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BEFORE THE ARIZONA POWER PLANT
AND TRANSMISSION LINE SITING COMMITTEE

IN THE MATTER OF THE) DOCKET NO.
APPLICATION OF DCR) L-21088A-19-0309-00185
TRANSMISSION, L.L.C. OR ITS)
ASSIGNEES, IN CONFORMANCE WITH))
THE REQUIREMENTS OF A.R.S.) CASE NO. 185
§ 40-360 et. seq., FOR A)
CERTIFICATE OF ENVIRONMENTAL)
COMPATIBILITY AUTHORIZING THE)
500 KV TRANSMISSION LINE,)
WHICH INCLUDES THE)
CONSTRUCTION OF A NEW 125 MILE))
500 KV TRANSMISSION LINE)
BETWEEN ARIZONA PUBLIC SERVICE))
COMPANY'S DELANEY SUBSTATION)
UNTIL SOUTHERN CALIFORNIA)
EDISON'S COLORADO RIVER)
SUBSTATION, TO BE REFERRED TO)
AS THE TEN WEST LINK PROJECT.)
_____)

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At: Phoenix, Arizona
Date: January 24, 2020
Filed: January 31, 2020

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1 BE IT REMEMBERED that the above-entitled and
2 numbered matter came on regularly to be heard before
3 the Arizona Power Plant and Transmission Line Siting
4 Committee at the Phoenix Plaza Conference Facility,
5 2909 North Central Avenue, Phoenix, Arizona, commencing
6 at 9:16 a.m. on the 24th of January, 2020.

7

8 BEFORE: THOMAS K. CHENAL, Chairman

9 JACK HAENICHEN, Public Member
10 KARL GENTLES, Public Member
11 MARY HAMWAY, Cities and Towns
12 JAMES PALMER, Agriculture
13 LAURIE WOODALL, Arizona Corporation Commission
14 JOHN RIGGINS, Arizona Department of Water Resources
15 LEONARD DRAGO, Department of Environmental Quality
16 GIL VILLEGAS, JR., Counties

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25

1 CHMN. CHENAL: Good morning, everyone. This
2 is the time to resume the hearing on the Ten West Link
3 application. I see we have our full Committee, we have
4 witnesses ready to go, it looks like.

5 Are there any procedural matters we should
6 discuss, Ms. Grabel?

7 MS. GRABEL: Yes, thank you, Chairman. We do
8 have one exhibit to admit this morning -- introduce,
9 rather. It's Exhibit DCR-28, it's a little out of
10 order. We do have an Exhibit DCR-27, which is in
11 response to a question you asked, Chairman, about the
12 current resource mix in Arizona. I will present that
13 through the testimony of Judy Chang on Tuesday when she
14 appears telephonically.

15 CHMN. CHENAL: Fine, thank you.

16 MS. GRABEL: Exhibit DCR-28, which we're
17 handing out right now, are the links to the CAISO
18 YouTube videos that we watched yesterday and
19 instructions on how to access these.

20 CHMN. CHENAL: All right, perfect. Thank
21 you.

22 MS. GRABEL: Do you need me to lay any
23 foundation?

24 CHMN. CHENAL: No, that's...

25 MS. GRABEL: All right, thank you.

1 And then we thought the first thing we would
2 do this morning is the Google Earth demonstration that
3 Member Haenichen requested about just viewing the Palo
4 Verde hub and the generation resources surrounding that
5 area.

6 CHMN. CHENAL: Perfect.

7 Mr. Arias, did you have anything you wanted
8 to add?

9 MR. ARIAS: Yes, Chairman, just very quick.
10 We are going to have Toby Little go after lunch with
11 her testimony.

12 CHMN. CHENAL: Okay, and that's fine. And
13 that's fine.

14 MR. ARIAS: Thank you.

15 CHMN. CHENAL: I think we'll have plenty to
16 keep us busy between now and then.

17 MS. GRABEL: And just to let the rest of the
18 Committee know, I don't think that Mr. Rogers'
19 technical panel piece will go very long. So what we'll
20 do, if we have additional time before lunch, which I
21 anticipate we will, we'll bring a little out of order
22 Mr. Brian Lindenlaub and have him do his testimony, and
23 hopefully get that done and allow for Staff to go
24 afterwards.

25 CHMN. CHENAL: All right, very good. So the

1 next order of business is the Google partial flyover.

2 MS. GRABEL: Correct.

3 CHMN. CHENAL: Okay.

4 MS. GRABEL: And Mr. Amirali, who is sitting
5 to my right so that he can access the computer, is here
6 to drive.

7 MR. AMIRALI: Chairman Chenal, Members of the
8 Committee, good morning. This is the low techy-techy
9 response to Member Haenichen's request of identifying
10 the Palo Verde area and the generating plants that are
11 there in proximity to that nuclear generation facility.

12 So I will try my best to go and expand on
13 every area, and please stop me if I am not covering any
14 of the Chairman's questions.

15 Oh, yes, please.

16 CHMN. CHENAL: Maybe you need a laser
17 pointer. That would help with your explanation, I
18 think.

19 MR. AMIRALI: There we go. It works.

20 (Virtual tour plays.)

21 MR. AMIRALI: So just an overview of the
22 area, Palo Verde nuclear station. This is Mesquite
23 Solar, Arlington Valley gas-fired generation plant,
24 there is also an Arlington Valley Solar, and the
25 Redhawk plant. These are the generating facilities

1 that are in that area, and I'll go to each one and then
2 move to the other one. And Chairman and Members, if
3 you don't mind just stopping me whenever.

4 CHMN. CHENAL: Let me stop you right now,
5 because I'm a little confused at what I'm looking at.

6 MR. AMIRALI: Yes, sir.

7 CHMN. CHENAL: And I have a laser, too, and
8 mine is more powerful than yours.

9 MR. AMIRALI: Can we cross the laser swords,
10 sir, like Ghostbusters?

11 CHMN. CHENAL: This one wins, that's just the
12 way it works.

13 All right. So we have the Mesquite solar.

14 MR. AMIRALI: Yeah.

15 CHMN. CHENAL: Where is the solar? Where are
16 the fields?

17 MR. AMIRALI: Right there.

18 CHMN. CHENAL: Okay. So the solar --

19 MR. AMIRALI: This is the solar field.

20 CHMN. CHENAL: But it says Arlington Valley
21 generation?

22 MR. AMIRALI: Yeah, this is how they appear
23 in Google. There's also an Arlington Valley Solar
24 right south, and I'll get to that.

25 CHMN. CHENAL: Let's just stay with what

1 we're looking at. I see a Mesquite Solar, and then I
2 see right below it an Arlington Valley Generating
3 Station. Are those two different facilities, and we're
4 only looking at one of them?

5 MR. AMIRALI: No. They are two different
6 facilities. There is a -- so in this area, prior to
7 2009, okay, all you had was Palo Verde Generation
8 Station, you had Redhawk, you had Mesquite Generating
9 Station, which was at that time owned by Sempra, and
10 you had Arlington Valley Generating Facility, which is
11 very close to Mesquite right there, and that was owned
12 by, at that time, Duke, okay.

13 That was prior to 2009, 2010, when all
14 these -- before these projects were built. Between
15 2006 -- oh, sorry -- 2008 and 2012, all the solar
16 fields were developed in that area.

17 CHMN. CHENAL: I'm just trying to make sure I
18 know what I'm looking at, and I think I now see it.
19 You have to look at the pins, because the way the
20 descriptions are located, it's not clear.

21 MR. AMIRALI: Let me elaborate on that one
22 for you.

23 CHMN. CHENAL: All right. So let's go one at
24 a time. Show me where the Mesquite Solar is. Let's go
25 one at a time.

1 MR. AMIRALI: Mesquite Solar.

2 CHMN. CHENAL: The next one is the Arlington
3 Valley Generating Station.

4 MR. AMIRALI: Arlington Valley Generating
5 Station.

6 CHMN. CHENAL: And the next one after that
7 is, if you could scroll out or zoom out, the next is
8 the Redhawk Power Plant?

9 MR. AMIRALI: Redhawk Power Plant, sir.

10 CHMN. CHENAL: And then the fourth item below
11 that, you have to scroll out or zoom out, is the
12 Arlington Valley Solar.

13 MR. AMIRALI: Arlington Valley Solar and
14 their solar field.

15 CHMN. CHENAL: All right, thank you.

16 MR. AMIRALI: All right. I do not know what
17 other -- and just to give you a little bit of
18 reference, okay, that's the Harq Gen, the Harquahala
19 Generating -- gas generating station, which is just
20 next to the Delaney Substation, just to give you a more
21 global view.

22 That's pretty much all the power plants that
23 are in the area. You have got Occottillo, owned by
24 APS, a little bit to the east, but, you know, did not
25 want to go any further than that.

1 CHMN. CHENAL: Member Haenichen.

2 MEMBER HAENICHEN: Thank you.

3 Let's talk, first, about the nuclear
4 generating station.

5 MR. AMIRALI: Yes, sir.

6 MEMBER HAENICHEN: When you put your pointer
7 on it, you pointed to those two little things up there.
8 Is that the whole thing, or is all these other
9 dark-colored things part of it?

10 MR. AMIRALI: This whole thing is the -- this
11 whole thing is the complex, sir.

12 MEMBER HAENICHEN: And then the next request
13 I have is that you zoom way out, so that we can see
14 what the surroundings look like.

15 MEMBER HAMWAY: So when you talk about the
16 Palo Verde hub, what are you talking about?

17 MR. AMIRALI: So Member Hamway, Palo Verde
18 hub is -- it's actually a defined term. It's comprised
19 of two substations.

20 MEMBER HAMWAY: Okay.

21 MR. AMIRALI: Palo Verde Substation, that was
22 originally developed in conjunction with the Palo Verde
23 nuclear power plant, but then there was a second
24 substation called Hassayampa. So combined, the two
25 substations are considered to be Palo Verde hub, okay.

1 But let me backtrack.

2 They are combined called the Palo Verde
3 extended bus. Palo Verde hub is -- you know, anything
4 that comes into those substations is called the Palo
5 Verde hub.

6 MEMBER HAMWAY: Okay.

7 CHMN. CHENAL: Member Haenichen.

8 MEMBER HAENICHEN: Yeah. Describe those
9 areas on the right and on the left that look like
10 residential areas. Can you tell me about them?

11 MR. AMIRALI: Okay. So let me go --

12 MEMBER HAENICHEN: This and this.

13 MR. AMIRALI: Right here?

14 MEMBER HAENICHEN: Okay. Let's start with
15 that one.

16 MR. AMIRALI: Member Haenichen, I will do my
17 best, and then I will, you know, ask my colleague,
18 Mr. Lowell Rogers, to add, because he's also familiar
19 with that area.

20 To the best of my knowledge, there is --
21 these are all the open -- these are pretty much open
22 fields here right next to Harq Gen. What we are
23 seeing -- just give me one second, sir. Okay.

24 So this is where my -- where I have got my
25 pointer right now, that's the Delaney Substation right

1 now existing. All of this area is -- there are
2 facilities proposing to build solar in this area.
3 There is -- to the best of my knowledge, there is no
4 homes or any residential developments either in
5 existence or in plan.

6 Mr. Rogers, would you add to that?

7 MR. ROGERS: Just to please ask you to
8 clarify the question. I'm not sure which residential
9 areas you're talking about.

10 MEMBER HAENICHEN: Let me rephrase it then.
11 This area here looks like it's been platted out by some
12 entity into rectangular pieces. What was the intended
13 use of those platted spots?

14 MR. ROGERS: I believe that is active
15 agriculture land.

16 MEMBER HAENICHEN: Okay. Now let's go to the
17 other side. Is that true of these as well?

18 MR. ROGERS: I don't have knowledge what the
19 land use is of that.

20 MEMBER HAENICHEN: How about these?

21 MR. ROGERS: Again, I don't have knowledge of
22 the land use on that side.

23 MEMBER HAENICHEN: Well, it's the town of
24 Buckeye.

25 MR. ROGERS: It's quite a ways outside of our

1 study area, so I didn't -- I'm sorry, I don't know the
2 land use --

3 MEMBER HAENICHEN: About how many miles is it
4 from where my pointer is now over to here?

5 MR. AMIRALI: Over to where?

6 MEMBER HAENICHEN: The whole screen here.

7 MR. AMIRALI: Okay, the whole screen? As the
8 crow flies, 25 miles, sir.

9 MEMBER HAENICHEN: Thank you.

10 MEMBER WOODALL: Mr. Chairman.

11 CHMN. CHENAL: Member Woodall.

12 MEMBER WOODALL: I think there may be a
13 question.

14 CHMN. CHENAL: Oh, Member Riggins.

15 MEMBER RIGGINS: So the area, the previous
16 map that had the Delaney Substation --

17 MR. AMIRALI: Yes, sir.

18 MEMBER RIGGINS: I just want to put on the
19 record. So the area west of Delaney, that's
20 actually -- the mountain range to the just due east of
21 Delaney is actually the boundary of the Phoenix Active
22 Management Area. So to the east of Delaney is actually
23 more stringent and stricter groundwater -- regulations
24 for groundwater use as far as conservation requirements
25 for industrial water, water rights for groundwater use.

1 So the area that you identified to the west
2 of Delaney where there's proposed development for
3 solar, I just want to put out there that that is
4 actually outside of the boundary of the Phoenix Active
5 Management Area. So it's in the Harquahala
6 non-expan- -- or, irrigation non-expansion area, but
7 it's outside of the regulations of an Active Management
8 Area. So I just wanted to put that out there.

9 MEMBER HAENICHEN: What is the ownership of
10 those big tracts of land?

11 MS. GRABEL: So Chairman and Member
12 Haenichen, I believe, because that was outside of our
13 study area, we're not familiar with the ownership of
14 those parcels.

15 CHMN. CHENAL: Mr. Arias, do you have a
16 question, comment?

17 MR. ARIAS: Yes, just a quick question,
18 Chairman.

19 The solar fields that are going to be -- I
20 think you identified them west of the Delaney
21 Substation, so those are planned?

22 MR. AMIRALI: That's just -- that's just the
23 interconnection from the APS queue. That's not in our
24 queue.

25 MR. ARIAS: Okay, that was going to be my

1 question. Are those the ones that are going to the in
2 the queue?

3 MR. AMIRALI: No.

4 MEMBER HAENICHEN: Could you pinpoint where
5 the Delaney Substation is? I missed that.

6 MR. AMIRALI: Of course. Anything for you,
7 Member Haenichen.

8 MEMBER HAENICHEN: Oh, I'm flattered.

9 MR. AMIRALI: Right there.

10 CHMN. CHENAL: Sorry. Where is "right
11 there"?

12 MR. AMIRALI: Right here, sir, at the --
13 right here.

14 MEMBER HAENICHEN: Can you zoom in on that so
15 we can look at it?

16 MR. AMIRALI: Oh, absolutely. Again, as I
17 said, anything for you, Member Haenichen.

18 MEMBER HAENICHEN: Thank you.

19 MR. ROGERS: Could I also point out that our
20 proposed project exits one span to the west outside
21 Delaney, turns one span to the corner, comes back to
22 the existing transmission corridor, and continues north
23 adjacent to the existing DPV transmission line,
24 crossing the freeway and continuing north and wrapping
25 around the small mountain range there and then

1 continuing west.

2 So our proposed project does not go into the
3 area that you're referring to further to the west.
4 Directly west of -- directly west of Delaney
5 Substation, that was an alternative that was studied by
6 the BLM and not carried forward.

7 CHMN. CHENAL: Mr. Amirali, could you zoom
8 out again, or whoever is in control of the computer?
9 Just locate us again where the items are. We're
10 looking at Delaney Substation in the middle of the
11 screen.

12 MR. AMIRALI: Delaney Substation in the
13 middle.

14 CHMN. CHENAL: Show us where Palo Verde is
15 and where these other -- just so we can see, again, get
16 our bearings.

17 MR. AMIRALI: Delaney Substation, sir.

18 CHMN. CHENAL: Yes.

19 MR. AMIRALI: Palo Verde nuclear plant,
20 Arlington Valley, Mesquite, Redhawk, Harq Gen.

21 CHMN. CHENAL: And the proposed solar is
22 going to be where, again, the solar facilities that you
23 said are...

24 MR. AMIRALI: This is an area where we have
25 seen APS receive requests for solar projects.

1 CHMN. CHENAL: All right, thank you.

2 MR. ROGERS: Ali, if I could just interrupt
3 to expand on this.

4 Looking at our project map on the left, we
5 have Delaney Substation here, and Palo Verde is not
6 shown on the area map. It's far enough away that it's
7 off the map to the east.

8 MEMBER HAENICHEN: Could someone explain to
9 us how the energy coming out of the Palo Verde nuclear
10 station gets to Delaney?

11 MR. AMIRALI: I'll be delighted to, sir, at
12 least to try to. So you don't see that line here, but
13 going back to, sir, when I said Palo Verde hub, that's
14 Palo Verde Hassayampa. There is a transmission line
15 from the Palo Verde common bus, owned by APS, that
16 gets -- that is connected to Delaney right now. And
17 from Delaney, there is a -- there's a line that goes
18 further out to other substations owned by APS.

19 MEMBER HAENICHEN: Show us Delaney. You'll
20 have to zoom out a little bit, I guess.

21 MR. AMIRALI: Right there is Delaney.

22 MEMBER HAENICHEN: Oh, okay.

23 MR. AMIRALI: And I can try and point what
24 that line is, even though it won't look very good, but
25 I'll be more than happy to point it out. So that's --

1 right here. This is the line that comes in, goes in,
2 and you can actually see it a little bit, these two
3 towers. So they come from Palo Verde hub, go into the
4 Delaney Substation, out of the Delaney Substation,
5 further up.

6 MEMBER HAENICHEN: Is that a 500 kV line?

7 MR. AMIRALI: Yes, it is, sir, Member
8 Haenichen.

9 MEMBER HAENICHEN: Thank you.

10 CHMN. CHENAL: Member Hamway had a question.

11 MEMBER HAMWAY: I just wanted to know, that
12 proposed APS solar plant that you pointed out, is that
13 part of the 900 megawatts that is in their queue?

14 MR. AMIRALI: The ones that are in APS's
15 queue, Member Hamway, is that what your question was?

16 MEMBER HAMWAY: Yeah. That one you were
17 pointing out that's not built yet.

18 MR. AMIRALI: Those are part of the 900
19 megawatts, that's correct.

20 CHMN. CHENAL: Member Haenichen, did you have
21 any further questions?

22 MEMBER HAENICHEN: So am I correct in that
23 not only Palo Verde Generating Station itself, but all
24 the other existing generation entities in the Palo
25 Verde hub will ultimately wind up in the Delaney

1 Substation for distribution? Is that a correct
2 assumption or not?

3 MR. AMIRALI: I am actually not clear, sir.
4 Would you mind expanding on your question a little bit?

5 MEMBER HAENICHEN: Okay. We already
6 established that the Palo Verde hub -- and you showed
7 us a transmission line, which was hard to see, but I
8 certainly believe that was the right one, coming from
9 the Palo Verde to the Delaney Substation. Are there
10 similar lines from the other generation entities that
11 you spoke of that go to the Delaney Substation?

12 MR. AMIRALI: And I can only speak to the
13 best of my knowledge, Member Haenichen.

14 MEMBER HAENICHEN: Okay, that's fine.

15 MR. AMIRALI: To the best of my knowledge,
16 there is no proposed lines that are planned at this
17 time from building from any particular generation
18 station going towards Delaney. But that is more of
19 a -- since they are an APS interconnection, that's more
20 a question for APS.

21 MEMBER HAENICHEN: Well, that begs the
22 question, then, are there additional substations that
23 accept the energy coming out of those other entities?

24 MR. AMIRALI: Oh, absolutely.

25 MEMBER HAENICHEN: May we see those?

1 MR. AMIRALI: Actually, sir, that is outside
2 the scope of what you had requested, but I can do my
3 best to try and expand on that, if you'll indulge with
4 me.

5 MR. ROGERS: Excuse me, Ali. As you
6 described the Palo Verde hub, in addition to the lines
7 going west, can you also describe the lines that go
8 east?

9 MR. AMIRALI: I was about to do that, Lowell.
10 Thank you very much.

11 Member Haenichen, I am going to go uber nerd
12 on you. And please stop me because, again -- I told
13 you I'd go uber nerd.

14 So rule of thumb, assume red is 500, okay,
15 500 kV. Member Haenichen, as you can see, Palo Verde
16 has Palo Verde hub, which is Palo Verde and Hassayampa,
17 the two substations, has several lines heading east, as
18 well as west out of the substations. Some of the lines
19 are gen-tie lines that -- like, for example, this line
20 is just a tie line that connects the existing
21 generating facility to the Hassayampa. But there are a
22 significant number of lines, existing lines.

23 MS. GRABEL: Can you hold on one moment while
24 I consult with my witness?

25 CHMN. CHENAL: Sure.

1 MEMBER HAENICHEN: Can I stop you right
2 there? You keep saying Hassayampa. Is that a
3 substation?

4 MS. GRABEL: Excuse me one moment.

5 Pardon the interruption. We were just trying
6 to confirm that this is public information and we were
7 able to put it in the record. And we have confirmed
8 that it's fine, so please resume.

9 MR. AMIRALI: This information can be
10 ascertained from any bulk transmission map.

11 So I just wanted to point out that there are
12 several lines, the 500 kV line. Palo Verde nuclear --
13 Palo Verde hub is a -- one of the largest hubs in the
14 western United States and has got significant numbers
15 of lines coming in and out.

16 You can -- you know, these are all APS lines
17 and they head east. This one is heading to the
18 Westwing Substation, almost at the New Mexico border.
19 This one does almost the same thing, it's the second --
20 it goes from Palo Verde to Estrella Substation. This
21 one goes to the Redhawk Station that is owned by APS.
22 This is Hassayampa, second Hassayampa Redhawk line.
23 This one heads to Jojoba. So it's hard to see, but
24 these are like three lines in here, three, four lines.
25 So it's literally a spaghetti of transmission lines.

1 MEMBER HAENICHEN: Before we go any further,
2 can you explain to the Committee, when you use the word
3 "Hassayampa," what is that actually?

4 MR. AMIRALI: Hassayampa is a large
5 substation owned by -- owned by the members of the Palo
6 Verde hub. It's got multiple ownership.

7 MEMBER HAENICHEN: Okay. Then my companion
8 question to that is, does all of the energy produced by
9 generating facilities on that hub, on the hub site,
10 other than the nuclear plant, do they all feed into
11 Hassayampa Substation?

12 MR. AMIRALI: In addition to the nuclear
13 station, sir. So first of all, sir, if you see where
14 I'm doing the circle, okay, so follow my -- closely
15 follow my ellipse. And I'm not trying to hypnotize
16 anybody. So if you follow the ellipse, there's three
17 lines between Palo Verde and Hassayampa, okay. So Palo
18 Verde and Hassayampa electrically, even though
19 physically separated, are considered electrically
20 identical.

21 So any generation that is coming to one or
22 the other is deemed to be coming into the Palo Verde
23 hub, which is this larger circle. So all the
24 generation coming from all of these plants or
25 connecting to these lines are coming into this larger

1 hub, and it's distributed to the load center based upon
2 the network topology.

3 MEMBER HAENICHEN: Wait a minute. That makes
4 no sense to me. Pardon my stupidity. It seems to me
5 that the customary way things work is a
6 power-generating station feeds its output first to a
7 substation.

8 MR. AMIRALI: Uh-huh.

9 MEMBER HAENICHEN: Okay. What substation do
10 the nonnuclear facilities feed their power to? You've
11 told us about two substations --

12 MR. AMIRALI: Yes.

13 MEMBER HAENICHEN: -- Hassayampa and Delaney.

14 MR. AMIRALI: Hassayampa and Palo Verde and
15 Delaney, three.

16 MEMBER HAENICHEN: Three?

17 MR. AMIRALI: Yes.

18 MEMBER HAENICHEN: Palo Verde is a
19 substation?

20 MR. AMIRALI: Yes, sir.

21 MEMBER HAENICHEN: That hasn't been revealed
22 up to now.

23 MR. AMIRALI: Absolutely, sir. Palo Verde --
24 sir, actually, Member Haenichen, you just stated
25 yourself, every generating facility feeds its power to

1 a substation.

2 MEMBER HAENICHEN: Yes.

3 MR. AMIRALI: Palo Verde nuclear plant feeds
4 its power to the Palo Verde station, and I will expand
5 on it so you can see it clearly.

6 MEMBER HAENICHEN: And then also explain what
7 the other power-generating entities do with their
8 output.

9 MR. AMIRALI: I'll do my best, sir. That's
10 why I need Lowell driving this thing.

11 All right. Mesquite Generating Station
12 connected to Hassayampa right there, okay? I'll go one
13 at a time, sir.

14 MEMBER HAENICHEN: Hassayampa Substation.

15 MR. AMIRALI: Hassayampa Substation.
16 Hassayampa is not a power plant. Hassayampa is only a
17 substation.

18 MEMBER HAENICHEN: Please use the word
19 "substation."

20 MR. AMIRALI: Yes, sir. As I said, Member
21 Haenichen, anything for you.

22 MEMBER HAENICHEN: You're bordering on being
23 condescending, but I'll ignore it.

24 MR. AMIRALI: I apologize. It was supposed
25 to be funny, sir.

1 Hassayampa connected to Arlington Valley
2 connected to Hassayampa Substation, right? Redhawk
3 Generating Station connected to Hassayampa 500 kV bus,
4 Hassayampa Substation 500 kV bus.

5 Anything else, sir?

6 MEMBER HAENICHEN: Well, wasn't there a third
7 generating entity, or did I --

8 MR. AMIRALI: No. Arlington Valley, Redhawk,
9 and --

10 CHMN. CHENAL: Mesquite Solar.

11 MR. AMIRALI: Sir, this map does not show the
12 interconnection for Mesquite Solar, because the solar
13 facilities came around after this map was developed.
14 But Mesquite Solar is using the same interconnection as
15 Mesquite Generating Station.

16 MEMBER HAENICHEN: Fair enough. Now, let's
17 imagine that this line that you're proposing gets
18 approved, and wires are going to be put in across a
19 vast amount of desert over to California from this
20 area. Where will they terminate? Where is the last
21 inch of wire going to be? So into --

22 MR. AMIRALI: As my -- so going back to this,
23 sir, we are talking about this area right there. As my
24 colleague just pointed out, that we will be coming
25 in --

1 Lowell, would you mind driving back?

2 MR. ROGERS: Absolutely. And we can relaunch
3 the virtual tour as well, if you want that kind of
4 view.

5 MEMBER HAENICHEN: We're doing fine. Let's
6 keep going.

7 MR. ROGERS: So the red line here represents
8 existing transmission. We come in adjacent to that
9 transmission from the north. Down here we turn, we
10 have a structure here, we have a structure here, and we
11 enter into the new ring-bus within Delaney -- a
12 breaker-and-a-half, I'm sorry.

13 MEMBER HAENICHEN: That says Harquahala.

14 MR. ROGERS: This is Delaney.

15 MEMBER HAENICHEN: Well, then it's
16 mislabeled, I take it.

17 MR. AMIRALI: Let me shut the lines down.

18 MEMBER HAENICHEN: You're confusing us with
19 all these names that don't make sense. What is that,
20 Delaney or Harquahala?

21 MR. ROGERS: This is Delaney, sir.

22 MEMBER HAENICHEN: Then why does it say
23 Harquahala Junction Switchyard? Is that a switchyard
24 or a substation?

25 MR. ROGERS: This is a substation. It has

1 multiple voltages coming --

2 MEMBER HAENICHEN: Okay. Then where is the
3 Harquahala Junction Switchyard?

4 MR. AMIRALI: Sir, again, this is a public
5 map that was prepared based upon the public information
6 that was available. Harq Switchyard was a switchyard
7 that was planned a long time ago but that was never
8 built.

9 MEMBER HAENICHEN: Oh. Then you probably
10 should have, to avoid confusion, left it off.

11 MR. AMIRALI: I was about to shut down the
12 lines so that my colleague can show --

13 Yeah, Lowell, please drive.

14 MR. ROGERS: Okay. Starting over on the
15 overview, we'll start very high-level. So as we come
16 in from west to east, we're along I10. We divert from
17 I10 and rejoin the Devers Palo Verde transmission line
18 here. As we come in from the north down still
19 paralleling, and on the left-hand side, the west side
20 of Devers Palo Verde, we parallel it down here, we
21 stop, we turn, one span to the corner of the
22 substation, the corner of Delaney Substation, have one
23 span to the center, and enter into the substation.

24 MEMBER HAENICHEN: Okay. Now --

25 MR. ROGERS: And that's the terminus of our

1 project.

2 MEMBER HAENICHEN: The word you just used,
3 "substation," are there transformers on that site?

4 MR. ROGERS: Yes, sir.

5 MEMBER HAENICHEN: Can we zoom in and see
6 them?

7 MR. ROGERS: And for your reference later for
8 the site tour, our hover point is just to the west of
9 there, and we'll have a good view of this entire
10 substation.

