facility was to manage the Lake Charles LNG facility in Louisiana, including optimization of LNG supply into the United States and hedging of worldwide LNG cargoes. I managed over 28 BCF of storage and over 5.5 BCF a day of transportation.

Management positions at Avista in Spokane, Northwestern Energy, both utilities in the Pacific Northwest, in which my responsibilities included asset optimization procurement, regulatory compliance, and integrated resource planning.

I was also at the Cal PX during the western energy crisis and worked closely with the Cal ISO during

that time as well as with the IOUs in developing short-term and long-term energy products.

Q. Thank you, Mr. Thompson.

Will you please describe your role as it specifically relates to Project Bella?

A. (Mr. Thompson) Yes.

I am the project manager and person responsible for the project.

Q. So it's safe to say that you have extensive experience in all aspects from start to finish of these types of energy projects; is that correct?

A. (Mr. Thompson) I do.

Q. Would you please provide a brief overview of your testimony today?

A. (Mr. Thompson) My testimony will focus on all aspects of the project, explaining the project itself, as well as the attributes for the project, its need, and its impacts on the environment, including air, noise, visual, water, lighting, and the public processes that we've reviewed.

I'll speak specifically to the equipment and the reason why we choose the specific equipment and the location of the project.

Q. Thank you, Mr. Thompson.

And now moving briefly to Mr. Demirchian.

Would you please state for the record your full name and business address.

A. (Mr. Demirchian) Garen H. Demirchian.

My business address is 354 -- P.O. Box 354, 955 Massachusetts Avenue, Cambridge, Massachusetts 02139.

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

A. (Mr. Demirchian) Power Genesis International. I'm the president of the firm.

Q. Would you please provide for us a brief summary of your educational background and experience.

A. (Mr. Demirchian) I have a bachelor of science in mechanical engineering from Northeastern University, graduated in 1983. My -- my specialty degrees were in thermo fluids and nuclear engineering.

I worked and produced engineering from conceptual to procurement to construction, implementation, contracting, commissioning, startup for the past 40 years for all types ranges of power generation, very similar to the Project Bella, including lower 48 states as well as globally all the way to Asia. I am a registered professional engineer, including Arizona.

Q. And what has been your role in Project Bella?

A. (Mr. Demirchian) I provide conceptual and

technical support in the development of the concept and project plan execution and construction approach.

Q. And what topics do you expect your testimony to cover today?

A. (Mr. Demirchian) In supporting Mr. Thompson's testimony today, I will provide more details on the technical aspects of the power generation equipment, power island, balance of the plant equipment, and part of the electrical substation and in connection with the SRP. Emission control devices, noise abatement, some of the setbacks that we have taken into consideration. Measures that we have employed for water conservation and reduction of the water use.

Q. Thank you.

Moving to Mr. Morgan.

Would you please state your full name and business address for the record.

A. (Mr. Morgan) Yes.

My name is Steven Morgan.

And my business address is 280 Melba Road, Encinitas, California 92024.

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

A. (Mr. Morgan) I am currently a project manager and land planner with kp environmental.

Q. Mr. Morgan, would you please summarize your educational and professional background?

A. (Mr. Morgan) Yes.

I received a bachelor's degree in environmental conservation and sustainability from the University of New Hampshire.

I also have a master's in environmental science and policy from Johns Hopkins University.

I've been with kp environmental for three years working on a lot of energy projects around the southwest.

Prior to that, I was an environmental consultant for an engineering firm for about seven years working on a wide range of infrastructure projects, primarily energy projects all over the west.

Q. And what role have you served for Project Bella, Mr. Morgan?

A. (Mr. Morgan) So I have been managing the environmental studies as well as the development of the CEC and also the public process and public engagement, open houses, things of that nature.

Q. And can you briefly describe what your testimony will cover today?

A. (Mr. Morgan) Sure.

My testimony will cover environmental resources, studies conducted in support of the CEC as well as the

public engagement process.

Q. Thank you.

Before we go specifically into the project details, I'd like to ask you a question, Mr. Thompson.

Were you personally involved and did you oversee the preparation of the application or CEC in this matter?

A. (Mr. Thompson) I did.

Q. Do you have any technical corrections or changes that you wish to make at this time to the application?

A. (Mr. Thompson) There's a few corrections. There was an oversight on my behalf on page 11 of the introduction. There's a table in which Springerville unit 1 retirement is identified twice -- it's duplicative -- in year 2027.

So the volume in 2027 should be 687 megawatts of retirements, making the total of that table on page 11 of the introduction 8,149 megawatts of coal retirements between 2019 and 2032 versus the 8574 -- the 8,574 megawatts that is identified in the table.

Q. Thank you.

And was there also a correction regarding the cultural surveys in the application that needed to be made?

A. (Mr. Thompson) Yes.

And I'd like to let Steve address that.

Q. Go ahead, Mr. Morgan.

A. (Mr. Morgan) Thank you, Mark. I appreciate it.

Yes. I would like to issue a correction related to the cultural resources section of Exhibit E on page E-12 under the header of "Potential Effects" it was errantly stated that the entire project site had been subject to previous cultural resources survey when, in fact, only portions of the site had been subject to previous survey.

The applicant would conduct Class III cultural resources surveys for the entire project site prior to construction as was recommended in our Class I report that is attached as Exhibit E-1 and as has also been recommended in communications with the Arizona State Historic Preservation Office and SHPO.

So we have communicated this correction to SHPO, and they've provided recommended condition language to be incorporated into the CEC. That communication was included in Exhibit PCE-11 that Jason filed in advance of this hearing. The representative from SHPO also, I believe, communicated the same comments to the Chair on July 31 via e-mail. So we are taking the recommendations from SHPO, and I will address cultural resources in greater detail later on in my testimony when we discuss Exhibit E.

Q. Thank you, Mr. Morgan.

CHMN STAFFORD: One second real quick. Let me get those corrected number on page 11 of the introduction again.

I couldn't get to that page fast enough to write it down.

MR. THOMPSON: Okay. On that table that's on page 11 you'll see in 2027 we line item Springerville unit 1 twice. So simply the 424 megawatts is identified twice.

So the total retirements in 2027 should be 687 megawatts, which takes the grand total at the bottom of the table to 8,149 megawatts during 2019 to 2032 of coal retirements versus what's there now of 8,574.

CHMN STAFFORD: Thank you.

BY MR. MOYES:

Q. Mr. Thompson, with the corrections that you just stated and Mr. Morgan stated, with those included in the application, is the application now correct and true to the best of your knowledge?

A. (Mr. Thompson) That is correct. I think there'll be some modifications to some exhibits during when we go through the exhibits, but the application itself is true and complete.

Q. Thank you.

Turning to you specifically first, Mr. Thompson, would you please describe for the Committee the applicant itself, Pinal County Energy Center, LLC, and its parent company Seguro Energy Partners?

A. (Mr. Thompson) Yes. So Pinal County -- Pinal County Energy Center, LLC, is an entity formed under Arizona law to -- to house the existing units, the existing projects.

It's basically a special purpose entity as most generation facilities are set up as a special purpose entity for the project there, which consists of two independent projects located at the project site.

So project -- Pinal County Energy Center, oftentimes referred to as Project Bella, will consist of two independent projects collocated and interconnected to the high voltage system via a common point of interconnection otherwise known as a POI, which is also located at the site. So there is no generation lead.

The project that is of focus in this application and is derived of 10 separate 48-megawatt natural gas combustion turbines that are reliability capacity for a net total capacity of 480 megawatts.

In addition, the site will include nonjurisdictional 440 megawatts of battery energy storage that is grid charged and will provide the same

electricity regulation ancillary services and resource adequacy products during peak periods of peak electricity demand or during periods when renewable energy is not available or not available in sufficient quantities to supply the demand on the grid.

Seguro, the parent company, is an energy development and asset management energy advisory and contractual -- and contract structuring business.

We provide complete energy management services for over 2500 megawatts of electric generation and gas nomination services from 1.3 BCF a day of field supply to 14 generation facilities with a net capacity in excess of 8800 megawatts. That means we supply more gas than SRP's entire net demand to electric generation facilities.

Energy advisory includes market design, market compliance, regulatory compliance, energy dispatch optimization, ISO dispatch, settlement interface, contract management, gas supply logistics, and industrial energy supply. We represent some industrial such as data centers, LG facilities, as well as Freeport-McMoRan.

Q. Mr. Thompson, before we get into the jurisdictional components of this project, the application mentions a nonjurisdictional battery energy storage system.

Would you please briefly describe how that

system works and why it is an important component of this project?

A. (Mr. Thompson) Yes.

So as you're seeing throughout the west, solar penetration is -- is increasing on the grid significantly. As -- as you'll note, during -- and we'll show in some of these energy charts, and you can see it in EIM pricing throughout the west as well as Cal ISO pricing, their prices actually go negative from hours in 10 to 14 in many hours.

So -- and then, of course, the peak load is often occurred during hours 18, 19, and 20 after the sun goes down. So when you have 16,000 megawatts of solar on that grid, that 16,000 megawatts will drop off the system as you're entering into your peak. So as load is increasing, supply is decreasing towards the net peak periods for solar.

And that's the reason why battery energy storage is being utilized to some extent. Our battery energy storage will be grid charged. Our interconnection to the 500kV system gives us access to the broader energy infrastructure in which we're able to charge those batteries during hours 10 through 14, for example, and then discharge those during hours 18, 19, through 22 to 2300 each day. It is an energy limited resource, and it

has limited capacity value from a reliability standpoint.

MEMBER GOLD: Mr. Chairman.

CHMN STAFFORD: Yes, Member Gold.

MEMBER GOLD: This is to Mr. Thompson.

You are a gas-fired power plant. You can turn your power on and off. The solar power plants, I can see the reason for battery storage.

Why are you taking on that responsibility?

Is there profit in it?

MR. THOMPSON: For the battery energy storage?

MEMBER GOLD: Yes.

MR. THOMPSON: So interconnecting to the 500kV system is very expensive, as you can imagine. So combining two projects into a single point of interconnection enables us to provide resource adequacy from two different resources.

One is embracing the renewable energy directly by being able to store that renewable energy and deploying that during evening hours. And the other one is to have a thermal energy resource that has capacity value on dispatch.

MEMBER GOLD: I understand that, but you haven't answered my question.

You are not a solar-powered generator.

You're a gas-fired generator.

Shouldn't the batteries system, battery storage facility be their problem, not yours?

Why are you building it?

MR. THOMPSON: "Their" meaning the solar --

MEMBER GOLD: The solar.

Do you get involved with solar power as well?

MR. THOMPSON: So not all solar is -- has battery collocated with it. So many of the solar facilities do not have collocated battery. And so they're producing energy into the grid, and the utilities have long-term PPAs which require them to take the as-available energy when it's produced in the amount that it's produced without the rights to curtail it.

So therefore it's the utility's responsibility as the load serving entity many times under their contract to be able to take that energy and either house it through a battery or back down other resources to utilize that renewable energy.

MEMBER GOLD: So who is the energy company in this area?

MR. THOMPSON: So we will connect -- interconnect into SRP, TEP, AEPCO, ED3, ED4 and WAPA system on the 500kV. That's the reason why we want to be

on the 500.

MEMBER GOLD: Now back to my original question.

Why are you taking on this responsibility for this project?

You don't need the battery storage.

You don't produce electricity that needs to be stored, or do you?

MR. THOMPSON: Not directly. It's a -- it's a wholesale energy market, and that -- that would -- that's the reason why EIM exists, for example, which is the energy imbalance market. That's the reason why it exists to redispatch and efficiently redeploy assets to make them more efficient so that the most efficient units are able to generate and so that the solar facilities are not being curtailed --

CHMN STAFFORD: Member Gold --

MR. THOMPSON: -- reduced energy.

CHMN STAFFORD: -- Yeah. The energy imbalance market, that's what he's talking about with the negative pricing like in California, and they'll have too much supply of solar for them to use for them to consume in the state or at least for the CAISO balancing area.

So what they'll do is -- so I assume that you have the ability to bid in the CAISO to take that

energy, set your price point?

MR. THOMPSON: That's correct.

CHMN STAFFORD: Right. So they can take it, you know, for free, negative -- they can get paid to take the solar energy, but they may get it very cheap, you know, cents a kilowatt hour.

So they can take that, get that free or cheap energy that's otherwise being curtailed, and then hold onto it until later in the day during the net peak, which is often seven, eight o'clock I'm hearing. And so then they can discharge at that time when the value of the megawatt or kilowatt hours is significantly higher than when they took it into at the storage system to begin with.

MEMBER GOLD: That was the direction of the my question.

So this is a profit center for your company?

MR. THOMPSON: Well, it's a resource adequacy capacity market. So what we would do is we would be selling that capacity deployment capability to somebody like AEPCO or SRP, and they would have the right to deploy those units as they needed those.

MEMBER GOLD: So the purpose is to absorb excess energy in the system created by solar and wind,

sometimes at negative prices, and sell it back at a profit; correct?

MR. THOMPSON: Not just at a profit. It's also redistributing it to make sure it's available during the peak period.

MEMBER GOLD: But you also get paid for this, so this will help your system make money.

Will it lower the cost of electricity?

MR. THOMPSON: Yes, it does lower the cost of electricity because what it does is it allows them to rely on that banked energy that they were able to bank at very economic prices or at a known price and then redeploy that energy instead of purchasing expensive power during the peak energy market periods in the wholesale market at very high prices.

MEMBER GOLD: So you're doing a service that the solar and the wind companies should have done, and you're doing it instead because you see the issue and had the foresight to say since we're doing this plant, let's add this battery stuff in. It will help lower the price of electricity and make the grid more stable?

MR. THOMPSON: That's correct.

MEMBER GOLD: All right. Thank you.

MEMBER KRYDER: Mr. Chairman.

CHMN STAFFORD: Yes, Member Kryder.

MEMBER KRYDER: May I pose a question to Mr. Thompson, is it?

CHMN STAFFORD: Certainly.

MEMBER KRYDER: Just real quickly back of the envelope, what type of batteries are you using or planning to use?

And let me just hear you a little bit on that. And I may have some other questions.

MR. THOMPSON: Sure. And this is all part of our presentation, but the batteries that we would utilize are batteries that you've seen, you know, like SRP has contracted recently with.

These would be directly with Canadian Solar. Canadian Solar is the entity that's building out the Vail energy facility for TEP, the battery energy facility there.

And it's a lithium ion battery. It's a four-hour duration battery. So while it's valuable, it does have limited dispatch capabilities past that four hours.

MEMBER KRYDER: Okay. Thank you very much.

You said you're going to develop this whole area later in your testimony?

MR. THOMPSON: Yes, sir.

MEMBER KRYDER: Okay. Then I'll pause for

questions. You may be able to answer things that have come up. Thank you very much.

MR. THOMPSON: Thank you.

BY MR. MOYES:

Q. Mr. Thompson, these questions from the Committee have touched on a topic that you briefly described as capacity need.

Can you describe for the Committee what capacity means and why there is such a need for that in the southwest, the type of capacity that a battery energy system -- storage system as well as a peaking gas system can provide?

A. (Mr. Thompson) Yes.

So as we discussed, the purpose of the project is to provide resource adequacy, capacity, and reliability resource, quick response of battery deployment and quick response of dispatchable renewable -- dispatchable natural gas electric generation first to maximize renewable generation available on the grid prior to deployment.

The ability to deploy the new -- the resource adequacy and related energy attributes such as frequency, regulation, nonspending reserves into the 500kV system without additional costly infrastructure strategically positions the project as a superior resource to

complement long-term sustainable objectives.

To that point, we've talked a little bit about the grid needs in the desert southwest. And when we say desert southwest on this table, we're discussing simply New Mexico and Arizona, just those two states.

As you can see, the table on the left, the load growth has been significant from 2015 to 2023. In fact, just last week, APS and SRP hit their new peak for the year for 2024, but yet on a Sunday evening, so not even during a weekday they hit their peak on a Sunday evening. Tucson electric hit the peak earlier in the -- in the month. And so not all peaks across the system in Arizona are coincident.

During this --

CHMN STAFFORD: One second. I think Member Fontes has been trying to ask a question.

Member Fontes, are you there?

MEMBER FONTES: I am, Mr. Chairman.

Can you hear me?

CHMN STAFFORD: Yes. You had a question for this panel?

MEMBER FONTES: I had a few clarifications I need, and I usually interject at this point. However, I find this part of the testimony somewhat informative. I do have an extensive utility background for the

applicant's knowledge.

So after he finishes this presentation, if I could come back, Mr. Chairman, just to keep moving this forward a little bit, I'd appreciate that.

CHMN STAFFORD: Certainly.

Mr. Moyes or Mr. Thompson.

MR. THOMPSON: So we're speaking a little bit about project need.

And the project will provide resource adequacy to complement nearly 8100 megawatts of coal based generation in the southwest markets that either has retired or will cease operations between 2019 and 2032.

As you may know, in 2014 and 2015, units 1, 2, and 3 of Four Corners were retired. And then in 2019, 2100 megawatts at Navajo energy generation station was retired. And then between 2017 -- in 2017 half of San Juan was shut down, units 2 and 3, and then in 2022 units 1 and 4, 928 megawatts, were also shuttered in -- and what's remaining is to be shuttered is the remainder of Coronado, Cholla, Springerville, and units 3 and 4 of Four Corners. All of which have been identified to retire.

That's how we get to the 8100 megawatts.

So there's -- from this point forward, 2024 forward, there's over 5,000 megawatts of additional

coal-fired generation that will be shut down.

The gas-fired turbines will provide reliability capacity that can offer frequency regulation, responsive reserves, economic energy to complement renewable energy integration and local reliability and will only operate during the periods in which renewable energy is not adequate to meet electrical demand or when electrical demand exceeds that which renewable energy can provide.

The project's quick-starting, 10-minute fast-ramping reliability generation will provide grid reliability and critical integration for thousands of megawatts of renewable, solar, and wind in the region.

Project Bella is also a key contributor to numerous sustainability goals, including reduced water consumption in electricity generation, decarbonization of the entire -- of the grid as a whole and providing essential frequency response and adequacy thus enabling the acceleration of the retirement of coal-fired generation assets. That which would not occur and could not occur without electric generation from natural gas.

As you will see on the right-hand side of this chart, that desert southwest reserve margins have dropped substantially. We had reserve margins in 2015 and 2016 between 30 and 35 percent. Those reserve

margins have now dropped to a little bit under 10 percent.

The target is 15 percent. And most utilities and reliability regions in the west are using closer to a 17 percent reliability reserve margin because the renewable generation is intermittent and therefore requires additional frequency response and peaking.

So the nonjurisdictional BES, which we spoke a little bit about, will be charged during excess periods of renewable energy and then deployed during higher -- during higher demand periods.

And with over 6,000 megawatts of thermal retirement since 2015, the DSW, or Arizona and New Mexico, has relied largely to renewable energy to replace -- to replace these thermal retirements.

There's been a little bit of natural gas, but as you can see in this chart, which is provided by -- provided by S&P Global, you can see that the coal retirements are significant and that have been replaced mainly with wind and solar, which have very little capacity value, and therefore cannot be relied upon to provide net peak energy.

The retirement of these end-of-life coal facilities cannot be reliably completed in a medium-term to high-growth environment that Arizona is currently

experiencing without new resource adequacy generation.

So what that means is without projects such as the Pinal County Energy Center we may have to delay the retirement of coal facilities. You could have utilities coming back in here.

PacifiCorp just announced a month ago that they're going to extend the utilization of Hayden coal facility in Utah because they can't build new generation fast enough.

So when we see the net benefit to the overall grid, think about that. Think about if APS comes in and says, sorry, can't shut down Four Corners 3 and 4 like we said we were going to in 2031 and 3032 because we don't have generation to offset it.

So Project Bella represents the near-term development project that can fully be commercial by mid-2028 and directly contribute to reliability as well as sustainability in low-carbon energy.

Energy transformation by providing a cost-effective reliable electric supply and similar services while embracing priority dispatch and utilization of low-carbon renewable energy resources.

