BEFORE THE ARIZONA POWER PLANT AND TRANSMISSION LINE SITING COMMITTEE

LS-372

IN THE MATTER OF THE APPLICATION OF ARIZONA PUBLIC SERVICE COMPANY, IN CONFORMANCE WITH THE REQUIREMENTS OF ARIZONA REVISED STATUTES SECTION 40-360, ET SEQ, FOR A CERTIFICATE OF ENVIRONMENTAL COMPATIBILITY AUTHORIZING THE REDHAWK POWER PLANT EXPANSION PROJECT, WHICH INCLUDES THE CONSTRUCTION OF NATURAL GAS TURBINES, A 500kV SWITCHYARD AND RELATED FACILITIES, ALL LOCATED TWO MILES SOUTHEAST OF THE INTERSECTION OF ELLIOT ROAD AND WINTERSBURG ROAD IN MARICOPA COUNTY, ARIZONA.	)	DOCKET NO. L-00000D-24-0156-00234
	)	EVIDENTIARY HEARING

At: Goodyear, Arizona

Date: August 21, 2024

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REPORTER'S TRANSCRIPT OF PROCEEDINGS

VOLUME III

(Pages 409 through 591)

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BE IT REMEMBERED that the above-entitled and numbered matter came on regularly to be heard before the Arizona Power Plant and Transmission Line Siting Committee at Hampton Inn & Suites, 2000 North Litchfield Road, Goodyear, Arizona, commencing at 9:00 a.m. on August 21, 2024.

BEFORE: ADAM STAFFORD, Chairman

LEONARD C. DRAGO, Department of Environmental Quality
ROMAN FONTES, Counties
(Videoconference appearance.)
DAVID FRENCH, Arizona Department of Water Resources
JON H. GOLD, General Public
NICOLE HILL, Governor's Office of Energy Policy
R. DAVID KRYDER, Agriculture Interests
MARGARET "TOBY" LITTLE, General Public
(Videoconference appearance.)
GABRIELA SAUCEDO MERCER, Arizona Corporation Commission

APPEARANCES:

For the Applicant:

SNELL & WILMER
By: Matthew Derstine
One East Washington Street, Suite 2700
Phoenix, Arizona 85004

PINNACLE WEST CAPITAL CORPORATION
By: Linda Benally
400 North 5th Street, MS 8695
Phoenix, Arizona 85004

APPEARANCES (Continued):

For the Intervenor Western Resource Advocates:

WESTERN RESOURCE ADVOCATES
By: Emily Doerfler
1429 North 1st Street, Suite 100
Phoenix, Arizona 85004
(Videoconference appearance.)

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

Mr. Derstine, I believe you were about to introduce the third panel.

MR. DERSTINE: We are ready to introduce the third panel. Ms. Benally is going to handle the third panel, so we're ready to proceed.

CHMN STAFFORD: All right. Mr. Turner's already been sworn.

Mr. Duncan, would you prefer an oath or affirmation?

MR. DUNCAN: Oath, please.

(Kevin Duncan was duly sworn by the Chairman.)

CHMN STAFFORD: Please proceed, Ms. Benally.

MS. BENALLY: Thank you, Mr. Chairman. I got feedback yesterday about my audio. Am I coming through clear?

CHMN STAFFORD: You're good.

MEMBER KRYDER: Thank you.

MS. BENALLY: Please stop me at any point, if I do sort of soften a bit. I'm a little soft in speaking.

(Mark Turner was previously duly sworn

by the Chairman.)

MARK TURNER and KEVIN DUNCAN,
called as witnesses on behalf of Applicant, having been previously sworn by the Chairman to speak the truth and nothing but the truth, was examined and testified as follows:

D I R E C T E X A M I N A T I O N

BY MS. BENALLY:

Q. All right. Good morning, Mr. Turner. Are you ready?

A. (MR. TURNER) Yes, I am.

Q. Okay. Great. Would you please state your full name and address for the record, since you're on the final day here, perhaps?

A. (MR. TURNER) My name is Mark Turner. My business address is 7720 North 16th Street, Suite 100, Phoenix, Arizona 85020.

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

A. (MR. TURNER) I'm employed by AECOM, and I'm a project manager and environmental consultant with them.

Q. Would you provide a high-level overview of AECOM?

A. (MR. TURNER) Yes.

AECOM is an engineering and environmental consulting firm. We -- civil engineering and environmental consulting firm serving the private and public clients in diverse markets, including the energy sector, water resources, transportation, and buildings and spaces.

Q. Okay. Thank you.

And what was your involvement in the Redhawk Expansion Project?

A. (MR. TURNER) AECOM has assisted APS with the environmental analysis and public involvement, as well as the preparation of the CEC exhibits.

Q. Okay. Great. Let's move to your educational background and work experience.

Would you please describe what that is?

A. (MR. TURNER) Trying to advance this slide, my apologies. I'm hitting the button I'm told works, but it's -- there's a different one. Oh, there we go, somebody advanced it, I don't know if it was me.

All right. I believe the question was my background?

Q. That is correct.

A. (MR. TURNER) Yes.

I am a wildlife biologist. I have two degrees

in that. My most advanced degree is a master's of science in biology. I have served as an environmental consultant since 1991. I currently serve as a project manager and environmental planner. I have managed more than 80 National Environmental Policy Act compliance efforts here in Arizona, along with hundreds of other environmental studies.

I've provided consulting to APS on various projects since 2000, that has ranged from Environmental Endangered Species surveys, Clean Water Act permitting, planning when projects are on federal land. And more recently my experience has included the CEC arena, and -- as a subject matter expert in several line siting cases that are listed there on the screen.

Q. Okay. Thank you.

So you have a number of studies that are listed on the screen, APS-11, I think it's 231 -- 231, that's correct -- would you walk through what you'll be describing, walking the Committee through this afternoon -- or, pardon me, this morning?

A. (MR. TURNER) Yes.

I will be providing an overview of the environmental studies that were conducted by AECOM. That includes the land use, which is Exhibit A of the CEC application. We'll also talk about recreation, that's

Exhibit F. Biological resources, which are included in Exhibits C and D. Visual resources will be part of the Exhibit E summary, as well as cultural resources. And we do summarize existing plans in Exhibit H. And we did a noise-specific, project-specific survey, which is included in Exhibit I.

Q. All right. So starting your testimony this morning, let's begin with land use -- existing and planned land use.

A. (MR. TURNER) Yes.

As you can see on the figure on the right and I used the mouse. The project site is located in red in the center of the screen. We have a two-mile buffer that's in a circle. And the reason I'd like to have you look at the screen is we're talking about ownership, and the blue land that is colored blue is State land, and everything else is private land.

The project is located in unincorporated Maricopa County on private land owned by APS. Maricopa County -- Maricopa County's Vision 2030 Comprehensive Plan is the oversight document for land use decisions. That document is from 2016. The 2030 comprehensive plan references the Tonopah Arlington area plan from September of 2000. And within that area plan, there are land use guidelines that say, "Power plants in western Maricopa

County must seek industrial use designation, in addition to a Special Use Permit." The expansion project -- the existing Redhawk Power Plant does have a Special Use Permit, and the expansion project will be located within that existing plant site that is -- has a designation of industrial use. The Special Use Permit is Z-99-111, and this is a Maricopa County permit.

Q. Mr. Turner, I'm sorry to interrupt you, can you explain the status of that Special Use Permit?

A. (MR. TURNER) Yes, I can.

Maricopa County has issued -- issued the Special Use Permit in May of 2000 for the Redhawk Power Plant. It has been updated with minor amendments several times over -- over the years and in December of 2019, Maricopa County approved a major comprehensive plan amendment to change that land use in the Vision 2030 Comprehensive Plan to utilities.

The Special Use Permit will be amended to include the expansion project and will be constructed in compliance with those permit requirements. The Special Use Permit process will, as we mentioned, will require an amendment, and in early discussions with the County that will still follow the minor amendment process that has played out on several other occurrences.

I do want to talk about existing land uses. The

screen on your right, again, has data layers from Maricopa County. The colors are how they envision the existing land use. This includes single-family and low-density residential, and I'd like to point that out because of the proximity.

Again, the project site is located in the center of your screen in red, and the nearest resident is 1.8 miles away, and I have my cursor on that location now. And we've talked about this platted community a couple times a little bit. We mentioned it was platted in 1970. The brown that you see in this image would be the homes that have been developed. The County includes the others as vacant land.

As you can see, though, from an existing land use standpoint, our project area within the two-mile buffer is energy development. Large parts of that, including where it says vacant land and vacant state trust land, does have solar development. So, obviously, those projects have gone through planning with the County as well, the data layers and colors just haven't caught up.

MEMBER KRYDER: Mr. Chairman?

CHMN STAFFORD: Yes, Member Kryder.

MEMBER KRYDER: Question for Mr. Turner.

MR. TURNER: Turner, yes.

MEMBER KRYDER: I may have missed it, but within your five-mile radius shown on the screen, what is a zoning, is -- is there a general zoning, is it completely unzoned? Help me understand that.

MR. TURNER: I do have a slide to speak to that, but it is zoned Rural-190, and I'll get to that explanation.

MEMBER KRYDER: Okay. I'll just wait then, thanks.

MR. TURNER: And as a point of clarity, it's a two-mile buffer, not a five-mile buffer that you see on the screen. And since you've raised the question, and I believe you're supporting agriculture, the green in the lower left part of the screen is the active agricultural in the area.

MEMBER KRYDER: Okay. Thank you.

BY MS. BENALLY:

Q. Mr. Turner, I'll have you go back to your prior slide, can you just wrap up that part of your testimony with your last bullet talking about existing land uses -- or describing the land uses?

A. (MR. TURNER) Yes.

The various land uses that are within the two-mile radius include agriculture, transportation, solar generation, industrial, rural residential, and

vacant.

Q. Okay. Thank you.

Are you ready to move on to future land use?

A. (MR. TURNER) Yes.

So we talked about the Special Use Permit changing the land use to industrial, and the data on the right screen we're showing the Maricopa County future land use data layers, they -- they continue to have dedicated open space, although solar development has occurred. So, again, I don't think the Maricopa County data layers have caught up yet to all the development in the last decade out here. But what I do want to point out is the industrial use for the Redhawk Power Plant, this entire section that is coming up industrial is the Redhawk site.

I mentioned the Special Use Permit for that, and the color now that we see is industrial. I do want to point out the rest of the industrial area does seem to be associated with the other power generations, the other gas-fired power plants, as well as Palo Verde Generating Station. So the proposed expansion project is compatible with the current and future land uses of the Maricopa County in this area.

CHMN STAFFORD: I have a quick question. You pointed out the nearest residence on this map, you

said it's 1.8 miles away from the Redhawk Plant?

MR. TURNER: Yes.

CHMN STAFFORD: How far is that residence away from Palo Verde?

MR. TURNER: I would think that would probably be about three miles. We can have someone measure that. It's -- I'm sorry, you wanted to see where the residences, it's actually this hashed area here up on the right edge, that's the residential. And so the nearest resident would be at this location, the intersection of 355th Avenue and Elliot Road.

CHMN STAFFORD: Right. But I'm kind of curious as to how close -- how close is the nearest residence to Palo Verde? Is it less than 1.8 miles or greater?

MR. TURNER: I don't have that answer, but it's probably about the same.

CHMN STAFFORD: Okay.

MR. TURNER: And, again, to the edge of the property or to a certain structure may, you know, have a mile difference in that calculation.

CHMN STAFFORD: Right. I'm just curious, because we're talking the 1.8 miles is to the edge of the property, right, for this --

MR. TURNER: For this, the 1.8 miles was

measured to the center of the expansion project, so in between -- there are eight stacks, so in between the fourth and fifth.

CHMN STAFFORD: And the -- and it's closer to the existing plant, then?

MR. TURNER: It would be slightly closer to the existing plant, yes.

CHMN STAFFORD: Okay. Yeah, I'm just interested to find out how close the residences are to the -- to the nuclear plant, so -- you could just follow up later with that.

MR. TURNER: All right.

CHMN STAFFORD: Thank you.

BY MS. BENALLY:

Q. Anything further on future land use?

A. (MR. TURNER) No, I was getting ready to jump into the zoning, if we're ready for that.

Q. Very good. Thank you.

A. (MR. TURNER) So there was a question about the zoning. Maricopa County, when they are in areas that are rural, they sometimes put large Rural-190 classification on the land. And that's the green layer that you see on the right -- uh-oh, I advanced the slide, excuse me -- on the right screen, which is APS-11, sheet 240. The green layer is Rural-190, and I'd like to -- so the zoning is

what the government uses to dictate the land use and restricting the usage of development of a specific site. The Rural-190 is a layer that's primary purpose is to -- is required large minimum lot sizes of not less than 190,000 square feet. So that is roughly 4.3 acres. And this is to discourage small lot and residential sub-development. And the principal uses that are allowed in this zoning district include farming -- both farming and non-farming residential uses, recreational uses, and institutional uses that include industrial.

The proposed expansion project does conform to the Maricopa County 2030 Comprehensive Plan, the Tonopah Arlington Area Plan and the County zoning ordinances for unincorporated Maricopa County at this location. And that summarizes my land use discussion.

Q. Okay. Thank you.

So let's move on to the biological resource impacts relative to special status species.

A. (MR. TURNER) I was getting a little bit of information on the question about how close to Palo Verde, there is, from the closest resident of this project we're calling that as 1.8 miles, it is 2.4 miles to Palo Verde from that location. But there are other homes in the northern part of this subdivision that would be closer to Palo Verde.

CHMN STAFFORD: Okay. Thank you.

BY MS. BENALLY:

Q. Okay. Biological, Exhibit C, I believe?

A. (MR. TURNER) Yes.

The biological resources are split between Exhibit C and D. And Exhibit C deals with the special status species. And Exhibit D with general wildlife. And I will talk about the Exhibit C now.

AECOM did have a biologist that visited the site. We also obtained information from the Arizona Game & Fish Department's environmental online review too -- review tool, as well as the United States Fish & Wildlife Service IPaC, which stands for Information for Planning and Consultation. Both of these provide databases for sensitive species.

Exhibit C deals with endangered species, protected under the -- all species protected under the Endangered Species Act, which includes endangered, threatened, and candidate species, as well as experimental populations. We also have to evaluate migratory birds, the Migratory Bird Treaty Act, as well as the Bald and Golden Eagle Protection Act.

I would like to point out a little bit about the project area from a natural resource standpoint. I'd like to use the right screen, which is APS-11, page 244.

And the purpose of this image is just to really show you the Gila River. You can see all the green is farmland associated in the West Valley down here, but the Gila River is labeled in a couple of places, it's cutting across the center of your screen and bending down south.

Our project is Redhawk, right here, located where my cursor is, I have a red pen flag and it is approximately five miles to the Gila River from our location. And the reason I wanted to mention the Gila River is both the Game & Fish and the Fish and Wildlife Service, the list that came back identified seven species that would require analysis in this area, and the majority of those are associated with riparian habitats and open water resources like the Gila River. The databases, the way they come back do come back for five-mile radius and sometimes larger, in this case they came back at five miles, which would grab the Gila River in that boundary, and so we analyzed those.

MEMBER GOLD: Mr. Chairman?

CHMN STAFFORD: Yes, Member Gold.

MEMBER GOLD: Mr. Turner, I'm not from the area. Is the Gila River an actual river with water flowing in it or is it usually a dry riverbed?

MR. TURNER: This section typically has water. There are reclamation facilities within Phoenix

that are adding water to the area, and in fact, the City of Phoenix has a tremendous program for endangered species by pumping water back into this river. And to the --

MEMBER GOLD: Thank you. I was just curious. Thank you.

MR. TURNER: So in our analysis with the endangered species, we have come to the conclusion that no threatened or endangered species habitat or the species would be present at the Redhawk or the adjacent lands around our project. It's not prevalent with the screen that I have up now, but I'll show you in a little bit, but the project site has been manipulated. We're within existing power plant property that -- where we're putting the project has a few shrubs that have just been left in place, but it's not any migratory bird habitat that we would expect someone to navigate.

BY MS. BENALLY:

Q. All right. So let's -- if you're done with Exhibit C, let's move on to Exhibit D, which is a study of general wildlife in the area.

A. (MR. TURNER) Correct.

Q. Actually, it looks like I bumped you up a bit, are you still on Exhibit C, as far as the summary of your findings?

A. (MR. TURNER) I can be a little more specific with my findings. I seemed to have jumped to the conclusion a little quicker, my apologies. But potential impacts to the special status species, we don't -- we don't think will occur or are anticipated to be extremely low, short-term in duration, and mostly limited to the effects of construction activities, additional noise and lighting, but obviously, we're at a power plant, those two elements would continue.

The construction and operation of the expansion project, as I previously mentioned, is not anticipated to impact the habitat of sensitive species and, therefore, we feel it is environmentally compatible.

Q. Okay. Thank you.

So now let's move to Exhibit D.

A. (MR. TURNER) Thank you.

CHMN STAFFORD: Member Hill, you have a question?

MEMBER HILL: This may or may not be the space, but it is a question about lighting, because you did just talk about that. I thought it was interesting in our last hearing, which were similar facilities, that they don't plan to put lighting on the towers. And part of it was that they worked with the FAA and -- the Federal Aviation -- and they didn't feel like they were

necessary and they could be a distraction for wildlife at night and other things. So I just kind of wondered, you mentioned lighting in this -- in this section, can you talk about your lighting plan and its relationship to -- I know it's not T&E species, but just -- it's a very dark place out there, with the exception of the nuclear facilities, so I was just kind of curious.

MR. TURNER: So Maricopa County did enact a Dark Sky Ordinance in 2023, I believe, and I've looked at those regulations and there's a lot about down-casting lighting, using less lighting. Obviously, we're at a power plant that has buildings that need to be lit, for safety reasons. If something breaks down at night they need to go in and fix it, there may be additional lighting, so minor streetlighting with down-casts. The stacks that you mention here are going to be 85 feet tall. The FAA requires lighting typically when it's 200 feet and taller, and that also depends on location.

The lighting will be as minimized as possible, but does need -- we have to be able to get in there and access it at night and have safety for workers. So minimal lighting.

MEMBER HILL: So will the stacks be illuminated every night all the time or is it just illumination for activities on those facilities?

MR. TURNER: I would think that they would have to have some lighting on there for safety at the -- you know, to see the towers. I'm looking at the existing facility, which is 185-feet-tall stacks, and there are lighting there. I may need to get someone else to answer that question from APS because --

MEMBER HILL: And I only -- I only ask because the last -- the last applicant, who was using the same facilities said that they weren't lighting the towers and I thought that was interesting because there wasn't an obligation to. And it would -- just the dark star -- dark night things were of interest. So anyways, I was just curious about that.

MR. TURNER: Our visual simulations, which we'll have in just a few moments does have lighting on the stacks, so you will be able to see what that looks like.

MEMBER HILL: What that looks like. And it's less for people, because there aren't a lot of people around here, and more for wildlife benefits, so --

CHMN STAFFORD: Member Fontes, you have a question?

MEMBER FONTES: Thank you, Mr. Chairman.

Mr. Turner, in your review, did you encounter any biological impacts from construction or

operations within, say, I don't know, a three-mile radius of the existing facilities, to include the Redhawk current facility? Was there any or have there been any kind of issues that we should be aware of?

MR. TURNER: Is the question are there any wildlife issues with the existing Redhawk Power Plant?

MEMBER FONTES: During construction of the existing and/or operations that you're aware of.

MR. TURNER: The construction of the original Redhawk was over 20 years ago. In looking at that CEC, there were no biological conditions that would have dictated significant environmental concerns. A lot of times burrowing owls do congregate in areas that have looser soil and farmland with water and insects. Those might be a consideration during construction, but I didn't find any water sources here. Our project site does not have any drainages that come close to our area or provide benefit in that regard.

MEMBER FONTES: That's informative, but let me rephrase my question. During construction were there any issues? Not during the CEC and studies, but during construction and in operations to date have there been any issues impacting operations from biological?

MR. TURNER: No, I have not been able to hear any issues in my discussions with the people at the

power plant that I've been working at. I can ask specifically for -- to try to get your question answered better, but the answer is no, Redhawk is operating fine, you know, it's a fenced-in area trying to keep wildlife out. Obviously, there are aerial species, birds and bats that can get into equipment. That has not been an issue that has been made aware to me.

MEMBER FONTES: Okay. I was just checking because if it's, you know, during the EPC you're going to have a contractor do that, and I wanted to know if the previous EPC had issues that were of this characterization. That's what I'm looking for.