11 MEMBER HAENICHEN: Where are the
12 transformers?

13 MR. AMIRALI: Right there, sir.

14 MEMBER HAENICHEN: So this, in fact -- I'm
15 going to inform you about what our terminology is on
16 this; the Committee, I'm talking about.

17 MR. ROGERS: Yes, sir.

18 MEMBER HAENICHEN: A substation is an entity
19 that has the ability to change voltages to various
20 amounts to serve the needs of the loads. A switchyard
21 is just a way to interconnect various transmission
22 lines. Is it not true that this facility you're
23 showing does both of those, so it's a combination
24 switchyard and substation?

25 MR. ROGERS: That's right. Most -- as far as

1 I'm aware, all substations have breakers and the
2 ability to isolate lines coming in and out of them. So
3 this would, I guess, by your definition, serve both of
4 those functions. But my nomenclature calls this a
5 substation. It does step voltages up and down and
6 distribute them around the region.

7 MEMBER HAENICHEN: But it's taking various
8 input lines from energy sources and combining them,
9 right, in some way?

10 MR. ROGERS: That's right.

11 MEMBER HAENICHEN: Well, that's what we call
12 switchyards. So this is a switchyard substation.

13 Is that also true of Harquahala, which you
14 call a substation?

15 I'm not trying to be a wiseguy here. I'm
16 trying to figure out, if this line is approved, how
17 it's all going to work.

18 MR. ROGERS: Absolutely. We want to
19 demonstrate that to you. I'm sorry, I'm not as
20 familiar with Harquahala as Mr. Amirali. So I'm sorry,
21 my pause was just simply waiting for him to take over.

22 MR. AMIRALI: Member Haenichen, again, just
23 purely going by this map, and maybe Ms. Little can
24 elaborate on it during -- you know, when she comes up.
25 But to the best of the information available here,

1 Harquahala has got two different voltages at this time
2 shown. That means that there has to be a transformer
3 there.

4 MEMBER HAENICHEN: Right.

5 MR. AMIRALI: Okay. There is a 69 kV voltage
6 shown, as well as 500 kV.

7 MEMBER HAENICHEN: Okay. So now, I'm
8 referring now to our definitions of switchyards and
9 substations. So that -- because of the fact that there
10 are many, many lines coming in there, there's a lot of
11 switchyard activity going on, okay, as well as
12 substation activity.

13 MR. AMIRALI: That would be -- yeah, I can
14 see that, sir.

15 MEMBER HAENICHEN: Okay. Could you zoom in
16 more on that and tell us where the transformer is?

17 MR. AMIRALI: Right there. That's the
18 transformer right there.

19 MEMBER HAENICHEN: Okay. Now, this is now
20 entering an area of a hypothetical situation. Assuming
21 that this line gets approved, okay, it's going to come
22 into this area here.

23 MR. ROGERS: No, it stops at Delaney.

24 MEMBER HAENICHEN: I mean overall, this
25 overall area that we've been looking at when we zoomed

1 way out. Is it not -- is it fair to say that any and
2 all energy that that line receives going outward to the
3 west is born in this area, not necessarily from
4 existing facilities, but from possible new facilities
5 that will be built on land adjacent to what you're
6 looking at right now. Is that a true statement?

7 MR. ROGERS: Actually, the interconnection
8 queue that is signed up for Ten West Link has two --
9 two projects in La Paz County.

10 MEMBER HAENICHEN: That are going to connect
11 to this line?

12 MR. AMIRALI: Yeah.

13 MEMBER HAENICHEN: Can you show us where that
14 takes place?

15 MR. AMIRALI: Right there, sir.

16 MR. ROGERS: So just --

17 MEMBER HAENICHEN: This is news to me. I
18 haven't heard this yet.

19 MR. ROGERS: Well, we're getting into the --

20 MEMBER HAENICHEN: Somebody else's testimony?

21 MR. ROGERS: -- components. But I mean, the
22 queue is -- the queue is a list of people that are
23 earnest in pursuing connecting to the line, and they've
24 made an investment to pursue that connection. It
25 doesn't mean that it is approved.

1 MEMBER HAENICHEN: Oh, I understand that.

2 MR. ROGERS: It doesn't mean it's been
3 environmentally confirmed. It doesn't mean that
4 they're financially going to do it. It is simply a
5 queue. And our indication right now is that we will be
6 connected by solar PV, not from this area of the Devers
7 hub, but from -- I'm sorry -- the Palo Verde hub, but
8 from areas west of there.

9 MEMBER HAENICHEN: Okay. So on that sheet we
10 were presented with, I believe yesterday, that long
11 sheet, it showed three potential generators that
12 connect into it. The largest one was 3,200 megawatts,
13 I believe, and then there were two other lesser ones.
14 The one you just were talking about that's nowhere near
15 this area, is that one of those two; and if so, which
16 one?

17 MR. AMIRALI: Okay. Member Haenichen, and
18 this is something that my colleague, Mr. Rogers, will
19 get in much more detail with in his presentation. But
20 two of the three projects out in La Paz County,
21 proposed in La Paz County, one of them is proposed in
22 Maricopa County right around in this area.

23 MEMBER HAENICHEN: Okay. The two then -- are
24 the other two on that long sheet we received yesterday,
25 is that true?

1 MS. GRABEL: Member Haenichen, I believe
2 you're referring to Exhibit DCR-25, and the answer is
3 yes. It's actually identified in the location. It
4 says, La Paz County, La Paz County for the two.

5 MEMBER HAENICHEN: And that generation
6 ostensibly will be a DC generator, correct?

7 MR. AMIRALI: Solar PV generation with energy
8 storage.

9 MEMBER HAENICHEN: So it will have to be
10 serviced with an inverter before it goes onto the line?

11 MR. AMIRALI: It will have a conversion in
12 there, yes.

13 MEMBER HAENICHEN: Okay. So as far as you
14 know, then, given present information that you have at
15 your disposal, you have three possible generators, all
16 DC generators, solar PV, and their combined output
17 would be enough to fully saturate this line, is that a
18 fair statement?

19 MR. AMIRALI: Member Haenichen, that is
20 the -- I would like to just give a response as a
21 qualified yes, and I will -- if everything is built,
22 that generation would predominantly flow on this line.
23 However, as you know, as we have discussed over the
24 last two days, that it's an interconnected AC system,
25 so the power will flow following the network topography

1 characteristics and following the path of least
2 resistance.

3 Another thing is, as I had also mentioned
4 that as a transmission line owner, we will only be
5 responsible for interconnecting these facilities, and
6 these resources will perform, assuming all of these are
7 built, they will perform in accordance with the rules
8 set forth by APS and ISO for the market participation.

9 MEMBER HAENICHEN: If only we had a
10 California representative here to shed more light on
11 this. That's all my questions at this time.

12 CHMN. CHENAL: And just for the record, we've
13 been looking at a Google map of -- or, Google Earth of
14 the Palo Verde hub, we've been zooming in and out.

15 MR. AMIRALI: Yes, sir.

16 CHMN. CHENAL: Are we going to make this -- I
17 don't know if we make it an exhibit or just leave it
18 that this is a demonstration, you know, of the area. I
19 think we've described what we've been looking at. I
20 don't think we have to make an exhibit of it, unless --
21 Counsel, unless you disagree or if anyone disagrees.

22 MS. GRABEL: I don't believe we need to make
23 it an exhibit, Chairman.

24 CHMN. CHENAL: Okay. I think the technology
25 is sufficiently common and well known that, you know, I

1 think the record is clear as to what we've been looking
2 at.

3 But again, we've been looking at the Palo
4 Verde hub, and we've had different zooming in and
5 zooming out, with different overlays, for example, for
6 generation stations, generating stations and power
7 lines, typically 500 kV. So I don't think we have to
8 do any more than that.

9 So are there any further questions by the
10 Committee regarding the Google Earth of the Palo Verde
11 hub?

12 Mr. Arias, do you have any questions?

13 MR. ARIAS: No further questions from Staff.

14 CHMN. CHENAL: Okay. Ms. Grabel, any further
15 redirect or...

16 MS. GRABEL: No, sir.

17 CHMN. CHENAL: I guess redirect isn't the
18 correct term, since there's been no cross. Okay, very
19 helpful. Thank you.

20 MR. AMIRALI: Thank you, Chairman Chenal.

21 CHMN. CHENAL: Just one more question just to
22 verify. The Palo Verde hub is both Delaney and --
23 excuse me. Palo Verde hub, say again what the
24 definition is.

25 MR. AMIRALI: The Palo Verde hub is a

1 generation hub. The Palo Verde common bus is the
2 combination of the 500 kV bus at Palo Verde Substation
3 and Hassayampa Substation.

4 CHMN. CHENAL: That's what I meant to say. I
5 did listen to what you were saying for the last 20
6 minutes, 30 minutes. Okay, good. Thank you very much.

7 MS. GRABEL: Are we ready to move on with
8 Mr. Rogers?

9 CHMN. CHENAL: We are ready to move on with
10 Mr. Rogers.

11

12 LOWELL ROGERS AND ALI AMIRALI (PANEL 2),
13 called as witnesses on behalf of the Applicant, having
14 been previously sworn by the Chairman to speak the
15 truth and nothing but the truth, were examined and
16 testified as follows:

17

18 DIRECT EXAMINATION

19 BY MS. GRABEL:

20 Q. Mr. Rogers, you're still sworn in and under
21 oath.

22 A. (BY MR. ROGERS) That's correct.

23 Q. I mean, I don't think you need to repeat your
24 name for the record. Do you see the book of exhibits
25 that's before you?

1 A. (BY MR. ROGERS) Yes, I do.

2 Q. Will you please turn to the Exhibit DCR-16,
3 which is the witness summary of Lowell Rogers.

4 A. Yes, I'm there.

5 Q. Have you seen this document before?

6 A. (BY MR. ROGERS) Yes, I have.

7 Q. Was it prepared by you or under your
8 direction and control?

9 A. (BY MR. ROGERS) Yes.

10 Q. And does the witness summary accurately
11 convey the testimony that you intend to present to the
12 Committee today?

13 A. (BY MR. ROGERS) Yes, it does.

14 Q. Thank you. Will you please turn to Exhibit
15 DCR-17?

16 A. (BY MR. ROGERS) Okay.

17 Q. This is the witness presentation of Lowell
18 Rogers, correct, on Panel 2?

19 A. (BY MR. ROGERS) That's right.

20 Q. Have you seen this document before?

21 A. (BY MR. ROGERS) Yes.

22 Q. Was it prepared by you or under your
23 direction and control?

24 A. (BY MR. ROGERS) It was.

25 Q. Are the statements contained in Exhibit

1 DCR-17 true and correct, to the best of your knowledge?

2 A. (BY MR. ROGERS) Yes.

3 Q. Thank you. Please turn to Exhibit DCR-18.

4 And this is an updated illustration of the Exhibit G6
5 to the CEC application in this matter, which is marked
6 as Exhibit DCR-1.

7 A. (BY MR. ROGERS) I'm familiar with this, yes.

8 Q. Thank you. Will you please describe this
9 document?

10 A. (BY MR. ROGERS) This is a revised exhibit
11 that shows the proposed steel monopole structures by
12 substations. The change was in the heighth, shown on
13 the left-hand side dimension, and the change is making
14 it 120 to 180 feet approximate heighth. And this
15 change was made to reflect the current engineering
16 state of the project.

17 Q. Thank you. And was this document prepared by
18 you or under your direction or control?

19 A. (BY MR. ROGERS) Yes, it is.

20 Q. And does the exhibit accurately reflect the
21 proposed steel monopole structure that will be used in
22 the substations in this project?

23 A. (BY MR. ROGERS) Be used outside of the
24 substations, yes.

25 Q. Thank you. Does the Applicant intend for

1 this document to replace Exhibit G6 to the CEC
2 application?

3 A. (BY MR. ROGERS) Yes, please.

4 Q. Thank you. With that, I have no further
5 questions. Please begin your presentation.

6 A. (BY MR. ROGERS) Thank you.

7 For the record, again, my name is Lowell
8 Rogers. I'm the president of Oak Strategic. Oak
9 Strategic is an engineering and consulting company
10 located in Sacramento, California that specializes in
11 the design, siting, and permitting of high-voltage
12 transmission lines and infrastructure in general.

13 I hold a bachelor's degree in civil
14 engineering from the California State University at
15 Chico. I'm also a licensed professional engineer in
16 the states of Washington and California. Throughout my
17 career, I have managed or been the engineer for the
18 siting, design, or assessment of more than 3,000 miles
19 of high-voltage transmission lines.

20 On the Ten West Link project, I'm the project
21 manager and I serve for DCR Transmission, L.L.C. In
22 this capacity, I'm responsible for obtaining the
23 right-of-way through federal lands, which includes the
24 development of the plan of development, which informs
25 the NEPA process. I also manage the cultural, visual,

1 and environmental resource compliance aspect of the
2 project, as well as working with our engineering and
3 construction contractor for the project.

4 Starting off, again, with the proposed
5 project. You've seen this map often so far. Again,
6 the Arizona portion of the project is 103 miles long,
7 and the California portion is 22 miles.

8 In this presentation, I'm going to discuss
9 the physical components of the project. The major
10 components are the structures, the conductor, the
11 series compensation station, access roads, and
12 substation interconnects on either end at Delaney
13 Substation and Colorado River Substation.

14 Ten West Link has approximately 343
15 structures in Arizona, comprised of seven types of
16 structures. As I discussed in the virtual tour, the
17 structures that are along and adjacent to the existing
18 Devers to Palo Verde transmission line will mimic the
19 structure types used on that line for this line, for
20 the Ten West line, and have similar configurations,
21 spans, and finishes to provide for a visual consistency
22 along each project.

23 For this project, the structures will range
24 from 55 feet tall to 195 feet tall, typically being
25 around 160 feet. There's one series compensation

1 station located south of Brenda, Arizona, it's at the
2 midpoint of the project, and it covers an area of
3 approximately 1.2 acres and is roughly 187 feet wide
4 and 281 feet long.

5 As I mentioned, we have a series of
6 structures used throughout the project. These first
7 two represent the majority of the project. The
8 structure on your left is what I refer to as a
9 lattice -- self-supporting lattice tangent structure.
10 These are structures that are used where there's no
11 turns in the line. That's -- this is also represented
12 as Exhibit G1 in the application.

13 On the right-hand side, we have a guyed-V
14 structure. This is a structure that's very efficient
15 and provides for a single foundation with four
16 guy-wires. This is used primarily along the section of
17 the project that parallels I10.

18 CHMN. CHENAL: And Mr. Rogers, why is one
19 used versus the other?

20 MR. ROGERS: Predominantly, for efficiency.
21 The steel weight -- they're very efficient structures.
22 They are capable of very long spans in flat topography
23 and where there's no turns. And they also have a very
24 small permanent physical footprint, as well --

25 CHMN. CHENAL: I guess my question is, why in

1 some areas are you using the lattice structure and in
2 other -- well, the Exhibit G1, and why in other areas
3 is the G3 version selected?

4 MR. ROGERS: Initially, we had proposed to
5 the BLM to use primarily the guyed-V structures. In
6 areas where we parallel the existing DPV line, the BLM
7 determined that, for visual consistency and to reduce
8 visual impacts -- and when I mean consistency, when you
9 look at the structures, they look the same, it doesn't
10 draw attention because there's, you know, different
11 systems being used.

12 The structure on your left, the lattice,
13 self-supporting lattice structure, was determined to be
14 more appropriate in areas where we parallel existing
15 line. In open territory, where there's no existing
16 line, the guyed-V is being used.

17 CHMN. CHENAL: And why is that?

18 MR. ROGERS: Because it has less steel weight
19 for the spans, it has a lower footprint for permanent
20 impacts. The base and the four guy-wires are just very
21 efficient, and it's just got a lower impact as compared
22 to the self-supporting line.

23 And also, it's in the eye of the beholder,
24 obviously, but often the guyed-Vs, since it has so much
25 open space in it, it's more transparent and visually

1 you can see it less.

2 CHMN. CHENAL: I think they're a thing of
3 beauty. More and more, I've come to love the look of
4 power line, transmission lines.

5 MR. ROGERS: I could not agree more.

6 CHMN. CHENAL: Member Woodall.

7 MEMBER WOODALL: Mr. Rogers, do you need the
8 same amount of right-of-way for either structure?

9 MR. ROGERS: We do. We are asking for a
10 200-foot-wide right-of-way from the BLM. And that's
11 been analyzed, and that appears to be granted to us
12 through the Record of Decision.

13 And from that right-of-way -- and that
14 right-of-way was developed around the maximum
15 efficiency of the line. So as a line traverses over an
16 area, between the structures the wires swing with wind.
17 So it's called blowout, and we design for that swing
18 and sway of the wires in the breeze. And at the
19 maximum design swing, we have a safe electrical
20 clearance on top of that, and that constitutes our edge
21 of our right-of-way. So we have ownership and control
22 of that right-of-way, so there will be no other
23 incompatible development in the future.

24 MEMBER WOODALL: Thank you very much, sir.

25 MR. ROGERS: Sure, you're welcome.

1 The next two structures are the angle
2 structures, the self-supporting lattice structures;
3 that's on the left shown here. They're very similar to
4 the tangent structures. They're just designed in a way
5 that they're stronger and they can take a lateral load
6 to allow the line to make a turn.

7 The structure on the right -- this is Exhibit
8 G5. I'm sorry, the last one is Exhibit G4; this
9 monopole structure is G5. This structure is used,
10 because of its small footprint, in areas near
11 substations. As you approach a substation, there's
12 other lines that are coming in as well, and you want to
13 preserve corridors for adjacent lines to come in, so
14 you want a smaller footprint. They're not as efficient
15 to build, the spans are much, much less; but as you
16 approach the substation, it makes for a good neighbor
17 for other lines to come in as well and fully utilize
18 that asset.

19 These are two more typical structures. The
20 first monopole structure shown on the left, that's
21 Exhibit G6. This is also for entry into a substation,
22 also selected because of the small footprint.

23 The structure on your right is Exhibit G8,
24 and this structure is to allow for the transposition of
25 the phases of the conductor. So the line is comprised

1 of three phases; and over distance, one phase might
2 become imbalanced, so we like to rotate them to
3 rebalance electrically. They're used for electrically.
4 This structure is used --

5 CHMN. CHENAL: Mr. Rogers, I'm not sure I
6 understand what you just said. Could you explain that
7 again?

8 MR. ROGERS: Because it's -- as the wires,
9 the conductors go through the project, for various
10 reasons, one might get a little different voltage or
11 current on it, and that's more or less because of the
12 geometry of the line. We just use this structure to
13 roll the phases into a different configuration to
14 rebalance them as they continue through the line.
15 These are used in two places, I think, right now.

16 CHMN. CHENAL: Member Woodall.

17 MEMBER WOODALL: Okay, so do you want to tell
18 us what a phase is?

19 MR. ROGERS: Sure, sure. We use a
20 three-phase system in power systems, and typically it's
21 A, B, and C, and the --

22 MEMBER WOODALL: More basic than that.
23 Consider you're explaining this to your grandmother;
24 and I'm just about that age, so thank you.

25 MR. ROGERS: So alternating current is a wave

1 plus a minus, if you know that from physics. Those
2 waves are offset 60 degrees from each other.

3 MR. AMIRALI: Member Woodall, the 60-hertz AC
4 system in the U.S. is generated with three phases. As
5 my colleague started describing, there are three waves
6 with plus and minus, and that's the characteristic of
7 the alternating current or synchronous generators that
8 we have, you know, serving our grid.

9 Each phase is 150 -- it lags behind the other
10 by -- or are separated from the other by 120 degrees
11 phase shift, right, and that's basically the
12 characteristic of the generation system. And, you
13 know, we can get into, again, getting into way more
14 physics about that. But all in all, you can't carry
15 two phases on the same wire, so they have to be
16 electrically and physically separated from each other,
17 and it's the combination of the three -- of the three
18 phases that you maintain throughout.

19 MEMBER WOODALL: Thank you, Mr. Amirali.

20 MR. ROGERS: Thank you.

21 Okay. This is the last structure we'll be
22 showing, and this structure allows for us to cross
23 under the existing DPV line. In areas that we cross
24 under, and I can show this later, there's a lot of
25 congestion, existing pipes and roads and some other

1 things we need to avoid. And these structures allow us
2 to get low and cross underneath of those existing lines
3 without needing to raise the existing DPV line. So
4 these are just simply used to cross under those lines.

5 Through the EIS process, one mitigation for
6 visual impacts is to have a finish of the structure
7 that is similar to the existing DPV line. So we asked
8 our structure manufacturer to provide us three samples
9 of different dullings that are being done to the
10 galvanizing. The galvanizing in an undulled fashion is
11 a silver color, and these use an etching to dull that
12 silver color to go anywhere from just a slightly dull
13 to a very dark, dull look.

14 Through field visits and discussions with the
15 BLM and others, it was determined that this medium gray
16 finish was most appropriate and matches the existing
17 DPV line. Over to the right, you'll see this is an
18 existing DPV structure. These three samples are laid
19 out, and the center one with the circle was chosen.

20 The series compensation station is, again,
21 just south of Brenda, Arizona, in the midpoint of the
22 line. It's, again, about 1.2 acres. It will have a
23 fence around it for security. And it will have the
24 same general dulling on the galvanizing that the
25 structures will have for visual considerations.

1 CHMN. CHENAL: Excuse me, Mr. Rogers.

2 MR. ROGERS: Yes.

3 CHMN. CHENAL: Not to get into electrical
4 engineering and physics, but can you explain the second
5 bullet point, please, just add a little more
6 explanation, or Mr. Amirali.

7 MR. ROGERS: Sure. Yeah, I'll start, and
8 I'll let my colleague finish. But essentially, we want
9 to -- since the grid is -- power flows in the least
10 resistance, the series compensation station matches the
11 resistance of the line to other lines in the area.

12 MR. AMIRALI: Chairman Chenal, as I expressed
13 on the first day during my testimony, a series
14 compensation station is a housing location for a series
15 capacitor, and that's what it is. It is literally
16 capacitor that is inserted in the middle of the line.

17 CHMN. CHENAL: What's the function of a
18 capacitor?

19 MR. AMIRALI: So again, without getting into
20 too much of the details, because we are dealing with an
21 AC system -- now, if it was purely a DC system, then
22 the only thing that we should be worried about would be
23 the resistance. But because we have an AC system, the
24 barrier to the flow or the restriction to the flow is
25 called an impedance, which is a combination of

1 resistance, which is the characteristics of the
2 conductor itself, and the magnetic characteristic
3 called inductance -- reactance. And reactance is a
4 combination of inductance and capacitance, inductor and
5 capacitor, so as to say.

6 So in order to match -- the existing Devers
7 Palo Verde line already has a certain amount of
8 impedance to it. And what happens is, as my colleague
9 pointed out, in order to match the impedance of their
10 new line to the existing line to allow for the
11 balancing of the flows between the two lines, we have
12 to put in enough -- enough capacitance in the middle of
13 our line so that the two lines are matched, and it
14 electrically makes it small.

15 CHMN. CHENAL: All right. So what's the
16 purpose of the capacitor again?

17 MR. AMIRALI: It counters the inductance of
18 the line, because -- which is the natural
19 characteristic. So for the sake of a better term, it
20 just matches the impedance of the two lines.

21 CHMN. CHENAL: And what's the danger if
22 that's not done?

23 MR. AMIRALI: If it's not done, then the
24 existing Devers Palo Verde line and the new DPV line
25 will load unevenly, so there will be more loading on

1 one versus the other. This allows for a more efficient
2 system. Also, it reduces the losses on the new line.
3 So you want to keep the losses to a minimum, and this
4 is the optimum level of series compensation that you
5 want to put in to minimize the losses as well.

6 CHMN. CHENAL: Okay, thank you.

7 MR. AMIRALI: Okay.

8 MR. ROGERS: So we're on to the next slide
9 here. This is the general layout of the facility.

10 Here is a visual simulation that was
11 conducted by the BLM of the series compensation station
12 from Interstate 10 traveling in each direction.

13 CHMN. CHENAL: And Mr. Rogers, in the top
14 photo, where is the series compensation station? I see
15 it in the bottom photo, but I don't see it in the top
16 photo.

17 MR. ROGERS: Right. And that's because it's
18 generally a pretty low profile. It's here in the
19 middle.

20 CHMN. CHENAL: All right.

21 MR. ROGERS: In the middle. You can see the
22 proposed lines coming up and away just as they peak
23 above the ridge there, but -- and then on the overall
24 map, it's generally in this area. It has an asterisk
25 on it on your place mat.

1 So for this project, we'll have four access
2 road types that we'll utilize for the project. These
3 are -- start by existing roads that are in the area;
4 it's what we call a Type A road. These are
5 well-maintained, currently used dirt roads, private
6 roads, paved roads.

7 The second type is Type B. These roads will
8 require some level of upgrade to allow for sufficient
9 access. Probably need some blading, smoothing out,
10 maybe some compacting, widening to a maximum of 18 feet
11 of surface area up to -- I guess up to 30 feet in
12 some -- some uneven terrain areas with side slopes to
13 them.

14 Type C access roads, these will consist of
15 new roads. During the virtual tour, I talked about the
16 section along I10 where we need to create a new access
17 road along the center line of the project. This is
18 what I'm referring to here.

19 However, in the case of where we're
20 paralleling DPV, and we can use those existing access
21 road systems and networks, we only need to lengthen the
22 spur road that goes to the existing structure to get to
23 our new structure. This is the Type D road, a spur
24 road.

25 CHMN. CHENAL: I'm going to suggest we take

1 our morning break at this point, before we get into the
2 next -- I see there's a number of slides on ground
3 disturbance. Let's take a 15-minute break and then
4 we'll resume.

5 MEMBER HAENICHEN: Mr. Chairman.

6 CHMN. CHENAL: Member Haenichen.

7 MEMBER HAENICHEN: If you'd grant me just one
8 minute prior to doing that.

9 Mr. Rogers, are you familiar with the
10 existing Arizona to California line called Devers?

11 MR. ROGERS: The existing DPV line?

12 MEMBER HAENICHEN: Yeah.

13 MR. ROGERS: Yes, I am.

14 MEMBER HAENICHEN: Okay.

15 MR. ROGERS: I'm familiar with it in the area
16 of our project.

17 MEMBER HAENICHEN: Here is the deal, here is
18 what I want you to inform the Committee. On either end
19 of that existing line, it must terminate somewhere in
20 Arizona on one end and California on the other. Where
21 are those two locations in relationship to the proposed
22 terminus points of the new line?

23 MR. ROGERS: So it -- on the east end of the
24 project, the Delaney Substation side, the existing
25 Devers to Palo Verde line goes past Delaney without

1 connecting. On the -- it connects to Palo Verde. On
2 the west side of the project, the Colorado River side,
3 it does terminate at Colorado River Substation.

4 MEMBER HAENICHEN: Okay. I didn't understand
5 the first part. You said it passes the Delaney
6 Substation.

7 MR. ROGERS: It does. It passes --

8 MEMBER HAENICHEN: Where does it go?

9 MR. ROGERS: It's goes to Palo Verde
10 Substation, but it doesn't physically connect to
11 Delaney.

12 MEMBER HAENICHEN: Thank you.

13 MR. ROGERS: My pleasure.

14 CHMN. CHENAL: Okay, let's take a 15-minute
15 break.

16 (Off the record from 10:25 a.m. to
17 10:52 a.m.)

18 CHMN. CHENAL: Are we ready to resume the
19 morning session? Mr. Rogers was in the middle of his
20 testimony.

21 So if you want to resume your testimony,
22 Mr. Rogers.

23 MR. ROGERS: Thank you for the break. We're
24 going to resume and begin talking about the resulting
25 temporary and long-term ground disturbances that result

1 from the access roads that we talked about, result from
2 the structures that we talked about.

3 So the long-term and short-term disturbances
4 for the CEC-proposed routes are listed here in these
5 tables. The project -- it should be noted that these
6 tables reflect efforts that the project has already
7 taken to reduce impacts to various sensitive areas
8 already. So these impacts represent impacts to ground
9 areas, but not to a high degree of sensitive areas.

10 So I just want to make the point that we've
11 advanced the design of this project to an extent where
12 we've been able to comply with the vast majority of the
13 mitigation measures that have been put in front of us
14 from the BLM, and these impacts are pretty well
15 developed for our proposed project.

16 So this includes spanning over microphyll
17 woodlands, riparian or wetland areas, and
18 avoiding identified cultural sites. There will be no
19 permanent impacts to jurisdictional waters of the U.S.
20 There will be no permanent impacts under the
21 conductors, with the exception of vegetation trimming,
22 as are required by code.

23 Overall disturbance has been greatly reduced
24 by co-locating with existing linear facilities, which
25 allows for minimization of impacts through the use of

1 existing roads and trails for access to the structures.
2 All but about 10 and a half miles of the project, or
3 84 percent of the project, cross areas that have some
4 level of existing development, thus limiting the
5 impacts to new areas.