Just one more quick chart that I wanted to show. And in this chart it's extremely important to think about because Arizona is not an RTO, which means a

regional transmission operator, does not control the entire grid. In fact, SRP is not jurisdictional to the ACC nor to FERC.

So each of the utilities runs their own integrated resource plan and files these plans independent of the other utilities.

SRP files its own sort of procurement resources plan that's a sustainability plan instead of a full integrated resources plan.

The renewable have experienced very strong growth and for good reason. Arizona is a very good solar resource. But right now Arizona only has approximately 2.3 gigawatts of wind of solar -- excuse me, wind and batteries, and they're going to increase to about 9 gigawatts, so from 2015 to current. So that's a significant growth in renewables from 2015 of 2.3 gigawatts to approximately 9 gigawatts of wind batteries and solar currently.

Thermal resources account for 58 percent of the capacity megs, although the coal has significantly declined as you see in this chart from 2015 to 2023, and that remaining coal has all but been announced to shutter in its entirety.

Peak demand has consistently been on the rise in the desert southwest. In July 2023, the region

set an all-time new peak record of 26.5 gigawatts.

So the reserve margins in the DSW have grown increasingly tight over the past several years. In 2025, as we discussed on the previous chart, reserve margins were around 32.5 percent. In 2023, per data from S&P Global the reserve margins were only 9.4 percent, which is below the reliability standard in WECC and below the reliability standard identified by each of the utilities in the desert southwest.

In the chart that you'll see on the right you'll see what I'm saying. Even -- even WAPA controls approximately 10 to 15 percent of the total installed capacity and the balancing authority.

So there's a significant coordination that must go on between APS, SRP, WAPA, TEP, that -- that all works together. Our interconnection to the 500kV system allows us to interconnect to each one of those utilities, SRP, TEP, AEPCO, WAPA, ED3 and ED4.

BY MR. MOYES:

Q. Mr. Thompson, is it fair to say that Project Bella, in fact, supports additional renewable resources in Arizona?

A. (Mr. Thompson) That's correct.

Q. Are you aware of the recent or pending applications of the major Arizona utilities to either

build or expand upon existing gas-fired peaking plants?

A. (Mr. Thompson) I am.

Q. Namely APS with its Redhawk facility, UNS with the Black Mountain facility, and SRP's recent Coolidge expansion.

You're familiar with those?

A. (Mr. Thompson) I am familiar with those, including some others that did not request a CEC.

Q. Did those plants utilize similar generators to Project Bella?

A. (Mr. Thompson) The Coolidge facility is -- is the exact same technology, which is going to be 24 LM6000s. The Sundance facility owned by APS is LM6000s. The Redhawk expansion, which I believe their application is coming in next week, over in the Hassayampa area, is going to be eight LM6000s.

SRP also put 2 LM6000s right here two miles away from this location at Desert Basin. They put two over at Copper Crossing and two units over at Agua Fria.

Q. And those are --

MEMBER FONTES: Mr. Chairman, can I interject at this point? Because I don't want to escape where the things that I needed clarification on, and I feel like we're getting a tutorial already on LM6000 GD units. So if can we take a couple of steps back, I'd

appreciate that.

CHMN STAFFORD: So you have some questions to follow -- some clarifying questions for this witness, then?

MEMBER FONTES: I did, Mr. Chairman.

First of all, thank you for being here. I represent the counties of Arizona. And in full disclosure, I was the person who financed the ED5, the Palo Verde project. I'm very familiar with SRP, WAPA, and APS's system, intimately familiar down to the busbar.

I have the first question with respect to your business entity. Can you name the assets that you currently operate as in equity ownership in terms of natural gas, or are you just a developer of assets, and then you get into the asset management?

Clarify that for this Committee, please.

MR. THOMPSON: Sure.

So we manage assets for other clients right now such as Samchully with the Luna Energy facility in Deming, New Mexico. And that output goes to Freeport-McMoRan. We manage that asset for that investor.

We do have not have any assets in Arizona at this time. We did develop a peaker facility in Texas, a 400 megawatts, and we developed a peak -- two peaker

facilities in CAISO.

MEMBER FONTES: So it's not your vision on this project to own and operate it.

It is to develop it and then build it for somebody else or transfer it.

MR. THOMPSON: That's not a clear clarification.

It is my vision to continue to operate. That's what we do. We provide energy management and asset management services.

But the equity as you're speaking to, obviously this is a highly capital-intensive industry. The equity would come from a larger party, but we would like to stay on as the operator.

MEMBER FONTES: So the equity, is that equity put into an Arizona jurisdictional, or is that just an operating company as we would know that is here in Arizona that you plan to develop, put all the permits, the interconnect, against, and then finance that against another holding company, if you will?

Can you walk me through that?

MR. THOMPSON: Yeah. So these holding companies are set up with -- in the State of Arizona. Pinal County Energy Center is an Arizona LLC.

MEMBER FONTES: So you would do the project

financed with the equity against the Arizona company?

MR. THOMPSON: Correct.

MEMBER FONTES: Okay. That's useful.

With respect to the entities that have filed for things like interconnects and permits, has that been consistently the same operating company?

So, like, I see with SRP in the queue, if I look that up, it's the same that's filing for this application? It's not you -- I'm just trying to verify because we've had so many inconsistencies before.

MR. THOMPSON: So we've -- yeah, so legally, yeah, we have everything set up properly. But you'll often see on all of our slides we use the word Project Bella.

MEMBER FONTES: Yeah.

MR. THOMPSON: Yes. So we also go by an entity Project Bella. And that's when you look at, like, air permits and the interconnection we are in the transmission interconnection with SRP. We have received our system impact study from SRP. And that would -- that interconnecting entity is -- is Project Bella.

MEMBER FONTES: So we're consistent with the same entity requesting for all of the permits, permissions, interconnections, et cetera, just to recap?

MR. THOMPSON: They've -- they've all been

identified; correct.

MEMBER FONTES: Okay. Do you intend to be a load-servicing entity or to have a B.A. as a part of this energy center?

MR. THOMPSON: Having a B.A. potentially because of the grid-charged batteries. Being a load-serving entity, no, we are in ED3's service territory. We are communicating to ED3 and ED4.

As you spoke to the -- the WAPA line is also on that 500kV tower. There's a 230 WAPA line as you -- as you probably are aware. And that's the ED -- the Test Track to ED5 line.

So we are communicating to, like, ED4, for example, and ED3.

MEMBER FONTES: Okay. With respect to that, the reason I asked is because you started setting out some benefits like frequency response, reserve response, reliability, value-added services that typically a transmission service hopefully will look at.

You're not a transmission service --

CHMN STAFFORD: Member Fontes, you need to slow down. The court reporter is not getting what you're saying.

MEMBER FONTES: I just wanted to clarify that they are not intending to be a balancing authority

and/or to operate as a transmission service operator. Because the services of frequency response, reserve response, reliability, and firming are typically not handled by a generator by the transmission operator.

MR. THOMPSON: So that's correct, but they're sold as a package. So the -- so when you sell capacity you sell "and associated" ancillary services or and associated attributes, which gives that utility those rights to call on frequency. Otherwise, they would only have to give you an energy schedule either a day ahead or an hour ahead and would not have the right to AGC the unit.

MEMBER FONTES: Okay. Are you intending this to be a merchant plant given your background, or is this more of a contracted asset on a long-term PPA or tolling agreement that you're looking commercially at?

MR. THOMPSON: We believe it will be a mostly contracted asset. There might be a small portion such as 10 or 15 percent that would be merchant, but the majority of the capacity would be contracted.

MEMBER FONTES: Are you primarily looking at CAISO?

Because you also talked about New Mexico with renewable mandates in CAISO and New Mexico as well as net zero, and the benefits that you cited with respect

to firming up renewable seem inconsistent with those goals.

I agree with you that natural gas is spiking in terms of what pipeline operators are putting on additional natural gas on behind the meter let's just call it distributed systems.

But given that you have pointed out that you're looking at New Mexico and they've got a renewable mandate, and we all know what's going on in California with EDM/BIM.

Can you talk about how you're going to thread the needle on that?

Because you gave a very high-level overview, but when I drill down on that, I got to have a deeper understanding.

MEMBER GOLD: Mr. Chairman.

CHMN STAFFORD: Yes, Member Gold.

MEMBER GOLD: I would request that this -- the people who have extensive knowledge in these fields use acronyms left and right. Many of us do not. In the military before you're allowed to use an acronym, you must tell us what it is.

MR. THOMPSON: Yes, sir.

MEMBER GOLD: And I would request that not only you but also members of our panel who know more

about this field than I do should please state what it is and then give us the acronym.

Would that be okay, Mr. Chairman?

CHMN STAFFORD: Certainly.

What specific acronym are you questioning right now?

MEMBER GOLD: Well, we had a whole mess of them just now. And I think I understood DB, dBA, a whole bunch of different acronyms from different I believe energy systems, different states. And I'm totally lost.

MEMBER FONTES: Let me recap, Member Gold.

MEMBER GOLD: Thank you.

MEMBER FONTES: I apologize. And you're right.

CAISO is the California independent systems operator. EDM is the extended day market. EIM is the -- help me out here.

MEMBER GOLD: Wait. Slow down. Slow down. EDM extended day market.

MEMBER FONTES: And if, Mark, the applicant can help me with EIM.

CHMN STAFFORD: It's energy imbalance market.

MR. THOMPSON: EIM is the energy imbalance market.

MEMBER FONTES: And which one did I miss?
SPP, perhaps, southwest power pull?
CHMN STAFFORD: That's another balancing authority to the east of us.
I believe that the big current debate is for Arizona utilities, which -- which one -- which day-ahead market do they like better, SPP or CAISO.
MEMBER FONTES: And the question I -- just to recap for the applicant, is -- those are areas that have strong renewable mandates, and they also have net zero requirements.
And so I'm just trying to gather in my thoughts if you're going to play in those markets and you have a BESS, a battery energy storage system product, that you've represented is going to be taking from the grid and putting back on there, which has systems reliability and other issues with the -- in the systems impact that we got to look at, how -- how does that play with what you have put forth in your initial remarks here with respect to this project?
Understand that in general I agree that it's going to firm up the load and it's going to have benefits, but that in the back of my mind it's a big issue if you're going to plan those two scenarios with the BESS system, which is nonjurisdictional here, but

you're still interconnecting and having to look at it, this Committee has to opine on systems reliability as -- as part of our look. Help us understand that with respect to that.

The last piece I want to talk about here initially is that interconnect. And I know I'm getting ahead of myself. But when we get to the section on the interconnect, it's not just the interconnect where you get a physical interconnection, but you said you have a system impact study.

We need to look at the affected ATC, where that load is going, especially if you're going to be charging the system from a -- what you referred and I'll refer to as a nonjurisdictional system of WAPA because that -- that requires NEPA, and I need to understand physically and contractually how that interconnects so that we can give you a fair and honest read on this.

So I appreciate your overview, but I wanted to get that point taken and then give you a preview of when we get to the technical if you could address these issues.

Thank you, Mr. Chairman.

CHMN STAFFORD: Yes, Member Fontes.

You had one last acronym there.

MEMBER FONTES: Western Area Power

Administration.

CHMN STAFFORD: ATC.

MEMBER FONTES: Available transmission capacity. I'm sorry.

Thank you, Mr. Chairman.

CHMN STAFFORD: Thank you. Thank you, Member Fontes.

Mr. Thompson, please continue.

MR. THOMPSON: Thank you, Committee Member Fontes. I appreciate all of that.

And respectfully would like to direct back to my testimony, which I never -- never stated net zero. I did not use that acronym, nor did I state that we were delivering to CAISO. That is not in my testimony.

So to be responsive --

MEMBER FONTES: Clarification. The California independent systems operator is the one that runs the extended intraday market, and you said the day market.

So when you said CAISO -- when you said EDAM and EIM, I assumed that was the CAISO. If that's not, correct me.

Is there another one I don't know about?

MR. THOMPSON: Committee Member Fontes, that's correct.

CAISO, which is the California independent system operator, is the agent for EIM. But EIM -- the members of EIM are all independent and choose to deploy assets on a daily basis. APS, SRP, PNM, El Paso, Tucson, Nevada Energy, each one of them do that. CAISO operates their system separate from the CAISO system.

So I didn't want any inference to the fact or lack of fact that we were planning on delivering energy to California. We did not say that in our testimony, and that is not our -- that is not our merchant plan or contracted plan.

In fact, I can demonstrate to you that we've participated in numerous RFPs, and we are in communication with Arizona load serving entities.

MEMBER FONTES: So the focus is to service Arizona load and not sell it on a -- into the California load service entities of CAISO.

MR. THOMPSON: That's correct.

MEMBER FONTES: Okay.

MR. THOMPSON: I never stated we were selling into --

MEMBER FONTES: That's what I said. It's a clarification that I have on some of these things, so I appreciate that. You've -- and I didn't -- want to recognize that you stated it. I just -- as the system

works, as you're well aware, I wanted to be a little more precise with that.

MR. THOMPSON: Sure. And so as the system works, wholesale prices during the summer period are actually higher in the desert southwest by over $80 a megawatt hour in Arizona than they are in California at SP15. So actually you would not actually physically deliver gas-fired generation into CAISO as an injection point typically on a merchant basis.

So I want to clarify that too from a wholesale market standpoint the energy in Arizona would stay in Arizona.

Secondly, Redhawk, which is APS's unit, sits at Hassayampa, which is much closer to the Devers line. We don't interconnect directly to APS, nor do we flow to Hassayampa.

Our primary load serving entities around us that can use all the energy from our facility are SRP, Tucson Electric, AEPCO, ED3, ED4, and WAPA, other WAPA entities.

So what we are talking about is deploying the best resources for each hour, whether that's on a day-ahead basis in the extended day-ahead market or in the realtime dispatch, which is in the energy imbalance market, to make sure that the most efficient resources

and capacities are available and deployed to optimize the lowest carbon overall to the portfolio as well as the overall lowest price. And that's not always the case because there's also transmission constraints in some areas that would stop energy from flowing from one area to another.

So that's the reason, as you've stated and identified, the system impact study and the importance of a system impact study. As you are aware, the IS -- the IOUs, the utilities, the transmission operators, are moving towards transmission clusters or clusters, if you will, in looking at system impacts.

So we have now completed and received our system impact study, and it has identified, and it has been delivered to the ACC Staff, and the ACC Staff has reviewed and commented that in a letter to this Committee that it is reasonable that the -- that the interconnection of this facility would reasonably -- could -- could help reliability.

CHMN STAFFORD: I believe that has been marked as PCE-20. That's the late-filed exhibit that came in from the applicant, Member Fontes.

MEMBER FONTES: Thank you.

BY MR. MOYES:

Q. Mr. Thompson, before we go into more detailed

explanations of what the interconnection study showed or detailed explanations of the actual gas peaking facilities, I wanted to direct you back to my initial line of questioning. We were alluding to the other utilities in Arizona and their applications for new peaking facilities using LM6000 technology.

You mentioned that Project Bella's goal is to deploy the best resource possible.

Why doesn't Project Bella and why aren't all these other utilities just building more solar?

MEMBER FONTES: And why aren't they rate basing the gas-fired facilities, I would like to add?

MEMBER KRYDER: Who said that?

CHMN STAFFORD: That was Member Fontes.

MEMBER KRYDER: Thank you.

BY MR. MOYES:

Q. Let me clarify my question for you, and then you can answer Member Fontes's question, if possible.

Why aren't APS, SRP, TEP, UNS, with all of their technical expertise and their interaction with the markets, which we've just described, why aren't they relying solely on building additional solar resources? Why the gas peakers?

A. (Mr. Thompson) Well, it's -- there's a lot to that. So combined cycle units you -- everything --

everything has its place in the stack, right.

So there's some need for baseload energy whether that came from the largest nuclear power plant in North America here in Palo Verde or some of the coal that's remaining and some of the combined cycle units. The problem with combined cycle units is it will take a steam turbine six hours from cold start to be online. And secondly -- so it's not quick ramping.

Secondly, they use a tremendous amount of water. We will use about 80 percent less water than a combined cycle facility. We do not have cooling towers on-site. We do not cool our equipment with forced evaporative water. We do not cool our equipment with forced evaporative coolers. We use an inlet chilling system that's a closed-loop system.

So we specifically looked at water reduction. Secondly, from -- and that's very, very important from an overall water state here in Arizona. Water is a significant issue. So we use significantly less water than a combined cycle facility.

Secondly, because we can run anywhere from two hours to six hours, even 24 hours if we are required during an emergency, the overall generation of a facility like the LM6000s -- I think Coolidge -- the new Coolidge facilities are permitted on their air only up to

30 percent. The existing Coolidge facility last year ran at 22 percent per their own testimony.

So these facilities run as needed as a reliability resource, which means they first accommodate as much renewable energy and other energy resources as possible and then deploy when needed.

So that means from a net grid perspective we have less overall emissions, less CO2, less NOx because we're utilizing a portfolio approach.

And this fits into the sustainability goals that each one of the utilities -- APS, TEP, and SRP -- have identified over and over in their -- in their approach.

The GE LM6000 specifically -- specifically to the GE LM6000 it's over 40 million operating hours and over 1200 units installed worldwide. Here in Arizona SRP will have, I think, 39 units in their portfolio, including, like I stated, two right here at Desert Basin less than two miles away that you can see sitting next to the combined cycle unit.

APS I think will have I think 12 to 16 units after assuming they move forward with Redhawk.

So the low emissions and exhaust flow are two of the reasons why the GE LM6000 is utilized quite a bit. They have very low NOx output, and we can control CO with an oxide catalyst for reduced carbon monoxide.

Q. Mr. Thompson, you mentioned that there is on schedule additional retirement of coal-based load resources in Arizona and other parts of the southwest. What would happen to the grid if we continued down that track of decommissioning all of those baseload resources and did not have the type of gas peakers that you're contemplating building with Project Bella, or, in other words, only had solar and wind resources to depend on?

A. (Mr. Thompson) In my strong expert opinion you'd have a significant reliability problem. We already have below 10 percent reserves in the desert southwest with the -- with the existing coal retirements. That doesn't count the approximate 700 megawatts per year for the next seven years retiring.

Q. Have we seen problems in other parts of the southwest with these reliability issues because of that very -- imbalance of retirement facilities?

A. (Mr. Thompson) I think SRP and APS have -- have been very clear in their warnings and in their statements in both their IRP processes as well as their other documentation that they're very concerned about reliability.

And I don't speak much to the state to our left, but the California independent system operator during 2020 did have emergencies on the grid and hit an all-time

peak in 2022 for the first time since I think 2016 -- or 2006, excuse me, so was the first peak that California had had above 43,000 megawatts in, like, 15 years.

Q. Mr. Thompson, Member Fontes touched on the interconnection studies, a very important detail of any of these types of projects.

Would you please describe in additional detail for the Committee how that study was conducted, why it's necessary, and what the conclusions of that study were?

A. (Mr. Thompson) Yes. And we've provided a copy of the full study under confidentiality because it is a confidential document due to the fact that it's a cluster study with other resources identified in the same study by SRP.

But in that study, it identifies that the facility upgrades -- the system -- the net system upgrades on the 500kV system mainly focus on Duke area, a little bit on Test Track, and require about $8 million worth of upgrades, which at this level of interconnection is considered fairly reasonable and low-cost interconnection.

We interconnect between Pinal Central and Duke. And then it -- energy on that 500kV system would then go Duke to Pinal West, Pinal West to Jojoba, Jojoba to Hassayampa. And then if we further went west, it would

go to Devers.

So that 500kV system is -- kind of runs east-west across the system, and it has a lot more stress on the system now because you have a tremendous amount of generation, including new generation that APS is contemplating at Hassayampa area all trying to get back into the valley.

Our generation actually goes east to west or east to east rather than going west to east where there's a lot of bottlenecks and short-circuit issues at the Hassayampa switchyard.

MEMBER FONTES: Question for clarification.

CHMN STAFFORD: Yes, Member Fontes.

MEMBER FONTES: When you looked at this, this -- honestly this -- you're aware that we did the SunZia approval on that and that that also interconnects at Pinal Central. You're probably aware that two days ago that there was a major fire at Test Track and there's major system outages going on right now.