MR. TURNER: Thank you.

When the previous Redhawk was built, the area around Redhawk was extensively farmed, so the conditions there for certain species would have been better than they are today surrounded by solar fields.

MEMBER FONTES: Thank you.

CHMN STAFFORD: So you didn't need to relocate any burrowing owls or desert tortoises or anything?

MR. TURNER: Those -- there is not desert tortoise habitat in the project area, in the vicinity. They do like rocky slopes. Surveys can be performed of that. We don't believe that those will be necessary.

The burrowing owls, again, really need a lot more water than I saw out there. But, you know, those are, you know, part of conditions with a normal construction.

CHMN STAFFORD: But they weren't encountered when you built the existing plant --

MR. TURNER: No.

CHMN STAFFORD: -- so it's highly unlikely you'll encounter them on the site that's been permitted and they wouldn't have moved in and located -- taken up a -- this is not a habitat for them to occupy at the current site?

MR. TURNER: It's unlikely, but it is still a possibility. I have worked at other power plants that are, again, near agriculture, and as they expand, there are burrowing owls that needed to be relocated.

CHMN STAFFORD: So you still have to vigilant, then?

MR. TURNER: Yeah.

CHMN STAFFORD: All right. Thank you.

Did you have additional questions, Member Fontes?

MEMBER FONTES: Yeah, thanks. That's what I wanted to capture for the record.

But also, on the existing plant, have there been any incidents with bats? My former employer is

Western Area Power Administration, and we had a lot of issues with bats at substations in that part -- in that county and to the west. So has there been anything at the power plant recorded?

MR. TURNER: Nothing has been recorded.

MEMBER FONTES: Okay. Thank you. Appreciate it.

BY MS. BENALLY:

Q. Mr. Turner, is there anything else on Exhibit D regarding general wildlife that you'd like to cover?

A. (MR. TURNER) Yeah, I don't think I have actually spoken to this slide yet, I had to field a few questions.

Q. Okay. Let's walk through the slide, then.

A. (MR. TURNER) That's fine.

So we have been talking about endangered species and now general wildlife, some of the bats that we were just talking about and some of the birds would fall into either of those categories.

We still -- still feel the potential impacts to wildlife are anticipated to be low, short-term in duration, but we do realize that there are tall structures, lines and towers and other support structures that may pose a risk to collision for birds and other flying species. Those will be designed to current standards using wildlife as a parameter in those designs.

The site is previously disturbed, and so we do not anticipate much native vegetation to be removed, some creosote bushes, viper sage that are sporadic in the project site, but not a predominant feature. The site, as we mentioned, is part of the active Redhawk Power Plant, and at the time I was out there it looked like some dirt moving around from one part of the plant to our project site leveling it, for independent reasons, but again, just to point out this is not habitat for wildlife.

So, therefore, we feel that, from a general wildlife standpoint, the project is also environmentally compatible. That ends my biology summary.

MS. BENALLY: Okay. So from here we move to visual resources, and we have a slide in here right after this set of slides, giving the Committee an option to go through the virtual tour again, if you think that would be helpful, if not, we can just continue our discussion on visual simulations.

CHMN STAFFORD: I think we are ready for the key observation points.

MS. BENALLY: Okay. Very good.

Q. So now with our shift to visual resources, let's start, Mr. Turner, about explaining how you evaluated them for this project?

A. (MR. TURNER) Yes.

We evaluated sensitive and scenic viewsheds, in and around the study area we utilized our project components for the potential impacts. And we prepared visual simulations of those areas.

Q. And can you describe how these visual simulations were developed?

A. (MR. TURNER) Yes.

We used -- our visual resource specialist went out and used panoramic photography. They were taken from four key observation points, again, back to sensitive viewers or sensitive viewsheds or the traveling public, in this case. And we took both daytime and nighttime photography and simulated, again, getting back to the lighting question, wanted to simulate those. And we used four key observation points. And those are located on the screen as four yellow dots.

KOP-1 is along Narramore Road and the railroad is just south of the railroad, it is at the bottom of the screen. And it is our closest view. It is not from a residence. It is -- that road only accesses the solar area and the existing agricultural farmland there and then it ends at Centennial Wash or turns into a four-wheel drive road at that point.

But we chose this location because it does

afford us the closest view of the site and gives us a decent perspective of what it would look like from a half a mile away. The general public could make their way down to that location.

KOP-2 is at the top of the screen, and it is just south of the existing Arlington Elementary School. That school is just off the screen. We went just south of the school so we weren't getting blocked by any of the buildings there. We wanted a clean shot. I do want to point out, though, it -- we'll get to the specifics, but it is, I think, 2.3 miles away and as you can see from the line of sight we're going through more than a mile of solar fields as well, and you'll be able to see that in the image.

KOP-3 is along Elliot Road. It's on the left side of the image. And it, too, is not at a sensitive viewer. We've been talking a lot about the residents that are to the north and east in a platted community, but there are about a dozen homes west of our power plant on Elliot Road. Those -- the nearest one is 3.4 miles away, and the furthest is about 6 miles away. They would travel Elliot Road to get in and out for any of their activities in the day.

I do want to point out a couple features here. We have a switchyard and a power plant, and so as they're

driving down Elliot Road, they would cross two power plants and a switchyard and a lot of infrastructure. Our location is taken here because we can get a shot of Redhawk at this location. So this is more from a traveling public.

CHMN STAFFORD: Refresh my memory, what's the power plant right below KOP-3?

MR. TURNER: That is Mesquite.

CHMN STAFFORD: Mesquite, okay.

MR. TURNER: And that is the Hassayampa Switchyard you see right there.

And then, finally, we have KOP-4, and we've talked about this location a few times. This is from the intersection of 355th Avenue and Elliot Road, and is representative of the edge of the property for the closest resident 1.8 miles away. And so now I would like to switch to the screens and we'll get to the simulations.

MEMBER KRYDER: Mr. Chairman?

CHMN STAFFORD: Yes, Member Kryder.

MEMBER KRYDER: Back on that previous screen, if you could for just a minute, before you -- looking at KOP-4, that's across two sets of solar fields as well?

MR. TURNER: Yes, sir. I forgot to mention

that detail. You'll definitely see those in that image.

MEMBER KRYDER: Okay. Because that's fairly significant. What approximate height of the solar fields, what are they 7 or 8 feet?

MR. TURNER: When they're stored, they are about 8 feet off the ground is my understanding, but they do tilt. There are different types. So they could be a little taller than that at certain times of the day.

MEMBER KRYDER: Okay. So these are active shifting?

MR. TURNER: I'm not 100 percent sure on that, sir, but I was just trying to give you a height that -- 8 feet is what I hear most consistently.

MEMBER KRYDER: Okay. Okay. That is very helpful when we get to your next set. Thanks.

BY MS. BENALLY:

Q. Mr. Turner, is there anything else you want to point out on that map that might be helpful to the Committee before you move on to the visual sims? If not, you can move right into the first visual simulation.

A. (MR. TURNER) I think I'm ready to move forward.

Q. Okay. Thank you.

A. (MR. TURNER) So I would like to take just a minute and -- we have two screens, I believe everybody online can see both screens as well. The screen on the

left is the original photography and the screen on the right is the simulation, and I'd like to take -- just because the screen on the right is closer to me, I'll use the highlighter here, I want to point out a few features, I want to call your attention to the project location map that is always going to be on the same right side. The orange location is the general location of the project facilities. We have a north arrow on there to help you get oriented, and the KOP location, which is yellow.

And with that yellow, there is an arrow on there -- I should mention, if you can't see the screen, these are in Exhibit E of the CEC application and our 11x17 foldout.

CHMN STAFFORD: Yeah, if you go to APS-11, we're looking at slides 257, which is the existing view, and 258 is the simulated condition.

MR. TURNER: The other element I wanted to point out when we're on the right side is the narrative on the bottom. It talks about the date and time and the weather conditions, the specific location, and then what I'd like to call your attention to is the distance. In this location we are a half a mile away?

BY MS. BENALLY:

Q. Mr. Turner, so the screen that I see on the left is Figure E-2. Is the other one E-3, Figure E-3?

A. (MR. TURNER) Yes.
Q. Okay. Thank you.
A. (MR. TURNER) Yes.
So I know various consulting firms show simulations a little bit differently. The bottom image is the original photography -- again, just because it's easier on my side to point here -- the bottom panoramic shot shows the entire photography, you can see other elements in there. In this case that's, on the left side is Narramore, is a County road.
What we have done, though -- this is what you would see -- the bottom image is what you would see with your eye if you were a half a mile away. But because we want to show you features, we've enlarged that. So you can see a yellow box at the bottom image, that has been blown up for our conversations today. And I will just continue, the image on the left screen is undoctored photography; the one on the right shows the simulations.
So I'll use this to point out the proposed expansion project. You can see the eight stacks, those are 85 feet tall. The railroad is blocking some of that. We don't trespass to take our photography. And the general public would have to look through that railroad as well.
The existing Redhawk facility, obviously, is in

the image, and just for reference, those are 185 feet tall. It's not quite as obvious, but the proposed switchyard is in the background, your eyes can sort of see those are thinner metal structures that are there, so we have shown those in the simulation as well.

MEMBER GOLD: Mr. Chairman?

CHMN STAFFORD: Yes, Member Gold.

MEMBER GOLD: Mr. Turner, these are excellent images showing something that's so far away, it's barely visible in the horizon line. But I do have a question, not related to your project, but it's in your imagery. The lower right picture to the right of your yellow square seems to have three -- some puffs of smoke going straight up.

Is that the Palo Verde Nuclear Plant.

MR. TURNER: So we're looking to the west, and this is panoramic for almost 180 degrees, so we'd be looking to the northwest --

MEMBER GOLD: You'd be looking to the northwest.

MR. TURNER: -- I would suspect that that's Palo Verde.

MEMBER GOLD: Okay. Look here, see that.

And how far away is that?

MR. TURNER: Palo Verde would, from this

location would, again, to the structures of Palo Verde, probably 4, 4 1/2 miles away.

MEMBER GOLD: Okay. And all you can see is the plumes of steam coming up. Okay. Yeah, I mean, you guys are very inclusive.

MR. TURNER: So this is the daytime from KOP-1. I do have nighttime photography, if we're ready to move to that.

BY MS. BENALLY:

Q. Just a point of clarification, Mr. Turner. When you were describing the zoomed-in picture, you described it as the image being "doctored," I think what you're describing is the fact that it's a zoomed-in version of the photo and not changed in any way; is that correct?

A. (MR. TURNER) We didn't change the sky or anything. By "doctored," I'm sorry, I meant to say "simulated," we needed to obviously simulate the facilities on there. My apologies. We did not change any cloud cover, anything like that.

Q. Thank you.

CHMN STAFFORD: I assumed when you said "doctored," you meant to add the structures that you're proposing to build.

MR. TURNER: Not a good word to use, that's my mistake.

If we're ready I'll do the nighttime from this location. So, again, the left screen is the original photography. Showing just the existing facilities, you can see the four existing turbines of the existing Redhawk Plant, and the image on the right screen shows the simulation, and again, there is the lighting that was being talked about. We went ahead and lit it at the top, to some extent.

You know, lighting can be good and bad for wildlife. Obviously, lighting attracts insects and bats like insects, so there are some positives and negatives. In general, though, wildlife, we would prefer not to light up the night sky, for various reasons.

CHMN STAFFORD: Did you testify earlier that the County passed some night -- Dark Sky Ordinance in '22?

MR. TURNER: It's either '22 or '23. I can look it up again.

CHMN STAFFORD: What does it -- what does it entail? I mean, what are the requirements set by that?

MR. TURNER: Again, it's more about down-casting lighting at locations. It does talk about residentials and ball fields and industrial parks and, you know, lighting up parking lots and things like that.

Again, it's trying to limit everything, including in rural areas not lighting roadways until totally necessary from a traffic standpoint.

CHMN STAFFORD: So does the existing plant comply with that or was it grandfathered because it existed before they passed the ordinance?

MR. TURNER: I don't have that answer.

CHMN STAFFORD: Okay. Because I'm curious to know if that's -- if what we're looking at here is down-lighting for the existing plant. And then I guess you can tell me, from the simulation, was that down-lit or was it just the regular lights you put on these type of plants without any kind of Dark Sky Ordinance?

MR. TURNER: That lighting was installed well before the '22, '23 time frame.

CHMN STAFFORD: No, I'm talking about the simulation.

MR. TURNER: Oh, the simulation?

CHMN STAFFORD: Right. What did you simulate? Is that down-lighting? Because it looks not much lighter than the other one, so I'm just curious.

MR. TURNER: We tried to mirror what the Redhawk had when it's lighting. But the lower lighting down on the ground was the down-cast lighting in our simulation.

CHMN STAFFORD: Okay. So the top of the towers aren't -- are they have down-lit as well or just stuff closer to the ground?

MR. TURNER: This simulation doesn't get that deep into a specific light. We were trying for the intensity of that lighting, and that's where we came to the comparative to the existing Redhawk. And so our lighting is trying to mirror that, and that's what you see in the simulation.

CHMN STAFFORD: Okay. So you'll have to get back to me about whether that ordinance is going to apply to the expansion and does it apply to the existing plant.

MR. TURNER: Thank you.

CHMN STAFFORD: I would suspect not, since the ordinance came in the last year or two and the plant has been there for over 20, so --

MR. TURNER: I didn't jump deep enough to understand about the grandfathering clause, but I would think that most facilities would probably be grandfathered in in its future development, but I will verify that.

CHMN STAFFORD: And then what -- what would it take and what would be the benefit of the existing plant complying with that at this point in time?

MR. TURNER: You know, the night sky ordinances are so people can continue to see the stars. So the people that are out in this area, that's probably one of the reasons they moved out to that area. So I would suspect it's to help keep that dark sky capability as urban development reaches out this -- if it does reach out this far.

CHMN STAFFORD: Thank you.

MEMBER GOLD: Mr. Chairman?

CHMN STAFFORD: Yes, Member Gold.

MEMBER GOLD: Mr. Turner, along with what the Chairman is asking, when I enlarge these pictures, it looks like you've taken advantage of some modern technology. The lights on the full -- the multi-cycle plant are bright write. The lights on your future plant appear to be almost a color that insects don't see, that yellowish color. Is that, indeed, what you're planning on using to keep the insects away so it doesn't attract bats?

MR. TURNER: I don't believe that was specific when we were doing our visual simulations, no. I think the height of the towers there, obviously a 185-foot tower needs to be lit up a little bit differently than just an 85-foot tower, so the lights, I agree with you, in this simulation seem to be a less

intense color.

MEMBER GOLD: Well, they look more, like I would say, 200 kelvins compared to 800 kelvins, you know, yellower more than white in your simulation. So I was under the impression that you took that into consideration and you're downward -- I'm looking at the light pattern, and it looks like they're obviously aimed down, at least on the stacks, and it looks like what I have in front of my house in the summer, I always put up a yellow-ish color light not to attract insects. And if that's something you were planning on, that's, you know, good, that's smart. If you don't have insects, you don't have bats, and you can suck insects into turbines, but you don't want to suck bats into turbines.

So it looks like whoever was doing this for you took that into consideration. Just an observation, Mr. Turner.

MR. TURNER: I can -- I can ask John, who did these -- he's been doing this for over 30 years, and I just didn't ask that question of him, but I can -- I can verify the lighting intensity that he used. I'll be happy to search that.

MEMBER GOLD: Check intensity and color.

MR. TURNER: Intensity and color, thank you.

Any other questions on KOP-1? Again, that's the closest that we'll be in these four images.

KOP-2 is our next location, and again, this is up by the Arlington Elementary School, and I will point out in this, on the right screen which is APS-11, slide 262. KOP-2, my highlighter is on the school itself. The KOP location is 2.3 miles, and as we've discussed, there are solar fields that are between us and the existing Redhawk, as well as the proposed site. And I will point out those solar.

If you look at the horizon line of the ground here, you'll see a dark layer, that is the solar field that we are looking through. So, again, that is approximately 8 feet off the ground, and as you can see, this is a distance of probably a half a mile before you get to that solar.

But, again, we're trying to look at the Redhawk Power Plant, and at 2.3 miles in the bottom image is what your eye would see. It's very hard to see anything at 2.3 miles. If your eye focuses on the mountain and just below it, you can see the, again, on the bottom image, it's hard to see, if you blow it up you can see it on the top.

Again, the simulation is on the right screen, and my cursor is at where the simulation is

located. If you take that highest peak and come down in front, you can sort of see the facilities. A little bit hard to see in the daytime, and we can switch to the nighttime, but we're 2.3 miles away, and I've been to this location, it is hard to see.

Once your eye is trained on the stacks, your eye can pull out Redhawk and the other facilities. I do have nighttime photography from here if we're ready to move to that one.

BY MS. BENALLY:

Q. Mr. Turner, before you do that, I may not use the right terminology here, but from KOP-2 you said that is near the school; is that correct?

A. (MR. TURNER) Yes. We're just south of the school property.

Q. And who are the sensitive viewers that you are included in -- from that KOP?

A. (MR. TURNER) Thank you, Ms. Benally.

Yeah, the school also has ball fields, so a community gathering area, but we are also adjacent to that platted community. There are homes there. There are kids that walk to school in that neighborhood. We met them at the public meeting. So this site is representative of the school, community activities at that location. Thank you.

Okay. Again, the left screen has just the Redhawk existing facility and the screen on the right shows the expansion project. It is hard -- oh, oh, hit the wrong button, excuse me. On the left screen, you can see the existing Redhawk where my cursor is but these are also existing buildings, the operation buildings and other buildings that are lit up, so from 2.3 miles away, the simulation is mixed in with the additional lighting you see from the existing Redhawk. From this angle, we are looking to the southwest, so there are certain facilities that are in front of the simulated location.

Q. And, Mr. Turner, the slides you have up on the screen now are marked as Figures E-8 and E-9; is that correct?

A. (MR. TURNER) Yes.

Q. Okay. And that's the simulations that are included in APS's application?

A. (MR. TURNER) Yes.

Q. Okay. Thank you.

A. (MR. TURNER) I'll move to KOP-3, unless there are questions from this location?

All right. So this one is a busy photography in daytime. This KOP-3 is located along Elliot Road. In the bottom image, you can see Elliot Road on the left side, it is a paved road. This is the Hassayampa

Switchyard that you see in the image, and Redhawk, the existing Redhawk, is the taller stacks, you can see two fairly easy where my cursor is located. The other two are sort of hidden behind the A-frame structures of the Hassayampa, again, the distance between those is half mile or more, but it just happens to be the angle.

The image on the right does have the simulation of the existing Redhawk. I'm highlighting it with the cursor now. And you can see the units, the four-unit -- there are eight turbines and four designations there. And then the switchyard is also proposed in this image. It is kind of hard to see in the daytime image with all the additional infrastructure, a little bit easier in the nighttime, and I can go to those photography next.

Q. And you may have covered this already, but that is 1.5 miles from the Redhawk expansion site; is that right?

A. (MR. TURNER) Thank you, Ms. Benally. Yes, it is 1.5 miles. We're mainly looking south but slightly to the southeast. Thank you.

And to me this is a much cleaner image. The nighttime, you don't see the impact of lighting, the switchyards don't have lighting, but the power plant does. The existing Redhawk is the taller four stacks

that you see, and in the image on the right, which is Figure E-13 of the CEC application, and from a slide standpoint it's APS-11, 268, has the simulation. And I'm going to point out that simulation is right there. So again, these are 85 feet tall and we're looking from 1.5 miles away.

And, finally, we have KOP-4, this is the last visual simulation location, and this one is from the nearest resident, again, 355th Avenue and Elliot Road. And I'll just point that out, we're looking to the southwest across newly installed solar field, and this -- in this image that solar field is much closer, so you can see them in the daytime. It is that darker layer, you can obviously see the creosote bush in the foreground, and then as you get to the property there you begin to see the solar panels.

Those are not part of the project. Those are not part of the APS project we're talking about. But they do block part of the view. If you look at them, you can see even the existing Redhawk is blocked. The left screen, which is Figure E-14, has the existing view. And the screen on the right, which is E-15 has the simulation. And I will point to that now.

Again, from this distance, the 8-foot-tall solar panels are blocking a large portion and you're just

seeing the tops of the eight stacks. And so it's hard to see, again, from 1.8 miles away, but the simulation also has the proposed expansion switchyard as well.