6 There's no areas where the line directly
7 impacts residential areas. And the project will be
8 able to avoid most disturbance impacts to cultural
9 areas through micrositing of structures and access
10 roads.

11 This is an example of a site-specific work
12 plan, construction plan that we will produce that
13 defines what areas to stay in, which is our work areas,
14 and which areas to stay out of. So we not only comply
15 with the various mitigation requirements, but also make
16 sure we protect the resources that are out there.

17 Now I'll get into land ownership. The
18 proposed project will -- total of 125 miles long again.
19 And again, it's 103 miles in Arizona. In Arizona,
20 70 miles are on federal lands, 17 miles are on Arizona
21 state lands, and 12 and a half miles will cross private
22 lands in Arizona.

23 Generally, the transmission line will require
24 a 200-foot-wide right-of-way. And the NEPA review for
25 all federal right-of-way has been completed, with the

1 final Record of Decision for lands under BLM
2 administration signed on November 21st, 2019. DCRT is
3 working with representatives of the Department of
4 Defense and Bureau of Reclamation to secure
5 right-of-way grants from these agencies as well. The
6 project has now initiated a right-of-way acquisition
7 process for private landowners -- from private
8 landowners.

9 The next three slides show a series of maps
10 as we go from east to west on the project, and the
11 purpose of these maps is to describe the land ownership
12 types that we go through.

13 So this is the eastern third of the Arizona
14 portion of the project. And as you can see, the yellow
15 areas are BLM owned, the blue are State lands, and the
16 white are privately-owned lands. There is a series of
17 privately-owned lands just north of Delaney Substation.
18 And then as the alignment approaches I10 again, there's
19 also a series of privately-owned lands there.

20 This map represents the center third of the
21 Arizona portion of the project. As you can see, it's
22 predominantly BLM-owned land shown in yellow. There's
23 some areas, again, near I10 that are owned by the
24 State. And then there's a cluster of privately-owned
25 lands there shown in white.

1 This is a map of the western third of the
2 Arizona portion of the project, predominantly federally
3 owned, again, it's BLM in this case, with one area of
4 DOD land, which represents the proving grounds shown
5 here in green.

6 CHMN. CHENAL: And Mr. Rogers, does the line
7 cross the DOD land?

8 MR. ROGERS: The line crosses the DOD land in
9 an aerial-only configuration. The structures are
10 located off of DOD land, access roads are located off
11 of DOD land. And so we only have an aerial easement
12 across that land, very small clipping of the corner of
13 their property.

14 And the reason why we took that approach was
15 so we continue to have the line paralleling Devers on
16 the south side of Devers in this area. So to avoid
17 going on the north side -- we had other conflicts on
18 the north side, such as pipelines and other things.
19 You know, as soon as you start to flip over to the
20 other side, your impacts increase. And this is the
21 most environmentally sensitive way to go through that
22 area.

23 And just very happy that the DOD and the BLM
24 and DCRT were able to reach design solutions that
25 allowed that to happen. And I'll talk about that

1 process and discussions with DOD, answering their
2 concerns that they issued to the draft DIS, during the
3 environmental portion, where I speak about NEPA. And
4 that, I think, we'll cover probably next week, but
5 maybe later today.

6 CHMN. CHENAL: Thank you.

7 MR. ROGERS: In Arizona, there are 40
8 privately-owned parcels; these are owned by 28
9 individual landowners. We've been in contact with 26
10 of these 28 private landowners to obtain rights of
11 entry from them.

12 The reason why we haven't contacted all 28,
13 there's two landowners that are owners of access roads
14 that are further away from the center line of the
15 project. We initially thought that those roads were
16 owned by a government entity, where they ultimately
17 ended up being owned by these private individuals. So
18 that's the reason why we didn't have a total coverage
19 of all 28 landowners during the right-of-entry process.

20 CHMN. CHENAL: I note that the assumption on
21 the slide, this is always one of my favorite topics, is
22 that you will negotiate options for easements with each
23 of the private landowners.

24 MR. ROGERS: Absolutely. And that's the next
25 part of my discussion of this slide is we, over the

1 past several months, we've entered into our options
2 campaign. And the reason why it's timely now is we've
3 received the Record of Decision from the BLM, we have
4 more route certainty. There's an expense to those
5 option campaigns, so it's the time to start that effort
6 now.

7 We've obtained -- so let me just refresh my
8 notes here. So we've been in contact with 23 of these
9 landowners for options so far; 21 of them are in
10 negotiations. The remaining have either signed --
11 we've signed two of them so far. The other two,
12 there's some title inconsistencies, some deceased title
13 owners with unknown, you know, successors of that
14 ownership, and we're trying to work through those
15 records and identify who actually owns the parcel. Out
16 here it's not uncommon for private lands to have kind
17 of gone dormant for quite a while, so ownership was a
18 little unclear.

19 So our process is we're meeting with these
20 landowners, we're providing them comps of property
21 values, and we're discussing what an easement purchase
22 would look like. You know, not just in terms of money,
23 but also in terms of: Is this the right place for an
24 access road; would it be more appropriate over here;
25 where do you want a gate?

1 There's a litany of discussions that you have
2 with private landowners to meet their needs, we meet
3 our needs. It's a discussion of two peers. So that's
4 the way we're approaching this.

5 CHMN. CHENAL: Member Hamway.

6 MEMBER HAMWAY: So the 200-foot right-of-way
7 that you're requesting, is that going to be a 50-year,
8 you know, the life of this, or are you going to release
9 some of that right-of-way after everything is built?

10 MR. ROGERS: Very good question. So specific
11 to your question of the 200-foot right-of-way, that's
12 for the transmission line itself; we'll own an
13 easement. We will allow compatible uses of that
14 easement for other means, farming, grazing, what have
15 you. As long as it doesn't interfere with the
16 operation of our line, it's compatible use.

17 It's a 50-year agreement that we're looking
18 for; that's with our federal partners, our federal
19 right-of-way. On private, it could be in perpetuity;
20 it's a discussion that we're having.

21 On access roads, there are some roads that we
22 won't need for long-term operations of the project,
23 maintenance and operations; we'll release those, that
24 access, when we're done. Others we'll retain so we can
25 come in a there and service the project as needed.

1 Our process with government-owned lands --
2 CHMN. CHENAL: So before we move on to that,
3 I know we talked about it the other day, but I know our
4 office -- Attorney General's Office did issue an
5 opinion that for this -- actually, it was for this
6 Applicant for this project, that if certain conditions
7 are met, there is like a right of condemnation to
8 acquire an easement.

9 I believe, Ms. Grabel, you indicated that you
10 believe the Applicant will meet those conditions as
11 laid out in the opinion; is that correct?

12 MS. GRABEL: Chairman, I think I said that we
13 anticipate that we may be able to meet those
14 conditions. It's not 100 percent sure, but we may.

15 CHMN. CHENAL: All right.

16 MR. ROGERS: So our acquisition of
17 government-owned lands for a right-of-way grant began
18 with approaching the Bureau of Land Management through
19 what's called an SF299 right-of-way application. This
20 kicked off the NEPA review process, identified
21 alternatives. I'll be talking more about the NEPA
22 process in my next presentation.

23 But that process started in 2015, and we
24 were -- we are on a path to being granted a
25 right-of-way on BLM lands through our Record of

1 Decision that was granted on November 21st, 2019. The
2 BLM is now in the process of preparing those
3 right-of-way grants and going through all the steps to
4 release that to us.

5 CHMN. CHENAL: And just real quickly, you
6 said those right-of-ways will be for approximately --
7 for 50 years on the federal rights-of-way?

8 MR. ROGERS: That's right, yes.

9 CHMN. CHENAL: And if you wanted to extend
10 that, would you have to go through -- what would be the
11 process to extend the length of those?

12 MR. ROGERS: The NEPA analysis covered the
13 construction operations and decommissioning of the
14 project. The right-of-way grants will be structured in
15 a way that they can be renewed, and our intent is that
16 they likely will be. But the federal government only
17 issues right-of-way for up to 50 years, and that's even
18 a special case, mostly for long infrastructure
19 projects. Typically, the right-of-way grants are
20 shorter than that. But for transmission lines of our
21 nature, they're 50 years.

22 CHMN. CHENAL: And while we're on the
23 subject, is it -- is it intended that this line will be
24 decommissioned in 50 years, or is it anticipated that
25 it would be sometime after that?

1 MR. ROGERS: Our obligation to the CAISO is
2 50 years. We need to study the decommissioning of it
3 as part of the environmental process, but that is not
4 defined to occur at any point. It just talks about
5 what we need to do upon that decision to decommission
6 it. We don't have any -- any indication or plans to
7 actually decommission or remove it at 50 years, but
8 that will be up to the CAISO at that point.

9 CHMN. CHENAL: I mean, if it's perfectly
10 functioning, if it's in operation and maintained, why
11 would it be decommissioned?

12 MR. ROGERS: There really is no reason. It's
13 only set for 50 years because that's what federal
14 right-of-ways allow and what our contract allows.

15 CHMN. CHENAL: All right, thank you.

16 MR. ROGERS: So as I mentioned, DCRT is also
17 in the process of seeking right-of-ways over DOD and
18 Bureau of Reclamation land. The NEPA review for these
19 agencies is satisfied through the BLM's NEPA process;
20 they're cooperating agencies. So it's just a matter of
21 providing appraisals and going through the process on
22 those other federal lands.

23 DCRT submitted its application to the Arizona
24 State Lands Department on March 13th, 2019, and is in
25 the appraisal process, the appraisal phase of that

1 process. Following the appraisal and the appraisal
2 review, there will be a 30-day period where DCRT could
3 appeal the appraisal amount. And if that were to
4 happen, the next -- the next phase would be we would
5 submit it to the Arizona State Land Department Board of
6 Appeals for review decision or approval.

7 We'll be -- through that process, we'll be
8 complying with Arizona native plant law. The draft
9 plant survey for salvage and compensation has been
10 submitted to the Arizona State Lands Department for
11 their review and comment, and that's in process now.

12 We'll also be seeking easements over Arizona
13 Department of Transportation-owned interstates and
14 roads. As I indicated in the virtual tour, we've met
15 with them several times, understand what their crossing
16 requirements are. We are fully anticipating being able
17 to comply with all of those requirements.

18 Are there any questions?

19 CHMN. CHENAL: Member Hamway.

20 MEMBER HAMWAY: In your native plant, are you
21 going to talk about that in detail? Is there any
22 effort to limit the amount of bad seeds from, you know,
23 invasive plants coming into this area? Do you have to
24 have wells to clean your wells? Not wells, but...

25 MR. ROGERS: Wheel wash?

1 MEMBER HAMWAY: Yeah, wheel washes. Have
2 they required any of that?

3 MR. ROGERS: That will all be part of the
4 final Plan of Development that will be approved before
5 we have a notice to proceed with the BLM. We
6 anticipate the same process to be part of the Arizona
7 State Lands authorization. And our mitigation measures
8 do include, you know, noxious weeds, that sort of
9 thing, yes.

10 MEMBER HAMWAY: Okay, thanks.

11 CHMN. CHENAL: Any questions, any other
12 questions from the Committee?

13 (No response.)

14 CHMN. CHENAL: Mr. Arias, any questions?

15 MR. ARIAS: Yes, Chairman, just a couple
16 questions.

17

18 CROSS-EXAMINATION

19 BY MR. ARIAS:

20 Q. Particularly in regard to your DCR Exhibit
21 16, I think that's your witness -- or, the testimony
22 summary. I don't know. I'll give you a chance to turn
23 to it. It's Page 2 of that summary.

24 A. (BY MR. ROGERS) Yes, sir.

25 Q. The testimony states that there's going to be

1 a minimum 250 feet separation between the lines where
2 the Ten West line will run parallel to the Devers Palo
3 Verde 1 line.

4 A. (BY MR. ROGERS) That's true.

5 Q. It further says that in select locations, it
6 may not be the minimum 250 feet. What will be that
7 distance between the two lines? Give me examples.

8 A. (BY MR. ROGERS) So at a very minimum, it
9 will be in compliance with the National Electric Safety
10 Code.

11 Q. Okay. So specifically, I guess, now, is it
12 enough to assure that a common outage frequency of less
13 than one in 30 years will occur, or that no cascading
14 outages would occur for such a common mode outage?

15 A. (BY MR. AMIRALI) Mr. Arias, the separation
16 that we will maintain will be adequate to comply with
17 WECC. And I can get you more detail on what the
18 regulation is in front of WECC. But in a nutshell, it
19 will be adequate to comply with the requirements so as
20 to not qualify it as to be -- we will comply so it will
21 not be considered a simultaneous outage.

22 MR. ARIAS: Okay, thank you. No further
23 questions.

24 CHMN. CHENAL: All right, thank you very
25 much.

1 Any further questions, Ms. Grabel?

2 MS. GRABEL: None from me, no.

3 CHMN. CHENAL: Okay. So we've concluded with
4 Mr. Rogers. What would be your -- who would you like
5 to call next?

6 MS. GRABEL: I think the next -- probably the
7 most efficient way to proceed is to start the
8 environmental panel, and ask Mr. Brian Lindenlaub from
9 Westland Resources to present. I think his testimony
10 is probably a little more concise, and we might be able
11 to wrap him up.

12 CHMN. CHENAL: All right, good.

13 MS. GRABEL: No offense to Mr. Rogers. I
14 wasn't suggesting he drones on and on or anything.

15 CHMN. CHENAL: That's just how it sounded;
16 that's not what was intended.

17 Is there a name card?

18 MR. LINDENLAUB: An oath is fine, sir.

19 (Brian Lindenlaub was duly sworn by the
20 Chairman.)

21 CHMN. CHENAL: Thank you very much.

22 Ms. Grabel.

23 MS. GRABEL: Thank you, Chairman.

24 ///

25 ///

1 BRIAN LINDENLAUB AND LOWELL ROGERS (PANEL 3),
2 called as witnesses on behalf of the Applicant, having
3 been previously sworn by the Chairman to speak the
4 truth and nothing but the truth, were examined and
5 testified as follows:

6

7

DIRECT EXAMINATION

8

BY MS. GRABEL:

9 Q. Mr. Lindenlaub, please state your name and
10 business address for the record.

11 A. (BY MR. LINDENLAUB) Brian Lindenlaub with
12 Westland Resources, 4001 East Paradise Falls Drive,
13 Tucson, Arizona.

14 Q. In what capacity are you employed by Westland
15 Resources?

16 A. (BY MR. LINDENLAUB) I'm vice president and
17 principal.

18 Q. What is your role in this project?

19 A. (BY MR. LINDENLAUB) We were engaged to
20 develop the exhibits to the CEC application from the
21 information that was developed during the EIS process.

22 Q. Please see the exhibit book in front of you,
23 and take a look at Exhibit DCR-22, which is the
24 testimony summary of Brian Lindenlaub.

25 A. (BY MR. LINDENLAUB) I have it.

1 Q. Have you seen this document before?

2 A. (BY MR. LINDENLAUB) I have.

3 Q. Was it prepared by you or under your
4 direction and control?

5 A. (BY MR. LINDENLAUB) It was.

6 Q. And does DCR-22 accurately reflect the
7 testimony that you intend to present to the Committee
8 today?

9 A. (BY MR. LINDENLAUB) It does.

10 Q. Thank you. Please now turn to Exhibit
11 DCR-23, which is the --

12 A. (BY MR. LINDENLAUB) I have it.

13 Q. And what is that document?

14 A. (BY MR. LINDENLAUB) That is my presentation
15 for today.

16 Q. Have you seen this document before?

17 A. (BY MR. LINDENLAUB) I have.

18 Q. Was this document prepared by you or under
19 your direction and control?

20 A. (BY MR. LINDENLAUB) It was.

21 Q. Are the contents of Exhibit DCR-23 true and
22 correct, to the best of your knowledge?

23 A. (BY MR. LINDENLAUB) Yes.

24 Q. Thank you. Please proceed.

25 A. (BY MR. LINDENLAUB) Thank you.

1 Good morning, all. We'll go to the bio slide
2 first. As indicated, my name is Brian Lindenlaub with
3 Westland Resources. We are an engineering and
4 environmental consulting firm. I've been with the
5 company for 24 years. I have a fair bit of experience
6 in federal permitting actions under the Clean Water
7 Act, the Endangered Species Act, NEPA, and as indicated
8 previously, we assisted in the development of the
9 exhibits for the CEC application.

10 Of course, evaluation of the CEC application,
11 as we know, requires an evaluation of a number of
12 environmental factors, as outlined in statute and
13 listed here.

14 And this is the list of exhibits that go
15 along with the CEC application that capture those
16 factors and their requirements therein.

17 CHMN. CHENAL: You're going pretty fast here,
18 Mr. Lindenlaub.

19 MR. LINDENLAUB: I'll back right up.
20 Absolutely.

21 CHMN. CHENAL: We'd like to be able to read
22 the slides and maybe we have a question or two about
23 every one of these, I mean, depending on what's up on
24 the slide.

25 MR. LINDENLAUB: Absolutely, Chairman. Let

1 me go back.

2 CHMN. CHENAL: Let's go back to the factors,
3 and just give us an opportunity to read it.

4 MR. LINDENLAUB: Absolutely.

5 CHMN. CHENAL: Yes, we're familiar with it,
6 but, you know...

7 MR. LINDENLAUB: Well, if you'll allow me,
8 I'll just go ahead and walk through it.

9 CHMN. CHENAL: Yeah, that's probably a better
10 idea.

11 MR. LINDENLAUB: Okay. The first factor is
12 the compatibility of the proposed project with existing
13 land use plans, state, local, and federal, as well as
14 private. Second factor is, generically, fish,
15 wildlife, and plant life, and then associated
16 vegetative communities. The third factor are areas of
17 biological wealth, sensitive species. Fourth deals
18 with noise and interference, radio interference. Fifth
19 deals with recreation and potential impacts to
20 recreation opportunities. Six is a combination of
21 scenic values and then prehistoric and historic
22 cultural properties. And then seven, the factor is any
23 additional factors that the Applicant believes may be
24 important for the Committee to consider.

25 And so these are reflected in the exhibits

1 that are part of your package. Exhibit A are the land
2 use maps, as dictated by code. Exhibit B is a
3 number of the environmental studies, including the EIS,
4 the Biological Assessment that was compiled for the
5 project. Exhibit C is a discussion of the areas of --
6 I'm sorry, Chairman.

7 CHMN. CHENAL: Member Woodall has a question.

8 MEMBER WOODALL: Yes. I'm looking at the
9 application, and of course you've just accurately
10 described what information we need to look at. And in
11 the application, I see Exhibit B, environmental
12 factors, and then I see basically no narrative. You
13 have a drive, a thumb drive --

14 MR. LINDENLAUB: Correct.

15 MEMBER WOODALL: -- which my understanding is
16 you include the entirety of the federal EIS; is that
17 correct?

18 MR. LINDENLAUB: It does include the EIS and
19 the technical studies, that's exactly right.

20 MEMBER WOODALL: Oh, okay. So we have no
21 other narrative in the application itself that would
22 summarize the conclusions that were made in the EIS? I
23 would have to -- in order to know what that was, I
24 would have to take this thumb drive, put it in a
25 computer, and then search through to read those

1 materials?

2 MR. LINDENLAUB: That's correct. But if I
3 may.

4 MEMBER WOODALL: Oh, go ahead.

5 MR. LINDENLAUB: And I'll just speak to my
6 interpretation of the requirements of that exhibit was
7 a list of what the studies were to be done, and then
8 the other exhibits would elaborate on what the results
9 of those studies were on those factors to be
10 considered.

11 MEMBER WOODALL: And by those exhibits,
12 you're referring to prepared testimony or what?

13 MR. LINDENLAUB: I'm sorry. Exhibits C
14 through I, the attachments to the CEC application.

15 MEMBER WOODALL: Yes, I'm just talking about
16 B right now. And so if I wanted to read the things
17 that you've identified here for -- on page -- well,
18 actually, it's the first page of Exhibit B to the
19 application, which I believe is DCR-1. If I wanted to
20 read those studies, I would have to use the drive that
21 you have -- that the Applicant has so included. I
22 don't have anything in printing that's filed in the
23 application that reflects any of those studies?

24 MR. LINDENLAUB: I think that's correct. My
25 recollection was that early on the thought was to print

1 up one copy of the entirety of the EIS, and I think it
2 was determined that it could effectively be provided on
3 a drive.

4 MEMBER WOODALL: Do you know whether or not
5 those documents were hotlinked? And if Mr. Ancharski
6 or Ms. Grabel know, they can share that with us.

7 MS. GRABEL: I can shed some light on this,
8 Chairman, Member Woodall. We did file, with docket
9 control, one copy that contained the hard copies of
10 everything that is listed in Exhibit B. It is
11 incredibly long, and as required by regulation, we have
12 to make 25 copies of it, and we decided that just to
13 save some trees, we would do one copy of that and the
14 rest provide by thumb drives. And of course, you have
15 your iPads, which we did make accessible and
16 hyperlinked.

17 MEMBER WOODALL: Yes, but the iPads were made
18 available on the hearing date. If one had wanted to
19 read these materials ahead of time to prepare, they
20 would have had to do it on their own computer, and they
21 would have to dredge through thousands of pages of
22 information. All I'm suggesting is that in the future,
23 Applicants -- I understand why they're doing this,
24 but --

25 Let me ask another question of

1 Mr. Lindenlaub.

2 MR. LINDENLAUB: Of course.

3 MEMBER WOODALL: Did you do any independent
4 research regarding the environmental studies or see --
5 did you do any -- or are you basing your testimony on
6 the federal EIS?

7 MR. LINDENLAUB: The federal EIS was a really
8 comprehensive four-year process that our analysis
9 indicated provided the information required for the
10 exhibits, and so we reviewed the documentation that was
11 prepared for the EIS.

12 MEMBER WOODALL: So the basis of your
13 testimony here today is the environmental information
14 contained within the federal EIS; is that correct?

15 MR. LINDENLAUB: And supporting
16 documentation, that's correct.

17 MEMBER WOODALL: Of course, of course. I'm
18 just going to suggest that in the future there be some
19 sort of general summary of these things in Exhibit B; I
20 think that would be helpful. Because otherwise, we get
21 this; I don't know anybody that would be able to find
22 anything on the paper copy version that was filed with
23 docket control.

24 I tried to open things, drives on my own
25 computer, and I could not load them because they're so

1 big. Now, admittedly, I'm not the biggest person in
2 the world, but it was extremely challenging. So I'm
3 just going to suggest that in the future, when
4 Applicants make filings like this -- I, too, do not
5 want to kill trees, but it would be helpful to include
6 a general summary of what the conclusions are with
7 respect to the topics pertinent to Exhibit B.

8 And that's -- because to give this to us I
9 don't think was helpful, and I don't think it was
10 helpful to put it in the application either with
11 nothing else. I mean, the docket -- the copy that was
12 filed in docket control, I don't know how you would be
13 able to find anything, because they just scan it in.

14 So I think that, speaking for myself, had I
15 not obtained a copy through the courtesy of Osborn
16 Maledon of the preliminary EIS -- not the preliminary,
17 but without the appendices, I would not have known any
18 of the studies that were done or any of the issues that
19 were addressed, because I wouldn't be able to open it
20 up on the drive.

21 CHMN. CHENAL: Let me jump in and ask a
22 couple questions here of Ms. Grabel first -- well, of
23 Mr. Lindenlaub.

24 MR. LINDENLAUB: Sure.

25 CHMN. CHENAL: Did I hear you say that

1 Exhibits C through J constitute a summary of the
2 conclusions of the Environmental Impact Statements and
3 the federal studies?

4 MR. LINDENLAUB: Of those specific factors,
5 that's correct.

6 CHMN. CHENAL: Okay. And next, just so I'm
7 clear, of the version that was filed with the
8 Corporation Commission in the docket, I have not tried
9 to pull that mountain of paper up, but is it accessible
10 in the docket online?

11 MS. GRABEL: Yes, sir, it is, as well as on
12 the project website.

13 CHMN. CHENAL: Okay, I just want to make sure
14 that we're clear on that.

15 MEMBER WOODALL: Thank you, Mr. Chairman. I
16 appreciate your clarifications. I have no further
17 questions.

18 MR. LINDENLAUB: Member Woodall, your
19 recommendation is well taken and much appreciated. And
20 as a heads up to others that are trying to pull those
21 files up, they are relatively large PDF files and can
22 be a bit of a grind for older computers.

23 MEMBER WOODALL: I appreciate that you have,
24 in fact, prepared summaries that are in the
25 application. I'm just saying that the rules require

1 that you include a copy of any environmental studies
2 that you have done for the feds, and what you have
3 produced here is a disc drive that would be very
4 challenging to open.

5 So if it were not for the courtesy of
6 Ms. Grabel's law firm, I would not have been able to
7 read it. Well, I must say that the BLM sent the
8 Chairman's office a courtesy copy of it, and I was able
9 to pour through that as well with the larger maps, and
10 I'm just saying that that's not very thick. So thank
11 you.

12 MR. LINDENLAUB: That's appreciated, and
13 apologies.

14 So getting back to the list of exhibits as
15 they relate to the factors to be considered, just
16 taking that from top to bottom. Exhibit A is merely
17 the maps, the figures of the project that are required.
18 Exhibit B, as we've talked about, is a copy of the
19 environmental studies. C is a discussion -- summary
20 discussion of the areas of biological wealth. D, a
21 discussion of broader biological resources and
22 vegetation communities.

23 Exhibit E is a discussion of scenic values
24 and project effects thereon, as well as cultural
25 resources. Exhibit F deals with recreational

1 opportunities. Exhibit G are the structures, the
2 facilities that Mr. Rogers introduced previously.
3 Exhibit H refers to land use plans. Exhibit I is noise
4 and interference. And again, Exhibit J, any other
5 special factors.

6 So taking this in the order of the factors in
7 statute, we'll first discuss existing plans, again,
8 which are provided in Exhibit H of the CEC application.
9 The proposed project is in conformance with all but one
10 of the identified plans, and that is the BLM's Yuma
11 Resource Management Plan. And as part of the EIS, part
12 of the proposal is to modify that plan slightly to
13 consider granting rights-of-way outside of existing
14 utility corridors.

15 The EIS also makes note of the potential that
16 the plan is outside of La Paz County's comprehensive
17 plan. However, since the EIS was published, the
18 Applicant is in receipt of a letter from the County
19 Supervisors indicating that they're not concerned about
20 the project and they believe it to be in conformance
21 with the comprehensive plan.

22 MEMBER WOODALL: And that's in the record,
23 correct, Ms. Grabel?

24 MS. GRABEL: That's correct, Member Woodall.
25 It's both in Exhibit J, and it's also one of the

1 letters of support that you saw yesterday and thought
2 was kind of a vague letter.

3 MEMBER WOODALL: When I read the letters, it
4 said they support the route. I did not see any
5 language that said they support the project. And I
6 might be putting too fine a point on it, but I'm
7 hopeful that someone here knows whether or not the
8 County is actually going to be speaking or is in
9 support of the project.

10 MS. GRABEL: My understanding, Member
11 Woodall, is members of the Board of Supervisors will be
12 speaking in Quartzsite at 5:00, 5:30 on Monday.

13 MEMBER WOODALL: And do you have any -- has
14 it been communicated to you in any way if they are in
15 support of the project?

16 MS. GRABEL: Absolutely, Member Woodall, they
17 are in support of the project.

18 MEMBER WOODALL: That's all I needed. Thank
19 you so much. I require no further discussion from the
20 comments filed by the single Supervisor either.

21 MS. GRABEL: Oh, okay.

22 MEMBER WOODALL: Which I had asked for
23 previously.

24 MS. GRABEL: And we're ready to give.

25 CHMN. CHENAL: I think we should take them.

1 Now that the issue has been raised, you prepared the
2 exhibit, I think we'd like to still see that.

3 MS. GRABEL: Okay.

4 MR. LINDENLAUB: Thank you, Chairman.

5 In discussion of fish, wildlife, and plant
6 life in general, the project occurs within the lower
7 Colorado River Valley and Arizona Upland's biotic
8 communities of the Sonoran Desert. The project area,
9 as you saw through the flyover and will see when you do
10 the helicopter tour, is dominated by Sonoran Desert
11 scrub, with associated xeroriparian habitat along the
12 washes, with riparian and wetter habitats nearer to the
13 Colorado River. The wildlife species are typical of
14 southwestern Arizona, and we'll touch on special status
15 species in a later slide.

16 Impacts. The EIS concluded that impacts have
17 the potential to be both short-term, with vegetation
18 removal, and then potentially long-term, those areas
19 that have vegetation removed permanently and then
20 potential habitat fragmentation.

21 The EIS concluded that the impacts to fish,
22 wildlife, and vegetation are minor, given that the
23 footprint is relatively small. It's some acres, and
24 Mr. Rogers will go into that in his presentation, a few
25 hundred acres of impact, but it's spread out over a

1 hundred miles. It's a relatively small footprint of
2 impact.

3 The construction activities are going to be
4 relatively short-term in nature. And the Applicant has
5 proposed, and the BLM has required, a series of best
6 management practices and mitigative elements that would
7 offset -- serve to help offset these impacts.