Are you switching systems and are going to have what is known for Member Gold as a rate pancake when you move this transmission across systems?

MR. THOMPSON: It depends on who the transmission entities were. So, for example, if we were to sell to APS, there would be two transmission wheels to

APS whether we used WAPA to get to Santa Rosa, and then Santa Rosa on to APS or we went a different direction. That's the reason why you've not heard me discuss APS, which is further to the west, very much.

We're primarily on the 500kV system where the ED5, ED4, ED3 have some rights as well as they've also talked to us about longer term plans of potentially interconnecting to the 230, which is a WAPA line, as you're aware.

So it would be the utilities who -- SRP, for example, has ample capacity on the 500kV system to deliver into their system without any pancaking or additional wheels. TEP has the ability to bring it into Tortolita or back to Duke without any additional wheels. Both those points are interjection points for their system.

And so our intent would be to deliver to AEPCO or the EDs or TEP or SRP utilizing their existing 500kV rights that they have. There is some upgrades, as you're aware, at the Duke substation that will be happening.

And then, as you know, SunZia's totally different and not really relevant to this hearing. But I will note that they are planning to move further west, so that energy is not necessarily staying at Pinal Central.

MEMBER FONTES: So that's the new SunZia you're referring to or the one in construction with Pattern, the one with the desert southwest group?

MR. THOMPSON: Both.

MEMBER FONTES: Okay.

MR. THOMPSON: Both. If you go out and look, you'll see that Pattern has requested transmission service on existing rights moving from Pinal Central to the west on existing rights.

MEMBER FONTES: Just looking at how that could impact things like NEPA for you, obviously that's related to what we do here in the CEC. So just, again, I know when we get to that part of the hearing you'll want to make sure we look at the structures and how you're going around or moving around busbar because it gets so congested down there, as you're well aware.

MR. THOMPSON: Yes, sir. And that's the challenge when you're looking at a site. And, you know, we looked at lots of different sites. And this was the only site that we ended up locking in site control and filing interconnection for. But it's not the only site that we looked at obviously because of those power flow diagrams.

So we've engaged, you know, K.R. Saline as well as TransCo.Energy when we did our interconnection

analysis to look at some power flow studies and to look at the impacts of the -- the interconnection there at our -- at our site.

BY MR. MOYES:

Q. And, Mr. Thompson, what was the conclusion of the K.R. Saline study in particular?

A. (Mr. Thompson) We -- we did file as part of our application the K.R. Saline study, which was a mock system impact study. The reason why we did that was we wanted to have a document that could be reviewed on a nonconfidential basis as well as in the abundance of caution in case the system impact study was not finished prior to our hearing.

The K.R. Saline power flow analysis and system impact review followed very much what the final system impact study identified that there are minimal upgrades that are necessary for the interconnection of Project Bella.

SRP also ran a hosting study which showed, you know, over 22 megawatts of batteries could be interconnected, and over, I think, it was 1600 or 1200 megawatts of new natural gas-fired generation could be interconnected in that area without substantial transmission upgrades.

Q. Thank you, Mr. Thompson.

The application speaks also to another unique aspect of this project site, and that is the gas line that crosses the site.

Can you briefly describe the fuel supply that will help power these generators?

A. (Mr. Thompson) Yes, sir.

As I respond to that question, I thought it might be helpful to look at the exhibit on page 14 that we submitted. And on page 14, you'll see our overall site plan. The 350 acres is highlighted in what my wife would say is Tiffany blue. I don't know how she figured that out.

But -- and then you'll see that the red dotted line is the 500kV transmission line that crosses the property that we'll interconnect to directly -- directly on the property. It has over eight towers on our site directly. Those towers are 140 foot tall, and on the left side carry the 230 WAPA Test Track to ED5 line, and on the right-hand side, which we'll interconnect to, is the 500kV system from Pinal Central up to Duke.

Up in the right-hand -- up in the upper part you'll see a green line crossing the county and clipping the northeastern part of the property line. That is the El Paso natural gas pipeline that flows from west Texas in San Juan all the way across Arizona and ends at --

ends at North Baja or Ehrenberg, which are the Arizona borders with California.

And that pipeline, it carries sufficient gas to supply the small amount of natural gas that the project would utilize. Our project would utilize a very small amount of natural gas, approximately 40,000 a day, maybe up to 100,000 a day on peak day maximum.

So this site has both the -- without new infrastructure being needed has both the interconnection to the 500kV as well as interconnection to the El Paso pipeline without any additional environmental infrastructure needed.

MEMBER LITTLE: Mr. Chairman.

CHMN STAFFORD: Yes, Member Little.

MEMBER LITTLE: I have a couple of questions.

I don't know if this is the appropriate time to ask them, but what is the physical interconnection with the 500kV line going to look like?

Are you going to put a switchyard?

Are you just going to -- well, what are you going to do physically?

MR. THOMPSON: Yes, ma'am. So inside of our -- inside of our fence what we call inside the fence we will have step-ups from -- the batteries will step up

from 34.5 to 230, and the gas turbines will step up from 13.8 to 230. And we have a -- a 230 pipeline -- a 230 switchyard right here. So this is our 230 bus switchyard inside our fence.

From here we go inside our fence to the 230 to 500kV auto transformers. These transformers are bidirectional, which means we can come off the 500kV system into the 230 and charge the batteries, or we can go out the 230, step up to the 500 and then come into this switchyard right here.

So this new switchyard is not a substation. It's a switchyard, meaning there is no transformation that happens here. We transform it back here prior to delivery into the switchyard. So this is a 500kV two-bus, four-directional system.

And then that connects right here with these towers into the 500kV system, so it's a span of 150 yards maybe to the 500kV system on our property.

MEMBER LITTLE: And that switchyard is not separately jurisdictional because it is a part of the whole project?

Am I correct?

MR. THOMPSON: That -- that would be correct. And that switchyard would be turned over to SRP as the transmission operator. They would actually

operate that as part of their remedial action scheme or RAS. To protect the overall system they would have the right to open these breakers and island our generators if -- if an emergency existed if they needed to. So SRP actually takes control of that switchyard.

MEMBER LITTLE: Okay.

MEMBER FONTES: Clarification.

CHMN STAFFORD: Yes, Member Fontes.

MEMBER FONTES: Are they -- are they the O&M operator, and do they also own the physical asset, or is that physical asset owned by WAPA or APS, SRP, and WAPA or BLM in some cases?

Who owns the physical asset as opposed to the O&M?

Because RAS schemes are typically, you know, on the O&M side.

MR. THOMPSON: So I'm -- I believe, sir, you're asking about the operator of the transmission line?

MEMBER FONTES: I'm asking who owns the physical asset of the substation.

Because SRP may be doing your interconnect and they may be on the operator of it, but they -- in some cases they might not be the -- the physical asset owner.

MR. THOMPSON: It -- that -- we are just --
MEMBER FONTES: It gets confusing down in this part of the country.
MR. THOMPSON: Sure.
MEMBER FONTES: And I'm glad to go through these issues on financing, so that's why I'm asking for clarification.
MR. THOMPSON: Yes, sir. It's definitely important once you get to the financing standpoint.
It was our understanding that SRP would take control. We have not received our facility study yet. We did just have our system impact study review with them today. That's probably going on as we speak.
And that will be one of the issues as we start going into facilities study that we've asked if we can control and own this or if they are -- or they are taking ownership. In our initial reviews with them, they said that they would be taking over ownership of the switchyard.
MEMBER FONTES: Just, if we could, clarify today, tomorrow, who owns the overall physical asset, the land, and then who owns the asset and then who owns which bits and pieces.
What I want you to do -- and this is a lessons learned on some gray hair -- is avoid the WAPA

stuff because it triggers NEPA, especially if you're adjacent to it or you go over a line or a tower. It could get really to the point where you need, you know, WAPA general counsel opinions, and I don't think you want to go there, so for your own peace of mind and for ours on this Committee, if you could verify that, I'd appreciate it.

MR. THOMPSON: Yes, sir.

MEMBER LITTLE: Mr. Chairman.

CHMN STAFFORD: Yes, Member Little.

MEMBER LITTLE: My second question was what kind of -- what the minimal upgrades quote/unquote are? And I'm assuming that Bella will be responsible for those upgrades as opposed to SRP or somebody else's ratepayers.

MR. THOMPSON: That's correct.

This is a copy that was filed in the exhibits under confidentiality. It is the system impact study from SRP.

The project itself would be responsible for any upgrades that are needed for the reliability of the system. And those upgrades, there are numerous different pieces of that going all the way back to small pieces of the ANHPP I think it's called. It's the Palo Verde Hassayampa area where a little bit of short circuits were very, very far away from that, but there's a certain

small piece of contribution to the short-circuit upgrades that are going on as well as as I stated the upgrades at Test Track and upgrades at Duke are the majority of the upgrades that are needed.

Those are the upgrades on the system not including the facilities that would be on our property that we would pay for as well. 100 percent of that is paid for by the project, none of it's rate based.

MEMBER LITTLE: Thank you.

BY MR. MOYES:

Q. Just to clarify, Mr. Thompson, I believe the study you were referencing was the study that was submitted to Staff as a response to its data request; is that correct?

MR. THOMPSON: Yes.

MEMBER LITTLE: And I'm jealous because I want to see it. I can't. I know.

MR. THOMPSON: We would be happy to share it, but it's a cluster study that has five or six different resources in it. Therefore, we're held to confidentiality until SRP turns it over.

MEMBER LITTLE: I understand. And I was just teasing.

CHMN STAFFORD: All right. Now, that was -- that's that PCE-17, is that the exhibit you were

referring to?

MR. MOYES: Yes, Mr. Chairman.

CHMN STAFFORD: I guess the document that's attached for the Committee is redacted or just you didn't provide the confidentiality portion?

MR. MOYES: That's correct. I believe it's a summary of the conclusions that the applicant was allowed to disclose.

CHMN STAFFORD: All right. But Staff got the full document --

MR. MOYES: That's correct.

CHMN STAFFORD: -- subject to a confidentiality agreement that was executed by Staff; correct?

MR. MOYES: Correct.

CHMN STAFFORD: Thank you. I just wanted to clarify that.

I think we've been going for approximately 90 minutes now. We're due for a break. I know the court reporter is.

So let's take a 10 to 15-minute recess.

(Recess from 2:40 p.m. to 3:04 p.m.)

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

Mr. Moyes.

MR. MOYES: Thank you, Mr. Chairman.

BY MR. MOYES:

Q. Mr. Thompson, would you please briefly describe the land ownership and jurisdiction surrounding the project area.

A. (Mr. Thompson) Yes, sir.

So the proposed property is approximately 350 acres of private land unincorporated in Pinal County. Of which the project would be on 158 acres, which is -- provides sufficient setbacks and designed into the -- into the site plan.

Q. And I know that we'll hear more detailed testimony about this tomorrow, but are there any other permits required from Pinal County or other jurisdictions in order for you to construct this plant?

A. (Mr. Thompson) Yes. Thank you for asking.

And before I respond to that, I would also like to touch upon something you asked earlier, touched upon earlier.

We're seeking this permit, the CEC permit, for an abundance of caution and regulatory certainty. We've always intended to be here and ask for a CEC --

MEMBER KRYDER: Mr. Thompson, could you get into your microphone just a little more for me, please.

MR. THOMPSON: Yes, sir.

MEMBER KRYDER: Thank you.

MR. THOMPSON: Is that better?

MEMBER KRYDER: I'll see.

MR. THOMPSON: Okay. Before I get into the other permits, we just wanted to echo what we stated at the introduction is we are seeking this ruling of a CEC for abundance of caution and regulatory certainty.

We always intended to be here in front of the Committee seeking a CEC and provide the ability for due process, legitimate communications of facts, and justification of balance.

What happened with the UNSE disclaimer was not something we anticipated and was outside of our control, nor do we have an opinion.

From the beginning, Seguro's mission has been to be as open, transparent, honest as possible about our projects.

This process is essential in developing -- in the development and the financial decision process. Thus, we firmly believe it to be the best interest to proceed with our original plan and voluntarily seek the CEC application and permit.

Related to your question on other permits, we are also currently -- concurrently going through a major amendment for zoning with Pinal County. That

application was filed in May, and it's part of the master major amendment plan that goes with -- I think there were eight projects filed in Pinal County this year. Six of which I think were energy projects, including ourselves. That means five others, and those five others were all solar facilities.

The Pinal County process will go through this summer into September or October and into the fall.

In addition, we had an air permit process. And we went through the air permit process over the last 17 months. The -- just give me one second, please.

The Pinal County Air Quality Control District is the agency responsible for reviewing the technical data, completing the extensive modeling, and conducting the permit with the environmental protection agency review, the review process prior to issuing the permit and granting authority to construct.

Pinal County Air Quality Control District or PCAQCD, as we will refer to them as yet another acronym, has engaged the EPA for additional technical and compliance review of the draft permit. The key component of the air permit application is an air dispersion modeling analysis that demonstrate that the emissions from the project will not cause or contribute to air pollution in violation of the national ambient air

quality standards or NAQ -- NAAQS.

The modelling study was carefully reviewed and approved by Pinal County prior to the issuance of a draft permit. The public review process, considerable comment, consideration of comments, adjustments to the draft permit, and response of such comments and then submitted to the EPA for review was completed in -- during April, May, and June of 2024.

After nearly 17 months of modeling review, analysis, and additional review, on June 17, 2024, after the EPA 45-day review process had been completed, Pinal County issued its final air permit with final technical data and certification permit identified as permit number V 20700.000.

We'll speak a little bit more to the air permit on our panel tomorrow.

But just to summarize, the equipment selection, operational design, annual maximum operational dispatch limits result in the project being a new minor source review, NSR, which means the operations emissions fall below federal prevention of significant deterioration, major source levels.

Furthermore, Pinal County limited the max emissions to 90 percent of those federal major source test levels. The enforceable requirements placed on the

project including monthly and annual reporting as well as annual fuel input limitations, which by definition limit operating hours, water consumption, and site emissions.

Pinal County is experienced in modeling and reviewing draft -- drafting and issuing final authority to construct permits such as the one that was issued to us in June for natural gas facilities. In fact, in the last two years Pinal County has diligently and prudently processed the air permit for Salt River Project's Coolidge facility and Copper Crossing facility. Both facilities which utilize the same GE LM6000 technology that we are proposing.

We will discuss more about the air permit tomorrow on the second panel.

The major amendment plan will focus on sound, visual, environmental, traffic, wildlife, infrastructure, fire safety, and other primary considerations in the development of the project.

The -- in addition to that not really a permit but we've already discussed the system impact study that was reviewed and issued by SRP.

BY MR. MOYES:

Q. Thank you, Mr. Thompson.

MEMBER KRYDER: Mr. Chairman.

CHMN STAFFORD: Yes, Member Kryder.

MEMBER KRYDER: Question for Mr. Thompson.
Are you going to address today or will you get it tomorrow the noise impact of up to 10 jet engines?
MR. THOMPSON: Yes, sir. We will have on our second panel our sound expert is here to testify to the sound report.
MEMBER KRYDER: That's today or tomorrow?
MR. MOYES: Most likely tomorrow, Member Kryder.
MEMBER KRYDER: Very good. Thank you.
CHMN STAFFORD: It's the other panel, Mr. Moyes; is that correct?
MR. MOYES: That's correct.
Before we move on to Mr. Demirchian's testimony specifically related to the project components, does the Committee have any other specific questions for Mr. Thompson at this time?
MEMBER KRYDER: Mr. Chairman.
CHMN STAFFORD: Yes, Member Kryder.
MEMBER KRYDER: Again, will you be addressing water usage -- I am to represent agricultural interest here in this area and would like to look at in depth the use over the past 10 years for say -- for example.
Is that going to be addressed today or

tomorrow?

MR. MOYES: Member Kryder, if you'll allow me to answer, we do have another expert witness speaking specifically on water past use, current use, and projected impacts from this project, and that will be tomorrow as part of panel 2.

MEMBER KRYDER: Okay. Great. I'll try to be awake.

MEMBER LITTLE: Mr. Chairman.

CHMN STAFFORD: Yes, Member Little.

MEMBER LITTLE: I am just interested in what the estimated load factor is that -- that you expect for this project.

I notice that for some of the studies studying air quality and other things like that assumed about a 50 percent load factor.

Is that approximately what you anticipate, or was that just kind of the maximum worst-case scenario?

MR. THOMPSON: I'm going to answer your question directly and then indirectly.

MEMBER LITTLE: Okay.

MR. THOMPSON: So save your patience.

Directly to answer your question, by permit -- by air permit the air permit is what's going to limit our number of hours of operation. And the way it

does this is through a federally enforceable permit based on the amount of natural gas that can go through the meter.

If they know how much natural gas is going through our meters, they'll know what emissions that we're producing, and those emissions, as I stated, Pinal County limited us to 90 percent of what the federal agencies would limit just for that additional 10 percent buffer.

So by air permit, the maximum we could consume is about 42 to 43 percent of the time. That's your direct answer.

MEMBER LITTLE: Okay.

MR. THOMPSON: Your indirect answer is that we believe that this type of resource will operate -- if the solar penetration continues -- as you heard me say, the major amendment plan here in Pinal County has five solar facilities and one little measly little thermal facility.

The -- if the solar penetration does occur, which we believe it will, like it has in California and in ERCOT, then we believe that the overall capacity factor will be around 25 to 28 percent on these facilities. And that's using estimates based on the utilization that SRP and APS are seeing.

What's also interesting, and I think it was in the Coolidge testimony that I read a few days ago, but there's 12 existing facilities at Coolidge. Only all 12 of those were running, I think, like, less than 10 percent of the time at the same time. And that's given the fact that one BA or one balancing authority was in control of all 12 of those units.

It's quite probable that our units may be two to ED3, four units to ED4, and a few units to -- you know, the other four units maybe to SRP. So we'd have various different balancing authorities that had different load characteristics dispatching the various different turbines. So it would be even less likely that all ten units would be running at the same time.

However, factual information based on an industry accepted practices and approaches is what we're required to utilize when we do our modeling. Our analysis is conservative, and thus by definition tends to significantly overstate impacts related to water, air, sound due to calculations being designed at maximum potentials.

We do this in a deliberate and prudent manner in order to provide absolute transparency.

However, when asked the factual, valid, industry-accepted information to be considered, we

believe that that being said that these -- that these should be taken into consideration that these models have an amount of overstated impacts.

In fact, you'll hear tomorrow from our sounds technician that the industry adds a 10 percent buffer in 10 percent buffer in sound -- in sound impacts that are considered when calculating some of the sound impacts just to be conservative.

We realize that the data may seem highly technical and detailed, and therefore we actually do welcome your questions.

We will attempt to explain and request an -- an iterative discussion that some items may need further questions and details that we may need to provide.

We will act in a professional manner to obtain information that may not be in our direct notes today or tomorrow and provide numerous subject matter experts that will be as responsive as possible to your questions.

MEMBER LITTLE: Thank you.

MEMBER KRYDER: Mr. Chairman.

CHMN STAFFORD: Yes, Member Kryder.

MEMBER KRYDER: The first two items that I asked about, noise and water, you said we'll address

tomorrow. I looked through the lists of figures and so on in the documents you provided. And this is kind of out of the environmental area, but it's of interest to me representing the AG businesses in the area.

Would you be -- would Bella, whoever, be willing to share what your real estate tax cost would be in operation after you're in operation? I'd like to look at that in comparison to what the farmer paid in real estate taxes in, let's say, 2013 to 2023, '22.

Is that a possible -- I don't need to get into your business if that's not possible.

MR. THOMPSON: Yes, sir.

That's in the public record that we filed with Pinal County. And I'd be happy to share that with you. I grew up in the great state of Missouri, so I respect farmers.

But the property tax on that farm was $10,000 last year, and we will pay $167 million over 25 years in property tax, which is about 4x what a solar facility will pay because we -- we do not receive the property tax discounts.

MEMBER KRYDER: You did not receive any abatements or --

MR. THOMPSON: No.

MEMBER KRYDER: Give me that number again.

A million dollars --

MR. THOMPSON: Over 25 years we'll say $167 million in property tax, and that's undiscounted.

MEMBER KRYDER: 167.