I do have nighttime from this location. And this image was taken on a hazy night. You do have a little bit of a glow there. The Redhawk existing plant is on the left screen and the creosote bush are blocking a little. You don't really see the solar panel at night. And the image on the right does have the Redhawk expansion project simulated. Again, only the tops of the towers are really capable of being seen due to the height and the distance at this location. If your eye can go between the left screen and the right screen, there is a little bit more light projected at that location, and really all my eye sees are the -- just a little bit thicker glow at this point.

CHMN STAFFORD: At the bottom, that's the panoramic view?

MR. TURNER: Yes, sir. And we're looking -- it's not quite as prevalent in the nighttime, so I'm going to go back to the daytime. We're looking down Elliot -- we're at the intersection, the -- on the E-15 screen, the right screen, if we're looking at the bottom panoramic shot, you see two roads, the road heading on the right -- on the left side heading south is

355th Avenue. The other paved road is Elliot Road, which services two different power plants as well. And so in the nighttime imagery, I believe you were looking at that bottom right and --

CHMN STAFFORD: Yeah, what is that?

MR. TURNER: That is additional -- that's Mesquite and maybe part of the Palo Verde -- excuse me, the Arlington Valley Power Plants.

CHMN STAFFORD: That one looks -- is further away, it looks brighter than Redhawk.

MR. TURNER: I was thinking through that as well and it may be just the straight shot of Elliot Road where you don't have any solar panels and other vegetation and it may be different lighting as well that was used.

MEMBER KRYDER: Mr. Chairman?

CHMN STAFFORD: Yes, Member Kryder.

MEMBER KRYDER: Is -- Mr. Turner, is this the view of the nearest resident?

MR. TURNER: Yes, sir.

MEMBER KRYDER: Okay. Thank you. I wanted that to be clarified in the record.

MR. TURNER: The nearest resident was built in 2017. I misspoke the first day, I said 2016. That community, as we mentioned, had about six or so homes

when Redhawk was constructed. And it has -- well, we'll talk more in our public involvement aspect, but seems to be about 200 homes and spaced out fairly far apart where they can.

CHMN STAFFORD: These are at least acre-sized lots, correct?

MR. TURNER: Correct. It's Rural-43, which is an acre-sized lot.

MEMBER GOLD: Mr. Chairman?

CHMN STAFFORD: Yes, Member Gold.

MEMBER GOLD: Just a quick question. Those on the lower -- that screen over there.

MR. TURNER: Yes, sir.

MEMBER GOLD: That power plant has bright white lights, when was it built?

MR. TURNER: Where or when?

MEMBER GOLD: When?

MR. TURNER: I don't have the specific date, but looking at aerial imagery, it was built before Redhawk.

MEMBER GOLD: Okay. So that didn't have the same restrictions that you have, it looks like you're taking into account, because that thing's farther away and it's far brighter than your plant.

MR. TURNER: There are two power plants

that are accessed off Elliot Road. You may be seeing that combined light from two facilities. I don't -- that was not part of our -- we didn't simulate anything there, that's just the existing conditions for that, but I agree with you it does seem brighter than the Redhawk --

MEMBER GOLD: Well, it looks like you're doing a much better job. Thank you.

CHMN STAFFORD: Well, if it's Mesquite, it was -- the CEC was granted in 2000, in December of 2000, so it would have been built within a couple years after that, but close to the same time as Redhawk, I think.

MR. TURNER: I can see construction of that one in the aerial imagery before Redhawk.

MEMBER KRYDER: Mr. Chairman?

CHMN STAFFORD: Yes, Member Kryder.

MEMBER KRYDER: Mr. Turner, could that be because of the color of the light in the lower right-hand corner that it appears to be brighter that it might be a different kelvin rating?

MR. TURNER: There's a lot of things that could make that lighting. There could be a truck with its bright lights coming down Elliot Road.

MEMBER KRYDER: Boom. Never thought of that.

MR. TURNER: Part of that looks a little

bit more intense than others, and I'm wondering if there's a vehicle down there as well.

MEMBER GOLD: Mr. Chairman?

CHMN STAFFORD: Yes, Member Gold.

MEMBER GOLD: Yeah, when you enlarge the lower screen, that's exactly what it looks like. Thank you.

BY MS. BENALLY:

Q. Mr. Turner, are you ready to move on to summarizing your conclusions?

A. (MR. TURNER) Yes.

The image on the right screen is from KOP-1, that closest view of half a mile away just to, again, show you what it would look like constructed. The lines, forms, colors, and textures, and scale of the expansion project will repeat those of the existing infrastructure development.

The construction and operation of the expansion project is not anticipated to impact the general views in the area from sensitive viewers, such as the school 2.3 miles away, or the residential neighborhood with its closest resident 1.8 miles away, and therefore, we feel it is environmentally compatible with daytime and nighttime visual simulations.

Q. So I think you are ready to move on to cultural

resources?

A. (MR. TURNER) Yes.

Q. So let's just start at this element of the discussion or testimony by describing your evaluation.

A. (MR. TURNER) Yes. The proposed expansion project, as we have said, is located within the existing Redhawk Power Plant, which had intent -- was intensively survey -- surveyed for cultural resources in 2000, in conjunction with that construction project. We did perform a current database search, and to be honest, my company also did the cultural resource survey back in 2000, so we have specific knowledge of the previous research.

Q. Mr. -- Mr. Turner, when you say you did the previous research in 2000, was that for the original Redhawk Plant?

A. (MR. TURNER) Yes, from a cultural resource standpoint.

Q. Thank you.

A. Dr. Gene Rogge was the lead archaeologist at that time and is still with our company and lead archaeologist today.

The cultural resource assessment indicated that there were no known historic sites or structures or archaeological sites in the expansion project site. The

survey found no cultural resources in the expansion site, which has been intensively farmed for over 50 years before it became a power plant.

CHMN STAFFORD: So how much -- what percentage of the existing site was surveyed before the original plant was built?

MR. TURNER: It was 100 percent pedestrian survey.

CHMN STAFFORD: Okay. So at the expansion the whole thing has already been covered then?

MR. TURNER: The expansion project was covered, skipping ahead a little bit in my discussion, obviously SHPO has to make a ruling on that to verify that they agree that the previous survey is still acceptable today, and have information on that as well from a trans- -- typically, it's the distance apart from the transects, and the transects were done to the current standards today, just happened to fall in that.

CHMN STAFFORD: Okay. So you're going to get to -- so SHPO's concurrence is coming up in a slide?

MR. TURNER: We'll talk about that.

CHMN STAFFORD: Excellent.

MR. TURNER: The survey found no cultural resources in the expansion project site. I just mentioned that area before it was a power plant was

agricultural for several decades. In our research, the railroad, the Union Pacific Railroad, which was called the Southern Pacific Railroad Phoenix Mainline, is eligible for the Arizona Registry of Historic Places, it's a half a mile away. However, the setting of the railroad has been substantially altered by prior construction, as well as the electric generation facilities in the area.

The proposed expansion project will not substantially diminish the historic -- historic integrity of the railroad. And the expansion project is unlikely to have any adverse proximity impacts on cultural resources within one mile of the expansion site, and this is due to factors such as physical change or landscape changes or increased noise.

In summary, the previous survey, as well as our database search and our current report that is available, is considered adequate for -- for concluding that the proposed expansion project will not substantially alter or diminish any properties listed or eligible for listing on the Arizona Registry of Historic Places and is, therefore, environmentally compatible.

And I would like to then -- now talk about the SHPO piece.

BY MS. BENALLY:

Q. And, Mr. Turner, the letter that -- well, let me back up a little bit. Did APS consult with SHPO in this matter?

A. (MR. TURNER) Yes.

Q. And APS sent a letter to SHPO, which is marked as APS-19; is that right?

A. (MR. TURNER) That is correct.

Q. Okay. If you'd walk us through that and also include what your next steps are -- APS's next steps are with regard to consultation with SHPO.

A. (MR. TURNER) We are following the ACC -- ACC SHPO consultation checklist from September '22, I believe, which requires cultural resource report and a letter to be sent to SHPO. That did occur, and we have reached out to SHPO and verified that they have received our consultation. They received it on August 5th. We have a SHPO consultation number, it's SHPO-2024-0832. And --

CHMN STAFFORD: Say that one more time. I didn't start writing fast enough.

MR. TURNER: I'm sorry. SHPO-2024-0832. And they have acknowledged receipt of our package, and they are reviewing. It has not been 30 days yet, so we would anticipate September time frame that we would receive a letter back. That letter would -- our

recommendations in the letter, Ms. Benally mentioned it's A-19, our recommendations in that letter was that there was no additional mitigation measures, obviously there's some standard procedures when digging in Arizona about if artifacts are found or bodies are found, there are specific restrictions, and you stop work at those locations.

Beyond that, we do not feel there are any other elements with cultural resources that SHPO would want to see in any construction element.

CHMN STAFFORD: So you expect their letter to be in concurrence with your assessment?

MR. TURNER: We expect them to be in concurrence, but we don't have that letter back just yet.

CHMN STAFFORD: Right.

Yes, Member Drago?

MEMBER DRAGO: Mr. Turner, I might have missed it, but is that letter in the documents?

MR. TURNER: APS -- A-19 -- or 19, I believe.

MEMBER DRAGO: Thank you.

MR. TURNER: Do you have any other questions, from a cultural resource?

(No response.)

BY MS. BENALLY:

Q. Did you state your conclusion on environmental compatibility with cultural resources?

A. (MR. TURNER) Yes, I did.

Q. Okay. Great. Thank you.

All right. So we are now on to recreation. Would you cover that element with the Committee today?

A. (MR. TURNER) Yes.

Recreation is part of the CEC application as Exhibit F. So AECOM conducted inventory of the existing and planned recreation sites and opportunities that are around Redhawk. We also -- I should mention that the Redhawk facility will be enclosed and not open to the public for any recreation opportunities as well.

In the general vicinity our analysis concluded that there are a few recreational resources within 10 miles of -- of our facility. Let me get my notes better.

MEMBER KRYDER: Mr. Chairman?

CHMN STAFFORD: Yes, Member Kryder.

MEMBER KRYDER: Question for Mr. Turner, you say it will be -- the public will not have any access to the Redhawk facility, did I get that right?

MR. TURNER: Yes, sir.

MEMBER KRYDER: Because it will be completely fenced, or help me understand how you are policing that?

MR. TURNER: Yes. The Redhawk facility does have a fence around the entire property with a guard shack, so anybody coming up would have to drive through. The only reason I mention that is because sometimes with transmission lines, there are recreation trails that utilize them for a mile, you know, as a cut-through or something. This facility does not have any recreation opportunities in this area.

MEMBER KRYDER: And the -- that's, what, an 8-foot with razor wire or what kind of a fence is it?

MR. TURNER: I remember a big fence when I went out there, my apologies.

MEMBER KRYDER: You couldn't get over?

MR. TURNER: I'm getting kind of old, I don't think I would scale it.

MEMBER KRYDER: Okay. That's fine. Thank you.

CHMN STAFFORD: From the photos it looks like chain link. You can't see what kind of wire is on top, or if any.

MEMBER KRYDER: Since you guys are in the electric business, I thought maybe --

MR. TURNER: All right. We're talking about recreation. And Redhawk is located with a red area where my cursor is. And I believe that just for

reference here I'm showing two miles just to help your eye. The Gila River has two wildlife recreation areas. One is for recreation and one is for wildlife viewing. These are the Powers Butte Recreation Area and the Arlington State Wildlife Area. They are accessed from State Route 85, which is on the right side of the screen. Also along -- and that access is on the south side of the Gila River.

In addition, the Buckeye Hills recreation area is about 12 miles away, it has recreation trails and picnic camp- -- grilling opportunities, mainly for travelers on State Route 85. I have been to that location, I cannot see Redhawk from that location. But those are the three wildlife -- or excuse me -- recreational opportunities for the traveling public and the regional population to get out.

BY MS. BENALLY:

Q. Mr. Turner, when we look at this map I always find it difficult to identify the Gila River. Can you point that out again?

A. (MR. TURNER) My apologies. Natural resource guy, my eye picks it up right away.

But the Gila River is -- has several braids in this location, it is just south of the farmland and before the Buckeye Hills, where all these recreation

areas are. So the Gila River is where my cursor is going, and it's heading down to Gila Bend at that location.

Q. Thank you.

A. (MR. TURNER) Our -- as we mentioned, our project does not have recreational facilities in or adjacent to the area. The furthest are on the other side of the Gila River. Our project and the proposed expansion project will not have any effects on parks or recreation facilities within the expansion project area, and therefore, it is environmentally compatible.

MEMBER HILL: Mr. Turner?

MR. TURNER: Yes.

MEMBER HILL: Oh, I'm sorry.

I agree with your conclusion, but I do think you mentioned earlier the school has some soccer fields, maybe some community areas. I would just suggest that those are also potentially recreation facilities. I wondered if you looked at --

MR. TURNER: This is true.

MEMBER HILL: -- those kinds of things -- other things that we might have missed. I don't disagree with your conclusion, I just wanted the record to reflect that.

MR. TURNER: Thank you for -- I didn't mean

to skip over that. As soon as my slide came up, I focused on the Gila River, but you're right, the school has -- appears to be maybe two baseball fields and a soccer field. It may -- it may just be for school activities, but it did have some lighting, so I figured maybe community events may occur out there as well. And, again, that school is about 2.4 miles away. Thank you.

BY MS. BENALLY:

Q. Okay. So now we get to Exhibit H which relates to existing plans of the jurisdiction and I believe Maricopa County is the only affected jurisdiction in this Redhawk expansion area. Can you walk us through the analysis and the conclusions for Exhibit H?

A. (MR. TURNER) Yes, one second, please.

Yes. As part of the land use efforts we -- Maricopa County's Vision 2030 Comprehensive Plan is the managing document that helps in those land use decisions and zoning. So we are in unincorporated Maricopa County. We did send a letter to Maricopa County requesting information on any existing and planned developments. Our research with Maricopa County did not find any other community, you know, large residential development or any other large buildings that are going on at this time in the area.

But we did send a letter, that letter -- we sent

a letter to the County -- Maricopa County's Planning and Development Department. That letter is on the right screen, which is APS-11, 288. We did not receive a response to our letter for Exhibit H, which is asking for additional plans. And that is my summary.

MS. BENALLY: Okay. So then that takes us, if there aren't any questions from the Committee, we'll move to noise. Mr. Derstine will work with Mr. Turner on this segment.

BY MR. DERSTINE:

Q. Ms. Benally asked me to handle the noise analysis. She said I am loud frequently, and so I'm better suited to handle this. I'm not sure how to take that, but I'll do it nonetheless.

Mr. Turner, the Committee heard testimony in relation to the Project Bella case concerning the noise modeling that was done for that project. This project you did your own noise modeling or had folks within your company perform that noise modeling.

Do you want to lay the foundation for the modeling analysis that was performed, please?

A. (MR. TURNER) Sure, happy to.

AECOM did prepare a site-specific noise analysis of the proposed expansion project. This was included as Exhibit I in the CEC application. We collected baseline

noise measurements on December 12th and December 13th of 2023. The image on the right shows those locations. We had long-term and short-term locations, and if we look at the right screen, which is APS-11, page 299, we can look at the legend there, the yellow microphone symbol are the long-term noise measurement locations, and the blue microphone are the short-term noise locations, and I will get into those discussions now.

In general --

CHMN STAFFORD: I think that was slide 290 you were just on.

MR. TURNER: It was 290, my apologies. Thank you.

The vacant -- excuse me -- from a noise analysis standpoint we do look at land use, and land use in the project vicinity is mostly vacant land and energy generation through power plants, as well as solar. There are areas of limited residential development in the project vicinity. We've pointed those out before, but I will do it again. I'm using the right screen, which now APS-11, 292, and the nearest resident is at LT-2, where my cursor is with the long-term measurement.

The project site and the nearest noise sensitive receivers are located wholly within Maricopa County, in unincorporated Maricopa County. And Maricopa

County does have noise ordinances, but they do not define limits of noise emitted by industrial land uses. Additionally, noise from power plants is exempt from the provisions of Maricopa noise ordinances during normal operations.

Because Maricopa County does not set the standard here for us, we have utilized the U.S. EPA's 1974 guidance, which is the -- called a levels document. That document also is -- is fairly old when you look at that and say 1974, but also --

MEMBER HILL: It's literally my lifetime, so I'm just kind of --

MR. TURNER: I'm trying to find my page here and I have -- the HUD also has a 2009 document, and we have referenced both of those. Both of those documents use a day/night sound level of 55 decibels or less for acceptable exterior noises. So if you're sitting on your back porch, they expect, from those federal agencies, they would expect 55 decibels or less.

In addition, they also set interior sound levels, again, this is an average of day and night, they set those interior sound levels at 45 decibels, and they're not restricting what you do in your house, they're restricting the noises that come through your windows and walls into that space, not being greater than

45 decibels.

And so, therefore, we have taken those day/night levels as our standard for analysis, and we'll move into that now. I mentioned both long-term and short-term monitoring locations. The long term were for 24 hours. Again, those are the yellow locations on the figure on the right. LT-1 is at a sensitive receiver. LT-2 is at a sensitive receiver. LT-3, which is just above Redhawk, and I'll point that one out, so Redhawk is outlined in the blue area, and we put a monitoring, 24-hour spot just outside of Redhawk's gates to get the sound level from Redhawk.

BY MR. DERSTINE:

Q. When you said they're a sensitive receiver, what are they?

A. (MR. TURNER) In this location, they are residents.

And we also did short-term noise measurements. Those are called out in the blue colors.

CHMN STAFFORD: Wait, you said at LT --

MR. TURNER: LT-3 --

CHMN STAFFORD: -- 3 is residents?

MR. TURNER: No, sir. LT-3 is not at a residence, it is outside of the Redhawk facility --

CHMN STAFFORD: Okay. LT-2 is where the

residences are?

MR. TURNER: LT-2 and LT-1 are both residents.

CHMN STAFFORD: Okay.

MR. TURNER: Short-term 1, 2 and 3, which are the blue colors are also at residents, and ST-1 is up near the school as well. We're in that community up there. The short-term used both daytime and nighttime measurements of about 20 minutes.

CHMN STAFFORD: Yes, Member Hill?

MEMBER HILL: And, just for the record, the measurements that you took assume that all units are firing at the same time?

MR. TURNER: We're not to that piece yet. We're --

MEMBER HILL: Okay.

MR. TURNER: We're just collecting baseline information at this point. So let me -- the next piece is baseline, what we're getting, and then we'll get into the analysis.

MEMBER HILL: Okay. Sorry.

MR. TURNER: We've mentioned the long-term and short-term. From those, the second bullet is where I'm reading now, we did gather that the existing conditions ranged from a 39- to 64-decibel level. Again,

this is the collection average of day/night. And I wanted to point out, we mentioned a 64 is collected, and that was collected at LT-1, and I'd like to point that out.

Because we do have several power plants in the area, noise can come from several different areas. LT-1 is a half a mile from the Arlington Valley Gener- -- Power Plant, and therefore, we believe the 64-decibel is more attributed to that location. Our noise specialist, who was out on the site, in their notes that they take, mentioned that the dominant sources from all of these locations is roadway traffic noise. And then the residential noises of dogs and other things. But did comment that at LT-1 and LT-2 that they could hear energy production to some -- in the noise sound levels.

Now we'll get into the analysis piece. So we've established the existing conditions -- yes, sir?

CHMN STAFFORD: So you said LT-1 and LT-2, I would imagine LT-3 you would hear it all the time too.

MR. TURNER: Yes, my apologies. We would hear it, but it's not a sensitive receiver. My apologies, my context was for the sensitive receiver.

CHMN STAFFORD: Okay. Okay.

MR. TURNER: Ironically, LT-3 did not have a higher level than LT-1, though.

All right. AECOM used the Cadna-A noise prediction model from 2023. It was used to estimate the sound from the aggregate project operations and predict the sound pressure levels at various distances from the project. This analysis took in the specifications from the equipment that is being used. It also took into effect land or other buildings in the general vicinity, as well as the topography of the area.

BY MR. DERSTINE:

Q. Mr. Turner, let me have you back off on the gas pedal a little bit and slow down for the court reporter, I see her --

A. (MR. TURNER) My apologies.

Q. Firing away there.

So, please.

A. (MR. TURNER) All right. Thank you.

We mentioned the nearest resident 1.8 miles away. Our analysis looked at two different scenarios, scenario A and scenario B. Scenario A is the existing Redhawk facility, the two -- two units, four stacks that we've been looking at, and we assumed maximum production out of those for the noise analysis. As we have heard from others, including Ms. Carlton, maximum production from other permitting restrictions probably wouldn't exist. We've max- -- we've used the maximum levels.