8 Some of those mitigative elements, as were
9 touched on previously, were paralleling existing linear
10 features, using existing roads and trails to the extent
11 possible, training of the contractors and employees on
12 the project, use of biological monitors in sensitive
13 areas, and then barrier fences and staking to keep
14 construction activities out of other sensitive areas.

15 Mr. Chairman.

16 CHMN. CHENAL: Yes, question. The
17 conservation and mitigation measures developed during
18 NEPA, where are those measures located?

19 MR. LINDENLAUB: There is an extensive table
20 of measures in Appendix B of the Final EIS, which was
21 provided as part of Exhibit B on the thumb drive.

22 And I should note, also, there's a good table
23 of contents which breaks it down. Those best
24 management practices and mitigative measures are
25 divided up by resource, so all of the biological

1 measures are grouped; issues related to noise are
2 grouped.

3 CHMN. CHENAL: And in a previous case, I'm
4 thinking of SunZia, but maybe Southline as well, I
5 mean, when we got into this discussion of the process,
6 there are -- and I can't remember exactly the term, so
7 excuse me, but some sort of plans or plans of
8 development or some sort of programming. I can't
9 remember the exact term, but certain documents and
10 agreements, if you will, between -- that outline the
11 requirements for these measures, among others.

12 MR. LINDENLAUB: So as Mr. Rogers indicated,
13 the revised Plan of Development is being finalized from
14 the Final EIS and the Record of Decision. As part of
15 that Plan of Development, there will be a series of
16 conservation plans, a vegetation management plan, a
17 noxious weed plan, a bird and bat conservation plan,
18 that will be, as I understand it, appended to the Plan
19 of Development. Is that what you were referring to?

20 CHMN. CHENAL: You know, I can't remember
21 exactly. I'd have to go back -- no, it was
22 programic --

23 MR. LINDENLAUB: Oh, Programmatic Agreements.

24 CHMN. CHENAL: Programmatic Agreements.

25 MR. LINDENLAUB: So the Programmatic

1 Agreement -- I'm not aware of any Programmatic
2 Agreements from a wildlife and vegetation standpoint
3 associated with this project. There is a Programmatic
4 Agreement in place between the BLM and the interested
5 tribal entities with regard to how to address cultural
6 resources, historic and prehistoric resources.

7 CHMN. CHENAL: So back to the Plan of
8 Development. Is that the document that would control
9 the environmental measures that are discussed in your
10 slide here?

11 MR. LINDENLAUB: That's correct.

12 CHMN. CHENAL: Do those requirements apply
13 just over federal land, or do they also apply to the
14 project as it traverses state and private land?

15 MR. LINDENLAUB: The vegetation management
16 plan, for instance, would address what the obligations
17 are on Arizona state lands and the state protection or
18 requirements. But I'd ask Mr. Rogers to weigh in on
19 this one.

20 MR. ROGERS: The identified mitigation
21 measures apply to federal lands. They may be adopted
22 by other entities, but right now they apply as a result
23 of the Record of Decision and the right-of-way grant
24 from the BLM.

25 CHMN. CHENAL: So if we want the measures

1 that -- the conservation measures and mitigation
2 measures that are applicable to the federal lands to
3 apply to the state and the private lands, we would need
4 to address that in the conditions to the CEC; is that
5 correct?

6 MR. ROGERS: That's my understanding, yes.

7 CHMN. CHENAL: All right, thank you.

8 Member Woodall.

9 MEMBER WOODALL: I realize, Mr. Lindenlaub,
10 you've identified where in this behemoth of a PDF those
11 mitigation measures and table are. Perhaps it would be
12 helpful, when we start talking about conditions, if we
13 had those. For example, it might be something we could
14 attach, we could absorb some of the information from
15 it. But if we had it in a concise form to make as an
16 exhibit, I think that would be helpful. And I know I'm
17 looking at you, but I'm really talking to Ms. Grabel.

18 MS. GRABEL: Member Woodall, we will prepare
19 that exhibit.

20 CHMN. CHENAL: Mr. Rogers.

21 MR. ROGERS: Chairman, if I could expand on
22 my response.

23 Yes, I believe the Commission would need to
24 put that in their order. It's not a typical or
25 customary condition, but in this case it would be

1 applicable and under your purview.

2 CHMN. CHENAL: Thank you. Normally, we do
3 include that type of provision so that there's
4 consistency of the development, construction, and all
5 the mitigation factors throughout the entire line as it
6 traverses different ownership of property.

7 MS. GRABEL: Chairman, that condition is in
8 the draft CEC that we have submitted in this docket.

9 CHMN. CHENAL: Right.

10 MR. LINDENLAUB: Thank you, Chairman.

11 With regard to biological wealth and
12 sensitive species, we've spoken at length about the
13 efforts of the project to avoid the Kofa Wildlife
14 Refuge and the population of Sonoran pronghorn thereon.

15 A Biological Assessment was prepared by the
16 BLM which contemplated impacts to five other species,
17 sensitive species in Arizona, three riparian-associated
18 bird species, and then two fish species associated with
19 the Colorado River. The Fish and Wildlife Service,
20 after reviewing the Biological Assessment and the
21 mitigative elements, best management practices,
22 concurred with the BLM that the project may affect, was
23 not likely to adversely affect, any of the listed
24 species; and therefore, no additional Section 7
25 consultation was required.

1 The EIS identifies 32 other BLM-identified
2 sensitive species. The project would not drive any of
3 those towards listing, and those species will be
4 addressed in the protection plans that are being
5 developed as part of the Plan of Development.

6 With regard to noise, a noise study was done
7 in support of the EIS. The noise levels in the area,
8 the background noise levels, are coming from areas that
9 would be anticipated, such as travel corridors, I10,
10 farming activities, and the population centers that are
11 out there.

12 The potential noise receptors are the
13 residential areas and recreational users. The EIS
14 concluded that the noise impacts resulting from the
15 project would be negligible to minor, pardon me, and
16 largely associated with construction activities.

17 With regard to ongoing operation, there is
18 potential noise effects associated -- potential noise
19 resulting from corona effects that would not rise --
20 or, would fit in with the background noise levels that
21 currently exist out there.

22 With regard to interference, the EIS
23 concluded that levels of interference would be
24 negligible and would decrease with distance from the
25 transmission line, as would be expected. And then one

1 of the best management practices in the EIS is that if
2 there are any interferences identified, that issue
3 would be remedied by the Applicant immediately.

4 The recreation opportunities that were
5 identified in the general project vicinity are those
6 that would be expected given the area: Outdoor
7 activities, such as camping, rockhounding, backpacking;
8 there are water sports associated with the Colorado
9 River; and then, of course, OHV use.

10 The EIS concluded that the project would not
11 preclude access to any of these recreational
12 opportunities, with the exception of possible
13 short-term restrictions during construction. And of
14 course, the Applicant would work with the relevant
15 jurisdiction to minimize any of those disruptions.

16 Mr. Rogers discussed in his previous
17 presentation, and will elaborate in his next
18 presentation, about the extensive efforts that the
19 Applicant went through in working with the BLM to
20 minimize the visual effects of the project. The EIS
21 notes that most viewers of the project are going to
22 occur along, for instance, Interstate 10, with fewer
23 viewers elsewhere. The impacts resulting from
24 construction, the visual impacts, scenic impacts
25 resulting from construction would be presumed to be

1 short-term in nature.

2 And then here we've got the list of the --

3 CHMN. CHENAL: Can we go back, sir?

4 MR. LINDENLAUB: Yeah, I pressed the wrong
5 button, Chairman. Pardon me.

6 The list of types of things that DCR worked
7 with the BLM on. For instance: As we saw in the
8 flyover, paralleling existing linear infrastructure, to
9 the extent possible; co-locating with the existing DPV
10 line, to the extent possible, while avoiding the Kofa;
11 using helicopter construction in areas such as Copper
12 Bottom Pass; and then using existing roads and trails
13 whenever practicable.

14 CHMN. CHENAL: So question: What is
15 minimizing skylining? What is skylining?

16 MR. LINDENLAUB: I will defer to
17 Mr. Amirali's chauffeur on that one.

18 CHMN. CHENAL: Could be worse.

19 MR. ROGERS: Yeah, it could be. Yeah.

20 Skylining is a term that is when a structure
21 can be seen above the horizon. So if a structure is
22 completely backdropped by, say, a hill or a mountain
23 range or even trees or vegetation, it's not against the
24 sky, and it's generally pretty hard to see with that
25 kind of a backdrop. When a structure is on the top of

1 a ridgeline and backdropped by the sky, it's usually a
2 bit more visually apparent. That's what that term
3 means.

4 CHMN. CHENAL: So minimizing skylining would
5 mean to not put the structures on top of a ridge, but
6 somewhere below the ridgeline?

7 MR. ROGERS: Exactly. A prime example of
8 this is how we approach the section of the project that
9 goes between the Interstate 10 and connects back to
10 Devers Palo Verde and avoids Kofa. Thank you. This
11 section here.

12 Thank you, Brian.

13 This section here. If we had moved it
14 eastward and put it along that mountain range, we would
15 have most likely produced more skylining impacts.
16 Where we've located it here is specifically an attempt
17 to hide the line behind the backdrop of the mountain
18 range from the sensitive viewshed created by the
19 occupants of the long-term visitor's center.

20 That is an example of the efforts we've gone
21 through. You know, taking into account the myriad of
22 other drivers of where to locate a transmission line,
23 we also look at trying to nestle it in to avoid these
24 skylining impacts, avoid these other visual impacts to
25 the extent possible.

1 CHMN. CHENAL: And have those -- has that
2 process already occurred in terms of where you intend
3 to place the line?

4 MR. ROGERS: Absolutely. In fact, it's very
5 advanced. We've provided -- so the progression of the
6 design initially was a draft Plan of Development that
7 we provided to the BLM that they based their analysis
8 in the Draft EIS on. Coming out of the Draft EIS, they
9 included other requirements, such as skyline
10 treatments, access road locations through certain
11 habitats. They also identified their preferred
12 alignment from a draft point of view at that point.

13 We revised our Plan of Development to both
14 account for these requirements that went above and
15 beyond what the Applicant had already proposed to use,
16 and also as a reflection of our advanced level of
17 design that was available at that time, and further
18 defined where the structures are. And, as part of that
19 effort, we looked at this skylining and visual
20 mitigation issue from a micrositing point of view.

21 And every structure location through this
22 process was looked at by the BLM, went back and forth,
23 is this where it needs to be to mitigate for visual.
24 If we can't, what are the engineering reasons that are
25 preventing us from doing that.

1 Most of these visual impact mitigation
2 measures are caveated to the extent practicable. We do
3 our best, but we can't do it everywhere. You know, we
4 do need to get from here to there, and we need to cross
5 some difficult areas in between.

6 CHMN. CHENAL: So that process was done in
7 connection with -- on BLM land. Based on the process,
8 was it also done on with respect to the state land and
9 the private land?

10 MR. ROGERS: We went through that process for
11 the entire project with the BLM. So every structure
12 went through this review process with the BLM.

13 CHMN. CHENAL: Regardless of whether the
14 structure was on federal land or state or private land?

15 MR. ROGERS: Yes, Chairman, everywhere. We
16 did not get the specific feedback from the various
17 landowners or administrators; but as a representative
18 of these cooperating agencies, the BLM took a first
19 look at it. We will obviously have to go back to each
20 of these landowners with our Plan of Development and
21 ask them for final approval. But we think that we have
22 a very strong approach right now to mitigate all of
23 these impacts, and a very progressed design beyond
24 where projects usually are at this stage.

25 CHMN. CHENAL: And with respect to the

1 helicopter construction, has it been determined where
2 the helicopter construction will be utilized during
3 the -- on the length of the line?

4 MR. ROGERS: Yes, Chairman. Helicopters will
5 be used for two types of construction. One, the
6 heavier kind of construction of actually building the
7 structures will be used in the Copper Bottom Pass area,
8 areas where we don't want to build an access road to.
9 We will also use helicopters to string in wire and for
10 other more minor activities throughout.

11 But those are more from an efficiency
12 perspective, rather than mitigation, though it does
13 allow us not to drag our line across the desert floor
14 and cause other impacts. So it all does roll into
15 minimizing our footprint as much as we can for this
16 project.

17 CHMN. CHENAL: Will the entire line be strung
18 using helicopters?

19 MR. ROGERS: I can't -- I can't say that.
20 For instance, portions that cross underneath of DPV, we
21 won't use it there. And there might be other portions
22 of the project where we have crossings of other
23 facilities or other reasons not to use that. But in
24 those areas, we'll use very typical construction
25 methods and identify and avoid or protect any sensitive

1 areas that might happen to be in those areas anyway.

2 CHMN. CHENAL: Thank you.

3 Member Hamway.

4 MEMBER HAMWAY: Will the construction in
5 California require greater scrutiny than what it will
6 be developed in Arizona? I mean, are there further
7 regulations for construction in California?

8 MR. ROGERS: There are as a result primarily
9 of a land use program that's been entered into called
10 the Desert Conservation -- I'm sorry, the acronym
11 escapes me right now. But it is a series of
12 programmatic requirements for certain areas in
13 California.

14 So yes, there's a little bit more definition
15 in those areas, but practicably, our construction
16 methods are the same in practical terms. There's some
17 different species there that are different
18 classifications and so on. But from a construction and
19 mitigation point of view, they're practicably the same.

20 MEMBER HAMWAY: Okay, thank you.

21 CHMN. CHENAL: Member Woodall.

22 MEMBER WOODALL: So there's no California
23 county requirements that you're going to have to jump
24 through?

25 MR. ROGERS: In California, the CPUC is the

1 responsible agency.

2 MEMBER WOODALL: And I want to put on the
3 record that I sincerely apologize for chiding the
4 Applicant for not including items which actually are in
5 the application, and I want to thank the Chairman for
6 graciously making that self-evident. So I do apologize
7 to you, and I want to thank the Chairman for doing
8 that. He did that in a very graceful way.

9 MS. GRABEL: We thank the Chairman too.

10 CHMN. CHENAL: Sometimes that happens by
11 accident.

12 Okay, thank you. I didn't have any further
13 questions on that line. But Mr. Linden --

14 MR. LINDENLAUB: Thank you, Chairman.

15 CHMN. CHENAL: Lindenlaub.

16 MR. LINDENLAUB: Well done.

17 CHMN. CHENAL: Laub or Laub?

18 MR. LINDENLAUB: You know what? I've said
19 both, so you're certainly welcome to.

20 CHMN. CHENAL: It all looks the same in the
21 transcript.

22 MR. LINDENLAUB: That's right.

23 Again, dealing with Exhibit E, we're talking
24 about cultural resources. As a federal entity, the BLM
25 has an obligation, under the National Historic

1 Preservation Act, to address impacts to both
2 prehistoric and historic cultural resources. The EIS
3 notes that generally within the project area you're
4 looking at prehistoric features, such as trails and
5 petroglyphs and lithic scatters.

6 In the context of their consultation
7 obligations, the BLM developed the Programmatic
8 Agreement we referenced earlier, which was intended to
9 guide how any cultural resources that are discovered
10 would be dealt with. Since that time, the project area
11 has almost been completely surveyed, pedestrian survey
12 for cultural resources. The results of that survey
13 will be put into a report, submitted to the BLM, with
14 recommendations for eligibility for listing on the
15 National Register of Historic Places.

16 The BLM, the State Historic Preservation
17 Office, and relevant or interested tribal entities will
18 weigh in on that. And once the eligibility is agreed
19 upon, the Applicant will prepare a Historic Properties
20 Treatment Plan, which will guide how any of these
21 facilities are to be dealt with -- or, any of these
22 sites, any of these historic properties are to be dealt
23 with.

24 First and foremost, there's going to be a
25 recommendation to avoid those. And so given where they

1 are in the design now, there's an opportunity for
2 micrositing to avoid those cultural resources that are
3 identified.

4 MR. ROGERS: May I add to this?

5 MR. LINDENLAUB: Of course.

6 MR. ROGERS: If I could please add to that.

7 CHMN. CHENAL: Sure.

8 MR. ROGERS: There's actually not even a
9 recommendation to avoid. DCRT has committed to avoid
10 cultural resources, if possible, where we can. So
11 we've made those commitments to the tribe. Remember
12 you've asked about the CRIT; they've been part of those
13 discussions, we have very direct conversations with
14 them. So our first approach is to avoid where we can.

15 CHMN. CHENAL: Thank you.

16 Yeah, Member Gentles.

17 MEMBER GENTLES: Could you just clarify
18 "avoid if you can"? What does that actually mean?

19 MR. ROGERS: There's a lot of wiggle room.

20 MEMBER GENTLES: Right, that's why I was
21 asking.

22 MR. ROGERS: So all of the sites that have
23 been identified, we've gone back to the sites, looked
24 at is it possible to move an access road to avoid. Is
25 it possible where we can from an engineering point of

1 view, where we can from a land rights point of view,
2 where we can from an environmental point of view to
3 move it from one cultural site to an environmental
4 site, you know, it's one in exchange for the other.

5 So we try to do what we can to avoid. We
6 really have looked at ways we can avoid each of these
7 sites. So we take into account all of those factors,
8 you know, engineering, economics, acceptability of
9 impacting perhaps a different resource, and all of that
10 is being reviewed by the State's Historic Preservation
11 Office, as well as the BLM's culturally, as well as
12 being reviewed by the CRIT as a signatory to the PA.
13 So we will need to justify those, if we can, to those
14 entities.

15 MEMBER GENTLES: So this might sound like an
16 obvious question. What happens if you can't avoid
17 those sites?

18 MR. ROGERS: That is contemplated and dealt
19 with in the Historic Properties Treatment Plan; that is
20 also reviewed and approved by all of those entities.

21 MEMBER GENTLES: Okay.

22 MR. ROGERS: So if we can't avoid, then we
23 fall into the paradigm that virtually every other
24 project does, just curate and record and then impact.
25 This project has taken a totally different approach to

1 cultural resources of really seeking to avoid first,
2 and curate and record what impacts were caused as a
3 secondary and a last resort.

4 MEMBER GENTLES: And where do you see those
5 impacts occurring the most and to whom?

6 MR. ROGERS: Near the Colorado River.

7 MEMBER GENTLES: And what have they said
8 about it? What have they said about the eventuality
9 if, in fact, you can't avoid?

10 MR. ROGERS: They are reviewing the results
11 of the class three report now; well, they are in
12 California. The report in Arizona either was submitted
13 or will be submitted very soon. They have a prescribed
14 review time frame to look at that and determine will
15 the Historic Properties Treatment Plan properly address
16 it.

17 MEMBER GENTLES: Thank you.

18 MR. ROGERS: My pleasure.

19 MR. LINDENLAUB: Thank you, Chairman.

20 And finally, we land on additional factors.
21 And the Applicant and the Applicant's team provided
22 these 11 additional exhibits for the Committee's
23 consideration dealing extensively with scoping and
24 public outreach and public engagement.

25 The Applicant, I believe, as discussed

1 earlier, has engaged in an extensive level of public
2 engagement even beyond the EIS, which contemplates its
3 own level of public engagement. And Mr. Rogers will go
4 into some detail about how the input of the agencies
5 and the interested public went into considerations for
6 the development of the project.

7 CHMN. CHENAL: Thanks.

8 Member Gentles.

9 MEMBER GENTLES: Actually, let's continue.
10 They may answer my question in this next section.

11 CHMN. CHENAL: All right, very good.

12 MR. LINDENLAUB: We're there, Member, so fire
13 away.

14 MEMBER GENTLES: Oh, okay. Thank you.

15 CHMN. CHENAL: I think what I'm understanding
16 is that Mr. Rogers will go into more detail on the
17 public outreach aspects.

18 MR. LINDENLAUB: Absolutely.

19 CHMN. CHENAL: Member Gentles, you can ask
20 some questions now, or you can reserve --

21 MEMBER GENTLES: I'll reserve until I hear
22 what he says.

23 MS. GRABEL: Member Gentles, just so you
24 know, next will go Staff, and so we may not hear from
25 Mr. Rogers on these issues until Quartzsite.

1 MEMBER GENTLES: Okay. Well, let me ask it
2 now.

3 MS. GRABEL: Sure.

4 MEMBER GENTLES: Because I don't think I'm
5 going to be in Quartzsite.

6 CHMN. CHENAL: Okay.

7 MEMBER GENTLES: So in the public outreach --
8 and by the way, the public outreach, from what I saw,
9 was pretty extensive, covered a lot of time. So I
10 applaud you and your team for the work that you did on
11 the public outreach. I've been on this Committee a
12 very short period of time, but from what I saw, it's
13 the most extensive I've seen so far.

14 That being said, the private landowners that
15 are depicted in our exhibits, the 28 private landowners
16 I believe it were, and forgive me, because I may have
17 overlooked it, how many of those participated in some
18 form or fashion in the public outreach in discussion?

19 MR. ROGERS: So by way of public outreach,
20 they were all contacted and made aware that the NEPA
21 process was going through. They were all contacted as
22 part of our rights-of-entry process, all but those two
23 that I mentioned that we had some access roads that we
24 would like to use. So they were made aware of the
25 project there at that point. Can you elaborate on,

1 besides just contact?

2 MEMBER GENTLES: So there's a difference
3 between making contact and the feedback and what occurs
4 as a result of their conversations, right, so that's
5 something I pay attention to. So you made contact,
6 but -- and I may have overlooked it, my apologies.
7 There was a lot of paper to read through. What was the
8 result of their inputs, responses to your outreach
9 efforts?

10 MR. ROGERS: Predominantly in Arizona their
11 response is, you know, we look forward to discussing
12 land values and easements. Some of them have expressed
13 interest in -- interest in the project as it would
14 promote development of solar developments. Because in
15 these areas, a lot of them are landowners that solar
16 land exchange is probably going to be the way they
17 recoup cost on their investment, selling to a solar
18 developer.

19 As far as formal comments, participation in
20 public meetings, very little participation by the
21 private landowners in those meetings; they just simply
22 didn't show up. They were made aware of it. Most of
23 their conversations and contact have been through our
24 right-of-way acquisition process.

25 MEMBER GENTLES: Okay, thank you.

1 Thank you, Mr. Chairman.

2 CHMN. CHENAL: Member Woodall.

3 MEMBER WOODALL: So you said, "they were made
4 aware." And what I guess I want to drill down on is,
5 did the Applicant actually send out notices to the
6 property owners, or are you reliant upon whenever the
7 EIS notices were sent? That's what I'm trying to get
8 at. Did you do it, or did it happen in the NEPA
9 process?

10 MR. ROGERS: So both. We've sent newsletters
11 out to property owners, keeping them generally abreast
12 of the progress of the project, and as well the BLM's
13 consultant directly sent out notices, as required by
14 NEPA, to landowners.

15 MEMBER WOODALL: And then my last question
16 is, and so did the Applicant send out information to
17 private property owners about this hearing? I'm sure
18 the Chairman covered that in his prefiling conference,
19 but did you send out any notices to property owners
20 about the hearings here?

21 MR. ROGERS: We followed the direction in the
22 prehearing conference.

23 Counsel.

24 MS. GRABEL: Member Woodall, we did not
25 directly send out the Notice of Hearing to the private

1 landowners. We did publish it in the newspaper, we put
2 the signs up, we did everything that was required by
3 the procedural order.

4 MEMBER WOODALL: I understand that. The only
5 reason why I asked is because I know SRP just turns the
6 world upside down in terms of public outreach. And so
7 I just wondered, since there's so few private
8 landowners, if you had sent some out. And I don't mean
9 to imply that you shouldn't have. I just think it
10 would be a better practice myself.

11 MS. GRABEL: Duly noted. Thank you.

12 CHMN. CHENAL: All right. Any further
13 questions from the Committee?

14 Member Woodall.

15 MEMBER WOODALL: Someone said, and I beg your
16 pardon, I don't remember who, that you filed a copy of
17 the application in certain public libraries.

18 MS. GRABEL: Mr. Amirali testified to that,
19 yes.

20 MEMBER WOODALL: Yes. And you listed the
21 towns in which the libraries were located. And so my
22 question, and I don't mean to put a flea in your ear
23 about it, and I don't really like horse and buggies,
24 but did the application contain a thumb drive with the
25 federal EIS in it, and were there computers available

1 at these libraries that could actually open this?

2 MS. GRABEL: I believe that the -- yes, the
3 application did contain a thumb drive. I do not know
4 the answer as to whether or not there are computers
5 available.

6 MEMBER WOODALL: I think that might just be a
7 phone call, but that would be helpful to me. And like
8 I said, I understand electronic information, but you're
9 talking a massive document. And if the purpose of
10 putting the application in libraries is to provide ease
11 of access to the public at large, I personally would
12 like to know could they have actually looked at it.

13 MS. GRABEL: Certainly. We also provided
14 notice of the hearing in this matter in the public
15 libraries, and the Notice of Hearing has a link to the
16 CEC application on our project website that does have
17 the full PDF. So if an interested party were to go to
18 the library, saw the application, they would also see
19 the Notice of Hearing with directions as to how to
20 access it from that.

21 MEMBER WOODALL: That's in the application?

22 MS. GRABEL: That's correct.

23 MEMBER WOODALL: Okay, thank you very much.
24 I appreciate that.

25 CHMN. CHENAL: Member Gentles.

1 MEMBER GENTLES: So we run into this issue
2 quite often in public outreach, which is that you
3 provide the notice and you follow the law and the rule;
4 but then if there is no response, do you then take the
5 leap of assumption that they're okay with what's about
6 to occur?

7 MR. ROGERS: We can only act on the
8 information we receive. So if we don't get a comment,
9 we don't go back to them and ask them why they didn't
10 comment.

11 MEMBER GENTLES: Okay. So in the rules of
12 public engagement, just for the record, you're just
13 required to reach out to them how many times, in what
14 time frame, before you consider your outreach complete
15 and satisfied according to what you need to...

16 MR. ROGERS: I would defer to counsel if
17 there is a requirement of number of times.

18 MS. GRABEL: Will you repeat the question?
19 I'm sorry, Member Gentles. Is there a number of times
20 we are required to reach out to --

21 MEMBER GENTLES: Yeah. So what I'm getting
22 at is, if there's no response, then the Applicant
23 assumes that there is no objection. Is that fair to
24 say?

25 MS. GRABEL: I mean, I think that's probably

1 a fair characterization. If we don't receive a
2 response, and we believe that they've received the
3 notice, then yes.

4 MEMBER GENTLES: So how do you know that they
5 actually received the notice and they have an
6 opportunity to act on it?

7 MS. GRABEL: It depends on to whom we are
8 talking about having sent the notice. So for
9 example --

10 MEMBER GENTLES: So a public landowner.

11 MS. GRABEL: A public landowner?

12 MEMBER GENTLES: Yeah. Or a house that's --
13 or a private landowner and a house that's directly in
14 the pathway of your proposed line.

15 MS. GRABEL: We might not -- the answer to
16 that is if we send it certified mail, as we do to the
17 affected jurisdictions, we know.

18 MEMBER GENTLES: Oh, you do certified mail.
19 Okay.

20 MS. GRABEL: Correct. We did not have an
21 obligation to send private landowners. I mean, I very
22 well take Member Woodall's suggestion that it's good
23 practice. We did publish it in the newspaper, the
24 Arizona Republic, and in the local newspaper twice,
25 even though the local newspaper wasn't actually

1 required by law. So we did what we could, and we'll
2 take it for a future reference, perhaps we should --

3 MEMBER GENTLES: So again, just so we have
4 it, if you don't receive a response, you make the then
5 assumption that the private landowner is okay with the
6 project?

7 MS. GRABEL: For the purposes of the Notice
8 of Hearing, yes, if that's what we're talking about.
9 And we did not send the Notice of Hearing to private
10 landowners in this case, and so we didn't make any such
11 assumption because we didn't take that action.

12 MEMBER GENTLES: Okay.

13 CHMN. CHENAL: Member Hamway.

14 MEMBER HAMWAY: How wide was your radius?
15 Was it a quarter mile, half mile from the center line
16 of the transmission line?

17 MS. GRABEL: I'm going to defer that to my
18 client. How wide was our radius?

19 MR. ROGERS: I will need to -- I need to
20 refer to records and get back to you on that.

21 MEMBER GENTLES: And just for one last
22 thought, question. And I'm sorry, I might have missed
23 it. Why did you not send a notice to the private
24 landowners?

25 MS. GRABEL: A Notice of Hearing?

1 MEMBER GENTLES: Uh-huh.

2 MS. GRABEL: Simply because we were following
3 what was required under the procedural order, and that
4 wasn't one of the things that was required.

5 CHMN. CHENAL: And that's normally not done.

6 MEMBER GENTLES: I get it, yep. I just
7 wanted to have it said publicly. Thank you.

8 MR. ROGERS: Member Gentles, also to correct
9 maybe a statement that you made, there are no houses in
10 the right-of-way, no occupied buildings.

11 MEMBER GENTLES: Oh, no, I know that. I was
12 referring to other examples. So yeah, I know there are
13 no houses directly in the right-of-way. Thank you.