MR. THOMPSON: And so it moves a little bit, like, you know, year five is kind of the peak, you know, and then -- and then it decreases a little bit over time.

But if you -- to -- to average that, that's approximately $6.6 million in property taxes per year. So, like, the first two years a little bit lower than year three through seven peak. And then as you get back into year 15 through 20 they go down a little bit. But on average over 25 years 6.6 million.

I think the good friends in Pinal County I figured out 13 different taxing authorities or something like that that we contribute to.

MEMBER KRYDER: And you ain't heard nothing yet.

Okay. Thank you very much. That's incredibly helpful.

You say the $10,000 that the current 350 acres plus or minus was paying was about 10,000 last year?

MR. THOMPSON: Correct.

MEMBER KRYDER: And would that be more or less the average, say, over the previous 10 years?

MR. THOMPSON: Yes.

MEMBER KRYDER: Okay. So back of the envelope, looking at 10,000 compared to 6.5, 6.6 million.

MR. THOMPSON: And solar would pay 25 percent of that if they -- if solar utilized the same amount of capital, solar gets about a 75 percent discount, so solar pays about $0.25 on the dollar what we would pay as a thermal resource.

MEMBER KRYDER: And is battery assessed at a different rate than your other -- your jet engine projects?

MR. THOMPSON: Yes. And the batteries were included in that number, and the batteries do get a little bit of a discount. They pay more than solar, but they do get a little bit of discount. They are considered renewable energy by the State of Arizona.

MEMBER KRYDER: Many, many thanks. I appreciate it greatly.

CHMN STAFFORD: Member Hill, you had a question.

MEMBER HILL: Thank you, Mr. Chair.

My questions are planning -- or permitting processes that are kind of running parallel with this.

The Pinal County process is a comp plan amendment, is that right, to get approved?

MR. THOMPSON: Correct.

MEMBER HILL: And the timing for that you think will wrap up this fall; is that correct?

MR. THOMPSON: Correct. I think it -- the staff recommendation is in September, presentation to the board. And then usually late October, early November the supervisors set a schedule.

MEMBER HILL: Have you already been through planning and zoning, then?

MR. THOMPSON: It's ongoing.

MEMBER HILL: Okay. And then related to what frequently happens at the county governments, are they requiring mitigation for visual things for noise?

Are you guys going to talk through some of the mitigation that you'll be doing, you know, related to the project that may be required by the county?

MR. THOMPSON: I think all things are still available to the staff and to the recommendation, including truck traffic impacts on roads. For example, as you may have seen from this map that's up on the slide, we're very close to I-8 and the exit ramp there. So during construction, the equipment that would come off, you know, I-10 then onto I-8 just travels a short

distance.

But if there's any impact on roads and things like that, that we would be assessed for that impact as well as visual. The lighting is -- will be discussed later today.

MEMBER HILL: Okay. In terms of visual impacts or sounds related to the operation of the facility, is there mitigation in your county plans or county requests for those kinds of things, and will you be walking us through those?

MR. THOMPSON: So -- and we'll be walking you through that in the -- in the testimony today with the engineering design that we've taken to minimize the overall sound impact versus the current sound that's there.

MEMBER HILL: Okay. And then you'll also be addressing visual impacts related to homes and folks that, you know, traverse this area regularly.

MR. THOMPSON: That's correct. And, you know, the ongoing community outreach and the communication with the -- with nearby residents is ongoing.

MEMBER HILL: Okay.

MR. THOMPSON: And we're -- and we're committed to that.

But Mr. Morgan will speak to the visual.

MEMBER HILL: Okay. I just wanted to walk through the mitigation that you plan on doing related to the neighborhood, so thank you.

MEMBER GOLD: Mr. Chairman.

CHMN STAFFORD: Yes, Member Gold.

MEMBER GOLD: Just an aside but along those lines, Native American tribal lands, are you right in the middle of them?

Where are you in relation to tribal lands?

MR. MORGAN: There are a couple of different tribes in the area. And we did --

MEMBER GOLD: I notice you did an extensive preparation. You should be commended for that.

MR. MORGAN: We did -- yeah, we did undergo tribal consultation, and I'll be discussing that further in our -- in my testimony tomorrow with Exhibit E with the cultural resources.

MEMBER GOLD: But your plant is on --

MR. MORGAN: No, the plant is not on tribal land.

MEMBER GOLD: But it's surrounded by tribal lands?

MR. MORGAN: So the Tohono O'odham is to the south, but they're south of Interstate 8, and then

Maricopa is to the north, but several, several miles away.

MEMBER GOLD: Okay. So they're several miles away.

Are there any residential areas near these plants?

MR. MORGAN: There is an area of residential to the east, and there's also some residences -- a small cluster of residences to the northwest of the site, and I'll discuss those in further detail during my environmental testimony tomorrow --

MEMBER GOLD: Okay.

MR. MORGAN: -- specifically as part of Exhibit A, land use, from the application.

MEMBER GOLD: Thank you.

MR. MORGAN: Sure.

MR. THOMPSON: Mr. Moyes, if I could correct a few things in my testimony.

MR. MOYES: Certainly.

MR. THOMPSON: So I gave my personal opinion of where I thought the capacity factors would be, but I do want to read just from the application itself just so there's no question to that.

This states the project capacity factor is anticipated to be approximately 30 to 35 percent, and by

explicit conditions of the air permit cannot exceed 45 percent. Thus by permit water assumption and criteria emissions are limited. So fairly close to what I stated, a little bit on the high side.

The reason why my numbers were 27, 28 in that was because of the solar penetration. And then the reason why my top end number was 42 to 43 percent was just during startups and shutdowns we use a little bit more gas, so it just depends on how many times you start up and shut down.

I would also like to just address, Mr. Moyes, if I could, the water since I did not really touch on the water.

BY MR. MOYES:

Q. Please go ahead. Although we're going to provide additional testimony tomorrow.

A. (Mr. Thompson) This is outside the hydrologist information.

So just real quick, you know, just to clarify, the project's located -- as we're talking about the project location, we're in the Maricopa-Stanfield Irrigation and Drainage District, which is MSIDD, and has an existing groundwater irrigation right permit associated with the existing 189 active farm operations.

That active farm utilized last year about

334 acre feet of groundwater. The project water will be sourced from a groundwater pump from an existing well, and we will purchase long-term storage credits accrued in the MSIDD groundwater savings facility permits to offset the incremental water usage that we may utilize.

Again, by permit, we could utilize up to 540 acre feet per year versus the 334 acre feet that's currently utilized. But at 30 percent capacity factor we would use about 380 acre feet per year, so almost the same amount of water that's currently being used as the active farm.

MEMBER KRYDER: Mr. Chairman.

CHMN STAFFORD: Yes, Member Kryder.

MEMBER KRYDER: I had planned to wait until the hydrologist talked tomorrow, but since you brought up the question.

As I was reading through this, I need some clarification. It said somewhere in there that your chillers were water cooled with demineralized water.

Did I get that right?

MR. DEMIRCHIAN: No.

MEMBER KRYDER: Okay. Fill me in then.

MR. DEMIRCHIAN: Yes.

So we have to provide inlet air cooling for the --

MEMBER KRYDER: A little closer to your mic.

MR. DEMIRCHIAN: Yes.

We have to provide inlet air cooling, chilling, for the gas turbines for the jet engines to -- to perform their optimum capacity and efficiency.

And typically other similar generating units use the technology called evaporative cooling. And that uses quite a large volume of water by evaporation.

We -- our technology -- our approach was very careful in selecting a method that we would not use excess water or any water for chilling that air.

So the technology's very simple. We use mechanically driven chillers, which are air cooled, not evaporative, during the off-peak hours primarily at night. And we will make chilled water, and then store the chilled water in a very large storage tank -- they're called thermal energy storage tanks, TES -- approximately 7.8 million gallons of water.

MEMBER KRYDER: Chilled water.

MR. DEMIRCHIAN: Chilled water.

This water will be at 40 degrees Fahrenheit.

MEMBER KRYDER: And this is raw water out of the ground?

MR. DEMIRCHIAN: No. It's treated one time, but it's circulated. We will not use any quantity of that water because it's a closed circuit.

MEMBER KRYDER: It's not RO water?

MR. DEMIRCHIAN: No, sir, it's not.

MEMBER KRYDER: Okay. That was one of my questions.

MR. DEMIRCHIAN: No, it's not RO water.

So during the peak operating hours, then, this chilled water with pumps and circulation piping, et cetera, deliveries, goes through the inlet entrance of that air, and there is a coil like a radiator. The water flows through inside of the coil and the hot air on the outside and chills the air.

Now, there is a -- there is a need to demineralized water, and I can explain that also.

So the LM6000 gas turbines have a component called the SPRINT unit.

MEMBER KRYDER: The what?

MR. DEMIRCHIAN: SPRINT, S-P-R-I-N-T. SPRINT unit.

And the SPRINT unit is used for power augmentation. So water is injected into the airstreams to increase generation capacity, efficiency. It -- it increases the mass of the air.

And that's demineralized water.

The second component of the demineralized water is for air pollution and emission control. So the same entrance is used to inject water to the airstream to bring down the NOx levels. It's called the diluent water injection.

MEMBER KRYDER: And that is RO water?

MR. DEMIRCHIAN: Yes.

MEMBER KRYDER: And of the total projected maximum 540 acre feet that you could use, how much of that is going to be demineralized?

MR. DEMIRCHIAN: All of it.

MEMBER KRYDER: All of it?

MR. DEMIRCHIAN: Yes.

And based on that -- and that is calculate -- that's -- that's separate from the chilled water, but that's calculated based on the 45 percent capacity factor.

MEMBER KRYDER: Okay. So did I hear two different numbers?

Some of it was just chilled water that is a closed circuit. So once you fill it basically you've got a radiator on a car kind of thing.

MR. DEMIRCHIAN: Exactly right.

MEMBER KRYDER: And that and the other

piece of it is water that's injected into the airstream to cool -- to get better efficiency out of the engines.

And what else?

MR. DEMIRCHIAN: For NOx emission control.

MEMBER KRYDER: Oh, okay. And that is demineralized RO water?

MR. DEMIRCHIAN: That's correct.

MEMBER KRYDER: And how efficient are your ROs?

Are they RO 50 percent kind of things?

MR. DEMIRCHIAN: We're planning on an RO system that would be between 75 to 80 percent efficient.

MEMBER KRYDER: Oh, wow.

MR. DEMIRCHIAN: Yes, sir.

MEMBER KRYDER: So you get --

MR. DEMIRCHIAN: A very small amount of reject.

MEMBER KRYDER: Okay. So what happens to your effluent?

MR. DEMIRCHIAN: The effluent will be collected and directed into an evaporative pond --

MEMBER KRYDER: Oh, okay.

MR. DEMIRCHIAN: -- that we show in our site plan, and we'll store it there, and then nature will take its effect on that over time.

MEMBER KRYDER: Okay. So you're building a little saline sea out there --

MR. DEMIRCHIAN: Correct.

MEMBER KRYDER: -- until some point you have to do something else with it.

MR. DEMIRCHIAN: That is correct.

MEMBER KRYDER: Sell bathing suits and float on the water or whatever.

MR. DEMIRCHIAN: So eventually that water will evaporate. And then after a while, we'll have someone -- certain companies will come in and remove the residual saline that's left behind.

MEMBER KRYDER: Okay. Okay. So that's really very helpful.

Now, we said that the farming operation had been using -- oh, what kind of crop were they growing here?

MR. THOMPSON: This year it's alfalfa, six cuts.

MEMBER KRYDER: And in, say, over the previous ten years it's primarily alfalfa or do we get cotton?

MR. THOMPSON: Had a little bit of cotton prior, but in the last few years it's been alfalfa, and I'm a little jealous with the six cuts. From the great

state of Missouri we only get four.

MEMBER KRYDER: And so how much water does six cuts of alfalfa or a year's worth of alfalfa require? How many -- how many --

MR. THOMPSON: 334 acre feet in 2022 or 2023.

MEMBER KRYDER: '23, the problem was it was in negotiation for sale.

Did he take all six cuttings or all eight cuttings or whatever?

What I was looking at was over the previous 10 years are we looking at the same kind of use back of the envelope?

MR. THOMPSON: Our hydrologist will speak to that tomorrow. I don't have that data in front of me.

MEMBER KRYDER: Okay. So let me try to summarize my understandings, and you correct me please if I've got pieces and parts either missing or incorrect.

As I understand it, you have access to 540 acre feet of water. You'll probably only use what did you say 400 and some back of the envelope -- 400 acre feet of that.

MR. THOMPSON: Approximately 390 acre feet.

MEMBER KRYDER: Okay. Close.

And it divides between that with your

reverse osmosis RO water and raw water, which is a closed system. Okay.

I was wondering how much is -- you said the alfalfa last year only used a hundred and how many acre feet?

MR. THOMPSON: 334 acre feet.

MEMBER KRYDER: 334 acre feet.

Okay. How much does it take to grow an acre of alfalfa?

Anybody know?

MR. THOMPSON: I'm not certain in Arizona.

MEMBER KRYDER: Four. Four acre feet back of the envelope. If there's farmers back here that want to correct me, I'll take that correction later.

How much for cotton? Eight acre feet.

Okay. So somebody who's really tall stand up and raise their hand. That'll give us approximately what eight feet is. So that covers an acre as tall as your index finger.

And you're going to be using 540 maximum but closer really to 400 you said in your projections, your best projections.

MR. THOMPSON: That is correct.

MEMBER KRYDER: 400 acre feet out of how many acres were we looking at?

MR. THOMPSON: 350.

MEMBER KRYDER: Okay. So you're using, again, back of the envelope one acre foot over your space compared to either four if I was raising alfalfa or eight if I was raising cotton. Heck of a deal. Okay. Thanks.

BY MR. MOYES:

Q. Thank you, Mr. Thompson and Mr. Demirchian, for those clarifications.

We've kind of waded into some of the detailed testimony that we'll hear more information from tomorrow.

But I wanted to ask you in particular, Mr. Thompson, is it safe to say in layman's terms despite that technical detail are all of the studies and projections that you've made for Project Bella, whether it be water related, air related, or noise or emissions, are all those studies based on a worst-case maximum possible operating capacity for the plant scenario?

A. (Mr. Thompson) That is correct.

Q. And so in reality all the impacts that are cited in the studies and the application and the supporting exhibits will, in fact, in true operation be minimized quite a bit, will be much less than what are in those projections; is that accurate?

A. (Mr. Thompson) That is accurate.

Q. Thank you.

MR. MOYES: Absent any additional questions for Mr. Thompson at this time, I'd like to switch back over to Mr. Demirchian and continue down the thread of the technical aspects and components of the project.

MR. DEMIRCHIAN: Let's go to Slide 12, please.

BY MR. MOYES:

Q. Mr. Demirchian, you've spoken a lot about the water utilization of this particular technology for these turbines, but I wanted to ask you a more general question upfront.

Why and how did you select this particular technology for Project Bella?

What makes these turbines capable of being quickly and efficiently dispatched to convert natural gas to energy?

A. (Mr. Demirchian) So our technology is based on the GE Vernova LM6000 gas turbines, and in the industry they're known as aeroderivative. And the reason they're called aeroderivative is because the jet engine itself initially was designed and manufactured for -- for airline industry, and it's still currently used in a lot of the passenger airplanes.

And for that, it is very quick, lighter weight, and -- and very efficient to operate. And -- and

therefore it has become the industry standard for and by many of the utility companies who are looking at a simple cycle generation plant that is for reliability and resource resiliency.

And also from very construction practical standpoint, these packages, the power island we call it, is very compact, and it's designed to be erected relatively quickly, uses a minimal space, and it's intended to be all outdoor, so it does not require a very large building. It does not require a high-floor building, high-level building. So it has a very minimal footprint, minimal signature overall visual impact on its surrounding.

So that was our initial motivation for selecting the GE LM6000.

It also has relatively good what's called an industry heat rate, which is the definition for its efficiency, the amount of fuel it consumes to generate power kW.

I would like to just walk you through the general arrangement of our site. It's a very high-level overview, and then we'll look deeper into each component.

We spoke earlier about the SRP's 500kV switchyard, which is right here. And then right to the north of that, we have our two autotransformers. Here

where the red dot is is our 230kV switchyard.

And moving further to the left where I'm circling my red dot is two five banks of gas turbines, the LM6000s, so this is our power island area.

CHMN STAFFORD: I have a couple quick questions here.

On this is also listed a 1500kV diesel fire pump.

Where is that going to be located on the layout?

MR. DEMIRCHIAN: The diesel fire pump will be located close to the fire pond, which is in this area here. And that fire pump, which is diesel driven, will only run during the emergencies when there's an activation of a fire alarm and a need for suppression water.

MEMBER KRYDER: A little closer to your mic.

MR. DEMIRCHIAN: Yes, sir.

So the diesel fire pump will be right next to the fire pond, which is in this corner here, and will run only during a fire event.

CHMN STAFFORD: I assume it will be tested periodically also, but --

MR. DEMIRCHIAN: That is correct.

Based on the -- based on NFPA requirements for same type of fire -- the engine-driven fire pump, yes, sir.

CHMN STAFFORD: And then in the slide L12 it mentions that each of the LM6000s has a capacity of 48 megawatts.

Is that the net summer operating capacity or is that the nameplate capacity?

MR. DEMIRCHIAN: That's the nameplate capacity. That's what's called an ISO -- ISO perform capacity.

CHMN STAFFORD: Okay. Thank you.

MEMBER GOLD: Mr. Chairman.

CHMN STAFFORD: Yes, Member Gold.

MEMBER GOLD: Just a quick aside.

Mr. Demirchian, you have the reservoir and the diesel water pump to the left.

Is that the battery area --

MR. DEMIRCHIAN: Yes, sir.

MEMBER GOLD: -- to the right of it?

MR. DEMIRCHIAN: Right here where my red dot is again this is the battery storage area.

MEMBER GOLD: Okay. Batteries I heard you say earlier were lithium.

MR. DEMIRCHIAN: Lithium ion, yes.

MEMBER GOLD: Water doesn't put out lithium ion fires.

What do you have to put out a fire because you have that battery thing right next to your generators?

MR. DEMIRCHIAN: That is correct. So the suppression system for the lithium ion right now has evolved quite a bit, and now there is a detection system. There is a ventilation system. And then there is the isolation of a cell itself that may -- may catch fire.

So the intent is to maintain a cooler temperature by including water, if necessarily, on top of the enclosure, but then isolate that one -- one cell, one unit from the rest of the batteries.

And -- and they have done tests on these enclosures to demonstrate this compliance for that purpose.

MEMBER GOLD: But my question is if it does catch fire, you really don't put out lithium fire.

Is there a reason you put the batteries next to your turbines and wouldn't put them on the opposite side of your water reservoir and just isolate them as far as away as possible?

MR. DEMIRCHIAN: No. The reason we put the batteries here -- first off, we put the water ponds here.

Again, this was to maintain as far a distance from our sources of noise from the property line. And also the batteries themselves will act as a buffer for -- for noise generating equipment, which are basically right in this area here.

So this is a source of noise for us. So the batteries and then the ponds act more as a buffer and a distance.

MEMBER GOLD: So the battery building is a concrete structure or something?

MR. DEMIRCHIAN: Well, these are metal containers like a shipping container.

MEMBER GOLD: And so the batteries are in metal containers like shipping containers, and the batteries are not all together in one big square?

MR. DEMIRCHIAN: That's correct.

MEMBER GOLD: But they're all isolated.

MR. DEMIRCHIAN: They're all isolated.

My next slide will show you.

MEMBER GOLD: Thank you.

MR. DEMIRCHIAN: Yes. Yeah.

One other area I'd like to walk you through is up in this northeast corner where the El Paso gas is clipping our property will be our tie-in point connection to the natural gas pipeline. Typically we call this the

city gate. This is where it will bring in the natural gas to our site.

And down in this corner area here is where we'll have our inlet area chilling equipment and the storage tank.

MEMBER KRYDER: Mr. Chairman.

CHMN STAFFORD: Yes, Member Kryder.

MEMBER KRYDER: A question to follow-up on Member Gold's comments.

