LS-367 1 BEFORE THE ARIZONA POWER PLANT 2 AND TRANSMISSION LINE SITING COMMITTEE 3 IN THE MATTER OF THE APPLICATION ) DOCKET NO. 4 OF PINAL COUNTY ENERGY CENTER, ) L-21314A-24-0144-00233 LLC, IN CONFORMANCE WITH THE ) REQUIREMENTS OF ARIZONA REVISED ) LS CASE NO. 233 5 STATUTES 40-360 ET. SEQ., FOR A ) 6 CERTIFICATE OF ENVIRONMENTAL ) COMPATIBILITY AUTHORIZING THE ) CONSTRUCTION OF A 480 MW NATURAL ) 7 GAS-FIRED, SIMPLE CYCLE, PEAKING ) 8 POWER GENERATING FACILITY ) ) EVIDENTIARY HEARING LOCATED NEAR CASA GRANDE, ARIZONA, IN PINAL COUNTY. 9 ) ) 10 11 Casa Grande, Arizona At: 12 Date: August 13, 2024 Filed: August 20, 2024 13 14 15 REPORTER'S TRANSCRIPT OF PROCEEDINGS 16 VOLUME II (Pages 199 through 441) 17 18 19 20 21 22 GLENNIE REPORTING SERVICES, LLC Court Reporting, Video & Videoconferencing 23 1555 East Orangewood Avenue, Phoenix, AZ 85020 602.266.6535 admin@glennie-reporting.com 24 Jennifer Honn, RPR By: 25 Arizona CR No. 50558 GLENNIE REPORTING SERVICES, LLC 602.266.6535 Phoenix, AZ www.glennie-reporting.com

1	VOLUME I VOLUME II	August 12, August 13,	2024 2024	Page Pages	es 1 199	to to	198 441
2	VOLUME III VOLUME IV	August 14, August 15,	2024 2024	Pages Pages	442 649	to to	648 829
3					•		
4							
5		INDEX TO P	ROCEEDINGS				
6	ITEM					P	AGE
7	Opening Statemen	t of Mr. Moye	S				10
8	Presentation of	Virtual Tour				1	L35
9	Public Comment S	ession(s)			149	9, 5	599
10	Closing Statemen	t of Mr. Moye	S			(	518
11	Deliberations					(	520
12	Vote					8	322
13							
14							
15		INDEX TO	THE TOUR				
16	STOP			PAGE			
17	1			207			
18							
19							
20							
21							
22							
23							
24							
25							
	GLENNIE REPOR www.glennie-r	TING SERVICES	, LLC	602.20 Phoer	56.69 nix,	535 AZ	

1 INDEX TO EXAMINATIONS 2 WITNESSES PAGE 3 Garen Demirchian, Steve Morgan, and Mark Thompson - for the Applicant 4 Direct Examination By Mr. Moyes 19 5 Steve Morgan, James Westbrook, Nathan Miller, and 6 Brad Sohm - for the Applicant 7 Direct Examination By Mr. Moyes 241 8 Garen Demirchian, Steve Morgan, and Mark 9 Thompson (recalled) - for the Applicant 10 Direct Examination By Mr. Moyes 535 11 12 13 14 15 INDEX TO EXHIBITS 16 NO. DESCRIPTION IDENTIFIED ADMITTED 17 PCE-1 Application for Certificate of 532 532 Environmental Compatibility 18 (CEC) (Filed June 28, 2024) - Page 19 One 20 532 PCE-2 Witness Testimony Summary and 532 Resume of Mark Thompson 21 Witness Testimony Summary and 532 532 PCE-3 Resume of Garen Demirchian 22 23 PCE-4Witness Testimony Summary and 532 532 Resume of Steve Morgan 24 25 11

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1		INDEX TO EXHIBITS (continu	ied)	
2	NO.	DESCRIPTION IDE	INTIFIED	ADMITTED
3	PCE-5	Witness Testimony Summary and Resume of James Westbrook	1 532	532
4 5	PCE-6	Witness Testimony Summary and Resume of Nathan Miller	1 532	532
6	PCE-7	Witness Testimony Summary and Resume of Brad Sohm	1 532	532
7 8	PCE-8	Witness Presentation Slides	474	532
9	PCE-9	Form of Proposed CEC	532	532
10	PCE-10	Affidavit of Publication of Notice of Hearing	532	532
11 12	PCE-11	Summary of Public Outreach Efforts and Social Media Advertisement	26	532
13 14 15	PCE-12	Proof of Delivery of Application for Certificate of Environmental Compatibility and Transcripts to Public Locations	532 of	532
16	PCE-13	Proof of Service to Affected Jurisdictions	532	532
17 18	PCE-14	Proof of Posting: Photos of Notice of Hearing Signs Poste at Site	532 ed	532
19	PCE-15	Route Tour Itinerary and Map	148	532
20	$DCE_{16}$	Lotton to ACC Puginogg Office	E 2 1	532
21	PCE-10	re: Committee Expenses	531	552
22	PCE-17	Applicant Response to ACC Staff First Data Request	75	532
23	PCE-18	Project Hearing Placemat	532	532
24				
25	11			

GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ INDEX TO EXHIBITS (continued)

2	NO.	DESCRIPTION	IDENTIFIED	ADMITTED
3	PCE-19	Docketed 90-Day Plan	527	532
4	PCE-20	ACC Staff Letter Response Chairman Stafford	to 58	532
5	PCE-21	Impact Map for Nearby Wel	ls 304	532
6	PCE-22	Water Resources Summary S	lide 304	532
7 8	PCE-23	Supplemental Noise Impact Slides	449	532
9	PCE-24	Duck Curve Slide	533	534
10	CHMN-1	Proposed Form of CEC	646	For
11	CHMN-2	CEC with Edits	646	Reference For
12	CHMN-3	Additional Proposed Condi	tions 646	Reference For Reference
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
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1	BE IT REMEMBERED that the above-entitled and
2	numbered matter came on regularly to be heard before the
3	Arizona Power Plant and Transmission Line Siting
4	Committee at The Francisco Grande Hotel and Golf Resort,
5	12684 West Gila Bend Highway, Casa Grande, Arizona,
6	commencing at 9:04 a.m. on August 13, 2024.
7	
8	BEFORE: ADAM STAFFORD, Chairman
9	GABRIELA S. MERCER, Arizona Corporation Commission
10	DAVID FRENCH, Arizona Department of Water Resources
11	(via videoconference) NICOLE HILL, Governor's Office of Energy Policy P DAVID KRYDEP Agricultural Interests
12	SCOTT SOMERS, Incorporated Cities and Towns
13	ROMAN FONTES, Counties
14	MARGARET "TOBY" LITTLE, PE, General Public
15	(via videoconference)
16	John Gold, General Fublic
17	
18	APPEARANCES:
19	For the Applicant:
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23	
24	
25	
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1 (TIME NOTED: 9:04 a.m.) 2 (Beginning of route tour.) CHMN STAFFORD: Good morning. 3 Let's go back on the record. Now, we're about to embark on the 4 5 tour. I just want to admonish the Members, don't ask any 6 questions to the applicant until we get to the stop, we get the court reporter set up, so the questions and 7 8 answers are on the record. 9 Mr. Moyes, do you want to talk us through the tour so the people listening can hear what we're 10 11 going to be doing? 12 MR. MOYES: Yes, Mr. Chairman. In the 13 exhibit binder under PCE-15 is a description of the route 14 tour. There will be one stop. We'll be leaving the 15 hotel, traveling west and then turning to the south on --16 CHMN STAFFORD: Looks like Montgomery. 17 MR. MOYES: Yes, Montgomery. We will from 18 there go all the way down south to the first stop point at the bottom, which is marked as number 1 on your tour 19 20 route map. That's where we will stop, get out, answer 21 any questions. 22 Mr. Demirchian will be accompanying us. 23 Mr. Thompson is trying to make it here and may have to 24 meet us at the site. There was a rollover on the 10 coming out of Phoenix, and another one our staff members 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

is trapped in that as well. So we'll do our best. 1 2 Mr. Demirchian should be able to answer any questions 3 regarding the site from that location. CHMN STAFFORD: Okay. So the witnesses 4 5 will be Demirchian and Thompson, you said? 6 MR. MOYES: Yes. CHMN STAFFORD: And they've already been 7 8 I want to make sure. sworn. 9 MR. MOYES: Hopefully Thompson makes it 10 there. 11 Okay. CHMN STAFFORD: 12 MR. MOYES: After that we'll travel back north and go to the west to the other U point, or U-turn 13 that you can see at the end of Selma Highway. We'll turn 14 15 around there just to give you a view from both the east 16 side of the project and the north side of the project, 17 which are really the only roads we have access to. 18 CHMN STAFFORD: Okay. 19 MR. MOYES: And from there we'll head back 20 north on Gila Bend Highway. 21 CHMN STAFFORD: All right. Thanks. Now, Members, go ahead and take the -- they have a handout 22 23 that was a map in the exhibit to take with us, so you'll 24 only be able to ask question at the stop, and then once we get back after the tour you can ask more questions 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 about whatever you've seen. 2 Just make sure you can note it on -- to 3 yourself so you can ask, you can point to where you're asking questions about. I imagine as we drive past some 4 of the residences and neighborhoods, make a note of that 5 6 and we can come back and ask the applicant about any questions you may have once we get back here on the 7 8 record. With that let's go into recess and start on the 9 tour. We stand in recess. 10 (TIME NOTED: 9:08 a.m.) 11 12 (TIME NOTED: 9:31 a.m.) 13 (Arrival at Stop No. 1) 14 CHMN STAFFORD: Good morning. Let's go on 15 the record. Mr. Moyes, so we're here at the stop 16 identified on the route tour. Our one company witness 17 who's available to answer any questions that the 18 Committee may have is Mr. Garen Demirchian, who you met 19 yesterday. He was sworn in yesterday. 20 As you can see looking here to the south --21 I mean the northwest. 22 MEMBER KRYDER: The other south. 23 MR. MOYES: This is the 500kV along with 24 the WAPA 230 line that was described in all application materials. And we'll turn it over to Garen. If any of 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 the Members have questions or -- you've seen along the 2 way here the nearest residences, probably the closest one you could see when we went out to that west end and did 3 the U-turn, and the rest are about a mile back to the 4 east. So --5 6 CHMN STAFFORD: All right. So you have, looking at the map, the 500kV line comes through and it 7 8 jogs over and to the right we can see with circles with 9 the crop on the map, this is where the plant's going to be right in this location. 10 11 MR. DEMIRCHIAN: That is correct. 12 CHMN STAFFORD: What is all this stuff It smells kind of bad. What is going on 13 turned up? 14 with --15 MEMBER KRYDER: There's nothing bad. It's 16 the residue from the beef you ate last night. 17 CHMN STAFFORD: It's manure is what it is. 18 All right. 19 MR. DEMIRCHIAN: So for giving you an 20 orientation of where we stand. To the left you see that 21 wood pole, that's due south, and that's where the water 22 well is and that's the power for operating the well pump. 23 And the water line underground goes, and 24 right now is connecting to the irrigation well somewhere up here. We plan to repurpose that and use that vicinity 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 for our needs.

2	Right immediately to my right,
3	approximately four or 500 feet is where the SRP
4	switchyard will start and will parallel to Midway Road.
5	And then from there, to the west will be our balance of
6	the plant equipment which are the chiller equipment, the
7	storage tank for the terminal energy storage, and then
8	from there on approximately thank you we're looking
9	at northwest direction, actually, where that wheel is
10	there is where our gas turbines will be lined up, and
11	past the gas turbines, in kind of the same diagonal
12	direction is a battery storage.
13	Further north is some of our support
14	structures, operations building, maintenance shop, back
15	of the house, again, like locker rooms for the operators,
16	et cetera.
17	That's going to very simple description
18	of the overall layout.
19	MEMBER GOLD: Quick question again,
20	Mr. Chairman.
21	CHMN STAFFORD: Yes, Member Gold.
22	MEMBER GOLD: Where is the generators going
23	to be?
24	MR. DEMIRCHIAN: Generators are
25	approximately where you see that irrigation wheel. The
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1 first one to the right that's --2 MR. MOYES: You mean pivot, Garen? 3 MR. DEMIRCHIAN: Yes. MEMBER GOLD: Where's the irrigation wheel? 4 5 MR. MOYES: Member Gold, can you see that structure? 6 MEMBER GOLD: Yes. 7 8 MR. MOYES: Straight ahead with the white 9 bars coming up? That's the pivot, that's where the 10 irrigation line circles around. 11 MEMBER GOLD: So I see the irrigation 12 wheel, and where are the generators? 13 MR. MOYES: Roughly in that location. 14 MR. DEMIRCHIAN: In that location. 15 CHMN STAFFORD: If you look at the map you 16 can see where the line jogs right there. 17 If you look at the map where you can see 18 the 500kV line comes over, it jogs and goes north and then west again. It's just north -- see the edge of that 19 20 pole right there? 21 MEMBER GOLD: Yeah. That's like, that's the 22 CHMN STAFFORD: 23 pole where it turns going north to go west, it's going to 24 be north of that; right? 25 MR. DEMIRCHIAN: That is correct. GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1	CHMN STAFFORD: Okay.
2	MEMBER GOLD: So about a quarter mile from
3	here I'm just looking at distance. I see it.
4	MR. DEMIRCHIAN: And for the description
5	off our interconnection. So these are the structures
6	that were 97, and the one down there is 96. So we will
7	intercept the 500kV lines which are on the right side of
8	the structures. So they will come in into the SRP
9	switchyard, loop in to the breaker, come right back up
10	again.
11	CHMN STAFFORD: How will it come off the
12	structure here?
13	MR. DEMIRCHIAN: Well, basically we'll have
14	new structures, and then we'll have one at the entrance
15	of our switchyard, which is like a dead-end structure.
16	So there'll be one, two new structures here, as they
17	intersect they have what's called a dead-end structure.
18	So it will be two more here and then another one at the
19	very end. Maybe something like what's called an A-frame
20	structure at the entrance to the substation.
21	CHMN STAFFORD: It will tie directly into
22	this line. There's no tie breaker on this side.
23	MR. DEMIRCHIAN: The breakers are over
24	there.
25	MR. THOMPSON: There'll a 90 degree line.
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MEMBER GOLD: So Mr. Chairman. 1 2 CHMN STAFFORD: Member Gold. 3 MEMBER GOLD: How big is the footprint of the generators, what are the dimensions? Width and 4 5 depth. MR. DEMIRCHIAN: Can I, Mr. Committee 6 Member, can I get back to you? I have the plan and I can 7 8 measure it and give you exact dimension. 9 MEMBER GOLD: But ballpark, runs a couple hundred feet? 10 11 MR. DEMIRCHIAN: Yes, sir. 12 MEMBER GOLD: Okay. And do you plan to put walls around them or bury them or something to work on 13 14 the sound? 15 MR. DEMIRCHIAN: No. They already have 16 enclosures. The generators are inside boxes, enclosures 17 themselves. And as I described yesterday, the points 18 where the sound may be emitting we will be putting the sound attenuation baffling in those entrance locations. 19 20 MEMBER GOLD: Is that that baffle that puts 21 in a reverse sine curve so it cancels out the noise? 22 MR. DEMIRCHIAN: That is one method and the 23 other one is it had absorbing material like insulation. 24 MEMBER GOLD: Sound-absorbing material. 25 MR. DEMIRCHIAN: Sound absorbing. GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 MEMBER GOLD: So you're using both of 2 those. What is the decibel reading outside the 3 generators, and what's the decibel reading --CHMN STAFFORD: They have a witness that's 4 5 going to testify to that this afternoon, the second 6 panel, it's the whole noise expert guy. MEMBER GOLD: Gotcha. 7 8 MR. DEMIRCHIAN: So the decibel reading 9 immediately outside of the generators is between 80 to 85 10 DB. 11 MEMBER GOLD: So a little louder than it is 12 here in the wind. 13 MR. DEMIRCHIAN: But then as you step back it starts to -- it will go down. That's the 14 15 manufacturer's performance guarantees. 16 MEMBER GOLD: Gotcha. 17 MEMBER LITTLE: Mr. Chairman. 18 CHMN STAFFORD: Yes, Member Little. MEMBER LITTLE: Are those the residences 19 20 that are closest that were talked about yesterday? This 21 one that's underneath the three power poles right there 22 and then there's, looks like there's one over here. 23 MR. MOYES: Those are not houses. 24 MR. THOMPSON: I think residences are 25 behind us. GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 MR. MOYES: Those are barn coverings 2 storing alfalfa and hay. MEMBER LITTLE: Would you point out the 3 residences, please? 4 MR. THOMPSON: There's one right to the 5 6 northeast. 7 MEMBER LITTLE: Ah, okay. 8 MR. THOMPSON: See the yellow? 9 MEMBER LITTLE: Yes. MR. MOYES: In you recall where we made the 10 11 U-turn. 12 MEMBER LITTLE: That way. MR. MOYES: Further to the northwest was 13 14 the closest residence. 15 CHMN STAFFORD: So on the map you're 16 talking about where -- north of where we did the U-turn 17 over here. 18 MR. MOYES: Correct. Right there. 19 CHMN STAFFORD: Okay. MEMBER LITTLE: It looks --20 21 MEMBER GOLD: Mr. Chairman. 22 MEMBER LITTLE: It looks to me like --23 MEMBER GOLD: Are those residences closer? 24 CHMN STAFFORD: I see houses over there, or 25 buildings anyway. GLENNIE REPORTING SERVICES, LLC 602.266.6535

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1 MR. MOYES: So if you were to look at the 2 project boundaries itself the one that is closest to an 3 outer boundary, is that northwest. MEMBER GOLD: What are the closest to the 4 5 generators, the ones that make the noise, would be those houses there? 6 7 CHMN STAFFORD: No, the generators are over 8 at that end of the property, there. 9 MR. DEMIRCHIAN: They're further away. CHMN STAFFORD: Over here we're looking 10 11 at --12 MR. DEMIRCHIAN: Right here. 13 CHMN STAFFORD: Okay. 14 MEMBER KRYDER: So these, Mr. Chairman --15 CHMN STAFFORD: Yes. 16 MEMBER KRYDER: -- these would be the 17 closest to both the property and the generators? 18 MR. DEMIRCHIAN: No, sir. So these would 19 be -- these are approximately 4500 feet from the nearest 20 generator. These houses. 21 MEMBER KRYDER: Okay. 22 MR. DEMIRCHIAN: But the house in the 23 northwest corner is the closest to the property line, but 24 it's about 2500, 2600 feet from the closest generator. MEMBER KRYDER: Okay. Are you an 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 electrical engineer? 2 MR. DEMIRCHIAN: Mechanical. MEMBER KRYDER: Okay. You'll know the 3 answer, then. What's -- is there a formula, you said the 4 distance from the sound source reduces and I assume it 5 6 following a straight line formula. MR. DEMIRCHIAN: No, it's actually 7 8 logarithmic. 9 MEMBER KRYDER: Logarithmic. Okay. MR. DEMIRCHIAN: It reduces further more as 10 11 it goes away. 12 MEMBER KRYDER: Okay. So but there is a 13 common and widely accepted formula that says one meter is this, 10 meters is that, et cetera, et cetera. Great. 14 15 And we'll get that this afternoon? 16 MR. DEMIRCHIAN: From our expert, yes, sir. 17 MEMBER KRYDER: Perfect. 18 MEMBER HILL: Weather conditions, humidity, 19 the types of things that -- types of vegetation cover, are you guys going to talk about that as well? 20 21 MR. DEMIRCHIAN: For the equipment? 22 MEMBER HILL: For the sound and the travel. 23 MR. DEMIRCHIAN: Yes, I think our expert 24 will address that as well. 25 MEMBER HILL: Okay. GLENNIE REPORTING SERVICES, LLC 602.266.6535

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1 MEMBER LITTLE: Mr. Chairman, may I ask the 2 public a question? 3 CHMN STAFFORD: They're not sworn. MEMBER HILL: Mr. Chair, I have a follow-up 4 question while we're here, and I was thinking about we 5 keep calling it the SRP substation. What is the 6 arrangement with SRP who's building the substation? Are 7 8 you building it and they're taking title to the land? MR. THOMPSON: Switchyard, not substation. 9 MEMBER HILL: Switchyard, I'm sorry. 10 11 MR. THOMPSON: So it's a switchyard because --12 13 THE COURT REPORTER: I can't hear you. 14 CHMN STAFFORD: You got to speak louder. 15 MR. THOMPSON: It's the switchyard, all 16 this transformation is on this side of the fence, so SRP 17 requires that they own and control that switchyard. That 18 is mandatory of any utility and they will be able to control that switchyard. 19 20 MEMBER HILL: Are you building it and then 21 giving it to them? 22 MR. THOMPSON: We just had a call with them 23 yesterday. Technically we can build it --24 MEMBER HILL: Right. 25 MR. THOMPSON: -- but the red type they GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

## LS CASE NO. 233 VOLUME II 08/13/2024

1 would put us through to do that, to follow their 2 specifications, they told us you're better off just 3 letting us build it. So they would be building it. MEMBER HILL: So we permit switchyards 4 but --5 6 MR. THOMPSON: We pay for it. 100 percent. CHMN STAFFORD: You pay for it but SRP will 7 build it. 8 9 MR. THOMPSON: And we turn it over to them. 10 So we pay for it, we turn title over to them. 11 MEMBER HILL: So Mr. Chairman, my question 12 is we're permitting a switchyard but in some ways the applicant isn't here, SRP should be the applicant for the 13 14 switchyard. I'm just --15 CHMN STAFFORD: Yeah. 16 MR. THOMPSON: No, it's our 17 interconnection. That's not --MEMBER HILL: But SRP's infrastructure. 18 CHMN STAFFORD: It's kind of odd that the 19 20 entity before us is the one who will -- is going to pay 21 for it but the actual entity will own and operate it. 22 MEMBER HILL: Own, operate, build it is --23 CHMN STAFFORD: Build is SRP. 24 MEMBER HILL: -- SRP and we can't ask them 25 questions. That's not --GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 MR. THOMPSON: That's with every switchyard 2 just so you know, whether it's Tucson Electric, APS or -or SRP. Every interconnection, the utility controls that 3 4 switchyard. MEMBER HILL: I think most of the time, we 5 see utilities coming in to do this. This is unique that 6 you're a merchant, and so it feels a little bit different 7 8 to us. MR. THOMPSON: It's unique in that 9 10 Arizona's an integrated system that has a lot of 11 integrated resources. 12 CHMN STAFFORD: Right. Because every -every -- every utility is its own balancing authority 13 14 here. We don't have an RTO. 15 MR. THOMPSON: But all these solar 16 facilities, for example, it's the same thing. There are 17 switchyards that they're building --18 CHMN STAFFORD: Most of them build substations. 19 MEMBER HILL: Exactly. So that's what I'm 20 21 confused by the whole switchyard piece is that we usually 22 hear from the utility who's going to own and operate it 23 as part of this process. 24 CHMN STAFFORD: We've had cases where the 25 applicant was --GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 MEMBER HILL: A merchant. 2 CHMN STAFFORD: Well, not a merchant. They 3 were a developer. They weren't one of the public service 4 corporations. 5 MEMBER HILL: Okay. 6 CHMN STAFFORD: They were going to build a switchyard or have a switchyard that the -- and I 7 8 think -- I seem to recall we had several cases where they 9 had the CEC split in two pieces because a section of it 10 was going to belong to the company utility, the 11 switchyard and the portion of the line that was going to 12 be -- there was going to be owned and operated utilities that the CEC was bifurcated and a piece that would be 13 owned by the developer and a piece that was being owned 14 15 by the utility. 16 MR. MOYES: If I might, Chairman, 17 jurisdictionally a switchyard by itself does not qualify as a transmission line under the statute unless we had 18 now a mile or longer, five or more structures with a 19 20 switchyard. 21 MEMBER HILL: Right. There was an effort 22 to remove switchyards from the statute last year and it 23 failed. 24 CHMN STAFFORD: Any other questions from 25 Members? GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 THE REPORTER: Speak one at a time. 2 CHMN STAFFORD: Any other questions from 3 Members? All right. So we have -- the next piece of the tour will be we'll head south and then to the end. 4 That's where we'll see the Greene Wash -- now, what's --5 6 the boundary goes right up to the Greene Wash; correct, of the property? 7 8 MR. THOMPSON: Correct. 9 CHMN STAFFORD: What's -- I seem to recall some comments from Game & Fish about a setback from the 10 11 Greene Wash. 12 MR. THOMPSON: Right. So as we've 13 described our switchyard will be over here. Our 14 equipment will be on that side. The Greene Wash is 15 closer down that direction, and then the east main canal 16 will cut across right about over there and start going 17 back up. 18 And so that Greene Wash mainly follows 19 where the east main canal comes in. That's the reason 20 why its vegetation stays there, because there's water 21 flowing in that area. 22 CHMN STAFFORD: Okay. So the only 23 equipment down that way is going to be the well; right? 24 MR. THOMPSON: The well with the -- where you see that telephone pole and the small transformer. 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 CHMN STAFFORD: Right. 2 MEMBER HILL: So there's no intention to develop further south of here. 3 MR. THOMPSON: No. 4 MEMBER KRYDER: Mr. Chairman. 5 CHMN STAFFORD: Yes, Member Kryder. 6 7 MEMBER KRYDER: Question: How deep is your 8 well and what size? MR. THOMPSON: It's 850 feet to 1,000 feet. 9 MEMBER KRYDER: What diameter? 10 11 MR. THOMPSON: I'll have to look at my --12 MEMBER KRYDER: Probably a 10 or a 12. MR. THOMPSON: I think it's 12. 13 14 MEMBER KRYDER: Okay. When we get back, 15 yeah. 16 MR. THOMPSON: It's permitted for 900 17 gallons per minute. 18 MEMBER KRYDER: That's where I was going. 19 Okay. Great. 20 MR. THOMPSON: It doesn't produce at that 21 level because it's not needed to produce at that level. 22 MEMBER KRYDER: But the water's there, it 23 would produce at that level. 24 MR. THOMPSON: It would produce at that 25 level. MSIDD came in and rehabbed that well a few years GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

back. 1 2 CHMN STAFFORD: MSIDD was what? 3 MR. THOMPSON: Maricopa-Stanfield Irrigation and Drainage District. 4 MEMBER KRYDER: You're buying credits from 5 CAP water and where would that be reinserted if used? 6 MR. THOMPSON: Within the MSIDD service 7 8 territory. 9 MEMBER KRYDER: They've got a restoration 10 bank. 11 MR. THOMPSON: Correct. It would be within 12 their territory bank, not in any other irrigation 13 district. 14 MEMBER KRYDER: So you simply buy it, it's 15 a puddle of your -- it's a big puddle. 16 MR. THOMPSON: Yes. 17 MEMBER KRYDER: You got it. 18 CHMN STAFFORD: They have a recharge 19 facility somewhere? 20 MR. MOYES: They have a groundwater savings 21 facility permit, which is different than a recharge 22 facility that most people think of where they're dumping 23 water and letting it seep back into the ground. A 24 groundwater savings facility is where the district in this case have their members who otherwise would be 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

pumping water forego that pumping in order to take CAP
surface water from somebody else who has the availability
to do that.

And so you are basically offsetting what water otherwise would have been pumped by a farmer and then replacing, they're using surface instead.

7 And so when you buy those credits it's 8 basically reducing the amount of irrigation water that 9 would have been pumped from that territory. Their 10 groundwater savings facility permit covers a certain 11 territory and so the way the exchange works has to take 12 place within their boundary of that facility.

13 CHMN STAFFORD: Okay. So how does -- I 14 guess you have a water person testifying later today. 15 It's my question, does that actually -- how does the 16 physical CAP water get to the site where it's going to be 17 consumed, or it's like -- I guess my conception is a 18 little different that it would be -- you'd pump water 19 here and use it and then you'd pay for surface water to be recharged someplace else, so there would be water out 20 21 and water into the aquifer.

22 MR. THOMPSON: For example, we can show you 23 in the first two years of operations of this farm when 24 they were growing cotton, they actually used 920 acre 25 feet of water that first year that they grew cotton. And 33 GLENNIE REPORTING SERVICES, LLC 602.266.6535 35 www.glennie-reporting.com 94 Phoenix, AZ

a portion of that water was pulled off the east main
canal which is right here.

3 And so that's what we were explaining is the MSIDD would give you the right to pull out of the 4 canal and they would meter how much you're pulling out of 5 6 the canal, and they would say okay, you, instead of pumping 300 acre feet, you pulled that out of the canal, 7 8 you would have otherwise pumped it, then that's 9 considered, it goes into their bank as groundwater right here in MSIDD. And so they do those exchanges. 10 11 SRP puts CAP water in this east bank canal 12 that flows right by where we're having our hearing and 13 down to Desert Basin which is just two miles away. And 14 then SRP pulls it out of the canal at Desert Basin and 15 uses some of that water, and that's CAP water that 16 they're using. So SRP has ability to drop water into 17 main canal.