14 CHMN. CHENAL: Are there any further
15 questions from the Committee of Mr. Lindenlaub?

16 (No response.)

17 CHMN. CHENAL: Mr. Arias, any questions?

18 MR. ARIAS: Staff has no questions.

19 CHMN. CHENAL: Ms. Grabel, any --

20 MS. GRABEL: I do have two quick redirect
21 questions.

22 CHMN. CHENAL: Sure.

23 MS. GRABEL: And actually, they're both for
24 Mr. Rogers, but they're in response to testimony.

25 ///

1 BY MS. GRABEL:

2 Q. The first, the Chairman asked some questions
3 about helicopter construction. Is that something that
4 will be pointed out during the aerial tour in this
5 matter on Tuesday -- or, Monday, rather?

6 A. (BY MR. ROGERS) Due to the way that the tour
7 is structured with a narrative, we will point out at
8 hover points that the section of Copper Bottom Pass
9 that is in front of us will include some structures
10 that will be built with helicopter methods. I will not
11 point out, as we go, which structures will be.

12 Q. And for the Chairman's interest, the Hover
13 Point 9 discussed in DCR-9 contains that information,
14 correct?

15 A. (BY MR. ROGERS) That sounds right, yes.
16 That level of detail is included in the virtual tour by
17 way of showing the access roads to each structure. If
18 you would prefer to refer to it, that does include the
19 information.

20 CHMN. CHENAL: We might want to do that
21 again. And then what will be the nature of the last
22 panel of testimony? And I know Mr. Rogers is going to
23 provide additional testimony. What will be the nature
24 of his testimony for the next time he testifies?

25 MS. GRABEL: A lot about the NEPA process,

1 the public outreach, how the route was changed in
2 response to the comments that were received. So a lot
3 of the questions that Member Gentles was getting to
4 will be addressed in the next presentation.

5 And in fact, one final, if you don't mind --
6 CHMN. CHENAL: Sure.

7 MS. GRABEL: -- direct question I had for --
8 or, redirect question for Mr. Lowell.

9 BY MS. GRABEL:

10 Q. During the BLM process, there were several
11 public comment sessions, isn't that true?

12 A. (BY MR. ROGERS) Yes.

13 Q. And was the public notified of those public
14 comment sessions?

15 A. (BY MR. ROGERS) Yes, by letter, by website,
16 and by e-mail blast to those that we had e-mails, I
17 believe, and by newspaper.

18 Q. And did the Applicant receive public comment
19 as a result of that notice?

20 A. (BY MR. ROGERS) We do not receive public
21 comment to us for the NEPA process; that's directed to
22 the BLM. And they did receive public comment, yes.

23 MS. GRABEL: Thank you.

24 CHMN. CHENAL: Member Hamway.

25 MEMBER HAMWAY: So is that part of the

1 application, the responses to the BLM?

2 MR. ROGERS: The BLM has a table of every
3 comment they received.

4 MEMBER HAMWAY: In here?

5 MR. ROGERS: In there, yes.

6 MEMBER HAMWAY: Is this in the further, like
7 J, the special factors? Because there's a lot, so I
8 was just wondering if that was what that is.

9 MS. GRABEL: Member Hamway, I believe on the
10 very first day of hearing we introduced -- attached as
11 Appendix 8, I believe, to the final EIS, which is
12 Exhibit 1.

13 MEMBER HAMWAY: So that's in this pile of
14 papers?

15 MS. GRABEL: That's correct. And it's
16 actually -- I think we gave the page number by iPad.
17 We can kind of dig that up again. And that's current
18 as of September of 2019.

19 MR. ROGERS: I need to correct a statement.
20 I said they responded to every comment they received.
21 The BLM did not respond to every comment. Some
22 comments were deemed by the BLM to not have anything to
23 do with the project and did not add to the substance of
24 the review, and that was the BLM's decision.

25 CHMN. CHENAL: Before we begin your next

1 round of testimony, Mr. Rogers, maybe we can get those
2 pages again.

3 MR. ANCHARSKI: Chairman.

4 CHMN. CHENAL: Yes.

5 MR. ANCHARSKI: Member Hamway, for the
6 record, it's Page 2367 of the iPad, which is Appendix 8
7 to the CEC application.

8 CHMN. CHENAL: What document is that?

9 MR. ANCHARSKI: It's in the FEIS.

10 MS. GRABEL: It's Exhibit DCR-1.

11 CHMN. CHENAL: DCR-1.

12 MS. GRABEL: Which is the -- go to Exhibit B.
13 B2 is the FEIS, and it's attached as Appendix 8.

14 CHMN. CHENAL: Right. But if we want to get
15 right to the page, it's DCR-1, Page 2367?

16 MS. GRABEL: Correct.

17 CHMN. CHENAL: Member Woodall.

18 MEMBER WOODALL: I'm confused, which is not
19 uncommon. You have, in Exhibit J to the application,
20 which is DCR-1, you have an Appendix E, scoping comment
21 matrix. Is that what is on Page 2367 of the iPad?

22 MS. GRABEL: No, Member Woodall, that's a
23 totally different document. The scoping comment was
24 something the BLM prepared after the scoping
25 proceedings. They then prepared a second document

1 during the EIS process.

2 If I misspoke, then please correct me,
3 Mr. Rogers.

4 MR. ROGERS: That's accurate.

5 MEMBER WOODALL: Thank you very much. So in
6 other words, what is included in print here under
7 Exhibit A -- Appendix E to Exhibit J to the
8 application, which is DCR-1, we just have the first
9 version of the comment matrixes; is that correct?

10 MS. GRABEL: Correct.

11 MEMBER WOODALL: Thank you very much. I
12 appreciate that clarification.

13 CHMN. CHENAL: Mr. Lindenlaub.

14 MR. LINDENLAUB: Chairman, I was just going
15 through the FEIS, and you were directed to a table of
16 the comments and how the BLM disposed of them. I would
17 also like to add that Chapter 5 of the FEIS provides a
18 narrative of what the BLM's approach to their public
19 outreach process was and their consultation and
20 coordination.

21 CHMN. CHENAL: And can we have a page, maybe
22 after the lunch break, for that Table 5 -- is it Table
23 5?

24 MR. LINDENLAUB: Chapter 5.

25 CHMN. CHENAL: Chapter 5.

1 MEMBER HAMWAY: The summary. It's the
2 summary, right?

3 MR. LINDENLAUB: That's correct, it's a
4 narrative. It's a few pages.

5 MEMBER HAMWAY: Yeah, that would be helpful.

6 MS. GRABEL: That one might be hyperlinked,
7 but we can let you know after the break.

8 CHMN. CHENAL: Okay. Are there any further
9 questions of the panel?

10 Member Woodall.

11 MEMBER WOODALL: Mr. Lindenlaub, you're
12 familiar with the National Environment Policy Act?

13 MR. LINDENLAUB: I am.

14 MEMBER WOODALL: Okay. Is it your
15 understanding that that's basically a procedural
16 statute that provides the steps that an Applicant must
17 go through before they can require or request a federal
18 action to do something?

19 MR. LINDENLAUB: I would address it this way.
20 You're talking specifically about the public outreach?

21 MEMBER WOODALL: No. Actually, what I'm
22 saying is, a NEPA process basically is specified, and
23 my understanding is that you have to go through certain
24 steps that the agency requests. But the agency -- the
25 land agencies are not required to respond directly to

1 concerns expressed by the public. They are simply to
2 take them down and then provide their reaction to them,
3 which typically comes in some of these comment
4 matrixes.

5 MR. LINDENLAUB: That's exactly correct,
6 Member Woodall. The onus is on the federal action
7 agency to take comment from the public, from other
8 agencies, and dispose of those comments appropriately,
9 either incorporate it into it, or if it's a --
10 obviously, they get comments that have nothing to do
11 with the project.

12 MEMBER WOODALL: So basically the federal
13 land management agencies, which I believe in this case
14 was BLM, and I think you also coordinate with CEQA; is
15 that correct?

16 MR. LINDENLAUB: BLM is the lead.

17 MEMBER WOODALL: BLM is the lead.

18 MR. LINDENLAUB: That's correct.

19 MEMBER WOODALL: So if they get comments from
20 someone, all they have to do is write down the comment
21 and write down a response. They don't contact the
22 commenter; they don't seek additional information?

23 MR. LINDENLAUB: That's correct.

24 MEMBER WOODALL: So that's why it's a
25 procedural statute, is my understanding.

1 MR. LINDENLAUB: That's exactly right. As I
2 believe was alluded to in an earlier discussion, one of
3 the big goals of NEPA is to engage the public. And
4 each federal action agency has -- kind of have sort of
5 fleshed -- CEQ provides an overarching requirement, but
6 each action agency has their own way of reaching out to
7 the public and incorporating those comments.

8 MEMBER WOODALL: And a second question. Is
9 the State Historic Preservation Office a...

10 MR. LINDENLAUB: A cooperating agency?

11 MEMBER WOODALL: Thank you so much for the
12 word.

13 MR. LINDENLAUB: I don't believe SHPO -- and
14 I don't believe they typically act as a cooperating
15 agency. They are a consulted agency, as part of the
16 Section 106 process, National Historic Preservation
17 Act.

18 MR. ROGERS: They are a signatory to the
19 Programmatic Agreement.

20 MR. LINDENLAUB: Right.

21 MEMBER WOODALL: Thank you very much. That
22 clarifies a lot for me right there. Thank you.

23 CHMN. CHENAL: All right. Any further
24 questions?

25 MR. ANCHARSKI: Chairman.

1 CHMN. CHENAL: Yes.

2 MR. ANCHARSKI: If I could clarify, the
3 Chapter 5 consultation, coordination, and preparation
4 is found on DCR-1 on Page 392 on the iPad, and that's
5 the summary of the NEPA outreach. 392.

6 CHMN. CHENAL: Okay, very good. And if we
7 have questions after we look at that, we can ask
8 Mr. Rogers when he testifies, when he's next in the --
9 testifying.

10 All right. Any further questions of either
11 of the witnesses?

12 (No response.)

13 CHMN. CHENAL: Mr. Lindenlaub, thank you very
14 much. We'll be seeing you again, or are you heading
15 back?

16 MR. LINDENLAUB: That would be up to my
17 client.

18 MS. GRABEL: And I have to talk to my client.

19 CHMN. CHENAL: Okay, very good. Let's take
20 our lunch break. It's 12:15, and we'll resume at 1:00.
21 That will be a 45-minute lunch break. Thanks,
22 everybody.

23 (Off the record from 12:16 p.m. 1:20 p.m.)

24 CHMN. CHENAL: All right. This is the time
25 set for resumption of the afternoon portion of the

1 hearing.

2 Mr. Arias, I believe we are going to take
3 your witness, Margaret Toby Little.

4 (Margaret "Toby" Little was duly sworn by the
5 Chairman.)

6 CHMN. CHENAL: Mr. Arias.

7 MR. ARIAS: Chairman, I just wanted to admit
8 the ACC-1 and ACC-2 into the exhibits, into the record.

9 CHMN. CHENAL: Let's do this. For
10 identification, after Ms. Little's testimony we'll
11 admit them.

12 MR. ARIAS: Okay, that's fine.

13

14 MARGARET "TOBY" LITTLE,
15 called as a witness on behalf of the Arizona
16 Corporation Commission Staff, having been previously
17 sworn by the Chairman to speak the truth and nothing
18 but the truth, was examined and testified as follows:

19

20 DIRECT EXAMINATION

21 BY MR. ARIAS:

22 Q. Could you state your first name -- or, your
23 full name?

24 A. Margaret, or Toby, Little.

25 Q. Who is your employer?

1 A. I'm a contractor to the Arizona Corporation
2 Commission.

3 Q. What is your work address?

4 A. 1200 West Washington Street, Phoenix, Arizona
5 85007.

6 Q. What is your title at the Commission?

7 A. I'm an electric utilities contractor.

8 Q. And what are your responsibilities as an
9 electrical utilities contractor?

10 A. In the 10 years that I've worked at the
11 Arizona Corporation Commission, both as a state
12 employee and as a utilities contractor, I have
13 performed engineering analyses for financing and rate
14 cases, coordinated biennial transmission assessments,
15 reviewed utilities load curtailment plans and summer
16 preparedness plans, and conducted various other
17 engineering analyses.

18 I also participate in various regional
19 electric grid planning forums across the western
20 interconnect on behalf of the ACC, including
21 WestConnect, the Southwest Area Transmission Group, or
22 SWAT, the Western Electric Coordinating Council, WECC,
23 the Committee on Regional Electric Power Cooperation,
24 CREPC, Western Interstate Energy Board, the body of
25 state regulators for the EIM, and others.

1 Q. You do a lot?

2 A. Yeah.

3 Q. In your capacity as an electrical utilities
4 contractor, were you assigned to evaluate the current
5 application?

6 A. I was.

7 Q. What did your review consist of?

8 A. The purpose of my analysis, of the impacts of
9 Ten West Link on the reliability and/or safety of
10 operation of the grid and delivery of power in Arizona.
11 In addition, I have reviewed the economic study for the
12 line provided by DCR, and the similarities and
13 differences between Ten West Link and Devers Palo
14 Verde 2.

15 Q. You have a document in front of you marked
16 Exhibit ACC-1. Could you please identify that
17 document?

18 A. It is my direct testimony as filed.

19 Q. Were you responsible for authoring ACC-1?

20 A. Yes.

21 Q. Are there any changes that you would like to
22 make to ACC-1?

23 A. No.

24 Q. Thank you. You have another document in
25 front of you labeled ACC-2. Could you please identify

1 that document?

2 A. That is the PowerPoint presentation that --

3 Q. Were you responsible --

4 A. Go ahead.

5 Q. Were you responsible for authoring ACC-2?

6 A. Yes.

7 Q. Are there any changes that you would like to
8 make to ACC-2?

9 A. No.

10 Q. Staff has no further questions. You may
11 begin your presentation.

12 CHMN. CHENAL: Member Woodall.

13 MEMBER WOODALL: Ms. Little, it's my
14 understanding that you are testifying on behalf of
15 Staff of the Corporation Commission; is that correct?

16 MS. LITTLE: Yes.

17 MEMBER WOODALL: Could you please explain,
18 for the benefit of the other Members, the difference
19 between Staff and the Commission as it relates to
20 contested proceedings? And if that's a legal question,
21 I can ask Mr. Arias. But the Commission did not -- the
22 Commissioners did not direct this undertaking, did
23 they?

24 MS. LITTLE: No, no. The letter that was
25 sent by Chairman Chenal to us was to the Utilities

1 Division asking for an analysis of the reliability of
2 the system. And Staff performed this analysis separate
3 from the Commission.

4 MEMBER WOODALL: Okay. I just wanted to have
5 that clear, because sometimes it's not clear. Thank
6 you very much.

7 MS. LITTLE: Thank you.

8 MR. ARIAS: Thank you.

9 MS. LITTLE: Let me see if I can figure out
10 how to make all these electronics work here.

11 Just a quick review of my professional
12 background. I hold both a bachelor of science and
13 master of science in electrical engineering from New
14 Mexico State University. My master's program was in
15 electric utility management. I am a registered
16 professional engineer, registered professional
17 electrical engineer, in California and Alaska, and I
18 have 30 years -- over 30 years of experience in
19 electric utility resource, transmission, and
20 distribution system planning.

21 I've been in my current position for almost
22 10 years. And prior to that, I have almost 20 years
23 with various organizations, including Anchorage
24 Municipal Light and Power in Alaska. I worked for the
25 consulting firm RW Beck & Associates in both California

1 and Alaska, and system planning departments at San
2 Diego Gas & Electric, Hawaiian Electric, and overseas
3 in the Marshall Islands.

4 Today I'm going to give you an overview of
5 the engineering work I did with respect to reliability,
6 a review -- or, a synopsis of my review of the economic
7 study that was provided to us by DCR, and a comparison
8 of the Devers Palo Verde 2 application and the Ten West
9 Link application from an engineering perspective. And
10 then finally, I have a couple of other observations
11 that I'd like to make.

12 The next slide is just a description of the
13 project. We have pretty much been through this with
14 other witnesses. Just describes the project and where
15 it will be located, who will own it, and who will
16 dispatch it.

17 This slide describes the -- is a list of the
18 studies that I was able to locate, local and regional
19 studies. These were all performed by others. I
20 reviewed all of these studies as part of my work. DCR
21 has submitted ten-year plan filings, per A.R.S.
22 40-360.02, since 2016, indicating in all of them that
23 Ten West Link is a planned high-voltage transmission
24 project.

25 And as a planned high-voltage transmission

1 project, it was included in the biennial -- Arizona
2 biennial transmission, BTA's, assessments in 2016 and
3 2018. It's also been included in all the recent
4 transmission studies performed by the Southwest Area
5 Transmission Group, or SWAT, and also the WestConnect
6 regional planning studies.

7 I reviewed all of these studies as part of my
8 reliability assessment. And in addition, I reviewed
9 the CAISO 2018, 2019 transmission plan, which also, of
10 course, includes the Ten Link -- Ten West Link.

11 In addition to those independent studies that
12 were done, the Applicant provided us with -- in
13 responses to data requests that we issued, that the
14 Commission Staff issued, in response to those data
15 requests, we were provided the WECC Comprehensive
16 Progress Report, or CPR, that was submitted as a part
17 of the WECC path rating process for WECC Path 46, which
18 is also known as west of river. And that study was
19 discussed yesterday by Mr. Amirali.

20 Not shown on this slide, because it came in
21 late, but also provided DCR were the results of the
22 east of river Path 49 studies that were used as input
23 for the economic study that was discussed yesterday by
24 Ms. Chang.

25 And just as an aside here, we talked a little

1 bit yesterday -- or, Ms. Chang talked a little bit
2 yesterday about what Path 46 consists of and what
3 Path 49 consists of. Path 46 includes 12 lines, which
4 mostly are across southeastern California, west of the
5 Colorado River, and they range all the way from
6 southern Nevada down to the border with Mexico, but
7 they're west of the river and they are mostly in
8 southern California.

9 Path 49, which is east of the river, includes
10 seven transmission lines, mostly in Western Arizona,
11 also ranging from southern Nevada to the southern
12 border. So it's -- they're not just single lines.
13 They are groups of lines that are classified as a path
14 for transmission.

15 The local and regional studies that I looked
16 at, including those that were used as a basis for the
17 biennial transmission assessment, include analyses of
18 facility loading limits, single contingency outages,
19 extreme contingency studies, and transient stability.
20 And there are some of the studies, such as the
21 WestConnect regional studies, which also look at
22 alternative scenarios of regional generation and load,
23 such as high renewables, in addition to just the
24 expected system configuration.

25 The studies that I reviewed were for the

1 interconnected Arizona system, the WestConnect planning
2 area, which includes Arizona, and WECC-wide, which of
3 course includes WestConnect and several other planning
4 areas also.

5 Staff's review of the results of the studies,
6 all of which included the Ten West line, found that
7 they show no negative impacts on grid reliability
8 and/or safety, provided the project is constructed in
9 compliance with and operated in accordance with good
10 utility practice and applicable reliability standards.
11 Similarly, a review of the results of the studies found
12 no negative impact on delivery of power in Arizona.

13 CHMN. CHENAL: Ms. Little, good utility
14 practice and applicable reliability standards. Where
15 would we find those good utility practices and
16 applicable reliability standards located?

17 MS. LITTLE: Those are NAERC and
18 WECC standards that utilities in the west follow.

19 CHMN. CHENAL: Could you or your counsel
20 provide us with kind of a reference to those
21 specific -- where those specific standards are found?

22 MS. LITTLE: Sure, I'll be glad to.

23 CHMN. CHENAL: Member Haenichen.

24 Thank you.

25 Member Haenichen.

1 MEMBER HAENICHEN: Ms. Little, you just
2 testified that you found no negative impacts of this
3 line.

4 MS. LITTLE: Right.

5 MEMBER HAENICHEN: And maybe you're going to
6 cover this question momentarily, but did you find any
7 positive impacts for Arizona?

8 MS. LITTLE: The studies that I looked at,
9 with respect to reliability and delivery of power in
10 Arizona, are simply electrical studies of the system as
11 planned from a reliability perspective, and they
12 included the line. So all that really can be concluded
13 from those studies is that the system is expected to
14 operate reliably under those conditions with the line
15 in service.

16 MEMBER HAENICHEN: Thank you.

17 MS. LITTLE: In addition to looking at the
18 reliability studies, Staff also looked at or reviewed
19 the following studies or information that were provided
20 by the Applicant: The WECC Comprehensive Progress
21 Report, or CPR, which I mentioned earlier, and there
22 was -- and also a report entitled "The Economic
23 Benefits of the Ten West Link Project for Arizona,"
24 which is a study that was prepared by The Brattle Group
25 for DCR and was discussed yesterday at length by

1 Ms. Chang. And they also provided responses to several
2 data requests issued by Commission Staff.

3 CHMN. CHENAL: Ms. Little, just quickly,
4 maybe you answered this, but was there a WECC path
5 rating process for WECC Path, is it 49, east of river?

6 MS. LITTLE: I have not seen such a report if
7 it exists. They did determine -- they did -- it's my
8 understanding that they did some studies on the east of
9 river ratings as input to the economic study, but I
10 have not seen those studies. I've seen the results of
11 them, but not the studies themselves. And I do not
12 believe that -- and I think you'd have to ask DCR why
13 they have not done the CPR for east of river, if they
14 have not.

15 CHMN. CHENAL: Ms. Gabel.

16 MS. GRABEL: I'm sorry, Chairman. I was
17 consulting with my colleague. What was the question?

18 CHMN. CHENAL: I'm just curious if your
19 client has done a Comprehensive Progress Report for the
20 WECC path rating process for the east of river, Path
21 49, if I remember correctly?

22 MS. GRABEL: Client? Yeah, you can just tell
23 me.

24 So this is Mr. Mackin; he is not a witness.
25 May he respond, or would you rather have...

1 CHMN. CHENAL: Yes, yes. Mr. Mackin, just
2 state your name for the record, your position with the
3 company.

4 MR. MACKIN: Sure. My name is Peter Mackin,
5 I'm vice president of power system studies for
6 GridBright, and I did the -- well, me and my colleagues
7 did the Comprehensive Progress Report for the DCR --
8 or, for the Ten West Link.

9 That comprehensive progress report looked at
10 both Path 49 and Path 46; they're included in the same
11 report. Both paths are studied at the same time.

12 CHMN. CHENAL: All right, thank you.

13 Well, I guess the question is, then,
14 Ms. Little, did the materials you reviewed cover both
15 east of river and west of river, to your recollection?
16 Sounds like what they're saying is that they actually
17 did provide both.

18 MS. LITTLE: I honestly do not recall. I
19 would have to take a look at those.

20 CHMN. CHENAL: And I guess the reason, I mean
21 to me -- I mean, I don't understand this as well as
22 obviously the experts. But I mean, part of the reason
23 for this project is that it's going to allow flows from
24 west to east and from east to west. So with respect to
25 the flows from west to east, it seems like that same

1 analysis would be important to be done.

2 MS. LITTLE: Yes. The path rating is
3 independent of the direction of flow. And I do
4 recall that there were ratings increases that were
5 determined, excuse me, on both paths. I'm not sure why
6 this particular study was just submitted to WECC for
7 Path 46.

8 MR. ARIAS: Chairman, if I may.

9 CHMN. CHENAL: Yes.

10 MR. ARIAS: We could -- if you'll allow Staff
11 to go back and review this report to look and see if
12 there is more information about Path 49. Ms. Little
13 will be available again later on in the hearing, and
14 she can come up again and testify regarding Path 49.

15 CHMN. CHENAL: That would be fine. Yeah,
16 that would be fine.

17 MS. LITTLE: Thank you.

18 MR. ARIAS: Thank you.

19 MS. LITTLE: As Ms. Chang discussed
20 yesterday, The Brattle Group developed a detailed
21 hourly production cost model of the interconnected
22 electric grid in the western U.S. They used WECC 2028
23 anchor data set, which is, as it says there, is used by
24 WECC as a basis for their 2028 studies.

25 They modified it slightly to reflect more

1 recent data and expectations. They used a program
2 called Power System Optimizer, which is a commercially
3 available power production cost simulation tool. They
4 modeled the system first without the project, and then
5 with the project, so they could compare them. And they
6 modeled three scenarios, as Ms. Chang went into detail
7 yesterday about.

8 The first is -- was based on the 2017 IRP
9 filings by Arizona utilities. The second assumed an
10 increased renewable generation, including some wind
11 generation in New Mexico. And the third they assumed
12 the same increased renewable generation plus a decrease
13 in gas prices in Arizona. And they compared the
14 results of the two scenarios to determine the changes
15 between the two as a result of the addition of the Ten
16 West Link.

17 These two studies, the economic study and the
18 comprehensive progress report, are the only two studies
19 that I could find that compared the electric system
20 both with and without the Ten West Link project, which
21 is not uncommon. Generally, reliability studies are
22 performed for the expected system, and include all the
23 lines that are expected to be in the system or planned
24 to be in the system.

25 CHMN. CHENAL: Yes, excuse me.

1 Member Haenichen.

2 MEMBER HAENICHEN: Ms. Little, this an
3 economic analysis you're talking about right now.

4 MS. LITTLE: Yes.

5 MEMBER HAENICHEN: And you said they modeled
6 it two ways, one with and one without the Ten West
7 Link?

8 MS. LITTLE: Yes.

9 MEMBER HAENICHEN: In the one with the Ten
10 West Link, what assumptions were made about the
11 economics of the transactions taking place in both
12 directions on that, and how did they make those
13 assumptions?

14 MS. LITTLE: The production -- an hourly
15 production cost model looks at a system that's
16 modeled -- models the transmission system as it is
17 expected to be, and it models the generation as it's
18 expected to be. And they make certain assumptions
19 about the cost of that generation, that is the cost of
20 gas, the cost of the installation of the new projects
21 that are coming online, the existing costs of the
22 existing generation, and then the model chooses the
23 least cost generation to meet the load that is
24 expected.

25 MEMBER HAENICHEN: Okay. But the key point

1 in this, from my vantage point, is what direction is
2 this generation flowing? Is it flowing to California
3 or is it flowing here or is there a mixture? What are
4 the assumptions?

5 MS. LITTLE: They don't make an assumption
6 about whether it's going to flow one direction or the
7 other. The model predicts that based on cost, because
8 it is economic. So it may choose a project in
9 California to serve Arizona load, it may choose a
10 project in Arizona to serve California load, depending
11 on what the hourly need is in both regions.

12 And it's my understanding and what the model
13 predicted is that it will go both ways. It will go one
14 direction sometimes and another direction the other
15 times.

16 MEMBER HAENICHEN: Well, that's all well and
17 good. But to me, that part of this model is flawed,
18 because you need to know what amounts are going in one
19 direction and the other.

20 MS. LITTLE: It's my understanding that with
21 a model like this you can actually go in and -- as
22 Ms. Chang mentioned yesterday, it's a lot of data,
23 there are a lot of hours in a year, but you can
24 actually go through and figure out which -- what the
25 exchange is.

1 The actual physical flow on the transmission
2 line is not -- I don't think is shown in a production
3 cost model. But it's also unimportant, because of the
4 fact that, as has been explained before, power flows
5 where power flows. The exchanges are contractual. And
6 it may actually be flowing, there may actually be power
7 flowing from Arizona to California, when in actuality
8 Arizona is purchasing power from California at that
9 time.

10 MEMBER HAENICHEN: Yeah, but this is a
11 financial economic analysis.

12 MS. LITTLE: Exactly.

13 MEMBER HAENICHEN: And it is extremely
14 important which way it's flowing, because the
15 generation on one side may have different parameters
16 than the one on the other.

17 MS. LITTLE: Right. On a contractual basis,
18 yes.

19 MEMBER HAENICHEN: So how is that information
20 entered into the model before you run it?

21 MS. LITTLE: It's not entered into the model;
22 it is determined by the model based on the assumptions
23 about the cost of that power.

24 MEMBER HAENICHEN: How do they make those
25 assumptions?

1 MS. LITTLE: Well, she outlined some of the
2 assumptions yesterday. In times when California has
3 overproduction, the cost of the power is very low,
4 zero, negative. In other times, the cost of production
5 is determined -- the cost of production assumptions are
6 determined by the nature of each generator plant.

7 MEMBER HAENICHEN: Will we be exposed to the
8 details of that, in other words, what are those
9 assumptions numerically?

10 MS. LITTLE: I personally have not seen --
11 that is a great deal of data, and I personally have not
12 seen the assumptions about the cost of each individual
13 generator plant and of each transmission line. I would
14 guess that's up to --

15 MEMBER HAENICHEN: Ms. Grabel, can you answer
16 that?

17 MS. LITTLE: -- Ms. Chang to answer those
18 questions, because she knows the details of the --

19 MS. GRABEL: Member Heanichen, Ms. Chang will
20 be available telephonically in Quartzsite on Tuesday.
21 I can ask her to be prepared to address that question.