When you were talking about suppression systems that are being developed and kind of an ongoing technology -- ongoing technology and suppression, does that include watering down the outside of these metal containers where each shipping unit, so to speak, can be cooled then without the water getting to the battery?

MR. DEMIRCHIAN: It does.

There are two different approaches to that. One is there is a water system inside the enclosures, and that's just, again, to keep the event and the fire cool.

And then the other approach which is under NFPA 15 is to put sprinklers on the outside right above the enclosures, so it's kind of showering down the entire enclosure. But it's, again, isolated. That event is only on one enclosure at a time and one section of the enclosure at a time.

MEMBER KRYDER: How -- what's the distance between those enclosures? By the way, I passed one on the 8 coming in which appears to me to be, I don't know, yours or somebody's battery enclosure.

So they'd be set up like so many storage containers out in the L.A. shipyard.

How far apart are they placed in actuality in final product?

MR. DEMIRCHIAN: Across from each other -- I'm going by memory now -- they're approximately 10 feet, but they're side by side. They're much closer. I have to look into that.

MEMBER KRYDER: So they're adjacent or there's a foot between them or --

MR. DEMIRCHIAN: They're about a foot between them.

MEMBER KRYDER: Okay.

MR. DEMIRCHIAN: I have to take a look at to be exact.

MEMBER KRYDER: Could you get that for us tomorrow?

MR. DEMIRCHIAN: Yes, sir.

MEMBER KRYDER: Great. Appreciate it.

MR. DEMIRCHIAN: So, Steve, can we switch -- go to the next slide, which is a more

detailed -- can we go to the next slide, please?

Okay. I'm not sure --

BY MR. MOYES:

Q. Did you have additional description regarding battery locations or the site layout for the batteries, Mr. Demirchian, that you wanted to describe?

A. (Mr. Demirchian) Yes.

Is there a way you can zoom into this layout, or this is the max?

Q. No.

A. (Mr. Demirchian) Let's go back to that previous -- I think it's 13. Yes.

So, once again, describing the site and its major components, this is the location of the existing water well and will be reutilized.

The 500kV SRP transmission lines are going through this -- this line here. And you can see the tie-in points where this is the POI for looping in and looping back out again. 500kV SRP switchyard is here, and they will have direct access from Midway Road to their site.

Here we have our chilled water storage tank and the air-cooled chillers.

On this note, I'd like to also explain to Committee Member Kryder about the noise you had asked,

and then I will let our noise consultant to dive into the detailed numbers tomorrow.

So for the air-cooled chillers we are planning to use blankets, sound-barrier walls through the entire area, so we will -- we will contain the noise generated from the compressors, the fans, and the entire yard will be surrounded by a sound wall.

And -- and those numbers are already incorporated into the models that we ran that is in a report that's in the record.

Right here. Let's stay here.

All right. So more description on the sources of the sound. So the gas turbines, as you correctly pointed out, jet engines, are a source of noise. So working closely with GE Vernova we developed the noise mapping sources here, and that was modeled in our analysis.

There are two major sources of sound that we have to mitigate. One is at the inlet point, and then it's the exhaust stack itself. And we plan to use sound attenuating devices for both of those.

And within the -- the exhaust it will be inside the exhaust, also known as the chimneys, vertically so that the noise will not go through and come out the other end of the gas turbines.

MEMBER KRYDER: Mr. Chairman.
CHMN STAFFORD: Yes, Member Kryder.
MEMBER KRYDER: Question to -- I can't pronounce your name.
MR. DEMIRCHIAN: That's all right. You can call me Garen.
MEMBER KRYDER: Okay. So you're putting in noise suppressers. That's white noise?
Is that basically what it is?
So you're breaking -- you're opposing the sound?
MR. DEMIRCHIAN: No, sir, not white noise. But what we're doing is we're putting baffles --
MEMBER KRYDER: Oh --
MR. DEMIRCHIAN: -- to describe it more simply at the inlets and the outlets of -- of the source.
MEMBER KRYDER: Okay.
MR. DEMIRCHIAN: So we containing the noise within a box.
MEMBER KRYDER: Okay. And this is something GE has worked on and has come up with?
It's not something that Bella did?
MR. DEMIRCHIAN: That is correct.
And it's something that's industry standard for engineering practice.

MEMBER KRYDER: Okay. Because -- okay. I appreciate that. White noise is such a fantastic thing, but it has its problems too, and I thought, perhaps, this would be a great opportunity to use it, make that jet engine sound like a -- play the symphony next to it.

MR. DEMIRCHIAN: Unfortunately, no. But we have to basically contain the noise from coming out of, simply said, the box, and that's what our intent is. That's what we do. And it's a very common practice. It's done all the time.

We measure the noise before the devices are applied. And then selection of the baffles themselves, the intensity of the material inside the baffles, gives you the result that is expected.

MEMBER KRYDER: Thank you very much.

MR. DEMIRCHIAN: The area right here as you can see it's not very visually easy to see, but these are the batteries, and they're -- they're lined up against each other.

And there are two different distances that I will give you a more accurate explanation for tomorrow.

We have -- our main entrance off the Midway Road is right here with a visitor and security building for control.

And then we'll have circulation roadway

going all around.

BY MR. MOYES:

Q. Mr. Demirchian, you explained the built-in infrastructure that will minimize sound with the turbines themselves.

Can you also speak to the specific setbacks on the property and the set layout and how that was designed to minimize those impacts?

A. (Mr. Demirchian) Yes. So we made an effort to have as much setback as possible from all four exposures and property lines. So to the -- to the north we have approximately 675 feet of setback. To the west we have -- which I'm including -- when I say "setback," I'm also taking credit for the water ponds here from our source of noise generation in this case being the batteries. We have to the west 840 feet of setback. To the east we have 750 feet of setback. And to the south we have 2,300 feet of setback.

Q. Mr. Demirchian, can you describe the lighting plans for the plant?

A. (Mr. Demirchian) Yes. So from approximately 158 acres of development for this project, approximately 32 percent of the area will need to be provided with lighting. And there are -- I'm just going to get to my notes.

So these areas are internal access roadways and employee parking lot. The gas turbine generation power island and the battery energy storage systems, the 230kV and 500kV utility switchyards. And then we have operating -- operations maintenance and storage buildings. So those are the areas that will be provided with lighting, exterior lighting.

So to -- to mitigate the potential for perimeter lighting and the emission levels of these outlaying areas that I mentioned right now we have incorporated the setbacks that I also described. However, the -- the exception to that one setback is the SRP 500kV substation that requires to be right adjacent to the Midway Road for their accessibility, direct access that they will require.

Later on, we will -- we will employ a lighting design specialist to -- to develop the lighting design that would incorporate the schemes that we describe here, and for the record which will include motion sensors, dimming equipment, lighting control devices and also to make sure that our lighting design will be in compliance with the Pinal County development service code chapter 2.195 outdoor lighting regulations and standards. And this is for the most stringent lighting zone 3. That's what we will comply to.

Also, we had -- we'll provide direct consideration and compliance with the Arizona Game and Fish department guidance received on May 22, 2024, which includes and I quote, "Consider impacts of outdoor lighting on wildlife and develop measures for alternatives that can be taken to increase human safety while minimizing potential impact to wildlife.

"Conduct wildlife surveys to determine species within the project area and evaluate proposed activities based on species' biology and natural history to determine if artificial lighting may disrupt behavior pattern or habitat use.

"Use only a minimum amount of light needed for safety. Narrow-spectrum bulbs should be used as often as possible to lower the range of species affected by lighting. All lighting should be shielded, canted or cut to ensure that light reaches only the areas needed for illumination."

We will also comply to regulations for safety by OSHA, national electric code ADC, and NFPA.

Q. Mr. Demirchian, can you speak to the actual towers themselves?

Will those be required to be lit under normal operating conditions?

Are there any federal aviation requirements that

apply to the plant or its stacks?

A. (Mr. Demirchian) Yes, I can address that.

So I think when you refer to towers, we call it stacks, some people call them chimneys. They're all one and the same.

In our proposed plan, we plan to provide no illumination on normal operations. We have already ran the model for the FAA's notice, and there was no objection from FAA's model to that we applied for requirements for FAA warning lights.

And the reason I'm assuming I'm guessing that is because the adjacent SRP towers are already at 140 feet tall, and they don't have any aircraft warning lights on them.

We will have a platform on each one of these stacks, AKA towers, and these are for annual EPA testing that has to take place. And if those tests ran for 24 hours and at night sometimes they won't be required, then they will be illuminated only for that one period, and then lights will be turned off again. So that's a very, very limited event, maybe once or twice a year that will occur for testing only.

The roadways will be provided with typical roadway lighting that would be all pointing downward, and they will be all dimmed and controlled with dimmers as

well as proximity sensors, so the lighting will increase only when an approaching vehicle triggers the sensor or a pedestrian walking by.

Similarly, the buildings and the operational maintenance structures will be provided with the lighting, but we plan to comply with the lighting ordinance requirements for residential, not an industrial application here. So this would be the most stringent that we voluntarily plan to comply with.

Q. Thank you.

And since you mentioned the EPA testing that will occur occasionally maybe once or twice a year, can you speak to the state of the art controls -- emissions control systems that this plant will employ?

A. (Mr. Demirchian) Yes, I will. I'll be gad to.

So the emissions from the GE LM6000 gas turbines will be controlled at the exhaust point with what's called selective catalytic reduction, SCR for the acronym.

And the emissions will be reduced by approximately 90 percent and also will be monitored constantly, which is called continuous emission monitoring systems, CEMS, and will be recorded. Similarly, we'll have a catalyst for the CO, and we'll reduce the CO emissions as well.

Q. And, Mr. Demirchian, you spoke about some of the safety parameters regarding fires that might occur at the battery storage facility.

Are there any other safety designs or emergency plans that the project has developed for the operation of the plant as a whole?

A. (Mr. Demirchian) Yes. So we have engaged two experts in both battery fire containment, fire emergency response plan, and overall site fire mitigation, fire response plan.

We have engaged a company called ESRG, which is actually their stuff are here based in Arizona. And their background is actually from fire safety fire department members itself, and they work very closely with authorities having jurisdiction.

So they will work with us and prepare our emergency response plan and as well as the hazard mitigation analysis plan. And that will be done working closely with authorities having jurisdiction.

From there on, then we will develop the actual fire protection, fire prevention design and plan, which will include a hydrant loop around the entire site. And that will be prepared by our second consultant, which is Hiller Fire, their fire protection engineering consultant.

MEMBER HILL: Mr. Chair.

CHMN STAFFORD: Yes, Member Hill.

MEMBER HILL: Thank you.

Mr. Demirchian, all of the utilities in Arizona have set net zero goals by 2050.

Can you talk about this particular plant, this technology, and the options for modifying or changing out this facility to reduce carbon emissions and what options are available.

MR. DEMIRCHIAN: Right now there is a lot of discussion about using hydrogen as an alternative fuel, but right now we don't have any intention of utilizing hydrogen at this point.

And the reason is because the availability of hydrogen in a practical way. I mean, our plant is really a capacity reliability and resource reliability plant.

But in the future, if hydrogen or other alternative fuels that can lead us to that net zero become reliably available themselves, then, yes, we will definitely take that into consideration. We'll do everything we can practically to employ them.

MEMBER HILL: Thank you. That's helpful.

What about technologies that are evolving?

And I ask these questions because this is

an investment that at the end of the day our utilities and our ratepayers are making in the future grid.

And so I just want to kind of understand in this drive towards net zero how do we transition infrastructure that we know is going to be operating in 2050 and 2060?

Because we're making the investments in the next couple of years it's unlikely that they're going to retire those types of facilities. So I'm just trying to understand how your company is thinking about supporting that transition long-term and are -- hydrogen is one potential technology.

Are you looking at carbon capture technologies that can be put on the stacks?

Can you just talk a little bit about what the options are to make sure that this investment makes sense in 2060? Just to push out beyond 2050 because I think it will still be operating.

MR. DEMIRCHIAN: Yes. That's a very, very good question.

So carbon capture, carbon sequestration is really the next point of mitigating the effects of the global warming or the CO2 emissions. But at the same time, that technology itself needs to mature right now. It's really in an infancy. Not only is it in infancy,

but also it's at a scale that if it was deployed here, it would have equal if not more impact. The sequestration technology will use a lot of water and will release a lot of energy itself. So that's in development.

And also we have to think about what will we do with the carbon that is now captured. We have to transport it or some how store it, and that's another challenge. But it's being worked on. There are a lot of plans right now into carbon pipelines that are being developed nationally.

So those are options under consideration that I can speak about.

And, again, this is something maybe 20 years down the road, but I'm hoping that the industry is moving in that direction also.

Let's not forget, the amount of CO2 in the exhaust at best that we have is 5 percent. So we're trying to capture that 5 percent of the CO2 from our exhaust here.

MEMBER HILL: Can you talk a little bit about how you capture that and sequester it?

MR. DEMIRCHIAN: Current technology is basically an amine based technology. It's a chemical reaction. So the exhaust gas becomes in direct contact with an amine solution in a tower very -- I mean, this

tower is probably 50, 60 feet tall, and the exhaust moves in one direction and the amine solution is in the opposite, and there are buckets there that it starts to collect.

And -- and it has to cool the exhaust down to approximately 90 degree Farenheit, so it uses a lot of water for evaporation also.

Once that is done, then the CO2 has to be separated into a form of a gas again. And then it has to be compressed. And then it needs to be liquified when it's compressed, pumped, or conveyed to somewhere else.

MEMBER HILL: Thank you for walking us through that because I'm hopeful about these technologies. We're just not quite there yet.

One follow-up question on the hydrogen comment. How easy is it to transition these units over to a hydrogen fuel?

MR. DEMIRCHIAN: Right now based on what we have been told reliably by GE, they're capable of running up to 35 percent of blend. So if hypothetically the gas pipeline delivers a fix that is 35 percent hydrogen, we can easily run them today.

But I think the amount of hydrogen that's available is in question right now.

MEMBER HILL: I want to get to and really

understand -- I've participated in integrated resource planning processes. We talk about these units in some of those settings as if just one day they're going to run on hydrogen.

Is that an easy technology transition, or would we -- okay. That's what --

MR. DEMIRCHIAN: No, it's not.

MEMBER HILL: Okay.

MR. DEMIRCHIAN: There are a lot of unknowns, especially with the emissions on the hydrogen. You know, in my side of the practice we call hydrogen a very hot gas, which means it has a --

MEMBER HILL: A hot topic or --

MR. DEMIRCHIAN: It's a hot gas, which means it has a very high heating value, but at the same when it burns or when it combusts -- its temperature for combustion is very high. Consequently much higher NOx emissions.

So it's we're trading one emission constituent with another. So we have to be very careful on that part of it.

The engines, their load responsiveness with hydrogen is very different than natural gas. What I mean by that is if the engines were running let's say at 50 percent, and then there is a need right away to go to

100 percent -- and normally this can be dealt within a few seconds. With the hydrogen it would take longer.

MEMBER HILL: Thank you so much for this -- these sets of questions. It was helpful for me to kind of understand where we're going.

I think siting a plant today is one thing, but thinking about the operations and its role in the grid in 2050 or 2060 is something that we're all kind of trying to understand. Thank you.

MR. DEMIRCHIAN: Thank you.

MEMBER FONTES: Mr. Chairman, I've got some related questions, if I may.

CHMN STAFFORD: Yes, Member Fontes.

MEMBER FONTES: Hey, thank you for the overview on the thermal management, the fire hazards, and then the safety protocols.

However, you have a collocated energy center here with energy storage and natural gas.

I have a deep appreciation of this having gone through an event of default in a force majeure event on an energy storage, the first one in Arizona.

One of the questions I have is this Committee has jurisdictions over the certificate of environmental compatibility, so we look at liabilities such as those related to the insurance industry.

Have you done a consultation with a qualified insurance broker on how you're going to insure the commingled aspect of the collocation of the energy storage? Especially as it's adjacent next to the water storage. In the other states that I have seen these projects, they do not like that. So question number one is what's the plan for insurance?

And then related to that, as we go forward and we look at these projects, we look at the life cycle of them. As we're talking about alternative fuels and going towards potential additional CapExes on these, what's the decommissioning plan and what are your conversations with the county to post financial insurance such as bonds and additional liabilities for your decommissioning of both the energy storage -- because you don't know what the end of that life is, nobody knows what the end of life is on the batteries and the BESS at best -- and then also as you would do a transition on a LM6000 -- GE says they can do it, but there's no plants in operation. At this point there's one close, but it's not there in terms of running hydrogen.

Also, what would be the impact on the CapEx because you're going to have to have, you know, that impacted over a period of time on the utilization of this asset, and it may impact the footprint of it so it would

trigger additional stakeholder engagement and environmental factors that we would look at.

So, one, insurance, how are you looking at that? Because that's a risk from the environment and liability and the stakeholders, the operation.

And then, two, how are you looking at the decommissioning plan?

MR. DEMIRCHIAN: Okay. With regard to the insurance, we will engage an entity like GM Global for business interaction and providing the insurance policies for this operation.

But I would also like to defer the answer until tomorrow. I will have a little more time to consult and give you a better answer on the costs of the insurance and the methods for that.

MEMBER FONTES: Related back to the environmental phase for this Committee because that's the subject of our jurisdiction, I understand you're going to have calls for construction. And you're going to -- when constructional risk is involved, you're going to have business loss and interruption, but also I want to look at that downside.

And I know that the jurisdiction is the county and the fire marshal, and they're going to do a good job at looking at the safety concerns and operation

for the plant and where the water is.

But that -- that -- that's a big deal when something goes wrong and then you have to do a CapEx on top of it. And the -- and the -- the plant that I can reference you is the Seal Beach Plant, the AES corporation, where they had to move the water retention programs before final design. So I'm giving you a tip; look at that.

And then I'll let you go ahead on the second item.

MR. DEMIRCHIAN: Yes. Thank you for that.

With regards to the decommissioning or replacement we already have in -- in place in plant for the batteries, for example, what's called augmentation. So every three- to five-years cycle depending on the rate of use the batteries will be replaced with new ones. That's already incorporated into our planning and into our financial models.

MEMBER FONTES: Okay. But what I was talking about is financial assurance in terms of total decommissioning. If this state and related entities go to 100 percent net zero and we can't utilize this plant because the technology can't be transitioned to 100 percent carbon or another fuel, what is the mitigation there from the county or from the State of

Arizona?

Do you see what I'm saying? It's -- it's looking at the decommissioning of the plant.

In other projects we've seen folks voluntarily post bonds to avoid any kind of environmental liability in the future or escrow accounts or they worked it out with the county.

So we would look for you to have that because, again, our -- environmental is our focus, and it's the life cycle of the asset that we're looking at.

So think that through. Don't need to answer that right now. Appreciate you.

MR. DEMIRCHIAN: Sure. Thank you.

And that's what we'll do, we will reply back hopefully by tomorrow.

Also, with regards to the GE LM6000s, there is a 50,000 operating hour overhaul.

MEMBER FONTES: Yeah.

MR. DEMIRCHIAN: And it's a very simple at most one week per unit replacement, so effectively the -- what's called the core, which is the jet engine itself, is -- it gets slided out and a new one is already waiting, and it's replacing the old one. So effectively every 50,000 operating hours the unit is renewed.

So although there's nothing like

perpetuity, but this plant can run forever based on that.

MEMBER FONTES: Yeah. I'm with you on the hot path and inspections and the maintenance cycle for long.

MR. DEMIRCHIAN: Yeah.

MEMBER FONTES: What I was talking about is if you get a full conversion and say, you know, the Arizona or whatever market you're selling in wants to go higher than the 20 percent hydrogen fuel volume that the LM6000s say they can do -- you know, there's supposedly some project in south Australia, but nobody's seen it run yet.

So I know what you're dealing with. You're dealing with some uncertainty here, so but what I'm looking for is assurances on what's the contingency plan. Because, again, we're looking at how do we approve something for you, give you benefit of the doubt so you can go forward but also think about the mitigations that you're looking at in the industry -- and you're the engineer so you know what's going on better than all of us -- so that we can have assurances on that. And maybe the answer is insurance. Or maybe the answer is a financial set aside if you have to decommission it or something.