Scenario B would -- does include the existing facilities at maximum intensity, as well as the proposed facility, the eight turbines all being run at maximum facility -- capabilities.

And so these figures that are on the screens now are the two scenarios, the one on the left screen, which is shown as Figure 7, is the existing Redhawk Power Plant and its noise contours. It's a little far from me, but I'm going to try to highlight some things.

Again, many of you heard Project Bella last week and have sound levels -- I'll talk about sound levels and what we hear in just a moment. We're showing multiple colors on the center of this screen. They radiate from more intense in the center to less intense in the outer colors. You can see several of the facilities inside. You can see the grouping of the two stacks as two tight circles. And just to the right, the east of that, you see a larger circle with two yellow lines. Those are the cooling towers of the existing facility. Those have noise. Those have been captured as well.

The noise contour lines -- so our number that we're tracking today is the 55-decibel, we want to make sure we're staying below that -- that color is the yellow color, so 55 decibels. 60 decibels is the orange-ish color. And then 55 is the yellow, and the green, the

outer color, is 50.

But I also want to point out the right screen, let me -- we'll get to -- we'll get to specifics in just a moment, but I want to point out the expansion projects. If you look at the left screen you saw two circles -- small circles and one large circle. Now on the right screen, which is APS-11, 298, you can see the expansion project is proposed as well. And if your eye is attuned to the two screens, you can see the red color change at the southern boundary to capture that area.

But as from a -- the green contour line, the 50 decibel line didn't really change much between those two images. I'd like to now draw your attention to the white boxes that you see on both screens. There are four of them. They are the same on both screens. They are the residents, the sensitive receivers, "R" stands for residents, and we have them at four locations. And the left screen shows what the predicted noise level from the Redhawk facility is, on the left at those locations.

My eye cannot -- oh, yes I can, 42 -- I'm looking at R-1 on the far left screen. I'm having a hard time seeing the numbers, my apologies.

CHMN STAFFORD: It looks like 42.6.

MR. TURNER: Thank you, I appreciate that. I think the take-home message is that none of these

sensitive receivers have we increased by 1 decibel. We're at a .2 to .4 range of a decibel increase at these receivers, which are 1.8 miles away being the closest and the other's about 3.

CHMN STAFFORD: I have a quick question about R-1. The decibels there, the 42.6 in the first on -- the 42.6 on 297 and the 43.3 on 298, is that just measuring the noise from Redhawk or does it also include the noise from, is it Arlington Valley, which is directly south of that?

MR. TURNER: Thank you for that question.

We are predicting Redhawk only, so if Redhawk was the only operator in this valley, R-1, which is over 3 miles away, would have a sound level of 43.3.

CHMN STAFFORD: Which would be completely obscured by the sound coming from Arlington Valley, which I'm assuming is going to be probably closer to 55 or 60?

MR. TURNER: It's a half a mile from that particular noise receptor.

CHMN STAFFORD: All right.

MR. TURNER: So I've mentioned a 1 decibel -- less than a 1 decibel increase at these sensitive receivers. Our human ear can perceive about a 3 decibel change, so the people at these locations probably would not perceive a change from a noise level

at this point.

Do I need to talk about the sound levels? I know you guys have heard different --

CHMN STAFFORD: Member Hill has a question.

MR. TURNER: Okay, I'm sorry. Yes.

MEMBER HILL: No, that's fine.

Curiously, I note that R-4 goes down?

MR. TURNER: I can see this screen at 42 with -- which is the --

MEMBER HILL: Oh --

MR. TURNER: -- 298, I believe it's gone up --

MEMBER HILL: -- I misread it. I flipped -- I was flipping back and forth.

MR. TURNER: It looks like it's gone up 3 decibels --

MEMBER HILL: Yeah. Yeah.

MR. TURNER: -- at that location.

MEMBER HILL: Okay.

MR. TURNER: Excuse me, .3 decibels.

MEMBER HILL: .3, correct. Correct. That was my only question. So I misread it, apologies.

MR. TURNER: I have a table up that's also from the report. It's the summary of what we just talked about, and at this scale we're showing the noise levels

at 43. We're not showing the .2, .4. Again, these are all a minimal noise increase from the existing Redhawk. So therefore, we believe minimal impacts are expected due to the operation of the eight new units at Redhawk Power Plant and, therefore, we feel it's environmentally compatible.

And again, I'd like to say that our modeling, the contours you saw, was worst-case scenario with all of those turbines moving.

CHMN STAFFORD: Thank you.

Member Fontes, you have a question?

MEMBER FONTES: Thank you, Mr. Chairman.

And you can appreciate we're sensitive to noise and visual, based upon the other hearings that we've had to do in the past, I'll call it a quarter.

Mr. Derstine, I don't know if this is an appropriate time, but at some point could somebody walk us through design and how they factored into the design addressing noise on things like the combustion inlet filters? The exhaust stack mitigation noise, which uses a shroud of the piping system and the air cool condenser? Those are the major issues that we typically see the noise, and I understand this is a rural area, but I want to capture that for the record.

And then a last request, you did make some

modifications of the peaker plant in West Phoenix on the install there, and I want to know if those were taken -- what were those and how they were taken into account for the design here. So, again, related to noise, not the studies, but actual into the design how we factored those in is what I'm looking for to capture for the record. Thank you.

MR. DERSTINE: I'm looking across the room at our brain trust over there, and someone is going to dig into those answers and we'll be prepared to respond to those maybe at the next break.

CHMN STAFFORD: I think now is a good time for a break. We've been going for about 90 minutes and I'm sure Robin is ready. So let's take a 10- to 15-minute recess.

We stand in recess.

(Recessed from 10:39 a.m. until 11:16 a.m.)

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

Mr. Derstine.

MR. DERSTINE: Thank you, Mr. Chairman.

Q. Mr. Turner, I think we wrapped up, but I want you to add anything to your noise conclusions and analysis.

Did we cover your final noise conclusions?

A. (MR. TURNER) We did finish the noise conclusions. I have one slide sort of summarizing all the studies I've just discussed.

Q. Well, give us that summary, please.

A. (MR. TURNER) So we've just talked about land use, biology, cultural, visual, the project does conform with applicable management plans, as we discussed with the land use discussions. The project is located within industrial zoned land within the existing power plant project. It is adjacent to the existing facilities.

It results in minimal impacts to the existing and planned land uses, recreation, visual, noise, cultural, and biological resources. This project is environmentally compatible. We have not talked about public involvement. We'll be talking about that in just a little bit. I just wanted to wrap up the physical sciences.

CHMN STAFFORD: Thank you.

BY MR. DERSTINE:

Q. As part of your discussion on the visual impacts for the project there was a question about the Maricopa County's Dark Sky Ordinance, and whether or not the existing plant is in compliance with that.

Did you do any digging and do you have an answer for that?

A. (MR. TURNER) I have been digging into the regulations. The restriction -- the Maricopa County zoning ordinances were in chapter 11 is where the lighting elements come into play. The project has -- or, excuse me, the zoning ordinances restrict certain types of lighting, and as a project is being approved, they have to provide that documentation as part of their approval process.

So I would assume the existing Redhawk facility had to go through that facility -- that process and the lighting obviously would be in compliance.

Q. And the other plants that you identified that are in proximity to Redhawk, Mesquite, Arlington Valley, they have similar lighting; is that correct?

A. (MR. TURNER) They would have had to have gone through a similar process with the County as they were being approved.

Q. Okay. And then as to the expansion project, Mr. Van Allen, do you want to speak to what's been spec'd or what will be spec'd for the expansion project with regard to lighting and whether that will comply with the applicable ordinance?

A. (MR. VAN ALLEN) Yes, Mr. Derstine.

I'd like to add to the record, you know, we're still in ongoing negotiations. We've not completed

detailed design, and there's a very thorough process once you get under -- under contract. But regarding lighting, the EPC contractors stated in documents we've got on file at this time, "Lighting design will be in accordance with the Illuminating Engineering Society of North America, IES." I didn't know there was a -- such an organization. And that they'll use the most current handbook, which is the 10th Edition, which sets the standards and kind of complies with green building design standards.

The supplier will install approximately 45-foot tall lighting poles that have three LED lights on each pole that are faced in the downward orientation for area lighting. And, you know, across the expansion project they anticipate approximately 20 to 25 poles that would be positioned around the facility to provide adequate lighting for operation and maintenance.

And during the detailed design process, we have the ability to influence -- the lighting design will be submitted to APS. We can comment on that and ensure that we will comply with the dark sky requirements.

CHMN STAFFORD: And will that require -- because those pictures of the existing plants, the lights seem pretty bright at the top of the stacks. I mean, are they on all the time? It seems like those don't need to be on most of the time, because the nearest residence it

seemed pretty bright at night in that -- in that photo.

MR. VAN ALLEN: Chairman Stafford, there were different photos that were showed during Mr. Turner's presentation. That lighting does stay on. Operators make rounds through the units during normal operations validating the system is safe and operating as intended. So I -- you know, without going out and using light meters and doing a full light study to survey that, you know, it was designed, originally built to the standard that was in effect at the time. So that's the best I know at this time.

CHMN STAFFORD: All right. Thank you.

BY MR. DERSTINE:

Q. To your knowledge, Mr. Van Allen, has APS been ever -- ever been cited for violating a Maricopa County lighting ordinance with regard to the Redhawk Plant?

A. (MR. VAN ALLEN) I'm not aware of a notice of violation for the lighting standard, Mr. Derstine.

Q. Okay. All right. Before the break, Member Fontes asked I think a couple questions since I've got you have at the mic, one -- well, yesterday we had a question on gas quality. Can you speak to that? One was who regulates gas quality and is there a difference between the gas quality that comes from the Permian Basin and what's the other location?

CHMN STAFFORD: San Juan.

MR. VAN ALLEN: Basin, correct.

So with further investigation we've identified, ultimately, gas that gets put into an interstate pipeline FERC sets the standard, right, for that. So they set that standard and all producers have to put product in that meets that standard, otherwise, they can't -- can't put it in the pipeline.

And regarding -- there's no operational -- the difference between the Permian Basin and the San Juan Basin, from an APS perspective and the operations team, there's no noticeable difference between those two gas sources. There is multiple gas fields within each respective, you know, the Permian Basin or San Juan Basin, so it gets blended together, so by the time you get it, you know, all of them have complied with the FERC requirement and it's not noticeable to us by the time we -- we use it for our process.

CHMN STAFFORD: Thank you.

Member Hill, you have a question?

MEMBER HILL: Sure. I was trying to figure out when to ask this question. So maybe this is the best time, because it is about the fuel. I was reviewing the proposed language for the CEC last night in preparation for ending this hearing today, hopefully, but there's a

lot, you know, even in the project description there's a description of potentially using hydrogen, which I don't think we usually include in the project description. And then WRA had asked for some language around hydrogen. I was -- so clearly we've contemplated hydrogen use in this project.

In contemplating hydrogen use in this project, are you thinking that hydrogen would be delivered by -- how would the hydrogen get to the site and be blended? Is there a facility that would need to be added to the site plan? What's the thought on the hydrogen use? Can you please talk to us about that? Thank you.

MR. VAN ALLEN: Member Hill, I believe Mr. Cole's better suited to speak to that item.

MR. COLE: Committee Member Hill, I'm happy to jump in. During my testimony on, what day of the week are we on, Monday, we did speak about this a little bit, but -- but it's a fair question, because I think, you know, if we -- if we say we're contemplating it, it's important to understand why, so no problem with the question.

The reality is the machines are capable of burning up to 35 percent hydrogen today. The other reality is that there is no clear path to be able to

actually do that, right. There is no plan on how you're going to distribute it. There's no plan on how we can get it. All of that is still very much up in the air.

We only point that out to be clear that today these are gas units. They're going to run as gas units. We need them as gas units for reliability. But we are leaving that opportunity in the future to be able to, if the technology advances, if the distribution advances, to the point that it makes sense for our customers, then we could move forward with hydrogen.

And so there are no current plans. It is just trying to hold out an open option to allow that to happen in the future. I hope that helps a little bit.

MEMBER HILL: Yes, thank you.

Given current technology and available infrastructure I kind of just see two ways that the hydrogen could be blended or included. It would either come via pipeline or it would be blended into the natural gas potentially one day in the future or it would be truck traffic. Have you guys -- and given that there's a lot of hydrogen facilities and production facilities, considering locating in the Valley, have you given thought to any of how that hydrogen would get to the site and be blended into the system?

Would you need new facilities in your site

plan or other things like that that we might want to consider in issuing the CEC?

MR. COLE: Committee Member -- sorry -- Hill, you're asking all the questions we are. We don't know what that will look like. We've thought about, you know, could it be blended in a pipeline at some point in the future. The reality is that everybody that uses that pipeline would have to use that same blend, and so that becomes difficult. Will it be new pipeline?

I have a hard time getting my head wrapped around truck traffic, because the volumes that you would need in order to operate a power plant would be, I don't think you could make a truck big enough. So I think there's a lot of questions yet to be answered. I do think that there are some contemplations of some -- something in the CEC that kind of lets us come back and put reports to let you guys know when we do get to that point we'll absolutely document that, you know, talk about all the different components, the economics, the pieces, the distribution.

So I think that was talked about on the first day and so, you know, we're okay with doing that, because we know that has to be done anyway.

MEMBER HILL: Okay. My apologies for repeating this. I literally missed one hour, because I

got on a flight and I just missed like the latter portion of the day, so I apologize. But thank you for revisiting that topic with me.

MR. COLE: Committee Member Hill, no apology is necessary. And I'm happy to restate anything I need to restate. Thank you.

CHMN STAFFORD: Member Fontes, you have a question?

MEMBER FONTES: Thanks, Mr. Chairman.

I also apologize, because I missed part of the hearing yesterday on the phone, the end of the air emissions. And one of the things I was wondering because you've got close proximity to the solar plant there, and I believe they have a 15-year PPA with APS. I've seen this in other jurisdictions, again, I've been a developer too.

Is there a permission that you have to get from that solar plant developer or occurrence to avoid any potential future liability or insurance from ground-level ozone or particulate matters from pollutants impacting their operation?

Again, because they're pre-existing, and I think they came in after the Redhawk initial plant, but now you're going to put the peaker plant on top of that, could that impact the performance with that study? Are

you going to have to have an insurance product? How does that relate to them as it could be handled through these environmental factors?

That's what I'm trying to get a sense of here, have you looked at that?

MR. COLE: I'm probably not the right person to answer that question, I'm kind of looking across the room and hoping for a little call-in here, but I think if I were to speculate, and that's all it would be, Committee Member Fontes, if we are complying with all of our requirements for putting in the power plant specifically from an air quality standpoint and from the other components there, I'm not sure there would be any impact to be mitigated, for example, a solar plant.

But I -- I don't think I could go any further than that without getting some help in the -- at a break or something like that.

MEMBER FONTES: No issue, and I know it's a tough question. I just wanted to know if you thought through that in the design and the planning and the permits in terms of the mitigation of that that you should take, for sure, probably in financing, but in terms of insurance or getting a permission from that, that solar plant in the event that that contingency happens. So I appreciate you addressing it. Just so we

can have it for the record. Thank you.

MR. COLE: Thanks, Committee Member Fontes.

BY MR. DERSTINE:

Q. Mr. Cole, while you have the mic, Member Fontes had raised a question around decommissioning, are you able to speak to that issue?

A. (MR. COLE) Yes, Mr. Derstine.

Committee Member Fontes, related to the depreciation and maybe -- maybe to give a little bit more color around it, first of all, when we talk about depreciation, this will be part of a generation asset class when it comes to depreciation; however, each individual component is -- is calculated and done separately based on the in-service and then when we get to an in-service and expected lifetime. So I'm leading up to the direct question, but give me a second.

So I did want to be clear that this project and the assets around this project will be treated as a separate item and calculated on their own, so they'll be included in a broader asset class. But as a public utility corporation, we have obligations and ways that we do accounting, and I did testify that I'm not an accounting expert, I will reiterate that. But the way that is done is we'll treat that on an individual basis, then it will rolled up into the broader generation asset

class that will be found in all of our filings and I believe both FERC filings and ACC filings.

Now, getting to the -- the -- was it a depreciation question or was it a --

Q. My -- my apologies, I think Member Fontes maybe had both questions, one was how you were treating it for FERC accounting purposes and depreciation, and then he had a separate question about how APS intended or did have any plans for the ultimate end of life for this plant whenever that might occur.

A. (MR. COLE) Thank you.

MEMBER FONTES: Mr. Derstine, if I could add color to that, just to help get to the answer, because they're kind of commingled, it's on cost recovery. It was noted that the -- you guys are going to use the accounting treatment as CWIP, that would be capitalization on recovery as allowance for use during construction. And then it's going to be rate-based, okay? So that would be treated as a separate asset. And we'll eventually have a separate FERC form filing one in the base plant for the peaker units, if that's the case.

Can you confirm that.

MR. COLE: So I -- Committee Member Fontes, as I was explaining, we will be treating this project as a separate item, and so it will have its own -- I'll call

it calculations done, so you are correct.

MEMBER FONTES: So it will have its own rate base for accounting and operation for business and FERC filing?

MR. COLE: Correct.

MEMBER FONTES: Okay. That was the first thing, because I just wanted to make sure that it's separate in terms of an asset as we represent it on the balance sheet of Pinnacle West and APS in the base plant. Then the second thing is how -- how do you guys handle decommissioning? We're all about the Certificate of Environmental Compatibility, can you educate and inform here, and for the record, how do you guys think about the lifecycle of an asset for environmental mitigations and the Commission, just for the record, Brian. Appreciate you.

MR. COLE: Sure. Sure, Committee Member Fontes. And so just to try to make sure that I'm saying this the right way, there are -- there are differences, again, as a public service corporation, there are differences in the way that we deal with things in the public utility space than others might. So we can't really make a connection to last week's hearings here.

MEMBER FONTES: Yes, sir. And we just want to make sure we get it from your perspective, in your

case. So you and I are 100 percent synced on that.

MR. COLE: Okay. So -- so what we do is, in the case of an asset like a gas plant in this case, where APS owns the land, APS will own the plant for our customers' benefit, we will -- when we put this asset into rate base, we will establish what we believe a potential end of use of the asset need to do whatever we need to do. And I -- and I -- I'm hesitating to use words because you never know whether you're going to repurpose, whether you're going to take it down, what you're going to do, but we make an estimate of what we think that will be.

That then is essentially charged as part of that asset in our rate base toward our customers, and it becomes a -- I think the term is a regulatory liability. And so we're collecting that on behalf of our customers, because we know we have an obligation at the end. Along the way, right -- these assets last a while -- along the way, there may be changes to that based on what we now know. There may be federal regulations, state regulations, other things that occur, we may have to adjust it. Or we may determine there's a better way to do it and it's going to be less expensive and we can then change that going forward to adjust for that.

But either way what we're doing is we're

building in that on a regular basis and then each rate case we'll update that. And so that will be part of the asset itself and what gets collected. So very different from when you have a Palo Verde Nuclear Generating Station, there are federal regulations that dictate what that's going to look like at end of life and so we have to plan that one in a different way, but an asset like this, that's the way we take care of it.

MEMBER FONTES: So for my fellow members, it's a complete different treatment in that a regulating utility, in this case Arizona Public Service, has in the rate base a fund for all their assets for either end of life or reutilization purposes, where a merchant plant does not. So, in essence, in my personal opinion that end-of-life risk that we have to the environment is fully mitigated here, as opposed to what we saw last week.

Mr. Chairman, thank you for the opportunity. And, Mr. Derstine, I really appreciate you following up on these, as well as you, Brian.

MR. COLE: My pleasure.

CHMN STAFFORD: Thank you.

Member Hill, you have a question?

MEMBER HILL: Member Fontes, I tend to agree with you on mechanisms for decommissioning and de-risking that working with APS. I just want to point

out that there are some coal plants that have been decommissioned and had to be taken down, and there was some mitigation that even APS proposed, I think of Navajo Generating Station, where the economic impact was really significant in that community to losing Navajo.

And I think a couple of utilities were coming together to try and mitigate that, and you couldn't put it into rate base, if I remember right. You tried to figure out how to make that work, because all of our -- the low cost of electricity for decades, as a function of that facility, created a lot of economic opportunity for lots of folks. And you were trying to mitigate the impacts on the Navajo Nation and up in Coconino County, and we couldn't rate base it.

So I do think that understanding your decommissioning thinking and the life of a facility that you're using is helpful. And while I definitely see it being different than a merchant developer, I think we'll continue to ask these kinds of questions and get your perspective on that decommissioning.