18 CHMN STAFFORD: The east main canal has19 delivery of the surface water that occurs, then.

20 MR. THOMPSON: Right.

21 MEMBER GOLD: Mr. Chairman.

22 CHMN STAFFORD: Member Gold.

23 MEMBER GOLD: So CAP water comes from the24 Colorado River.

25 MR. THOMPSON: Yes.

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MEMBER GOLD: All right. And the aquifer 1 2 that's underground here, has the aquifer table gone down? Where is it now? And is it coming back up because you're 3 not taking water out? Or is it continuing to recede? 4 MR. THOMPSON: Yeah, the recharge rate is 5 fairly low in this area. And that's what our expert will 6 speak to today about the reservoir levels and where they 7 8 are now and where they will be 50 years from now and 9 100 years from now based on current usage. 10 MEMBER GOLD: Thank you. We'll catch him 11 then. 12 MR. THOMPSON: One thing I wanted to 13 mention is within three miles of this location, 22,000 14 acre feet of groundwater is being pumped. 22,000 acre feet within three miles of this location. So that's --15 16 we're going to take between 390 all the way up to permit 17 level 544. And what we've said, if any water we take 18 that's greater than what's currently used here now at 19 334, we would buy credits to offset. And those credits then would be turned back 20 21 to MSIDD not for sale. So that means they can't resell 22 them. 23 What MSIDD or the other BROs prose or SRP 24 do, they have the right to sell those credits. We would turn ours back in so they cannot be resold. 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

MEMBER GOLD: So that would basically 1 2 increase the level of the aquifer rather than continue 3 decreasing it? 4 MR. THOMPSON: It would give us a net zero, 5 because whatever we are taking out above what's currently 6 used, we're replenishing that, and that cannot be sold again. And so it's what's considered a net zero 7 8 discharge. It's like Taylor Swift's private jet and then 9 she buys carbon offsets to make her feel good about flying her private jet, if that puts it in perspective 10 11 for you. 12 MEMBER GOLD: I have other questions I'll 13 ask your water guy because I'm curious about --14 MEMBER HILL: So buying these credits makes 15 you feel good is what you're saying. 16 MEMBER GOLD: -- where the aquifer is 17 going. Thank you. 18 MEMBER DRAGO: Mr. Chairman. 19 CHMN STAFFORD: Member Drago. 20 MEMBER DRAGO: I have a couple questions 21 here. I'm standing at the southeast corner of the 22 property; correct? 23 MR. THOMPSON: Correct. 24 MR. DEMIRCHIAN: No, you're where the 25 number 1 is right there. GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 MEMBER DRAGO: Okay. And your east 2 boundary is this road? 3 MR. THOMPSON: We come down just to right 4 here. We don't go all the way to the I-8. MEMBER DRAGO: But I'm just looking at this 5 6 outline in green, is it bounded by Midway? Is this part of it? 7 8 MR. THOMPSON: Correct. This is Midway. 9 MEMBER DRAGO: All right. Okay. And then 10 you looked south to see the well; right? 11 MR. THOMPSON: Yes. Where that telephone 12 pole is. MEMBER DRAGO: The well's down here; right? 13 14 To the south? 15 MR. THOMPSON: We're standing here --16 MEMBER DRAGO: Right. 17 MR. THOMPSON: And the well would be right 18 here. MEMBER DRAGO: Okay. And you acquired the 19 20 rights to that well because you bought this property? 21 MR. THOMPSON: Correct. 22 MEMBER DRAGO: Okay. And you explained how 23 you'll draw down and use that water. From your 24 perspective, are you concerned that the wells around this area that are used for private are going to be drawn to 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 dry? 2 MR. THOMPSON: No, and that's the analysis that we've done and we worked on, and we'll show what our 3 well impact is. And we worked with MSIDD recently 4 because they're looking at putting another well on the 5 6 property just for pumping for their own needs. And they've looked at well impact studies 7 8 to make sure that it would not impact this well or any other wells in the area. So we've looked at multiple 9 10 wells on this property. 11 MEMBER DRAGO: Okay. All right. Thank 12 you. CHMN STAFFORD: All right. You mentioned 13 14 that there's 22,000 or -- is that --15 MR. THOMPSON: Acre feet. 16 CHMN STAFFORD: Acre feet per year in a 17 three-mile radius. And what is -- I'm assuming that's 18 primarily for agricultural purposes; correct? 19 MR. THOMPSON: Correct. 20 CHMN STAFFORD: Okay. There's no --21 there's no other power plants pulling water in a 22 three-mile radius. The nearest one would be --23 MR. THOMPSON: Desert Basin, but SRP uses a 24 little bit of groundwater, but they also use CAP water for Desert Basin. 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 CHMN STAFFORD: Now, what roads would you 2 be using to access this road for construction? I assume 3 Midway, the road we're standing on, would be the primary avenue in. What other roads would you be using to get 4 5 here? MR. THOMPSON: We would come off of I-8. 6 CHMN STAFFORD: Okay. 7 8 MR. THOMPSON: On Montgomery. 9 CHMN STAFFORD: I-8 and Midway are both paved roads. You wouldn't be having traffic along Selma, 10 11 that's unpaved. 12 MR. THOMPSON: We wouldn't be using Selma. CHMN STAFFORD: That would be kicking up a 13 14 lot of dirt. 15 MEMBER KRYDER: Mr. Chairman. 16 CHMN STAFFORD: Member Kryder. 17 MEMBER KRYDER: Question, what's the 18 ambient rainfall on average? MR. THOMPSON: I would have to check on 19 20 that. 21 MEMBER KRYDER: Okay. I would guess in the 22 area of eight. Eight to ten inches. 23 MR. THOMPSON: Might get some today. 24 MEMBER KRYDER: Second question. How many 25 actual acres do you own here? GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

MR. THOMPSON: This is 350, it's about 1 2 365 acres. But we classify it as 350, as you'll see, 3 like there's some right-of-ways in here. And the project site is on 158 acres. 4 5 MEMBER KRYDER: I want to get at your 350. 6 So back of the envelope, you've got 350. So an acre foot out of those 22,000 acre feet or whatever, your use in a 7 8 year is approximately 13 inches, is it not? One acre 9 foot plus a little bit, is that what I figured out? Or did I get it wrong? You -- you have it. 10 11 MR. THOMPSON: We're going to use about 390 12 acre feet per year, we're permitted up to 540. 13 MEMBER KRYDER: On 350 acres --14 MR. THOMPSON: Right, so that's about 12. 15 That's how you get --16 THE REPORTER: One at a time. 17 CHMN STAFFORD: One at a time. 18 MEMBER KRYDER: Okay. So 350 acres into 390 acre feet, looks like here's one foot, so you're 19 about 14 inches. 20 21 CHMN STAFFORD: Correct. 22 MEMBER KRYDER: Okay. That's what I wanted 23 to hear. And of that, the ambient rainfall is eight to 24 ten. So your ambient -- so you've got eight to ten inches of natural rain out of 14, so it looks like 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 somewhere around five to six inches that you're going to 2 have to get out of the ground, get out of wherever. 3 Okay. MEMBER GOLD: Mr. Chairman. 4 CHMN STAFFORD: Yes, Member Gold. 5 MEMBER GOLD: So most of that water that 6 was coming from the CAP, California Aquifer Project; 7 8 correct? 9 CHMN STAFFORD: Central Arizona Project. MEMBER GOLD: Central Arizona Project. 10 11 CAP. Same water. So most of it is coming out of that; 12 correct? 13 MR. THOMPSON: No, not now. Not anymore. 14 MEMBER GOLD: Now. 15 MR. THOMPSON: Now it's all groundwater. 16 MEMBER GOLD: But it will be with you -- no 17 it won't. It will still be groundwater. 18 MR. THOMPSON: The credits we would buy 19 would be stored credits. 20 MEMBER GOLD: Understood. Question for the 21 local people who have wells. Do you know how deep the 22 average personal well is in this area? 23 MR. THOMPSON: We've pulled that 24 information, we have that today. 25 MEMBER GOLD: So you have that. Will your GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 project -- will these wells be affected, the personal 2 wells by what you're doing for the next 10 years, say? 3 CHMN STAFFORD: They're going to have an expert witness talk about the whole hydrology. 4 MEMBER GOLD: So we can ask about that. 5 6 CHMN STAFFORD: Right. That's the second panel, it's going to have four witnesses on it. I think 7 8 it has one person in common with the first panel, but it's a bunch of different -- there's like at least three 9 people we haven't sworn in yet to hear testimony from. 10 11 MEMBER GOLD: Gotcha. So last question 12 about the property. This is some kind of canal? This is 13 some aquifer? 14 MEMBER KRYDER: No, no, no, no. 15 MEMBER GOLD: There was an aquifer? What was this? 16 17 MR. DEMIRCHIAN: My guess is this was 18 originally put in to flow the pumped water from the well 19 to the field. MEMBER GOLD: For this farmland. 20 21 MR. DEMIRCHIAN: For the farmland. 22 MEMBER GOLD: And that's no longer being 23 used. 24 MR. DEMIRCHIAN: Not this because they put 25 in underground six-inch pipe. GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 CHMN STAFFORD: And then it goes to machine 2 over here that rotates and waters in a circular pattern. 3 MR. DEMIRCHIAN: That is right. 4 MEMBER KRYDER: Properly called a central 5 pivot irrigator. MEMBER HILL: Mr. Chair, I have a question. 6 I'm just reflecting on the conversation we 7 8 had with the public last night. There was a lot of 9 discussion about Table -- or the mesa here. I think that's on tribal land and the viewshed from that. Has 10 11 your viewshed analysis looked at homes that might be 12 affected, are there views, it is really a magnificent view to look at. Have you looked at that as a focal 13 14 point in --15 MR. THOMPSON: We have, and we'll show in 16 the visuals today. 17 MEMBER HILL: Great. I hadn't looked that 18 deep into the materials. CHMN STAFFORD: We have several KOPs I 19 20 think to cover today. 21 MEMBER HILL: Okay. Good. Good. Good. 22 Great. 23 MEMBER MERCER: Mr. Chairman. 24 CHMN STAFFORD: Yes, Member Mercer. 25 MEMBER MERCER: Question: So if I remember GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ
1 correctly, some of the comments last night from the 2 public and they said that this well had been retired for 3 ten years or something like that. So the studies that you are -- that you conducted, are they based on since 4 5 the well came back again or before retirement? 6 MR. THOMPSON: Yeah, our data is based on 2022 and 2023 actual consumptions and pulls. We went 7 8 back last night and relooked at the data. This well's --9 this farm's been back in service for seven years. 10 MEMBER MERCER: Okay. 11 MR. THOMPSON: Not counting 2024, so 2023 12 back. MEMBER MERCER: So it's going to be a 13 relevant study, up to date. 14 15 MR. THOMPSON: Absolutely. It's using 2022 and 2023 data. 16 17 MEMBER MERCER: Thank you. 18 MEMBER GOLD: Mr. Chairman. CHMN STAFFORD: Yes, Member Gold. 19 20 MEMBER GOLD: So just out of the blue, this 21 seems to be manure that's been put here fairly recently. 22 MR. THOMPSON: Yes. 23 MEMBER GOLD: No, you didn't put it here. 24 MR. THOMPSON: No, the farmer trades it 25 little bit, gets a little bit of exchange for alfalfa GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 when he sells the alfalfa to the cattle, and the dairies, 2 they exchange some payment in manure. 3 MEMBER GOLD: So they're bartering with And the man here, is he planning on doing 4 manure. 5 something before you begin construction? MR. THOMPSON: Yeah, in between. 6 In between he spreads it, in between seasons. 7 8 CHMN STAFFORD: How many more harvests is 9 he going to be able to go before you break ground on the project? When's his deadline to be done growing and 10 11 harvest whatever he's grown? 12 MR. THOMPSON: We have an agreement that he can continue to farm until and if we would move into 13 14 commercial construction. So commercial operation for us 15 due to equipment lead times would not be until mid-2027 to mid-2028. And so that means we wouldn't break ground 16 17 until mid-2026. 18 CHMN STAFFORD: Assuming everything goes 19 according to Hoyle. 20 MR. THOMPSON: Assuming financial 21 investments. MEMBER GOLD: Will he -- Mr. Chairman. 22 23 CHMN STAFFORD: Yes, Member Gold. 24 MEMBER GOLD: Will the farmer be able to continue farming after you're up and running? 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 MR. THOMPSON: No. 2 MEMBER GOLD: Okay. CHMN STAFFORD: Any other questions from 3 Are we ready to get back on the bus and head 4 Members? down to the Greene Wash and then back up to the hotel? 5 6 Going once. MEMBER KRYDER: I think we're back on the 7 8 bus. 9 CHMN STAFFORD: All right. That's the stop. Let's go off the record. 10 11 (TIME NOTED: 10:03 a.m.) 12 (Conclusion of Stop No. 1.) 13 14 (The tour concluded at 10:20 a.m.) 15 (The hearing resumed at 10:35 a.m.) 16 CHMN STAFFORD: Let's go back on the 17 record. We are back from the tour. 18 Mr. Moyes, did you have more questions for 19 the first panel or are you ready to call your second 20 panel? 21 MR. MOYES: We are ready to call our second panel and then when they are done with their testimony we 22 23 will recall our first panel for a few follow-up matters 24 that were asked last night. 25 MEMBER LITTLE: Mr. Chairman. GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

CHMN STAFFORD: Yes, Member Little. 1 2 MEMBER LITTLE: May I ask one question that I was going to ask out there, but it was too hot and 3 sunny and windy? Figured I could do it here. Well, 4 5 actually I have a couple of questions. First of all, when we were out on the tour 6 when we went out Selma Highway and did that little 7 8 turnaround at the very end of that -- of the Selma 9 Highway before you get to the -- to the canal, it looked to me like there was a residence that was pretty much 10 11 right under the 500kV line. Is that true? Because the 12 ones that were pointed out when we were out there are the ones that are on the other side of the -- immediately on 13 14 the other side of Selma Highway. 15 MR. MOYES: Steve, are you available to 16 answer that? 17 MR. MORGAN: Sure. The residences that you highlighted that are kind of where the 500kV exit the 18 property, those are our closest residences, and I do have 19 20 some measurements here. I think I presented one of them 21 yesterday. 22 But the closest residence there is 585 feet 23 from the project boundary which is due to setbacks 24 2640 feet from the generators. And there's a small cluster of residences there, and as we get into 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 environmental testimony in Exhibit A, I'll be talking 2 about land use and we'll have better maps that show some of the land use and where the residential areas are. 3 Similarly we'll also touch on that visual 4 5 and noise as we discuss sensitive receptors, things of 6 that nature. 7 MEMBER LITTLE: Great. Thank you. That 8 answers my question about that. The other question I had 9 is that I believe that the public yesterday was saying that there their power is provided by San Carlos 10 11 Irrigation District. Do you know who provides power for 12 the well currently? 13 MR. MORGAN: I believe that's ED3, which is 14 electrical district 3. 15 MEMBER LITTLE: And is the plan that you 16 guys will provide power for the well or that you will 17 continue get it from ED3? 18 MR. MORGAN: Continue to get power from 19 ED3. 20 MEMBER LITTLE: Okay. And would you check 21 on that for me, please? There's a lot of difference in 22 the reliability between ED3 and San Carlos. 23 MR. MORGAN: Sure. And that's something we 24 can circle back when we have our engineers back on the 25 stand. GLENNIE REPORTING SERVICES, LLC 602.266.6535

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1 MEMBER LITTLE: Great. Thank you. 2 MR. MOYES: Thank you. Mr. Chairman, with that said, we'll call our second panel which consists of 3 Mr. Steve Morgan, Mr. James Westbrook, Mr. Nathan Miller, 4 and Mr. Brad Sohm. Mr. Morgan was already sworn in 5 6 yesterday so we won't reintroduce him, but the other three will need to be sworn first and then we'll move 7 8 into a brief introduction of each. 9 CHMN STAFFORD: Mr. Westbrook, would you prefer an oath or affirmation? 10 11 MR. WESTBROOK: Oath, please. 12 CHMN STAFFORD: Do you swear the testimony 13 you will give in this matter will be the truth, the whole truth and nothing but the truth, so help you God? 14 15 MR. WESTBROOK: I do. 16 CHMN STAFFORD: Mr. Miller, same question, 17 oath or affirmation? 18 MR. MILLER: Oath, please. 19 CHMN STAFFORD: Do you swear the testimony 20 you will give in this matter will be the truth, the whole 21 truth and nothing but the truth, so help you God? 22 MR. MILLER: I do. 23 CHMN STAFFORD: Mr. Sohm. 24 MR. SOHM: Yes. CHMN STAFFORD: Oath or affirmation? 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 MR. SOHM: Oath, please. 2 CHMN STAFFORD: Do you swear the testimony 3 you will give in this matter will be the truth, the whole truth and nothing but the truth, so help you God? 4 5 MR. SOHM: Yes, I do. 6 CHMN STAFFORD: Thank you. Please proceed, 7 Mr. Moyes. 8 MR. MOYES: Thank you, Mr. Chairman. 9 STEVE MORGAN, JAMES WESTBROOK, NATHAN MILLER, 10 11 AND BRAD SOHM, 12 called as witnesses as a panel on behalf of applicant, 13 having been previously affirmed or sworn by the Chairman to speak the truth and nothing but the truth, were 14 examined and testified as follows: 15 16 17 DIRECT EXAMINATION 18 BY MR. MOYES: Mr. Westbrook, would you please state for the 19 Q. 20 record your full name and business address? 21 (Mr. Westbrook) My name is James Westbrook, and Α. 22 my business address is 16870 West Bernardo Drive, Suite 23 400, San Diego, California 92027. 24 And by whom are you employed and in what 0. 25 capacity? GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 Α. (Mr. Westbrook) I'm employed by BlueScape 2 Environmental and I'm the president of company. Can you please provide a brief summary of your 3 0. education and work experience? 4 (Mr. Westbrook) Yes, I have a master's degree 5 Α. in environmental science from Indiana University and a 6 bachelor's degree in atmospheric sciences from UCLA. I 7 8 am a certified consulting meteorologist and have over 35 years of experience in air permitting, public health 9 impact analysis and regulatory compliance for power 10 11 generation plants. 12 And what's been your role for Project Bella? 0. (Mr. Westbrook) I was retained to obtain the 13 Α. air permit for the Project Bella, and I've also provided 14 15 additional documentation on the air permit process, and 16 the air quality impacts for the CEC application. 17 Q. And you've just essentially described what your 18 testimony will cover today; is that correct? (Mr. Westbrook) That's correct. 19 Α. Thank you. Mr. Miller, would you please state 20 Q. 21 your full name and business address from for the record? 22 Α. (Mr. Miller) My name is Nathan Edward Miller, 23 my business address is 3033 North 44th Street, Suite 24 Number 270, Phoenix, Arizona 85018. And by whom are you employed and in what 25 Q.

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1 capacity?

2 A. (Mr. Miller) I am the vice president of 3 groundwater modeling services for Matrix New World 4 Engineering.

5 Q. Can you please provide a summary of your 6 educational background and experience?

7 A. (Mr. Miller) Yes. I have a bachelor's of 8 science degree in hydrology from the University of 9 Arizona. And I have over 25 years of experience in 10 hydrologic consulting and groundwater modeling.

11 And what has your role for Project Bella been 0. 12 and what is your testimony going to cover today? 13 (Mr. Miller) I'm the lead hydrologist in charge Α. 14 of water resources planning for Project Bella. Μv 15 testimony will describe the existing groundwater rights 16 and regulations governing the project site as well as the 17 projected groundwater impacts and mitigation strategies 18 associated with Project Bella.

19 Q. Thank you.

20 And now Mr. Sohm, would you please state your 21 full name and business address for the record?

A. (Mr. Sohm) Yes, Bradley Victor Sohm, my
business address is 20 East Thomas Road, Suite 1700,
Phoenix, Arizona 85012.

25 Q. And by whom are you employed and in what GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ 1 capacity?

2 A. (Mr. Sohm) I'm a senior noise specialist with 3 SWCA Environmental Consultants.

Q. Mr. Sohm, can you please provide a quick summaryof your educational background and experience?

6 A. (Mr. Sohm) Sure. I have a chemical engineering 7 degree from the University of Arizona with an 8 environmental option.

9 I am a registered professional engineer in the 10 state of Arizona and I have over 21 years of experience 11 performing noise impact assessments, air permitting, 12 environmental compliance and remediation for a wide range 13 of industrial, military, and utility clients across the 14 U.S.

Q. Mr. Sohm, would you please describe what your role for Project Bella has been and what your testimony is expected to cover today?

A. (Mr. Sohm) Yes, I oversaw the noise impact assessment for the project that included baseline measurements at the project site, noise modeling, and assessment of those results.

Q. Thank you. Moving back to Mr. Morgan, commencing our environmental testimony, would you please describe the environmental analyses that were conducted in support of the CEC for this project?

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A. (Mr. Morgan) Sure. And thanks, Jason. We
 conducted an environmental evaluation to support the
 development of the CEC application.

4 The project site was analyzed for natural, 5 cultural, and community resources based on state 6 regulations and other environmental criteria. So I'll 7 kind of give you a rundown of how the presentation's 8 going to go.

9 We're going to basically go alphabetically based 10 on where exhibits fall within the CEC application, so 11 we'll start with Exhibit A which is land ownership, 12 jurisdiction and land use.

13 Then we'll move to Exhibit B, which is our 14 environmental studies, so we have air quality which will 15 be covered by James Westbrook, and we have water which 16 will be covered by Nathan Miller.

After that we'll do Exhibit C and D which areboth biological resources.

19 Then we'll do Exhibit E which is visual
20 resources, our simulations as well as cultural resources
21 and tribal consultation.

22 Exhibit F, which is recreational.

23 Exhibit H, which is existing plans.

24 Exhibit I, which is noise which will be covered25 by Brad Sohm.

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1	And then public process, which is Exhibit J.
2	Q. Thank you, Mr. Morgan. Let's start with
3	Exhibit A. We touched on this a little bit yesterday
4	with Mr. Thompson, but can you please describe the
5	jurisdictions associated with this project?
6	A. (Mr. Morgan) Sure. So on your right screen
7	here on R-27 you'll see a map of jurisdictional ownership
8	in the project vicinity. So that red boundary is a
9	two-mile buffer around the project site.
10	The entire project site and project vicinity is
11	unincorporated Pinal County. You can see Casa Grande is
12	just to the north. That's the kind of teal color. The
13	blue shaded land is state land. And the white is private
14	land. The yellow is BLM, Bureau of Land Management land,
15	and then to the south you can see the Tohono O'odham
16	Nation, so that's tribal land just over two miles to the
17	south.
18	Q. Mr. Morgan, does this project have any type of
19	federal nexus? In other words, is there any federal
20	environmental permitting required for Project Bella?
21	A. (Mr. Morgan) As described in Exhibit B there's
22	no federal nexus associated with the project that would
23	require NEPA, National Environmental Policy Act,
24	documents to be developed at this time.
25	Q. Can you describe the existing land uses in the

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1 project area?

2 A. (Mr. Morgan) Yes. So the project area, the 3 existing land use is predominantly agricultural and 4 vacant.

5 So as you can see on your right screen, R-28, that green land is all agricultural. And then the white 6 outside of the buffer and the kind of gray inside the 7 8 buffer, that is vacant land. And the purple, that is 9 residential. So you can kind of see as we've alluded to in previous sort of discussions here where the 10 11 residential clusters are in relation to the project site. 12 So we have -- let me get my pointer out here.

We have this area to the east and we have thissmaller cluster to the northwest.

As you can also see in this figure there's also a 500kV transmission line as we've previously discussed which bisects the project, and we also have Interstate 8 directly south of the project site as well as a natural gas line that intersects the project just to the north. Q. Mr. Morgan, what are the future land use plans associated with this area?

A. (Mr. Morgan) Sure. So our land use planning
 information was gathered from Pinal County and their
 comprehensive plan. And as shown on R-29, which is
 figure A-4 from our CEC application, you can see the
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## LS CASE NO. 233 VOLUME II 08/13/2024

1 designated future land use of the project site is 2 moderate low-density residential. That is the green. And then that is also kind of the dominant 3 future land use in the project vicinity. Again, this one 4 is showing a two-mile buffer around the project site that 5 is that red circle for reference. 6 There are some other designated future land uses 7 8 within that two-mile buffer. So that red circle is high-intensity activity center. That's kind of centered 9 around the Montgomery Road exit off of Interstate 8. 10 11 That's a mixed-use designation from Pinal County that 12 allows for some industrial, commercial, some kind of 13 mixed uses. 14 There's also employment, which is that purple to 15 the southeast. So what you're seeing there if it 16 extended beyond the boundary, that's actually associated 17 with the Attesa racetrack that you heard mentioned 18 yesterday in public comment. So that is just outside the two-mile buffer to the southeast. 19 20 CHMN STAFFORD: That's the racetrack, can 21 you point at that with your laser pointer? 22 MR. MORGAN: Sure. Sorry, it always takes 23 a second, there's a bit of lag. 24 So as you can see, it's just over two miles 25 from the project site. GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 CHMN STAFFORD: Thank you. 2 MR. MORGAN: And then also on land use, as we discussed yesterday, the applicant is currently 3 undergoing a major comprehensive plan amendment from 4 Pinal County, and that would change the designation of 5 6 the project site from moderate low-density residential to general public facility/services, which would accommodate 7 8 the project development. And with that CPA, the designated future land use would be consistent with the 9 proposed use of the project. 10 11 MEMBER LITTLE: Mr. Chairman. 12 CHMN STAFFORD: Yes, Member Little. 13 MEMBER LITTLE: Is that change proposed to 14 be just for the property that you guys own? Or anything 15 around that? 16 MR. MORGAN: Yes, my understanding is that 17 the subject lands for that CPA application are strictly 18 the project boundary. MEMBER LITTLE: So technically starting at 19 20 your project boundary in every direction would still be 21 whatever that is, low moderate residential? 22 MR. MORGAN: That is correct. 23 MEMBER FONTES: When is that anticipated to 24 be complete? 25 CHMN STAFFORD: Who's speaking? GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 MEMBER FONTES: Sorry. It's Member Fontes, 2 Mr. Chairman. I'm just going back to another question. I just wanted to know what the schedule is on that CPA. 3 CHMN STAFFORD: Okay. If you could go 4 through the Chair when you -- before you ask your 5 question that'll make it a lot easier for the court 6 reporter to tell who's asking the question. 7 8 MEMBER FONTES: Understand. 9 CHMN STAFFORD: Thank you. Please proceed, 10 Member Fontes. 11 MEMBER FONTES: The question is what is the 12 schedule for the CPA from Pinal County that Member Little 13 referenced? 14 MR. MORGAN: Sure. So that application's 15 already been submitted and some of the public process has 16 been ongoing. And the actual meetings with Pinal County, 17 so the board of supervisors meeting is anticipated to be 18 in the fall of this year. 19 And as you may have seen in the project 20 site, there is already public notice on that site for 21 those Pinal County public hearings and further notice of 22 application, so those are all -- those processes are all 23 ongoing. 24 CHMN STAFFORD: I did notice the big yellow 25 sign next to the sign announcing this hearing. GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 MR. MORGAN: Yes, many signs. 2 BY MR. MOYES: Thank you, Mr. Morgan. 3 0. What zoning is associated with this area? 4 (Mr. Morgan) Sure. So as you can see on R-30, 5 Α. we have figure A-3 from Exhibit A of the application and 6 that shows existing zoning from Pinal County. 7 8 So the land is currently zoned as general rural, 9 and that is also the case for much of the surrounding area, so that is kind of shown in that light gray that 10 11 you see on your screen. There are numerous other zoning 12 designations in the project vicinity. As you can see 13 there's kind of various zoning categories particularly to 14 the northeast of the project. 15 But, again, similar to the CPA the project is 16 also currently undergoing a rezone of the property from 17 general rural to industrial I-3 to accommodate project 18 development. And with that rezone the project would be consistent with Pinal County's zoning ordinance. 19 20 0. Are there any other land entitlements or permits 21 required for this project? 22 Α. (Mr. Morgan) No. The project does require the 23 aforementioned approvals of a comprehensive plan 24 amendment and zone change from Pinal County. As I said, those applications were already submitted. They were 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1	submitted in May and the approval process is ongoing.
2	They're on track for they're basically a two-hearing
3	process, so first you heard, by the planning and zoning
4	Commission which I believe is scheduled for September,
5	and then the county board of supervisors in October.
6	Q. Mr. Morgan, can you please provide your
7	conclusion on the compatibility of land use for Project
8	Bella?
9	A. (Mr. Morgan) Yes. The existing land use of the
10	project area is predominantly vacant land surrounded by
11	agricultural and moderate low-density uses.
12	The project area includes existing linear
13	infrastructure, including an existing 500kV transmission
14	line that bisects the project, the natural gas line that
15	crosses the northern portion of the site, and
16	Interstate 8 which travels directly to the south of the
17	project site.
18	Due to that existing infrastructure in the area,
19	the project is compatible with the existing and future
20	land use in the project vicinity.
21	MEMBER GOLD: Mr. Chairman.
22	CHMN STAFFORD: Yes, Member Gold.
23	MEMBER GOLD: So if I understood you
24	correctly, Mr. Morgan, the reason you chose this location
25	and not some vacant farmland a couple miles away, is
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1 because this specific area has transmission lines which 2 are already in existence which you need for your project, it has a gas line which is already existing, which you 3 need for your project, and what else does it have which 4 5 you need for your project which would preclude some other 6 areas more rural? MR. MORGAN: The interstate is also helpful 7 8 for construction logistics as well. 9 MEMBER GOLD: Okay. And the interstate. Did you look at areas within the, say, a 10-mile radius 10 11 of this and exclude them for this property? 12 MR. MORGAN: The applicant can speak better to this, Mark Thompson, the developer. But there were 13 14 other sites evaluated. But this particular site had the 15 conditions that were optimal for project development. 16 Namely, the one that you referenced, the 17 existing 500kV transmission line, which helps reduce the 18 need for future additional transmission being built for a project to interconnect, as well as the natural gas, 19 20 Interstate 8, and the ability to get land control over 21 parcels of private land. 22 MEMBER GOLD: All right. Now, you may not 23 know the answer to this one, but if you'll just let me 24 know. If you would run someplace else, say a mile away, and you had to run a mile of gas pipe and a mile of power 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 lines, how much more expense would that add to this 2 project? 3 MR. MORGAN: I can't speak to that directly. But miles of new linear infrastructure would 4 require a lot of land, a lot of easement, and all of that 5 6 can be very costly. MEMBER GOLD: I can't even think of that 7 8 either. MR. MORGAN: As well, of course, 9 construction costs and logistics and things. So that 10 11 would be substantially more expensive, I would think. 12 MEMBER GOLD: So if you were refused this 13 area and you were forced to say, "Hey, look, build it 14 five miles away," would your company have gone and bid on 15 a project like this? Or would you have said let somebody 16 else do it, I can make more profit elsewhere? 17 MR. MORGAN: I can't speak to that. I 18 think Mark Thompson could probably speak to that as the 19 developer. I can say --20 MEMBER GOLD: If this were your company and 21 you were doing the developing. 22 MR. MORGAN: Well, I can speak to the land 23 use compatibility, and because of the features that we've 24 mentioned, it's a site that is prime for this type of development. And I think it would probably be hard to 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 find an alternative that had similar conditions.

MEMBER GOLD: Thank you.

3 BY MR. MOYES:

2

Q. Mr. Morgan, before we move on, would it be true in your opinion if we were to construct miles of additional transmission corridor and gas line corridor that there would be additional substantial environmental disturbances?

9 A. (Mr. Morgan) Yes, absolutely. And later on as 10 I speak to biological and cultural resources, we'll touch 11 on the fact that this is a previously disturbed site, and 12 of course building new linear infrastructure often 13 requires much larger habitat impacts, impacts --14 potential impacts to cultural resources, things of that 15 nature.

16 Q. Thank you. Moving on to air. Mr. Westbrook? 17 MEMBER FONTES: Mr. Chairman, I do have one 18 slight question -- item to clarify, if I could. 19 Yes, Member Fontes. CHMN STAFFORD: MEMBER FONTES: Who owns the 500kV? And 20 21 I'm not just talking about the primary owner, but is 22 there any interested parties who gets co-shared the 23 physical asset? And could you confirm that? 24 In Arizona oftentimes you've got three 25 parties owning a physical asset and the capacity on those GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 lines is distinct. I'm just looking for the physical 2 ownership of that 500kV. MR. MORGAN: I may have to defer that 3 question until Mark Thompson is back on the stand. I 4 think we have some other follow-up items that follow a 5 similar line of questioning, so I think that will be 6 discussed further at a later time and we can get back to 7 8 you with answers on that. 9 MEMBER FONTES: And I did have a question yesterday on the substation. I know we're doing a POI, 10 11 point of interconnect, for SRP. But I also want to know 12 who the major tenants are there and what that 13 infrastructure looks like. Because we're getting multiple jurisdiction in here in the representations 14 15 today and I just want to make sure we're clean on those. 16 MR. MORGAN: That sounds good. We will 17 take that note and we will discuss when Mark is back on 18 the stand. 19 MEMBER FONTES: Thank you. BY MR. MOYES: 20 21 0. Mr. Westbrook? 22 Α. (Mr. Westbrook) Yes. 23 Would you please describe the air studies and 0. 24 analysis that was performed for Project Bella? (Mr. Westbrook) Yes, I'd be happy to. So first 25 Α.

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1 of all I'd like to talk about the summary of the process, 2 the air quality permitting process. I'll talk about the 3 technical studies and discuss some of the air emissions, 4 air quality impact study for public health, and then talk 5 about some details of the air permit, including 6 operational restrictions.

7 So I won't go through every date here on the 8 slide, but basically the application was submitted in May 9 of 2023, some time ago, to the Pinal County Air Quality 10 Control District. For my testimony I'll call them the 11 District.

12 The application required a lot of supporting 13 documentation. Requests were sent in from the District. 14 We had to provide an air dispersion modeling protocol for 15 the impact analysis. That was supplied and was approved.

And eventually the application review processwas completed in February of 2024.

Once a draft permit was issued there was a 30-day public comment period. The public was noticed on the permit, the draft permit. The signs were put out by the site. And the 30-day period ended with a virtual public hearing online.

At that point in time, the District finalized the draft air permit, that would go then to EPA for a 45-day administrative review. The reason for that is GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 that the air permit is both a construction approval and 2 is also a federal Title 5 operating permit. So it had to 3 go through a 45-day administrative review by EPA. EPA 4 reviewed the permit and had no objections to the permit. 5 So then finally the final air permit was issued 6 on June 17, 2024.

7 As far as developing the application, we did 8 have to put in operational restrictions. I think you 9 heard from Mr. Thompson yesterday that there was a need 10 to restrict the facility to a minor source under new 11 source review or NSR.

The reason for that is all of the additional 12 13 requirements that you'd have to go through lengthy process that you get with what's called a prevention of 14 15 significant deterioration or PSD permit. So in order to 16 be a minor source permit out of PSD and also out of the 17 PM10 particulate 10 micron, which has a lower threshold 18 because it's a nonattainment area, what we did was we restricted the assumed operational hours of the plant to 19 20 4350 hours.

21 That included 250 hours in startup mode and 22 75 hours in shutdown mode.

It's very important to point out to you that the reason for this is to be sure that the project can meet contractual commitments. This is a reliability plant.