22 MEMBER HAENICHEN: Okay, thank you.

23 CHMN. CHENAL: Member Hamway.

24 MEMBER HAMWAY: So are the three that were in
25 the queue, are those the assumptions?

1 MS. LITTLE: What goes into that model is the
2 assumptions of every -- or, every generator plant in
3 the western United States.

4 MEMBER HAMWAY: That's built, or yet to be
5 built?

6 MS. LITTLE: Both.

7 MEMBER HAMWAY: So it's in the transmission
8 plan, and then so anything that's in the transmission
9 plan -- so that's how the queue is built, correct?

10 MS. LITTLE: The queue is -- it's my
11 understanding that a queue is just a list of the
12 projects that have been proposed to APS or to DCR that
13 they're pretty seriously wanting to build, and they had
14 come to them and they say, you know, we've got a
15 project we want to build, and it's put in the queue.

16 I would guess that the three that have been
17 mentioned at various times in the last few days are
18 included in -- were included in their production cost
19 model.

20 But the 2028 anchor data set includes -- it
21 has input from every utility in the western United
22 States and up into Canada and also a little bit down
23 into Mexico on all the transmission lines. It has very
24 technical data on impedances of those lines, cost of
25 the lines, in addition to every generator plant in the

1 western United States that is currently in operation --
2 or, I'm sorry -- is expected to be in operation in
3 2028. So those that are expected to be retired between
4 now and then will not be in that data set, but those
5 that are expected to be built will.

6 MEMBER HAENICHEN: Thank you.

7 MEMBER HAMWAY: Thank you.

8 MS. LITTLE: They're very sophisticated
9 programs.

10 In addition to the production cost modeling,
11 Brattle Group also used a commercial macroeconomic
12 input-output model to project the economic stimulus
13 impacts. It's a model that is called IMPLAN. And they
14 looked at construction -- economic stimulus impacts of
15 the construction of Ten West Link, the construction of
16 expected new solar installations that would be enabled
17 by Ten West Link, and then they also looked at annual
18 operating benefits for both the transmission line and
19 new solar.

20 We did not make any conclusions based on the
21 economic study, but basically we did some -- my
22 assessment is that Staff believes the approach,
23 assumptions, and methodology used in The Brattle Group
24 economic analysis are reasonable. They used reputable
25 models for both the hourly production cost analysis and

1 the economic stimulus analysis.

2 And I would also like to make the statement
3 that, as was stated during the hearings for DPV2, Staff
4 believes that the only -- that only economic benefits
5 impacting an economical supply of electric power should
6 be used in determining the economics of a project. And
7 while they are important and should not be discounted,
8 the economic stimulus benefits really do not impact the
9 cost of supplying electric power and are not really
10 relevant to Staff's assessment.

11 CHMN. CHENAL: Ms. Little, the difference
12 between economic benefits and economic stimulus
13 benefits, I believe Ms. Chang yesterday spoke of direct
14 benefits, indirect benefits, and --

15 MS. GRABEL: Imputed.

16 CHMN. CHENAL: -- imputed benefits.

17 MS. LITTLE: Right.

18 CHMN. CHENAL: When you refer to economic
19 stimulus benefits, you include -- what is included in
20 that?

21 MS. LITTLE: The construction costs.

22 CHMN. CHENAL: Well, but the economic
23 benefits?

24 MS. LITTLE: Yes.

25 CHMN. CHENAL: So what's the difference

1 between economic benefits and economic stimulus
2 benefits?

3 MS. LITTLE: Well, the economic benefits I
4 would say include both those that affect the economical
5 supply of electric power, in other words, that
6 influence the cost of the power, and the economic
7 stimulus benefits, which are -- basically stimulate the
8 economy, the local economy, the construction. And the
9 construction then would include those three types of
10 benefits that she characterized.

11 It is Staff's opinion that only the benefits
12 that impact the cost of the power to the Arizona
13 consumer should be included when determining -- when
14 looking at the transmission line impacts.

15 CHMN. CHENAL: So would those be, in
16 Ms. Chang's terminology yesterday, the direct cost
17 versus the indirect and imputed expenses, cost?

18 MS. LITTLE: The direct cost of operation,
19 yes, would be included, but not construction.

20 CHMN. CHENAL: I'm a little confused.
21 Because don't the costs of construction get built into
22 the rates, which gets into the cost to the consumer?

23 MS. LITTLE: But Arizona consumers will not
24 be paying any of those costs; California consumers are
25 paying it.

1 CHMN. CHENAL: Okay. So for this project,
2 when you say that only economic --

3 MS. LITTLE: I think I can say that the
4 general statement, only economic benefits impacting the
5 cost of the power, an economical supply of electric
6 power, should be included in the evaluation. In this
7 project, they do not include the cost of construction.

8 CHMN. CHENAL: Okay, thank you.
9 Member Hamway.

10 MEMBER HAMWAY: But they do include the cost
11 of operation, which I thought that was going to also be
12 a cost borne by California ratepayers.

13 MS. LITTLE: Yes.

14 MEMBER HAMWAY: But you did say that was
15 included in the economic benefits affecting the
16 supplies that the cost --

17 MS. LITTLE: Not in this project.

18 MEMBER HAMWAY: Which one?

19 MS. LITTLE: The cost of operation will not
20 be included in the evaluation of this project, because
21 they will be borne by California consumers.

22 MEMBER HAMWAY: So is any cost included?

23 MS. LITTLE: Not the construction or
24 operating costs. What are included are those economic
25 benefits that were identified in the power production

1 model, because those benefits are -- directly influence
2 the cost of power, in that they are savings to the
3 consumer if Arizona -- if APS, for example, purchases
4 cheaper power, then that savings will be passed on to
5 the customer. If Arizona -- or, APS or any Arizona
6 utility sells power at a higher rate than they
7 otherwise would have without the line, then those
8 benefits will be passed on to the Arizona consumer,
9 because they will affect the cost of the power itself.

10 MEMBER HAENICHEN: Mr. Chairman.

11 CHMN. CHENAL: Member Haenichen.

12 MEMBER HAENICHEN: So is it not true that for
13 any benefits to accrue to Arizona ratepayers by virtue
14 of this line being in operation, there would have to be
15 some flow from California to Arizona of cheaper energy,
16 is that true or false?

17 MS. LITTLE: That's part of it. The other
18 part that was identified in this study was the fact
19 that as a result of -- and Ms. Chang spoke of this
20 yesterday -- the average cost of power at the Palo
21 Verde hub will be higher, so that there are times
22 during the day when Arizona will be selling power to
23 California at a higher rate than they would have
24 without the line. In other words, the value of the
25 power is more.

1 MEMBER HAENICHEN: And that's where you come
2 to the conclusion it's a benefit to ratepayers here, is
3 that true, or is it just a benefit to the supplier or
4 APS?

5 MS. LITTLE: Staff did not come to that
6 conclusion, but that is the -- that is where the
7 benefits -- yes, that's where the study indicated the
8 benefits would come from, yes.

9 MEMBER HAENICHEN: Benefits to the buyer of
10 electricity in a house, for example?

11 MS. LITTLE: Yes, the Arizona ratepayer.

12 CHMN. CHENAL: Member Woodall.

13 MEMBER WOODALL: Ms. Little, you and I work
14 in the same building, do we not?

15 MS. LITTLE: Yes.

16 MEMBER WOODALL: And I don't know if you were
17 here for my, quote, Spartacus, close quote, moment,
18 when I indicated that I was not going to be
19 considering the stimulus studies. And my rationale was
20 what's in --

21 MS. LITTLE: I was not.

22 MEMBER WOODALL: Okay. Well, all I wanted to
23 get clear is, you and I have not talked about your
24 testimony at all, have we?

25 MS. LITTLE: No.

1 MEMBER WOODALL: So you and I have had no
2 discourse on this topic or any other topic relating to
3 this matter?

4 MS. LITTLE: No.

5 MEMBER WOODALL: Thank you very much.

6 MS. LITTLE: I came to this conclusion after
7 reading the Staff report to the Commission, Arizona
8 Corporation Commission, with respect to the proceedings
9 on DPV2.

10 MEMBER HAENICHEN: Mr. Chairman.

11 CHMN. CHENAL: Member Haenichen.

12 MEMBER HAENICHEN: So given my last question,
13 can you quantify the benefits to the Arizona ratepayer,
14 how much?

15 MS. LITTLE: The study showed, I have that in
16 here somewhere, they predict a net benefit of between 2
17 and \$7 million per year.

18 BY MR. ARIAS:

19 Q. Excuse me, Toby. Could you identify the page
20 of your presentation that you're reading off of?

21 A. It is Page 18. Should I go to that page?

22 Q. Yeah, could you go to that page up there.

23 A. The studies project -- or, this study, The
24 Brattle Group study that was performed for DCR,
25 projects that there will be -- this one -- yes, a net

1 benefit, down at the bottom there, a net benefit of
2 between 2 and \$7 million per year to Arizona
3 ratepayers. And this is as a result of the higher
4 prices at the Palo Verde hub when the sales are going
5 from Arizona to California and the decreased -- the
6 savings that are a result of purchasing cheaper power
7 from California to Arizona.

8 MEMBER HAENICHEN: Okay, I'm still on the mic
9 here. So you said 2 to \$7 million a year. So we'll
10 pick an average of that of, say, 3 and a half. And
11 let's say we have 3 and a half million ratepayers in
12 the state. Am I correct, then, in calculating that
13 then that would be a dollar a year each ratepayer would
14 save, which is about enough for a cup of coffee?

15 MS. LITTLE: Seems reasonable to me.

16 MEMBER HAENICHEN: Thank you.

17 CHMN. CHENAL: Member Hamway.

18 MEMBER HAMWAY: So what -- I know she spent a
19 lot of time talking, and I know there's lots of changes
20 since 2007, but does all of that result in the
21 \$74 million cost that was going to be ratepayers versus
22 now we're making between 2 and 7 million, and then the
23 increase of the Palo Verde hub? So I guess my question
24 is, what conditions are now favorable to this line that
25 were not favorable in 2007?

1 MS. LITTLE: I think it's mostly --
2 personally, I think it's mostly attributable to the
3 change in the power system environment that's happened
4 between then and now.

5 MEMBER HAMWAY: Such as?

6 MS. LITTLE: More renewables, increased
7 interconnection between the -- in the region. I think
8 those two things. There were a lot of savings that the
9 EIM has generated because of the fact that the
10 utilities have been able to take advantage of the
11 diversity of the generation and the load requirements
12 in the western United States, and in addition to the
13 nature of renewable generation, which has made it so
14 that Arizona has the ability to purchase inexpensive
15 power from California at certain times of the day.

16 MEMBER HAMWAY: But APS is the only utility
17 in Arizona that's on the EIM right now?

18 MS. LITTLE: Correct. But as you've also
19 heard here, there are two other utilities in Arizona
20 that are --

21 MEMBER HAMWAY: Are planning.

22 MS. LITTLE: Yes.

23 CHMN. CHENAL: All right. Ms. Little, why
24 don't we go back to where you were in your
25 presentation. I think you're going to come back later

1 to the differences between the 2007 application and
2 this project.

3 BY MR. ARIAS:

4 Q. Ms. Little.

5 A. Yes.

6 Q. Just a quick clarification. Staff did not do
7 an economic analysis, correct?

8 A. That is correct.

9 Q. So when you talk about the economics here,
10 what are you referring to?

11 A. I'm referring to the conclusions that were
12 reached in the Brattle study.

13 Q. And what is the main consideration Staff has
14 when looking at the economics of a proposed project?

15 A. I'm not sure I understand your question.

16 Q. Looking at the economical supply of power,
17 that is what Staff considers --

18 A. Right.

19 Q. -- when looking at the economic benefit of a
20 project, correct?

21 A. Right, right.

22 Q. And how that will end up changing from the
23 project?

24 A. Right. Yes, how the project will affect the
25 cost of power to the Arizona consumer.

1 MR. ARIAS: Okay, thank you.

2 CHMN. CHENAL: Ms. Little, following up on
3 Mr. Arias' question, you don't -- you, Staff, does not
4 do its own independent economic analysis, but you do
5 critically review the economic analysis that's supplied
6 by the Applicant, correct?

7 MS. LITTLE: That's correct.

8 CHMN. CHENAL: So what your testimony has
9 been thus far is a review of The Brattle Group's
10 economic study.

11 MS. LITTLE: That's correct. That's correct.

12 CHMN. CHENAL: And are you going to
13 discuss -- yes. You're going to now discuss whether
14 Staff agrees or disagrees with the conclusions in the
15 Brattle report; is that correct?

16 MS. LITTLE: I'm going to make some
17 statements about our review of the study.

18 CHMN. CHENAL: Okay.

19 MEMBER HAMWAY: One quick question. Does the
20 Staff even have the ability, through the modeling of
21 IMPLAN and some of those other tools -- do you guys
22 have those tools?

23 MS. LITTLE: We do not have the staff to be
24 able to do those kinds of studies; we rely on others.

25 MEMBER HAMWAY: Paid for by the Applicant?

1 MS. LITTLE: No. The economic study is the
2 only study that we looked at, and that one was paid for
3 by the Applicant. However, the reliability studies
4 that I analyzed are independent. They are done by
5 planning entities in the west, and they were not
6 influenced in any way, as far as I know, by the
7 Applicant.

8 MEMBER HAMWAY: Okay, thank you.

9 MS. LITTLE: Staff agrees with the following
10 conclusions reached by The Brattle Group study. We
11 agree that a stronger transmission infrastructure and
12 congestion reduction will facilitate interconnection of
13 solar and storage resources in Arizona.

14 We agree that expanding regional access to a
15 diverse supply of clean energy resources will come as a
16 result of stronger transmission infrastructure, and
17 that stronger transmission infrastructure will enable
18 opportunities for regional coordination.

19 We also agree that Ten West may very well
20 result in a cost savings for delivery of power to
21 Arizona customers, and also system-wide, WECC-wide.

22 Are there any questions on that before I move
23 into comparing this line to DPV2?

24 CHMN. CHENAL: Member Haenichen.

25 MEMBER HAENICHEN: Well, only that -- your

1 last statement, that Staff agrees that it will result
2 in a savings to the consumer, and it will be a dollar a
3 year per consumer.

4 MS. LITTLE: May result in.

5 MEMBER HAENICHEN: May. And it may be, at
6 most, a dollar a year.

7 MS. LITTLE: Well, that was based on your
8 estimate of 3 and a half million dollars a year
9 savings.

10 MEMBER HAENICHEN: Yeah. Well, you said it
11 was 2 to 7, so I went halfway. And I was very
12 conservative in saying 3 and a half million ratepayers;
13 I think there are far more than that.

14 CHMN. CHENAL: I might have a few questions,
15 but Member Hamway has a question.

16 MEMBER HAMWAY: So your statement is that
17 stronger transmission infrastructure and congestion
18 will -- reduction will, and then you go through those
19 things. If this line isn't built, are all of those
20 things negated? So storage dies, solar dies, diverse
21 supply of clean energy resources dies, and the
22 opportunities for regional coordination dies?

23 MS. LITTLE: No, they do not. They exist, to
24 some extent, currently.

25 MEMBER HAMWAY: Exactly.

1 MS. LITTLE: It will -- a stronger
2 transmission infrastructure and congestion reduction
3 will facilitate an increase in all of those things, the
4 ability to -- it basically enables those things to
5 increase. They exist the way they are now.

6 MEMBER HAMWAY: But there's a lot of projects
7 in APS's queue and all of these things that may or may
8 not -- I mean, all of this is speculation whether it
9 will happen or not.

10 MS. LITTLE: That's exactly right.

11 MEMBER HAMWAY: So whether the line is built
12 or not built, some of those projects will happen
13 anyway.

14 MS. LITTLE: Yes. Most likely, yes.

15 CHMN. CHENAL: So Ms. Little, let's talk
16 about the first bullet point, stronger transmission
17 infrastructure and congestion reduction will facilitate
18 interconnection of solar and storage resources in
19 Arizona. How much -- are you able to quantify the
20 increase in the facilitation?

21 MS. LITTLE: Not personally. It is
22 quantified, to some extent, in the economic study. I
23 can't give you a number.

24 CHMN. CHENAL: And some of that exists
25 already, you've indicated --

1 MS. LITTLE: Yes.

2 CHMN. CHENAL: -- and the study indicates
3 that this line will increase the facilitation.

4 MS. LITTLE: Yes.

5 CHMN. CHENAL: But can you put in lay terms
6 why -- if it's a benefit to Arizona ratepayers and why?
7 Why is that good?

8 MS. LITTLE: The study, I believe, indicated
9 that the increase in the value of the power at the Palo
10 Verde hub was, in part, a result of the fact that there
11 is power in -- or, would be power in Arizona that could
12 be sold to California. And with a stronger
13 transmission infrastructure, more power could be sold
14 to California -- to other markets, I should say.

15 And I don't -- I don't mean to imply they
16 will all go to California. Because with the
17 interconnection, that is strength that is increasing in
18 the west, some of the sale of some of those resources
19 can go other places also, to New Mexico to back up
20 their wind generation, up to the northwest. And the
21 increase in the value of the power that is sold from
22 the Palo Verde hub will benefit the ratepayers of
23 Arizona, and that is influenced, to some extent, by the
24 fact that there is more solar.

25 CHMN. CHENAL: Okay, thank you. Thank you.

1 MR. ARIAS: Chairman, I just have a couple
2 follow-up questions.

3 BY MR. ARIAS:

4 Q. Ms. Little, would you agree that calculating
5 customer savings is more complex than just a
6 dollar-to-dollar comparison?

7 A. Yes.

8 Q. And next question is, would you agree that
9 any transmission line being built similar to this line
10 would strengthen the transmission network and result in
11 similar benefits?

12 A. Yes.

13 MR. ARIAS: Thank you.

14 CHMN. CHENAL: Please continue, Ms. Little.

15 MS. LITTLE: Next, I reviewed several
16 documents with comparing the Devers Palo Verde 2
17 application and proceedings with the Ten West Link
18 application. The documents that I reviewed are the Ten
19 West Link application, of course, Decision 69638 in
20 which a CEC was denied for the Devers Palo Verde 2 by
21 the Arizona Corporation Commission, and I also reviewed
22 the Devers Palo Verde 2 application and other filings
23 in the docket, which included Staff's report to the
24 Commission.

25 I found that the two lines, DPV2 and Ten West

1 Link, are electrically similar in interconnection and
2 path. They both propose to provide a 500 kV
3 interconnection between southwestern Arizona and
4 southeastern California.

5 They differ in physical termination points,
6 mostly because of changes to the system since the time
7 of the DPV2 application, and they also differ in
8 physical routing. But electrically, they are very
9 similar and would provide similar -- would similarly
10 strengthen the transmission system.

11 And here, I'm afraid that I did -- I did
12 consolidate some of the reasons that were given in
13 Decision 69638 for denying the CEC, but I will go
14 through what those reasons were and why I grouped them
15 together the way that I did. This is included in more
16 detail in my testimony, which is Exhibit -- the first
17 exhibit.

18 CHMN. CHENAL: ACC-1.

19 MS. LITTLE: Thank you.

20 DPV2 would not improve the resource adequacy
21 for Arizona and Arizona ratepayers was the first
22 concern. And the Commission said that the need for
23 DPV2 was less compelling for Arizona and Arizona
24 ratepayers than for California and CAISO ratepayers or
25 CAISO ratepayers.

1 Two, the absorption of excess Arizona
2 generating capacity would force the installation of new
3 generation in Arizona sooner.

4 And three, it was anticipated at that time
5 that Arizona utilities would not have enough generating
6 capacity to meet their loads by 2010, and therefore
7 would have to rely on merchant power plants.

8 The Commission also determined -- that
9 decision also specified that the Commission felt the
10 economic benefits would accrue predominantly to
11 California and CAISO ratepayers, while costs accrue
12 predominantly to Arizona and Arizona ratepayers. And
13 under that grouping, the decision said the evidentiary
14 record at the time indicated that the project was
15 designed to meet the economic need of California and
16 CAISO ratepayers, not the needs of Arizona.

17 The economic benefits espoused by the DPV2
18 project applicant to Arizona could be characterized
19 temporary, indirect, elusory, or speculative. Staff
20 testified at that time that spot wholesale prices at
21 the Palo Verde hub were estimated to increase by at
22 least 5 percent if DPV2 was constructed, and it was
23 estimated that Arizona ratepayers would suffer a net
24 economic loss of \$242 million over the life of the
25 line.

1 In addition, Decision 69638 specified that
2 special protection schemes or remedial action schemes
3 were required for DPV2 that would weaken the
4 reliability of the grid, that economic costs to Arizona
5 and Arizona ratepayers outweighed the modest
6 enhancements that were expected, and that negative
7 environmental impacts were associated with DPV2 for
8 both recreation and wildlife.

9 CHMN. CHENAL: May I ask a few questions
10 here?

11 MS. LITTLE: Sure.

12 CHMN. CHENAL: I'm sure some people will have
13 questions in addition to me.

14 Let's go back to the first point regarding
15 resource adequacy. And one of the reasons that you
16 mentioned, which is from the decision itself, is the
17 construction of DPV2 would place Arizona utilities in
18 the position of having to build additional generation
19 and transmission to fill the gap created by the
20 exportation of power from Arizona to California.

21 MS. LITTLE: Right. Correct.

22 CHMN. CHENAL: We've heard the testimony of
23 the queue and the projects in the queue on one of the
24 exhibits that's been submitted. But these are not
25 projects that are built yet, these are projects in the

1 future?

2 MS. LITTLE: Correct.

3 CHMN. CHENAL: So if you exclude new
4 generation of the projects in the queue, would we be in
5 the same position in this case as the Commission was in
6 the previous case, in terms of this line would cause a
7 net export of power out of Arizona, which would require
8 Arizona to fill in the generation from other sources?

9 MS. LITTLE: I don't believe so, and the
10 reason for that is that the power environment has
11 changed.

12 CHMN. CHENAL: I'd like a little more -- if
13 you could give more explanation on that. I figured
14 that's what you were going to say, but I think we
15 should have the benefit of your expertise on that.

16 BY MR. ARIAS:

17 Q. Toby, if I may just ask a quick question just
18 to kind of direct off of the Chairman's question.

19 Would you say that one of the largest
20 differences in the power system since 2007 is a large
21 presence of renewable energy on the bulk electrical
22 system?

23 A. Absolutely.

24 Q. And just a follow-up question to that. And
25 this large presence of renewables on the system has

1 resulted in opportunities for Arizona utilities to
2 purchase cheap power, correct?

3 A. Correct.

4 Q. Okay. You may continue with whatever answer
5 you were going to give the Chairman.

6 A. That was half of my answer. And the increase
7 in renewables and the increase in the ability of the
8 entities in the western United States to exchange
9 power, which enables them to take advantage of the
10 diversity of the different types of generation that
11 were not available at the time when DPV2 was being
12 considered.

13 CHMN. CHENAL: Let me follow up with a few
14 more questions.

15 So when the decision was issued in 2007, the
16 record had indicated that Arizona utilities will need
17 to access the excess capacity of the Palo Verde hub by
18 2010. What is the excess capacity now of the Palo
19 Verde hub, or is there an excess capacity at the
20 present time?

21 MS. LITTLE: There is an excess capacity. I
22 can't give you a number, without doing some further
23 research on that, which we would be glad to do if you'd
24 like.

25 But load expectations, the load forecasts are

1 lower now than they were then. And in addition, the
2 addition of the renewables, as well as the gas
3 generation which has been installed to firm up those
4 renewables, has increased the availability of power
5 within Arizona above what was expected in 2007.

6 In 2007, the agreements for sale of power
7 were contractual. There was not the ability to
8 exchange power on an -- excess power on a short-term
9 basis. And therefore, the ability to take advantage of
10 one -- how do I say this -- the different utilities'
11 generation was not there. And you had what you had and
12 what you had contracted for, and it was -- now you have
13 what you have and you have contracted for, but you also
14 have the ability to buy and sell excess that you have
15 on a short-term basis.

16 CHMN. CHENAL: And I understand what you
17 said. I think it's because of the testimony we've had
18 so far in this hearing. I'd have to admit, I
19 understand what you said.

20 I think it would be helpful to me and maybe
21 to the Committee and certainly for the record to have
22 maybe a better idea of what loads exist now typically
23 and what capacity is available now through both, you
24 know, direct purchase and the spot markets, and maybe
25 I'm not using the word correctly, but the ability now

1 of utility companies to acquire power in the ways that
2 you mentioned.

3 I think it would be good to have at least
4 something in the record that would show some numbers,
5 the reduced load, the excess capacity that exists now.
6 Because I think, again, from the previous decision,
7 that was obviously a major concern of the Commission
8 was, hey, we've got so much capacity here, you're
9 taking it out of Arizona; Arizona is left holding the
10 bag, so to speak, it's going to have to come up with
11 all this excess capacity and generation -- I mean, come
12 up with the extra generation. So I think it would be
13 helpful to have some numbers to flesh that out.

14 MS. LITTLE: Okay, we'll take a look at that.

15 CHMN. CHENAL: Member Gentles. No?

16 Member Villegas, do you have a question --
17 or, Member Haenichen? I'm sorry.

18 MEMBER HAENICHEN: You said Gentles.

19 MEMBER GENTLES: I withdrew my question.

20 MEMBER HAENICHEN: Okay. Ms. Little, you
21 mentioned a moment ago that advantages have accrued to
22 Arizona ratepayers since the Devers case that was
23 rejected in 2006 --

24 MS. LITTLE: Yes.

25 MEMBER HAENICHEN: -- because there are

1 differences now in the characteristics of the grid
2 itself --

3 MS. LITTLE: Yes.

4 MEMBER HAENICHEN: -- different kinds of
5 generation and all that. Would you agree that that has
6 nothing to do with this new proposed line, and that
7 that would accrue with or without that line?

8 MS. LITTLE: The stronger the transmission
9 system, the more -- the more available those benefits
10 or those advantages are. However, they do agree --
11 clearly they do agree to some extent now, because we
12 have seen numbers that show that the EIM has produced
13 benefits to all of its members, including Arizona and
14 APS.

15 MEMBER HAENICHEN: That, again, is not
16 related to this line.

17 Then I will ask you this. Can you quantify,
18 given all the considerations we just talked about, the
19 advantages to the ratepayer here in dollars and cents?

20 MS. LITTLE: All I can give you is the
21 conclusions that were reached in the economic study
22 that I reviewed.

23 MEMBER HAENICHEN: So we're back to the 2 to
24 \$7 million?

25 MS. LITTLE: Yes.

1 MEMBER HAENICHEN: Thank you.

2 CHMN. CHENAL: Member Hamway.

3 MEMBER HAMWAY: I think I read, and I just
4 wasn't able to find it, but in 2007 the Staff
5 recommended that this Line Siting Committee not approve
6 a CEC, correct?

7 MS. LITTLE: That's correct.

8 MEMBER HAMWAY: And what were the reasons for
9 that? Was that in here somewhere?

10 MS. LITTLE: It's in -- this slide summarizes
11 those reasons.

12 MEMBER HAMWAY: Okay.

13 MS. LITTLE: And I lumped several of the
14 reasons together. For example, the first one, which I
15 have summarized as DPV2 would not improve resource
16 adequacy for Arizona and Arizona ratepayers, within
17 that lump, if you will, I included three reasons that
18 were given in the decision.

19 And one was the need for DPV2 was less
20 compelling for Arizona and Arizona ratepayers than for
21 California, absorption of excess Arizona generating
22 capacity would force the installation of new generation
23 in Arizona, and it was anticipated at that time that
24 Arizona utilities would not have enough generating
25 capacity to meet their loads by 2010.

1 And then also lumped in the next group were
2 several reasons that were given, and then the last
3 three are shown on the slide just as they are in the
4 decision.

5 MEMBER HAMWAY: So is Staff recommending
6 recommendation of this CEC?

7 MS. LITTLE: Staff is not making that
8 recommendation either way right now.

9 MEMBER HAMWAY: And you're lacking
10 information or you just don't want to go there?

11 MS. LITTLE: It was -- we were asked to
12 assess the line with respect to reliability, and that
13 is basically what we did. Beyond that, the evaluation
14 of the economic study and this comparison we did just
15 to present the information to the Committee.

16 MEMBER HAMWAY: But in past cases you have
17 made a recommendation to this Committee?

18 MS. LITTLE: To the Commission.

19 MEMBER HAMWAY: To the Commission. But, I
20 mean, I know you don't really make it to us, but I rely
21 on that recommendation in my way I review all this. So
22 you're not making a recommendation to the Commission on
23 whether a CEC should be recommended?

24 MS. LITTLE: Not as a result of the work that
25 I have done, no.

1 MEMBER HAMWAY: And are you speaking for the
2 whole Staff in that regard?

3 MS. LITTLE: I am speaking for the work that
4 I did as a result of the request in the letter from the
5 Chairman, which was reliability, engineering.