The last comment I have is related to this,

and I've still got some uncertainty. So tomorrow, again, I don't want to make -- take a lot of the time here, but I'm still unclear on how this is operationally going to work because you have the energy storage, and we're talking about sales to nonSRP entities through the EDM and the EIM, so that's going to connect.

And I know Member Little probably wants to know what busbar is connected, and I'm keen to satisfy her because that's something that we've got to look at beyond the system impact study.

But then we've got the natural gas plant, where is that going to interconnect and what market? So a little more detail tomorrow at technology for sure on that system impact study and the interconnection for those two aspects of the project, but then also commercially.

I know you don't have contracts. I know you don't have PPAs. But how is that going to work just so we can think through the transmission parts of that as it relates back to now who's going to have operational control. Because if we have an energy storage project that SRP is going to give you a tolling agreement, maybe, maybe not, and then they have control on that, I'm going to ask some questions about NERC and OPPs and then how does that responsibility fall then on the management of

the environmental aspects of monitoring for the asset.

I know you guys are well qualified on that, but I got to think about that a little bit with my fellow members so that I can understand it, again, from the life cycle perspective and then back to the insurance and the construction.

So just a little preview tomorrow of some things. I hope that's helpful.

Mr. Chairman, thank you for the opportunity.

CHMN STAFFORD: Thank you.

Member Hill, you had some questions?

MEMBER HILL: I want to thank Member Fontes for some of his questions.

And, Mr. Demirchian, I think as you think through the life cycle of this facility, I think there's a lot of change going on in this industry right now. We don't know what technologies are always going to stick and how things are going to shift and change in response to some of the ambitious climate goals that folks are setting.

I think that we have seen some facilities that are no longer in use and have become a nuisance in the communities. I grew up in the midwest. I'm from the great state of Indiana. And I just think about the small

towns that are left with Walmarts that are vacant. They become nuisance buildings, and then a brand-new super Walmart is across the street. And there's just no one taking care of the old site and no one responsible for the old site.

So I think we're hearing in corners of the state and corners of the west I think there's a concern about adopting these technologies and developing these facilities and rural communities and not having a decommissioning plan. So I just kind of want to understand where you guys are on that.

And running forever in this market may not be quite as long as it was when coal was king. So --

MR. MOYES: Thank you, Member Fontes and Member Hill, for your questions. As our panel I'm sure can appreciate we have a very technically sophisticated line siting Committee, and many times their questions elicit important matters that need to be set forth on the record.

We will do our best overnight to answer any of these questions that we didn't have those details on today and come back to you.

Much of our additional expert testimony will touch on those issues as already planned.

//

BY MR. MOYES:

Q. Mr. Demirchian, unless there's any additional project components that you wish to highlight at this time, we will move forward on doing basically a virtue description or a virtue flyover of the site so that the Committee can see what it looks like from the air as that factors into your decision on whether or not we do an in-person tour tomorrow.

CHMN STAFFORD: Yes. Thank you. Let's proceed with the virtual tour. And we can discuss the merits of an actual physical tour.

BY MR. MOYES:

Q. Mr. Morgan, take it away.

A. (Mr. Morgan) Yeah. Thank you very much.

So here's a virtual route tour. As you can see, we're in unincorporated Pinal County between the communities of Stanfield and Casa Grande. You can see Interstate 8 is directly south of the project.

The red line is the existing 500kV transmission line that bisects the project. The yellow line is the natural gas line. The blue land there, that's state land. Everything else in the vicinity is private land.

We're turning here, but the area to the west of the project is primarily agricultural land. So now you are north oriented here.

And you can see this is the overlay of the conceptual site plan that Garen had spoken to, so you can see where the project components are relative to the site.

So this Midway Road makes the eastern boundary of the project. You can see Interstate 8 in close proximity of the project site as well.

MEMBER KRYDER: Mr. Chairman.

CHMN STAFFORD: Yes, Member Kryder.

MEMBER KRYDER: One quick question before you proceed with your flyover, if I could.

MR. MORGAN: Sure. And I would actually -- quick comment, if the Peaks audio folks, if you could actually freeze the screen here, that would be great.

MEMBER KRYDER: Right. Okay. My was this, did I recall reading in your application or in one of the documents that the section of property that you're using is designated by Pinal County or is it Casa Grande?

Who has jurisdiction here?

MR. MORGAN: This all in unincorporated Pinal County. So Pinal County is the jurisdiction of the entire project site.

MEMBER KRYDER: And how is this land zoned? Is it AG or is it industrial or --

MR. MORGAN: No. So I'll get into that in

further detail tomorrow in my testimony from Exhibit A. We have some figures that will show the land use and the zoning for the entire project vicinity. I think we do a two- or three-mile radius.

A lot of the area to the west is zoned for AG, but I believe this is general rural. And as Mark had previously mentioned, the project is currently undergoing the process with Pinal County to get a zone change as well as a comprehensive plan amendment. So those are in process. And, again, I'll have a lot more detail for you tomorrow.

MEMBER KRYDER: Terrific. I'll still try to keep awake.

MR. MOYES: Mr. Chairman, because this facility doesn't entail the construction of any qualifying transmission lines we don't have the typical flyover that the Committee may be accustomed to. And what you've seen on the screen shows various angles from an aerial perspective, including with this project site layout.

Are there any specific questions as the site relates to other nearby areas, cities, towns, residences that the Committee has?

CHMN STAFFORD: Yeah. I had a couple. And I think some of the other members may as well. I'm

looking at the application. And you mentioned KOP-2. That's the view from the closest residential area of the project. I'm interested in having you point out where the residences are closest in proximity to the project.

MR. MORGAN: Yeah. So we'll have a lot more detail related to the nearby residents tomorrow. In Exhibit A for land use we'll have a lot of figures that show the residential areas relative to the site. We'll also obviously go through the simulations during our analysis of Exhibit E.

There is in front of you there is a KOP. There's a KOP -- there's a KOP -- KOP-1, which -- which is the one from the north of the project site looking south, and that shows a visual rendering of the project components.

MR. MOYES: And that's on the placement, right, Steve?

MR. MORGAN: That's right.

And then on the opposite side of this same placemat you can see a project details figure. And if you look at that project details figure, you can kind of see where the residential areas are. There's a small cluster directly to the northwest of the project site. There are also some residences north of West Selma Highway. And then there's also a residential block to

the east of the project site.

CHMN STAFFORD: Yeah. I hear you talking about them, but you need to point them out on the map to make it make sense for everybody here the panel I think.

MR. MOYES: Can we pull up one of the previous graphics that shows a more zoomed out map. And then, Steve, if you would point out with the laser pointer where those general areas are for the chairman.

MR. MORGAN: Yeah. Peaks, if you could actually -- when it's north oriented again, maybe zoom out a little bit. Here you go.

So you can see -- okay. So these are the closest residents to the northwest. There are a few. And then the -- there's some more residential density here to the east. You can see those roads going north-south is kind of a low-density residential block.

And there's also a few residences here to the north.

CHMN STAFFORD: Thank you.

I saw a hand down there earlier from Member Richins. You had a question?

MEMBER RICHINS: Yeah. I'd just like to confirm that the elements of the project are all on the previously disturbed agricultural lands of this property.

MR. MORGAN: Yes, that is correct.

MEMBER RICHINS: Thank you.

MEMBER LITTLE: Mr. Chairman.

CHMN STAFFORD: Yes, Member Little.

MEMBER LITTLE: How far away are those residences? I mean, it looks like they're a city block away, but I know that's not true.

MR. MORGAN: Yeah. We do have some measurements here. Just give us a moment.

MEMBER LITTLE: Okay. Thank you.

MEMBER GOLD: Mr. Chairman.

CHMN STAFFORD: Yes, Member Gold.

MEMBER GOLD: While they're looking this up, this question is in the back of my mind because I don't know the answer.

Is there anything on that site right now?

Is there any generating station, any electrical activity?

I see transmission lines, but is there anything else there?

Or is it just all brand-new stuff that's going to be on farmland?

CHMN STAFFORD: My understanding is it's going to be all new stuff. I mean, there's the existing transmission line, yes, but, see, the big circles, that's where they're actively -- they're growing alfalfa I

understand.

MEMBER GOLD: Okay. So that is all farmland right now; is that correct?

MEMBER KRYDER: That's called center-pivot irrigation.

MEMBER GOLD: So just to confirm, that is all farmland right now?

There's no electrical structures there other than transmission lines going through it?

That is a question.

MR. MOYES: Mark, you can go ahead and answer that. Besides the electrical transmission that we've talked about, the 500kV line that already crosses, what other infrastructure is crossing the site?

MR. THOMPSON: In addition to the natural gas pipeline there is no electric generation on the site right now.

MEMBER GOLD: Okay. So just the -- why are they -- oh, the transmission lines are going from someplace else just passing through that area?

MR. THOMPSON: Yes.

MEMBER GOLD: So this is just farmland at this point in time?

MR. THOMPSON: Yes.

MEMBER GOLD: And you're not going to

disturb the farmland? Obviously they don't care. You own it now; right?

MR. THOMPSON: Yes. We're in escrow and under contract.

MEMBER GOLD: Thank you.

CHMN STAFFORD: Member Little.

MEMBER LITTLE: Why is there a jog in the 500kV line? I'm curious. I know it has no bearing whatsoever on the project. But it comes in on Conlon Road, and then it kind of goes kitty-corner a little bit and then north and then continues on west.

MR. THOMPSON: Probably due to the original landowner and the easement, the right-of-way that was negotiated would be my guess knowing who owns that.

MEMBER LITTLE: Thank you.

MR. DEMIRCHIAN: From an engineering standpoint, a practical way would have been to follow the canal and because as you can see it comes right in from east to west, and then where it jogs to the north you could have continued a little bit further to the west and follow right next to the canal and then go up. But for some reason they decided to -- to make that turn there.

As far as number of what would be every time they make a turn they have to put a dead-end structure --

MEMBER HILL: Right.

MR. DEMIRCHIAN: I don't think it would have mattered that much.

MEMBER LITTLE: Thank you.

MR. DEMIRCHIAN: All right. But, Committee Member, for your previous questions as far as distances, do you have it?

MR. MORGAN: Yes, I do have some distances here for you.

So for the closest residence, which is this one to the northwest, it is 585 feet from the edge of the property and 2,640 feet from where the generators would be, where the generating capacity would be, because it's kind of in the center of the site setback.

And then the more dense area here to the east is 4,270 feet from the generator and 2,730 feet from the edge of property. And that's for this area here.

MEMBER FONTES: Is there any sensitive receptors that are in either of those KOPs?

Fire safety, medical, schools, residences that we should be aware of.

MR. MORGAN: Just residences. The residences would be considered the closest sensitive receptors.

MEMBER FONTES: And then tomorrow you're

going to talk about the KOPs, and I assume they included both sound and visual analysis there at each KOP?

MR. MORGAN: So they were separate analyses. We do have a visual analysis with five KOPs where we took photography of the existing landscape, and then we simulated a project rendering. Separately the noise study also took measurements from slightly different spots just because the visual and noise sort of analysis is based on different factors.

MEMBER FONTES: Could you put those on a separate map or on the same map for my colleagues and myself so we know about the noise is since we're talking about residences here tomorrow if they're separate from visual KOPs?

MR. MORGAN: Yes.

MEMBER FONTES: I've had an issue with that in the past, and I want to avoid that here. Thank you.

MR. MORGAN: Sure. There will be slides outlining where noise measurements were taken and separate slides showing where the five KOPs are relative to the project location. And they'll be analyzed separately in our -- in our testimony tomorrow.

MEMBER GOLD: Mr. Chairman.

CHMN STAFFORD: Yes, Member Gold.

MEMBER GOLD: Along with Member Fontes's

map with the -- that he's asking for, I know at night the sound of a railroad, a freight train will travel about a mile, maybe a little over a mile in the still of the night. I don't know how many decibels that is.

But when you give us information about the sound, would you give us in relative terms for nonexperts this will sound like a freight train a mile away, or this will sound like a helicopter overhead or a jet engine at some distance.

Give us some relative stuff so we can figure out how much the noise will be at each of those residential areas. There's people who are living there now who enjoy the sound of farmland. And they may be -- maybe -- I don't know if this is true, but they may be affected by the sounds of your generators.

And if they are present or at least if I were present and I were one of them, I would want to know what's it going to sound like at my home at 12 o'clock at night when I'm sleeping.

If you would add that to that map that you're drawing for Member Fontes, I would appreciate it.

Mr. Chairman, is that a permissible request?

CHMN STAFFORD: Certainly.

MEMBER GOLD: Thank you.

MEMBER FONTES: I might fine point that. I know you're going to run this at a certain time of day. Just characterize that with the time of day of the run for the residences based on the planned cycle.

MR. MORGAN: Are you referencing the noise study?

MEMBER FONTES: Yeah, the residences.

So, I mean, if this is planned to be a peaker or is it available, you know, in a mid-merit dispatch or based on where it's going to run on the time of day cycle, that's probably going to clearly address Member Gold's concern.

If it's running, you know, from six p.m. to midnight, that's probably the time the sound study should probably be looked at for this Committee.

MR. MORGAN: Yeah. And there will be more detail when we have the noise expert on the stand tomorrow, but it was, I believe, a 24-hour assessment. So they've got ambient noise levels at all times of day. And they also max -- max noise from the facility as well, right, Garen?

MR. DEMIRCHIAN: And also analyzed it against the Pinal County noise ordinance, which is between the daytime and the nighttime, those hours, there's a delineation, and the level of the sound is also

different between the daytime and the nighttime. And that's what our sound expert will describe tomorrow.

MEMBER FONTES: I think that should do it, Member Gold.

Thank you, Mr. Chairman.

CHMN STAFFORD: Any other questions from Members?

I think now would be a good time to discuss whether we want to do a physical tour.

MEMBER LITTLE: Mr. Chairman, I know it takes time, but I would really like to. If everybody else does not want a physical tour, I will go out and drive it myself. But I would really like to see it.

CHMN STAFFORD: Well, looking at Exhibit 15, I see 10 minutes, 12 minutes. It looks like this whole tour could take less than an hour.

MR. MOYES: That's correct, Mr. Chairman.

MEMBER LITTLE: Mr. Chairman, I move that we take a physical tour.

MEMBER HILL: Second.

CHMN STAFFORD: All in favor say "aye."

(A chorus of "ayes.")

CHMN STAFFORD: Oppose.

MEMBER RICHINS: Nay.

CHMN STAFFORD: Hearing one opposed, the

motion passes. We will be taking a tour.

Mr. Moyes, I believe you have busses arranged to do the tour tomorrow morning.

MR. MOYES: We do, Mr. Chairman. We have two large vans that are rented that we will be driving. And we will -- we can figure out the logistics of who goes where in the morning, but we will follow the tour route that was previously submitted as Exhibit PCE-15 for anyone else who wants to accompany.

CHMN STAFFORD: All right. So that will be -- so we'll depart -- we'll meet in the lobby right out here. I guess we'll meet in this room, and the buses will pull up out here.

MR. MOYES: That will probably be best.

CHMN STAFFORD: Okay. Let's plan on doing that. We'll start in here at nine, and then get on the buses because it's close enough.

All right. So we have public comment starting at five p.m.

MR. MOYES: I believe it's noticed for 5:30 p.m.

CHMN STAFFORD: Or 5:30. Oh, okay.

MR. MOYES: But with the time we have remaining between now and the announced completion time of five p.m. it would probably be difficult for us to

transition into the second panel. It may be cleaner to wait until after our tour in the morning to start that next segment.

CHMN STAFFORD: I'm inclined to agree, Mr. Moyes.

So what I think we'll do is we'll take a break until 5:30. At which time we'll come back here and commence with public comment.

MR. MOYES: Thank you.

CHMN STAFFORD: With that we're in recess.

(Recess from 4:38 p.m. to 5:32 p.m.)

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

Now is the time set for public comment. I will call your name, and you can come to the podium here to my left.

The microphone is adjustable somewhat, so please move it so it's in front of your mouth so we can hear you properly.

First up we have Ana Gorla.

And please keep your comments to five minutes or less.

MS. GORLA: Hello. Hi. My name is Ana Gorla. I've lived in Arizona most of my life. I was raised here.

I'm here to ask for this plant to not happen. While I don't live in the area, I'm concerned about this project. Methane gas plants have been greenwashed into natural gas, which makes it seem like it's just sort of a natural gas. It can't be that bad, right, when you call it natural gas.

Well, studies have shown that being close to these plants increases the chances of getting lung diseases, heart diseases. I checked the site, and I'm concerned for the nearby residents.

When they talk about the distance from the residents and the plan in feet, it may not sound like it's that close, but I hope -- it sounds like you guys are going to check it out tomorrow, so I hope you all see how close the residents are going to be living near this gas plant.

We're also in a climate crisis. And I don't have to remind people here because, like, maybe I'm assuming you grew up in Arizona like I did, so I know what heat is. However, the heat that we've been experiencing these last few years hasn't been normal.

The deaths in our state and in our city are going up because of heat. I just did a presentation on how badly people are getting second-degree burns when they fall on our pavements because of the heat we're

experiencing. And I'm tying all that in because methane gas is contributing to this, our heat problem, and contributing to planet warming up.

I hope that you'll consider the Arizonans that will have to live near this plant and consider the heat that we've been dealing with and that you decide to not keep contributing to this human-caused heating of your planet. Thank you.

CHMN STAFFORD: Thank you.

Next up is Sandy Bahr.

MS. BAHR: Can you hear me? Oh, I know you can because -- good evening, Chairman Stafford and Members of the Committee. My name is Sandy Bahr. And I'm the director for Sierra Club's Grand Canyon chapter, which is the Arizona chapter. And I'm here to express our strong opposition to the siting of the Bella gas plant.

The siting statute requires that the Committee consider a project's environmental impacts including impacts on air quality, noise, views, and the total environment of the area and do that to determine that the project is compatible with the proposed site.

It also requires the Committee to ensure that the project complies with applicable land use regulations. Here the application clearly shows that the

project will have harmful environmental impacts and is not compatible with existing land uses in the area.

The applicant has not demonstrated that the project is needed or is in the public interest.

The gas portion of this project is not in the public interest as it will lock in new gas generation for decades, is extremely expensive, and could harm the ratepayers for the entities that contract for this electricity.

In addition, increasing reliance on out-of-state gas supplies delivered by an increasingly constrained gas pipeline system increases reliability risks to the electric system.

Reliability risks are also exacerbated by the fact that the state has no storage -- storage facilities that can mitigate that or any kind of gas supply disruptions.

Building a large gas plant that uses groundwater and that pollutes our air and harms our climate is not sustainable and, again, will cause significant harm.

The project's two phases are projected to consume 540 acre feet of water per year. The existing farm only uses 345 acre feet per year. This project will increase groundwater usage by 195 acre feet, an increase

of more than 50 percent.

And as you probably know, this area already has unmet water demands, so this is a significant issue.

The project would have harmful impacts on nearby residences. And the residences are close. I already did my site visit, and I'm like, holy cow, they're very -- they're very close, and I'd be really concerned if I lived in the R.V. community there that is for seniors and also those individual homes that are going to be right next to it.

These nearby residents will be harmed by the impacts of the projects of ten new generating turbines and their exhaust stacks, including air pollution noise, light visual impacts, and declining property values.

The plant will increase air pollution in the area. Pinal County already has poor air quality. It is one of the two counties that gets an F on the American Lung Association's report card for both ozone and particulates. Maricopa is the other one. So that's something that I think you all need to think about as well.

These pollutants that are emitted by the plant are harmful to human health, irritating our lungs, reducing our lung function, and the project as Ana stated

before will have an impact on increasing greenhouse gas emissions, about 1.1 million tons per year. This is concerning, especially at a time when we're continuing to experience record heats, wildfires, and droughts.

Finally, the applicant has not demonstrated the need for the project. The project is a merchant gas plant that would not be operated by any utility. I have seen nothing about any power purchase agreements, and so that's concerning as well.