Because when we build these facilities, we can't always, like you said, Mr. Cole, contemplate what -- what that decommissioning is really going to look like, and it's going to change over time, and so I just want to make sure that we're being conscientious about

that. So thank you.

CHMN STAFFORD: Any other questions from members?

Mr. Derstine.

MR. DERSTINE: I think Mr. Van Allen had a follow-up to another question that came from Member Fontes just before the break relating to -- let me make sure I get it right -- silencing baffles, et cetera, that are part of the LM6000 package and are those -- will those be included in the expansion project.

MEMBER FONTES: Mr. Derstine, if I can help out your team there.

MR. DERSTINE: Please, yeah.

MEMBER FONTES: I'm just looking for education and information that you have based on the West Phoenix peaker plant's design that you're going to incorporate, because I guess Mr. Van Allen has informed us that you don't have a final design on this plant -- peaker plant yet, but what are those things that you've done on other peaker plants that you're going to incorporate in this to abate noise that you always do in terms of the APS other peaker plants?

So, you know, and those things are the things that I listed, shrouds, barriers, and other improvements on the plant, just so we capture that,

again, sensitivities based on last week's hearing that I think you all listened to. So we want to be consistent in our treatment in terms of the design part to address any future potential noise issues, because sometimes modeling is wrong and sometimes conditions change as plants evolve.

So thank you, Mr. Derstine, that's where it was coming from. Hope that's helpful.

MR. DERSTINE: That is. Thank you, Member Fontes. Let me ask a clarifying question to Mr. Van Allen.

Q. Mr. Van Allen, is -- is West Phoenix a peaker plant or is it a combined cycle plant?

A. (MR. VAN ALLEN) So there are seven units at the West Phoenix Power Plant, Mr. Derstine.

Q. Okay. And are they peak -- are they simple cycle peaking units or what's the nature of the units that are located there?

A. (MR. VAN ALLEN) I'm thinking through all the units just so I speak accurately. There are five combined cycle units at that facility, West Phoenix Station, and there are two simple cycle units at that facility.

Q. And so I --

MEMBER FONTES: I might orient you to

Securities and Exchange Form 10-K, the annual report filed on December 31st, 2023, it's represented that there's two units there, there's two plants there at West Phoenix, one being stated a peaker plant on your annual report, if that's helpful.

MR. DERSTINE: Yeah. And I think Mr. Van Allen indicated there's two peaking units at West Phoenix. The remaining units are combined cycle units.

Q. So were there any upgrades or -- performed on the peaking units or maybe at another APS plant that, I guess, informed your decisionmaking about the LM6000 packages that you're using for the expansion project at Redhawk, and do those incorporate, I guess, the best available noise, silencing, and baffling technology?

Did I -- did I capture what you were looking for, Member Fontes?

MEMBER FONTES: Perfectly. Thank you, Mr. Derstine.

MR. VAN ALLEN: Mr. Derstine, Mr. -- or Member Fontes, so there are no LM6000 units at the West Phoenix Station, right, they're different units. The Redhawk Expansion Project is LM6000 packages. They are configured with silencers. They have a silencer in the stack. There are acoustic panels within the package that limit noise and there are sound guarantee levels that are

written into the agreement that are still being developed that are guarantees that are consistent with the guarantees that industries had for LM6000 packages for several decades now.

And the exact number of that is 85 decibels at a height of 1.5 meter, 1 meter away from the equipment. And that's a guarantee that's written in the agreement, and they will go through and do a test and ensure that they're complying with that. That's the design standard that Mr. Turner used as an input into his model, as he did the sound, right. And I think the facts of the Redhawk facility with its proximity to the nearest resident are much different than maybe the West Phoenix Station which is, you know, more in the west -- West Phoenix area.

BY MR. DERSTINE:

Q. So what I heard you say is that you'll be utilizing whatever the state of the art noise-reducing elements for all the various components of the LM6000, and those will be utilized at the Redhawk Expansion Project?

A. (MR. VAN ALLEN) That is correct.

Q. And then those numerical values that are specified by General Electric or the manufacturer or the EPC contractor were utilized by Mr. Turner in his noise

modeling?

A. (MR. VAN ALLEN) That is correct.

MR. DERSTINE: Member Fontes, did you have any more follow-up on that issue?

MEMBER FONTES: I just want to clarify, because I think it's important for the record and I think it's a positive attribute, you have an EPC contractor, you're going to do independent noise testing as part of your commissioning plan. If there's performance issues on noise or other operation issues, that is incumbent upon the EPC contractor to either pay them out in performance scheduled liquidated damages or do the corrective action plan and do a punch list; is that correct, Mr. Van Allen, what I heard?

MR. VAN ALLEN: Member Fontes, that is correct.

MEMBER FONTES: So you have mitigated it in the event that it's not designed to address the issues. Thank you very much. I just wanted to capture that for the record.

Mr. Derstine, I don't have any further items. Mr. Chairman, but I appreciate you indulging me in this for our record.

MR. DERSTINE: Thank you.

CHMN STAFFORD: Thank you.

So I believe you're ready to move on to the public outreach portion?

MR. DERSTINE: I think we are. And Ms. Benally is going to take our witnesses through that final piece of our case.

BY MS. BENALLY:

Q. Okay. Let me start with Mr. Turner.

A. (MR. TURNER) Yes.

Q. So let's start by outlining the various outreach methods that APS used.

A. (MR. TURNER) Yes, I'll be happy to discuss that. The first element I was wanting to talk about was the notification element first before I went to my next slide. The notification area is called up on the right screen of APS-11, slide 308, and again, the Redhawk Plant is in the center and we utilized a three-mile area for our notification area. Again, this was due to the smaller number of residents nearby to the power plant, as well as mirroring the U.S. EPA's environmental justice review tool.

I do want to point out, though, we did expand the three-mile area at two locations, they're both in the general area. I'm using my pointer to point out an area of the circle that's broken. There are two little, small steps and then a larger step. The larger step that you

see that goes beyond the three-mile buffer was to include the entire platted community from 1970. We've mentioned this community several times, and only about half of the parcels actually have structures, but we wanted to notify everybody in that community. So landowners and existing residents were notified, and that larger area was to grab all the way up to South Mountain Road, which is the northern boundary of that community.

As we did that, though, we noticed that the three-mile area also was sort of bifurcating a group of about five homes, and we utilized the Maricopa County's assessor web page, and they all had the same last name, so we wanted to make sure that everybody, their brother, their sister, mother got the same notification, and I didn't have to knock on their doors. So that's where you see we've expanded out beyond that boundary.

And to Ms. Benally's question about our outreach efforts, we utilized several different opportunities, including project mailings. We did develop a virtual open house. We did have an in-person open house on June 6th. APS held stakeholder briefings. APS also had, in addition to the virtual open house, they also have a project web page, we'll talk specifics in a minute. We did have a project telephone hotline, an 800 number set up. And APS also utilized social media ads, as well as

their own customer email databases. And we'll talk more about all of those items here in just a moment.

Q. Thank you.

Let's start with discussion or testimony on project mailings.

A. (MR. TURNER) Thank you.

So I just mentioned that we had the three-mile area. Within that notification area, there approximately 460 landowners, and we utilized the U.S. Postal Service as well as Maricopa County's Assessor's page to generate that mailing list. And we sent them a newsletter on April 12th that was calling their attention to the virtual open house, as well as letting them know information about the in-person open house, which was on June 6th at the Arlington Elementary School.

In addition to the newsletter -- by the way, the newsletter is on the right screen. It is an exhibit in Exhibit J of the CEC application. It was a two-page newsletter that was bilingual, all of our outreach efforts were produced bilingual if I forget to mention that again.

In addition to the newsletter, we did also send out postcards, smaller, just reminding them of the June 6th open house. And then again, in August, on August 5th, we sent a follow-up postcard that provided

information about this hearing, and we'll talk specifics about responses to that, but those -- that was the public mailings element of our outreach efforts.

Q. And APS held a virtual open house; is that right?

A. (MR. TURNER) Correct. The virtual open house was launched on April 12th, the address is up there. I hope everybody had time to take a look at it. These are engaging opportunities for the public. We've set it up, the screen on the right side has a couple screenshots from there. We had message boards that talked about the project schedule, the project overview, the CEC process, as well as specific summary statements from our technical reports.

And again, each of those boards, depending on which side you would click would be an English version of that message or a Spanish version of that message. The virtual open house was quite successful, I would have to admit. We had over 1,300 unique visitors, I've updated that from the slide that you see there. And "unique visitor" means, you know, a tablet or a phone or a computer. And so a person in their household may have visited off of several different devices, but we like to think that it's multiple people looking at that.

In addition to having 1,300 unique visitors they

did visit the site more than 2,100 times. So we feel like the information was there for them to be able to -- to digest. And the virtual open house had an opportunity for the reviewer to send an email or to call the 800 number. And the email link and the 800 number were used. We'll get to that in a moment.

Q. And the opportunity for the public to submit comments via the open house was available since April 12th, and it's available up to today; is that right?

A. (MR. TURNER) Correct. The virtual open house is still live and all the links are still working.

Q. All right. Then we also held an in-person open house, right?

A. (MR. TURNER) We did.

Q. Can you walk us through that?

A. (MR. TURNER) Yes. I'm happy to.

We utilized the Arlington Elementary School, which is about 2.5 miles from the project site. We wanted to be in the area, because obviously, the community we want to get the people in the general vicinity. That was held June 6th, at the Arlington Elementary School in their gymnasium. It was from 4:00 to 8:00 p.m.

We did have 15 people from the general public

attend the meeting, and we did have written comment forms that could be filled out on-site and left behind or mailed in as -- at a later date, and several of the people that visited mentioned they had neighbors that they wanted to get the comment cards to.

We did receive seven written comments after the public open house in April, six were left behind and one was mailed in. And the summary of those comments I'll get to in a little bit as well. They are included in APS-20 in the exhibit binder.

Q. Thank you.

So up to this point you've walked the Committee through the outreach that we've done with the general public. APS is also required to do outreach to agencies and jurisdictions. I believe that's your next slide. Would you walk us through that?

A. (MR. TURNER) Yes, happy to.

So we are in unincorporated Maricopa County, so we didn't have a city directly to communicate with. We held one-on-one -- APS held one-on-one briefings with the local jurisdictions that included Maricopa County's Planning Department and the Supervisor's Office, the Governor's Office, the Energy Policy Advisor. As we mentioned earlier, the Arizona State Historic Preservation Office is also being communicated for

specifically.

The screen on the right shows some of the representatives that were reached out. Arizona District 25 is the area, the senator and the representatives were reached with information, again, steering them to our prepared materials, as well as allowing them one-on-one conversations.

I mentioned we are in unincorporated Maricopa County, the nearest incorporated county -- excuse me -- incorporated city is the City of Buckeye, and we did meet with the mayor and the City manager just as a courtesy as well to let them know our intentions at Redhawk.

And then, finally, the local Arizona Fire and Medical Authority, we met with the fire chief and the assistant fire chief just, again, letting them know about the project and giving them an opportunity to communicate.

Q. To your knowledge, were there any particular concerns that were raised by any of these stakeholder meetings?

A. (MR. TURNER) No concerns came back.

Q. Thank you.

So APS also used other methods to publicize the project more -- project information a little bit more broadly. Can you walk us through those methods?

A. (MR. TURNER) Yes.

So I've mentioned the virtual open house, which had a specific address. In addition to that, APS has a project web page dedicated to their transmission and power line projects where they keep additional information on the project, including the CEC applications and all the materials from this hearing. That address is on the web page. It is not intended as interactive with a link to email back. The virtual open house is where that avenue was available.

In addition to that web page, there was a project telephone information line. My company set up an 800 telephone line. It was utilized a few times, twice. During our Monday public opportunity, that 800 number was given out. We have not received a phone call this week using that number. The two phone calls that did come in, as I mentioned, this community has residents that are there, as well as landowners that are outside of the state or maybe the county, and that seemed to be the avenue for them to reach out. They were most curious about if APS needed land for the project.

In addition to those elements, APS also has been utilizing social media ads, and again, we're in a rural area that doesn't have much population, so both Facebook and Instagram suggested that a 10-mile buffer be

established for the social media ad. So it went out broader than our area.

We placed ads in May -- May 17th through May 31st, again, to try to generate -- provide general information, as well as information about the virtual open house, and the in-person open house. And some of those ads, they are in the exhibit binder, under Exhibit J, as some of the figures. I have them on this right screen. The social media ads were both in English and Spanish, and they -- I just wrapped them around here. They had a picture, as well as a message and then links back to project information, like the virtual open house.

Those social media ads seemed to be fairly productive with a 10-mile radius. It does seem to extend far enough north to grab I-10, so passengers in vehicles who are scrolling through Facebook might see that ad pop up when they pop through that area. But what I would like to point out is that it was -- the reason I say it was successful is at our virtual open house level, I can track how visitors hit the site, and in the May timeframe, 860-plus people used the social media ads to actually link to the virtual open house. We didn't quite get as much attention here in August, we had 100 new visitors through that avenue with social media ads, again, linking them back to the virtual open house. And

with the virtual open I can see those numbers. So in my opinion the social media ads had served a purpose and did get people directed back to the virtual open house.

In addition to that, we used -- APS used their customer emails, so if a customer provided an email address to them to say that you're allowed to reach out, that email was utilized for the customers in the general area that are served by the lines in the notification area.

And then, finally, in addition, newspaper ads were placed in the West Valley View, which services our project area, as well as the Arizona Republic. And that ad is in this top center of the screen on the right. And again, it had a -- what do you call, I apologize, URL code -- sorry, I'm old school, my apologies.

MEMBER FONTES: QRC.

MR. TURNER: Excuse me?

CHMN STAFFORD: I think Member Fontes said "QRC."

MR. TURNER: QRC, thank you. QR code, I think.

BY MS. BENALLY:

Q. QR code.

A. (MR. TURNER) QR code. And then general information.

Q. Mr. Turner, back to the newspaper ads, the focus of that communication was related to the virtual open house or the project launch; is that correct?

A. (MR. TURNER) Correct. The newspaper ad for the open house was in the West Valley View, the local paper. The Arizona Republic was more utilized for the hearing announcements.

Q. Okay. Thank you for that clarification.

You also mentioned that you compiled a summary of public involvement, which is APS 20 in the exhibit binder. Is there anything in particular you want to cover from that exhibit or have you covered it in your testimony so far?

A. (MR. TURNER) I have not yet. I was going to switch to the summary slide, which would talk about those public comments in just a brief overview.

Q. Okay.

A. (MR. TURNER) So we did --

Q. Let's move there, then.

A. (MR. TURNER) Yeah.

So Just to summarize, our public involvement, our outreach efforts. We provided, as you saw, a robust opportunity to virtually reach out, as well as to call someone and to speak to someone on the phone. We utilized social media and other avenues, so it provided a

great opportunity to get to the virtual open house, which showed summaries of the environmental studies.

Newsletters and postcards are obviously, if people get mail, that is a good way to talk about a project in the general vicinity. In general, I do have an update to that slide, we have 14 comments that were received as of August 5th, which is when I was pulling these slides together. The additional comment came in as a fifth email. So we have five emails, two phone calls, and seven open house comments.

Those are summarized in APS-20. There is a table at the end of that short report that has those comments with names redacted. In general, the open house comments were in support of the project.

The phone calls, again, were looking for questions about the amount of land needed for the project, and the emails were, as you can see in the comment forms, asking projects -- project-specific questions or in support of the project.

MEMBER KRYDER: Mr. Chairman?

CHMN STAFFORD: Yes, Member Kryder.

MEMBER KRYDER: One question, Mr. Turner, I was quite taken, and this shows again my ignorance about your social media ads, you said people driving by on the 10 may have seen the ads, so this -- the way this works,

then, is you're just flying through an area from Tuscaloosa, Alabama, but you're on the 10, and the ad pops up on your phone, is that the way that works?

MR. TURNER: So it's called "an impression." And so if you're thinking of Facebook and if you're scrolling there, ads can pop up. You can click on them or you don't click on them. So that's an impression, and we do know that, because Facebook and Instagram track that, they monitor that, we know how many impressions were there. With the impression, though, you can then click on it and read that ad, which was on the screen up there. In addition to that, you can then click on a link in the ad which brought them back to the virtual open house.

So getting to your point, the purpose of the social media ads was to get the local population, but we -- the social media companies wouldn't let us keep it at a 3- to 5-mile range, they suggested it needed to be larger to 10 miles, and the only reason I brought up I-10 was because I know the area well enough that 10 miles would cover that traffic, so it is a possibility that someone, as a passenger, did see the ad that does not live in the area.

MEMBER KRYDER: Okay. So I'm flying through and the three kids are the backseat, each got

their phone, and so -- wow, I didn't realize that's the way it works, so thank you for the education on social media.

BY MS. BENALLY:

Q. So, Mr. Turner, just to be clear, on your slide 321, you note that -- I think it's your third bullet, that there were 13 comments that were received and you give the breakdown, however, APS-20 has been updated to reflect the 14th comment that was received via email; is that correct?

A. (MR. TURNER) That's correct. That final -- 14th comment came in on April -- or, excuse me, August 5th. That was an email.

Q. Okay.

Thank you. Is there anything more on public or stakeholder engagement that you want to cover or does that end your testimony?

A. (MR. TURNER) I think that ends my testimony, unless there's a question.

MS. BENALLY: Okay. Seeing none, let's move to Mr. Duncan.

MEMBER FONTES: I did have a question, Mr. Chairman?

CHMN STAFFORD: Yes, Member Fontes.

MEMBER FONTES: Question is, did your

outreach extend to other infrastructure, asset managers in the area, such as that solar project that's located adjacent or other gas plants?

MR. TURNER: I do recall there were 15 people that attended the public meeting, and I believe two were from one of the other gas-fired plants. Nobody introduced themselves as from the solar community or as an operator there, so that's not information they left behind in that regard.

MEMBER FONTES: But you went through the motions and you had others. That's useful. Any transmission -- independent transmission operators? Because I know there's an independent transmission line that goes on the periphery of that.

MR. TURNER: They would have been notified in our area. As a landowner in that area, they would have received of the mailings. Again, nobody identified themselves from that service industry during the public hearing -- public meeting.

MEMBER FONTES: Okay. Thank you. Appreciate it.

BY MS. BENALLY:

Q. Okay. Thank you, Mr. Turner.

So let's now turn to Mr. Duncan. Since you are appearing for the first time at this hearing, let's start

with your full name and business address for the record.

A. (MR. DUNCAN) You bet.

Good afternoon, Committee and good afternoon, Mrs. Benally. My name is Kevin Duncan and my business address is 2121 West Cheryl Drive, Phoenix, Arizona 85021.

Q. And you are a senior siting consultant in APS's facility siting department; is that right?

A. (MR. DUNCAN) Yes.

Q. Okay. Would you share with us how you've been involved in the Redhawk Expansion Project?

A. (MR. DUNCAN) Yes.

For this project, I served as an advisor and consultant on the CEC application and -- and its materials.

Q. And before we launch into your testimony, would you just take a moment to describe your educational background and your work experience?

A. (MR. DUNCAN) Yes.

I had achieved a bachelor of science in urban planning from the University of Utah and a master's of business administration from Benedictine University. I have 23 years of combined experience between 14 years as an environmental consultant and nine years as a senior siting consultant with APS. I have testified eight times

in front of this Committee on the cases that are listed there on the screen.

Q. Okay. Thank you, Mr. Duncan.

So your testimony, if we could get to your next slide, is going to focus on the statutory requirements for public outreach. Is that a good characterization of your testimony?

A. (MR. DUNCAN) Yes.

Q. Okay. All right. So with that, let's start with the formal notice requirements, which are triggered by -- by the application.

Are you familiar with the date the application was filed?

A. (MR. DUNCAN) Yes.

The application was filed on July 8th, 2024.

Q. All right. And then just for the record, the application is APS Exhibit 1; is that right?

A. (MR. DUNCAN) Yes.

Q. Okay. Great. So one of the statutory requirements is to publish the Notice of Hearing that was issued by the Chairman. Was that performed by APS?

A. (MR. DUNCAN) Yes, it was. The notice was published in the Arizona Republic on July 17th and July 20th, 2024. The notice was also published in the West Valley View on July 17th and July 24th. Here on the

right screen are copies of the notice as they appeared in those publications.