6 MEMBER HAMWAY: I feel like there's a
7 question out there, and I just don't know how to ask
8 it.

9 MS. LITTLE: I think maybe your question
10 could be better answered by legal.

11 MEMBER HAMWAY: I don't really see it as a
12 legal question. I see it as kind of -- I'm a council
13 member in the past, and I always relied on the Staff
14 and their evaluation, I always took that into
15 consideration. So in this role, I always look to the
16 Staff for your recommendation.

17 MS. LITTLE: I am not speaking right now for
18 the entire Staff. I think that's --

19 MEMBER HAMWAY: One piece of my question.

20 MS. LITTLE: -- that's why I cannot make a
21 recommendation about the line, yea or nay.

22 MR. ARIAS: Member Hamway, at this time,
23 Staff has only performed a review of the technical
24 merits of the case. We have not looked at studies that
25 will show with the line or without the line.

1 So if these studies are requested, we would
2 -- or, this analysis is requested, we're going -- we
3 won't be able to answer those questions today. That
4 would be something that we would have to address.

5 MEMBER HAMWAY: Like when? After we're done,
6 right?

7 MR. ARIAS: We would have to take that back
8 to our, I guess, to our director's office as well. But
9 we have also not been directed by the Commission to
10 give a recommendation in this case. That would come
11 once this matter leaves the Committee and goes to the
12 Commission.

13 MEMBER HAMWAY: Okay. So we're basically
14 flying blind here, because we're not getting support
15 from the Staff, and really all we have is input from
16 the Applicant and whatever questions we can figure out
17 to ask.

18 MR. ARIAS: At this time, we are only
19 answering the letter that the Chairman filed in the
20 docket.

21 MEMBER HAMWAY: Chairman Burns?

22 MR. ARIAS: Chairman Chenal.

23 MEMBER HAMWAY: Oh, you.

24 MR. ARIAS: I apologize. Chairman of the
25 Committee, Chairman Chenal.

1 MEMBER HAMWAY: Okay.

2 CHMN. CHENAL: I want to ask some questions
3 and follow up on it. Let's see what Member Palmer has,
4 and then we'll get to Member Woodall.

5 MEMBER PALMER: We've had considerable
6 discussion about the economic benefits, but I believe
7 you also referred to the reliability and operational
8 enhancements of having the line in place.

9 MS. LITTLE: Right.

10 MEMBER PALMER: If I recall correctly, your
11 assessment of that was this did improve the reliability
12 and operational ability of the --

13 MS. LITTLE: We're not in a position to say
14 that it will improve the transmission system or
15 reliability because of the fact that the independent
16 studies that I was able to find to review, both locally
17 and region-wide, do not -- I couldn't find studies that
18 did not include the line.

19 In order to say "improve," I would have to
20 have studies that said, this is what it's like without
21 the line; this is what it's like with the line. Then I
22 could say it improved or didn't improve.

23 All I was able to find were studies that
24 included the line, and those studies say no problems,
25 no reliability problems or operation problems, and we

1 therefore can say that it will not negatively impact
2 the system.

3 MEMBER PALMER: Thank you.

4 CHMN. CHENAL: All right. Member Woodall.

5 MEMBER WOODALL: Ms. Little, you are a single
6 member of Staff of the Utilities Division of the
7 Arizona Corporation Commission?

8 MS. LITTLE: Correct.

9 MEMBER WOODALL: And you are supervised by
10 whom?

11 MEMBER PALMER: By Mr. Zach Branum.

12 MEMBER WOODALL: And to whom does Mr. Branum
13 report?

14 MS. LITTLE: He reports to the director,
15 Mr. Eli --

16 MEMBER WOODALL: Abinah.

17 MS. LITTLE: -- Abinah, thank you.

18 MEMBER WOODALL: So at this point, the
19 proceedings have not -- they're not over yet, and you
20 have not had an opportunity or have received no
21 instructions in the chain of command about whether or
22 not to take a position, is that fair to say?

23 MS. LITTLE: That is correct. And that is
24 why I cannot make a statement on behalf of the entire
25 Staff.

1 MEMBER WOODALL: Because you are just a
2 member of Staff?

3 MS. LITTLE: Right, and I was directed to
4 look at the reliability.

5 MEMBER WOODALL: Thank you.

6 MR. ARIAS: Thank you, Member Woodall.

7 CHMN. CHENAL: All right. I have a couple
8 questions here.

9 Oh, yes, Member Gentles.

10 MEMBER GENTLES: So I'm just trying to
11 understand the process. So we are being asked to make
12 a recommendation on this CEC without full Staff
13 briefing or recommendation, is that what I'm
14 understanding?

15 CHMN. CHENAL: Well, let me answer that. We
16 are authorized or actually directed by the statutes to
17 issue a CEC. It's not actually a recommendation, it's
18 actually a CEC based on factors in the statute. And
19 then the Corporation Commission has the option to
20 accept, modify, or deny.

21 MEMBER HAMWAY: I stand corrected.

22 CHMN. CHENAL: But yes, in the cases we have,
23 we don't have Staff -- they're not our Staff, so they
24 sometimes intervene, oftentimes not. We get input in
25 the form of -- I send a standard letter in each case,

1 and basically they provide an assessment, which is
2 being done here in the testimony of Ms. Little. But
3 more often than not, it's simply a letter I get back
4 that I make as a Chairman's exhibit to the record.

5 MEMBER HAMWAY: Who would have conducted a
6 study without the Ten West line? I mean, you're saying
7 you can't find any, because they haven't been done, I'm
8 assuming.

9 MS. LITTLE: Right.

10 MEMBER HAMWAY: So who would have initiated
11 that? Probably nobody, right?

12 MS. LITTLE: Correct.

13 MEMBER HAMWAY: Okay, so...

14 MS. LITTLE: When an entity such as WECC
15 performs a region -- or, an area-wide study, they
16 include all of the lines that reasonably are expected
17 to be constructed in the future. And they have no
18 reason to examine the system, the entire western United
19 States --

20 MEMBER HAMWAY: Without this.

21 MS. LITTLE: -- without a particular line.
22 So the only people that would be interested in doing a
23 study such as that would be people that were looking at
24 a particular line. So basically to do what the
25 Applicant here has done, which is to look at the system

1 without their line and with their line, using, as a
2 basis of that study, the WECC database.

3 MS. GRABEL: Chairman Chenal, I know it's a
4 little out of order, but may I ask a question that
5 might...

6 CHMN. CHENAL: Absolutely. Sure.

7

8 CROSS-EXAMINATION

9 BY MS. GRABEL:

10 Q. Ms. Little, you suggested that no one has
11 done a study comparing the system with or without Ten
12 West Link. But it's true that the Applicant has, in
13 fact, done that analysis, correct?

14 A. That's true. No independent studies,
15 regional studies, or area regional --

16 Q. So The Brattle Group report did do the
17 analysis with and without?

18 A. Yes, as did the study that was done for WECC
19 to determine the increased rating of the Path 46.

20 Q. And you looked at those reports?

21 A. I did.

22 Q. And you found their assumptions and
23 methodologies reasonable?

24 A. I did.

25 MS. GRABEL: Thank you.

1 CHMN. CHENAL: All right, I have a couple of
2 questions. And I'm going to ask, this is referring to
3 your testimony in ACC-1.

4 MS. LITTLE: Okay.

5 CHMN. CHENAL: On Page 8, yeah, Page 8.
6 You'll see the question was: Outline the reasons given
7 in Decision 69638 for not granting a CEC to DPV2 in
8 2007. And you've referred to these reasons.

9 The answer that was given, and you've
10 testified to today, is: The Commission found that DPV2
11 would not improve resource adequacy for Arizona and
12 Arizona ratepayers and could have a deleterious effect
13 on it in subsequent years for the following reasons.

14 Let's talk about these for a second, compared
15 to today versus back then. First reason was: The need
16 for DPV2 was less compelling for Arizona and Arizona
17 ratepayers than for California and CAISO ratepayers.

18 MS. LITTLE: Correct.

19 CHMN. CHENAL: I believe that still exists
20 under this new -- under the application we're
21 considering.

22 MS. LITTLE: I believe so.

23 CHMN. CHENAL: Okay. Second, the absorption
24 of excess Arizona generating capacity would force the
25 installation of new generation in Arizona sooner.

1 It's hard to answer that question without
2 knowing what the load is today and whether or not
3 there's excess capacity.

4 MS. LITTLE: I believe that the language,
5 "would force the installation," it no longer exists. I
6 believe that it -- it may cause new generation in
7 Arizona to be installed, but it would be for economic
8 reasons, not because it would have to be installed to
9 serve Arizona load.

10 CHMN. CHENAL: Okay. So you believe, and
11 we'll get the numbers later, but you believe at this
12 point that the installation of this line and drawing
13 the power that it's capable of pulling from California
14 to Arizona -- excuse me -- from Arizona to California
15 would not require installation of new generation in
16 Arizona at this time?

17 MS. LITTLE: To serve Arizona load, yes, I
18 agree with your statement.

19 CHMN. CHENAL: And yet, in 2007 that would
20 have been the case?

21 MS. LITTLE: They thought it would be at that
22 time.

23 CHMN. CHENAL: And so --

24 MEMBER HAENICHEN: I don't think that's quite
25 right. I think back in 2007 they were still

1 considering that this line was primarily to benefit
2 ratepayers in California, and that that would take
3 additional generation.

4 MS. LITTLE: Right.

5 MEMBER HAENICHEN: Okay, thank you.

6 CHMN. CHENAL: And your testimony, just so
7 I'm clear, is that today you believe that the
8 installation of this line and the power that would be
9 pulled to California from Arizona on the line would not
10 necessitate the need for new generation in Arizona to
11 make up for that power?

12 MS. LITTLE: I don't believe so.

13 CHMN. CHENAL: And you'll try to quantify
14 that the next time we have the opportunity to speak
15 with you, Ms. Little?

16 MS. LITTLE: Right.

17 CHMN. CHENAL: I think that would be helpful
18 to me and for the record.

19 MS. LITTLE: Okay.

20 CHMN. CHENAL: So the last one, the last --

21 MR. ARIAS: Chairman.

22 CHMN. CHENAL: Yes.

23 MR. ARIAS: Could you just repeat that
24 question, what you wanted her to quantify?

25 CHMN. CHENAL: Sure. That installation of

1 the Ten West Link line, assuming it were to be built
2 now, today, would not require the installation of new
3 generation in order to make up for the power that would
4 be pulled from Arizona to California on the line.

5 MR. ARIAS: Okay. Speaking with my colleague
6 as well, we think it might be best -- more appropriate
7 for the Applicant to maybe perform these analyses for
8 you regarding -- or, these, I guess, these
9 quantifications of what the benefits of the line are
10 going to be.

11 CHMN. CHENAL: Well, it's not a question -- I
12 think we're talking numbers, whether -- and I think
13 your witness has already testified that, in her
14 opinion, the load today in Arizona is less than the
15 amount of generation capacity, generating capacity, and
16 that was going to be quantified.

17 MS. LITTLE: It was my understanding that
18 what you wanted was a comparison of the forecasted load
19 and forecasted generation in Arizona in 2007 to the
20 current day forecasted load and generation.

21 CHMN. CHENAL: Yes, that would be very
22 helpful. And then following up on that, the part B
23 here to your testimony, subpart B, that if you assumed
24 that this line were built and would pull 1,200 to 3,200
25 megawatts of power from Arizona to California, would

1 that result in the requirement to have new generation
2 in Arizona to make up for the power that's now going to
3 California.

4 I thought that was the problem in 2007, that
5 putting the line in would draw power from Arizona to
6 California, and it would require, then, Arizona to
7 put -- have new generation facilities installed to make
8 up for that power.

9 MS. LITTLE: Well, the power is not going to
10 go to California unless it is -- the generators
11 determine that they're going to sell it to California.
12 It's not like it will just happen because the line is
13 put into place.

14 CHMN. CHENAL: Right.

15 MS. LITTLE: And I think the concern back
16 then was that there would be generators that would
17 construct new generation in Arizona to -- that might
18 serve Arizona load if there were no line, but with the
19 line they would then choose to sell it to California
20 instead of selling it to Arizona. So then you would
21 have the generation that Arizona utilities would need,
22 which would need to be constructed, and the generation
23 that would be constructed to sell to California.

24 CHMN. CHENAL: Well, let me -- I'm not able
25 to distinguish the difference between what you just

1 said and what's in the decision in 2007, but I'm going
2 to read what's in the decision in 2007.

3 MS. LITTLE: Okay.

4 CHMN. CHENAL: And that's on Page 2, and it's
5 around Line 20 -- 19. It says, "It is evident that the
6 line would actually impair Arizona's ability to provide
7 for its growing energy demands. The record indicates
8 that Arizona utilities would need to access the excess
9 capacity at the Palo Verde hub by 2010. If this is the
10 case, it would appear that the construction of DPV2
11 would place Arizona utilities in the position of having
12 to build additional generation and transmission to fill
13 the gap created by the exportation of power from
14 Arizona to California across DPV2."

15 And the way I'm understanding this is that
16 the line would actually -- and the purchase of power by
17 California utilities would leave a deficit in Arizona,
18 because at that point we were at full capacity, we
19 wouldn't have excess capacity. So now if power is
20 drawn from Arizona to California, I think what this
21 decision is saying is that Arizona would be left at a
22 disadvantage, it would have to regenerate that power
23 that's going to California.

24 And I'm trying to see, on that specific
25 point, how it's different today than it was then.

1 MS. LITTLE: On that specific point -- I'm
2 trying to figure out how to explain this. If Arizona
3 utilities determined that they had a need to construct
4 generation to serve their own load without the line,
5 they would still need to construct that generation with
6 the line, to the extent that they could not purchase --
7 make those purchases from California or from another
8 region, which they are now probably better -- that they
9 are now better able to do than they were in 2007, but
10 they would still need to construct that generation.

11 If there were generators that were going to
12 construct plant, for example, and sell it to the
13 Arizona utilities, and they chose instead to sell it to
14 California, then the utilities would still need to --
15 it would need to construct another plant.

16 Basically, I believe that the line -- or,
17 increasing the market for generation from Arizona will
18 cause more generation to be constructed in Arizona,
19 regardless of what Arizona utilities' need is.

20 CHMN. CHENAL: I don't have -- I didn't
21 understand all of it. I understand enough to cause me
22 to have more questions, but I think I should just wait
23 and let some others ask questions.

24 I think I'm oversimplifying this, based on
25 your answer, by reading what's in the prior decision,

1 because I think -- I don't think it works the way it
2 was written in the previous decision quite as simply as
3 I'd like to see it. It sounds more complicated in an
4 interconnected system.

5 MS. LITTLE: Well, my interpretation of what
6 was written in the previous decision is that enabling a
7 market in California for Arizona power would cause an
8 increase in construction of generation in Arizona above
9 what it otherwise would be, and that is still the case.
10 If there's a greater market in California for the
11 generation that is constructed in Arizona, then
12 generators are going to build in Arizona and sell to
13 California.

14 CHMN. CHENAL: Member Hamway.

15 MEMBER HAMWAY: Well, I think you just
16 answered my question. And are these being built in
17 Arizona, rather than California, because the land is
18 cheaper and the regulations are less and all of the
19 above?

20 MS. LITTLE: Yes, it's my understanding.

21 MEMBER HAENICHEN: Mr. Chairman, this comment
22 is addressed to you. I did make some inquiries about
23 Palo Verde, and unlike in 2007, when they were not at
24 capacity, that is no longer the case today, that they
25 are running at capacity.

1 CHMN. CHENAL: We're at a quarter 'til.
2 We've gone about an hour and a half. Maybe this is a
3 good time for a 15-minute break and we come back and
4 collect our thoughts and follow up with any additional
5 questions and let you keep going, because you haven't
6 finished your testimony, Ms. Little.

7 And then, Mr. Arias, we can have you follow
8 up with any questions at that point as well.

9 MR. ARIAS: Thank you.

10 (Off the record from 2:45 p.m. 3:11 p.m.)

11 CHMN. CHENAL: Let's resume the hearing from
12 our afternoon break. We have Ms. Little, who has been
13 in the hot seat, having more fun than she knows what to
14 do with, but doing an overall excellent job.

15 Let me go back to a question that I had and
16 let me just see if I can -- see if I can restate to you
17 the takeaways that I have. Again, regarding the
18 submitted testimony, ACC-1, and it's a question on Page
19 8. It's the absorption of excess Arizona generating
20 capacity would force the installation of new generation
21 in Arizona sooner.

22 And kind of what I'm understanding is that
23 with this new line, yes, we're going to find out if
24 there's excess capacity -- the amount of excess
25 capacity in Arizona today. But if this line were

1 built, I think what I'm hearing you say, Ms. Little, is
2 that utilities in Arizona would be able acquire energy
3 from the energy imbalance market, from other markets in
4 other states even, and also Arizona generating
5 facilities would be built, generation could be built
6 either by the utilities or by merchant -- by private
7 merchants to fill in any gaps that exist.

8 MS. LITTLE: That's correct. What is now
9 available in the market will help to replace, if you
10 will, or fill in the gaps or some of what actually gets
11 sent to California. According to the production cost
12 model that was done by Brattle Group, the exchange of
13 power happens in different directions basically at
14 different times of the day.

15 So when Arizona has excess power currently,
16 it goes -- can be sold to others out of our -- out of
17 the state. And when others have less expensive power
18 available, excess energy, it gets used by Arizona
19 through the market. And that did not exist in 2007,
20 possibility of doing that did not exist.

21 So in 2007, if power was going to go to
22 California, it did it under a contract, and it was --
23 most of those contracts were -- it wasn't just you were
24 going to buy X number of megawatts or X number of
25 megawatt hours over a short period of time on

1 Wednesday. It was you buy the megawatts and it is
2 committed to you, "you" being some entity outside of
3 the state. And it was therefore not available to
4 Arizona utilities.

5 The way the market operates now, the power is
6 available to Arizona utilities when they need it; and
7 when they don't need it, when it is excess, it gets put
8 into the market for use by others.

9 MEMBER HAENICHEN: Mr. Chairman.

10 CHMN. CHENAL: Yes, Member Haenichen.

11 MEMBER HAENICHEN: Ms. Little, but isn't it
12 true that California has the same access to those -- to
13 that market, and they could buy the energy somewhere
14 else?

15 MS. LITTLE: Yes, they -- and they do.

16 MEMBER HAENICHEN: Thank you.

17 CHMN. CHENAL: Does Staff know the position
18 of any Arizona utilities on this particular project,
19 APS, TEP, any of the other utilities?

20 MS. LITTLE: We do not.

21 CHMN. CHENAL: Member Hamway.

22 MEMBER HAMWAY: Is that unusual?

23 MS. LITTLE: No. We've done in this case
24 what we generally do for line siting cases, which is to
25 look at the reliability. Basically, will the system --

1 will the transmission system and power deliverability
2 within our state be negatively impacted if this line is
3 built. Will there be a problem that exists because
4 somebody built this line. And that's what we have done
5 in the past, and that's what we have done with this
6 case.

7 CHMN. CHENAL: And your answer is, you do not
8 believe that it would negatively affect the reliability
9 of the system in Arizona for this line to be built, is
10 that correct?

11 MS. LITTLE: Correct.

12 CHMN. CHENAL: All right. Now, in the
13 previous case, in CEC 130, Staff was asked by the
14 Commission to provide input into whether the CEC should
15 be issued or, in this case, overturned; is that
16 correct?

17 MS. LITTLE: That was my understanding, yeah.

18 CHMN. CHENAL: If the Commission were to ask
19 for input in this case, what work would you do, you or
20 the Staff do, in order to be in a position to make a
21 recommendation one way or the other, that hasn't been
22 done so far?

23 MS. LITTLE: I would work with others on the
24 Staff that might look at other aspects of the line or
25 would look at the studies that -- not the technical

1 studies, that's my bailiwick, but other studies from a
2 different perspective, and jointly we would come up
3 with a recommendation.

4 CHMN. CHENAL: And can you expand on what
5 those other studies or considerations might be?

6 MS. LITTLE: I'm not real sure. I have not
7 personally been involved in making a recommendation on
8 a CEC to the Commission in my time with the Commission.
9 I would take direction from those that have.

10 CHMN. CHENAL: There would be a technical
11 analysis done, right, in addition to what you have
12 done, or not?

13 MS. LITTLE: No. We do not -- as I
14 indicated, we in-house do not have the manpower or the
15 time to do the studies ourselves. They're complicated,
16 they are time consuming, you need a great deal of data,
17 and we do not do these studies. We depend on the
18 studies that are done by others. And as far as the
19 technical evaluation, I think that I have done what
20 needs to be done.

21

22 REDIRECT EXAMINATION

23 BY MR. ARIAS:

24 Q. Ms. Little, would you agree that we would
25 evaluate other economic and reliability studies done by

1 independent parties to come to that sort of a
2 conclusion?

3 A. If we could find them, certainly.

4 MR. ARIAS: Thank you.

5 CHMN. CHENAL: So in the last case, there
6 was -- the decision did address -- the decision in 130
7 did address adequacy, whether it was economical, and
8 the reliability. So we've heard testimony on the
9 reliability from you, we've heard testimony in this
10 case and from others on the economical. On the
11 adequacy, I don't think we've heard testimony from you
12 on that aspect.

13 MS. LITTLE: I'm sorry?

14 CHMN. CHENAL: Well, adequacy, I'm looking at
15 the decision in the previous case -- I say "previous
16 case," I'm referring to --

17 MS. LITTLE: Oh, adequate generation?

18 CHMN. CHENAL: Yes. Well, the headline is
19 adequacy, the resource adequacy requirements, and the
20 first line under that subpart on Page 2 of the previous
21 decision.

22 MS. LITTLE: Well, construction of the
23 transmission line improves the strength of the
24 transmission system; it, in itself, does not improve or
25 affect really resource adequacy; that may be a result

1 of strengthening the transmission system. But I'm not
2 sure that I would necessarily personally agree with all
3 of the conclusions that were made in the previous
4 decision.

5 But as I said, it would -- it would
6 definitely be an effort of several different
7 perspectives for us to come up with a recommendation to
8 the Commission.

9 CHMN. CHENAL: But since you haven't done it,
10 this isn't meant to put you on the spot, but since you
11 haven't done that in the past, you're not necessarily
12 aware of what Staff would have to do in order to come
13 up with the kind of analysis or recommendations that
14 the Commission was provided --

15 MS. LITTLE: Correct.

16 CHMN. CHENAL: -- in this previous case?

17 MS. LITTLE: Correct.

18 CHMN. CHENAL: Ms. Woodall, did you have a
19 question?

20 MEMBER WOODALL: I was just going to say, so
21 there's a difference between Staff's participation as a
22 separate party, so to speak, and Staff's participation
23 as directed by the full Commission; is that correct?

24 MS. LITTLE: Yes.

25 MEMBER WOODALL: So the determination of what

1 Staff looks at when it's participating as a party with
2 no direction from the Commission, the level of your
3 participation and the nature of your analysis is
4 directed internally; is that correct?

5 MS. LITTLE: Yes.

6 MEMBER WOODALL: Okay, thank you.

7 CHMN. CHENAL: Member Hamway.

8 MEMBER HAMWAY: So your decision to intervene
9 was directed by the department head of the Utility
10 Division? I mean, why did you intervene?

11 MS. LITTLE: I would have to defer to legal
12 on that.

13 MR. ARIAS: We were directed to intervene by
14 the Utilities Division director.

15 MEMBER HAMWAY: Okay. Is that you? No.

16 MR. ARIAS: No.

17 MEMBER HAMWAY: Because?

18 MR. ARIAS: Staff intervened to both review
19 the application that was put forth, as well as call the
20 Committee's attention to certain issues that we thought
21 were relevant, being what Ms. Little has testified to
22 today and will continue to testify.

23 CHMN. CHENAL: Member Riggins.

24 MEMBER RIGGINS: Ms. Little, regarding -- so
25 the Chairman had pointed out earlier in the past

1 decision for Case 130, the point that was made on Line
2 22, Page 2 of that decision about adequacy. But I
3 think you've addressed it by -- you were saying how,
4 you know, the market is essentially different now than
5 it was then. It's not a matter of the exportation of
6 power from Arizona to California. There's agreements,
7 there's interconnection agreements that basically
8 regulate and determine when that power is going both
9 ways, whether we're importing it from California or
10 exporting it. So, I mean, I think that essentially
11 addresses the adequacy.

12 MS. LITTLE: Correct, yeah.

13 MEMBER RIGGINS: Thank you.

14 CHMN. CHENAL: If there's no further
15 questions, we'll be happy to hear the rest of your
16 testimony, Ms. Little.

17 MS. LITTLE: Some of this we've been over in
18 the last hour or so. But there are some basic design
19 differences between DPV2 and the Ten West Link, which
20 address some of the concerns that were expressed in the
21 decision on Case 130.

22 The negative environmental impacts that were
23 referenced in that decision. As has been discussed,
24 the Ten West Link route, as proposed, will avoid the
25 Kofa National Wildlife Refuge, which was pointed out in

1 the decision as a concern.

2 And as far as reliability goes, the current
3 Ten West Link design eliminates the need for the
4 special protective schemes and the remedial action
5 schemes that were necessary in DPV2 because of the
6 proximity of the lines as proposed.

7 And in addition, as an added bonus, the
8 changes that are proposed to the Delaney Substation as
9 part of the Ten West Link project will increase the
10 reliability of that substation, and also the
11 availability of and the ease with which generators can
12 connect to that substation.

13 And I think we've discussed at great length
14 that the resource capacity and planning environment is
15 different now than it was in 2007. It's a great deal
16 different. And as a result, there are some concerns
17 that were expressed in the decision for Case 130 that
18 may no longer be an issue.

19 Resource adequacy, which we've just discussed
20 here, mostly because of the renewable resources,
21 there's a growing emphasis on and reduced cost relative
22 to the options for renewable resources, and the
23 regional energy imbalance market, which has provided
24 the opportunity for all the participating entities in
25 the west to exchange power on a short-term basis.

1 And my last point here just compares what was
2 considered to be the economics in 2007 of the DPV2
3 project versus what was given -- or, what was
4 determined by The Brattle Group study that we have been
5 discussing here in these proceedings.

6 In 2007, the net cost to Arizona ratepayers
7 was expected to be up to \$74 million per year, and they
8 expected that the increase of the cost of power at the
9 Palo Verde hub would be on the order of almost \$3 per
10 megawatt hour.

11 The Brattle Group study projects that there
12 may be a net benefit to Arizona ratepayers of 2 to
13 \$7 million per year, and a projected change in the
14 prices of the Palo Verde hub increasing slightly when
15 Arizona is selling and decreasing slightly when Arizona
16 is purchasing, but generally benefiting Arizona.

17 CHMN. CHENAL: Member Hamway.

18 MEMBER HAMWAY: In 2007, who would have done
19 those studies that did those projections?

20 MS. LITTLE: They were presented -- as
21 referenced in the Staff Report that I read, they were
22 presented to the California Public Utility Commission,
23 and so I'm assuming that Southern Cal Edison did them.
24 They were the applicant at that time; they were going
25 to own the line; they wanted to build it. CAISO did

1 not exist at that time.

2 MEMBER HAMWAY: Okay, thank you.

3 MS. LITTLE: Staff would recommend that the
4 Condition 17, 18, and 19, as shown in the proposed CEC,
5 which is Exhibit DCR-24, be included. And I can read
6 those to you, if you'd like.

7 CHMN. CHENAL: Just address just the topics,
8 the subject matter of those conditions.

9 MS. LITTLE: Basically, that DCR continue --
10 that the Applicant continue to participate in regional
11 studies, and that -- I think 19 -- one of those is
12 the standard cathodic protection if the line is in --
13 close to a gas line.

14 CHMN. CHENAL: The gas line condition.

15 MS. LITTLE: The gas line condition, yes. At
16 some point, we can quit saying, because it's in all of
17 them, but...

18 MEMBER WOODALL: Thanks to the Chairman.

19 CHMN. CHENAL: But you're not suggesting --
20 Staff isn't taking a position that the remaining
21 conditions are not necessary?

22 MS. LITTLE: No, no, no, no. Staff just
23 feels strongly that those three conditions should be
24 in.

25 CHMN. CHENAL: Right.

1 MS. LITTLE: And I also would like to -- or,
2 Staff would also like to just make up a couple of notes
3 here.

4 One thing that was observed by The Brattle
5 Group in its analysis is that both -- they predict or
6 project that both gas-fired and renewable generation
7 would be installed in Arizona to be sold to California,
8 and they project 500 megawatts to 2,800 megawatts gas,
9 and up to 2,300 megawatts renewable. And I have not
10 heard that mentioned at this point.

11 And I also would like to mention that there
12 are likely other benefits that will result in a
13 decrease -- or, benefits to Arizona and the entire
14 region in future years through strengthening the
15 transmission system, such as: The EIM benefits, which
16 it's my understanding, from what The Brattle Group
17 said, were not included in that study; the ability to
18 exchange other renewable energy generation, wind with
19 New Mexico, for example.

20 And that concludes my presentation.

21 CHMN. CHENAL: Member Woodall.

22 MEMBER WOODALL: Did you have something else
23 to say, Ms. Little?

24 MS. LITTLE: No.

25 MEMBER WOODALL: I know that you're familiar

1 with rate cases at the Commission, are you not?