Given high and volatile gas prices and availability of lower cost alternatives like solar and wind, these utilities in Arizona may find that it's increasingly uneconomical to buy power from a project like this. And as utilities transition to clean energy, the project actually risks becoming an expensive and unnecessary stranded asset that degrades the environment while producing dirty, high-cost power.

For all of those reasons, and there are more that we put in our written comments that I hope you will look at, we urge you to deny a CEC for the Project Bella gas plant. Thank you.

CHMN STAFFORD: Thank you.

Up next we have Kristena Dugan.

MS. DUGAN: Good afternoon. I just have a few concerns that I'd like to share with you. Our family

owns one of the three-acre lots on South Mammoth, which are about a mile from the border of this property.

The first thing that comes to mind, and as I listened earlier while I sat through some of this, is the water. As a farmer's wife I will tell you water's kind of important to us in Arizona. I was born and raised in Arizona. I've lived here for 60 years now.

Farmers right now in Pinal County are suffering with some of the biggest water shortages we've ever had. Somebody asked me about alfalfa. We're not growing a lot of alfalfa anymore because we just don't have the water anymore to do it, and this is going to take a whole lot of water from our water table here in Pinal County. It doesn't really look good for my kids and my grandkids for a future as farmers if you ask me.

I'm also concerned about the fire safety. Having been a law enforcement officer in my pre-kid life, I worked a lot with firemen. I still have a lot of friendships today. Fire departments live in fear of battery fires. With all the electric vehicles, all of these things you can't fight them like a normal fire.

This is an unincorporated area of Pinal County. It's hard enough we're in Pinal County, and the cities don't have the adequate ability to fight those fires. I can't imagine what would happen if this

plant -- if there was a fire. The people that live in close proximity, it would be devastating for them and for our emergency personnel as well.

Also, the noise. I actually live close to a railroad in Maricopa, and I love the sound of the train on the tracks, and I know what the decibel level is for that. I can't imagine what the decibel level is for a power plant of this -- and, I'm sorry, that I wasn't here or if that's tomorrow for that -- that presentation.

In short, the biggest thing for me is water and the ability to provide emergency services and the quality of life for those who have property down here, who live down here for our quality of life that would be taken away if this power plant is placed. Less than 600 feet to the first residence to the fence, that's only two football fields. That's not enough of a distance in my opinion. Thank you.

CHMN STAFFORD: Thank you.

Up next is Paul Cataldo.

MR. CATALDO: Good afternoon.

I live -- I'm one of the residents that's going to be highly impacted by this project. I live .9 miles from the turbines and within about a half mile from the northwest property pin closest to where the batteries are going to be stored.

We moved to Pinal County about 20 years ago to get away from the hustle bustle of the city. We really enjoy the farm life. My daughter participated in 4-H. We have --

(Unidentified person speaking.)

MR. CATALDO: I'm sorry?

CHMN STAFFORD: Could you please mute whoever is on the line.

MR. CATALDO: Are you on the line?

CHMN STAFFORD: It's someone coming over the system. Please proceed.

MR. CATALDO: Oh, I'm sorry.

My daughter participated in 4-H. She still currently has her horses. At nighttime we hear the noises of the coyotes. We watch the burrowing owls in the farmland. It was stated earlier that there's no wildlife impact.

We have badgers. We have coyotes, turkey vultures, hawks, great horned owls, burrowing owls that all cohabitate with us within that community, and specifically on the canal edges of the property that's been proposed.

Sound -- sound noise. We were given some decibel readings at 38 dB at the low end and about 50 dB at a high end. That is my understanding to be 24/7

because of the chillers. We hear echoing sounds at nighttime up to three, four miles away.

The light, that could be -- I don't know what they're talking about as far as residential lighting, but a lot of these other facilities that I visited, they have bright lights on the stacks. They have to protect their property. They have to be able to see what's around them. I'm sure they're going to have cameras.

And the decrease of property values is very likely. Insurance. They talk about liabilities. With these batteries and the explosions -- with potential explosions of the batteries, evacuations. Being a resident in an rural area right now we have a hard time getting insurance.

And if something like this comes in, we maybe uninsurable. I didn't work all my life to live in a rural community that I can't even get my property insured. So decrease in property value because of it.

I understand we all need to consider energy usage because of the demands and the growing of our state. But there's -- there's got to be other areas that this can go in that's comparable and not be in the middle of a residential community and displace the farmland.

As far as the farm being farmed for 10

years, that farm had been reactivated about four years ago. The current land had sit vacant since, I believe, the mid '80s to late '80s because of the water issues. And then just in the last four years it's been reactivated so I'm not sure where they're getting the 10-year water usage. It's been not 10 years.

So other than that, thank you for your time.

CHMN STAFFORD: Thank you.

Up next we have Deanna Pence.

MS. PENCE: Hi. My name is Deanna Pence. I live in about a half mile from where this proposed facility is supposed to go in. That was my husband Paul Cataldo talking.

We don't want this there. There are so many other places in the county that this could go that wouldn't impact homes. Our home, like I said, is about half a mile from where they're going to go in. We will be closest to the batteries.

And I do have an article I'd like to share. I printed this. It's "Big California Battery Storage Facility Fire Burns for 11 days." It's from Kennedy Maize. It was printed June 14, 2024.

"A nasty, long-burning fire near San Diego, Calif., last month provides graphic evidence of a risk

inherent in large lithium-ion battery energy storage systems.

"On May 15 a fire broke out at a 250-megawatt battery energy storage facility in East Otay Mesa, a San Diego suburb near the Mexican border.

"The fire burned through the roof of the building housing the lithium- --"

CHMN STAFFORD: Can you slow down, please? The court reporter is having trouble keeping up.

MS. PENCE: Oh, sorry.

"The fire burned through the roof of the building housing the lithium-ion batteries at LS Power's Gateway project prompting local fire officials to issue evacuation orders and road closures in the area surrounding the storage plant.

"Authorities also issued a "shelter-in-place" order for a nearby state prison because of the possibility of toxic fumes from the fire.

"It took some six days to contain the fire and it was still smoldering 11 days later, according to the California local news service Hoodline. The evacuation order was lifted but road closures remained in place. Hoodline reported, 'During the height of the firefight, an estimated 50 firefighters and county and city hazardous materials teams were involved in the

effort.'"

"The tendency of lithium-ion batteries to catch fire, from cell phones to electric vehicles to stationary energy storage, is well-known. The National Fire Protecting Association lists five failure modes for battery storage:

"Thermal abuse. Energy storage systems have a set range of temperatures in which they are designed to operate, which is usually provided by the manufacturer.

"Electrical abuse. Electrical abuse takes place when a battery is overcharged, charged too rapidly, or externally short-circuited.

"Mechanical abuse. Mechanical abuse occurs if the battery is physically compromised --

CHMN STAFFORD: Can you slow down again?

MS. PENCE: Sorry. I tend to go fast.

"Electrical abuse --

CHMN STAFFORD: And get closer to the microphone. You're to the side of it. There you go.

MS. PENCE: "-- is overcharged, charged too rapidly, or externally short-circuited.

"Mechanical abuse. Mechanical abuse occurs if the battery is physically compromised when the battery is crushed, dropped, penetrated, or otherwise distorted

to failure by mechanical force.

"Internal faults. Internal faults can result from inadequate design, the use of low-quality materials, or deficiencies in the manufacturing process. It might be worth noting that the failure rate for lithium-ion cells is said to be on the order of one in a million.

"Environmental impacts. This can be the result of ambient temperature extremes, seismic activity, floods" --

MEMBER GOLD: We're having trouble hearing you, and you're reading much too fast. You need to slow down, please.

MS. PENCE: Okay.

"This can be the result of ambient temperature extremes, seismic activity, floods, ingress of debris or corrosive mists such as dust (deserts) or salt fog (marine locations), or rodent damage to wiring.

"The NFPA also lists three hazards from lithium-ion fires.

"Thermal runaway. Thermal runaway is the uncontrollable self-heating of a battery cell. It begins when the heat generated within a battery exceeds the amount of heat that can be dissipated to its surroundings.

"Off-gassing. The gasses that are released from battery energy storage systems are highly flammable and toxic. The type of gas released depends on the battery chemistry involved but typically includes gases such as: carbon monoxide, carbon dioxide, hydrogen, methane, ethane, and other hydrocarbons. If the gas is able to reach its lower explosive limit before finding an ignition source, then there is the potential for an explosion. An example of this occurred in Surprise, Arizona back in 2019.

"Stranded energy. Stranded energy is the term used for when a battery has no safe way of discharging its stored energy. This commonly occurs after an ESS fire has been extinguished and the battery terminals have been damaged.

"Lithium-ion batteries are constructed with flammable electrolytes and reactive lithium salts, which can generate a violent exothermic chemical reaction if the battery is damaged, overcharged or exposed to high temperatures. The thermal energy generated by these reactions can cause a thermal runaway condition, which in turn enters a cycle of rapid increases in temperature and pressure within the battery, resulting in an explosion or fire.

"These fires cannot be contained by normal

firefighting tactics, and the current recommended method of control is to allow the fire to burn while cooling the surrounding systems to prevent further explosion.

"The incidents range from minor hiccups to catastrophic accidents, such as a 2019 explosion at an Arizona Public Service Company battery system in Surprise, Arizona.

"And that 2019 McMicken battery energy storage system, Surprise, Arizona, thermal runaway causing explosion injuring nine, skull fractured, broken ribs, and brain damage.

"2022, Dorman battery energy storage system in Chandler, Arizona, thermal runaway, burned for more than 10 days emitting toxic gases and environmental contamination to the soil, evacuation orders.

"Lithium battery fires release toxic gases such as carbon monoxide, hydrogen fluoride, hydrogen cyanide, hydrogen chloride, and sulfur dioxide. Studies have shown exposure to these chemicals can lead to increased risk of health issues including respiratory problems and skin irritation." And that's the Environmental Health Perspectives Journal, 2019.

"According to the Center for Disease Control and Prevention, exposures of 50 to 100 parts per -- ppm of sulfur dioxide may be tolerated for more

than 30, 60 minutes, but higher or longer exposures can cause death from airway obstruction.

"Hydrogen fluoride is lighter than air and would disperse when released, a cloud of vapor and aerosol that is heavier than air may be formed. That's the EPA.

"On exposure to skin or by inhaling, hydrogen fluoride can result in skin burns and lung damage.

"Studies further indicate that toxic gasses could increase health risks for residents within a four-mile radius."

So we don't want this in our neighborhood. And it appears like this could go in other places. The area, it's all growing out here. There's so much open land. It doesn't need to go right next to homes.

Thank you for your time.

CHMN STAFFORD: Thank you.

Up next is Phillip Aguayo.

Am I pronouncing that correctly?

MR. AGUAYO: Aguayo.

CHMN STAFFORD: And your last name is spelled A-g-u-a-y-o?

MR. AGUAYO: Correct.

CHMN STAFFORD: Thank you.

MR. AGUAYO: My concern is the manpower for this project. If it is approved, I would like to make sure we have highly qualified union craftsmen in there and also room for local residents that want to work on that project. A lot of these projects import the labor from out of state, Oklahoma and Texas.

I would love to see it mainly local residents, highly skilled, qualified, and we have opportunities for people that are in the union to join the union and get trained.

That's my main concern. And good luck with the project on both sides.

CHMN STAFFORD: Thank you.

MR. AGUAYO: You're welcome.

CHMN STAFFORD: Next up is Jesse Cervantes.

(No response.)

CHMN STAFFORD: Jesse Cervantes.

(No response.)

CHMN STAFFORD: All right. Moving on to Linda Reagan.

Oh, she does not wish to speak.

Vincent Reagan does not wish to speak.

Margarita Leyvas.

MS. LEYVAS: Good job on the pronunciation.

My name is Margarita Leyvas. I was born

here in Pinal County in Casa Grande, in fact, in the old Casa Grande hospital. I have lived in and around Casa Grande my entire life, and I have lived in that neighborhood for 35 years.

We moved out there for the peace and the quiet. No streetlights, no noise other than the coyotes and the other animals.

My concerns, there's a multitude. There's significant threat to public health. Some of the items that we have received in the mail and when I attended the open house were talking about pollutants such as hydrogen cyanide, sulfur dioxide, and formaldehyde, and that's just a few.

I myself have asthma. I use several inhalers, and I have several medications that I take. So this is of great concern to me.

We're concerned about the light and the noise pollution. We're out here in the desert where sound carries. It carries quite significantly. That's going to compromise the tranquility that we sought when we moved down here.

There's going to be a negative effect on property values because no one wants to buy anything that's near such a large project. I'm concerned that we're going to have declining property values.

I'm also concerned about the water table. As Ms. Dugan mentioned earlier, you know, the farmer's family, for ourselves we have also been very conscious of that on my property we do not have grass because that is too much water usage. We have gray water that we use to water the trees that we do have.

We do -- I did have a vegetable garden, but I felt my water bill went up too much so I don't have the vegetable garden. But I am concerned for those of my neighbors who have, you know, chickens, horses, ponies, goats, other kinds of animals as well as crops that they grow, and they consume those crops.

And so what's going to happen if god forbid there's an accident and there's pollutants in the air, what happens to those vegetables and to those animals?

And even if there was a plan in place to notify us to evacuate, how could we evacuate all of our animals? I have six dogs and a turtle. So how do we evacuate six dogs as well as my grandson who is -- has a neuromuscular issue and is sometimes wheelchair bound?

So we're talking about great health concerns for our area.

And another great concern which we have voiced at the open house that -- two open houses that Project Bella has -- has provided, is there is no fire

department coverage out there. There was a fire recently off of Mammoth Drive, and there was 20 to 30 acres that went up in flames.

We don't have fire coverage. Last year a man's house burned down right on Whispering Sands. Casa Grande fire did come out, but they had to stand down unless there was a life at risk. And so that man lost his home. It's just rubble.

So what is going to happen? We do not have rural fire coverage out there.

So those are my concerns. And I'm hoping that you all will vote against the installation and construction of Project Bella in our community.

Thank you.

CHMN STAFFORD: Thank you.

Up next is Bert Chapman.

MR. CHAPMAN: I'd like to thank you for this opportunity to speak out against this project. Mark and I have talked a number of times, and I have yet to be satisfied with what I'm hearing.

There's no satisfaction in any of the things I've been told about the noise abatement, about the roads. The only way they can get in there is coming off of Montgomery off of I-8. And the next place they would go is Cornman. That's right through where I live.

And these roads are bad already in Pinal County. They're always out there trying to patch them because they're beaten so bad.

And so then on top of that where I live -- I've been out there for 20 years. I moved out there before the power line was there. I didn't even know that was going to be there. The real estate agent that sold me the property didn't even let me know, and I heard it's been in the works for a long time.

But I took that. I accepted it. But this project here, we don't need that. I have not been satisfied to know that it's going to benefit us in any way. Our electric comes from San Carlos Electric; right? We know that that's WAPA that provides power.

Our bill has gone way up. Last year it started. This year it's not that much better. But I see no reason to have this if it's not going to benefit us in any way.

Not to mention I'm probably within a mile of that. If I walked out my front door where that plant is going to be, it's right in front of Table Top Mesa. That's one of the things that I enjoy is looking out at Table Top. The power line goes in front of it now and obscures -- obscures it I should say.

Well, anyway not to mention, I also have

pulmonary fibrosis. I moved out there to retire to get away from town and have been enjoying it. And now that I have that issue, if something happens that these batteries catch on fire, who's going to -- who's going to pay to evacuate us? Because we will probably be evacuated. We're that close to it. And it sure isn't going to help my lungs any.

And I have neighbors down the road that don't even get that would have liked to come here today but are unable because of they have asthma and various things. They're older people.

Then the trailer parks that you have right there. There's SKP and one other one. They're old -- these are snowbirds as you call them or winter visitors. They have no say here because they're back in their homes right now. So there's no one representing them to hear what they have to say about it.

And, you know, this well that they're talking about they want to pump, that has not been in use for 10 years. I've lived here long enough to know when they -- when I -- when they started bringing that well online, that land was covered in mesquites again. They had to clear it before they started farming. It's only been four, maybe five years.

And I remember the first crop was corn.

Next it was milo. And then next they started in the alfalfa. So all the facts aren't coming out here. And I am definitely downwind. I'm on a corner here. They're over here. And if one of those batteries catches on fire, that southwest wind will bring it right to my front door. I don't need that. I don't want that. And I ask that you vote against it, please.

CHMN STAFFORD: Thank you.

Up next is John Callaway.

MR. CALLAWAY: I'm John "Cal" Callaway. Excuse the voice. A lot of dust out there.

I think a lot of what I'm trying to say has already kind of been said. Oh, thank you. Insurability would be a big one. For me, property value would be big. The water issue is big. If the project does go in -- as they say, sometime you can't fight city hall. But if the project goes in, hopefully not, I would like to see legal language stating that the project needs to replace our wells.

Whether it's lack of water or pollution, that's the type of things that I think really hits home with a lot of people. A lot of people can't be here. I got probably, see, 10 people that couldn't be here because it's a workday. So I'm speaking for a few other property owners.

My property is right across -- this project is just south of our properties, which would be considered horse properties. I think there's a number of us here that have bull -- raising bulls. You know, we have basically a horse property situation from five acres to 20 acres in this community and a lot of people don't see that.

They try to write it off as nothing. We've spent a lot of heartbreak and tears building this community. And I for one don't want to just be steamrolled over. I appreciate the time.

CHMN STAFFORD: Thank you.

Next up is Paula Monter.

Did I pronounce that right?

MS. MONTER: Yes, you did.

CHMN STAFFORD: All right. Thank you.

MS. MONTER: Very good.

Hi. My name is Paula Monter, and I live on Whispering Sands Drive, which is about a mile and a quarter from the projected project.

I've written the five men and gotten response from one. And I've -- I gave them all of my concerns. I've lived out here for 14 years. My husband and I have a well pump company.

And like Bert said, the -- that well on

that property was not in operation for many years. And when it did go into operation, several of our customers that live about a mile to a mile and a half away have now dried up wells. So they have no water. And that has affected the water table, the static water level.

We have a well on our property because we wanted to grow organic vegetables and fruits, and we have animals, and we grow our own meat. And so it got too expensive to have the water company pay for all that, so we drove our own well. And that was about six or seven years ago.

That water table, that static water has not gone down on that well as of this date. So the study that was done by this corporation did not take into account the residential wells. They only looked at the agricultural wells. And what do we do to them? So we haven't seen any studies on that.

And I can tell you as a well person and a homeowner, and seeing what it does, there's wells all over Maricopa. The same thing is happening because now with the problems with CAP the farmers are firing up their AG wells again, and so it's affecting that.

My other main concern is our property values. I have a home there for 14 years that we worked really hard like these other folks to improve. And it's

our investment. I have a rental property. It's just a single-wide trailer down the street, but it's still a rental property. And if this project goes in, I don't know what my property values are going to do. I don't know what my rent -- what rent I'm going to get. It's probably going to go down. I wouldn't want to rent with a giant power plant in the backyard.

And like Bert, it's my view too of Table Top mountain and the sunset. When I look out the back of my house, now I see power lines, and now I'm going to see a power plant. I don't want that.

The pollution factor for my animals, my organic vegetables, my fruits and stuff is huge. Especially when we're eating all that stuff, you know, and all that meat.

So I'm very against this. And I don't think the zoning should be changed. I don't think it should be allowed. I'm glad I'm able to come here and voice my opinion.

I'm concerned too about the safety of the community all around, the pollution, the natural wildlife, all the things that everybody else has been talking about I'm right there with them. And I just would strongly urge that you guys don't do this.

The other thing that bothers me is I looked

at this company, this corporation, and, you know, mailers came from San Francisco. And the company, its main headquarters are in Mexico City. So this isn't -- what's this doing for us? You know, this money is all going to go out of our country?

And whoever was talking about jobs there's not going to be that many. They said three. And, you know, maybe a lot of construction in the beginning, but it's only going to provide three -- three jobs from what I understand.

And then I just found out today all of the pollutants. I didn't know there was going to be all those pollutants. I didn't find that out at the meetings.

So, again, I just strongly I'm against it. I don't want it. I don't think it's right for our neighborhood. There's places that you guys can go down the road five, 10 miles away in the middle of farmland. I don't even want you to do that, but at least it wouldn't be around people.