Q. And those are in the hearing binder as Exhibit 13; is that correct?

A. (MR. DUNCAN) That is correct.

Q. Another notice requirement is to post signs within the vicinity of the project; was that done?

A. (MR. DUNCAN) Yes, it was. Two single-sided signs and one double-sided sign were placed. The single-sided -- one of the single-sided signs was placed at the southeast corner of 363rd and Elliot Avenues. That is noted here on the right screen where I'm pointing with my cursor here.

A single-sided sign -- single-sided sign was placed at the southeast corner of 355th Avenue and Southern Pacific Railroad. Again, I'm pointing at that location here with my pointer. And, finally, the double-sided sign was placed at the southeast corner of 355th and Elliot Avenues. And I am pointing at that location with my pointer right now.

Q. And then the evidence of the sign posting is included as APS-18; is that correct?

A. (MR. DUNCAN) Yes.

Q. Thank you.

So moving on, there's another statutory

requirement that requires us to provide Notice of Hearing to the affected jurisdiction.

Who is that affected jurisdiction?

A. (MR. DUNCAN) The affected jurisdiction for this project is Maricopa County.

Q. And how was notice provided to Maricopa County?

A. (MR. DUNCAN) APS sent a certified letter to Maricopa County.

Q. Okay. And that's marked as APS-17; is that correct?

A. (MR. DUNCAN) Yes.

Q. Okay. The Chairman's Procedural Order requires APS that we place copies of the application and the transcripts from the procedural conferences at two public libraries. Would you walk us through when that was done and which locations they were placed at?

A. (MR. DUNCAN) Yes.

That was done shortly after the applications had been -- or, yeah, the application had been filed. The -- one was placed at the Buckeye Public Library Downtown Branch at 310 6th Street, Buckeye, Arizona 85326. The second was at the Buckeye Public Library Coyote Branch, 21699 West Yuma Road, Number 116, Buckeye, Arizona 85326.

And here on the right screen, we have confirmation from the librarians of receipt of the

application and placement at the reference desk.

Q. So I believe APS has two exhibits, APS-14 and APS-15 evidencing the delivery of the application and delivery of the transcripts; is that right?

A. (MR. DUNCAN) That is correct.

Q. Okay. All right. And then moving on to social media, the Chairman's Procedural Order required that we placed a notice of hearing, or at least advertised it via social media, which Mr. Turner discussed earlier; was that done?

A. (MR. DUNCAN) Yes, it was. And again, here on the right screen are copies of both the English and Spanish versions of that social media.

Q. The ad also included information about the project website; is that right?

A. (MR. DUNCAN) That is correct.

Q. Okay. Talking about the project website, we were also required to post the key filings, transcripts, and other project-related information on APS's project website; was that completed?

A. (MR. DUNCAN) Yes, it was.

Q. Okay. And the evidence showing that was performed is marked as APS-16; is that right?

A. (MR. DUNCAN) That is correct.

Q. All right. And then moving into other

information on the project website, can you walk us through what else APS posted on the -- on that website?

A. (MR. DUNCAN) Yes. This image here on the right screen is not the entirety of the website, but it does include some screenshots of some of the materials that are on the website. That includes a copy of the CEC application, the air permit revision application, the pre-filing and prehearing conference exhibits, public open house materials, newsletters, and it also has a link to the virtual open house.

Q. Okay. Thank you.

And then one final question regarding an additional action that APS took to inform the public of the notice of hearing that's occurring here is a postcard that was mailed; is that right?

A. (MR. DUNCAN) That is correct.

Q. Do you have the date of when that was mailed?

A. (MR. DUNCAN) I don't have it.

Q. I'm looking at our exhibit list here, APS-28 is evidencing that postcard mailing on August 5th of 2024; does that sound correct?

A. (MR. DUNCAN) Yes, that is correct.

Q. All right. Thank you.

Is there anything further you would like to speak to regarding your involvement in this case?

A. (MR. DUNCAN) No, there is not.

MS. BENALLY: Okay. Great. Thank you.

That concludes Mr. Duncan's testimony, as well as Mr. Turner's, unless there are questions.

CHMN STAFFORD: I must have blinked and missed it. Did you reference APS-27 with the social media posting with the hearing information?

MS. BENALLY: If I did not -- oh, yes, I did.

CHMN STAFFORD: Okay. Mr. Derstine, there's a number of exhibits still left, are you planning on introducing those or are you planning not to offer or withdraw them?

MR. DERSTINE: There are a number. I was just taking a look at our exhibits list. I'm happy to go through those now or if you'd like to do it after lunch, whatever your preference is.

CHMN STAFFORD: Yes, it is a quarter after 12:00, it is lunch time. We can come back from lunch and cover the exhibits, and get them -- make sure we cover them and admit them. And then we can start discussing Conditions.

MR. DERSTINE: Very good. Thank you.

CHMN STAFFORD: All right. Well, let's take an hour break for lunch, so we'll be back at

approximately 1:15.

We stand in recess.

(Recessed from 12:14 p.m. until 1:20 p.m.)

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

Mr. Derstine, I believe we have a few exhibits left to cover.

MR. DERSTINE: Yeah, would you like to go through the exhibits?

CHMN STAFFORD: Let's see, we have -- I have everything from 1 through 21 has been covered. What we haven't discussed is 22, 23, 24, 25, 26, 29, 30, 31, 32, and 34.

MR. DERSTINE: Yup. If you'd like, I can walk through those and tell you some of those will be withdrawn.

CHMN STAFFORD: Okay.

MR. DERSTINE: Some of those I think have been covered, but tangentially. We didn't -- yeah, so let me -- starting with 22, is that what you said?

CHMN STAFFORD: Yes.

MR. DERSTINE: Okay. So the Exhibit APS-22 is the North American Electrical Liability Corporation 2023 long-term reliability assessment. Mr. Cole spoke to quoted language from that, and spoke to that as being

kind of the underpinning and support to help support the need for flexible natural gas as part of balancing of resources and the need for this project.

APS-23, similarly, was the 2023 Western -- Western Assessment of Resource Adequacy by the Western Electricity Coordinating Council, similarly quoted from and spoke to by Mr. Cole in his testimony, and the quote from that was incorporated in his witness slides.

Happy to withdraw -- well, 24 and 25 -- no, withdraw 24. 25, 26 we did not speak to, those are simply articles that deal with new battery energy storage, resources that APS has entered into PPAs or tolling agreements, but I think, you know, Mr. Cole and Mr. Eugenis spoke to the amount of battery storage that APS is utilizing as part of its broad mix of diverse resources, but we didn't specifically speak to those, so I'm happy to withdraw those.

CHMN STAFFORD: All right.

MR. DERSTINE: 27 and 28 --

CHMN STAFFORD: We've covered those.

MR. DERSTINE: Those were covered in the testimony today. 29 and 30 were simply recent articles dealing with new peaks hit by APS and some of the other utilities in the area. Mr. Cole testified about the number of times that APS has hit a new peak and as well

as the hitting the peak I believe on August 4th of this year, but I'm happy to withdraw those.

CHMN STAFFORD: All right.

MR. DERSTINE: 31 was -- we'll withdraw that as an exhibit. It may be planned to be used in the event that WRA participated in the case, same for APS-32. We've covered APS-33 through Mr. Spitzkoff's testimony. Withdraw 34. 35 is the revised proposed Certificate of Environmental Compatibility that incorporates the two WRA hydrogen-related Conditions that we've agreed to with WRA.

CHMN STAFFORD: All right. With that, so let me make sure we're clear, exhibits APS-24, 25, 26, 29, 30, 31, 32, and 34 are withdrawn?

MR. DERSTINE: Yes.

CHMN STAFFORD: And then all the rest are admitted.

MR. DERSTINE: Thank you.

CHMN STAFFORD: APS-1 through 11, APS-12 through 22, APS-23, 27, 28, 33, and 35, specifically, are admitted.

MR. DERSTINE: Sounds correct.

(Exhibits APS-1 through APS-23, APS-27 through APS-28, APS-33, and APS-35 were admitted into evidence.)

CHMN STAFFORD: Okay. Are there any additional questions from members?

MR. DERSTINE: Mr. Chairman, I think you had a question on kind of the plant operations and the reason for -- well, you had indicated there were recent questions from members and that you had one or two.

CHMN STAFFORD: Yeah, I think -- I think there was some confusion about why you're adding eight smaller units as opposed to -- and running them less, as opposed to having fewer units, even the same size and just running them more.

Would you like to, if you could have someone address that. I think it has to do with capacity, but I'd like to hear it from your witness.

MR. DERSTINE: I notice that Member Kryder is not present, did -- maybe if we wanted to wait for him or he may be tied up on a call or something else.

CHMN STAFFORD: We're kind of on a time crunch here, so let's --

MR. DERSTINE: Yeah, I'll have Mr. Cole address the question.

CHMN STAFFORD: And then after he gives his answer, Member Fontes has a question.

MR. DERSTINE: All right.

MEMBER FONTES: It's related --

Mr. Chairman and Mr. Cole, or Brian, to the question that was posed by Mr. Derstine.

MR. COLE: Okay. So Chairman, Committee Members, as I understand it, the question is why not build two units, two LM6000s and operate them more, because we're talking about 20 percent capacity factor versus building eight units. And the answer is really that we need to be able to have, I'll call it, rounded up 400 megawatts, during those summer times, right.

So I mentioned the deficit of capacity that we've got, and so the reason that we need all eight units is to be able to run them up to their full capability. And so it's not about how much I run them or the volume of energy that I put out over time, it's when I get it, and so that's for the ramp-up, ramp-down, it's for the variability, but most importantly, it's for that capacity of peak that I really need it for. I hope that helps with the answer to --

CHMN STAFFORD: Yeah, because you draw the distinction between energy and capacity, that's the distinction here, that's why there's eight units that you'll run sporadically or at 20 percent capacity, roughly, as opposed to having two of them that you run 80 or 90 percent capacity?

MR. COLE: That is correct.

MEMBER GOLD: Mr. Chairman, what I was discussing with Member Kryder, I think we clarified it, that you're running specifically at the period at night when the solar panels aren't -- no?

CHMN STAFFORD: It's not night, it's that late afternoon into the evening hours. Because when the solar -- the solar production drops off when the sun goes down, but the demand is still there because it's still hot, and people still run their AC. So they need to be able to pick up that difference quickly in a large amount, but then they can scale it back down at night when it's -- when it -- when it cools off and the air-conditioning is dropped off.

MEMBER GOLD: Exactly, Mr. Chairman. That's what we discussed over lunch that you can turn them all on from 7:00 to 9:00, when you need the peak power, and then turn them down. So you're really running 100 percent or 90 percent of the time for a couple of hours, which gives you your 20 percent usage that you're talking about because it's only for a couple of hours during the night or during the evening.

MR. COLE: Yeah. You're both correct. I mean, that is absolutely why they're being used.

MEMBER GOLD: Yes, sir.

MR. DERSTINE: Okay. And, Member Fontes, I

apologize, if you could clarify or reframe your question for Mr. Cole.

MEMBER FONTES: Yeah, I just want to get a little more granular with this, Brian. My understanding is the Redhawk existing facility is load following for dispatch characterization and the new plant will be a peaker. Can you frame that up for the Members of the Committee on how those will be operated differently, given one's load following and the other one's going to be peaker? And then relate it back to the air emissions, because I think those are separate plants, as you previously described in the various items that we discussed. I just want to get a sense of the operational distinction for the members of the Committee. Thank you.

MR. COLE: Sure, Committee Member Fontes. And maybe, to frame it a little bit better, to some degree all generating plants are load following, right, because at the end of the day we have to generate as much as our customers need. So I think what Committee Member Fontes is referring to, though, is sometimes we put the Redhawk units on something called automated generating control, which is AGC, and that allows them to stay synced to where I need them, right, so I don't have to have somebody constantly changing them. And so they'll be able to be on and operating and follow the load, so to

speak.

The peaking units are a little bit different, because they're going to be used more sporadically. They're not going to be used as regular. During the summer the Redhawk combined cycles are probably on every day. And the peakers, it depends, on how difficult a day it is and how much load we have from our customers. And so I think that's the differentiator.

As it relates to emissions, we're going to be running those combined cycle units more. They're more efficient units when they're running a two-on-one configuration. And so we'll use that as much as we can to fill in those bigger pieces of those graphics that I showed you on -- on day one. And then some of those peak areas and some of the variabilities and ramps that Mr. Eugenis pointed out, that's what the peakers will be used for.

So hopefully that helps, and that's what you're looking for me to describe, Committee Member --

MEMBER GOLD: Mr. Chairman?

MR. COLE: -- Fontes.

CHMN STAFFORD: Yes, Member Gold.

MEMBER GOLD: And for the record, your peaking units means your simple cycle units?

MR. COLE: That is correct.

MEMBER GOLD: Thank you.
MR. COLE: I just realized I was talking fast --
MEMBER HILL: Mr. --
MR. COLE: -- sorry about that.
THE REPORTER: If everybody could not interrupt, that would be great.
CHMN STAFFORD: Yes, remember to speak one at a time.
Member Hill?
MEMBER HILL: Thank you, Mr. Chair.
So the air quality permit covers the entire site, right? So you just have emissions that you -- you have a limit to emissions regardless of what generation type you're using on the site, right? Is that how the air permit works?
MR. COLE: So, Committee Member Hill, I'm going to do my best to answer this, and I'm going to look across the room to make sure I don't mess something up. The -- the air permit that is -- was discussed in the case here is an air permit just for these units. The other Redhawk units have their own air permit.
Is it totaled together?
Okay. So, again, not the expert. But if you want to jump up, Anne -- let's let the person who

knows talk about it.

MS. CARLTON: Thank you.

MR. COLE: I shouldn't have answered that. Thank you.

MS. CARLTON: Is it okay if I sit here?

MR. DERSTINE: If they say it's okay.

MS. CARLTON: Committee Member, thank you for the permission to sit here.

MS. DERSTINE: Member Mercer said it was fine.

MS. CARLTON: So we will have one air permit for the entire facility, both existing generation, as well as new generation, but what you'll see in the permit -- thank you, Mark -- what you'll see in the permit is that there will be separate emission-related conditions for the expansion and for the existing generation.

MEMBER HILL: Okay. So this kind of goes to -- and I might have a follow-up question here. I'm getting my thoughts together, hold on, because I want to make sure I ask it correctly, because I know enough to be dangerous. So we've talked about the peaker piece of this facility being roughly 20 percent --

MR. COLE: Capacity.

MEMBER HILL: -- capacity factor. If there

were enough resources on the grid and you decided not to use the combined cycle for a while, would you be using -- you could use the peaker facility instead and not violate the air permit, right, but that -- but then you might go beyond the 20 percent capacity factor, do you see what I'm saying? Like, just using the -- you get so many emissions for the site, so -- and it doesn't necessarily matter to me, but I just want to make sure that the record reflects the operations that we've talked about, I guess.

MR. COLE: Committee Member Hill, I'll start with the operational component, and stick to my lane where I should it be speaking. When we operate these units, both the combined cycle at Redhawk and the peakers at Redhawk, it depends on system conditions, so there still may be situations, and actually I think Mr. Eugenis actually showed some graphics where we were looking at a spring day. We still have significant ramping that has to occur. We may not need all of that energy that a combined cycle generates, and so we'll still use the peakers.

Now, as far as the limitations, even in those, so we've planned for that, and so even with that, we plan on -- sorry, I don't know where that came from -- that 20 percent capacity factor that we are saying we are

going to stay within, we've planned for that within that type of operation.

MEMBER HILL: Okay.

MR. COLE: So if there's any further specifics on air permit, I'm going to pass it over to the one who really knows.

MEMBER HILL: No, I'm just trying to visualize and imagine operations and overlapping permitting and, you know, when we do these CECs, it feels usually really discrete, but now we're kind of looking at two different generation types that share certain permits and maybe don't share other permits, so I was just trying to think of how that operates together, so -- thank you.

CHMN STAFFORD: Member Fontes, you have your hand raised?

MEMBER FONTES: Mr. Chairman, thank you.

I have a question, Mr. Derstine, and maybe Mr. Van Allen can address this. We're talking about air emissions here -- I understand what the permit says, that was very informative -- but how are the controls on the plant going to be designed? Are they going to be separate monitoring for the peaker plant, and those individual units from that that the -- what I'll refer to as the load-following base plant, and then how are they going to be reported for monitoring? Thank you.

MR. DERSTINE: Thank you, Member Fontes. I'm going to let Mr. Van Allen speak to that, but first give you my understanding, because we did have some discussion about how will the separate units be controlled. It's my understanding that they will have separate control areas.

Q. But fill us in, Mr. Van Allen; is that correct? And give us a little more detail.

A. (MR. VAN ALLEN) Mr. Derstine and Member Fontes, we're intentionally keeping the control system for the new peaking units separate from the existing units, and that includes the emission control system, and the CEMS system, which is the continuous emission monitoring system, that includes what's known as a data acquisition handling server. It's a server that records the emissions on a minute-to-minute basis that was described by Ms. Carlton previously.

So it will, for all intents and purposes, be a stand-alone facility adjacent to the existing facility, from a control perspective.

Q. And from an emissions monitoring perspective?

A. (MR. VAN ALLEN) That is correct.

MEMBER HILL: And then from a reporting -- pardon me.

MEMBER FONTES: Yeah, reporting, thank you.

I appreciate that.

MR. VAN ALLEN: So I defer to Ms. Carlton to speak to the reporting part.

MS. CARLTON: Thank you for the questions, Members. So the -- I think one thing to clarify is that though the facilities will be -- I would consider, you know, to be separated per Mr. Van Allen, the each individual units will also be monitored individually, and so they will not be monitored collectively. Data would be consolidated, as required.

So something like our fuel-burning limit, where it's across the eight turbines would be calculated individually for each turbine, and then consolidated, and this is done essentially immediately so we can pull live reports. Reporting requirements under our Title V permit will exist for the existing facility, as well as the expansion. And the reports, some of them, thank you, are monthly, some of them are quarterly. We have biannual reporting requirements, as well as annual reporting requirements. And then most of the -- all of the reports go to Maricopa County. Some of the reports also go to the environmental protection agency or the EPA.

MEMBER FONTES: Are they reported by the unit or by the facility, Ms. Carlton? I was unclear on your answer. It's very thorough, I appreciate your

context, but just want to drill down on that.

MS. CARLTON: Sure.

So it would be dependent on what the permit condition is. And so for something like a 2.3 PPM limit that we have for a one-hour limit, that's going to be based off the CT itself. So that would be reported individually for each turbine, whereas, if we have a collective requirement, so maybe eight tons per year across the eight turbines, that would be reported all aggregated. So it's truly permit condition, permit condition dependent.

MEMBER FONTES: That makes sense. But so just to summarize -- and I want to make sure I've got this right, Mr. Derstine -- the sensors and controls are at the individual units, but then the reporting, as Ms. Carlton's characterized it, depends upon the -- the required report in terms of how you report the data?

MR. DERSTINE: I'll let -- I'll let our witnesses respond to that.

Q. Do you agree with Member Fontes's characterization?

A. (MS. CARLTON) Yes, that is correct.

MEMBER FONTES: I appreciate that. I just wanted to clarify that for my fellow members here, in terms of that plant build-out and then the monitoring and

reporting to complete the picture.

Thank you very much.

MR. DERSTINE: Thank you.

CHMN STAFFORD: And the annual emission limits, that applies to the project and the existing Redhawk facility?

MS. CARLTON: Thank you, Chairman. We will have, again, two sets of conditions that would represent tons per year or 12-month rolling, and they will be laid out in our permit to reflect CTs 1 through 8 versus combined cycles 1 and 2. There will be separate conditions for each of those.

CHMN STAFFORD: But is there a -- and then the fuel limit is across the entire -- across both -- the fuel limit on the air permit is across both the combined cycle and the simple cycles, correct?

MS. CARLTON: The fuel limit that limits the new CTs to 20 percent, or it's actually 19.4 percent, is only applicable to the combustion turbines in the expansion project.

CHMN STAFFORD: Okay.

MS. CARLTON: The combined cycles do not have a fuel-burning limit.

CHMN STAFFORD: At all?

MS. CARLTON: At all.

CHMN STAFFORD: Any other questions, Members?

(No response.)

CHMN STAFFORD: All right. Well, I think with that, Mr. Derstine, we are ready for your closing.

MR. DERSTINE: Were there any other wrap-up or outstanding questions that anyone can think of that we failed to address?

(No response.)

MR. DERSTINE: I think we've covered it. Okay.

CHMN STAFFORD: Oh, Member Fontes has his hand up again.

MEMBER FONTES: I do. And I appreciate you, Mr. Derstine.