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1 It's basically going to be called only when needed, so 2 the expectation is the very worst case, these assumptions 3 that were restricted just below those thresholds. The actuality is that the plant will operate far 4 5 less. But the permitted capacity threshold as Mr. Thompson said was about 45 percent on annual basis. 6 So in addition to these operational 7 8 restrictions --9 CHMN STAFFORD: Quick question. 10 MR. WESTBROOK: Yes. 11 CHMN STAFFORD: You said the capacity 12 factor is roughly 45 percent? 13 MR. WESTBROOK: On an analyzed basis. 14 CHMN STAFFORD: And how many stops or 15 starts is that per unit? 16 MR. WESTBROOK: It's unlimited on starts 17 and stops per day. But the total duration of starts per 18 year is 250 hours starts and 75 hours in shutdown mode. A startup mode could take up to 30 minutes, probably 19 less. Shutdown mode is about nine minutes. 20 21 CHMN STAFFORD: Okay. Because there's, 22 more emissions during the startup and shutdown per time 23 period. 24 MR. WESTBROOK: Right. So that was the 25 other part of the restrictions is we do have GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

state-of-the-art emission controls, selective catalytic 1 2 reduction per NOx, N-O-X, emissions or nitrous oxides. 3 We also have oxidation catalysts for carbon monoxide or CO, and volatile organic compounds, VOCs. So when you're 4 in a startup mode, this is a very rapid response, fast 5 6 startup unit. 30 minutes to assume for a startup is a very long conservative assessment that we had to use in 7 8 permitting. And as you probably know, vendors don't 9 want to estimate much lower numbers. They want to make 10 11 sure they meet those numbers. So vendor said assume 12 30 minutes for startup, nine minutes for shutdown. The ramp is very fast, the control system 13 14 ramp is very fast even from a cold start, which is what these units will be doing. So there will be a short time 15 16 of you could say uncontrolled emissions for a few 17 minutes, probably. Maybe 15 minutes, but then there's a 18 quick ramp into full control. CHMN STAFFORD: Those emissions are 19

20 tracked; right?
21 MR. WESTBROOK: Those emission for NOx and

for CO will be tracked on a continuous basis using continuous emissions monitoring systems or CEMS, for NOx and for CO.

25 For the other pollutants fuel is tracked on GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 a continuous basis. Source testing is done completed to 2 get the emission factors used to track emissions. 3 CHMN STAFFORD: Okay. Thank you. MEMBER FONTES: Mr. Chairman, related 4 5 question. 6 CHMN STAFFORD: Yes, Member Fontes. MEMBER FONTES: One of the concerns on the 7 8 Coolidge plant is that the permitting studies done prior 9 to the approval of the plant by the CEC and by the air emissions are not as resultant, and the monitoring is 10 11 different. 12 Did you compare the results that you had 13 from your studies to Coolidge, and what can you share 14 with this Committee to inform us that those issues that have been noted in ADEQ monitoring reports are going to 15 16 be addressed ahead of time on this power plant? 17 MR. WESTBROOK: Yes. So we did very 18 closely compare the air permits for Coolidge, for Copper Crossing, and other permits in the state of Arizona. 19 The emission controls and the monitoring systems are 20 21 consistent with the approvals in those projects or 22 better. Because we did note those concerns. We did want 23 to be sure we have good data in the monitoring process. 24 So we did actually in the public comment process add additional conditions that voluntary to the 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 requirements of the rules to make sure that we had better 2 monitoring in place. MEMBER GOLD: Mr. Chairman. 3 CHMN STAFFORD: One -- Member Fontes, you 4 had another question? 5 6 MEMBER FONTES: Did you by chance look at emerging requirements in published Federal Register 7 8 notices on planned but yet not implemented requirements 9 that the current administration has proposed with respect to air emission quality testing? 10 11 MR. WESTBROOK: The permit process that is 12 directed by the District, the Pinal County Air Quality 13 Control District, is based upon the rules in place at the 14 time. 15 If new rules come into play in the future, 16 those could affect the project, but as far as the air 17 permit process, there are only going to be the rules that 18 are in place that are effective at the time of the 19 application and the permit issuance. So anything that 20 may happen in the future is not included in that process, 21 but if that side become effective, then that would be changes in the permit that would have to be made by the 22 23 District. 24 MEMBER FONTES: One final question, if you

25 could. How would hydrogen integration change the air GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 quality with a higher plant temperature on a project of 2 this nature given the operational characteristics? 3 MR. WESTBROOK: I think you heard yesterday that there could be a higher NOx emission rate. I don't 4 have any personal experience with emissions related to 5 hydrogen at this time. I do understand that was the 6 testimony yesterday that there could be higher thermal 7 8 NOx emissions. If that's the case those emissions would have to be controlled as we're controlling NOx from the 9 standard natural gas combustion. 10 11 But there would be other issues that have 12 to be looked at. Technically just because you're using hydrogen doesn't mean you're necessarily reducing 13 14 emissions. 15 MEMBER FONTES: Thank you, Mr. Westbrook. 16 I always appreciate your testimony. 17 MR. WESTBROOK: Thank you. 18 CHMN STAFFORD: Member Gold, you had a question? 19 20 MEMBER GOLD: Well, two questions now. 21 Layman's questions. 22 There was a lot of talk yesterday about 23 How many years are we away from actually hydrogen. 24 switching from natural gas to hydrogen, in your opinion? MR. WESTBROOK: I have seen the plans for 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

net zero in different states, especially in California 1 2 where I think this has probably become, you know, the 3 first time I've ever seen in a net zero plan where utilities are talking about going to zero carbon 4 emissions. 5 6 Hydrogen has a definite place in that carbon sequestration, is being talked about as something 7 8 possible but not commercially viable. 9 All the plans I've seen in what appear to be reliable planning include reliability power plants as 10 11 a gap measure until these other technologies develop to where it can be utilized commercially in a way that makes 12 13 sense for the environment. 14 So I would say we're probably -- we're 15 already seeing some test adoption of hydrogen in major 16 baseload power plants, where we have much higher 17 greenhouse gas emissions. Natural gas-fired plants, you 18 know, those plants could maybe adopt it sooner. They also may have more of an option for carbon sequestration 19 depending upon location, a lot of places don't have that 20 21 capability. So as far as hydrogen goes, it's probably 22 23 going to be 10 to 15 years out before we start to see 24 more adoption of that into larger power plants. As far as reliability or peaking plants 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 that are very low-run plants, it could be much longer 2 because it probably doesn't make commercial sense. 3 MEMBER GOLD: So we're talking about decade or decades away for hydrogen? 4 MR. WESTBROOK: It is, and I think you have 5 to look at overall mix of, you know, renewables with the 6 gap, with peaking plants, reliability plants, and the 7 8 development of the time it takes for those to become 9 commercially viable and go to market. 10 MEMBER GOLD: Okay. And natural gas comes 11 out of the ground pretty much in usable form, whereas 12 hydrogen you'd have to use a tremendous amount of electricity to take it out of the sea water and there 13 would be a whole bunch of, well, let's put it this way, a 14 15 couple of decades before we can talk about hydrogen, so I'm not concerned with that at the moment. 16 17 Now is my question in layman's terms. 18 Regarding emissions, these LM6000s are basically jet engines used in commercial aircraft. Commercial aircraft 19 run on jet fuel which is basically kerosene. Kerosene is 20 21 a lot more polluting than natural gas. 22 Compared to the emissions from, say, Sky 23 Harbor airport where you have jets taking off roughly 24 every five minutes, dumping the equivalent of nitric oxide, carbon dioxide, sulfur and a whole bunch of other 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

junk that you find the kerosene into air. These plants
 are running on natural gas which is far cleaner than
 kerosene when you put in a jet engine.

The pollution from your plant compared to 4 the pollution -- and now in layman's terms, please don't 5 go into cubic feet or cubic whatever it is. In layman's 6 terms, in one day of your plant, will that produce as 7 8 much pollution as one jet aircraft taking off, 10 jet 9 aircrafts taking off? Roughly how does it compare to jet aircrafts taking off out of Sky Harbor Airport, your 10 11 pollution level?

MR. WESTBROOK: So one of the factors I mentioned before is that we have state-of-the-art controls. So before we even put on the add-on controls we have as required by EPA we have to lower the emissions in these gas turbines. The turbines themselves are run very efficiently.

We have the advantage that unlike aircraft you can create a power plant that runs much lower emissions because it's in one place. The emission controls, just the add-on controls themselves are going to decrease emissions by over 90 percent over a jet engine burning natural gas, if that would be the case on an airplane. But like you said the --

25 MEMBER GOLD: Engine is kerosene. GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 MR. WESTBROOK: Yes, and they're also much 2 less efficient, they're operating under different 3 operating conditions, temperatures and so forth. Because we have a static plant, we're starting with a much 4 cleaner, more efficient plant running similar technology. 5 But there are a lot of things built in that 6 make the emissions much, much better. Running natural 7 8 gas is one of them but the add-on controls that are going 9 to reduce emissions by 90 percent and also all the other 10 factors that go on even before those controls, you know, 11 we could be talking 95 to 99 percent of reduction 12 emissions over an aircraft type of jet engine. 13 MEMBER GOLD: So compared to people who 14 live around Sky Harbor or within a couple miles of Sky 15 Harbor, you're going to be a fraction of a percentage of 16 the emissions that they would be getting? Is that a 17 correct assumption? 18 MR. WESTBROOK: Yes, sir. 19 MEMBER GOLD: Thank you. MEMBER LITTLE: Mr. Chairman. 20 21 CHMN STAFFORD: Yes, Member Little, and 22 then we have, I believe is that Member Richins on the line? 23 24 MEMBER RICHINS: Yes, thank you. CHMN STAFFORD: Let's Little go and then 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 you can ask your question after her. Member Little. 2 MEMBER LITTLE: Thank you. I have a few questions that occurred to me as I was reading through 3 the application. 4 And one of them is that there's a statement 5 on Exhibit B-3 -- I don't see a page number but it says, 6 "Because the project is located in an area of Pinal 7 8 County that is classified as serious nonattainment for 9 PM10, the modeling analysis demonstrated compliance for both attainment and nonattainment pollutants." 10 11 Could you explain that statement, please? 12 MR. WESTBROOK: Yes. So as I mentioned, 13 the -- one of the technical studies that we completed was 14 an air quality modeling analysis to compare the emissions 15 impacts, concentration impacts from the facility to the 16 national ambient air quality standards, or the NAAQS. 17 This is required by the District for us to 18 do this. So in doing so, we had to look at whether these, what they're called are criteria pollutants. They 19 include NOx, N-O-X, CO, VOCs I mentioned before, 20 21 particulate PM10 and the finer PM2.5 micron. SO2, lead, sulfuric acid I think are all of them. 22 If the area is an attainment of the air 23 24 quality standards, then there's not an issue like there would be if they're nonattainment. Nonattainment meaning 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 the area is already, you saw the dust storms out there 2 for PM10. We have a PM10 issue in West Pinal County that's primarily driven by unpaved roadways, 3 agricultural, dust storms. There's a lot of dust. Okay. 4 But that doesn't mean that the district is 5 absolved from responsibility. So when a facility is 6 installed in an area that's nonattainment, you are held 7 8 to a higher standard of control. 9 The impact analysis that you do cannot show as much impact as if it's an attainment area. So in 10 11 completing that analysis, all those rules are being used 12 to come up with results that show we don't cause or 13 contribute to a problem with the ambient air quality 14 standards. 15 In the case of PM10, we cannot go over a fraction of the standard. The fraction is 5 micrograms 16 17 per meter cubed. The standard is 150 on a 24-hour 18 average basis. So you can only do a little bit of an implement for your plant, and you have to show at the 19 fence line you do not exceed the standard. 20 21 MEMBER LITTLE: Okay. That explains it, 22 because the way this -- the way I read the sentence it 23 sounds like because it's not attainment we're not going 24 to worry about it. And that's --25 MR. WESTBROOK: We have to worry about it. GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

MEMBER LITTLE: -- not at all -- yes. 1 Ι 2 guess I was concerned about that as somebody with asthma who had lived in Pinal County for 25 years. 3 There's also in page 9 of the study in B-3 4 that says, "Table 4 shows that the project resulted in 5 6 impacts exceeding the SILs for PM2.5, MO2 and SO2. Based upon the results of the significant impacts analysis, and 7 8 analysis was conducted for those pollutants with significant impacts to assess the compliance." 9 I'm not sure I understand that paragraph 10 11 either. It sounds like you exceeded SILs. Please just 12 explain the paragraph. 13 MR. WESTBROOK: Yes. So as I mentioned for 14 PM10 where we have a nonattainment area, you cannot exceed what is called a significant impact level. That 15 16 fraction, that five microgram per meter cubed in Table 4 17 cannot be exceeded. 18 When you're doing the analysis for the 19 other pollutants where we're in attainment, the significant impact level is a level that establishes your 20 21 facility impact only. And if you don't exceed that 22 level, you don't have to consider other facilities in the 23 area, the background pollution. 24 But if you do exceed that level you have to do more. Your analysis has to include all that 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ
1 background, add that with your impacts, and if everything 2 combined is below the threshold, then you don't cause or contribute to an exceedance of the standard. 3 MEMBER LITTLE: Okay. So the project 4 5 itself resulted in impacts exceeding those SILs, but when 6 you did the further analysis including everything else, it was still okay. 7 8 MR. WESTBROOK: Correct. So when you think 9 significant impact analysis for this study, it's not the same as saying that there's a significant impact on 10 11 public health. 12 The conclusion of the study is there is not 13 a significant impact on public health as required by the District and reviewed by them. This is just a step in 14 15 the process to get to that conclusion. 16 MEMBER LITTLE: Even though maybe the 17 project contributes more than its share. 18 MR. WESTBROOK: The project -- we include the project contribution combined with those other 19 thresholds. And like I said, the PM10 is the one that 20 21 we're most concerned about. That one's held to a very 22 low increment, very low fraction. 23 MEMBER LITTLE: Okay. That's all I have. 24 Thank you very much. 25 MR. WESTBROOK: Thank you. GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

CHMN STAFFORD: Member Richins. 1 2 MEMBER RICHINS: Yeah, I -- just a point of clarification. I know Member Gold talked about hydrogen. 3 There is air products in the building, a hydrogen 4 generator to produce 11,000 tons per year, literally 5 6 about three miles from your site. So hydrogen can be part of the equation. 7 8 They're under construction and almost complete, so 9 they'll be online prior to your guys' being complete. Even if you took some of the generators off 10 11 of the natural gas you could lower some of the issues, if 12 you just ran some of them on hydrogen. 13 So should be a consideration, part of the 14 conversation. It will be gen -- I think it's about three 15 or four miles from where your site is located. Thank 16 you. 17 CHMN STAFFORD: Member Drago, you had a 18 question? MEMBER DRAGO: Yeah. Thank you, 19 20 Mr. Chairman. 21 Thanks, Mr. Westbrook. I understand it's a complicated subject, the Clean Air Act is not easy. 22 23 I think what might help the Committee to 24 understand is the whole notion of a Title 5 majority source permit. And the approach for doing potential to 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

emit, and a summary about -- like you described a part of 1 2 it, for the startup-shutdown of the LM6000 being conservative for the 30-minute versus a 10-minute ramp 3 that it does have. 4 I think it would help to couch that 5 potential to emit estimate and then what your actuals are 6 and then how you permitted the facility. 7 8 MR. WESTBROOK: Okay. Sure. So I have up 9 on the slide the estimated maximum projected emission levels based upon the assumptions I mentioned earlier. 10 11 These levels are -- they're based upon the 12 emission factors that we have from the control systems. 13 They're based upon the operational restrictions. 14 What we really had to focus on here was 15 carbon monoxide. When you're going for your construction 16 permit, as you mentioned, you have to look at the 17 potential to emit the maximum emissions you could ever 18 emit in order to get your permit. And you may be required to put in federally enforceable restrictions in 19 20 a Title 5 permit to make sure you don't go over those 21 thresholds. 22 So what you see here are the maximum 23 projected emission levels to stay under the major source 24 threshold for PSD of 250 tons per year of all those pollutants except for PM10 where the nonattainment area, 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 major source threshold is 70 tons per year. 2 The operation of the plant happens under all different kinds of conditions. We have, you'll see 3 in the permit application, a whole long list of 4 temperatures and conditions and everything we looked at. 5 6 Many, many different operational conditions. We took the absolute worst-case maximum 7 8 operational condition for air emission calculations modeling everything. As I said before, very, very 9 10 unlikely it's ever going to happen on short-term basis, 11 and certainly even on an annual basis to get our potential to emit. 12 13 Actual emissions are probably going to be 14 somewhere in the range of 50 percent, 75 percent on a 15 worst-case day, maybe even 20 percent, 50 percent on an 16 analyzed basis. 17 So the actual emissions is not something we 18 are allowed to look at because we have to look at the worst, worst case. Which we did. 19 20 And in doing so we were below the major 21 source thresholds, this is a minor source permit, but 22 because it does have a federal Title 5 permit, we have to 23 have these enforceable restrictions that make EPA 24 comfortable that the plant will stay under those thresholds and not trigger those levels. 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 And so we have those in the air permit and 2 I can talk more about those. 3 As far as the startup and shutdown, to 4 answer your question on --5 MEMBER DRAGO: Yeah. MR. WESTBROOK: -- that, okay, it's --6 we're talking about 30 minutes for startup and the 7 8 emissions that are put in are, I wouldn't say they're 9 uncontrolled for the entire 30 minutes, but I would say for a good portion of them they are, they're much higher 10 11 than I would expect over that period of time. 12 There are certain number of startups 13 assumed in the year. I think it's like 300 times, 500 times, somewhere in there. But they are going to be 14 15 short periods for a simple cycle gas turbine. 16 MEMBER DRAGO: And is it true, though, that 17 that 30 minutes is very conservative because the LM6000 18 ramps at 10 minutes? MR. WESTBROOK: It is true that the full 19 20 power ramp is within 10 minutes. That doesn't 21 necessarily mean that the control is going to be there in 22 10 minutes. 23 We're assuming 30 minutes overall. The 24 emissions that were given by the vendor, GE, is conservative in assuming that for a fairly long period of 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 time we're going to have uncontrolled emissions that then 2 start to become controlled, because what happens is you're warming up your catalyst, so it's 100 percent 3 effective. It takes a little bit of time for that to 4 5 warm up. 6 MEMBER DRAGO: Thank you. MEMBER KRYDER: Mr. Chairman. 7 8 CHMN STAFFORD: Yes, Member Kryder. 9 MEMBER KRYDER: Mr. Westbrook, when you talk about startup and shutdown, normally would the whole 10 11 bank of 10 be started at one time or are we talking about 12 starting two or three as the need requires and then adding five more and so on? Talk with that a bit, 13 14 please. 15 MR. WESTBROOK: I think Mr. Thompson would 16 have to give you more details on what he thinks could 17 happen, but I do believe that from what I've seen in 18 peaking plants, you do have the capability of running all of them, which is probably going to be the case when you 19 20 really need them you're going to run all of them. 21 Because you have a grid emergency or a grid 22 overload or whatever you want to call it. I don't know 23 what you want to call it. 24 But you need them. So you need all 10. But you do have the capability of running one, two, or 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 three. You're not going to run them at a reduced load 2 factor. You're going to run them all the way up, but you don't have run all 10 if you don't need to. But like I 3 said, Mr. Thompson could probably talk more about that. 4 5 MEMBER KRYDER: Very good. I'll wait for 6 him. Thank you. CHMN STAFFORD: All right. You talked 7 8 about 300 starts per year? That's across all ten units, 9 not per unit; correct? MR. WESTBROOK: That's across all ten 10 11 units, correct. 12 CHMN STAFFORD: Okay. 13 MR. WESTBROOK: And I'm looking at the 14 number now. Yeah, 500 per year was the --15 CHMN STAFFORD: That's across all the ten. 16 Okay. 17 MR. WESTBROOK: That is right, and we 18 assume the maximum of two per day. 19 CHMN STAFFORD: Per unit? 20 MR. WESTBROOK: Per unit. 21 CHMN STAFFORD: Okay. 22 MR. WESTBROOK: All ten units, two per day. 23 CHMN STAFFORD: Okay. All right. Looking 24 at page 17 of the report, you said the project's estimated to emit 1,131,266 tons of carbon dioxide 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 equivalents on annual basis.

2 That's based on the same assumptions about 3 the starts, stops?

4 MR. WESTBROOK: Yes.

5 CHMN STAFFORD: Okay. It says equivalents. 6 What else are you looking at besides just carbon dioxide? 7 MR. WESTBROOK: Very small amount of 8 methane. Methane slip, they call it. Most of the 9 methane is burned, there is a very small contribution of 10 methane. And also a compound called N2O. And those are 11 very small fractions of the overall total.

12 CHMN STAFFORD: All right. And then you 13 said the capacity factor being 20 and 40 percent. And 14 that limit is set by the air permit; correct?

15 MR. WESTBROOK: 45 percent on annual basis 16 is the total hours per year at 100 percent load. So when 17 you look at those hours you assume 100 percent potential, 18 maximum potential gas. These units will not operate at exactly 100 percent, they might operate at 80, 85, 90 19 20 percent, but that's 100 percent of the fuel being burned 21 to the maximum rating of that unit. All ten units. 22 CHMN STAFFORD: Okay. And then -- but that 23 can -- but the capacity factors can vary depending on 24 number of starts and stops significantly, can't it?

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MR. WESTBROOK: The capacity factor in

25

1 terms of hours would -- would vary. If you don't need to 2 use the plant as much you'd have a much lower factor. If 3 you use it more, you'd have a higher one but you cannot go over the fuel usage that's in the air permit for the 4 5 whole year. CHMN STAFFORD: So there's like a fuel 6 usage cap in part of the permit? 7 8 MR. WESTBROOK: Yes. 9 CHMN STAFFORD: And what is that number? 10 MR. WESTBROOK: I'm going to have to look 11 that up for you. 12 MEMBER FONTES: Mr. Chairman, it's Member I have an additional item for clarification 13 Fontes. after you're done. 14 15 Okay. I'll call on you as CHMN STAFFORD: 16 soon as I'm done with this line of questioning. 17 MR. WESTBROOK: I'm sorry. There's way too 18 many pages in this application on air. I'm trying to find the actual permit. 19 20 CHMN STAFFORD: It's in there somewhere. 21 MR. WESTBROOK: Yeah, it's in there. Okay. 22 I'm almost there. 23 So it's in the permit application, page 6 24 of the air permit, page 6, 18,844,300 BTUs per year on a 25 higher heating-value basis. GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

CHMN STAFFORD: You said it's on page 6 of 1 2 the permit? MR. WESTBROOK: Of the permit. 3 CHMN STAFFORD: Under what number? 4 5 MR. WESTBROOK: Let's see. It's under Section 5, "Emission Limitations." 6 CHMN STAFFORD: I'm looking at the permit 7 8 number. You said it's page 6? MR. WESTBROOK: "Emission Limitations." 9 It's page 6 of the actual air permit. Section 5. Bottom 10 11 of page 5, top of page 6. CHMN STAFFORD: 12 Okay. 13 MR. WESTBROOK: Right before "NSPS Emission 14 Limits." 15 CHMN STAFFORD: That's why I couldn't --16 okay. MR. WESTBROOK: It kind of went under a 17 18 different page. CHMN STAFFORD: Okay. Yeah. So it's 526, 19 20 okay, I see it, it's right -- it's the 18,844,000 MM BTU 21 across 12 months. That's what you're talking about? 22 MR. WESTBROOK: Yes. 23 CHMN STAFFORD: Okay. No wonder why --24 it's at the top. I just couldn't find a number 5 on page 6. That's what it was. Okay. Thank you. 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 And then, so the federal, was it 40 CFR 2 part 60, has -- was it 1170 pounds per CO2 for megawatt 3 hour. That's the gross requirement? And this would emit at 160 pounds per MM BTU? What does that translate to in 4 5 terms of megawatt hours? 6 MR. WESTBROOK: I'd have to get that number for you. I don't have that. 7 8 CHMN STAFFORD: Okay. I'd like to --9 because the requirement is 1170 pounds per megawatt hour, but then the -- I'm looking at page 17 of the report. It 10 11 says the emission -- you'd have a -- the project is going 12 to have an emission rate of 160 pounds per MM BTU. I 13 just wanted an apples-to-apples with the per megawatt 14 hour. 15 MR. WESTBROOK: On the 160? 16 CHMN STAFFORD: Right. Right. And then I 17 think Member Fontes, you had a follow-up question now? 18 MEMBER FONTES: I did. Thank you, Mr. Chairman. 19 20 My question gets into the study and the 21 methodology for the baseline for the how you take the, 22 for instance, the annual measurement for SOx, NOx, 23 particulates with respect to calculating. 24 You state -- and here's my issue or concern 25 is it's going to be operated as a peaker plant; right? GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 And those are typically in the state of Arizona and 2 particularly the state of air grade in Pinal County that 3 the air quality index is very high on those days that you're going to run a peaker. Those are summer months. 4 How can you describe for this Committee and 5 6 the public to inform them that you're not just using an average of all the years, but you're looking at the 7 8 average of those dates that you are stating that it's 9 going to be operationally used? 10 MR. WESTBROOK: In terms of the air quality 11 modeling impacts? 12 MEMBER FONTES: Yeah. 13 MR. WESTBROOK: Okay. So as I mentioned, 14 the emissions are worst case. There are different 15 averaging periods for emissions: one-hour average, 16 14-hour average, annual average. Depending upon the 17 pollutant and depending upon the standard. 18 When we run the modeling we're using five years of actual meteorological data. We are looking, a 19 20 lot of data, we're looking at a lot of hours and in 21 running that information we're running to find the 22 maximum hour, day, or year of those five years of data, 23 here we have maximum impacts on the fence line with all 24 of these very, very worst-case conditions. 25 So, for example, for the NO2 one-hour GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 impact, we're looking at those startup periods where 2 there may be fewer controls. 3 Very, very unlikely that we're going to see those kinds of impacts, but we're required to run those 4 very high emissions. 5 6 For 24-hour average we're assuming all 10 plants at the maximum possible fuel use for 24 hours 7 8 straight. Could happen. Pretty unlikely it's going to 9 happen. So the likelihood that the plant is going to operate exactly when the air conditions are worst, it 10 11 could happen but it could -- it's very unlikely that 12 you're going to find that nexus, that crossover. 13 MEMBER FONTES: So to address the public 14 concerns on an unhealthy air day in Pinal County when we 15 know we have alerts all over the state, does that 16 modeling incorporate that, because that's when you're 17 going to run the peaker plant because everybody's going 18 to want the air conditioning. Does that modeling 19 incorporate that? 20 MR. WESTBROOK: It does incorporate to the 21 extent that because we're using historical data, if those 22 dates were included in that past data, and I don't know 23 if they were. But if they were then that would be 24 included. We're not projecting forward and looking at 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535

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## LS CASE NO. 233 VOLUME II 08/13/2024

other dates. But we are including all the actual 1 2 meteorological data from five years in the analysis. Is that five 365-day years 3 MEMBER FONTES: or five years of data on the plant usage of the peaker 4 5 plant? That's what I was trying to get at. Because, 6 again, peaker plants are typically fired in summer peaking capacity and on shoulder years, let's call it 7 8 September, and those are the days that we have the higher 9 air quality. So presumably that's going to have a different baseline than if you spread it across five 10 11 years of historical data. That's what I'm trying to get 12 at. Can you educate us on that? 13 MR. WESTBROOK: It is running the five 14 years, 365 days per year, 24 hours per day of hourly data 15 for all periods in those periods. Depending upon the 16 pollutant, PM10, PM2.5, or 24-hour average, we'd be 17 looking at five years of daily averages for the annual 18 average. For PM2.5 we're looking at the five 19 20 separate averages. And we're running the modeling based 21 on the requirements that EPA has for such a study. So we 22 have a lot of data that goes into this analysis. 23 MEMBER FONTES: Understand. But how is the

24 profile different in those months of the peaker for the 25 items of concern, the NOx and CO2 in particular?

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1 MR. WESTBROOK: I think that the profile, 2 the actual profile of how it's going to run is not a 3 consideration because we're assuming that it could be running when it wouldn't be running, you know, the hours 4 5 of the year at nighttime. So we're using possibly hours that it would 6 never be run and therefore it's a much more conservative 7 8 analysis by doing that. And like I said, we're including 9 days when there could be worse air quality in the past. So I think we have a very large set of 10 11 results in terms of looking at the worse-case impact. I 12 don't know if I answered you question. MEMBER FONTES: I'm still contemplating the 13 answer here. But for now, I'm satisfied. Thank you, and 14 15 thank you, Mr. Chair. 16 MR. WESTBROOK: Thank you. 17 CHMN STAFFORD: Thank you, Member Fontes. 18 MEMBER GOLD: Mr. Chair. 19 CHMN STAFFORD: Yes, Member Gold. MEMBER GOLD: This again is for 20 21 Mr. Miller -- I'm sorry, Mr. Westbrook. 22 Regarding these pollutants assuming your 23 plant is running at night and, you know, this is in tons 24 per year which is really hard for me to fathom. Let's take a look at the people working at the plants and the 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

## LS CASE NO. 233 VOLUME II 08/13/2024

1 people who live in the area of the plants. 2 Nitrous oxide is probably not good to 3 breathe in. Carbon monoxide is not good to breathe in. The other stuff is not good to breathe in. 4 How will this affect plant workers? How 5 will this affect -- I mean, what quantities are we 6 talking about? Will they have an effect on the people 7 8 who live in the area, the people who work at the plants, 9 compared to people who live in San Francisco or Los Angeles or New York where you have high levels of this 10 11 stuff? What it's going to be like, what's the 12 environment going to be like when these turbines go on at night regarding the people's health? 13 14 MR. WESTBROOK: Right. So National Ambient 15 Air Quality Standards are protective of public health and also agriculture, public welfare. That's why they were 16 17 set in purpose. 18 The fact that we're required to do the 19 modeling and the fact we show that there's not a 20 significant impact means that there will not be a harm or 21 an impact to public health. There won't be any impact 22 from this facility based upon that study. And that was 23 required to be done by the Pinal County Air District. 24 They reviewed and approved it and agree with that 25 finding.

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1 MEMBER GOLD: So that means it's going to 2 be safer to work in this plant, to live in this area, regarding nitrous oxide and carbon monoxide and sulphur 3 dioxide than it is in living in New York City or 4 5 San Francisco or Los Angeles; is that correct? MR. WESTBROOK: I've not made that 6 comparison before, and I can't opine on the difference in 7 8 overall air quality. I've just been focused on Project 9 Bella. MEMBER GOLD: Well, compared to overall air 10 11 quality because, you should be familiar with air quality 12 standards in cities --13 MR. WESTBROOK: Right. 14 MEMBER GOLD: -- I mean, in your opinion 15 would you rather be working at this plant than working in 16 New York City outside? 17 MR. WESTBROOK: I do have quite a bit of 18 experience working in the Los Angeles area. 19 MEMBER GOLD: Okay. 20 MR. WESTBROOK: Permitting and modeling and 21 so forth, in an area that is the most polluted area in 22 the country including for particulates and things of 23 concern. Based upon my understanding of the background 24 air quality, the air quality is better here. We do have the issue of PM10 nonattainment. On certain days it can 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 be really fast, as I said from dust storms like today. 2 But generally the air quality is much better than some areas, yes. 3 MEMBER GOLD: So the emissions from this 4 5 plant would still make the air quality here better than 6 most cities in the country? MR. WESTBROOK: It would not have 7 8 necessarily an impact on the air quality here, but I 9 think the overall experience living here would be better 10 than living in other urban areas, yes. 11 MEMBER GOLD: Even with the plant running? 12 MR. WESTBROOK: Even at the plant running. MEMBER GOLD: Thank you. That's all I 13 14 wanted to know. 15 CHMN STAFFORD: The PM10, that's the most 16 problematic pollutant for Pinal County; correct? 17 MR. WESTBROOK: Correct. 18 CHMN STAFFORD: And that's largely driven by kicking up dirt, isn't it? 19 20 MR. WESTBROOK: Unpaved roads are probably 21 70 to 80 percent. You know, there's a lot of unpaved roads in the area. And the monitors are typically placed 22 23 in areas that are closer, Casa Grande, they're in areas 24 where is there's a lot more urban activity or agriculture 25 going on, so the monitors that they put in place to find GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 these things out are going to be impacted by those types
2 of sources.