2 MS. LITTLE: Yes.

3 MEMBER WOODALL: And do part of your duties
4 entail reviewing equipment that the utility seeks to
5 claim recovery for?

6 MS. LITTLE: Yes.

7 MEMBER WOODALL: And so is there an analysis
8 of whether or not the equipment -- it was a prudent
9 decision to purchase and install the equipment?

10 MS. LITTLE: Yes.

11 MEMBER WOODALL: And you review whether or
12 not it's used and useful; is that correct?

13 MS. LITTLE: Yes.

14 MEMBER WOODALL: I know that in at least one
15 rate case it has been articulated by someone, a party,
16 and I won't indicate who, that somehow issuance of a
17 CEC is a determination of prudence. Is that -- is that
18 Staff's position?

19 MS. LITTLE: No.

20 MEMBER WOODALL: So do you have any language
21 that you would propose to include in the CEC, so if
22 anyone ever looks at it again, another CEC, they know
23 that it's not a prudence determination, or do you
24 believe that the single event that I've just described
25 is so rare that we don't need to do that?

1 MS. LITTLE: It's not something I thought
2 about. I don't -- because it's not something that has
3 occurred to me that it might be an issue, I don't have
4 any language that I would propose.

5 MEMBER WOODALL: Well, I'll let legal counsel
6 ponder and muse on this one, and perhaps when we get to
7 the negotiations he may have some language.

8 MS. LITTLE: Thank you.

9 MEMBER WOODALL: Thank you very much.

10 CHMN. CHENAL: Excuse me for one moment.

11 So Ms. Little, a couple things. You're going
12 to provide us some way to quantify the load and
13 capacity in Arizona?

14 MS. LITTLE: Yes. I will give you what the
15 load and capacity were expected to be in the 2007
16 proceedings, and what they are -- what the utilities
17 say they are now.

18 CHMN. CHENAL: Okay, that would be very
19 helpful.

20 MR. ARIAS: Just to clarify, Chairman.

21 BY MR. ARIAS:

22 Q. That is public information, correct?

23 A. Yes.

24 MR. ARIAS: Okay, thank you.

25 MEMBER WOODALL: May I ask what the sources

1 of that information will be, what reports or documents
2 you're going to be looking at?

3 MS. LITTLE: The 2007 information, I'll have
4 to go back into the record and see what was presented
5 at that time. I would say that I would anticipate that
6 I would get the current information from the
7 preliminary IRPs.

8 MEMBER WOODALL: And I noted that The Brattle
9 Group looked at the IRPs from 2017. But Salt River
10 Project is a public power entity, is it not?

11 MS. LITTLE: Yes.

12 MEMBER WOODALL: And it has a significant
13 amount of load?

14 MS. LITTLE: Yes.

15 MEMBER WOODALL: Now, if The Brattle Group
16 had not included that, they would have been
17 understating the potential load.

18 MS. LITTLE: Yes.

19 MEMBER WOODALL: So is that something you
20 will be addressing in your review?

21 MS. LITTLE: I will just take whatever their
22 publicly-stated information is for load and generation.

23 MEMBER WOODALL: Okay, thank you very much.

24 MS. LITTLE: And I assume that The Brattle
25 Group, in their study, used SRP's information as was

1 provided to WECC for their database.

2 MEMBER WOODALL: They reference the 2017 IRP
3 plans. And I know Salt River Project is not under the
4 jurisdiction of the Commission and I know that their
5 integrated resource plans are filed on the Western Area
6 Power website, which, after scrupulous delving and
7 spanning, I have been able to locate in the past.
8 Thank you.

9 CHMN. CHENAL: All right. So in addition to
10 the quantification we just discussed, I believe,
11 Ms. Little, you also said you could provide us with a
12 description of the studies or standards for good
13 utility practices and applicable reliability standards.

14 MS. LITTLE: Right.

15 CHMN. CHENAL: Okay. Lastly, just to
16 summarize the position of Staff, you're not taking a
17 position, one way or the other, on whether this CEC
18 should be issued or not; is that correct?

19 MS. LITTLE: That is correct.

20 CHMN. CHENAL: What you are -- the analysis
21 you've done is to reflect that the construction of this
22 line will not have a negative effect on the reliability
23 of the Arizona system; is that correct?

24 MS. LITTLE: That is also correct.

25 CHMN. CHENAL: And is there -- other than the

1 observations you've made, are there any affirmative
2 points that you're making?

3 MS. LITTLE: No.

4 CHMN. CHENAL: All right, thanks.

5 Does the Committee have additional questions
6 of Ms. Little at this time?

7 MEMBER WOODALL: Ms. Little, this is your
8 first time testifying at a Line Siting proceeding?

9 MS. LITTLE: It is.

10 MEMBER WOODALL: Would you like to do it
11 again? You can plead the Fifth Amendment here.

12 CHMN. CHENAL: Well, she's not finished yet.
13 We still have to ask Mr. Arias if he has questions --
14 or, Ms. Grabel if she has questions.

15 MS. GRABEL: I have questions, yes.

16 CHMN. CHENAL: Yes. Please proceed,
17 Ms. Grabel.

18 MR. ARIAS: Could I just ask one more
19 question?

20 BY MR. ARIAS:

21 Q. In regards to the upgrades to the Delaney
22 Substation, Mr. Amirali testified that it's going to
23 be -- that that was the most -- what they've chosen is
24 the more reliable option, and I think this is in
25 response to Member Woodall's question regarding that on

1 day one. But would you agree with Mr. Amirali's
2 assessment?

3 A. Yes.

4 MR. ARIAS: Okay, thank you.

5 CHMN. CHENAL: Ms. Grabel.

6 MS. GRABEL: Thank you, Chairman.

7

8

RECROSS-EXAMINATION

9 BY MS. GRABEL:

10 Q. Good afternoon, Ms. Little. You were present
11 in the hearing room yesterday, correct?

12 A. Yes.

13 Q. And did you hear the totality of Ms. Judy
14 Chang's presentation?

15 A. I did.

16 Q. Thank you. And you critically and thoroughly
17 examined the work that The Brattle Group did; is that
18 correct?

19 A. I did.

20 Q. And do you have any reason to disagree with
21 The Brattle Group's analysis?

22 A. I do not, based on the assumptions that she
23 made.

24 Q. And you found those assumptions reasonable,
25 correct?

1 A. I did.

2 Q. So I know that -- actually, if you would
3 turn, if you would, to DCR-14, which is the Brattle
4 economic report. I just want to clarify for the
5 record. You stated that certain economic analyses
6 Staff do not believe are relevant, while certain of
7 them Staff believes are relevant; is that correct?

8 A. I'm sorry?

9 CHMN. CHENAL: Would you allow us to get to
10 that point, Ms. Grabel?

11 MS. GRABEL: Certainly.

12 MS. LITTLE: Where are you?

13 BY MS. GRABEL:

14 Q. DCR-14, which is the Brattle report.

15 A. Right.

16 Q. And if you just turn to the table of
17 contents, I think is the easiest way to do this, which
18 is, I think, the third --

19 A. Okay.

20 MS. GRABEL: Is the Committee there?

21 CHMN. CHENAL: Yes.

22 BY MS. GRABEL:

23 Q. Okay. In your testimony, you testified that
24 certain of the economic analysis that The Brattle Group
25 conducted was relevant to the Committee's decision and

1 your recommendations --

2 A. Yes.

3 Q. -- and certain was not. And I just want to
4 clarify, for the record, that, if you're looking at the
5 table of contents, the portions of The Brattle Group
6 report that you would find relevant to the CEC
7 proceeding would include Sections -- the analysis done
8 in Sections 2 and 3, correct?

9 A. Correct.

10 Q. And you would find interesting, but not
11 necessarily relevant, Sections 4 and 5; is that right?

12 A. Yes, yes.

13 Q. So as the Committee is looking, those are the
14 sections that would be relevant versus not so much from
15 Staff's perspective.

16 So putting aside the Brattle's economic
17 stimulus analysis, which is contained in Sections 4 and
18 5 of Exhibit DCR-14, you found Brattle's assessment of
19 the production cost economic supply of power analysis
20 to be reasonable; is that right?

21 A. Yes.

22 Q. And do you believe that Brattle's analysis of
23 the production cost benefits of Ten West Link are,
24 quote, hypothetical or speculative?

25 A. Any projection is, based on the assumptions

1 that you make.

2 Q. But no more so, for example, than any
3 utility's future-looking IRP would be, correct?

4 A. Correct.

5 Q. Thank you. And you noted during your
6 testimony, and specifically on Slide 14 of your
7 presentation, that Ten West Link may result in a cost
8 savings to Arizona; is that right?

9 A. Correct.

10 Q. And part of that is focused on the lower cost
11 delivery of power to Arizona customers?

12 A. Right.

13 Q. So put another way, you would agree that Ten
14 West Link could result in lower Arizona utility
15 ratepayer rates relative to what they would be without
16 Ten West Link; is that right?

17 A. Yes, it could.

18 Q. Okay. And I know you and Mr. Haenichen
19 engaged in a dialogue about how much those savings
20 would be, so we looked here -- just to take -- subject
21 to check, excuse me, there are about 2.9 million
22 customers served by Arizona utilities. Would you take
23 that, subject to check, as true?

24 A. I will.

25 Q. And let's go with The Brattle Group's

1 analysis that there's anywhere from 2 to \$7 million of
2 cost savings. So the midpoint there is 4.5 million,
3 not 3.5 million; is that right?

4 A. Yes.

5 Q. So if you do the math, that results in a
6 savings per customer of about \$1.55 per year; is that
7 right?

8 A. That sounds right to me.

9 Q. And let's be totally optimistic and assume
10 that Brattle is right and we're actually going to get
11 \$7 million worth of benefits, as opposed to the
12 midpoint. Would you agree that, doing the math there,
13 that saves us about \$2.40 per year per customer?

14 A. That sounds right.

15 Q. And that doesn't include the additional
16 EIM-related benefits that Brattle did not quantify; is
17 that correct?

18 A. Correct.

19 Q. And you believe that those benefits could
20 actually exist?

21 A. Yes.

22 Q. Thank you. Would you agree that APS
23 customers or Arizona ratepayers are not paying for Ten
24 West Link; is that right?

25 A. That's my understanding.

1 Q. So this line actually results in a net
2 benefit to Arizona ratepayers, correct?

3 A. Based on the studies that I looked at, yes, I
4 would agree.

5 Q. And would you agree that a net benefit, even
6 if one in the, you know, \$1.50 to 2.40 range, is better
7 than a net detriment?

8 A. Are you asking me as an Arizona ratepayer?

9 Q. Would you rather save 2.50 than pay it?

10 A. Personally, yes.

11 Q. And if APS sought a rate increase per
12 customer of \$2.50 or 1.50 to 2.50 per year, would Staff
13 take that seriously?

14 A. I think so.

15 Q. So going back to the Brattle's analysis,
16 would you agree with the Brattle's assessment that Ten
17 West Link will enhance Arizona utilities' ability to
18 access the energy imbalance market?

19 A. Yes.

20 Q. And would you agree that the energy imbalance
21 market provides an economic supply of power to Arizona
22 utilities?

23 A. Yes. Based on the historical data, yes.

24 Q. Would you also agree that participation in
25 the EIM allows Arizona utilities access to an adequate

1 supply of power?

2 A. It allows -- it is a part of Arizona
3 utilities' adequacy, ability to provide an adequate
4 supply of power, yes.

5 Q. So it contributes to the adequacy?

6 A. Contributes to, yes.

7 Q. Thank you. Are you aware, just kind of as an
8 aside, that there is an executive from an Arizona
9 utility that's actually on the board for the western
10 EIM?

11 A. I am.

12 Q. So Arizona does have a role in how that EIM
13 is governed, correct?

14 A. Yes, yes.

15 Q. Would you agree that Ten West Link
16 contributes to the reliability of the southwest
17 transmission grid?

18 A. That, I cannot say with absolute certainty
19 because I have not -- again, as I mentioned before,
20 I've not seen a study -- a reliability -- any
21 reliability studies without the line that have been
22 done independently for the region.

23 Q. We clarified this earlier. You've seen the
24 Applicant's studies, correct?

25 A. Yes.

1 Q. And you find no reason to disagree with them?

2 A. That's right.

3 Q. And if I change -- I didn't actually say
4 improves. But do you believe it contributes to, as
5 part of the system --

6 A. Yes.

7 Q. -- that's currently reliable --

8 A. Yes.

9 Q. So it contributes to the reliability?

10 A. Yes.

11 Q. Thank you. And you also agree, as you stated
12 in your testimony, that Ten West Link reduces
13 congestion, correct?

14 A. Yes.

15 Q. And would you agree that such an outcome
16 provides a reliable supply of power in Arizona?

17 A. It's a part of it, yes.

18 Q. So from the testimony I've gathered from you
19 so far, would you agree that if you cannot maybe
20 testify that Ten West Link will improve the system for
21 the reasons you've described, but would you testify
22 that Ten West Link helps fill Arizona's need for an
23 adequate, economic, and reliable supply of power?

24 A. Based on the studies that I reviewed and the
25 limitations that I mentioned in those studies, I would

1 say yes.

2 Q. I'd like to talk a little bit about the
3 resource adequacy discussion that you had with the
4 Committee. And is it your understanding that in 2007
5 the concern that the Commission had was that California
6 was going to come to Arizona and basically take up all
7 of our natural gas capacity at the Palo Verde hub?

8 A. That was -- yes, that's what I believed
9 they --

10 Q. And do you have any understanding as to
11 whether or not California accessed those generating
12 units?

13 A. If they did?

14 Q. Do you have any understanding as to whether
15 California would access those generating facilities
16 today?

17 A. I'm sorry. Go back to the previous question.

18 Q. Sure. Do you have any understanding of
19 whether California accessed those generating facilities
20 located at the Palo Verde hub?

21 A. I don't believe so.

22 Q. Do you, in fact, recall that the natural gas
23 merchant plants in Arizona, located at the Palo Verde
24 hub, are actually experiencing financial difficulties?

25 A. That's my understanding, yes.

1 Q. Would you agree, then, that the fear
2 expressed in the Commission order related to the
3 resource adequacy concerns never came to pass?

4 A. That's true, but DPV2 was never built also,
5 so -- but yes -- no, it never came to pass.

6 Q. You had a little dialogue with Member Hamway
7 related to whether or not --

8 CHMN. CHENAL: Counsel, can we go back to
9 your last line of questioning? I want to make sure I
10 understand it, and I don't think I did, that exchange
11 right there on the fact that these generating stations
12 may have some financial difficulty, but the line was
13 never built.

14 Can you draw -- connect the dots for me? I'm
15 not necessarily seeing what point you're driving at
16 there.

17 MS. GRABEL: Certainly. I think -- if I can
18 just say on the record where I'm going with this.

19 CHMN. CHENAL: Sure.

20 MS. GRABEL: So the concern expressed in 2007
21 was that there are all these natural gas generating
22 facilities at the Palo Verde hub that California was
23 going to come in, take into California. Arizona
24 wouldn't be able to buy generation from them, and we'd
25 have to build our own instead. Since 2007, California

1 isn't buying natural gas.

2 CHMN. CHENAL: Is or is not?

3 MS. GRABEL: Is not. And in fact, there's
4 now a law in California that prevents them from
5 accessing natural gas. And so Ms. Little is absolutely
6 right, the line wasn't passed. But even so, the
7 generating units never sold electricity into
8 California, could not sell electricity into California
9 now, so that concern is not relevant any longer to the
10 conversation we're having about Ten West Link compared
11 to the conversation about DPV2.

12 CHMN. CHENAL: Okay, thank you.

13 BY MS. GRABEL:

14 Q. So again, turning to the conversation you had
15 with Member Hamway as to whether or not the solar
16 projects that are currently in the APS and CAISO queues
17 related to Ten West Link would happen, I believe you
18 testified that they would happen with or without Ten
19 West Link. Did I hear your testimony correctly?

20 A. I don't recall testifying to that. And they
21 could happen with or without, yes. I really can't say
22 one way or the other, but they very well could happen
23 without the line, with or without the line.

24 Q. Would you agree that the projects are more
25 likely to proceed and move forward with Ten West Link?

1 A. They are more likely to proceed with an
2 increase in strengthening the transmission system in
3 the west, yes.

4 Q. And you testified that the solar projects are
5 mostly going to be sending energy into California, I
6 think I heard you say that; is that correct?

7 A. Not necessarily. I believe that they will be
8 used when they're needed in Arizona. When they're not
9 needed in Arizona, they will be excess and available to
10 be sold in California.

11 Q. So solar projects that are built in Arizona
12 as a result of Ten West Link could deliver energy to
13 Arizona or to California, correct?

14 A. Correct.

15 MS. GRABEL: May I confer with my team before
16 I stop asking questions?

17 CHMN. CHENAL: Sure, absolutely.

18 MS. GRABEL: I have no further questions.

19 CHMN. CHENAL: Member Hamway.

20 MEMBER HAMWAY: Right now, APS is the only
21 Arizona utility that's in the EIM, correct?

22 MS. LITTLE: Correct.

23 MEMBER HAMWAY: So it sounds like this
24 super-duper thing that has been created that really is
25 a wonderful thing with renewables. So why have TEP and

1 SRP been slow to get on board?

2 MS. LITTLE: I wouldn't necessarily say that
3 they have been slow to get on board. I think that they
4 have been cautious. And the EIM is relatively new in
5 the west --

6 MEMBER HAMWAY: Like when?

7 MS. LITTLE: Pardon me?

8 MEMBER HAMWAY: Five years? 10 years? Two
9 years?

10 MS. LITTLE: The EIM?

11 MEMBER HAMWAY: Yeah.

12 MS. LITTLE: APS, I believe, has been a
13 member of the EIM for two years, and the EIM itself has
14 been in existence only maybe four years.

15 MEMBER HAMWAY: Okay.

16 MS. LITTLE: Three years, four years. And I
17 think that TEP and SRP were just both cautious, waiting
18 to see how it went, because it is relatively new in the
19 west. This type of market, in addition to other kinds
20 of markets, have existed in the east for many years.
21 But in the west, there was some -- there has been some
22 concern about whether some entities would take
23 advantage of other entities under the EIM.

24 And it has just, based on the numbers that
25 CAISO is -- the EIM itself is publishing, it has proven

1 to be even more beneficial than anybody anticipated
2 that it was going to be for the members. And as a
3 result, there are not only TEP and SRP, but also other
4 entities in the west are on board to --

5 It takes a fair amount of -- you can't just
6 join and connect up tomorrow. It takes a fair amount
7 of technical, you have to build some infrastructure,
8 you have to establish groups of people in order to
9 become a part of it. And that is what TEP and SRP are
10 currently working on.

11 MEMBER HAMWAY: Is there a maximum
12 number of -- I don't even know what I'm asking -- units
13 or utilities that could participate?

14 MS. LITTLE: No.

15 MEMBER HAMWAY: No, okay. So the more you
16 have, the greater options you have to --

17 MS. LITTLE: Exactly.

18 MEMBER HAMWAY: -- to sell and buy at
19 cheap --

20 MS. LITTLE: Exactly.

21 MEMBER HAMWAY: Okay. And the more
22 renewables that come online really affect that also?

23 MS. LITTLE: Yes, particularly because of the
24 diversity. The northwest is, generally speaking,
25 winter peaking, their needs are greatest in the winter.

1 Obviously, in the southwest, our needs are greatest in
2 the summer. The characteristics of the different types
3 of generation dictate how they can be most economically
4 and actually physically used.

5 Wind tends to be at night, solar tends to be
6 during the day, hydro is dictated by the river
7 requirements, and you can take advantage of the
8 diversity of all of those and more beneficially use the
9 resources when you have a big base.

10 MEMBER HAMWAY: Okay, thank you.

11 CHMN. CHENAL: Any follow-up questions,
12 Mr. Arias? I may still have one.

13 MR. ARIAS: Staff has no further questions.

14 CHMN. CHENAL: So any negatives that you see
15 to this project, Ms. Little?

16 MS. LITTLE: None that I've identified in the
17 work that I've done.

18 CHMN. CHENAL: And the positives, again, at
19 least the official position of Staff, is it will not
20 negatively affect the reliability of the system?

21 MS. LITTLE: Correct.

22 CHMN. CHENAL: And that's it?

23 MS. LITTLE: Yes.

24 CHMN. CHENAL: That's the official position.
25 The rest are observations based on studies other people

1 have done?

2 MS. LITTLE: Yes.

3 MR. ARIAS: I guess I do have a follow-up
4 question after your questions.

5 CHMN. CHENAL: Sure.

6

7 FURTHER REDIRECT EXAMINATION

8 BY MR. ARIAS:

9 Q. Ms. Little, you did not actively try to
10 quantify the negative benefits, correct?

11 A. No.

12 MR. ARIAS: Okay, thank you.

13 CHMN. CHENAL: Negative benefits?

14 MR. ARIAS: Negative impacts, I apologize. I
15 apologize.

16 BY MR. ARIAS:

17 Q. Ms. Little, same question, negative impacts.

18 A. Correct.

19 CHMN. CHENAL: Mr. Arias, just so you know, I
20 saw four sets of eyes looking at me waiting for me to
21 ask the question.

22 Ms. Little, thank you very much. We'll look
23 forward to hearing from you again. Really appreciate
24 you taking the time to come down here and help us.

25 MS. LITTLE: You're welcome.

1 CHMN. CHENAL: So Ms. Grabel.

2 MS. GRABEL: Well, I think this is a decision
3 for the Committee. We can either adjourn early and
4 resume in Quartzsite -- we have one witness left.
5 Well, actually, I'm going to caveat that.

6 We have one witness that we are formally
7 going to present. And then we still want to come back
8 and put on the comparison of Ten West Link to DPV2,
9 which I think I'm going to have another panel to do, if
10 the Committee will indulge me.

11 And we also, in good news, we did hear from a
12 representative of the CAISO, and that person is
13 available to be before the Committee on February 6th.
14 So we can hear from that person on that date.

15 CHMN. CHENAL: So that will be back here in
16 Phoenix?

17 MS. GRABEL: That will be back here in
18 Phoenix.

19 CHMN. CHENAL: Remind me, is that the
20 Thursday or Friday?

21 MS. GRABEL: That's the Thursday.

22 CHMN. CHENAL: Okay, very good. So Tuesday,
23 in Quartzsite, we'll have the last witness, which will
24 be Mr. Rogers?

25 MS. GRABEL: Yes, on the environmental panel

1 he's last.

2 CHMN. CHENAL: On the environmental panel.

3 And who else is on that panel?

4 MS. GRABEL: No one. We heard from

5 Mr. Lindenlaub today.

6 CHMN. CHENAL: Yes, okay. So it will be

7 Mr. Rogers on that. We're still going to hear a little

8 more on the differences between the CEC 130 and this

9 case.

10 MS. GRABEL: Exhaustively, not a little.

11 CHMN. CHENAL: Exhaustively. No, I think

12 that's important.

13 Ms. Chang will be available on Tuesday by

14 phone?

15 MS. GRABEL: That's correct.

16 CHMN. CHENAL: And Ms. Little when? When

17 would be the best for Ms. Little? It doesn't have to

18 be next Tuesday. It could be the following Thursday.

19 MR. ARIAS: Chairman, yes, February 6th and

20 7th would also work for her.

21 CHMN. CHENAL: I think that would be better.

22 That would give Ms. Little extra time. I know we put

23 her on a short fuse to come up with her testimony and

24 the PowerPoints and appearing here. So okay, that's

25 all good.

1 MR. ARIAS: Thank you.

2 CHMN. CHENAL: So the question is, do we
3 proceed now with Mr. Rogers, or do we wait until
4 Tuesday? I'm going to look at my Committee. I think I
5 know the answer.

6 MEMBER GENTLES: You know my answer.

7 MS. GRABEL: He's packing up.

8 CHMN. CHENAL: It's so bad I'm going to say
9 it's a rhetorical question. Come on, guys, you weren't
10 serious, were you?

11 MEMBER HAMWAY: What's he going to talk
12 about?

13 CHMN. CHENAL: Well, he's going to talk about
14 the environment, and I think it's going to take a
15 little time.

16 MS. GRABEL: The NEPA process, the outreach,
17 all that. It does -- it takes a while.

18 CHMN. CHENAL: All that.

19 MEMBER HAMWAY: Now you popped up.

20 MEMBER GENTLES: If it doesn't happen here,
21 it's going to happen in Quartzsite?

22 MS. GRABEL: That's correct. It will likely
23 take more than an hour.

24 MEMBER GENTLES: Okay. I'll have to ask you
25 to take good notes.

1 MEMBER HAMWAY: Okay.

2 MS. GRABEL: If you're interested and you
3 just don't want to go to Quartzsite, we can call you or
4 something and put you on speaker.

5 MEMBER GENTLES: No, no. It's my wedding
6 anniversary, so I plan to stay married.

7 MS. GRABEL: Happy anniversary.

8 MEMBER GENTLES: Thank you.

9 CHMN. CHENAL: I don't think you can come up
10 with a better wedding present for your wife than to let
11 her sit in as well on the hearing.

12 MR. ANCHARSKI: I know a good hotel in
13 Quartzsite.

14 MEMBER GENTLES: This is all off the record.

15 CHMN. CHENAL: No, unfortunately, it isn't,
16 but we're going to get off the record.

17 MS. GRABEL: Actually, before we do, I
18 neglected to do something earlier. Member Woodall did
19 compensate the Applicant for the market value of her
20 lunch today; I want to make sure I got that on the
21 record.

22 CHMN. CHENAL: All right, good. Member
23 Haenichen, any questions that you had?

24 MEMBER HAENICHEN: Yeah, but I'll be quiet
25 right now.

1 CHMN. CHENAL: Okay.

2 Yes, Member Palmer.

3 MEMBER PALMER: Do you want us to take these
4 to Quartzsite or give them to you and get them back in
5 Quartzsite?

6 MS. GRABEL: You're welcome to keep them for
7 the duration of the hearing, unless you're
8 uncomfortable.

9 MEMBER PALMER: No, I'm fine.

10 CHMN. CHENAL: And we should state that we
11 have different hotel accommodations. This will now be
12 in Blythe at the Comfort Suites at 700 West Donlon
13 Street in Blythe. We'll still have the hearing at
14 9:00 a.m. -- excuse me, at 11:00 where we meet.

15 You might want to restate, Ms. Grabel, where
16 we meet.

17 MS. GRABEL: Certainly. We're meeting at
18 11:00 a.m. at the RV Riggles Event Center. I don't
19 have the address right in front of me, Chairman. Would
20 you like me to state it for the record?

21 CHMN. CHENAL: Yes, give us a chance to get
22 something just to write this down.

23 MS. GRABEL: It's in Exhibit DCR-9, it is
24 also in the procedural order, and it's in Exhibit
25 DCR-5, too, in the Notice of Hearing. But the address

1 is, it's the Riggles RV and Event Center located at 240
2 North Riggles Avenue, Quartzsite, Arizona 85346.

3 CHMN. CHENAL: How do you spell Riggles?

4 MS. GRABEL: R-i-g-g-l-e-s.

5 CHMN. CHENAL: It's Riggles RV?

6 MS. GRABEL: It's Riggles RV and Event
7 Center.

8 MEMBER HAENICHEN: Can you get in if you
9 don't have an RV?

10 MS. GRABEL: You can. They have a conference
11 center.

12 CHMN. CHENAL: All right. So let's adjourn
13 at this time, and we'll resume -- those taking the tour
14 will meet at 11:00 a.m. at the Riggles RV and Event
15 Center. Those that are not taking the tour will meet
16 at 4:00 p.m. that day at the same location.

17 Just one more admonition. When we're in the
18 helicopters, no discussing of the project or anything
19 material to the project or the testimony.

20 MEMBER HAMWAY: So how is this different from
21 when we're on the bus?

22 CHMN. CHENAL: Well, on the bus, when we stop
23 and we have a discussion, we have a court reporter.
24 We're not going to have a court reporter on the
25 helicopter.

1 MEMBER HAMWAY: Okay, so that's the
2 difference.

3 CHMN. CHENAL: So we have to hold any comment
4 until we get back. And then at 4:00 p.m. on Monday, we
5 will then take up any questions regarding the tour.

6 All right. Anything else we need to discuss
7 before we adjourn?

8 (No response.)

9 CHMN. CHENAL: Thank you, everyone. We'll
10 see you at 11:00 a.m. in Quartzsite.

11 (The hearing recessed at 4:01 p.m.)

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1 STATE OF ARIZONA)

2 COUNTY OF MARICOPA)

3

4 BE IT KNOWN that the foregoing proceedings
5 were taken before me; that the foregoing pages are a
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14 ethical obligations set forth in ACJA 7-206(F)(3) and
15 ACJA 7-206 J(1)(g)(1) and (2). Dated at Phoenix,
16 Arizona, this 30th of January, 2020.

17

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KATHRYN A. BLACKWELDER
Certified Reporter
Certificate No. 50666

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