Expansion, in your closing can you address that? Because we're talking about two separate power plants for -- for construction and for operations, for dispatch, for accounting and finance. I get it's a site expansion, but then we've got a separation of two plants and two assets, based on the way APS operates and other utilities. So if you could include that in your thinking in your -- just to help me understand what is part of the expansion and what is separate.

Thank you.

MR. DERSTINE: Well, rather than me wading into uncharted territory that I may not be capable of dealing with in a closing, let alone just don't have the knowledge for.

Q. Mr. Cole or Ms. Carlton, can you speak to that issue?

A. (MR. COLE) Yeah, Mr. Derstine and -- and Member Fontes, I assume you're referring to more of the, I'll call it the accounting side of the plant separation, and is that -- let me ask, is that correct before I --

MEMBER FONTES: What I'm looking at, Brian, is to -- we're using the term "expansion" and we're in a, you know, formal proceeding here. How are we defining that? And I don't mean to get into, like, a legal defined term, but it seems like the plant is going to be designed, constructed, operated, and then monitored separately in some aspects, but then we use the term "expansion."

So I guess I'm looking for some borders around that so as we take into factor our deliberations on conditions and then we start looking at the CEC, how do we use the term "expansion" here? I'm just struggling with that, and you see where my question is, I'm just trying to make sure that we've got a clear understanding of that, so when we get into our deliberations we can

give you your desired outcome in a clean format.

So that's where I'm coming for. I hope that's useful, Mr. Derstine, as well, since you're lead counsel there.

MR. DERSTINE: That's helpful. So maybe I'll do my best to address it, and then Mr. Cole can fix anything that I mess up.

From my perspective, from a legal perspective, and for this proceeding, we are here on the application for what we have, for naming purposes, simply identified as the Redhawk Expansion Project. And so it's given that name simply because these new eight simple cycle units will be sited -- assuming this Committee sees fit to grant a CEC for the project -- will be sited, approved to be constructed, constructed and operated within the existing confines of the Redhawk Power Plant.

The Redhawk Power Plant was built in the early 2000s under a prior CEC, CEC 95. This CEC will specifically authorize the construction of the new units, the eight simple cycle units in the areas identified. We have attached a number of maps, which show the location of the, quote-unquote, expansion project within the confines of the existing plant.

And then we have described through our testimony and exhibits what will be built within that

inner portion of the existing plant. And so this CEC, to my way of thinking, is -- what's up for consideration by the Committee is whether to approve the construction of the new eight simple cycle units at the location within the existing perimeter of the existing Redhawk Power Plant, with the associated common infrastructure or new infrastructure that's required, and that's really the scope of the application.

Does that answer your question? Does that frame it?

MEMBER FONTES: I think that's extremely useful, and thank you for indulging me in that. Just -- we're going to get into project description and we're going to start deliberating on the Conditions, but it really puts a box around it.

But I would also ask, does anybody have anything else they want to add from the APS team that might be useful for us along those lines? Mr. Chairman, do you have anything? Because I think this is something I've been wrestling with here is just that we get that in our frame of mind for our description in particular in the Conditions.

CHMN STAFFORD: Right. I guess that kind of gives me additional questions.

How much equipment will be shared between

the existing facility and the expansion, the project that's before the Committee today?

MR. DERSTINE: I think Mr. Van Allen, and he'll add to it if, again, if I misspeak. What's been identified is that the Redhawk Expansion Project will share and will benefit from the existing natural gas infrastructure that's at the Redhawk Plant site. It will benefit from and utilize, to some degree, the existing electrical infrastructure in terms of the generation tie line that runs from the existing plant over to the Hassayampa Switchyard.

There will be some, as Mr. Spitzkoff indicated, construction of the addition of a transformer, and some of the related electrical infrastructure needed to connect to the expanded switchyard, so the existing switchyard will be expanded. But in terms of what the new project will rely upon, it's really the land, the natural gas infrastructure that's already there, the groundwater rights that are already there, and then some of the existing electrical infrastructure that allows for the interconnection without the need for new transmission lines.

CHMN STAFFORD: It seems to me that this is almost -- this CEC would almost be like an amendment to the existing one, because if you look at the -- a

Certificate has already been issued for the site and it includes the site of the project. So I'm just trying to be mindful of how to -- how we're going to define the relationship between the prior CEC and this CEC.

MR. DERSTINE: Yeah. Well, certainly, the prior CEC authorized what's there today, and the operation of what's there today. The existing Title V permit covers the operation that's there today, as Ms. Carlton testified, we're going to revise that operating permit. But, again, in many ways the two projects are going to be treated and reported separately, depending on the relevant pollutant or the category.

So in many ways they're separate projects, but you're right, it's certainly one of the considerations that we had at the beginning was should we go in and just seek an amended CEC for this. And the decision was made, given the passage of time and what we're proposing, it made sense to come before you and seek a new CEC.

But in terms of what modifies the original CEC 95 -- excuse me, that pasta is still with me -- I don't know that there's anything in this new project that modifies CEC 95, other than to say that this CEC authorizes the construction of this project at that site. I hope that answers your question, Member Fontes.

CHMN STAFFORD: I think so.

MEMBER FONTES: It does. I really appreciate that. And it helps, I think, clarify our thinking as we deliberate on the next steps here.

Appreciate it.

MR. DERSTINE: Thank you.

CHMN STAFFORD: I'm just trying to think, I think the Conditions that were imposed in the prior CEC would also be applied to this CEC, because it's a subset of the existing site, but I think that every new CEC that comes out has at least the Conditions that were attached to CEC 95, and typically, significantly more. I think there's only a couple of Conditions on 95, if my memory serves correct.

MR. DERSTINE: Your memory serves correct.

CHMN STAFFORD: Okay. So I guess, then, it would be your position that any Conditions in this CEC would only apply to the subset of the land of this project, this plant that we're considering today, as opposed to the existing plant?

MR. DERSTINE: That's correct.

CHMN STAFFORD: All right.

MR. DERSTINE: So certainly the Conditions that were in place under 95 can and should apply to this project. But in terms of the Conditions under this new

CEC, those would apply specifically and only to this project.

CHMN STAFFORD: Okay. And then I guess that kind of brings me to my next question about the proposed condition that you agreed to with WRA.

MR. DERSTINE: Uh-huh.

CHMN STAFFORD: I think it specifically references the project, meaning the peaker units.

MR. DERSTINE: Correct.

CHMN STAFFORD: But would it also include the combined cycle units or are those specifically excluded from this, and if so, is it more or less likely that you would -- hydrogen would be used for a peaking unit, as opposed to a combined cycle unit? I guess that's a question that your witness will have to answer, the last part of it.

MR. DERSTINE: Yeah, I -- yeah, I think Mr. Cole would have to answer whether or not it's more or less likely that hydrogen someday maybe in the future, could be blended and utilized in the combined cycle units, I don't know. I will say that we've -- that Condition was negotiated with WRA specifically for the new peaking units, the new eight simple cycle units, because those are -- come from the manufacturer hydrogen capable of that blend up to 35 percent.

CHMN STAFFORD: And I would go -- I'll leave it to Mr. Cole to answer the question, but I would venture to guess that the CTs for the combined cycle are different and may not be so accommodating?

MR. COLE: Chairman and -- that is correct. And you kind of asked me to handicap a little bit what are the odds, and the reality is that the CTs that are part of those combined cycles that were manufactured 25 years ago are not the same type of CTs that these are. They don't come prepared for up to 35 percent hydrogen. If there were ever an opportunity to do something related to hydrogen, that would probably be a complete change-over of equipment there. And in that case that would, I believe, fall under the need for an amendment to the CEC for those units. And so in this case, these coming capable of 35 percent is the reason why the item within the CEC that we're talking about here should apply to them.

Does that make sense?

CHMN STAFFORD: Yeah, yeah, that's kind of my thought. And I guess I'm interested from Mr. Derstine, do you agree with your witness's legal assessment that the difference -- that a significant change of that nature to the existing combined cycle units would -- should entail an amendment to that, to CEC

95?

MR. DERSTINE: I have more than once indicated that Mr. Cole is maybe a better lawyer than I am, but I think on that point I would agree with him.

CHMN STAFFORD: I see Ms. Doerfler. I think I'd like to ask her what WRA's motivation -- primary concern was that they addressed with this amendment that this Condition that you and APS and WRA agreed to.

Ms. Doerfler?

MS. DOERFLER: Hi. Emily Doerfler here representing WRA. So we drafted these two Conditions with a concern that there were multiple -- what's the word I'm looking for -- mentions, I guess I could say, of hydrogen, and its compatibility with the units that are being proposed for this project.

Our first Condition concerns a report about using hydrogen-blended fuel. At the end of the day, we really know so little about hydrogen fuel, and especially with its use at natural gas facilities. And so our hope with Condition 23 and 24 here was to provide common sense guardrails on APS's future exploration of hydrogen and the use of hydrogen-blended fuel, specifically at Redhawk facility.

At the end of the day, these are very

unknown entities, very unknown usage -- usages of this fuel, and so we were hoping that this Committee could be informed of the realities of this burning of hydrogen fuel if it is to occur before it would occur rather than maybe after the fact.

CHMN STAFFORD: Thank you.

Do any other members have a question for Ms. Doerfler?

(No response.)

CHMN STAFFORD: Thank you.

Any further questions from Members, otherwise, we're ready for Mr. Derstine's closing?

(No response.)

CHMN STAFFORD: Hearing none --

MR. DERSTINE: All right.

CHMN STAFFORD: Please proceed.

MR. DERSTINE: Well, I had a very, in anticipation that we might finish today, I had a very short closing. I won't go too much longer than that but I was just going to say thank you and we ask for your vote, but I may add a little more to it than that, given we've got a few minutes.

So I will start with a thank you. We made it, you made it. We're here at the end of the case. We want to just say thank you. We understand, I mentioned

in my opening that, you know, this Committee was before -- was down in Pinal County, had four full days of hearings then and you're back here again hearing the Redhawk Expansion Project. So we thank you. We understand this is a big commitment of time. You folks have important things you do outside of this forum, and this is important work, important for the state, important for the people of Arizona, and so we appreciate it. And so thank you.

And I guess I would be remiss if I didn't, on behalf of Ms. Benally, the entire APS team, all of our witnesses, a lot went into this case presentation, we hope it was helpful. We hope we have given you the information you need, but yeah, we took this very seriously, and this was an important case for APS, its customers, and again, we thank you for hearing our case.

The case is about, and we've touched on it here just a minute ago, what's the project? And I appreciate Member Fontes asking for us to really define what the project is. It's eight new simple cycle LM6000 generating units that will be located at the existing plant site. And you've seen the maps and we will have maps attached to the proposed CEC that define where those projects -- where those units will be constructed within the existing plant.

The new units will utilize existing plant infrastructure, natural gas pipeline, water rights, transmission facilities. And the new units will utilize state-of-the-art emission controls, and you've heard testimony on those -- all those subjects.

The location of the Redhawk Plant, and you've seen this aerial photo before, but it sits in a pocket of power plants and solar fields. The Mesquite Plant, the Arlington Valley Plant, and Redhawk were all constructed at or about the same time. They're all combined cycle plants. And then in the following years, solar fields, solar generation, battery storage has come to fill in the spaces in between. But you also heard the testimony was that that this area is it sparsely populated. The closest resident is 1.8 miles away and most of the remaining residents are two miles or more away from the plant site.

I can't describe the project need any better than it's set forth in the application. The application reads, "The project ensures that APS has the reliable generation capacity to respond to fluctuations in load demand and intermittent resource output and can reliably supply power during periods of peak demand."

In my opening I also mentioned that there are folks who would oppose a project like this, any

natural gas facility, just on principle, and we understand that. But using the quote here that utilities have a pretty good track record of being lazy thinkers, and a gas-fired power plant is 2008's answer to energy problems, I hope that and I believe that the testimony you heard from Mr. Cole and Mr. Eugenis dispelled that myth.

This -- this project is not the product of lazy thinking. It's the product and the result of detailed resource planning, an All-Source RFP, in which this project was evaluated head to head with other projects. And this project became part of a diverse portfolio of various resources that include large amounts of solar, wind, battery storage. This is not 2008.

We saw this slide from Mr. Eugenis's presentation. This underscores the mix of diverse resources that were identified in the IRP, 2023 Integrated Resource Plan. That diverse mix does include natural gas. So the IRP identified natural gas, in addition to these large amounts, 3,500 megawatts of solar, 3,000 megawatts of battery, distributed energy, wind, and demand response. So this is not a knee-jerk reaction, we just need to go build more gas.

Then the Redhawk Expansion Project was evaluated through the All-Source RFP through the

sophisticated modeling that Mr. Eugenis loves to talk about, and was analyzed head to head with other projects. And again, it came out as and was selected as part of a very diverse mix of resources.

So in simple terms, the project need, this is a relatively small but critical part of a diverse resource mix that APS will use to ensure reliable service for its customers. The need was identified through the IRP, and the project was selected through the All-Source RFP. It's a critical resource that ensures that APS has the reliable generation capacity to meet demand under a range of possible conditions. And that language is pulled from the WECC reliability or the adequacy assessment.

So that's the need for the project. How the project was selected. What did you hear in terms of the testimony about the compatibility, the factors that the Committee is directed to consider in evaluating whether or not you're willing to grant a CEC for the project? The testimony you heard is that the expansion project is indeed environmentally compatible. You heard that from Mr. Turner in his testimony this afternoon.

The project is located within industrial zoned lands within the existing Redhawk Plant site. So unlike, potentially, other projects that are being

developed on a new site, this is within an existing industrial site. And the results -- the results of that is that there are minimal impacts to existing and planned land use, minimal impact to biological resources, minimal impact to visual, noise, and recreation, as well as cultural resources.

I want to -- I don't know where she went, there she is, I want to thank Ms. Carlton for her patience in trying to lead me through and give me some understanding of the air permitting process and the complexities of that. I appreciated her testimony, and I thought she did a very nice job. The fact is that the Redhawk Plant is covered by a Title V permit. That permit will have to be revised to include the expansion project. She detailed how those -- the monitoring of the separate plant units will occur.

But the air permit application demonstrates the total impacts are below National Ambient Air Quality Standards, as well as the potential for significant deterioration increments. And I'll leave it to her to -- I still don't understand what all that means, but it's true.

Groundwater, you heard from Mark Nicholls our hydrologist. Mr. Nicholls testified about the fact that the expansion project we use an additional 300 acre

feet of groundwater per year at the -- under APS certified water rights, which are for 3,356 -- excuse me -- acre feet per year. And the bottom line, in terms of this Committee's consideration, is that 360.13 says you need to consider that if a project is going to use groundwater, does it comply with the management plan and is -- does it negatively impact or unreasonably impact groundwater availability. And Mr. Nicholls testified that, based on his analysis and modeling and his testing, the groundwater is available, and the use for the expansion project will not unreasonably impact neighboring wells or groundwater availability.

Transmission and interconnection, Mr. Spitzkoff testified that no new transmission lines, term of art under our statute, are needed to deliver energy to the grid. Mr. Spitzkoff testified about the reliability studies that have been performed, and that those studies show the project will reliably connect to the grid. So we've touched on the WRA Conditions that APS has agreed to. I think, as Ms. Doerfler indicated, we had discussions with WRA about wanting to put, as she used the term, guardrails around the potential future use of hydrogen. APS agreed to those Conditions and we're proposing a CEC that includes them.

The bottom line is, as Mr. Cole has

testified, and Mr. Eugenis, APS has a clean energy goal, but there will need to be significant advancements in technology, whether that's fuels, sequestration, emission controls, to allow them to get there to reach that goal. But they take that goal seriously, and that may be one of the paths to reaching that clean energy goal is hydrogen. So we've agreed to include that Condition in this CEC.

The remaining Conditions in the proposed form of CEC are the basic standard Conditions. I know you had a number of Conditions that this Committee worked through with the applicant last week. We think that there's, as I mentioned at the outset, significant differences between this project and last week's project. And our view is that, for the reasons that I just went through, this project, the expansion project, should be granted a CEC under kind of the basic standard Conditions. We're certainly open to hearing discussion about any concerns the Committee Members have. But we think some of the Conditions that were raised last week do not fit this project. So that's it.

I just thought I would mention this is the first siting of a new natural gas generation by APS since APS obtained a CEC for the Ocotillo Modernization Project, and that was in 2014. Now, last year APS amended the CEC for the Sundance Plant, but that was to

construct two units that were originally authorized, but never built. And so we went back, amended the CEC to extend the term to build those two originally authorized units. But this is the first time that APS has been back since 2014 to seek authorization to build new natural gas units.

We're not relying on 2008 solutions to energy problems. APS is relying on an all-in strategy for providing reliable, affordable service to its customers, that are based on the foundational principles that Mr. Cole identified, and that are in line with and informed by a detailed Integrated Resource Plan, and that have been vetted through an All-Source RFP process.

So we're here to ask that you grant a CEC for the project, and again, we thank you for your time.

CHMN STAFFORD: Thank you.

I see Ms. Doerfler on my screen, were you wishing to make a closing statement?

MS. DOERFLER: Something very short, I promise.

So APS has spent the last few days detailing what it knows about the possible impacts that the addition of eight new turbines to the Redhawk Power Plant could have on the surrounding community and environment. I encourage this Committee to also consider

what APS does not know, what APS cannot know at this time. Due to the novel and uncertain nature of burning hydrogen fuel at a natural gas facility, APS cannot currently know certain details concerning the possible burning of hydrogen-blended fuel at the Redhawk Power Plant. WRA's concerns surrounding the possibility of burning hydrogen-blended fuel led to WRA's intervention in this case, as well as its subsequent negotiations with APS mentioned in my opening statement on Monday.

The two Conditions listed as Condition No. 23 and Condition No. 24 that APS has added to its proposed CEC addresses many of WRA's concerns. Condition 23 mandates a recording requirement if APS opts to use hydrogen-blended fuel for normal operations at the project. The report will address the economics, the feasibility, and the safety of burning a mix of hydrogen fuel and will be filed in this docket 120 days in advance of those operations. This will improve the transparency of APS's exploration of hydrogen-blended fuel at Redhawk.

Condition No. 24 requires APS to obtain and modify a CEC under certain circumstances, such as significant modifications to the Redhawk Plant as a result of APS's choice to burn a hydrogen-blended fuel. Recently which plants are and are not required to obtain a CEC have been called into question. This Condition

ensures that a review of the effects of burning hydrogen-blended fuel will have on the surrounding community and environment will occur prior to any major modifications to the plant.

These Conditions provide, like I said, common sense guardrails for APS's future exploration of hydrogen in relation to this plant. It is WRA's hope that this Committee will see the value in these Conditions, and will honor the agreement between APS and WRA, by including Conditions 23 and 24 in the CEC that it may soon grant this project.

With the inclusion of these Conditions, WRA does not oppose the granting of that CEC. In addition, I would like to thank the Committee for their time and effort during this process. We very much appreciate your inclusion in the build-out of these major facilities.

CHMN STAFFORD: Thank you.

All right. Members, let's have -- I'd like to have a discussion about potential Conditions. We had an extensive discussion about it last week, but I think Mr. Derstine and Ms. Doerfler are right, this is a different -- different animal. And for me, the big, the key difference is that they're building on an already certificated site. There's been some disagreements between this Committee and the Commission about what a

plant is, and whether a CEC is required. I think that that dispute will ultimately be resolved by the courts, and I think that the Committee got it right. I think that the project is a plant and it does require a CEC. I think we need to talk about how -- if it will be with the new CEC would be an amendment to an existing CEC or a new CEC that carves out a chunk of the prior one, because it's -- the new plant will be built entirely on land that's already received a certificate, but it's significantly different from what's already built there. So I think it was definitely appropriate to have this proceeding and address the environmental impacts of these new -- eight new units.

In terms of additional Conditions, I'm interested to hear from Members if they think we should be -- are there any other Conditions that we should be talking about imposing on this CEC, other than what we have before us in the proposed CEC? I think the Conditions that APS and WRA agreed to are reasonable. And I think it's reasonable for us to adopt them. Do Members have thoughts about other -- other proposed Conditions?

MEMBER GOLD: Mr. Chairman?

CHMN STAFFORD: Yes, Member Gold.

MEMBER GOLD: I agree with you about the

Conditions being adopted, but I do have a question, maybe something that -- Ms. Dormer?

CHMN STAFFORD: Doerfler.

MEMBER GOLD: Ms. Doerfler could respond to. I realize that excess energy can be converted into hydrogen, and that's where the hydrogen is supposed to come from, this extra energy that the solar plants are producing, but to my understanding, and I may be wrong, this energy requires the use of water to get the hydrogen. And we are in an area where water is a critical commodity.