CHMN STAFFORD: I seem to recall that in 3 the Coolidge expansion for SRP, they ended up paving 4 several of the unpaved roads near the site to reduce on 5 6 the amount of PM10. Has the applicant explored what roads near the project could be paved to provide a 7 8 benefit to the surrounding area for reduction in PM10? 9 MR. WESTBROOK: I'm not aware that that's been explored, no. 10 11 CHMN STAFFORD: I did notice that the Selma 12 Highway was unpaved when we went on the tour. And that's why I asked them about where the traffic for construction 13 14 would be. It would be down the paved roads of the 8 and 15 Midway. 16 But I'm just curious, have you -- has 17 anybody looked at, seems like there are several other 18 ones. I can't recall if Peters was paved or not, but it 19 seems like there's a fair number of roads in this area 20 that are unpaved that perhaps if they were paved we could 21 help mitigate the impact of the PM10. I realize that 22 probably most of the PM10 is going to come from the 23 construction of the plant more than its operation. 24 MR. WESTBROOK: The construction of the 25 plant does have to have a dust control permit in West

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1 Pinal County that requires watering, reducing disturbed 2 soils, making sure that the potential for dust is So their construction cannot occur without that 3 reduced. specific construction permit, so that does help to cover 4 5 mitigation from that process. The plant itself, I would imagine from my 6 understanding of these kinds of power plants have a very 7 8 low amount of employees, and as far as traffic into the 9 local area to that plant would be very small. The air quality analysis itself shows 10 11 insignificant impacts, and so based upon that there was 12 not a requirement to mitigate emissions and impacts of 13 PM10. 14 CHMN STAFFORD: Right. I know it's not a 15 requirement but I'm just talking about what reasonable 16 conditions this Committee might want to impose on the 17 project to make it more palatable to the surrounding 18 area. 19 So I just wanted to let the applicant chew 20 on that for a minute, I think, to see if there's 21 something that they could be doing more than that's 22 actually required to mitigate the impacts. 23 Member Drago. 24 MEMBER DRAGO: Yeah, if I may. In addition to what Mr. Westbrook said about dust control permits. 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

Because this area is nonattainment for particulate 1 2 matter, 10 microns or less, there is what they call a state implementation plan, a SIP, and that SIP is written 3 for all areas of nonattainment in the United States. 4 And in that SIP, compare it to the control 5 measures that Mr. Westbrook is talking about at the point 6 sources at the plant. The SIP looks at overall control 7 8 measures in the area that is not attaining the public 9 health standards. And in those SIPs, a lot of times you'll see one of the control measures is to pave roads. 10 11 So I would think that if we wanted to bring 12 in Pinal County Air Quality to talk to us, they could probably explain what control measures are in that state 13 14 implementation plan for this nonattainment area. 15 MR. WESTBROOK: Yes, that's correct. 16 CHMN STAFFORD: Please continue with your 17 presentation. I think that's it for Member questions for 18 the time being. MR. WESTBROOK: Yes. I think we were 19 20 talking about the emission limitations, we discussed the fuel limit. 21 22 And Mr. Thompson mentioned yesterday that 23 while we have the 250-ton-per-year threshold, we are 24 required by the district to limit emissions to 90 percent of those thresholds, okay, so that's for criteria 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 pollutants, which are the ones we modeled.

Also other hazardous air pollutants under Title 5 that are required to be looked at here, the HAPs, hazardous air pollutants, 90 percent of the threshold, because that gives more assurance that we will not exceed those thresholds.

7 That's a requirement that you don't see 8 everywhere. You do see it in Arizona. So that was a 9 limitation that is in the permit as enforceable 10 conditions.

As far as how we make sure we meet those conditions, we talked about the SIMS monitoring, stack testing that's required to determine what the actual emissions are coming out of these units once they're built. Because we're making assumptions on that, so we want to have actual data on that tracking.

17 The fuel has to be tracked ongoing. 18 Emissions calculated and tracked ongoing, every single 19 month they have to be accumulated, and on a 12-month 20 rolling basis you have to show that you're not exceeding 21 those thresholds for the permit requirements.

As a Title 5 permit they're going to be reporting going on twice a year with an annual emissions report required to the District. So there's a lot of tracking and monitoring required by the agency, EPA, and GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 by the rules and regulations put in force.

2	MEMBER HILL: Mr. Chair, I have a question.
3	CHMN STAFFORD: Yes, Member Hill.
4	MEMBER HILL: I don't know a lot about air
5	quality. And this actually may be a question for
6	Mr. Thompson. But if the air quality permit is limited
7	roughly to 500 starts a year, it is just peaking, why do
8	we need 10 units?
9	It just feels like it's an overbuild for
10	what you can do under the air quality permit. And I just
11	don't really understand the 10-unit need at this point.
12	This is what I'm struggling with. I mean, the cost
13	eventually is borne by ratepayers and I just want to
14	understand the overbuild potential.
15	CHMN STAFFORD: I think it's for the
16	capacity because it's the capacity to generate the power
17	at any given time as
18	MEMBER HILL: You're going to fire all 10
19	units when you need it.
20	MR. WESTBROOK: Yeah.
21	MEMBER HILL: But it might be 50 days a
22	year.
23	CHMN STAFFORD: But these aren't going to
24	go into rate bases. They only get passed on to
25	ratepayers if the power's actually generated. Because
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1 they're not paying for the capacity. They're only going 2 to pay for the energy. 3 MEMBER HILL: The energy coming --MR. WESTBROOK: Well, I guess --4 5 MEMBER HILL: Whatever the power purchase 6 agreement is. CHMN STAFFORD: Because we don't really 7 8 have a capacity market in this state, really, do we? I 9 mean --MR. WESTBROOK: I cannot answer that 10 11 question, but I do know that when they're needed they're 12 really needed. CHMN STAFFORD: Right. But it's SRP, TEP, 13 ED3, someone's going to pay you for the energy. I guess 14 15 you could structure the agreement to where --16 MR. WESTBROOK: You have the capacity. 17 CHMN STAFFORD: -- you have the capacity 18 that's on standby, but --19 MEMBER HILL: And you're probably paying 20 more for that standby because, yeah, I'm just questioning 21 the size of the facility and thinking about the 22 limitations under the air quality permit. And maybe, 23 maybe when you design the facility you thought your air 24 quality permit might look a little bit different, and so maybe you're evaluating those things, but I'd like to 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 kind of understand the thinking on that. 2 At the end of the day, you guys have to 3 figure out how to pay for this. It's going to be through -- largely through power purchase agreements, and 4 5 that cost will be borne by ratepayers. 6 And so I'm just -- I'm just listening. I don't really ask questions about air quality stuff, but 7 8 this is dawning on me, and so I just wanted to put that 9 on the record and ask applicants maybe to talk about that a little bit. 10 11 MR. WESTBROOK: That would be a question 12 for Mr. Thompson. 13 MEMBER FONTES: Mr. Chairman, if I could 14 add to that. 15 CHMN STAFFORD: Yes, Member Fonte. MEMBER FONTES: APS and SRP in their 16 17 filings, they were only doing 300 starts per year for 18 their peakers. Just to note. CHMN STAFFORD: Thank you. 19 20 MR. WESTBROOK: I really have nothing else 21 to provide for you today. So if you have more questions? 22 CHMN STAFFORD: Anything further from 23 Members? 24 (No response.) 25 CHMN STAFFORD: Mr. Moyes. GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 MR. MOYES: Thank you, Mr. Westbrook. 2 Let's move on to our water testimony with Mr. Miller. 3 BY MR. MOYES: Mr. Miller, as you previously testified you were 4 Q. hired by the project to provide analysis regarding 5 6 potential water impacts from the project. Can you first, before you describe those impacts, give us a general 7 8 overview of the regulatory scheme governing groundwater 9 usage in Pinal County and how that relates to this specific project area? 10 11 Α. (Mr. Miller) Sure. I'd be happy to. So the 12 regulatory scheme that regulates groundwater use in the area basically was born with the package of the 13 14 Groundwater Management Act in 1980. 15 That particular act at the time basically came 16 up with what are called active management areas. And so 17 we sit within what's called the Pinal active management 18 area. 19 The active management areas are areas where 20 there have been significant historical groundwater use, 21 and so there was a need identified to actively manage 22 groundwater in those areas, so that management is done 23 through several regulatory programs regulated through the 24 department of -- Arizona Department of Water Resources. 25 And those regulatory programs are designed to GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

meet certain goals. In the Pinal AMA, the management
 goal is to allow development of nonirrigation uses while
 preserving agricultural economies for as long as
 feasible.

5 And there are certain different regulatory 6 programs that would apply to groundwater use for the 7 project.

8 For example, in order to pump a well more than 9 35 gallons per minute within the Pinal AMA, you have to 10 legal right to withdraw groundwater. And some examples 11 of those rights include irrigation grandfathered rights, 12 those are rights that would be used currently that are 13 used currently for agricultural uses.

14 There's Type 1 water rights, Type 2 water 15 rights, and there's also recovery of long-term storage 16 credits. Those are all different water rights that can 17 be used to pump groundwater within the AMA.

There are also limits on how much you can pump 18 19 from a given well, so that the department requires that 20 when you permit a new use of groundwater that you are 21 limited in the annual amount that you can pump from a 22 well based on the calculated impact to nearby existing 23 wells of record which would be any water production wells 24 including residential wells and other nonexempt wells which would be other large wells such as agricultural 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 wells.

2 CHMN STAFFORD: Quick question. So 3 residential wells are exempt, right, unless they pump more than 35 gallons a minute. 4 5 MR. WESTBROOK: That is correct, which 6 means they're exempt from reporting. They're also exempt from this requirement to have a water right to withdraw 7 8 water from the aquifer. 9 CHMN STAFFORD: Now, what does that mean? 10 I mean 35 gallons per minute doesn't seem like a lot. 11 What's -- can you put a perspective by giving us some --12 I mean, what is a typical household, what's -- well, what kind of, I'm going to say pump and permit, what kind of 13 14 draw are we talking about? 15 MR. WESTBROOK: So 35 gallons per minute is 16 basically more than what a typical household would need. 17 I'm going to do a quick conversion on the fly here, but a 18 typical house might use say a third of an acre foot of water per year, and that's approximately -- yeah, that's 19 20 approximately 0.2 acre -- excuse me -- gallons per 21 minute. 22 CHMN STAFFORD: Okay. So --23 MR. WESTBROOK: So I'm sorry, I might have 24 done that conversion wrong. But 35 gallons per minute is definitely more than what a typical household would need 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 in a year.

2	CHMN STAFFORD: Okay. And then what kind
3	of what kind of use would you see for 35 could you
4	operate any kind of business that uses I guess, what
5	kind of activities would 35 gallons a minute support?
6	I mean, obviously agricultural isn't going
7	to be one of them.
8	MR. WESTBROOK: Correct. A typical
9	agricultural use, we talked about some of those numbers
10	yesterday. Some of the questions revolved around that.
11	Typical agricultural use may be something like four acre
12	feet per acre applied to land. And so if you have one,
13	let's say one acre of land and you apply four acre feet
14	for that acre, that's four acre feet of water per year.
15	It's much more than what a typical residence would use.
16	CHMN STAFFORD: Okay.
17	MR. WESTBROOK: And that's just one acre.
18	Typically farms are much, much larger than one acre, as
19	you know.
20	CHMN STAFFORD: Okay. Now you have, since
21	this is an active management area, are all the water
22	are all of the wells at least tracked so the department
23	knows of their existence even if they're exempt? I mean,
24	they know where all the nonexempt and exempt wells are
25	located?
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MR. WESTBROOK: So annual reporting is not 1 2 required for the exempt wells. However, the department does track the locations of all of the exempt wells and 3 so they have, because they're such a low water use 4 compared to the nonexempt wells, they do estimate how 5 6 much water is used by the exempt wells, but those -- that amount of water is not tracked by the Department of Water 7 8 Resources. 9 CHMN STAFFORD: All right. But the existence of the exempt wells is tracked but obviously 10 11 their output is not tracked. 12 MR. WESTBROOK: Correct. 13 CHMN STAFFORD: But do they track if any of 14 those exempt wells run dry, for example? If they -- and 15 their depths? 16 MR. WESTBROOK: So, well registration in 17 Arizona is basically self-reporting, so the owners of the 18 wells will report their information to the Department of Water Resources including the depths of their wells and 19 20 the construction, the diameters of the casing and casing materials and whatnot. 21 22 In terms of when particular wells go dry, 23 that is something that is studied by the Department of 24 Water Resources as part of some of their hydrologic studies. But it's not something that's typical -- until 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 a particular well owner reports that to the Department of 2 Water Resources, there isn't, you know, there isn't a meter or an alarm that goes off when that occurs. 3 CHMN STAFFORD: So if someone's well runs 4 dry they'd have to report to it DWR, otherwise DWR won't 5 know? 6 MR. WESTBROOK: 7 Correct. 8 CHMN STAFFORD: Okay. Mr. Moyes, there's a 9 couple new pages here on the table. Are these some new exhibits? I think one of them here is the summary, I 10 11 guess, is already included in the presentation. 12 MR. MOYES: Yes, Mr. Chairman. 13 CHMN STAFFORD: But the additional slide 14 showing the wells, is this new? MR. MOYES: We do have a few additional 15 16 slides that are included in the original exhibit 17 submission which we will ask to admit at the end, normal 18 course. And some of the visuals that you'll see on 19 20 this screen, anything that is new today in terms of a new 21 slide or a new outline we've provided printed hard copies 22 as well. 23 CHMN STAFFORD: But that's already, L35 is 24 already there, that's not new; right? MR. WESTBROOK: That's correct. 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 CHMN STAFFORD: But these two ones that you 2 had, the water resources summary and the map, those are 3 new? MR. MOYES: That's correct. 4 5 CHMN STAFFORD: Okay. Are they going to 6 be, I guess I'll let you go through and present them how 7 you plan to, so --8 MR. MOYES: Yes. We will at the end of the 9 proceedings admit any new exhibits as well as the ones 10 that were previously submitted and figure out the 11 numbering at that point. 12 I just wanted to ask with your permission 13 if there are any other questions from the Committee at 14 the moment. 15 MEMBER GOLD: Mr. Chairman. 16 CHMN STAFFORD: Yes, Member Gold. 17 MEMBER GOLD: This is for Mr. Miller. 18 Your plant is now up and running for a year 19 and the water table, the aquifer, you've been draining a little bit of water from the aquifer and everybody else 20 21 is draining water from the aquifer for the farms and 22 everything else. 23 How much will your water use lower the 24 level of the aquifer in feet or inches? MR. MILLER: Well, actually the answer to 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

that question, it would be helpful to see one of the new slides. The map, you have a hard copy of it in front of you and that's the map that shows the contours of impact. So it would be helpful to refer to that to answer your question.

I'm sorry. In your question you mentioned
that there's been some use existing. I wasn't sure what
you were referring to.

9 MEMBER GOLD: I'm referring to something 10 very simple. We have an aquifer. You're going -- your 11 wells will go eight, 900 feet, you reach water at a 12 certain level, and you should know what level you reached 13 water at.

14 If you're running for one year, how much 15 would you lower the aquifer? Simple question.

MR. MILLER: Yes. So it's a simple question, but there's a lot that goes into the analysis to come up with that. The Department of Water Resources, as I mentioned, regulates the amount of drawdown that you can have on neighboring wells of record. And so we did an impact analysis that follows that standard. It's written in Arizona Administrative Code rules.

23 And so that standard is after five years of 24 pumping at the maximum annual volume that the maximum 25 impact you can have on any neighboring wells of record 33 GLENNIE REPORTING SERVICES, LLC 602.266.6535 34 www.glennie-reporting.com 94 Phoenix, AZ

1 can be 10 feet or less. So we did that analysis, and on 2 the graphic you have in front of you can see impact 3 contours from an impact analysis. So we had run that --4 CHMN STAFFORD: Hold on a second. 5 These 6 are the new exhibit. Do you want to mark them so we can refer them? Which one is going to be 21 and which one's 7 8 going to be 22? 9 MR. MOYES: We can mark this new map on the right as PCE-21, Mr. Chairman. And the summary on the 10 11 left as PCE-22. 12 Thank you. Please proceed. CHMN STAFFORD: 13 MR. MILLER: So what you see on the map is 14 at the end of five years of pumping at the maximum 15 pumping volume of 540 acre feet per year for the project 16 that the impact contours of drawdown of three feet, four 17 feet and five feet are shown on the map. 18 The standard is 10 feet, and so we -- that 19 amount of drawdown. The contour's so small that we didn't actually draw it and show it on the map. And so 20 21 what we're demonstrating here is that the exact is far 22 less than the 10-foot standard in any nearby wells. 23 MEMBER GOLD: So your effect on the aquifer 24 would be in inches over a five-year period. MR. MILLER: That is correct. 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535

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MEMBER GOLD: Which means your use should 1 2 not affect anybody, any local person's well. MR. MILLER: 3 That's correct. And furthermore, the -- this impact analysis does not take 4 into account the fact that this, the incremental impact 5 6 and any increase in groundwater pumping, we're not accounting for that here. This is the annual maximum use 7 8 for the project. 9 There is an existing use here on the property, as you know, with the current agricultural use 10 11 that will be replaced by the project. So the actual 12 impact would be less than what's shown here. 13 MEMBER GOLD: Okay. So as I'm looking at your figure, current use, projected use, maximum modified 14 15 use, let me look at the location, R35. 16 You use a fraction of the water of any of 17 the farms in the area, and I'm guessing that that well on 18 Midway Road is what the previous farmer used. That is correct; right? He used water from that well. 19 20 MR. MILLER: The previous farmer obtains 21 his water from the Maricopa-Stanfield Irrigation and 22 Drainage District, and the district manages the water use 23 for all of the agricultural uses within the district. 24 And so specific withdrawals of -- well, the actual use can come from a variety of sources including, 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 historically there's been CPA water used on a lot of the 2 farms, and in more recent years including in 2023 there 3 was not excess CAP water available for the farms, and so a lot of the water for the farms came from pumping of 4 wells in the area. 5 But the -- that entity manages all of the 6 groundwater pumping and other sources of water as a whole 7 8 for all of the farms within the district. 9 MEMBER GOLD: So I'm looking at an image, 10 again, layman's terms. That green circle which 11 represents the well on your property on Midway Road, when 12 you start using water from that well or from CAP or wherever you're going to use water, will that circle get 13 14 larger, smaller, or stay the same? 15 MR. MILLER: If we could go back to that 16 graphic, that would be helpful. 17 CHMN STAFFORD: You are talking slide R35; 18 right, Member Gold? 19 MEMBER GOLD: Correct. R35. 20 MR. MILLER: Correct. 21 CHMN STAFFORD: Not PCE-21. 22 MR. MILLER: What you can see on that 23 graphic, do you want me to wait for it to come up on the 24 screen? Okay. 25 MEMBER GOLD: There seems to be a lag. GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ
1 MEMBER RICHINS: For those of us playing 2 the home game can you reference where we might find this exhibit? I'm not seeing it in my stuff. 3 CHMN STAFFORD: PCE-21 was just brought in. 4 5 Have you e-mailed that to Tod? MR. MOYES: I don't think we have yet, but 6 we will right now in the background. 7 8 CHMN STAFFORD: Okay. Yeah, they're going 9 to -- well, we're coming up on the noon hour here so it seems like any conversation regarding an exhibit that the 10 11 three members online can't see, it's going to have to be 12 repeated anyway after they receive it. So I think let's 13 take our lunch break and then get those exhibits to the 14 members online, so they'll be able to see what we're 15 talking about, and then we can address it then. I 16 understand some members have some other obligations going 17 on, so we're going to take our lunch break and come back 18 at 1:30. We stand in recess. 19 (Recess from 12:02 p.m. to 1:32 p.m.) CHMN STAFFORD: All right. Let's go back 20 21 on the record, Mr. Moyes. 22 BY MR. MOYES: 23 Mr. Miller, we were working on your water 0. 24 testimony. I believe you were in the process of answering a question from the Committee about residential 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

well impacts. If you would please resume your testimony
 where you left off, if you can.

(Mr. Miller) Yeah, as you recall I was doing a 3 Α. calculation on the fly to address that question. And 4 essentially the calculation that I did was correct. 5 The amount of water that a home typically uses in a year is 6 roughly a third of an acre foot per year. 7 And that 8 converts to an average water use over the course of a 9 year of 0.2 gallons per minute.

Which is, you know, the long-term average over the course of a year. However a home may need more than, say, 10 gallons per minute at any one time if all the faucets are running and whatnot. So a

14 35-gallon-per-minute well to address that question is 15 more than enough for a residence.

Q. Mr. Miller, we've been talking a lot about the historic usage of the well that will be used for this project and the data that was provided in the application in exhibits highlights 2023 year reports.

20 Can you shed some additional light on the other 21 years leading up to that and how they may differ from the 22 current data?

23 A. (Mr. Miller) Yeah, I'd be happy to.

24 The property uses a mixture of rights as I 25 discussed, groundwater being one of them.

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1 The property has been actively irrigated since 2 2018, so for that six-year period, 2018 through 2023, the 3 average total use for agriculture on the property was 622 4 acre feet per year.

5 And the average groundwater use for that period 6 was 371 acre feet per year. But largely what has 7 occurred in the earlier years within that period a 8 greater portion of the water used came from excess CAP 9 water. Central Arizona Project water, which is -- which 10 isn't as available anymore. And, in fact, in 2023 the 11 CAP water use was zero.

12 And we do know that because this property has 13 irrigation grandfathered water rights, that the farm was 14 active in the period in the leading up to the Groundwater Management Act in 1980 when water rights were 15 established. So we know that in the late '70s that the 16 17 farm was active. We just don't have estimates of the 18 irrigation use. They're not available in standard ADWR 19 records.

Q. But isn't it true, Mr. Miller, that to have a grandfathered irrigation right, that landowner had to establish a historic average use in order to obtain that permit which would be reflected in the amount that the grandfathered right was granted for?

25 A. (Mr. Miller) That is correct. That 2018 to GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

## LS CASE NO. 233 VOLUME II 08/13/2024

1 2023 period, the allocation that was given to this 2 project or to this property was 635 acre feet per year. In earlier years, that allocation was more than 3 that, so in that period in the late '70s when the average 4 use was established, it was significantly more than that. 5 6 Q. So the fact that they have a permit is evidence of prior usage, prior agricultural tilling and 7 8 irrigation; correct? 9 Α. (Mr. Miller) Correct. It would be inaccurate to state that farm came 10 Q. 11 into production in 2018; would you agree? 12 (Mr. Miller) That's correct. Α. I believe on the other graphic that you had 13 Q. provided today, the additional supplement or exhibit that 14 15 we had marked as PCE-22 or -- no 21, I'm sorry -- you 16 were highlighting some impacts on surrounding wells. 17 The question has come up from Committee Members 18 and from public regarding impacts on residential wells 19 and I was hoping you could shed some light for the Committee on what I would say a public misperception or 20 21 misunderstanding of how groundwater works, how aquifers 22 work when you compare a deep agricultural or industrial 23 well compared to a shallow residential well. 24 Could you explain a little bit about that? (Mr. Miller) Yes. I believe the graphic you're 25 Α. GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

referring to is the one on the right panel that we see on
 the screens.

3 Q. Yes.

4 CHMN STAFFORD: That would be PCE-21 for 5 the members who are attending remotely. You should have 6 received that from Tod.

7 MR. MILLER: So as I mentioned earlier the 8 graphic shows contours of impact after five years of 9 pumping at the proposed maximum annual rate of 540 acre 10 feet per year.

And as I described earlier, the contours that we're showing on the map are three feet of drawdown, four feet of drawdown, and five feet of drawdown. And the standard is 10, but because the 10-foot contour is so small we can't even represent it on this graphic.

And so the impact contours show that we have less, much less than the 10-foot standard which is required -- the required maximum impact you can have on neighboring wells.

20 And when we do this calculation, we are 21 making the assumption that the aquifer -- the impacts 22 transmit through all layers of the aquifer equally. But 23 we do know that when you have a deeper, say, irrigation 24 well or industrial well that pumps from deeper portions of the aquifer, because water in aquifers tends to 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 transmit horizontally much more effectively than it 2 transmits vertically, we expect that when you pump it 3 deeper that deeper layers of the aquifer, the impact to 4 the shallower aquifer layers would actually be less than 5 what's calculated here.

6 BY MR. MOYES:

Q. So in layman's terms, if you were looking at a glass of water it would be inaccurate to say that what actually goes on in the ground would be equivalent to sticking the straw in the bottom of a glass and therefore having a shorter straw at the top of the glass lose its liquid. Is that accurate to say?

A. (Mr. Miller) What I would say is the only problem with that analogy is the way that aquifers are structured, they're horizontal layers of different materials. And those horizontal layers tend to have fine grained units that inhibit the flow of water vertically.

18 So when you suck from that straw that's deeper 19 in the deeper layers, that effect of that drawdown on the 20 aquifer is not going to transmit up to the shallower 21 layers effectively.

Q. Thank you. That's what I was trying to get at.
MEMBER GOLD: Mr. Chairman.
CHMN STAFFORD: Yes, Member Gold.
MEMBER GOLD: Based on what you're saying,
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1 Mr. Miller, are there cap rocks within the aquifer that 2 would stop the water from going up and down? Or are you 3 just saying it's slower to go up and down than it is to go left and right, because the flow is from higher to 4 5 lower? MR. MILLER: It's slower, it's the latter 6 of what you just said. It is slower to move in the 7 8 vertical direction. It transmits, water transmits much 9 more easily in a horizontal direction. 10 MEMBER GOLD: So basically if you draw too 11 much water out of the deeper parts of the aquifer, you 12 will affect the shallower parts of the aquifer. It would just take a longer time but eventually it will happen. 13 But what you're saying is you don't take enough water out 14 15 of the aquifer for that to happen. 16 MR. MILLER: That's correct. These 17 calculations assume that it transmits horizontally and 18 vertically equally. It doesn't account for that slower 19 impact. 20 MEMBER GOLD: Okay. So basically you will not affect the local wells. 21 22 MR. MILLER: The impact is much less than 23 the standard. 24 MEMBER GOLD: Let me put it in layman's 25 terms. Will you affect the local wells? GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 MR. MILLER: There -- there will always be 2 some level of impact. When you pump an aquifer, there is 3 some level of impact.

MEMBER GOLD: Okay. Some level of impact 4 can be inches, some level of impact can be 100, 200, 300 5 feet. What level of impact do you anticipate? 6 MR. MILLER: Based on the analysis, much 7 8 less than what you can see on the map that we have in 9 front of you. The impact of five years using this conservative analysis at the nearest exempt well, which 10 11 is shown on the graphic to the northeast of the 12 production well, it's labeled 55-569124, you can see that that particular well resides between the three-foot 13 14 impact contour and the four-foot impact contour. 15 So you could estimate that the calculated 16 impact at that location is roughly three and a half feet. 17 MEMBER GOLD: Okay. So you're giving a real number now. This I can visualize. 18 So how deep are local wells? How deep are 19 20 you pumping from? 21 MR. MILLER: The local wells vary in depth 22 quite a bit. The -- some of the local exempt wells are 23 in the neighborhood of 500 feet deep. The well that --24 the subject well that we're talking about here on the property that's labeled 55-626493, that particular well 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 is reported to be 1100 feet deep. Actually to be more 2 precise I'm rounding to 1100. I believe it was 1058. Let me double-check. 3 MEMBER GOLD: You don't have to be exact. 4 1100 feet is close enough. So the local wells are 500 5 feet, you're drawing from 1100 feet and you expect that 6 in five years the most you're going to pull out of the 7 8 well that you're going to be responsible for is three 9 feet. 10 MR. MILLER: Correct. 11 MEMBER GOLD: Where does the aquifer start? 12 If they have to go down 500 feet to get water, is the aquifer at 500 feet? Is that the cap rock? Or is it at 13 14 200 feet? 15 MR. MILLER: When you say cap rock --MEMBER GOLD: Whatever it is that's at the 16 17 top of the aquifer. 18 MR. MILLER: The top of the aquifer is 19 basically the groundwater surface. So basically the aquifer is comprised of alluvial material, sands and 20 21 gravels, glaze and silts, and those fill a basin. And 22 the bottom of the basin is basically crystalline bedrock, 23 like granites or other hard rock. That's the bottom of 24 aquifer. The top of the aquifer is basically that 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535

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1 depth below, basically below land surface until you hit 2 water. So if you think of a bowl of cereal, if you pour 3 milk only halfway up through the cereal, that level of the milk, that's the top of the aquifer. 4 MEMBER GOLD: Oh, okay. So basically what 5 you're saying is groundwater seeps into the aquifer. 6 MR. MILLER: Correct, yes. 7 8 MEMBER GOLD: And where does the majority 9 of the water come from? Since we are -- we're east of the Continental Divide or west? Where are we? 10 11 MR. MILLER: We're west. 12 MEMBER GOLD: We're west of the Continental 13 Divide. 14 MR. MILLER: Yes. 15 MEMBER GOLD: And it's coming from the 16 Rocky Mountains and going down all the way to the Pacific 17 Ocean, somehow. And rainwater is adding to it. And 18 anything you dump on the ground is adding to it. And you can go down 200 feet and still get 19 sort of brackish water, I'm guessing, or do you have to 20 21 go town 500 feet the point where you can pump it out? 22 MR. MILLER: In this area the depth of 23 water, we'll say for purposes of this, and I can find 24 more precise numbers in the application materials. But we'll say four to 500 feet is the depth that you'd 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 have -- of alluvial material that you'd have to get to 2 the top of the aquifer, the groundwater surface. And to 3 answer your question --MEMBER GOLD: You just said something 4 different. You said top of the aquifer. What is top of 5 6 the aquifer? MR. MILLER: What I'm saying, the top of 7 8 the aquifer is the top of the groundwater surface. So 9 there's approximately 400 to 500 feet of alluvial material that's not saturated with water, it's above the 10 11 aquifer. 12 MEMBER GOLD: Okay. So the wells that are 500 feet, that's the average farmer -- house well or farm 13 14 well or something? 15 MR. MILLER: Some are deeper, but that's a 16 good example. 17 MEMBER GOLD: All right. And you're 18 drawing from 1100 feet, so let's assume they have their well going down 500 feet. Water -- I'm using the word 19 20 water table for the top of the aquifer where the water is 21 where it's saturated. They still have plenty of water 22 even if they lose three feet. 23 MR. MILLER: Correct. Depending on the 24 depth of their well and how far it penetrates below that water table, then that three feet would be a minor --25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

could be a minor fraction of --1 2 MEMBER GOLD: So the question I'm asking is 3 how deep is the water table top? MR. MILLER: That's the 400 to 500 feet. 4 I'm going to find a more precise number for you because 5 we have that in our application materials. 6 MEMBER GOLD: Okay. Now, the question I 7 8 asked before we had a break, the other photo that we had 9 up just before this one, the one that's on page --10 CHMN STAFFORD: R35. 11 MEMBER GOLD: R35, thank you. Go back and 12 make that larger so I can see it. The well that's on 13 your property, 487 ac-foot per year on Midway Road. After you've been running your plant for five years, will 14 15 that green circle get larger or smaller? 16 MR. MILLER: The project demand is 540 acre 17 feet per year. And so that number is larger than the 487 as shown on the map. But it would still fall within the 18 19 300 to 600-acre foot per year range for that size of 20 circle. 21 MEMBER GOLD: So in short you're going to 22 be drawing more water than has been drawn before, but not 23 enough significantly to affect anybody's well. 24 That is compared, yes, MR. MILLER: compared to that number, 540 would be more than that 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 horizontal average.

2	MEMBER GOLD: Okay. That's what I asked.
3	Just something visual that we can, you know, we have
4	people who live in the area and we say it's 487, it's
5	going to go to 500 and something.
6	But it's not going to change the water in
7	your well at least for the next five years. And who
8	knows what's going to happen after five years. But it's
9	going to be a little larger but nowhere near as large as
10	the big ones that are 1329, that the other farms are
11	using in the area. So they're drawing much more water
12	out of that aquifer than you are.
13	Relatively speaking your draw is
14	insignificant compared to what everybody is drawing, and
15	you're providing electricity that's needed, so when we
16	have heat waves people don't die of heat in their houses
17	because the air conditioners don't work. Am I correct in
18	my assumption?
19	MR. MILLER: That is correct. We did an
20	analysis of basically those numbers that are represented
21	by the green circles on the map. We looked for all of
22	the wells within three miles of the project. And there's
23	an increasing trend of pumping over time, and the current
24	estimates of pumping within three miles are roughly
25	20,000 acre feet per year.