And you're going to make a bunch of money off of this, so you've got the money to bring gas to your project. Go put it on an electrical line somewhere else where nobody lives and pay the money to pipe your gas in. You know, I don't even want that. That's a better

solution than putting it a mile or half a mile from our neighborhood.

So that's all I have. Thanks.

CHMN STAFFORD: Thank you.

Do we have any members of the public wanting to make comment online or on the phone?

A/V TEAM MEMBER: Mr. Chairman, we have three members of the public who have indicated that they wish to speak. The first comment we received was from Duane Ediger.

CHMN STAFFORD: Mr. Ediger.

MR. EDIGER: Good evening. Nice to meet you. Good to be -- thank you, Line Siting Committee, for being at this hearing and being willing to hear us.

CHMN STAFFORD: Could you please spell your last name for the court reporter quickly -- well, not too quickly. She wants to be take it down. But just spell your last name for the court reporter, please.

MR. EDIGER: Apologies. I was on mute. My name is Duane Ediger, D-u-a-n-e E-d-i-g-e-r.

I would like to thank the Line Siting Committee for having this hearing. I looked for how I could connect last night within 24 hours of it and did not find it, but fortunately I was able to get that information today.

So I'm going to talk about the cost of the facilities, but not just the financial costs, the other costs. And then some about the particular technologies involved and what is necessary and what is safe.

So the costs of these facilities, again, are not only -- it does cost a lot of money and we have to take it into account ratepayer concerns, but we also need to take into account the concerns of people like myself. I'm a resident of Tucson and Tucson Electric Power is one of the utilities that is in a position to be buying power from this plant.

If we build more fossil fuel burning plants, we are endangering ourselves further. I want to cite to you heat caused and heat-related death numbers for the state of Arizona going back from 2011 to the present.

In the period 2011 to 2015, there was a range of, every year, 74 to 109 heat-related deaths per year in Arizona. That number started going up in 2016 when there was 165 and 227. 187 in 2018. 220, 378, 414. In 2022, there were 671. That's gone up over six times in five, 10 years.

And there's no complete numbers for last year yet, but just between Maricopa and Pima counties, there were 821 heat-related deaths in Arizona.

These deaths are -- can be considered a result of heating -- the heating of our -- disproportionate heating of Arizona, as with the rest of the world, which is caused by building more of these plants irresponsibly and threatening the safety and well-being of Arizonans.

We can meet our needs without doing this, and it is important to not just look at very direct things of who lives in the area. I really do appreciate hearing from residents who are near the proposed site, and their views -- viewpoints are obviously of utmost importance.

But these plants threaten much more. They threaten the future of generations of human beings and other life. And that is something that the Line Siting Committee needs to take into account according to its own documents.

In terms of the batteries, if lithium iron phosphate will be the chemistry of batteries for this system, they have proven very, very, very much less volatile, likely to burn, than the examples that have been cited in other presentations.

However, gas plants that will require importation of methane gas from outside of Arizona -- because we don't produce much of that here -- those

pipelines can also blow up and create much more dangerous fires which also should be taken into account.

Not to mention the climate implications.

Batteries are needed to meet the loads -- electric loads during the night because we do not have a wind power resource in Arizona. We get some of that from New Mexico and other places. And I hope that -- I hope and believe that we can do so responsibly. I believe that distributed access to these technologies in homes, in cities, where nearby where they're being used is better. But when that is not possible, the plants could be made safe.

The gas plants are inconsistent with safety considerations as evidenced by the rising heat-caused mortality among humans and other species.

And I hope that you will deny the CEC for this plant but encourage distributed renewable generation and the battery storage that will help us use that renewable energy day and night.

Thank you for hearing my case.

CHMN STAFFORD: Thank you.

A/V TEAM MEMBER: Mr. Chairman, next we have Amber Hubbell.

MS. HUBBELL: Hi. My name is Amber Hubbell, H-u-b-b-e-l-l. And I have been here -- I live

off of Whispering Sands, and I've been here for about nine years. My late husband and I had purchased this home. This home is a dream house for me. It has the acreage that we need to be able to raise livestock and crops so we don't have to rely on grocery stores whenever -- like with COVID, what happened with COVID. So we're able to be self-sufficient.

I think what's important to recognize is that there are millions of solar panels going on around in this community, in Casa Grande and Coolidge, and even down in Marana. We don't need this plant if we have solar plant, solar panels.

I think that we have expressed the pollution.

We have a dirt racetrack that's about two and a half miles from my property, and on weekends during the spring and fall when the weather is nice you hear them going all the time. So if we can hear them two and a half miles away, what is going to happen when we have this 10 turbine plant going on right in our backyards?

We all live out here because we chose to live out here. We're not Section 8. We don't have to live out here because we have no other options. We chose to move out here.

I'm a millennial, and I think that you all

understand the current economic situation that is going on, that it's not easy for us to sell our property, especially if the values go down, and be able to replace what we have. I would dream to be able to live in this place for 35 years like some have. That would be my ideal dream.

As I was growing up as a kid, we had to move every year. I don't want to live like that. I don't want to be pushed out of my home when I fought so hard to be here, and I worked really, really hard to keep this and maintain the property.

We have a great community. Paula has spoken. She is a very nice neighbor. Their family is very great. We have a wonderful community here that you're just trying to destroy and send people away. We don't want to go anywhere.

There are other places that you can go. You have SRP that's closer into town. Why don't you expand in town? You know, people who are living in town are willing to live next to those type of industries. We don't want to live like that.

You're taking the water away from the producers. You're taking away water and land from the farmers. If you see, you can see the crops that are growing in the area that you want to take. So now you're

taking away from our food source for other people if we don't grow our own food. That's our own food source that's going away. We supplement and help the feed lots and the dairies that are in the area. And these people have been here for decades. And you're pushing everybody out because to make a buck.

We're not benefitting, especially if this money is going to Mexico or California. We're not benefitting. It has no purpose to be here.

So I think for the last comments that I have is that it's very known that we don't want this in our community. We want to enjoy the coyotes, the owls, and the hawks, and everything that's out here. We don't want to just listen to this humming 24/7.

We all have livestock. That's not healthy for livestock. As you can understand that animals have way better hearing than us. So now our dogs, our cats, our livestock are in jeopardy because of this constant humming that you can't get away.

So I would hope that this -- this project gets turned down. Thank you.

CHMN STAFFORD: Thank you.

A/V TEAM MEMBER: Mr. Chairman, next is Richard Sigler.

CHMN STAFFORD: Mr. Sigler.

MR. SIGLER: Hello, Mr. Chairman. Can you hear me okay?

CHMN STAFFORD: Yes, we can.

MR. SIGLER: Okay. I request that you do not grant a certificate of environmental compatibility to Pinal County Energy, LLC for their proposed Project Bella.

Solar energy is an alternative to gas not only because of its environmental favorability but for economic reasons also. Solar is now the cheapest form of energy in almost every location around the world according to the International Renewable Energy Agency, the International Energy Agency, Ernst & Young, and Guggenheim Securities.

The technology for solar and battery storage has skyrocketed in the last few years. For example, since early 2010, solar levelized costs of energy fell from over $400 per megawatt hour to $49 per megawatt hour in 2022 according to Ernst & Young. This technology will continue to increase at a rapid pace in the future.

Since 2014, solar energy production grew on an average of 25 percent per year while installation costs dropped by 40 percent.

As of June this year, June of this year,

200 gigawatts of solar energy have been installed in the United States, enough to power 36 million homes according to the Solar Energy Industry Association.

In this country, 55 percent of new electricity generation in 2023 was solar. And in the first quarter of 2024, that figure is 75 percent.

The fact is that solar technology and adoption is happening at a rapidly increasing rate both in this country and around the world. Solar and renewables in general are the future, which is now. Fossil fuels are a dinosaur.

The fossil fuel industry knows and as most people now realize that their product is on the way out. They're doing everything they can to get their infrastructure built to give them an excuse to continue the use of their product. It will be hard to walk away from a $759 million investment.

In conclusion, Arizona needs to look to the future and utilize this abundant solar resource instead of investing in the fossil fuel path.

Hold on just a minute. My computer's -- sorry about that.

Keep the ratepayers first and fossil fuel interests last. Do not grant the certificate of environmental compatibility for the proposed Bella

project.

I just want to say this project -- the future of gas is not good from everything I've seen in the last few months when I've been looking at this. And there is no sense investing in something that is going to be obsolete in a few years. And that's basically the point I want to make.

So thank you, Mr. Chairman and Committee, for hearing me.

CHMN STAFFORD: Thank you.

A/V TEAM MEMBER: Mr. Chairman, we do have a few more who have indicated they wish to speak. The next is Horst Schmidt.

CHMN STAFFORD: Mr. Schmidt.

MR. SCHMIDT: Thank you. My name is Horst Smith. And I wish to affirm almost everything that has been said by the --

CHMN STAFFORD: Can you please spell your last name for the court reporter?

MR. SCHMIDT: S-c-h-m-i-d-t.

CHMN STAFFORD: Thank you. Please proceed.

MR. SCHMIDT: All right. As I said, I affirm almost all of the comments previously made tonight, and I think they've all -- have really important issues both people who live there and the people in the

greater valley area.

You know, air pollution is getting worse. We do not need to get more methane gas plants coming in. So I have grandchildren who live here, were born here, so will they develop breathing or lung problems or worse will they get some awful painful disease from pollution that they've inhaled into their bodies? So it's not just us. It's the future that we need to be concerned about.

And then finally I think it's important that we tell the Corporation Commissioners to put people first, not the utilities. I realize when I saw them make the decision on the UNSE methane, well, I -- it just flabbergasted me. I think there has to be some reality of people putting people first, not profits.

Thank you.

CHMN STAFFORD: Thank you.

A/V TEAM MEMBER: Mr. Chairman, next is Autumn Johnson.

CHMN STAFFORD: Ms. Johnson.

MS. JOHNSON: Good evening, Chairman and Committee Members. Autumn Johnson on behalf of the Arizona Solar Energy Industry Association or ARISEIA.

Are you able to hear me okay?

CHMN STAFFORD: Yes. We can hear you just fine.

MS. JOHNSON: I just wanted to indicate a couple of my concerns generally with the process and the applicant. I did file comments today in the docket as public comments.

To my knowledge that the ability to even participate in the public comment or listen to the hearing wasn't even noticed on the applicant's website until today. I am surprised that this number of people even received notice and were able to attend. But I think that that is a concern that should be taken seriously by the Committee. It's not clear to me that this applicant has taken the public process and allowing them to participate and listen to the hearing seriously.

Secondly, there were numerous false statements made by the applicant today over the course of the hearing. The applicant falsely claimed without any evidence that gas is clean. They falsely blamed outages in other states on renewables, which is untrue.

And they have asserted themselves under oath to be speaking on behalf of the utilities for everything from their future resource planning to their retirement days, which is inappropriate and speculative.

I think that the credibility of the entities that are appearing before you and building these plants is important. ARISEIA and myself personally are

not blanketly opposed to these projects. I have said multiple times that I think inclusion within an integrated resource plan or IRP, a winning bid from an all-source request for proposal or all-source RFP and participation in the CEC process are the necessary requirements to building and operating a new gas plant in this state.

I hope the Committee will evaluate who it is that will be buying this power and will certainly take into account the accountability of the entities providing said power. A merchant plan does not appear to me to be accountable to anyone. At least if a utility is building a plant, they have a stakeholder process, they have relationships with the stakeholders, they appear regularly before the Corporation Commission. And whether or not they are SRP or one of the investor-owned utilities there is some sort of check on those entities, which is not the case for a merchant plant.

I am unfortunately going to miss the hearing tomorrow because it conflicts with the ACC's opening meeting, but I hope that the Committee will seriously consider the credibility and the veracity of the applicant and the statements that they make and ask good questions about things that they are saying that are just patently false or mischaracterized.

Thank you.

CHMN STAFFORD: Thank you.

A/V TEAM MEMBER: Mr. Chairman, next and last so far is Stephen Cook.

CHMN STAFFORD: Mr. Cook.

MR. COOK: Hello. My name is Stephen Cook. Spelled C-o-o-k. I live in Prescott. I'm opposed to this project in its current form with 480 megawatts of new gas-fired electrical generation. I've put extensive comments in the docket on that already.

What I want to say now reflects highlights, some of what I put in the docket. There is one part of this project, however, to the extent that it contributes to promoting increased use of renewable energy, decarbonization, and improving grid reliability that is needed. And that's the proposed 1760 megawatt hours of battery energy storage, which can be charged by renewable energy already out there on the grid.

In fact, there's a need for more such storage, so I propose the Project Bella reinvent itself by doing three things.

First, eliminating the proposed gas-fired electrical generation.

Second, increasing the 1760 megawatt hours storage by a factor of 10 to 17,600 megawatts hours.

And third, offering an alternative to the lithium-ion batteries it seemingly proposes.

As we've already heard, complaints about lithium fire safety-related problems are becoming a part of public hearings on proposed Arizona solar projects. This technology is expensive and depends on a highly reactive dangerous element and a resource potentially in short supply.

I'm proposing that the Project Bella instead considering -- consider iron-air battery technology and build on what is unfolding in Georgia; namely, a partnership between Ford Energy, Incorporated founded by the MIT researchers in 2017, and Georgia Power, a large utility. Devoting to increasingly power their grid by renewable energy, this collaboration is on track to bring a 1500-megawatt-hour iron-air battery system online by 2026.

Ford Energy says this technology is, quote, "capable of delivering electricity at less than one-tenth the cost of lithium-ion." Made from iron it's one of the safest, cheapest and most abundant minerals on earth. It can be used continually over a multi-day period and will enable a reliable and secure grid year round.

17,600 megawatts of battery storage would provide 176 megawatts of power for 100 hours or

440 megawatts for 40 hours. Now that happens to be 10 times longer than what the applicant currently proposes. This increased battery storage would occupy roughly 60 acres and easily fit in the 158-acre footprint identified in the application.

While battery costs are uncertain, I believe modifying the project as I proposed would greatly reduce its $759 million projected cost.

I urge you to not grant the Bella Project as drafted -- as currently proposed a CEC. Instead, ask them to consider the alternative I've outlined here or a related alternative that also adds some on-site solar generation of that 350 acres of property in Pinal County.

Ask them to start by contacting Ford Energy, Incorporated. See the letter I put in the docket for additional details. Your rejecting their application and instead urging the applicants to rework their plans could bring an important development. Following the state of Georgia's lead, Arizona could help move our country and the world into a renewable energy cleaner and safer iron-air utility-scale battery future.

Thank you.

CHMN STAFFORD: Thank you.

Are there any other public commenters on the line?

MR. RYL-KUCHAR: Can I speak?

CHMN STAFFORD: Did you fill out a form, sir?

MR. RYL-KUCHAR: No, I wasn't aware of any forms.

CHMN STAFFORD: Please, they're right over here.

MR. RYL-KUCHAR: Over where?

CHMN STAFFORD: All right. Mr. Ed --

MR. RYL-KUCHAR: Ryl-Kuchar.

CHMN STAFFORD: -- Ryl-Kuchar, could you spell that for the court reporter, please?

MR. RYL-KUCHAR: R-y-l-hyphen-K-u-c-h-a-r. I live approximately just under a mile from the proposed site. And I hope you'll excuse me because I'm a little -- I'm shaking and that's a medical condition, not a -- anything else.

You know, whether it's all solar or gas, you know, we have -- I wake up every morning with the chickens, and I'm outside. And we have chem trails overhead and people experimenting with the environment. You know, so whether it's solar or gas, it really doesn't matter.

My biggest problem is water. Once this plant starts taking water from the aquifer, my well's

going to run dry. It's not deep enough. And that was put in based on what the county -- the water department required. But as soon as they start drawing water out of it, it's gone. It's going to dry up.

The other problem, of course, is battery storage. Battery's not good. You know, the hazards, the safety, it's just -- it's not there yet. NFPA, and I'm well aware of NFPA because I've had to deal with them on many occasions in my career, they're just not up to date with regulations. A fire pump, good luck. Batteries catch on fire, the containers are sitting outside in a field with -- in 115 degree weather out in an open field in the sun. Can you imagine? You can set a wrench down on the ground for 10 seconds and you can't pick it up without getting burned. I can't imagine they're going to -- they would have to run one of the turbines just to be able to run some kind of a cooling system for the battery field that they're talking about. It's just impossible. It's not a good idea.

We live too close to that site. There's a lot of neighbors in the area. There's a lot of stock. We have animals. I mean, you're just going to try to drive us out is what you're trying to do. There's no way we can live that close to the plant.

The noise, incredible. You know, I can --

I can talk to my wife, she's on the back 40, and I can just talk in a normal tone of voice and we can have a conversation. Can you imagine at 65 decibels is what is in the application at the property line. 55 to 65 decibels. That's what in the application. At 80 decibels, OSHA requires hearing protection. That's how bad it is. 65 decibels at the property line. And that noise is just going to drive us nuts. It's going to drive our animals nuts. It's going to drive us crazy.

It's bad enough we have that stupid racetrack nearby. That racetrack, I got to sit there on a Saturday (indicating), man, I feel like I'm at Indy. Jesus Christ, it's on the other side of 8. You got to be kidding me. Didn't you guys decide on some kind of a sound barrier? Apparently not. Because that racetrack on a Saturday or Sunday, in nice weather, man, you can hear it. The damn --

(Indiscernible voices.)

MR. RYL-KUCHAR: Yeah. My patio vibrates. Really.

This is not a good place. I'm sure there are alternate places where that plant can go and -- go in and be more beneficial and more conducive to the area.

One last thing I've got is that evaporative pond. Boy, what a bunch of crap. I worked for the

chemical industry for many years. You know what? We had an evaporative tank, and that tank we put all the crap into it. And, yeah, the weather would evaporate all the water out. It smelled like an open sewer 99 percent of the time, and then when it was all dried out we had to scrape it out and then we had to dispose of the scrapings, the stuff that was inside that tank. That evaporative pond is a joke. There's no capture system on it.

There's no capture system on the battery containers. Those are NEMA-3 containers. Big deal. They're set up with sensors. When they overheat or when they have any kind of -- if they -- they have a sensor for overheating. They have a sensor for fumes. They have other sensors. This thing's equipped with all kinds of stuff. And as soon as things start going wrong, all the louvers open up and it starts venting them out to the atmosphere.

So this is not -- we're just not at that stage right now in engineering to be able to put something in a populated area that is going to be safe. It's not safe. It's not a good idea. And that's besides the environment and everything else.

Sorry. Thank you very much for listening.

CHMN STAFFORD: Thank you.

Anyone else online or on the phone?

MEMBER LITTLE: Mr. Chairman.

CHMN STAFFORD: Yes, Member Little.

MEMBER LITTLE: I would just like to thank all of you for being here tonight. It's important to us that we hear comments from the public.

CHMN STAFFORD: Is there anyone else who wishes to speak who has not done so?

(No response.)

CHMN STAFFORD: Well, thank you all for coming out. The Committee has heard what you said, and we will consider it.

With that, we will recess until tomorrow morning. We'll be back here at nine a.m. We'll meet in this room before we head out on the tour.

We stand in recess.

(Proceedings recessed at 6:42 p.m.)

STATE OF ARIZONA)
)
COUNTY OF MARICOPA)

BE IT KNOWN that the foregoing proceedings were taken before me; that the foregoing pages are a full, true, and accurate record of the proceedings, all done to the best of my skill and ability; that the proceedings were taken down by me in shorthand and thereafter reduced to print under my direction.

I CERTIFY that I am in no way related to any of the parties hereto nor am I in any way interested in the outcome hereof.

I CERTIFY that I have complied with the ethical obligations set forth in ACJA 7-206(F)(3) and ACJA 7-206(J)(1)(g)(1) and (2).

Dated at Phoenix, Arizona, August 20, 2024.

JENNIFER HONN, RPR
Arizona Certified Reporter
No. 50885

I CERTIFY that GLENNIE REPORTING SERVICES, LLC, has complied with the ethical obligations set forth in ACJA 7-206(J)(1)(

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