And when you use excess energy to create hydrogen, you're using basically electrolysis, you're taking water out of the system and converting it into hydrogen and oxygen. I realize that we can use the hydrogen as a fuel, and I'm sure there's people who can use the oxygen that's created, but just keep in mind that it does use water to do this.

Am I misunderstanding something here?

MS. DOERFLER: Thank you, Member Gold. That is exactly one of WRA's concerns, frankly. We are not opposed to the use of hydrogen, but we would rather look at the use of hydrogen on a case-by-case basis to ensure that it is an intelligent use and that it addresses all of the concerns that you are voicing now.

The -- I believe that the report that APS would need to file concerning the feasibility of using hydrogen should probably address the fact that we are in a drought area. We are in a desert, and a maximum amount of hydrogen fuel is a massive amount of water. So I agree that you are correct that it does use water, and that is a consideration that we should all keep in mind.

MEMBER GOLD: Thank you so much for that.

CHMN STAFFORD: Member Gold, I think the case we had where there was a solar developer that was -- had a -- while we didn't site the solar facility, we did site the transmission line, and was there a switchyard for that one, I can't recall, but there was a transmission line, and they were considering adding a hydrogen production facility at their site. And we did impose an additional condition on them to re- -- and it was outside an active management area, so we did impose a Condition that any contract they entered into with a hydrogen provider they would have to report the water usage.

And so that was a Condition that's not applicable here, because APS isn't proposing to create any hydrogen at this site. But I think that going forward that is something that the Committee should be mindful of and at least -- I mean, it would be treated

differently inside an active management area than outside. In the case of outside, at the very least, we should require reporting, and that's what we did in that other case.

Was that 215, Member French?

MEMBER FRENCH: I don't remember which number it was, but I do recall the case that you're referring to.

MEMBER GOLD: Thank you, Mr. Chairman. Thank you, Ms. Doerfler.

MEMBER HILL: Mr. Chair?

CHMN STAFFORD: Yes, Member Hill.

MEMBER HILL: I don't have any significant or additional requirements, necessarily, that I'm thinking about, although I do have a couple of questions as we go through it section by section and some questions about edits and things. I think there's some updated SHPO language since we last did the Coolidge Plant that this is kind of based off on. So I don't think I have any major changes, but look forward to the conversation about each section.

I think my bigger question is the relationship of all of the generation across this facility and how we treat that. So I'm happy to take guidance from you guys and the applicant, how we reflect

that shared infrastructure. I feel like we need something that ties it all together. I don't know that it's an amendment or its own CEC, so I'm just looking for guidance from the experts on this. So I don't know what your thoughts are at this point.

CHMN STAFFORD: Well, I would look to include language in the Certificate referencing the prior Certificate and pointing out that this is -- this Certificate would be for a subset of the land that was included in the site of the prior certificate.

MEMBER HILL: Okay.

CHMN STAFFORD: I think that -- I'm kind of still trying to figure out whether this would be more like an amendment or a codicil to the previous one. But I think, as Mr. Derstine pointed out, all the Conditions that applied to 95 would apply to this, because it's the same site. But the new -- this subset site would have additional Conditions that would not apply to the previous site, because that's not before the Committee in this proceeding.

Whereas, I guess if you had gone to amend the Certificate, it would have been -- it would have opened the whole site up to additional Conditions. And I'm going to assume that's -- that weighed into the calculus of how -- what to ask for from the Commission

and this Committee, Mr. Derstine -- Derstine?

MR. DERSTINE: So we just went through that, as I mentioned, with the Sundance Plant CEC, and in connection with that, we did offer updated Conditions because the CEC for Sundance was, again, older. I don't think exactly the same vintage as the CEC for this case, but both of them had very limited conditions.

But, honestly, that wasn't -- it wasn't -- that's not amended, because we don't want these guys to throw a bunch of new Conditions on our existing plant. I think we would certainly oppose that, but that really wasn't a consideration. We thought it made sense to make a new record, do all the new environmental analysis, and give the Committee a full opportunity to look at what we planned to build here, and that was the reason for it.

But I understand in terms of how do you call that out. I think we can come up with -- my thought was, in talking about this with Ms. Benally, certainly we should include a reference to CEC 95 and its existence and its -- I don't know how we have to incorporate its terms, we can, so that's part of the record for this case. And then move on to the Conditions that apply to the new project would be my suggestion.

CHMN STAFFORD: I'm inclined to agree with

that.

Members?

MEMBER FRENCH: Yes.

CHMN STAFFORD: All right. Oh, and then I guess the other Condition would be the SHPO Conditions that have been in the last couple of CECs, have you seen those?

MR. DERSTINE: We have. And I think our proposed form of CEC incorporates the latest SHPO language. So if there's something new or different or we missed it, we'll double-check that, but we've done our best to keep up to date on that.

CHMN STAFFORD: Oh, yes, you did. You included it in this one. Was it in -- was it in the first one?

MR. DERSTINE: Probably not.

CHMN STAFFORD: I don't think so. Okay.

MR. DERSTINE: That's right.

CHMN STAFFORD: It's -- it's in the amended one, that has it in there.

MR. DERSTINE: It's in 35.

CHMN STAFFORD: Okay. Well, let's see --

MEMBER FONTES: Mr. Chairman?

CHMN STAFFORD: Yes, Member Fontes.

MEMBER FONTES: Was there not,

Mr. Derstine, help me out with your team there, another item that you were penning a letter of feedback on, and I can't remember if it was archaeology or something?

CHMN STAFFORD: It was SHPO.

MEMBER FONTES: It was SHPO --

CHMN STAFFORD: Yeah.

MEMBER FONTES: -- was the sole one? I thought there was two.

CHMN STAFFORD: I recall SHPO. Because that was the thing, they had sent the letter out to SHPO and they were waiting a response that they expected in September. Because they -- they -- the 30-day for review hadn't come, but they -- but they told SHPO that there will be no impact because the whole area has been surveyed as part of the prior CEC, and so there would be no need for additional survey, and they asked SHPO to concur that the surveys were adequate, but then again, if they discovered anything new, they have to go to SHPO and say, hey, we found something.

Is it something that's going to be -- have to be dealt with or is it not. And if -- because, I guess, you seek to avoid first, but if not, you have to catalogue and remove it. And I guess avoid is more relevant for transmission lines. I think when you're building a plant, it's going to be probably -- you're

going to have to remove it and catalogue it and move it out of the area.

MR. DERSTINE: That's right. Yeah, so we would certainly, waiting for the concurrence from SHPO in terms of their agreement with our surveys that were performed, and again, we don't foresee any issues because, again, it's an existing plant site that was graded, a lot of dirt movement. And, actually, the pad where the expansion project will be constructed is, again, has been fully graded, and so -- but if there is something that's found or Conditions are there, we would comply with the new Conditions, absolutely.

And, Member Fontes, if -- you may be thinking of we also sent a letter to Maricopa County concerning any new development plans. We never received a response from the County, but I think that's the only item in which we have not received a response.

MEMBER FONTES: Okay. I just didn't know if it was related to our -- I'll call it jurisdiction or domain as it relates to the CEC. I could not remember, but thanks for the clarification.

MR. DERSTINE: Sure.

MEMBER HILL: Mr. Chair?

CHMN STAFFORD: Yes, Member Hill.

MEMBER HILL: Mr. Fontes or Member Fontes,

I -- I think that there was one outstanding thing too. But I don't really under -- I wish Member Little was here. It was related to the System Impact Study of APS and maybe some portion of it was done for this generation and another portion wasn't done. And I feel like I didn't understand how to treat that, if I am being honest with everyone.

MR. DERSTINE: Please be honest. I'll let Mr. --

Mr. Spitzkoff, can you come up and speak to that? I think we have -- so there were two interconnection points which required reliability studies. One was the interconnection at the existing Redhawk switchyard, which APS has to study a request for interconnection by APS. And there's a separate interconnection at the Hassayampa Switchyard.

Q. Can you will speak to that, Mr. Spitzkoff?

A. (MR. SPITZKOFF) Yes, I can.

MEMBER HILL: And, Mr. Spitzkoff, if I could ask, when you speak to it, think about it in the context of the CEC, like, is there something that we need to include in the CEC, some contingency, some -- how do we treat that is what I'm thinking about?

MR. SPITZKOFF: Certainly, Member Little [sic].

So starting with the APS interconnection request --

MR. DERSTINE: Was that a joke?

CHMN STAFFORD: It's Member Hill.

MR. SPITZKOFF: Oh, sorry.

MR. DERSTINE: No, but I liked it, because she is channeling Member Little, so that's perfect.

MEMBER HILL: For the record, I wish I was at smart as Member Little, so -- you have the floor, sir.

MR. SPITZKOFF: For the APS interconnection request, one of the confusing points may have been there were two different requests for APS, because the original request came in at -- for 350 megawatts. But as the project developed the technology, the generation specifics it was coming out to be 393 megawatts of capability. So they had to file a second interconnection request for the delta, because you cannot raise, once an interconnection request is accepted, you cannot increase that number. So for the APS request there were two of them to cover the total.

The first request is the part that's currently being studied for the 350 megawatts. The first phase of that's completed; the second phase is being done. The second phase, the 43-megawatt incremental amount, will be studied in our next cluster study. And

I'll get back to overall, from a CEC perspective in a second. The other interconnection request with SRP, that was made at a later date than the original APS. So it includes the full 393 megawatt capability. So the draft results that we have for that and what SRP is studying covers the full plant size. And I'll just mention the Reliability Study that APS had performed for the 90-day filing covered the full 393 megawatts.

From the perspective of a CEC and should anything be included, so I've testified about the FERC interconnection process in a number of siting cases, and the -- I'd say the one take-away I would like to impart is the FERC interconnection process ensures no project will be interconnected that can jeopardize the reliability of the system. The process itself and the standards that the utilities have to meet ensures that.

So it's really if a project is connecting to the grid via a FERC interconnection process, which any project of nominal size would have to, just by going through that project and getting an interconnection agreement finalized and in place ensures that reliability will be met. So from -- I would say, from my perspective, from a CEC standpoint, I would not -- I would not feel like a specific Condition is required. And there is a Condition, a standard Condition already in

the CEC that says utilities have to meet the applicable WECC, NERC, and FERC standards that are in place. So all of that together, from a CEC Condition perspective, I -- I'm comfortable with.

MEMBER HILL: Okay. One follow-up question, because we won't have Member Little tomorrow, is sometimes we have Findings of Fact about the -- the nature of the project, and so I just want to make sure that when we make a statement in that Finding of Fact, we actually can make it because we have all of the reports in front of us, so we -- I would just like to look at that language when we get to that place related to that and think through, and make sure it reflects truly and accurately what we know today, so --

MR. SPITZKOFF: Certainly.

MEMBER HILL: Thank you.

CHMN STAFFORD: Thank you.

Member Fontes?

MEMBER FONTES: Thank you, Chairman.

Mr. Spitzkoff, redirect on that question. So we're going to have the System Impact Study for Q550, which is the second one, as I recall, in that cluster study. When will we have the facilities study complete that will inform design and, in your opinion, will either of the facility studies, because I think you're probably

going to have both if you follow the FERC process that I understand, could they impact the design and -- or the final design selection for this project?

MR. SPITZKOFF: I would -- Member Fontes, I would say no. The first interconnection in the APS reference, which is Q519, will have -- will have a Facility Study performed. And that will -- that will dictate the design of the interconnection facility, the switchyard expansion, and just how the new plant interacts with the existing grid via just making sure relays coordinate and things like that.

The second portion, the Q550 portion, the incremental, I expect that will not have a Facility Study, because nothing new is being constructed. What that will allow is it will just authorize the units, in total, to increase and output to the grid at a higher level, but they're -- the -- nothing new facilitywise needs to be constructed for that. So, therefore, if no new facilities need to be constructed or changed, you can bypass a Facility Study.

MEMBER FONTES: That -- that's helpful. Oftentimes we wrestle with that, and you know this from other applicants for sure that you've testified, that they don't have a System Impact Study, we don't know what -- if the design's going to change at the

interconnect on the transmission side, so therefore, how can the environmental studies that are supporting the CEC application. I don't think we have that in this case, so -- but I do appreciate the context in your answer for clarification on the record.

MR. SPITZKOFF: Yes. And, Member Fontes, I recall at least a handful of those, if not all of those. Were really in relation to how the tie line enters the interconnection switchyard. And for this case, you actually don't. It will all be contained within the plant footprint, and generally, within that hashed area that was shown. So I think that was also a part of those previous discussions of as the tie lines come in from miles away and get closer, if they're, you know, identifying a specific bay, and it could come in from the north, it could come in from the east, things like that.

MEMBER FONTES: That was extremely helpful, and I appreciate you providing that detail on this.

I have no further questions, Mr. Chairman.

CHMN STAFFORD: Thank you.

All right. Members, so, I guess, I'm not hearing any interest in giving the applicant homework to craft new Conditions for this CEC, so that's a huge difference between this and last week. I do think that we need to add language to reference the prior CEC, and

to kind of define the relationship between it and this one for this project.

I'm going to need some time to think that through and draft up Chairman's 2. So -- and the applicant and WRA are also welcome to come up with any kind of language they think would be appropriate. And then tomorrow morning when we come back, we'll be prepared to vote on the CEC.

MR. DERSTINE: Thank you. I appreciate that. I think Ms. Benally has already made an effort to draft some language that would be included in the project description that includes the reference to CEC 95, which is the CEC for the existing plant.

CHMN STAFFORD: Okay.

MR. DERSTINE: We can email that to Tod, and so that you have the benefit of it, Mr. Chairman, and maybe that can be forwarded to Members of the Committee, so they have the benefit of it in advance of tomorrow morning. That might speed things along. And then if we can make, if there's other suggestions on, we can add that.

Member Hill?

CHMN STAFFORD: And in the meantime, I'll create Chairman's 2, which will be the version of the CEC we'll be working off tomorrow to vote on. And I'll

circulate that and then Tod will get it to you and then you can -- I think what we did last week was we put it on the tablet for the members. We'll have to make sure we get it to Member Fontes, because -- are you going to be here in person tomorrow, Member Fontes, or are you going to be remote again?

MEMBER FONTES: I will be in person.

CHMN STAFFORD: Okay. Great. So you don't have to email it to him, then. He'll be here. So we'll get that circulated, and then we'll have -- I think it's -- if you put it on the tablet it's much easier as we go through because then the members can read at their own pace, as opposed to scrolling through everyone at the same -- looking at the same screen, so --

MR. DERSTINE: We can do that.

CHMN STAFFORD: All right.

MEMBER HILL: Mr. Chair?

CHMN STAFFORD: Yes, Member Little? Now you've got me doing it. Member Hill?

MEMBER HILL: This is Member Nicole Hill. Not Natalie, not Ms. Little.

Sorry, I -- I am being a little lazy with this question, but because I'm a nerd I was wondering if when we get the proposed language if you could also share Decision No. 95 or the CEC just so that I can see all of

it together as a whole, because I haven't seen that yet and if you've got it handy, it would be nice to have it all together. That's my request.

MR. DERSTINE: Absolutely. And if you like, we might be able to make a copy of it now before you leave this afternoon.

MEMBER KRYDER: That would be great.

MR. DERSTINE: Okay.

MEMBER FONTES: Special request to email that. That was my question.

MR. DERSTINE: Yes. We'll make sure it makes it out virtually as well.

MEMBER FONTES: Mr. Chairman, I just have one clarification, if I may?

CHMN STAFFORD: Yes, Member Fontes.

MEMBER FONTES: Where did we leave the hydrogen? If it's -- if they introduced hydrogen, there's typically a CapEx, you're not just changing out, as Member Kryder said for, you know, regular for high-test unleaded. There's actually skids and there's construction that we have to deal with when you change out a LM6000's fuel sources.

So I do have concern about that, that we do include some sort of language that it should be revisited since we don't -- there's only one project that I know

that's been converted, and it did have a major CapEx.

CHMN STAFFORD: Yeah, I mean, the Conditions that APS and WRA agreed to would cover any use of hydrogen at the project. It's unlikely -- highly unlikely, based on this testimony we heard from the witnesses, that they would be used for the combined cycle units, because the LM6000, I think it's capable to take a 30 percent mix --

MR. DERSTINE: 35.

CHMN STAFFORD: -- 35 percent mix out the gate. But you're right, it would take significant capital expenditures to go anything higher than that. They'd have to retrofit a significant part of the turbine, I understand. But I think --

MEMBER FONTES: You're going to have to put in additional civil infrastructure and skids and mounting and conduit there, so that could have an environmental impact. That's where I'm coming from, Mr. Chairman.

CHMN STAFFORD: Right. And that's why the Condition they had -- it says that they had to -- if they're going to utilize hydrogen at a blend greater than 35 percent, they had to come in and make an amendment to the CEC.

MEMBER FONTES: Thanks for the clarification. I just lost track on that.

CHMN STAFFORD: Yeah. Yeah. So that -- yeah, because that's -- but here's the thing, though, even though the units are capable of utilizing that mix, how do you get it to them? No one has a way to do that at this point in time. So it's -- if they come -- if that -- they wouldn't need to get a modification of the CEC to blend 35 percent, because they're capable of doing that now, getting the -- I think they talked about trucking it in, but I don't think there's a big enough truck to make it worth their while, the amount they need to be able to operate the plant.

MEMBER HILL: Maybe you just produce it on-site, that's a really nice water right that they have.

CHMN STAFFORD: Again, they wouldn't be able to do it -- I don't think they have enough space to have the solar to do it, they'd have to get it from the neighbors. But I think other people want that power to, you know, for electricity and not just hydrogen generation, I guess. Potentially someone could concoct a scheme where they could get all the excess from all the surrounding solar to make hydrogen that you could feed to this plant, but that seems like a pretty significant undertaking that I don't think anyone's in the market to do that at this particular juncture in time.

MEMBER FONTES: Certainly it's an emerging

technology, Mr. Chairman, as you've underscored. And we don't know the future, so that I just wanted to put some ends around it if they did have to do a capital expenditure and additional construction, we would have to revisit how it could potentially impact the environment. So that's where I wanted to revisit that from just simply that small end point.

CHMN STAFFORD: Well, I think that would be addressed by the Conditions that they -- the new 23 and 24 they agreed to. But take a look at those, and if you think they need -- that language needs further modification, we can certainly discuss it tomorrow.

I don't know if any tweaks to that will cause heartburn for APS or WRA. But we'll -- we can hear from them if we do propose to make any changes to those Conditions, because my understanding that those were kind of a package deal between the two parties.

MR. DERSTINE: That's right. Ms. Doerfler extracted a lot for those very onerous Conditions, and we've agreed to them, so -- and I was struggling before, I was trying to use the term "efforting" because it made her happy when I used it the other day, but I couldn't find a way to use it.

CHMN STAFFORD: Efforting.

MR. DERSTINE: Right.

CHMN STAFFORD: I have to work that one into the rotation until it gets adopted. It will be the next new word in the dictionary come 2025, huh?

MR. DERSTINE: That's what she said.

CHMN STAFFORD: All right. All right. Well, I have some work to do on some language additions for the proposed CEC. Any other -- anything further from Members before we recess today and come back tomorrow morning at 9:00 a.m.?

MR. DERSTINE: I think we're making those paper copies of 95 right now and so we should have those to you before you take off for the day, and we'll see you in the morning. I assume our start time 9:00 a.m.?

CHMN STAFFORD: 9:00 a.m. And we should be done by the time of the first break. I would think to be done by 10:30, but --

MEMBER KRYDER: Which day?

CHMN STAFFORD: Tomorrow. Tomorrow. Yes. Yes, I think that -- you know, barring any tangential lines of questioning from Members, I think we should be able to get it done.

MEMBER KRYDER: Thank you. I'll take that.

CHMN STAFFORD: All right. Anything further for the good of the order?

(No response.)

CHMN STAFFORD: With that, we are in recess until tomorrow morning at 9:00.

(The hearing recessed at 2:45 p.m.)

STATE OF ARIZONA)
COUNTY OF MARICOPA)

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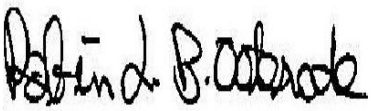
I CERTIFY that I am in no way related to any of the parties hereto nor am I in any way interested in the outcome hereof.

I CERTIFY that I have complied with the ethical obligations set forth in ACJA 7-206(F)(3) and ACJA 7-206 (J)(1)(g)(1) and (2). Dated at Phoenix, Arizona, this 26th day of August, 2024.



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