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1 MEMBER GOLD: Okay. Now, with rainfall and 2 stuff they're dumping back in, do we anticipate that 3 aquifer, the water table -- now I learned the proper terminology from you, thank you, Mr. Miller -- that water 4 table is going to be receding approximately three feet 5 6 over every five years or six feet over every 10 years? MR. MILLER: Well, we also did an analysis 7 8 in our application materials, you'll see graphs, they're 9 hydrographs that show measured groundwater levels at specific wells over time. And that the average decline 10 11 rate of that's occurring currently due to the 12 horizontal -- due to the mostly agricultural pumping in the area, there's an average decline of the three wells 13 14 we showed on the graphic of I think it's 1.91 feet per 15 year of decline. 16 MEMBER GOLD: So almost just about two feet 17 per year. 18 MR. MILLER: Yes, but that's --19 MEMBER GOLD: And that's for everybody 20 drawing water out of it and yours is an insignificant 21 portion of it. 22 MR. MILLER: Ours is not included in that 23 because obviously the project hasn't been constructed 24 yet. MEMBER GOLD: Well, judging by the size of 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 circles and aquifer yours is relatively insignificant. 2 MR. MILLER: Correct. MEMBER GOLD: Okay. So people don't have 3 to worry about losing their wells? And that's the 4 5 question I'm asking for the general public. Because when 6 I took note of their questions, groundwater level of the people who we hear, 98 percent of them were concerned 7 8 about losing water in their wells. So that is not an 9 issue. MR. MILLER: Correct. We meet all of the 10 11 ADWR standards for -- the DWR standard for calculating 12 and demonstrating that you won't impact neighboring 13 wells. We're well below the limit of the maximum impact 14 that you can have on a neighbor. 15 MEMBER GOLD: Thank you. You've answered 16 what I needed to know. I represent the general public in 17 case you're asking why I'm hitting these questions, 18 that's why. And you've answered that question to my satisfaction, so thank you. 19 20 MR. MILLER: You're welcome. 21 BY MR. MOYES: 22 Q. Mr. Miller, can you clarify one statement you 23 made, again you reminded the Committee that the use for 24 the project would be 540 acre feet per year. But isn't it correct that is actually a worst-case scenario if the 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 plant were running full -- full production which, in 2 fact, it will not?

A. (Mr. Miller) That is correct. Mr. Thompson in his testimony yesterday mentioned that the anticipated water use is much less, and he had less than that. I don't remember the exact number.

- 7 Q. Thank you.
- 8 MEMBER RICHINS: Chairman.

9 CHMN STAFFORD: Yes, Member Richins. 10 MEMBER RICHINS: Can you restate your 11 requirements for monitoring those wells over the life of 12 your project? And also if you -- if you find in that 13 monitoring that you exceed your estimates, what 14 mitigations are you required to put in place for affected 15 wells?

16 And the reason I ask this, you know, 17 pumping -- pumping from one well and irrigating across 190 acres of farmland hits the aquifer over time 18 differently than when you extract it and then use it and 19 20 it doesn't have any natural recharge associated with it. 21 So I'm not entirely convinced of your modeling, but I'd 22 like to hear what your requirements for mitigation and 23 for when your requirements for monitoring first and then 24 what mitigations will be required of you if you have -if we find through that monitoring that you would exceed 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 your estimated use.

2	MR. MILLER: The Department of Water
3	Resources regulates the quantity of groundwater that
4	would be pumped from for the on-site uses. As I
5	mentioned earlier in my testimony that there are water
6	rights that are required to pump groundwater, and so the
7	project will have to demonstrate that it has the right to
8	pump the quantity of water that it needs.
9	And also, as a nonexempt well within the
10	active management area, there will be a requirement of
11	monitoring and reporting the quantity of water that's
12	pumped every year from that well.
13	MEMBER RICHINS: Do you have any
14	requirements to monitor wells within those, you know,
15	some kind of circumference of the project?
16	MR. MILLER: I'm not aware of any
17	requirements such as that.
18	MEMBER RICHINS: Okay. So any residential
19	well within X number of distance of you will not be
20	monitored while you use what you are allowed to use at
21	the site? So if we have a drawdown of those wells will
22	we never know that?
23	MR. MILLER: The Department of Water
24	Resources does monitor groundwater levels at specific
25	wells through time.
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1 As I mentioned, there was the three wells 2 that we provided hydrographs for. Those water levels are 3 monitored regularly by the Department of Water Resources. Also, as I mentioned before, there are 4 impacts to and measured groundwater level drawdown in 5 those wells and other wells in the area due to the 6 existing uses out there. 7 8 And I'm sorry, what was your last question? 9 I just want to make sure I answer it. 10 MEMBER RICHINS: Well, if you don't have 11 any requirement for monitoring, I don't know that you 12 could have requirements for mitigation. That's the concern here is that if your project exceeds, you know, 13 you already stated that you're pumping more than the 14 15 agriculture use as used historically, in your worst-case 16 scenario acknowledging that. 17 My concern is if the -- because the way the 18 water is used on the site is different, that it may have impacts on surrounding wells including those of 19 residential, and we need to be able to understand what --20 21 what is happening. 22 And I'm hoping Mr. French might be able to 23 lend some insight into ADWR on this issue. But, you 24 know, also that we have to have mitigations in place for those residential. If you overdraw and those residential 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 wells cease to function as a result of your activity, you
2 must mitigate it. Period. And I'm just trying to get at
3 what that looks like.

MR. MILLER: What I'll say is the monitoring of water table declining over time, there is decline occurring over time and the type of modeling that we did to demonstrate the well impacts according to the rules is how you can demonstrate that the well won't have an unreasonable impact on the neighboring wells.

10 The monitoring would capture the effects, 11 the collective effects of all pumping in the area, and so 12 it would be difficult with monitoring to differentiate 13 the impact of pumping for the project from other 14 agricultural impacts in the area.

MEMBER RICHINS: Just for the record I do not buy that response. I think you can. So just, sorry. That doesn't -- anyway, Mr. French, do you have any insight onto this?

MEMBER FRENCH: Well, Member Richins, the well usage on each property, it's the property owner's responsibility to report the usage and the water levels for their own wells. Now, if damages occur to a property owner and they can prove that it's due to an overdraft of a neighboring property, they may be able to sue for damages. Does that answer your question?

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1 MEMBER RICHINS: Is that the only recourse? 2 MEMBER FRENCH: That's one of the major recourses for it. So there are a lot of protections in 3 this scenario when we're talking about overdraft and the 4 5 authorities that are associated with each property. 6 So for this one, for example, currently has an irrigation grandfathered right allotment of 635 acre 7 8 feet for each year. 9 Now, when this facility stands up, they'll 10 have to retire that irrigation grandfathered right and 11 transition that to a Type 1 authority, which I'm sure 12 Mr. Miller is going to get into here pretty soon on that 13 process, and that volume will change. 14 And it's also in their literature that any 15 other overages will be transferred to this facility 16 through long-term storage credits, and I'm very curious 17 to hear about where those storage credits are going to be 18 recovered and how you're going to take delivery of them. So I think, Member Richins, that there's 19 20 more information coming that might shine a little bit 21 more light on your questions. 22 MEMBER RICHINS: Perfect. Thank you, sir. 23 MEMBER FRENCH: No problem. 24 CHMN STAFFORD: Mr. Miller, perhaps you 25 could walk us through Exhibit PCE-21. Tell us exactly GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

what the red circles mean. It looks like a bull's-eve 1 2 with some hits in it. And I'm confused, I'm looking at the center of it. There's the 55-626493. 3 I understand that is the well, existing well at the property you 4 5 intend to use. What is the blue dot to the left of that? 6 Is that another well on the property that we haven't 7 8 talked about? 9 MR. MILLER: There is another well on the 10 property and that's what that dot represents. 11 CHMN STAFFORD: Is it not active now? 12 MR. MILLER: That well is not active according to the deed of our record. 13 14 CHMN STAFFORD: So what do the red circles 15 mean, and you have aquifer parameters here, scenario 3 16 with some letters and numbers. Co you tell us what 17 exactly what -- exactly what that means? 18 MR. MILLER: Sure. CHMN STAFFORD: Maybe Member French knows 19 20 what it means, but I'm not entirely -- I don't understand 21 what we're looking at here exactly. 22 MEMBER FRENCH: Mr. Chairman, I really 23 don't understand exactly what all those acronyms are on 24 that section. But I am curious about the pumping rate that's listed there. It shows on this slide that it's 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

assumed for this analysis at 334 gallons per minute. 1 But 2 I believe in the documentation for the well on this property, it's got a pump that's rated at 900 gallons per 3 minute. So I'm curious how we ended up at this number. 4 5 MR. MILLER: Sure. I'd be happy to explain all of that. 6 So first I'll talk about the acronyms and 7 8 the numbers on the right side of the graphic. Aquifer 9 parameters 55-626439, that's just a label here. And scenario 3 was one of other scenarios that -- of impact 10 11 analyses that we did. 12 As we mentioned in our application 13 materials, we also ran an impact scenario for the 14 incremental impacts, which was roughly 200 acre feet per 15 year more than horizontal pumping. So I'm just 16 explaining that this is just one of several scenarios of 17 impacts that we calculated. The next line it says "T," and then in 18 parentheses, "GPD per foot." That T stands for aquifer 19 20 transmissivity, and the units on that number are what's 21 in parentheses, that's gallons per day per foot. 22 This is a standard unit for representing 23 the transmissivity of the aquifer. 24 CHMN STAFFORD: Wait. Back up. 25 Transmissivity. What -- what are you saying and what GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

does it mean? 1 2 MR. MILLER: That's what I was getting to. Transmissivity is basically a parameter, it's a standard 3 parameter that hydrologists use in calculations such as 4 this. It's -- it's the value of that number represents 5 6 how easily water transmits through the aquifer. So you can think of it as, you know, if you 7 8 had an aquifer that was only comprised of gravel with a 9 lot of pour spaces and compare that to an aquifer that's comprised of, say, silt material, the aquifer 10 11 transmissivity of the gravel would be significantly 12 higher than the transmissivity of the silt aquifer. MEMBER GOLD: 13 Transmissivity is like flow 14 rate, then. 15 MR. MILLER: It's not flow rate. It's a 16 parameter that tells you how easily does water move 17 through the aquifer. 18 CHMN STAFFORD: Does that mean -- does that 19 translate to if I draw over here, does it move down in a 20 more uniform rate as opposed to being more sensitive 21 to -- this place will not move down as much, this one 22 would more depending on the type of soil that you're in? 23 MR. MILLER: Yeah, if you have an aquifer 24 that has varying materials, then you would expect that water might transmit through the more porous materials 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

## LS CASE NO. 233 VOLUME II 08/13/2024

1 more easily than it would through other materials. 2 So -- so this -- this calculation that we're doing, this well-impact calculation, we're using 3 what's called the Theis nonequilibrium equation, and 4 5 that's a standard parameter that you use for that 6 equation. The next line is SY, that stands for 7 8 specific yield. This is another parameter that's used in 9 the calculation. And it is -- it represents how much water would drain out from a -- basically a unit 10 11 one-foot-by-one-foot section of aquifer if you drained 12 the water out of that saturated alluvium, how much percentage of that chunk of aquifer would be water that 13 14 drains out. 15 And so in this case, we're using 6 percent, 16 0.06, which would be 6 percent of that volume is water 17 that would drain out due to gravity. 18 The next line. CHMN STAFFORD: What does that mean 19 20 exactly? Is that like subsidence or is this something 21 else we're talking about? 22 MR. MILLER: No, this is just the volume of 23 water that's contained in a volume of aquifer. So --24 CHMN STAFFORD: Okay. So the makeup of 25 water as opposed to soil? GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 MR. MILLER: Right. Correct. 2 CHMN STAFFORD: Okay. MR. MILLER: And there are different terms 3 for the storage -- this is one of several storage 4 properties of an aquifer. This particular one is 5 6 specific to if you drain an aquifer by gravity, how much water would come out the bottom. 7 8 There still could be some residual water 9 that stays behind. And that's not included in this specific yield. This is specifically what would drain 10 11 out if you let gravity drain the aquifer. 12 CHMN STAFFORD: Oh, so if it could -- not pumping, but if it was going to flow downwards if it was 13 14 able to because the aquifer's not doing that. This is a 15 kind of what-if scenario, then? MR. MILLER: Correct. It is used in these 16 17 calculations because as we're calculating drawdown on an 18 unconfined aquifer, a water table aquifer, that that, as the water table drops when you're pumping, that's how 19 20 much water is expected to yield from the portions of 21 aquifer that you drain. 22 CHMN STAFFORD: Okay. 23 MR. MILLER: The third line, it says B sat 24 and in parens it has FT, which stands for feet. This is the saturated thickness of the aquifer that we used in 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 these calculations. And that particular parameter is 2 used for the unconfined aquifer correction. It's -- it's 3 basically this number represents how thick is the total aguifer that we're including in the calculation. 4 CHMN STAFFORD: Okay. So looking at 5 6 PCE-21, the B sat is 510. Looking at PCE-22, you're calculating that the sat -- that's the saturated 7 8 thickness of 500 feet at the end of a hundred years. So 9 you're looking at a drawdown of approximately 10 feet. 10 MR. MILLER: No, that 510 feet is basic --11 those are two different numbers. 12 That particular number on that slide we can get into what that is. But that's how much total aquifer 13 would be remaining at the end of 100 years of pumping for 14 15 the project and all other uses in the basin. 16 This particular number that's used in this 17 calculation represents how much of the aquifer we're 18 including in the calculation for drawdown over the next five years. So those are kind of two different time 19 20 frames that we're talking about. 21 CHMN STAFFORD: Okay. So but the B sat, 22 that's not -- that's not the same thing as the saturated 23 thickness of the aquifer? 24 MR. MILLER: It is. We're just talking 25 about -- in that case we're talking about the total depth GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 all the way to the basement rock after a hundred years of 2 pumping in the basin. And this particular number is looking specifically at the thickness of aquifer to the 3 bottom of the well on the project site --4 CHMN STAFFORD: Because I'm --5 MR. MILLER: -- in current conditions. 6 CHMN STAFFORD: Okay. I'm looking, I'm 7 8 trying to wrap my head around this. So you have, there's 9 the surface of the land and below that at some point is the beginning of the water table. 10 11 MR. MILLER: Correct. 12 CHMN STAFFORD: Then there's a thickness of the aquifer to the bedrock because at some point there's 13 14 no more water going down; correct? 15 MR. MILLER: Correct. 16 CHMN STAFFORD: So the two measurements 17 we're talking about is going to be the depth from the 18 surface to the top of the aquifer and then the depth from the top of the aquifer to the bottom of the aquifer. 19 20 And so maybe just kind of cut to the chase, what's the -- let's call the distance from the surface to 21 the top of the aquifer distance A, and then from the 22 23 surface, from the top of the aquifer to the bedrock, the 24 bottom distance B. What is A now and B now, and what is the 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 projected A and B a hundred years from now, and I guess 2 it's not -- and it's going to be the same with or without 3 this project. MR. MILLER: Right. So let's use really 4 5 round numbers, but this matches kind of what we're 6 talking about here. So the depth from land surface to the top 7 8 of the aquifer now, or the water table as we've used that 9 term, is roughly 5500 feet. The bottom of this well is 10 roughly 1100 feet. Right. So there's about 600 feet of 11 thickness from the current water table down to the bottom 12 of this well. 13 CHMN STAFFORD: And you measured that and I guess the SY, the S-Y, that's the density of the water 14 15 makeup in the soil. 16 That's the specific yield. MR. MILLER: 17 That's the volume of water that's contained within a 18 volume of aquifer. So that's the percentage of that volume of aquifer, that's water that would drain out. 19 20 CHMN STAFFORD: Okay. 21 MR. MILLER: So we got 600 feet of 22 saturated thickness from the aquifer top to the bottom of 23 the well. And then on this slide here on the left would 24 show that the depth of the aquifer in the area is roughly 1350 feet from land surface to the bottom. 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535

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So from that 1100-foot bottom of the well, 1 2 we would add another, what, 250 feet to get to the very bottom of the aquifer. 3 CHMN STAFFORD: And if you do deeper than 4 5 that you're not getting water, then. 6 MR. MILLER: Deeper that than you're going to be into hard rock, and while there may be some water 7 8 within the hard rock, it's effectively not an aquifer. 9 It's not a source of water. MEMBER GOLD: Mr. Chairman. 10 11 CHMN STAFFORD: Yes, Member Gold. 12 MEMBER GOLD: So in summary, Mr. Miller, 13 you're saying after a hundred years we're roughly going to halve the size of the actual water remaining in the 14 15 aquifer. If you go from it's 500 feet now and you're 16 going down to, what did you say, you're going down to 17 850 feet? 18 MR. MILLER: 850. MEMBER GOLD: So five, six, seven, 850 is 19 That will leave from an aquifer that is -- the 20 350 feet. 21 bottom is 1350 feet. After a hundred years, you're going 22 to 850 feet. That's roughly half the aquifer will be 23 used up in a hundred years by everybody using it at the 24 rate they're using now, assuming we don't pump somehow water back into it? If my math is, you know, it's close. 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 MR. MILLER: I believe your math is pretty 2 close, yeah. MEMBER GOLD: Okay. Now, the question I 3 have. Water flows, even in an aquifer it flows. And the 4 direction it's flowing is south? 5 6 MR. MILLER: In this area, the water is actually moving west. 7 8 MEMBER GOLD: So it's moving west. So that means that whoever's drawing the most water out of their 9 well that they're pumping it directly out of their well, 10 11 there's going to be a cone behind that well at that depth 12 that's going to have less water in it. And that is really what's going to be affecting people's wells is 13 14 where that cone is. 15 And judging by where your well is, I don't 16 see any -- any structures that are going to be affected 17 by that cone. Do you? 18 MR. MILLER: No. There is a regional cone of depression due to all of the pumping in the basin. 19 And that's primarily what drives the groundwater flow 20 direction to the west. 21 22 MEMBER GOLD: Okay. So you shouldn't 23 affect any of the local wells with your project is all 24 I'm seeing, and that's the reason we're here today, to allay that fear to the people who are concerned about 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

losing water in their wells, and that was a big concern
 of the people.
 Just out of curiosity's sake this has

4 nothing to do with this project. But since you're an
5 expert on this, where does the water from the Santa
6 Cruz -- this is leading into the Santa Cruz River
7 somehow. Where does the Santa Cruz River actually
8 terminate? Do you know?

9 MR. MILLER: Well, I do know that the Santa 10 Cruz River as it flows in from the south, from the Tucson 11 active management area into this area, a lot of the 12 natural flows have been diverted and flow through manmade 13 channels in this area.

And there -- but there is some portions of the active Santa Cruz River that when there's significant rainfall runoff event that still flows.

But a good portion of the water's kind of routed around the west side of the Pinal active management area and up towards the Gila River to the north.

21 MEMBER GOLD: Okay. Because the reason I'm 22 questioning is I saw some other photos of the city of 23 Tucson and they had boats on the river. And that was 24 200 years ago. So in a period of 200 years we seem to 25 have lost some rivers. But the underground rivers are 36 GLENNIE REPORTING SERVICES, LLC 602.266.6535 37 Www.glennie-reporting.com Phoenix, AZ

1 still flowing, the aquifers.

2	MR. MILLER: I wouldn't refer to them as
3	underground rivers, but yes, there is definitely
4	groundwater available as we've been relying on for a
5	source of water and continue to.
6	MEMBER GOLD: And where does this
7	groundwater ultimately start coming from?
8	MR. MILLER: So aquifers are the source
9	of water for aquifers in these basin arranged basins like
10	this one, basically it's rainfall, primarily within
11	higher elevations that collects and runs off.
12	So that water moves into these basins,
13	either at the mountain front through a lot of times small
14	channels that come off of the mountains surrounding the
15	basin. Rainfall would fall on the mountains and then
16	make its way into the aquifer along the mountain fronts.
17	But there's also rainfall that occurs, you
18	know, you mentioned the Santa Cruz River, so any of the
19	mountains that contribute to runoff that goes into the
20	Santa Cruz River, that water collects in the river and
21	makes its way into the basin. And it can infiltrate
22	through the bottom of the stream channel into the
23	aquifer.
24	MEMBER GOLD: So an exceptional raining
25	year actually can add water to the aquifer?
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1 MR. MILLER: Correct. 2 MEMBER GOLD: Okay. Just -- I was just 3 curious. Thank you. MR. MILLER: You're welcome. 4 MEMBER KRYDER: Mr. Chairman. 5 CHMN STAFFORD: One second, Member Little 6 had a question and then I'll move to you, Member Kryder. 7 8 MEMBER KRYDER: No problem. 9 MEMBER LITTLE: Thank you. I want to ask this question before we move on. On this PCE-21 here 10 11 that's shown on the right screen. But the numbers that 12 you just explained to us, the T and the SY, and all the 13 rest of them, those are assumptions that go into the 14 calculation; is that correct? 15 MR. MILLER: They're estimates of those 16 aquifer parameters based on published information. 17 MEMBER LITTLE: Okay. That was my 18 question, where it came from and I appreciate that. 19 Thank you. 20 CHMN STAFFORD: And you were going to tell 21 us what the red circles meant, too. 22 MR. MILLER: Yeah. If you don't mind I'll 23 finish because the other Member had a question about the 24 pumping rate that we used here. 25 CHMN STAFFORD: Okay. GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

MR. MILLER: On the right side it says 1 2 "Pumping rate," and in parentheses "GPM, 334.55." So this standard for that this impact 3 calculation is how much water is used annually. And so 4 that number represents the annual average pumping for the 5 project of 540 acre feet per year, just converted in 6 units to gallon per minute. 7 8 So just to explain why that doesn't -- that 9 doesn't represent the instantaneous maximum flow rate at any time you would turn on the pump in this well. If 10 11 that well is currently pumping at 900 gallons per minute, 12 it doesn't pump all year long at 900 gallons per minute so what we put into these calculations is the annual use. 13 14 CHMN STAFFORD: Okay. Member Kryder, you 15 had a question. 16 MEMBER KRYDER: Thank you very much. 17 Just kind of looking at this, again, from 18 an ag point of view, I -- do I have these correct? Please correct me if I got it wrong -- but from your 19 information here, it said that the project will be using 20 21 540 acre feet per year at full function. Is that --22 that's correct? 23 MR. MILLER: Yes. 24 MEMBER KRYDER: And a moment ago, Member Richins or someone asked the question, and I think you 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

answered that there was an agricultural grandfathered 1 2 rate of 635 acre feet per year allotted to the 350 acres that you're building your project on. Is that right? 3 MR. MILLER: That's correct. 4 MEMBER KRYDER: So I know that when you --5 6 well, again, correct me if I'm wrong -- but my understanding that as this property moves away from an ag 7 8 utilization to an electric, for lack of a better term, 9 utilization, an industrial utilization, you have to give 10 up the 635 acre feet grandfathered to you and get 11 recalibrated somehow under whatever an industrial rating 12 is; is that correct? 13 MR. MILLER: There is a conversion of 14 what's currently an irrigation grandfathered right with 15 the current allocation of 635 acre feet per year. That 16 right can be retired and converted to a Type 1 water 17 right. And the annual limitation on the Type 1 water 18 right is the maximum annual limitation would be 480 acre 19 feet. 20 MEMBER KRYDER: 488? 21 MR. MILLER: 480, 480. 22 MEMBER KRYDER: 480. Okay. So is that a 23 required retirement, or is that something -- tell me how 24 that happens or why. 25 MR. MILLER: It's not required, but as I GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 mentioned before, there is a requirement to pump 2 groundwater going forward for the project that the owner has a water right to pump the aquifer. 3 And so that would be one of the water 4 rights that that would be used to pump water going 5 forward would be the conversion of that irrigation right 6 to a Type 1 water right. 7 8 MEMBER KRYDER: Okay. So if -- and I'm not 9 making any suppositions about this -- but if you all 10 folded your tent and went away, and that came back and 11 became an alfalfa field the next 10 years, the owner of 12 that property would have a grandfathered 635 acre feet 13 right to either groundwater or some kind of water for 14 irrigation? 15 MR. MILLER: The current allocation is 635 16 acre feet per year and that may diminish somewhat over 17 time. It's been significantly more than that in the 18 past. But, yes, you're correct. The irrigation right 19 would continue into the future. 20 MEMBER KRYDER: So then in that mythical 21 scenario that you left and the project never took hold 22 and it went back and grew alfalfa and cotton and corn and 23 beans, it could impact the neighbors legally under the 24 rules there, equal to or greater than your project would do it? Is that -- did I get that correct? 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ
MR. MILLER: That's correct. If the farm 1 2 would continue to use water at the same average rate that it's used water as reported for 2018 through 2023, then 3 that average total water use was 622 acre feet per year. 4 5 So the project is proposing to use much less than that. 6 MEMBER KRYDER: 540 it said in your project. 7 8 MR. MILLER: Correct. 9 MEMBER KRYDER: Okay. So the point that seemed to me as I looked and read through your document 10 11 was that the project is planning to use 540. The farmer, 12 if the farm stayed active as a farm, it could use up to 635 modified at maybe that because of this, that or the 13 14 third. And you all are planning to use a good deal less 15 than that. I mean, a hundred acre feet per year less 16 than the farm action. 17 So I don't know, you're generating --18 keeping the air conditioners on as Member Gold said a minute ago. And it seemed to me golly, heck of a deal. 19 Plus I heard yesterday in a completely sidebar question 20 21 about real estate taxes, the farmer would pay \$10,000 22 back of the envelope a year on that property, and if it's 23 my well and I get all cranky about that I know I probably 24 would think different than if I thought a thousand feet up and looked at the impact on Pima County -- or Pinal 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 County, but Pinal County is going to get 6.6 million out 2 of your pocket every year back of the envelope. In real estate taxes. So 10,000 traded for 6.6 million. I'd do 3 4 that today. 5 Do I have any of those calculations 6 incorrect? MR. MILLER: I certainly can't speak to the 7 8 real estate taxes but I understand your train of thought. 9 Thank you very much. MEMBER KRYDER: 10 CHMN STAFFORD: I thought the 6 million was 11 over the life like 20, 30 years or something. And the 12 10,000 a year would end up being a hundred thousand dollars for ten years. I thought the 6 million was for a 13 ten-year period. 14 15 MR. MORGAN: It was annually 6.6 a year 16 averaged over the length of 25 years. 17 CHMN STAFFORD: Right. But it will be 18 higher in the earlier years, then it will drop down in 19 the later years. 20 MR. MORGAN: Yes. 21 CHMN STAFFORD: It's the average. 22 MR. MORGAN: Correct. 23 MEMBER KRYDER: But it averaged to 6.6 mill 24 per year. 25 MR. MORGAN: That's correct. GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

MEMBER KRYDER: Which is a big -- which is 1 2 a big number. CHMN STAFFORD: Lot bigger than 10,000. 3 MEMBER MERCER: Mr. Chairman. 4 CHMN STAFFORD: 5 Yes, Member Mercer. 6 MEMBER MERCER: I appreciate all the questions about the acre water and all these things that 7 8 I don't understand. So I would like to understand. 9 My question is, and I don't know who can answer it. My understanding is that the total area, the 10 11 land is 350 acres or something like that, but the plant 12 is only going to use about half of that? Or 170 acres? I heard something like that. 13 14 So the water usage at 350 acres growing 15 alfalfa or cotton or whatever it was is going to be less 16 with the plant using 150 acres or 170 acres. Is that 17 correct? Am I understanding that right? 18 MR. MILLER: Well, one detail to add to 19 that is that while the whole project is 350 acres, not all of it is actively farmed. There's 189 irrigation 20 acres. So there's 189 acres of that 350 is the area 21 22 that's allowed to be farmed, basically. That's where 23 that 635 acre foot per year allotment can be used, it's 24 within 189 acres of the property. MEMBER MERCER: Okay. Thank you. 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

MEMBER GOLD: Mr. Chairman. 1 2 CHMN STAFFORD: Yes, Member Gold. MEMBER GOLD: Okay. This has absolutely 3 nothing to do with questions I had earlier because you've 4 5 answered them. 6 But this is now the third time that people have asked what are the concentric circles on your map? 7 8 MR. MILLER: Thank you for asking. Because I was hoping we'd get back to that. And we'll do that 9 10 now. 11 So we talked about the parameters on the 12 right side are the numbers -- the parameters that we put into the Theis nonequilibrium equation to calculate 13 aquifer drawdown. 14 15 The red circles, the concentric circles on 16 the map are the results of that calculation. And 17 essentially the contours, so the contour on the outside 18 is three foot, that represents three feet of aquifer drawdown at the end of five years of pumping for 540 acre 19 20 feet aquifer year. 21 And so the calculation basically is telling us that at that distance away from the well, the 22 23 estimated drawdown in the aquifer water level, the water 24 table at that location is estimated to draw down three 25 feet at the end of five years.

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1 MEMBER GOLD: And what about the next 2 circle and the innermost circle? MR. MILLER: So the next circle in is the 3 four-foot drawdown contours, so that --4 5 MEMBER GOLD: Ah. MR. MILLER: -- and the inner circle is the 6 five-foot drawdown contour. 7 8 MEMBER GOLD: Now it makes sense. You should have put it in your key. Okay. So, well, that's 9 again the flow. It's not going to be a circle like that. 10 11 It's going to be sort of like an ellipse because of the 12 flow and the flow is going from south to north so the ellipse would stretch. 13 14 CHMN STAFFORD: I thought it was to the 15 west. 16 MEMBER GOLD: East to west. The ellipse 17 would flow from the left to the right, the ellipse would 18 stretch out. MR. MILLER: Well, actually if we're 19 20 specifically calculating the drawdown impact due to 21 pumping a well, the drawdown contours, if you have a 22 uniform aquifer you would expect the drawdown contours to 23 be circular. 24 MEMBER GOLD: Even though the flow is going one direction to the other? 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 MR. MILLER: That's correct. 2 MEMBER GOLD: All right. Thank you. Okay, now we know what it is. 3 CHMN STAFFORD: So the modeling, these 4 concentric circles the modeling shows three feet of 5 6 drawdown over five years on the outermost circle, and then four and five. 7 8 Now, that that's based on not just -- is 9 that based on just the draw from this particular well or does it account for the water consumption of all the 10 11 other wells that are on the other slide? 12 MR. MILLER: These concentric circles 13 represent drawdown in response to only pumping the 500 feet acre feet per year of -- from that well. 14 15 CHMN STAFFORD: All right. And that 16 projected use I think you said was 395 acre feet per 17 year? 18 MR. MILLER: This projected use in this 19 calculation is 540 acre feet per year. CHMN STAFFORD: Right. That's the 20 21 worst-case scenario. You're saying previously -- what previous witnesses talked about about how the plant would 22 23 operate and the amount of water it would actually use. 24 It would be more along the lines of 395 acre feet. If you look -- I'm just referring back to 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 slide R35, because they have the current use, the 2 projected use, the max modified use and max net increase. 3 That's --MEMBER GOLD: Mr. Chairman. 4 CHMN STAFFORD: One second, I think they're 5 6 going to give me the answer here. MR. MILLER: I was just conferring with 7 8 Mark who gave that testimony yesterday. The actual water 9 usage is expected to be 380 acre feet per year. 10 CHMN STAFFORD: Okay. All right, and this 11 three-foot, four-foot, five-foot drawdown is based on the 540-acre-foot drawdown? 12 MR. MILLER: That's correct. 13 14 CHMN STAFFORD: Okay. All right. So this 15 is, again, a conservative estimate because you're 16 modeling on circumstances that are more extreme or severe 17 than what you actually intend to do? But the limits of 18 with this max pumping max usage, that's set by DWR, as of -- how is that determined? 19 20 MR. MILLER: The 540? 21 CHMN STAFFORD: Yes. 22 MR. MILLER: That's the maximum that is 23 anticipated. So the actual -- the actual use and to 24 correct the number, I have that graphic in front of me, it's 395 acre feet is the anticipated amount. 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

The 540 is a conservative overestimate. 1 2 That's the maximum, that would --CHMN STAFFORD: That's if they were 3 operating all the units all the time, in excess of the 4 air permit or at the maximum of the air permit. 5 6 MR. MILLER: Yeah, I don't know the details of how that demand is calculated. 7 8 CHMN STAFFORD: Okay. 9 MEMBER FONTES: Mr. Chairman, I have a related question if I can. 10 11 CHMN STAFFORD: One second. 12 And then so my other question was that you 13 had, when you retire the grandfathered irrigation rights, 14 there's a formula to be classified to an industrial 1, or there's a different classification for the well and what 15 is -- what is that limit? 16 I think you talked about a limit. I don't 17 18 recall a specific number. It was a conversion from going from the grandfathered irrigation rights to an industrial 19 I assume that's set on some kind of formula to 20 use. 21 transfer those rights from one purpose to another. MR. MILLER: Yeah, the conversion you're 22 23 talking about is retiring of an irrigation grandfathered 24 right to a Type 1 water right. That conversion would result in a maximum annual use associated with that 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

Type 1 right of 480 acre feet per year.

1

2 CHMN STAFFORD: Okay. So that's less than 3 the max modified use, so you wouldn't be able to get to that based on the Class I water right? You wouldn't be 4 able to get to this maximum output that you modeled for 5 6 this scenario, then; correct? MR. MOYES: Not with that right alone. 7 8 CHMN STAFFORD: Right. You'd have to get 9 surface water to come in to augment that or something, 10 wouldn't you? 11 MR. MILLER: It wouldn't necessarily have to be surface water. There are other water rights that 12 could be used. 13 CHMN STAFFORD: Okay. So you have to 14 15 acquire somebody else's water rights. 16 MR. MILLER: Yeah. 17 CHMN STAFFORD: Okay. Now I understand. 18 Thank you. 19 Member Fontes, you had a question? 20 MEMBER FONTES: Yes, Mr. Chairman. 21 Does the modeling include a fuel change for 22 hydrogen? Hydrogen burns higher temperature, uses 23 greater water even in the air emissions LM6000 units, and 24 this is already being looked at 25 year -- the applicant has already stated that they're considering alternative 25

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1 fuel use. So Mr. Miller, does your analysis complete and 2 include that? MR. MILLER: As I mentioned, I don't know 3 and didn't do the demand calculations for specific uses 4 on site. So I can't provide that testimony to you. 5 But 6 we could follow up with that. MEMBER FONTES: I'd like to know the water 7 8 impacts on that if you're going to change fuel at any 9 point. If not, we'll make it a condition precedent that if you do fuel change that you'll have to come before 10 11 this Committee for an approval or something like that. 12 But happy to work with the applicant on that. 13 MEMBER FRENCH: Mr. Chairman. 14 CHMN STAFFORD: Yes. Member French. 15 MEMBER FRENCH: Mr. Miller, I mentioned 16 earlier the long-term storage credits and the recovery or 17 how you're going to take delivery of those. In your 18 documentation it talks about how you could acquire Type 2 water right or take delivery or withdraw long-term 19 20 storage credits. 21 Can you go over what those are so the 22 Committee Members can understand the regulatory framework 23 around those and how you would be able to acquire those? 24 MR. MILLER: Sure. So we have already talked about irrigation grandfathered rights and we 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 talked about Type 1 water rights. Those type of water 2 rights are specifically tied to geography of land. So if we converted the irrigation right 3 there would be a Type 1 water right associated with this 4 5 property. There are also what's called Type 2 water 6 These are also nonirrigation water rights. 7 rights. They 8 were created roughly when the Groundwater Management Act was passed, and there were folks that were using 9 groundwater for other uses like other industrial uses or 10 11 golf courses and whatnot. 12 Those grandfathered water rights are not 13 tied to any specific parcel of land. And so there are a pool of those Type 2 water rights that are available 14 15 within the Pinal active management area, and there's a 16 market for them that, you know, the property owner for 17 Bella could acquire, either lease a Type 2 water right or 18 purchase a Type 2 water right, and use that as a withdrawal authority for pumping from a well within the 19 20 project. 21 And then you also mentioned long-term 22 storage credits. Long-term storage credits are credits 23 to pump water, that they're generated when somebody 24 stores water in the aquifer. 25 So, for example, there are two types of GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

## LS CASE NO. 233 VOLUME II 08/13/2024

1 storage facilities. There are underground storage 2 facilities and there are groundwater savings facilities. Underground storage facilities are like a 3 physically constructed recharge project, where somebody 4 takes a source of water, we'll use Central Arizona 5 6 Project water as an example because it's the type of water that would most likely be used for long-term 7 8 storage credits in the case that we're talking about 9 today. 10 So if somebody has a right to Central 11 Arizona Project water and they bring that water into the 12 basin and they physically use either an infiltration 13 basin, they allow that water to recharge into the aquifer 14 by filling a basin full of water and letting it infiltrate into the land surface. 15 16 Or they could inject that water into an 17 aquifer storage and recovery well, basically they're 18 injecting that water directly into the aquifer through a well. Those are examples of an underground storage 19 20 facility. 21 When you store -- when you take that external water source and store it in the aquifer, you 22 23 acquire long-term storage credits. That gives you --24 that credit gives you the ability to later pump the aquifer to recover those long-term storage credits from 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 the aquifer.

2	CHMN STAFFORD: And that would be in
3	addition to any right you had to pump like a Type 1
4	because you're authorized to pump X amount of acre feet
5	per year. If you had that credit you could take, you
6	could pump from that same spot an additional amount based
7	on what you had injected someplace else.
8	MR. MILLER: Yes. The long-term storage
9	credits are acquired through these different facilities,
10	and they are credits that can be withdrawn anywhere
11	within the active management area. And the I
12	mentioned underground storage facility.
13	Groundwater savings facilities are another
14	way to store those credits, and this is over the course,
15	since Central Arizona Project water became available
16	through the CAP canal, those their groundwater savings
17	facilities were permitted within the Pinal active
18	management area, one of them includes the
19	Maricopa-Stanfield Irrigation District where this project
20	is located, and the irrigation district essentially took
21	CAP water and they would they otherwise would have
22	pumped groundwater, so there would be less groundwater in
23	the aquifer had they not taken the CAP water.
24	And by taking that water as part of a
25	groundwater savings facility, that also generates
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long-term storage credits, because there's more water in 1 2 the aquifer available because they didn't 3 pump groundwater. CHMN STAFFORD: So they physically take 4 delivery of the surface water and use it for irrigation 5 6 as opposed to pumping the water used for irrigation. MR. MILLER: Correct. 7 8 CHMN STAFFORD: And they track that, so all 9 the stuff that you -- and you have to purchase that surface water. You don't have to purchase the water that 10 11 you pump out of the ground; right? 12 MR. MILLER: Well, in the case of the 13 groundwater savings facility use of that water, my 14 understanding is that the entity that owns the rights to 15 the Central Arizona Project water, they -- they're 16 providing that water to the irrigation district, and so 17 it's -- and they by giving that water to the irrigation 18 district and they end up with the long-term storage 19 credit. 20 CHMN STAFFORD: And they have the ability 21 to pump the groundwater from that -- in that district in 22 that active management area. 23 MR. MILLER: Correct, or they can also sell 24 that long-term storage credit to another entity who can recover that particular volume of water. 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535

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CHMN STAFFORD: Okay. So it's like a trade 1 2 almost, I trade you the surface water, in exchange I get the right to pump the equivalent amount of groundwater in 3 addition to what you were already allowed to do. 4 MR. MILLER: It was an effective way to 5 benefit from having CAP water when it was available. We 6 had excess CAP water available. It was a way to benefit 7 8 Arizona by not pumping as much groundwater every year and 9 that's reflected in -- if you look at the historical record of groundwater levels within the aquifers, once 10 11 the CAP water started to be used on these groundwater 12 savings facilities, the aquifer recovered significantly. 13 CHMN STAFFORD: That was back in the good 14 old days before they cut 500,000 acre feet from Arizona's 15 allocation; right? 16 MR. MILLER: Correct. 17 MEMBER FRENCH: So Mr. Miller, how does the 18 project intend to take delivery of any long-term storage credits that are purchased? 19 20 MR. MILLER: What the -- what I understand, 21 the way that the project could benefit from long-term 22 storage credits is they would permit their well or wells 23 on site to -- as a recovery well which would allow 24 them -- this is a separate permitting process from standard well permitting, but it's another application 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 that goes through the Department of Water Resources that 2 would approve the -- that well as a source of water for -- as a withdrawal authority they could pump 3 4 long-term storage credits. MEMBER FRENCH: So the facility you could 5 6 use your well to not only pump groundwater pursuant to the authority, but you could also recover stored water 7 8 through the same well. 9 MR. MILLER: Correct. MEMBER FRENCH: But does that change the 10 11 permitted well volume that's established with that well 12 pursuant to the well impact analysis that's done? 13 MR. MILLER: The well impact analysis 14 that's done for permitting the pumping of groundwater, 15 there's a very -- there's a similar rule that applies to 16 the impacts for recovering and -- for recovering 17 long-term storage credits. 18 And so when a well is permitted to both 19 pump groundwater and to recover long-term storage 20 credits, the permits are written in such a way that the 21 maximum pumping of either type doesn't exceed the annual 22 limit that's set based on the well impact calculations. 23 MEMBER FRENCH: Thank you. 24 CHMN STAFFORD: Member Fontes, did you have 25 another question? GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

MEMBER FONTES: I did not. Just curious 1 2 for -- to find out how we can address the potential use 3 of hydrogen on that, because I think it's going to change the water consumption rates. 4 5 CHMN STAFFORD: I quess the applicant will 6 have to do some calculations and get back to you on that 7 one. 8 Mr. Moyes? 9 Thank you, Mr. Chairman. MR. MOYES: If there's no further questions for Mr. Miller regarding 10 11 water, we will move back to Mr. Morgan and continue on 12 with his environmental testimony. 13 Mr. Morgan, let's turn back to biological 14 resources. Can you describe the analysis that was 15 performed for that element? 16 MR. MORGAN: Sure. Thanks, Jason. Just a 17 moment, I think the Peaks Audio folks are going to switch 18 over the slide shows here. As part of the application, Exhibits C and 19 20 D both describe biological resources, and the project 21 utilized various tools and data sources to evaluate the 22 biology resources with the potential to be present at the 23 project site and in the project vicinity. 24 Those tools included a review of topography 25 and aerial imagery to analyze land use, land cover, GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 regional habitat connectivity and elevation data. 2 We also referred to the US Fish & Wildlife Service information for planning and consultation or IPAC 3 tool, which was used to identify the list of federally 4 designated proposed candidate threatened and endangered 5 6 species that have the potential to occur in the proposed That report was attached to our CEC as 7 project area. 8 Exhibit C-1. 9 We also consulted the Arizona Game & Fish Department Arizona environmental online review tool, 10 11 which is the ERT report, to identify potential status 12 species with the potential to occur within three miles of 13 the project. That ERT report also crossreferences other 14 Game & Fish data including some of their, you know, known 15 occurrence data about specific species, habitat 16 connectivity, things of that nature. That report was 17 attached to the CEC as Exhibit C-2. We also in addition to all these data 18 19 sources conducted a field survey of the project site in 20 May of 2024. It was conducted by a kpe biologist. They 21 went into the field to determine the habitat type and 22 quality on the project site to support any conclusions on 23 the likelihood that special status species would be 24 present. It was determined that due to the disturbed nature of the project site and the lack of quality 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535

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1 habitat that impacts would be negligible. 2 Now, in addition to these tools we also 3 submitted the results of that ERT report to the Arizona Game & Fish Department through their project evaluation 4 program to solicit their input. 5 6 And Game & Fish responded via comment letter on June 19, 2024. That response letter was 7 8 attached to Exhibit C of the CEC and some follow-up communications with Game & Fish were attached to PCE-11 9 which was filed prior to this hearing. 10 11 The letter from Game & Fish included a 12 handful of recommended best management practices for the 13 project to minimize potential impacts to wildlife. 14 And the applicant has committed to following those recommendations which include but are not 15 16 limited to maintaining a hundred-foot buffer from Greene 17 Wash where project components would not be sited. Ι 18 think you all saw Greene Wash this morning on the route 19 tour. 20 Preconstruction surveys for special status 21 species as well as burrow clearance surveys. Designing project components, specifically 22 23 power lines and the switchyard in accordance with Avian 24 Power Line Interaction Committee, or APLIC, standards to reduce the potential for avian mortalities. As well as 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

## LS CASE NO. 233 VOLUME II 08/13/2024

1 minimizing outdoor lighting where possible to reduce 2 potential impacts to wildlife. So as was previously stated, due to the 3 disturbed nature of the project site and the lack of 4 quality suitable habitat, that reduces the likelihood 5 6 that special species will be present on the project site and these best management practices and recommendations 7 8 that we're following will further reduce potential 9 impacts to wildlife. 10 MEMBER HILL: Mr. Chair. 11 CHMN STAFFORD: Yes, Member Hill. 12 MEMBER HILL: Mr. Morgan, how do you define 13 the hundred-foot buffer from the wash? 14 MR. MORGAN: In what sense? As far as how 15 we define how we measure that buffer? 16 MEMBER HILL: Uh-huh. 17 MR. MORGAN: That's a good question. I 18 would imagine it would be from the edge of the wash which is something that we'd probably delineate 19 preconstruction. So that would be sort of a demarcation 20 21 that we would survey and then measure out. Thank you. In the tour this 22 MEMBER HILL: 23 morning we talked a little bit about -- it looks like 24 there actually might be more than a hundred-foot buffer if you -- so I just wanted to compliment you on that 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

because I do think that if you maintain the setbacks that you've described in the project and you're not moving south of the line, then you're actually doing a much better job.

5 And even though it may never really be 6 habitat for special species or the special identified 7 species, it really is kind of an important corridor for 8 wildlife that is more general to the area and I think we 9 heard residents talk about the significance of that. So 10 I just want to compliment you on the potential to have a 11 much bigger buffer than that.

MR. MORGAN: Great. Yeah, we appreciate that, and yes, the setbacks of our project components are substantially larger than that hundred-foot buffer, particularly in the southern portion of the project site where we control the land but aren't actually siting any project features.

18 CHMN STAFFORD: What's the distance between 19 the existing 500kV line and that Greene Wash?

20 MR. MORGAN: That would be a bit dependent 21 on where we're measuring it from.

22 CHMN STAFFORD: The closest point.

23 MR. MORGAN: Okay. Let me take a look. 24 Well, I guess technically the closest point would be 25 where it crosses just off the property to the west.

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CHMN STAFFORD: I'm talking about in the --1 2 if you're looking at the map you can see the two areas that are farmed. The circle and the chunk of a circle, 3 it's like a pie chart, piece of a pie chart, you can see 4 5 where the line curves right there. 6 Other than the spot, the western end where it crosses it, I'm talking about where the curve is there 7 8 with the 500kV line is headed west and then it curves and 9 heads north and then west again. 10 MR. MORGAN: So where it turns west again 11 and it's kind of near that canal, is that the point 12 you're --CHMN STAFFORD: No, the southern end where 13 14 it comes, where it starts to turn north, that's a Greene 15 Wash on the edge of the property, on the southern end of 16 the property. 17 MR. MORGAN: It's about a little over 18 400 feet, looks like at its closest point. That's that corner structure that then turns east. 19 20 CHMN STAFFORD: So it's about 400 feet, you 21 said? 22 MR. MORGAN: Yes. 23 MR. MOYES: Mr. Chairman, Members of the 24 Committee, we have a GIS expert from kpe. He's not testifying, but Mr. Cutter McCue is at the table and 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

is -- has a model that can run some realtime distance 1 2 calculations. I believe that's what we're trying to 3 verify at the moment. CHMN STAFFORD: All right. You can have 4 5 Mr. Morgan follow up if he gets the data. Because I'm 6 looking at the map here and it shows --MR. MOYES: So Mr. Chairman, if you look at 7 8 the screen we have the GIS interactive map that Cutter is 9 coordinating right now and we can do realtime 10 calculations on any questions you might have about 11 distances. 12 CHMN STAFFORD: Okay. Great. Because it 13 seems like, because they want -- Game & Fish recommended 14 a hundred-foot buffer from the Greene Wash. So you're 15 heading north from the southern end of the property. I'm 16 just curious as to how far -- is it -- based on what --17 the schematic that I saw before, I don't recall seeing 18 anything being constructed south of that 500kV line other than the existing well. 19 20 MR. MORGAN: Yes, actually if you zoom out 21 a bit, Cutter has the conceptual site plan as an overlay here. So here you can see the project features relative 22 23 to the overall project boundary, the 500kV line as well 24 as obviously some of the surrounding terrain. 25 CHMN STAFFORD: Right. So the whole -- you GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

have more than a hundred feet along the entire south end
of the project, and even to the west side of that Greene
Wash. You're not anywhere within a hundred feet of that
at all.

5 MR. MORGAN: Yes, that is correct. And 6 this hundred-foot buffer was a direct recommendation from 7 Arizona Game & Fish in their letter. So that's why I'm 8 quoting it as such, but yes, you're right. We don't have 9 anything particularly close to Greene Wash as far as 10 where the project components are sited.

11 CHMN STAFFORD: Okay. So I was trying to 12 get a sense. So that seems like that turning pole, the 13 closest part of the 500kV line is at least 400 feet from 14 the Greene Wash. So you guys have totally complied with 15 what Game & Fish wanted and beyond, like four times what 16 they asked for almost.

17 MR. MORGAN: Yes, that's correct.

18 CHMN STAFFORD: Okay.

21

19 MEMBER LITTLE: Mr. Chairman.

20 CHMN STAFFORD: Yes, Member Little.

22 appropriate time for me to ask a question that I had when 23 we were out on our tour. And that is somebody asked 24 about what construction access roads, or what roads would 25 be used for construction access.

MEMBER LITTLE: This might be an

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1 And the response was Montgomery exit, but 2 then how to get from the Montgomery exit over to the 3 project, I didn't hear the answer to that. So you anticipate going what is that, Cornman Road. 4 MR. MORGAN: Yeah, so I believe the main 5 6 access to the project site is along Midway Road kind of towards the north, almost where it intersects with the 7 8 natural gas line. 9 So if you zoom out a little bit more there, 10 I believe the quickest access would be the Interstate 8 11 exit to Montgomery Road and then Cornman Road and then 12 Cornman to Midway. 13 MEMBER LITTLE: Okay. 14 CHMN STAFFORD: Is Cornman paved? 15 MR. MORGAN: Yes. 16 CHMN STAFFORD: Because we didn't drive 17 down Cornman Road. 18 MR. MORGAN: We did not. However, it was 19 the intersection where we stopped during the route tour. 20 So that was the intersection of Cornman and Midway. 21 CHMN STAFFORD: Okay. 22 MEMBER LITTLE: So zoom out further so we 23 can see the Montgomery exit. So the access then on 24 Cornman would be through that neighborhood; correct? MR. MORGAN: Yes, that is correct. 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

CHMN STAFFORD: And what's the speed limit 1 2 on that road? 3 MR. MORGAN: I'm hearing 45 miles per hour. MEMBER KRYDER: 25. 4 5 MR. MORGAN: 25. My apologies. 6 CHMN STAFFORD: Wasn't there a recommendation from Game & Fish about construction routes 7 8 limited to 15 miles an hour? 9 MR. MORGAN: Typically those are really about on the project site and during construction to 10 11 avoid, you know, any sort of sensitive species that could 12 be in the area. 13 Generally that's not something that 14 obviously the extent and scope of that is a matter of how 15 they define what the actual construction site is if that 16 makes sense. Obviously trucks that are bringing in 17 materials from far away aren't going to be driving 18 15 miles per hour their entire trip to the site, but that was something that would be defined. 19 20 CHMN STAFFORD: Right. Because this is 21 along the right-of-way and access roads, they're not 22 talking about roads you use to access the site, they're 23 talking about --24 MR. MORGAN: Correct. That's on the 25 construction site. GLENNIE REPORTING SERVICES, LLC 602.266.6535

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1 CHMN STAFFORD: Okay. All right. That 2 clarifies things. Thank you. MEMBER KRYDER: Mr. Chairman. 3 CHMN STAFFORD: Yes, Member Kryder. 4 MEMBER KRYDER: This has -- I think I 5 6 missed the ball and didn't ask the question earlier. But, and I think goes to Mr. Westbrook, yeah. 7 8 You're going to be buying natural gas from 9 El Paso; right? Or whoever the pipeline is that goes 10 through here. 11 MR. WESTBROOK: Correct. El Paso. 12 MEMBER KRYDER: Okay. And this is -- do you have long-term contracts? I mean you're going to be 13 14 cranking a bit of fuel out. Is there any concern on your 15 part or is that just something you can contractualize and 16 El Paso delivers pretty clearly, or how does that all 17 work? Give me a minute. 18 MR. WESTBROOK: Again, that's a question 19 for Mr. Thompson. 20 MEMBER KRYDER: Oh, okay. 21 CHMN STAFFORD: Yes. We'll end up 22 recalling the first panel to do some cleanup. 23 MEMBER KRYDER: Thank you. 24 MEMBER FONTES: Mr. Chairman, I did have a 25 related question to biology if I can. GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 CHMN STAFFORD: Yes, Member Fontes. Ask 2 away. MEMBER FONTES: Questions related to bats. 3 In my experience in this county in particular, the bat 4 nesting and roosting and the habitat has had a lot of 5 challenges on substation and related facilities. 6 The bat that is noted in the San Tan and 7 8 the Coolidge proceedings and then they're monitoring is 9 the Mexican free-tailed bat, which probably has the longer migratory patterns for roosting. In a previous 10 11 life on another continent I actually built a power plant 12 and we did have bat issues in cooling towers. 13 Did your analysis include the look at how 14 the bats would impact and those other power plants 15 referenced in the same county in the state of Arizona, 16 possibly New Mexico and how they impacted them as well as 17 the substations -- or the switchyard that's going to be 18 here? 19 MR. MORGAN: So one note, this project does 20 not have cooling towers or would not have cooling towers. But also there's a number of measures that would be taken 21 22 by the project to avoid any sort of impacts to birds. 23 There would be preconstruction nesting surveys. 24 There's also a commitment we've made to Game & Fish to inspect work areas, inspect storage areas. 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

And in addition I think with the compliance with the 1 2 Aviation Power Line Interaction Committee's standards as 3 it pertains to the design of those features to minimize impacts to avian species, I think those are pretty good 4 commitments to avoid any sort of impacts to birds or 5 6 bats. MEMBER FONTES: Particularly concerned with 7 8 the lighting because you have the proximity of the BESS 9 with the power plant there as well as the switchyard. 10 How is the design going to incorporate to 11 minimize the impact that lighting could attract the bat 12 in that area? 13 Again, having worked and been involved in 14 maintenance with Western Area Power Administration in 15 this county on substations, it's a major issue. And 16 you're going to have safety and security concerns with 17 lighting. 18 I'd ask the applicant to think carefully through that in terms of the final placement of this, 19 because that could have an impact on biology as well as 20 21 balancing that out with safety and securing. 22 MR. MORGAN: Sure. And that is noted and 23 we are developing lighting strategies that help mitigate 24 potential impacts on animal species, wildlife species, so that could include things like shielding or 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

motion-activated security lighting that wildlife doesn't
trigger. Things like that to make the project more
sensitive from a lighting perspective.

4 MEMBER FONTES: It's also known that noise 5 impact and particularly white noise impacts the bats 6 during the mating and the migratory system seasons and 7 that's during the summer months. Did your analysis look 8 at that?

9 MR. MORGAN: We did not specifically look 10 at noise impacts from white noise to bats. However, we 11 have looked at, you know, generally impacts to avian 12 species and wildlife, and we think that our work --13 continuing to work with Game & Fish through the process 14 following their recommendations and continuing to consult 15 with them in the sort of preconstruction and construction 16 process will help minimize any potential impacts.

17 MEMBER FONTES: I would like to ask that 18 that be looked at prior to construction, because it has 19 been such a material issue and it is noted in the avian 20 standards, in particular at the DOE level, and it's a 21 real issue.

22 So I don't know how we do that, 23 Mr. Chairman, but I want to come back to that as a 24 preconstruction requirement.

25

CHMN STAFFORD: All right. Do bats count GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 as avian species? I thought they were mammals. I 2 thought avian referred to birds, not just flying 3 creatures. MEMBER FONTES: I guess -- I don't know 4 where it falls, but the issue is it's an issue that I 5 think needs to be addressed for -- in terms of biology, 6 in terms of how this is going to be sited, located, and 7 8 operated. 9 CHMN STAFFORD: Yeah. Definitely. I'm 10 not --11 MEMBER FONTES: I -- references to it; 12 that's why I brought it up. 13 CHMN STAFFORD: Right, because I'm trying -- I can't flip through this application binder as 14 15 fast as I'd like, but I don't recall seeing --16 MEMBER FONTES: Again, I did a control-F 17 and I didn't see any references -- --18 CHMN STAFFORD: Yeah, I don't recall seeing any references to bat species in the biological analysis. 19 20 MR. MORGAN: Yeah, we could cross-reference 21 the species list, but it might just not be considered a 22 species of concern in the project area. It might not 23 have been added to the list that we received when we 24 consulted the databases from Game & Fish and from US Fish & Wildlife. 25

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MEMBER FONTES: I understand that it may 1 2 not be in the database but I would expect that you would look at the neighboring utility substation findings as 3 4 well as the other power plants to see what issues they've 5 had. And it's certainly been noted there and in the 6 general media, I believe. CHMN STAFFORD: Right. I think the closest 7 8 power plant is the SRP. 9 MEMBER FONTES: San Tan. CHMN STAFFORD: No, what's it called? 10 11 It's --12 MEMBER FONTES: Coolidge. 13 CHMN STAFFORD: No, it's not Coolidge, it's 14 one even closer --15 MR. MORGAN: Desert Basin. 16 CHMN STAFFORD: Desert Basin. I think it's 17 the same -- it's two of the same units, the LM6000s. Is 18 that correct? Is Desert Basin two LM6000s? 19 MR. WESTBROOK: That's correct. 20 CHMN STAFFORD: Okay. All right. And then 21 so you're talking about lighting effects. You're talking 22 about lighting effects on --23 MEMBER FONTES: Lighting, white noise and 24 then also potential for roosting, getting attracted to water and heated moist areas. 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 CHMN STAFFORD: Yeah. Okay. I'm moving on 2 to a different topic about lighting. You've been talking about lighting for wildlife. What about lighting for 3 purposes of the people who live in the neighbor -- nearby 4 that the plant will be in their viewshed? 5 I seem to recall that came up a bit at the 6 Coolidge expansion, and I can't recall off the top of my 7 8 head what their solution was to mitigate the lighting so 9 they didn't have this brightly lit-up plant that interfered with people's night views and things like 10 11 that. 12 Have you looked at that as part of your 13 analysis as well? 14 MR. MORGAN: Sure. And there are a handful 15 of project features that are a little bit different here 16 than maybe some of the other plants that you've looked at 17 in the past. For example, the height of the exhaust 18 stacks here are 65 feet. And during normal operations 19 those would not be illuminated. They would only really need to be illuminated, and I think Garen might have 20 21 testified to it yesterday, but during annual or biannual 22 EPA inspections, so that's the only time when we would 23 need the lighting on top of the stacks. In addition some of the external lighting 24 will be designed to be shielded and diffused, so it will 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 just project less onto the surrounding landscape, so 2 there are a number of commitments on the lighting from a lighting perspective. 3 And in addition, they'll also be -- the 4 project will be designed in accordance with the Pinal 5 6 County Development Services Code to include any sort of conditions they have related to lighting and exterior 7 8 lighting. 9 CHMN STAFFORD: Okay. And while you're 10 working through that I'm assuming that you'll consult 11 with the local townsfolk who will be impacted by the 12 decision? 13 MR. MORGAN: Yes. And we also we have 14 conducted a robust public process which I'll get to later 15 on in my testimony as well. 16 CHMN STAFFORD: I know we've got a few 17 things yet to get to. 18 MR. MORGAN: Just a few more. 19 CHMN STAFFORD: Mr. Moyes, please proceed. 20 MR. MOYES: Thank you, Mr. Chairman. 21 Steve, are you prepared now to talk about visual 22 resources? 23 MR. MORGAN: Yes. I am. And if the Peaks 24 Audio team could switch back here. Thank you. 25 CHMN STAFFORD: Actually I think it's a GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

## LS CASE NO. 233 VOLUME II 08/13/2024

1 good time for a break. We've been going for 2 approximately 90 minutes, maybe more. So I think this is a perfect seque to --3 you can get set up for the next part of the slide show 4 and our court reporter can take a well-deserved break for 5 6 about 10 to 15 minutes. So we stand in recess. 7 (Recess from 3:05 p.m. to 3:33 p.m.) 8 CHMN STAFFORD: Let's go back on the 9 record. Thank you, Mr. Chairman. 10 MR. MOYES: We 11 were finishing up a discussion on wildlife and biological 12 resources. Mr. Morgan, was there anything else that you wanted to follow up regarding Game & Fish's 13 14 recommendations for species? 15 MR. MORGAN: Sure. Just that part of those 16 recommendations are going to be implementing a program 17 where we not only are surveying for special status 18 species, but in the event that you do have an incidental discovery, there's going to be all sorts of protocols in 19 place to avoid that species, whether it's a nesting bird 20 21 or a bat or whatever it may be, and handle that 22 accordingly. 23 And we will coordinate with Arizona Game 24 and Fish, follow all of their recommendations and also consult with them prior to construction to make sure that 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 we're implementing those recommendations and designing a 2 program that helps limit any potential impacts on wildlife. 3 MR. MOYES: Thank you. And now if we have 4 the slides ready to go, I believe we're ready to move on 5 6 to visual resources. Take it away, Mr. Morgan. MR. MORGAN: Thanks, Jason. 7 8 So visual resources are described in Exhibit E of the application. To analyze impacts to 9 10 visual resources we selected five key observation points, 11 I'm going to call those KOPs from here on, surrounding 12 the project site. The KOP map can be seen on the left and 13 14 right screen. 15 So as you can see we picked five different 16 KOPs surrounding the project. We wanted them to be 17 spread out, but also to represent views that are likely 18 to be encountered by residents or motorists. And I'll just do a quick summary of the 19 20 five and then we'll kind of go one by one and we'll show 21 you the proposed view on the left screen, and the -- or 22 I'm sorry, the existing view on the left screen and the 23 proposed view on the right screen. 24 So I'll start off by just giving a summary. So KOP-1 is north of the project and it is looking 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ
1 southeast from West Selma highway. 2 KOP-2 is looking northwest from the 3 intersection of Cornman Road and South Mammoth Drive, and that's in the residential area to the east of the project 4 5 site. 6 KOP-3 is looking northwest from the Interstate 8 offramp onto Montgomery Road. 7 8 KOP-4 is looking north/northeast from 9 Interstate 8. And then KOP-5 is looking east from South 10 11 Russell Road. 12 And also, one thing I wanted to highlight 13 just because we've been doing a lot of questions on distances, we do have the ability to do some live 14 15 measurements, but one thing that I found useful in this 16 particular area is the blocks are gridded, so the 17 distance from Midway to Montgomery is one mile. 18 And then the distance from Midway to 2 is a 19 half mile. So just as you look through some of these I 20 think that might be kind of a useful frame of reference. 21 I know it was for me. 22 MEMBER GOLD: Mr. Chairman. 23 CHMN STAFFORD: Member Gold. 24 MEMBER GOLD: Do those points coincide with 25 residences? GLENNIE REPORTING SERVICES, LLC 602.266.6535

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MR. MORGAN: So these are all taken from 1 2 public right-of-way. MEMBER GOLD: Okay. Rephrase the question. 3 People's houses. How many of those points are actually 4 on people's houses or their driveways or the street right 5 in front of their house looking into your proposed plant? 6 Which points coincide with somebody's 7 8 house? 9 MR. MORGAN: So KOP-2 is the one that is representative of the most residents, especially ones 10 11 that we heard from last night. A lot of those folks live 12 in the area to the east of the project. Whispering Sands 13 is a road that a lot of folks live on as well as South 14 Mammoth Drive. So those are the two areas that are near 15 that KOP-2, as KOP-2 is on the intersection of Cornman and South Mammoth Drive. 16 17 So that is the view that kind of represents the view for a lot of the residents. 18 19 MEMBER GOLD: Are there any residences that are not in KOP-2? Where would they be? 20 There is a small cluster of 21 MR. MORGAN: 22 residents to the northwest of the project site. Their 23 view will be somewhat similar to the view from KOP-1. 24 There also are some residents north of West Selma Highway that are also representative, represented kind of by that 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 KOP-1 view.

2 MEMBER GOLD: Okay. Question: Why didn't you include views from those resident addresses or 3 resident areas? 4 5 MR. MORGAN: So typically one of the issues 6 is just making sure we're taking them from public right-of-way. And we also just want to have a even 7 8 distribution of sites around the project facility. MEMBER GOLD: Okay. Here's my point again. 9 10 Public right-of-way is a very nice place and real easy to 11 take a picture from a roadway. But I'm dealing with 12 people who are in the audience who have homes there. And I would just be curious for a moment, does KOP-2 cover 13 14 the area where you folks live? I'm going to turn around and just look for hands. 15 16 (Indiscernible voices in background.) 17 MEMBER GOLD: Please show KOP-2 to the 18 people here. MR. MORGAN: So KOP-2 is at the 19 intersection of Cornman Road and South Mammoth Drive. 20 21 MEMBER GOLD: Just use a laser pointer, 22 please. Yeah, put it on this map because that's where 23 they're sitting. 24 MR. MORGAN: We have different laser pointers for the different screens here. 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 MEMBER GOLD: How about -- you're tall, how 2 about just going over there, standing up and pointing so 3 they can see it, please, Mr. Morgan. He's pointing to KOP-2. Okay. 4 So 5 that's --6 CHMN STAFFORD: All right. Hang on. We're not doing public comment right now, Member Gold. 7 8 MEMBER GOLD: I'm sorry. 9 CHMN STAFFORD: Please direct where you'd 10 like Mr. Morgan to point. 11 MEMBER GOLD: Okay. 12 CHMN STAFFORD: I believe he's got the laser pointer working now. Almost. There it goes. 13 14 MEMBER GOLD: Okay. So that's KOP-2. Now, 15 where are the other homes that you found? 16 MR. MORGAN: There are some -- there are a 17 cluster of residences here and here. So this view is 18 representative of those residences. 19 MEMBER GOLD: Okay. Does that cover your 20 houses? 21 A VOICE: Yes. 22 MEMBER GOLD: Okay. In that case you've 23 done what you needed to do. Thank you. 24 MR. MORGAN: Great. So if there aren't any further questions of just the overview, I'm going to 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 start going through these KOPs. 2 So I will start with KOP-1. And, again, 3 this is from West Selma Highway looking southeast towards 4 the project site. 5 And on your left screen on L41 you're going to see the existing view, and on R41 you're going to see 6 the proposed view. 7 8 So if you remember from the route tour this 9 is the dirt road that we were on this morning. Obviously 10 in the existing view you can see that existing 500kV 11 transmission line. And then in the proposed view you can 12 see the project components simulated into the landscape. MEMBER KRYDER: Mr. Morgan -- I'm sorry. 13 14 Mr. Chairman. 15 CHMN STAFFORD: Yes, Member Kryder. 16 MEMBER KRYDER: Mr. Morgan, would it be 17 possible to swap the location of those two screens so 18 that the projected -- so that the projected one was over here on this screen, so that the folks back here might be 19 able to see it a bit clearer. 20 21 MR. MORGAN: I believe that Peaks Audio 22 indicated that they can accommodate that. 23 MEMBER GOLD: They just did it. 24 MEMBER KRYDER: Hot dog. Okay. You're 25 great. GLENNIE REPORTING SERVICES, LLC 602.266.6535

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1 MEMBER GOLD: So, Mr. Chairman. 2 CHMN STAFFORD: Yes, Member Gold. MEMBER GOLD: So if you're looking from the 3 north down south, this is what they're going to see if 4 they live in that area to the north. They will see 5 transmission lines, looks like a whole farm of them now 6 as opposed to one, two, three, four, five, roughly five 7 8 that you can see beforehand. And it looks like the 9 stacks from your -- stacks from your turbines and to the left of it that would be the battery building? Am I 10 11 reading that correctly? 12 MR. MORGAN: No, the battery would actually 13 be to the right or to the west of the substation. 14 MEMBER GOLD: So to the right of those 15 stacks --16 MR. MORGAN: So if you're going left to 17 right --18 MEMBER GOLD: Wait. How about taking your pointer again and just point at what we're looking at, 19 20 please. 21 MR. MORGAN: Sorry. There's always a 22 moment of lag with this pointer. 23 So these are the stacks here. This is the 24 switchyard. The battery is not really visible. It doesn't have a very high -- it's not very tall above 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 ground level and there's kind of some intervening 2 vegetation and terrain here. MEMBER GOLD: Okay. Now, that battery 3 building is going to be surrounded by some kind of block 4 wall, I'm assuming. 5 6 MR. MORGAN: No, there would not be a wall around the batteries. 7 8 MEMBER GOLD: Why not? 9 MR. MORGAN: It's metal enclosures around 10 the battery units. 11 MEMBER GOLD: Yeah. Well, if the whole 12 thing goes up, the metal enclosures, are they going to 13 stop explosions from going beyond them because they are 14 part of the casing of the bomb? 15 MR. MORGAN: Now, I do think if we're going 16 to have an extended conversation about the technology, I 17 think it's better suited for when Mark and Garen are 18 potentially back on the stand at a later time. 19 MEMBER GOLD: Okay. We'll wait until then. MR. MORGAN: I'll do as much as I can 20 21 answering questions about the project components. And I 22 can --23 MEMBER GOLD: Okay. So right now it's 24 pretty low. You can bare -- you can't even see the top 25 of it. 602.266.6535

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1 MR. MORGAN: Yes, that's correct. You can 2 almost see it. There's kind of like a bit of white or gray that you can see. But it's quite low. 3 It's hardly above the level of the vegetation. 4 MEMBER GOLD: Now, it looks like there's 5 some kind of berm in between us and the first berm, and 6 then there seems to be a valley and then a second berm of 7 8 some sort closer to your project. Is that accurate? 9 MR. MORGAN: Yes, we did notice when we took the photos, the simulations, that there are from a 10 11 couple different angles some -- some sort of berms built 12 into the landscape. We think some of those might be from 13 historical agriculture activities if that makes sense. 14 There might be some -- some grading and leveling that 15 might have occurred, creating some steps and kind of 16 intervening terrain. 17 MEMBER GOLD: So if the berms sort of 18 exist, if you could make the berms higher I'm guessing if it was something you chose to do or if there was a reason 19 to protect it from flooding or maybe to make the views 20 21 better where you don't see the tanks, all you'll see is 22 the tops of the stacks. Is that possible? 23 MR. MORGAN: Well, some of those -- grading 24 and drainage tends to be dealt with in the county zone change process. They'll have a drainage plan and a 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 grading plan to sort of determine some of those things. 2 MEMBER GOLD: So that means it is possible to just put the berms around it to make it look a little 3 better, see less buildings and more hills? 4 MR. MORGAN: To an extent. I think there's 5 some ways that you could try to screen it. 6 MEMBER GOLD: Oh, that's the proper word. 7 8 Thank you, Mr. Morgan. The word is screen it. Now I 9 have a question for Mr. Chairman. 10 CHMN STAFFORD: Yes. 11 MEMBER RICHINS: Mr. Gold. 12 MEMBER GOLD: Is that in our purview --MEMBER RICHINS: Mr. Gold. 13 14 CHMN STAFFORD: One second. 15 MEMBER RICHINS: I just -- just going to 16 give him a quick reference of the San Tan Bella Vista. 17 MEMBER GOLD: Wait. Who's talking? CHMN STAFFORD: This is Member Richins. 18 19 MEMBER GOLD: Oh, go ahead, Member Richins. MEMBER RICHINS: Yeah, just giving you a 20 21 reference. The San Tan plant on Bella Vista Road in I 22 think it's Gilbert has the berming that you're 23 describing, as a point of reference for you. 24 MEMBER GOLD: Oh, so it's already something that these plants are doing. Thank you, Member Richins. 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 MEMBER RICHINS: You're welcome, sir. 2 MEMBER GOLD: Mr. Chairman, is there a way that this Committee is permitted to say we recommend 3 berms or something like that? 4 CHMN STAFFORD: We can make it a condition. 5 6 MEMBER GOLD: Thank you, Mr. Chairman, and 7 thank you, Mr. Morgan. 8 MEMBER MERCER: Mr. Chairman. 9 CHMN STAFFORD: Yes, Member Mercer. 10 MEMBER MERCER: I just want to -- I guess I 11 have a couple of questions. In this picture that the 12 dirt or the berm, what's the distance if you're standing 13 in Selma Highway to the plant? 14 MR. MORGAN: Sure. So the distance from 15 this particular KOP, one moment, I do have that here. So 16 from KOP-1, the distance to the project boundary is 17 2360 feet. And the distance to the turbines and the 18 stacks is 3355 feet due to that setback on the northern 19 edge of the property. 20 So for frame of reference, the stacks 21 you're seeing there are 3,355 feet from where the photo 22 was taken. 23 So what MEMBER MERCER: Okay. Thank you. 24 Member Gold was asking berm around the facility, the 25 plant, is that vegetation or is that dirt? GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 MR. MORGAN: In the foreground is the dirt 2 along the roadway. There is a berm along the roadway. 3 And then there is just some intervening vegetation and terrain kind of between that berm and the project 4 5 boundary. 6 MEMBER MERCER: Okay. Thank you. MEMBER KRYDER: Mr. Chairman. 7 8 CHMN STAFFORD: Member Kryder. 9 MEMBER KRYDER: Following up on that, in 10 the final plan is this vegetation that's out, or the 11 front of the KOP here, planning to stay? 12 Are you going to grade this out or are you 13 going to plant nice evergreen trees or, fill in the blank, what's the plan for the distance between here and 14 15 the facility? 16 MR. MORGAN: I don't have the details for 17 their sort of landscaping plan. I'm not sure if they've 18 developed that quite yet. However, typically this type of intervening vegetation especially if it's outside of 19 20 the fence line is usually maintained. However, 21 vegetation within the fence line is typically removed 22 just for, you know, grading the site and also for, you 23 know, fire safety and other things like that. 24 MEMBER KRYDER: But outside it may just leave it native desert? 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 MR. MORGAN: Sure. Yes. 2 BY MR. MOYES: Q. Mr. Morgan, isn't it true that from this KOP 3 there's approximately -- I don't have the exact 4 distance -- but approximately half a mile of land that is 5 6 not on the project site that we are seeing, in fact, showing the vegetation on the screen? Is that correct? 7 8 (Mr. Morgan) Yes, that is correct. Must of the Α. 9 vegetation visible in the foreground of this photo and even the middle ground is north of the project and would 10 11 not be developed. So none of that would be cleared. 12 CHMN STAFFORD: Who currently owned that 13 land? 14 MR. MORGAN: That's a good question. Ι 15 think it's private land and owned by some private 16 landowner. I don't have the name. 17 CHMN STAFFORD: That narrows it down. We 18 know it's private land because we know it's not --19 definitely not state trust land or federal land. But it's currently vacant land. I just -- and I'm sure we 20 21 did look at this before on other maps about planned use. 22 I think it's just -- it's either zoned the same as the 23 plant land is currently. 24 MR. MORGAN: Correct. CHMN STAFFORD: As I understand. So it 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 could be, I guess -- I guess my thought is is that this 2 is probably something that the cleanup panel can cover is who owns that land and kind of refresh our memories, who 3 owns it and what they're planning to do with it. 4 5 I mean, I quess ideally it would remain vacant or have something on it that obscures the view of 6 the plant. But I can't see someone wanting to buy that 7 8 up and put a bunch of houses on it right next to the 9 plant after its built. So --10 MEMBER RICHINS: Chairman. 11 CHMN STAFFORD: Yes, Member Richins. 12 MEMBER RICHINS: Selma Midway, LLC out of That's 196 acres, there's -- just to the south of 13 Mesa. that between the subject site and Selma Midway, LLC 14 15 property is an El Paso natural gas easement. 16 CHMN STAFFORD: Right. You can see the 17 natural gas going through there, so that's another reason 18 you probably won't see a lot of residential development 19 in that area. 20 MEMBER RICHINS: Yeah, the small triangle 21 south of the easement and then the larger portion is all 22 Selma Midway, LLC, which would lend me to believe that 23 it's a commercial interest of some kind holding it. 24 CHMN STAFFORD: All right. And we don't 25 know what their plans for development are because we GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 haven't spoken to them specifically about what their 2 intentions are with that plot; correct? 3 MR. MORGAN: Correct. CHMN STAFFORD: All right. 4 MEMBER GOLD: Mr. Chairman. 5 CHMN STAFFORD: Yes, Member Gold. 6 MEMBER GOLD: One question that I would 7 8 like to ask Mr. Morgan now. How tall are those 9 structures? Not the stacks for your generators, but the 10 actual building structures? How tall are they? So if we 11 were going to say berm, we'd give a rough idea how tall 12 it should be. MR. MORGAN: I have a few measurements for 13 14 reference here. The stacks as we've previously stated 15 are 65 feet. 16 MEMBER GOLD: So that's -- they're going to 17 be there. 18 MR. MORGAN: The tallest proposed structure that's part of the project is 90 feet. And that would be 19 some of the transmission infrastructure. 20 21 MEMBER GOLD: We're not talking about that. 22 MR. MORGAN: The tallest structure in the 23 landscape is actually the existing 500kV, which is 24 140 feet. 25 MEMBER GOLD: No, I'm talking about the GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 buildings. 2 MR. MORGAN: The buildings themselves. CHMN STAFFORD: Are those tanks in the 3 foreground that we can see, the closest --4 5 MR. MORGAN: Yes, that is correct. 6 CHMN STAFFORD: Okay. I guess the height of the tanks is what you're looking for; right, Member 7 8 Gold? 9 MEMBER GOLD: Yes. Thank you, Mr. Chairman. 10 11 MR. MORGAN: I've been told it's 52 feet. 12 MEMBER GOLD: The tanks are 52 feet tall? 13 MR. MORGAN: 52 feet. 14 MEMBER GOLD: 52 feet? 15 MEMBER KRYDER: Okay. 16 MR. MORGAN: And the tallest buildings are 17 24 feet. 18 CHMN STAFFORD: Okay. MEMBER GOLD: Storage tanks, 50 feet. 19 20 Buildings. How tall were the buildings? 21 MR. MORGAN: 24. MEMBER GOLD: 24 feet. So we got 50 feet 22 23 and 24 feet, and the stacks, we're not going to bother 24 dealing with. 25 CHMN STAFFORD: 65. GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 MEMBER GOLD: How tall are the stacks 2 again? 3 CHMN STAFFORD: 65. MEMBER GOLD: Something's not right. 4 If 5 the storage tanks are 50 and the tanks are only 15 feet 6 taller, how much of the storage tanks are already being covered by the berm? 7 8 CHMN STAFFORD: They are closer to the viewpoint, though. 9 MR. MORGAN: Yeah, that could -- part of 10 11 that is just perspective as far as where they are 12 relative to each other. MR. MOYES: Mr. Chairman, with your 13 permission I think there's a misconception of what looks 14 15 like a berm closer to the plant site, which is actually 16 just vegetation close enough together that it's causing a 17 brown look, but there's not, in fact, a tall berm along 18 that that would --MEMBER GOLD: Okay. So there's no berm now 19 20 but there obviously could be a berm, something to mask 21 this building and structures a little. 22 MR. MOYES: The berms that Mr. Morgan, and 23 I'll have him confirm we're talking about were small, 24 most likely irrigation boundaries or ditch berms or flood 25 irrigation boundaries --GLENNIE REPORTING SERVICES, LLC 602.266.6535

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1 MEMBER GOLD: I'm referring --2 MR. MOYES: -- they have historically been 3 used not the type of berms that would be high enough to see from this KOP. 4 MEMBER GOLD: Well, then I would be 5 referring to the berms Mr. Richins -- Member Richins was 6 discovering around some similar plants to yours. 7 8 Member Richins, are you there? How tall 9 are those berms? 10 MEMBER RICHINS: The ones around Bella 11 Vista are probably in the neighborhood of 20 to 25 feet. 12 And they're vegetative all around it. They sit right -that plant sits right in the middle of a bunch of 13 single-family homes that are between 700 and 1400 feet 14 15 away from the plant. 16 CHMN STAFFORD: It's about two miles from 17 my house. I'm familiar with that plant. 18 MEMBER RICHINS: There you go. 19 CHMN STAFFORD: Yeah, it has a significant 20 berm of trees planted along the top. You can't see the 21 plant when you get close to it. You can see it from further away, but when you're in the neighborhood near it 22 23 it's totally -- the view of the plant is totally 24 obscured. And that is, that's the San Tan plant. It's a couple combined cycle units so it's a bit different than 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 this setup.

But it's two pretty significantly sized
combined cycle units.

4 MEMBER GOLD: Mr. Chairman, so if we would 5 put berms equivalent in size to that say around 20-plus 6 feet and trees on top, we would mask a heck of a lot of 7 this.

8 CHMN STAFFORD: Oh, yeah. And I don't 9 know -- I'm not entirely sure the type those are. I 10 don't know if that height would be -- if you'd need more 11 or less from this distance to obscure it.

12 But I think that's something that perhaps 13 the applicant could address on in the next -- maybe the 14 cleanup panel when they have the people come back so they 15 can think about or do some measuring and figure out -- I 16 guess they could even conceivably redo the view from this 17 KOP with the simulated berm of a specified size or 18 something to see what that would do to the viewshed. 19 MEMBER SOMERS: Mr. Chair. Yes, this is Member --20 CHMN STAFFORD:

21 MEMBER SOMERS: Somers.

22 CHMN STAFFORD: Somers. Okay. Thank you.23 Member Somers.

24 MEMBER SOMERS: So we -- I don't live all 25 that far from you, although I'm on the Mesa side. I was 33 GLENNIE REPORTING SERVICES, LLC 602.266.6535 34 www.glennie-reporting.com Phoenix, AZ

1 just looking up the San Tan generating station. 2 Apparently a CEC was issued some time around 2001. Wonder if it would be useful to review that where it 3 comes to dealing with the berms, landscaping. They also 4 have something in here about having a community committee 5 6 that this Committee might want to consider. CHMN STAFFORD: It's like you're reading my 7 8 mind. That was my intention to thoroughly review that 9 certificate prior to us voting on this certificate. 10 MEMBER HILL: Mr. Chair. 11 MEMBER SOMERS: So if staff could send that 12 out, that would be great. Also make sure that the applicant receives it, see what they think. 13 14 CHMN STAFFORD: Well, it's a public record. It's available on the Commission website. So the 15 applicant already has it. What I can do is I could 16 17 have -- we could take official notice of that Decision 18 and then I can have Tod circulate a link to the members so they can access it. I'm sure Mr. Moyes has already 19 seen it. 20 21 MEMBER SOMERS: Thank you, Chair. CHMN STAFFORD: And after the next break 22 23 I'll come back and let you know the decision number 24 unless someone else who has a computer in front of them 25 beats me to it.

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1 But I believe Member Hill has a question. 2 MEMBER HILL: My question was if Mr. Somers 3 is looking at it what the decision number was, that was 4 going to be my request. MEMBER HILL: Mr. Chairman. 5 CHMN STAFFORD: Member Little. 6 MEMBER LITTLE: As I recall that -- I 7 8 haven't -- don't live in that area but I was around at 9 that time. As I recall most of the vegetation that -- at that particular substation requires water. 10 11 CHMN STAFFORD: Yes, it does. It is -- the 12 landscaping is maintained I believe by SRP. But I think 13 in the situation here they wouldn't be building something 14 between KOP and the project boundary. It would have to 15 be something that would be on the project boundary that 16 they would -- in the land that the applicant owns, they 17 would be able to construct and maintain. They wouldn't be able to do anything unless 18 they expanded the project area to include additional land 19 which I don't think they have any intention to do. 20 It 21 would have to be something that you addressed on the --22 on their side of the boundary. 23 BY MR. MOYES: 24 Mr. Morgan, I'm going to ask you a difficult 0. 25 question for you to give an opinion on.

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But based on our site control and the boundaries 1 2 that we have, we actually have ownership over, it would take a pretty unreasonably high berm along the edge of 3 our project boundary to be able to obscure view of any of 4 our facilities from a KOP this far back. Would you 5 6 agree? (Mr. Morgan) Yes. That is correct. 7 Α. 8 And from any of the nearby residences would that 0. 9 equally be true, that a berm would have to be I can't give you a number, but a 50-foot berm or higher to be 10 11 able to completely obscure any view of the plant would 12 probably be required based on how far back any residences are and especially from how far back our KOP visuals are. 13 14 Is that accurate? 15 (Mr. Morgan) Yes, that is correct, and I think Α. 16 the berm would have to be roughly the size of some of the 17 structures that it was intended to obscure, right. 18 MEMBER HILL: Mr. Chair. 19 CHMN STAFFORD: Yes, Member Hill. MEMBER HILL: I'd like to revisit the berm 20 21 idea for certain -- maybe certain portions of the 22 property. I know that it might not be practical to 23 obscure the view of the entirety of the plant, but any 24 improvements in visual experience might be beneficial to some of the residents. 25

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1 The other reason that I really like the 2 berm is we've heard consistently about how sound travels across this area, and berms actually can reduce the 3 travel of sound and noise. So the berm might actually 4 5 serve a couple of purposes. 6 It may not -- it may not obscure the entirety of the plant, but it might actually provide some 7 8 aesthetic improvement as well as some reduction in travel 9 of sound. So I just think that we should leave that on the table for discussion. 10 11 MEMBER GOLD: Mr. Chairman. 12 CHMN STAFFORD: Member Gold, Member Mercer 13 has been waiting to ask a question. We'll let her go. 14 MEMBER MERCER: Okay. Let's say that 15 Mr. Moyes mentioned a 50-foot berm. That tank right in 16 the middle of the picture is 50 feet tall; right? 17 MR. MORGAN: Yes, that is correct, 52 feet. 18 MEMBER MERCER: So just picture a berm is going to cover those mountains; right? 19 20 MR. MORGAN: Yes, that is correct. I mean, 21 some of the transmission infrastructure obviously you can 22 still see through pieces of it, portions of it; right, 23 where it's just conductor. 24 MEMBER MERCER: And if I'm looking at it in 25 a straight line, that Mesa mountain is going to be GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 covered.

2	MR. MORGAN: Yes, I think that's correct,
3	particularly to the right and also to the left, really,
4	but I agree you're right, you'd be obscuring quite a bit
5	of the view in the background of this KOP.
6	MEMBER MERCER: So if the biggest eyesore
7	is the buildings, that's probably the best place to put
8	the berm on, not in front of the mountains. Just
9	something to think about.
10	CHMN STAFFORD: Right. I guess there's no,
11	it's impractical to say they have a berm to obscure the
12	entire plant. I think something you wouldn't that
13	wouldn't be realistic especially from this distance, but
14	certainly something could partially obscure it, and I
15	think the sound would be something, too, that would be
16	is there something that could be I think they I
17	seem to recall Coolidge, they ended up putting a wall up.
18	But the people were much closer to the
19	plant, but they ended up building the condition was
20	they were going to put a significant wall that would
21	baffle the sound from the community of Randolph that was
22	right next to it.
23	And I mean, people here are further away
24	than they were in that situation, but it seems there
25	could be something put there other than, you know, space
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and a chain-link fence that could address probably more 1 2 the sound than the visual impacts. MEMBER GOLD: Mr. Chairman. 3 CHMN STAFFORD: Yes, Member Gold. 4 5 MEMBER GOLD: I agree wholeheartedly, and I agree with Member Hill and I agree with Member Somers 6 stated that a berm that would cover the buildings, not 7 8 the transmission lines, not the switchyard. But just the 9 buildings would serve a purpose to obscure the view of buildings, deaden the sounds, and it's something that's 10 11 done on other areas. 12 So I would again recommend that we do 13 something like that. Doesn't have to be 50 feet tall. 14 25 feet tall, 30 feet tall. 20 feet tall. Something 15 like that. To simply make an effort not to totally 16 destroy people's views from their houses. Just a 17 suggestion, Mr. Chairman. 18 CHMN STAFFORD: Thank you. 19 MR. MORGAN: One note on the berm. 20 Something like a berm when you're up close to the 21 facility would obscure it, but from these distances, the 22 distance of this KOP, which is roughly similar to the 23 distances to the residences to the east, it would not 24 really obscure the entire facility, just based off of 25 perspective.

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I also think with some of the screening and 1 2 fencing stuff, a lot of that gets dealt with through the county zone change process as you're dealing with your 3 site plan and you have to modify county standards for 4 things like perimeter fencing and different ways to 5 approach, you know, site security, lighting, fencing, all 6 these sort of details. So a lot of times that gets 7 8 ironed out during the county zone change process. 9 BY MR. MOYES:

Q. Mr. Morgan, if you had a large dirt berm out there, unless it was actively landscaped and actively watered using additional water resources, isn't it conceivable that a large berm, a 50-foot berm if we want to call it that, it would likely contribute to additional dust dispersion in the air considering the prevalent wind activity in the area?

A. (Mr. Morgan) Yes, I would have concerns with dust as well as erosion and drainage. And then obviously I know there was also mentioned potential landscaping on that berm and obviously we know how sensitive water use is here, and I think that additional water use would probably also be an issue with a vegetated berm.

23 MEMBER GOLD: Just again, Mr. Chairman, I 24 don't think a 50-foot berm is realistic unless you're 25 trying to make a garbage dump or a tailings for a mine.

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1	I think a 20-foot berm, a 25-foot berm to cover at least
2	a portion of the building, something to obscure it so
3	that we don't just say to heck with the residents who
4	have to look at it. And I think that is something you
5	should consider, so I am making that statement,
6	Mr. Chairman, representing the people of the state of
7	Arizona who I represent.
8	MEMBER LITTLE: Mr. Chairman.
9	CHMN STAFFORD: Thank you, Member Gold.
10	Member Little.
11	MEMBER LITTLE: Instead of a berm perhaps a
12	wall might be considered. There's a big substation that
13	I pass on a regular basis that has a brick wall in front
14	of it and it makes a huge difference when you're
15	relatively close, obviously from this distance.
16	But I think it still would be much more
17	attractive than just what we're seeing up there.
18	MR. MORGAN: I do think the challenge here
19	is that most of the residents and receptors are about a
20	half mile to a mile away. So some of those features like
21	you said are better up close.
22	I think this conversation could also
23	benefit from seeing the rest of the KOPs and some other
24	sort of visual angles of this site so we can see how
25	those project components look from different angles in
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1 the project vicinity.

2	CHMN STAFFORD: Please proceed.
3	MR. MORGAN: Thank you. So I will now move
4	to KOP-2. And as you can see, KOP-2 is the one that we
5	had highlighted that is from the residential area to the
6	east of the project site. It is looking west but also a
7	little bit northwest.
8	And here you have our proposed view on the
9	left and our existing view on the right.
10	And, again, this is the intersection of
11	Cornman Road and South Mammoth Drive. So several of the
12	residents that spoke last night live on South Mammoth
13	Drive, which is you can kind of see it to the right of
14	the frame here.
15	So obviously in this photo you can see our
16	facility in the midground, and on the left in the
17	foreground and middle ground, that is the existing 500kV
18	transmission line.
19	MEMBER GOLD: Mr. Chairman.
20	CHMN STAFFORD: Yes, Member Gold.
21	MEMBER GOLD: Mr. Morgan, could you point
22	out what the structures are with your laser pointer again
23	so we know what we're looking at? Not the transmission
24	lines, the buildings.
25	MR. MORGAN: So here is the switchyard, and
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1 forgive me, I'm not a transmission engineer so I'm going 2 to kind of roughly look at the project components. Interesting from this angle is you can actually hardly 3 see the actual exhaust towers. 4 You can kind of see the tops of them there. 5 6 But from this angle it's clear that they're, you know, shorter than the transmission infrastructure. And this 7 8 kind of helps your question from the last time where you 9 were talking about the water tower being -- I'm sorry -the tank being 52 feet when the exhaust stacks are 65, so 10 11 you can see from this angle they look much closer in 12 height. 13 MEMBER KRYDER: Mr. Chairman. 14 CHMN STAFFORD: Yes, Member Kryder. 15 MEMBER KRYDER: Question, Mr. Morgan. How 16 far from this intersection to your nearest building? 17 MR. MORGAN: Sure. So the distance from 18 this KOP to the boundary of the project site is 19 2725 feet. 20 MEMBER KRYDER: Half a mile. 21 MR. MORGAN: And it is 4,400 feet from the 22 turbines. 23 MEMBER KRYDER: Five-eighths of a mile. 24 Thank you very much. MEMBER LITTLE: Mr. Chairman. 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 CHMN STAFFORD: Yes, Member Little. 2 MEMBER LITTLE: I'd just like to make the observation that I understand that KOPs are chosen the 3 best way that they can be chosen based on information. 4 But I believe that perhaps some of the views that were 5 6 described by the public last night are more from further north on this street that goes up to the right here. 7 8 CHMN STAFFORD: North of Selma. 9 Yes. And which would put MEMBER LITTLE: the generators themselves as well as -- well, mostly the 10 11 generators themselves in the viewshed right in front of 12 the Flat Top and some of the other mountains that were 13 described. Just an observation that I have. 14 MR. MORGAN: Noted. And after we go 15 through these KOPs we can also once again share some of 16 that live GIS. I think it is helpful to kind of see for 17 reference at which point the facility would be in the view of I believe it's Table Top Mountain which is 18 located southwest of the project, south of Interstate 8. 19 MEMBER LITTLE: That would be wonderful. 20 21 Thank you. 22 MR. MORGAN: Great. 23 Any other comments on this KOP? 24 I will move to KOP-3. This is the one from the Montgomery Road offramp from Interstate 8. And, 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 again, this one is looking -- this one is looking 2 northwest. So you can see, you know, barren land, vacant land in the foreground. You can see the existing 500kV 3 transmission line in the middle ground, and then you see 4 our facility in the background there. 5 And since we have the numbers, this KOP is 6 approximately 5,350 feet from the project boundary and 7 8 7,800 feet from the turbines. 9 I will continue on to KOP-4. KOP-4 is from Interstate 8 in the area just southwest of the project. 10 11 It is looking northwest -- or I'm sorry -- northeast 12 towards the project site. 13 And here on your left screen which is 14 labeled R47 you can see proposed view and on the right 15 screen which is labeled L47, you can see the existing 16 view. So once again the existing 500kV line is visible. 17 However, you can see our structures in the middle ground. Now I'll move on to KOP-5. KOP-5 is from 18 19 the agricultural area to the west of the project site 20 looking east. And once again you can see the existing 21 500kV line as well as our project components in the 22 background. 23 And, again, I'll ask if there are any 24 questions from the Committee, and if not we can also go ahead and share our live GIS to kind of measure some 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 distance if anyone needs that.

2	MEMBER LITTLE: I'm just curious what if
3	we can take a look at the view from further north of
4	Cornman in the area, right where that white dot or where
5	the white hand is, up a little further, yes, in that
6	area. Toward the project.
7	So the project would be directly now in
8	between where we're standing if you will on the road and
9	Flat Top.
10	MR. MORGAN: Just one moment. So I'm
11	having our GIS kind of show a general reference line,
12	drawing a line basically from that Table Top Mountain to
13	the neighborhood so you can kind of see where the cutoff
14	would be for that view.
15	MEMBER LITTLE: Great. Thank you. So more
16	through the switchyard structures, then.
17	MR. MORGAN: Yes, and I think it would
18	it would be really just the properties that are very far
19	north in that residential area.
20	MEMBER LITTLE: Right. Right. Okay.
21	Thank you. That gives me a sense of it.
22	MR. MORGAN: Give us a moment, we're
23	switching back to the slides here.
24	Now, this is also our this is our last
25	KOP.
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1 Are there any additional questions about 2 these simulations? I think in conclusion, I can say the 3 project would introduce new structures into the visual 4 They would be apparent when viewed from 5 landscape. 6 surrounding viewpoints. They are, however, shorter -significantly shorter than the existing 500kV line which 7 8 is 140 feet. They're denser, but they're fairly similar 9 in form. So that's kind of my conclusion. Unless there's any more questions on visual. 10 11 MEMBER GOLD: Mr. Chairman. 12 CHMN STAFFORD: Yes, Member Gold. 13 MEMBER GOLD: One more question. What 14 color is everything going to be? Is it going to blend 15 with the landscape? I mean, you're putting in nice 16 colors that blend with the landscape. Is that your 17 intention? I see they're nodding in the background. MR. MORGAN: Yes, I believe a lot of it's 18 19 like coated non-metallic so it doesn't shine, things of 20 that nature, to just kind of make them more blended into 21 the landscape. MEMBER GOLD: Okay. 22 Thank you. 23 CHMN STAFFORD: More like sort of a desert 24 tan color, because I noticed the SRP took the exact opposite approach with their plant up the road, it's like 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 black and gray.

2	MR. MORGAN: Yes, this would blend much
3	more in with the landscape as you can see here.
4	MEMBER KRYDER: Mr. Chairman.
5	CHMN STAFFORD: Yes, Member Kryder.
6	MEMBER KRYDER: Simply a word of thanks to
7	you, Mr. Morgan, and whoever put this together. This was
8	very helpful. Combined with a site visit this morning,
9	it helped me at least a lot to see the parameters of what
10	we're dealing with. Thank you.
11	MR. MOYES: Thank you.
12	BY MR. MOYES:
13	Q. Mr. Morgan, also discussed in Exhibit E are
14	cultural resources. Are you prepared at this time to
15	discuss your findings on that?
16	A. (Mr. Morgan) Yes, absolutely. Cultural
17	resources are also discussed in Exhibit E of the
18	application. A Class I cultural resources report was
19	prepared to summarize previous surveys and previously
20	recorded sites within one mile of the project site. A
21	redacted copy of that Class I cultural resources report
22	is included in Exhibit E-1 of the application.
23	The Class I found that eight investigations had
24	been conducted within one mile of the project and
25	previous linear Class III surveys had been conducted that
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1 intersected the project site.

2	As you can see on slide R51 that is the teal
3	lines coming through the project site there. Five
4	previously recorded cultural resources are identified
5	within one mile of the project.
6	Two of those sites are within the project
7	footprint. However, both of those have been determined
8	to be ineligible for listing on the National Register of
9	Historic Places.
10	The applicant would conduct Class III cultural
11	resource survey of the entire project site prior to
12	construction, and the results of that survey would be
13	provided to the State Historic Preservation Office.
14	The applicant would continue to coordinate with
15	the State Historic Preservation Office on any matters
16	that pertain to cultural resources. And if any
17	unanticipated discoveries of cultural resources occur
18	during the construction or operation of the project, the
19	applicant will report that discovery to the Arizona state
20	museum and take all reasonable steps to secure and
21	maintain the preservation of the discovery as is required
22	by the relevant Arizona statutes.
23	CHMN STAFFORD: Mr. Moyes, I believe that
24	the draft proposed CEC you submitted has the language of

25 the conditions from SHPO?

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MR. MOYES: That's correct. And we were 1 2 informed by them that it's a -- I believe it's two 3 paragraphs that they've recommended in the most recent case that the Committee adopt. I don't believe any of 4 those have been formally finalized by the ACC yet. They 5 haven't reached that level. But I did see in previous 6 cases that they were included at least as a 7 8 recommendation. So we cited them exactly as was 9 recommended to us from SHPO. CHMN STAFFORD: All right. Because there 10 11 was an e-mail. I guess they responded to the site, they 12 sent it to you, they copied me, I filed it in the docket. 13 So I think that because I believe that 14 there was a mistake in the report that stated that the 15 entire project site had been subject to previous cultural 16 resources survey. That was not entirely accurate. MR. MOYES: Correct. And Mr. Morgan 17 18 testified to that previously that we would be following recommendation to conduct a Class III survey on the 19 20 entire property which would cover anything that the 21 previous Class I's did not. 22 CHMN STAFFORD: All right. And that, I 23 believe the condition so that you would get concurrence 24 from SHPO, State Historic Preservation Office prior to construction; that's your recollection what the condition 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 would require?

2 MR. MOYES: That's correct. 3 CHMN STAFFORD: All right. Thank you. MEMBER HILL: Mr. Chair, I have a question. 4 CHMN STAFFORD: Please, Member Hill. 5 MEMBER HILL: In my day job I've been doing 6 quite a bit of -- several conversations with tribes on 7 8 renewable energy and transmission deployment. One of the things that I've heard from a 9 few tribes is that when these surveys occur it would be 10 11 nice to have notice or even be invited to attend surveys 12 that are being conducted. I'm just wondering, 13 Mr. Morgan, if your company has a habit to do that or 14 have ever thought to invite tribes along. Because 15 sometimes tribes just have more knowledge than a general 16 cultural resource surveyor. 17 MR. MORGAN: Sure. There are times, 18 especially in the case that you maybe received a response from a tribe where they identify a specific tribal claim 19 20 in your area or maybe there's some sort of resource that 21 they're aware of that's in the project vicinity where 22 they might personally request to join a survey. 23 However, we didn't receive any responses like that in this case. So I'm not sure that's something 24 that we would necessarily consider here. But it is 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ
1 something that's happened in the past, just as kind of a 2 continuation of tribal consultant on a project. 3 MEMBER HILL: I just want to follow up and suggest that given the proximity to the Tohono O'odham 4 tribal nation of this project, and they're a 5 6 well-resourced, fairly sophisticated, you know, their cultural resource group is pretty talented, that you 7 8 might actually want to try and extend that invitation. 9 I think that would be a generous thing. MR. MORGAN: That's noted, and we have --10 11 we have discussed with SHPO that we would continue tribal 12 consultant through the process. So there will be another sort of moment throughout our cultural resource process 13 14 where they would be notified and consulted, and we keep 15 that in mind. 16 MEMBER HILL: Okay. Thank you. 17 BY MR. MOYES: 18 0. Mr. Morgan, I believe you're going to transition into actually our tribal outreach at this time. 19 Is that 20 correct? 21 (Mr. Morgan) Yes, that was perfect, a perfect Α. 22 So I know yesterday it had come up at one point segue. 23 asking specific distances to tribal land, and I did want 24 to just start with that. So Tohono O'odham is -- their lands are 2.67 miles to the south of the project. Those 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

are south of Interstate 8. And then Ak-Chin has lands
 8.75 miles to the north of the project site.

And as far as tribal consultation for the project, we sent consultation letters to Native American tribes seeking comment on June 5, 2024. The list of tribes was obtained using the State Historic Preservation Offices, government-to-government consultation toolkit which basically determines tribal claims in the project area.

10 The consultant letters were all included in 11 Exhibit E. We did receive one response prior to our 12 filing of the CEC, and that was included in Exhibit E-2. 13 And then there were also two additional responses 14 received after filing of the CEC, which were added to the 15 record in PCE-11, which was filed prior to the hearing.

And just to kind of note the three tribes that did respond: the Salt River Pima-Maricopa Indian Community, the Pascua Yaqui, and the White Mountain Apache.

20 Q. And can you summarize for us briefly what their 21 responses entailed?

A. (Mr. Morgan) Yes. So generally the responses
 are a bit of a form letter, but they kind of thank you
 for the consultation. And they also agreed with the
 recommendations set forth in our Class I. So essentially
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are agreeing with the same recommendation in the Class I
 as well as the recommendation from SHPO which is to
 conduct Class III surveys for the project prior to
 construction.

Q. Thank you. Let's move on now to Exhibit F,
recreational resources.

7 A. (Mr. Morgan) So recreation is discussed in 8 Exhibit F of the application as Jason stated. Regional 9 recreation information from the surrounding areas was 10 gathered from Pinal County from the actual county 11 government information as well as a desktop review of 12 aerial imagery and other online information that was 13 available.

We also gleaned some information from the public process and just discussing people, discussing with people about some of the lands in the area.

17 Currently there are no existing planned 18 designated recreational facilities or areas in the 19 immediate vicinity of the project.

20 There are no recreational plans on the state 21 lands or BLM lands with one mile of the project either. 22 The nearest recreational facility is Desert 23 Springs Ranch, which is an R.V. resort and golf community 24 about one mile northeast of the project. There's another RV park, which is Rovers Roost, which is across the same 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 intersection from Desert Springs.

2	And throughout the public process we've also
3	been told that Greene Wash and some of the adjacent state
4	land which you can see in blue to the southeast of the
5	project is can be used for walking, biking,
6	off-roading and other activities.
7	I think on the route tour you may have seen
8	there were kind of dirt biking trails made legally or
9	illegally, not sure, but there clearly are some lands
10	used for that type of recreation in the vicinity.
11	However, the project would not preclude any
12	recreational uses in the vicinity of the project site,
13	and there are no recreational impacts anticipated to
14	result from Project Bella.
15	Q. Thank you, Mr. Morgan. Absent any questions
16	from the Committee on that, let's move on to the existing
17	plans in the area. Can you describe those for us?
18	A. (Mr. Morgan) Yes. Existing plans are described
19	in Exhibit H of the application. There are no major
20	development plans within one thousand feet of the
21	proposed project. The closest planned area development
22	is Merado Hills, which is located just one mile outside
23	of the buffer to the east.
24	That was a residential development and it's
25	unclear whether it will ever be built. I think it
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actually had some permits denied at some point, but it
 still shows in the county data.

The other PAD in the project vicinity -- sorry, PAD, planned area development -- is the Attesa Motor Sports Complex, which is the racetrack to the southeast which you heard about yesterday evening, and I've mentioned in some of my previous testimony. So you can see that in the bottom right corner of the figure, and it is just outside of that one-mile boundary.

10 I also wanted to note that the preferred route 11 for the Interstate 11 development is along Montgomery 12 Road. That is that black dotted line to the east of the project. Obviously that's a complicated transportation 13 project, so it's very unclear what the time line of that 14 would be because it's a Federal Highway Administration 15 16 project with a very complicated NEPA permitting process. 17 CHMN STAFFORD: So they're going to turn

MR. MORGAN: That is their preferred route
20 in their current NEPA documentation.

that Montgomery Road into a federal highway?

21CHMN STAFFORD: Where's this highway going?22MEMBER MERCER: Mr. Chairman.

23 CHMN STAFFORD: Yes.

18

24 MEMBER MERCER: That highway comes through 25 Tucson, actually.

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1 CHMN STAFFORD: Okay. 2 MEMBER MERCER: Picture Rocks. CHMN STAFFORD: It goes -- how far north 3 4 does it go? All the way up to the --MEMBER RICHINS: Chairman, it's the I-11 5 corridor, isn't it? 6 7 MR. MORGAN: Correct. 8 MEMBER MERCER: I believe it connects to 9 the 303. 10 CHMN STAFFORD: Okay. 11 MEMBER HILL: Las Vegas. 12 MEMBER MERCER: Something like that. 13 Las Vegas. 14 CHMN STAFFORD: It goes to Vegas. Okay. 15 All right. 16 MR. MORGAN: So in conclusion on existing 17 plans, there are no planned local, state or federal 18 developments that would conflict with the proposed project. Therefore the project components are consistent 19 20 with existing and planned local plans in the area. 21 BY MR. MOYES: 22 Q. Mr. Sohm, are you prepared at this time to 23 discuss noise analysis for the project for us? 24 (Mr. Sohm) Yes, Mr. Moyes. Α. Okay. Would you please provide for the 25 Q. GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

Committee an overview of the existing regulations
 governing sound for Pinal County and then go into more
 detail on the specific analysis that you or your company
 performed for this project?

5 A. (Mr. Sohm) Certainly. So one of the aspects 6 that we look at when we do a noise impact assessment is 7 to determine what standards, ordinances, thresholds would 8 apply to the project.

9 And in this case, based on our review, Pinal County has an excessive noise ordinance, very detailed. 10 11 It has various discrete, specific thresholds based on the 12 land zoning. And as we kind of talked about previously, there's two zoning characteristics surrounding this 13 14 project. We have the general rural as well as a 15 residential zoning. The project itself is general rural 16 currently.

17 Those noise limits in that ordinance are 18 presented in our technical report within table -- just give me a moment -- within Table 8. I can cover those if 19 the Committee is interested on what those thresholds are. 20 21 However, I would note that a particular 22 condition of this Pinal County ordinance actually has an 23 exemption that applies to normal power generation 24 operations. MEMBER GOLD: Mr. Chairman. 25

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1 CHMN STAFFORD: Yes, Member Gold. 2 MEMBER GOLD: Would I ask Mr. Sohm to put that up on the screen so we can look at it? 3 MR. SOHM: We don't have the Table 8. It's 4 5 directly out of the report unless we can pull that up 6 from the technical report. MEMBER KRYDER: Mr. Chairman. 7 8 CHMN STAFFORD: Yes, Member Kryder. 9 MEMBER KRYDER: Mr. Sohm, when you said 10 there is an exemption, it is a complete exemption, 11 partial? How does that work? I didn't want to pass over 12 that. That's a big word. 13 MR. SOHM: Correct. I don't have the exact 14 wording here, but it states, I'm paraphrasing, power 15 plant equipment during normal operation is exempt from 16 those limits. However, I will also add that we did use 17 those thresholds in our analysis and were able to demonstrate that it would comply with all those 18 requirements if they did. 19 20 MEMBER KRYDER: So for the record, then, 21 you're not required to, but your projections are that you 22 would be within the range of the Pinal County noise 23 limitations? 24 MR. SOHM: Correct. 25 MEMBER KRYDER: Thank you. GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1	MR. SOHM: The other thing that we look at
2	is EPA guidance value. That guidance value was developed
3	in the '70s. It's used for other federal projects,
4	specifically FERC, Federal Energy Regulatory Commission
5	uses this. It's an I'm going to use some acronyms
6	here, but it's a 55 LDN, a day-night equivalent value.
7	We've also used that guidance value to analyze project
8	impacts. That value is established as a guidance value
9	that was developed to ensure there are no harmful impacts
10	to humans and/or annoyance to humans.
11	MEMBER GOLD: Mr. Chairman.
12	CHMN STAFFORD: Yes, Member Gold.
13	MEMBER GOLD: So I'm looking at your chart,
14	and you have I believe those are decibels. 51.1, 48.8,
15	39.8. Is that accurate?
16	CHMN STAFFORD: What chart are you looking
17	at?
18	MR. SOHM: What chart, please?
19	MEMBER GOLD: Looking at R58, Project Bella
20	Noise Impact.
21	MR. SOHM: These are the old slides. Is
22	this the slide you're referring to?
23	MEMBER GOLD: That is the slide I'm
24	referring to.
25	MR. SOHM: Could you repeat your question,
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1 please?

2 MEMBER GOLD: So I'm guessing those are 3 decibel ratings at each of your rectangles. 4 MR. SOHM: Correct. Those are A-weighted decibels. 5 6 MEMBER GOLD: Okay. And could you put your other chart that's on page R56 on the other screen so we 7 8 could look at both at the same time, please? CHMN STAFFORD: I think you mean R57. 9 MEMBER GOLD: R57. I'm sorry. We have 10 11 both charts up there and I'm looking at the sounds that 12 you're describing. 13 MR. SOHM: Yes. 14 MEMBER GOLD: Now, what do you base those 15 measurements on? No, not the ones on the left. The one 16 on the right. You're saying that at this distance at 17 this location you're hearing 39, 40 decibels right now? 18 CHMN STAFFORD: Or is that with all units 19 operating? 20 MEMBER GOLD: Yeah, what do those numbers 21 stand for? 22 MR. SOHM: Sure, so the units of those 23 numbers are the A-weighted decibel DBA, and what's 24 represented by those boxes is that's the project only 25 impact, and that was developed using the very GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

conservative I'll call it worst-case conditions. 1 2 All 10 of the LM6000s were at their maximum It also includes the ancillary equipment in terms 3 load. of on-site transformers, and it also includes the noise 4 5 that would be generated from the battery energy storage 6 systems as well. MEMBER GOLD: So you used your sound meter 7 8 at those locations, and did some kind of sound generation 9 at that central point where your plant is going to be to measure those sounds? Is that accurate? 10 11 MR. SOHM: No. They're not measured. 12 They're predictive, we use a sophisticated refined model 13 to do that. 14 MEMBER GOLD: That's what scares me, those 15 sophisticated refined models. I'm going to ask you to do 16 something with the Chairman's permission. 17 CHMN STAFFORD: Yes. 18 MEMBER GOLD: I have a decibel meter, may 19 not be professional but at least it's a decibel meter, 20 and if I turn it on now, without speaking, the ambient 21 sound in this room is about 40 decibels. Would you 22 agree? 23 MR. SOHM: I can't speak to the validity of 24 the app, but in terms of --25 MEMBER GOLD: Experience. GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 MR. SOHM: -- experience and in terms of 2 reference representative sound levels I would say, 3 Table 1 of our technical report has a reference point there. A library is considered similar to a 40 DBA. 4 5 MEMBER GOLD: So --6 MR. SOHM: Without anybody talking, I 7 mean --8 MEMBER GOLD: And that's what I'm about -what I'm reading right now. Could I ask somebody to turn 9 on that fan. 10 11 CHMN STAFFORD: Turn it on for 12 approximately five seconds, and turn it right back off 13 because the court reporter can't hear anything while it's 14 going on. 15 (Fan was turned on and turned off.) 16 MEMBER GOLD: That was approximately 17 60 decibels. Now your chart says 60 decibels is a 18 chatter, and the court reporter can hear us chatting. But with that fan on, I don't think you could have heard 19 us talking. So I'm questioning -- I'm questioning why is 20 21 60 decibels a chat there, but if we turn 60 decibels on 22 with that fan I mean right now --23 CHMN STAFFORD: I think, yeah, you're 24 right. 60-decibels chat sounded more like 70, like a 25 vacuum cleaner. GLENNIE REPORTING SERVICES, LLC 602.266.6535

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MR. SOHM: And I would like to add this 1 2 reference here. I have a table from our report that I think is more representative and more defensible. I did 3 not prepare this slide, I will say. I can speak to it. 4 But I would say the important piece that I 5 don't like about this reference here that is a little bit 6 misleading is when we talk about A-weighted decibels, 7 8 distance matters. 9 And so if we talk about just any of these particular events, the reference distance is very 10 11 important in terms of how loud that event would be. And 12 so when we talk about a chat, what they're really talking about is having a conversation within that three-foot 13 14 distance is generally the reference material. 15 And so, again, it's different frequency. I 16 don't know if that app, if it's valid but, you know, the 17 industry standard I would say is 60 is a normal 18 conversation at about three feet. MEMBER GOLD: Now, right now I'm getting 19 our conversation at about 50 decibels. 20 21 MR. SOHM: I would say there's probably a 22 microphone involved as well. 23 MEMBER GOLD: I'm sure it is. I'm sure it 24 The point I'm trying to make now is I've been at is. rocket launches, at 140 decibels the ground shakes and 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 you can be a mile away and the ground shakes. 2 A helicopter flying overhead, reasonable height, is 100 decibels. And that'll keep you up at 3 night. You're not going to sleep through that. 4 I don't know why a vacuum cleaner is 70 5 decibels and the hair dryer is 90 decibels, unless you 6 keep the hair dryer right next to your head and the 7 8 vacuum cleaner is on the floor. 9 What I'm concerned about is the sound of that fan relative to the sound of your generators. And 10 11 the people living within a mile of that sound and your 12 generators are going to be on at night. Which is the 13 reason I'm concerned about the sound. 14 Now, distance reduces sound. Barriers 15 reduce sound. I'm sure if somebody's on one side of your 16 water tower and somebody's on the opposite side with your 17 generator in the middle, the people behind the water 18 tower are going to hear less noise. What are you planning on doing to keep the 19 20 sound down so the people who live within a mile of that 21 area can sleep at night? I mean, this seems to be a 22 legitimate concern because how much are your -- what's 23 the sound level coming out of your stacks? What's the 24 sound level coming out of your machinery? What is the decibel level if you're standing next to them? And what 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 is it a mile away? Where do I see that? 2 MR. SOHM: That was a lot. I can try to unpack that piece by piece. But I quess, let me start by 3 saying the model that we use is very sophisticated. 4 It is run in accordance with what they call the ISO 9613-2 5 standards. It's an international standard organization 6 of engineering calculations for the propagation of 7 8 outdoor noise. So it's a very sophisticated and peer 9 reviewed methodology. The model uses those same 10 methodologies. 11 Things that go into the model in addition 12 to the placement of the equipment is their sound power 13 levels with the full frequency spectrum. That's provided 14 as Table 11 within our technical report. And it shows 15 the quantities of the equipment and those sound power 16 levels across the full frequency spectrum. 17 The other things that goes into the model 18 is we place it in the real place in the world, I will say. So it's got the topography features, it's got the 19 ground cover features in terms of, you know, hard 20 21 surfaces that are reflective, like I would say the 22 cooling pond water. Those are highly reflective and 23 we've modeled those as such in the model. Other areas 24 with disturbed surfaces would be softer surfaces and you would get some attenuation from those types of ground 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1

cover.

2 The model also accounts for meteorological 3 the conditions. That also impacts the noise attenuation rate. It also accounts for intervening structures and 4 reflective surfaces. 5 6 So part of the -- when we put this information in a part of the design, that was all 7 8 considered and you can see some of those mitigation if 9 you will, or attenuation from how those intervening 10 structures have been placed in relation to the project 11 boundary and those sensitive receptors. 12 Your other questions, I'm sorry, you're 13 going to have to --14 MEMBER GOLD: Well, let me, Mr. Chairman. 15 CHMN STAFFORD: Yes, Member Gold. 16 MEMBER GOLD: Let me make this simpler. 17 MR. SOHM: Okay. MEMBER GOLD: What is the decibel level if 18 you're standing right next to your LM6000s? 19 Sure. I can reference the sound 20 MR. SOHM: 21 power level, and so that's not dependent on distance but 22 essentially it's the sound emanating directly from the 23 piece of equipment. 24 MEMBER GOLD: Yes. What is the decibel 25 rating. GLENNIE REPORTING SERVICES, LLC 602.266.6535

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1 MR. SOHM: And there's a couple different 2 components of that that contribute to the noise along with the turbine, but if we're going from exhaust itself, 3 that is represented by our model at 94 DBA. 4 5 MEMBER GOLD: So the top of the stack is 6 going to be 94 decibels. MR. SOHM: Correct. 7 8 MEMBER GOLD: Okay. How about if you're 9 standing right next to it, right next to the generator 10 itself? 11 CHMN STAFFORD: On the ground outside 12 the --13 MEMBER GOLD: On the -- yes. 14 CHMN STAFFORD: Okay. 15 MEMBER GOLD: On the ground right there 16 standing next to the generator. What is that noise 17 level? 18 MR. SOHM: I'd say that that probably would be best represented by either the turbine enclosure or 19 the turbine base, and that would be about 95 to 20 21 96 decibels on a sound power basis. 22 MEMBER GOLD: All right. So you're saying 23 that if you're standing right next to it, I'm going to 24 guess that would be the center of your circle there. See the circle on the screen? 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535

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1 MR. SOHM: I do, but we can use that as 2 reference point. Sure. 3 MEMBER GOLD: Is that where you would have your turbines roughly? Let's say the turbines were right 4 5 at that center. 6 MR. SOHM: If we go to the next -- I don't know if these slides have the isopleth, but you can see 7 8 the sound emanating on other slide deck that I think was 9 provided. 10 MEMBER GOLD: I'm looking at the next slide 11 and I see that you have a big blue square. What does 12 that represent? There's no key to tell me. I'm assuming 13 that's where your generators are. 14 CHMN STAFFORD: Yeah. You're talking about slide R59? 15 16 MEMBER GOLD: Yes. 17 CHMN STAFFORD: Okay. 18 MEMBER GOLD: So let's assume that your 19 generators are just right there. Now you go back to the previous slide, and if I'm looking at distances 20 21 correctly, we're going from 95 decibels to 50 decibels in 22 a quarter of a mile, and then I'm going from 50 decibels 23 to 42 decibels in a half a mile, if you look to the 24 right. 25 So what I'm seeing is it doesn't -- it GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 doesn't seem correct. How do you go from 90 decibels, 2 95 decibels to 54 decibels at a quarter of a mile and then when you just go a half a mile later it only goes 3 down 10 decibels. 4 5 MR. SOHM: And I can answer that. It's because noise is a logarithmic scale. 6 MEMBER GOLD: Ah ha. 7 8 MR. SOHM: So it's not linear, and I quess 9 the best way I can put that into perspective is, you 10 know, if you look at two similar noise sources, let's say 11 a car, maybe it's not the best example, but say it's 50 12 DBA idling there. You have a second car that you add right next to it, that total sound level is not 100. 13 It's 53. It increases by three DBA because of the 14 15 logarithmic nature of sound. 16 MEMBER GOLD: Gotcha. 17 CHMN STAFFORD: Does that mean diminishing 18 marginal returns? MR. SOHM: Exactly. So as you get further 19 20 away from the sound level, further and further and 21 further, it takes longer distances to achieve the same 22 reduction. 23 MEMBER GOLD: Now, is these sounds without 24 your sound-deadening equipment or with equipment on or 25 with the equipment off? GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 MR. SOHM: That particular figure, slide, I 2 can't really read it, R58, that was with all 10 turbines operating simultaneously at 100 percent load with the 3 BESS, the battery energy storage system units discharging 4 and being cooled, and the transformers on site also 5 6 making noise. MEMBER GOLD: With your sound-deadening 7 8 equipment operational? 9 MR. SOHM: Correct, yeah. That includes the exhaust work that Garen mentioned yesterday, the 10 11 baffles and the silencer. It also accounts for those 12 intervening structures that, you know, in terms of how the buildings and equipment have been placed on the site. 13 14 MEMBER GOLD: Okay. So according to this, 15 the people who live at the houses close to that road to 16 the south, you know, within a half a mile of your plant 17 I'm guessing is the distance. 18 MR. SOHM: I'd have to -- I'm sorry. The residents that I'm aware of that we analyzed were to the 19 northwest and to the east. I don't think there was --20 21 MEMBER GOLD: The residents to the 22 northwest and the east would have the equivalent sounds 23 of 40 decibels according -- well, 40 decibels to the east 24 and 50 decibels to the northwest; is that correct, according to your chart? 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 MR. SOHM: I guess I'd have to look at it a 2 little more carefully. Based on my numbers and what I've looked, the property boundary would have noise levels in 3 the 50 to mid-50 range that you're referencing. 4 The residents that are further to the east there on the edge 5 6 of the figure, that would be most represented by NSA 3, as we called it in our report, and that was in the low-7 8 to mid-40s. 9 MEMBER GOLD: So the low- to mid-40s is obviously not a quiet library. That chart is no good 10 11 either because low to mid-40s is what we're talking now, 12 and we're not talking at a quiet library. 13 Normal conversation is 60 decibels. So you're saying that your equipment will -- quiet 14 libraries, roughly no noise. 15 16 MR. SOHM: Correct. 17 MEMBER GOLD: So you're going to say the 18 people who live in these homes will not hear any noise at 19 night. 20 MR. SOHM: I'm not saying they're not going 21 to hear any noise because we also have to look at the 22 background levels which are quite low for this rural 23 area. 24 MEMBER GOLD: So when trucks go by on I-8, 25 they'll be louder than your sounds? GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 MR. SOHM: Depending on the distance, yes. 2 MEMBER GOLD: Okay. We're at 40 decibels now, roughly, and I'm asking the people in the background 3 who don't have to say anything because we're not going to 4 be on the record, are you about 40 decibels on your 5 6 charts? Okay. So 40 decibels is this quiet room. They should be able to sleep with 40 decibels. 7 8 MR. SOHM: I would agree with that because 9 the project we evaluated at those nearby residences and calculated and modeled this projected noise including the 10 11 current background levels, and we're showing and 12 demonstrating that those levels are less than the EPA guidance value that would be protective of human 13 14 annoyance. 15 MEMBER GOLD: So it sounds like you did 16 your due diligence and you're doing everything in your 17 power to keep the noise level down so you're not going 18 to, oh heck, destroy their property values and keep them awake at night. 19 20 MR. SOHM: Correct. And the other thing I 21 would add is the measurements that, or the -- sorry --22 the predicted values that we're representing here, those 23 are at outside. Obviously it would be less inside, you 24 know, a structure such as a home. 25 MEMBER GOLD: Okay. GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

MR. SOHM: And I also would say that 1 2 obviously it would be much less if windows and doors were closed. But even if windows and doors are open during 3 nice times of the year, it still would be less than what 4 we're representing here. There is some attenuation from 5 6 the structure itself. MEMBER GOLD: Assuming, you're under oath 7 8 so I'm quessing all this stuff is accurate. 9 MR. SOHM: Yes, to the best of my 10 knowledge, yes. 11 MEMBER GOLD: Do you have any guarantees or 12 something that you could say to the homeowners that we 13 guarantee this will be the case? And if it's not the 14 case, we will do something to mitigate it for your homes? 15 I'm assuming it's never going to be 16 necessary because you're doing everything that's right. 17 But just so that they feel confident, if we say this 18 project is okay to go, that they will feel confident that 19 we did our due diligence and you are doing your due diligence to do the best for the people, not keep them 20 21 awake at night or ruin their property values. Is that a 22 possibility? 23 MR. SOHM: What I am comfortable saying in 24 my expert opinion is that based on our conservative model I am confident that the noise levels will comply with the 25 GLENNIE REPORTING SERVICES, LLC 602.266.6535 www.glennie-reporting.com Phoenix, AZ

1 Pinal County noise ordinance.

2	MEMBER GOLD: Mr. Chairman, is that
3	something that we could make sure that that's part of our
4	plan and say that the 40 decibels means they would have a
5	room as quiet as a library?
6	CHMN STAFFORD: Well, we could certainly
7	when we get to the CEC we can talk about potential
8	conditions that could be I know the standard condition
9	we have for them to monitor interference with radio and
10	television signals and then keep records of complaints
11	for five years and follow up.
12	I think we could probably craft some
13	language that would take the same approach with, you
14	know, noise complaints. But, again, I mean, it would
15	be it would have to be a condition of the CEC because
16	while they're engaging this to comply with the Pinal
17	County noise ordinance, they don't have to because there
18	is a specific exception that exempts utility plants,
19	power plants.
20	MEMBER GOLD: That sounds like a catch-22,
21	Mr. Chairman.
22	CHMN STAFFORD: Well, that's what I'm
23	saying. They're voluntarily complying with the Pinal
24	County noise ordinance because there's they don't have
25	to because it's a specific exception that's for power
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1 plants.

2 MEMBER GOLD: Oh, okay. Now I understand 3 that.

4 CHMN STAFFORD: But if we have a condition 5 in the CEC then they would have to monitor and comply 6 with that.

7 MEMBER GOLD: And since they're already 8 stating that's their intention to keep the sound down, 9 that sounds fine. Okay, Mr. Chairman, that answers my 10 concerns.

11 CHMN STAFFORD: All right. Well, we're 12 coming up on five p.m. I think we have probably a few 13 more questions for these witnesses, but tomorrow I think 14 the plan is to bring on the first panel as kind of a --15 maybe even some members of this panel to do sort of a bat 16 cleanup, Mr. Moyes?

MR. MOYES: Yes, we would prefer with your permission to finish the environmental aspect of panel 2, finishing up with sound and any remaining questions there may be for sound, continuing on to our public outreach explanation. And then bring back panel 1 for all of those technical follow-ups that were asked.

23 CHMN STAFFORD: All right. That will work.
 24 We have several members of the public that have been
 25 attending, so I think what we'll do is when we come back
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1	tomorrow morning at nine we can take additional public
2	comment and then proceed with your direct case and then
3	conclude your direct case and then move on to I guess
4	it's not really a rebuttal case, but it kind of resembles
5	one because it's just kind of follow-up questions from
6	the Committee.
7	MR. MOYES: Yes, that works for us,
8	Mr. Chairman.
9	CHMN STAFFORD: All right. Well, we will
10	return tomorrow morning at nine a.m.
11	We stand in recess.
12	(Proceedings recessed at 4:55 p.m.)
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