STATE OF CALIFORNIA

ENERGY RESOURCES CONSERVATION
AND DEVELOPMENT COMMISSION

In the Matter of: ) Docket No. 98-SIT-2
Blythe Energy, LLC )
Request for Jurisdictional )
Determination )

Committee Hearing

California Energy Commission
1516 Ninth Street
First Floor Hearing Room A
Sacramento, California 95814

Tuesday, September 29, 1998
2:05 P.M.

Reported By: Janene R. Biggs, CSR No. 11307
APPEARANCES

Commissioners Present:
ROBERT A. LAURIE, Presiding Member
DAVID A. ROHY

Staff Present:
SUSAN GEFTER, Hearing Officer
BOB ELLER, Advisor to Commissioner Rohy

For the Staff of the Commission:
DAVID MUNDSTOCK, Senior Staff Counsel
JAMES HOFFSIS, Senior Electricity Specialist

For the Applicant:
JOHN P. GRATTAN, Law Offices of Grattan & Galati
ROBERT LOOPER, P.E., Principal, Summit Engineering
Proceedings

Petitioner:
Witness: Robert Looper

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Staff of the Commission:
Witness: James Hoffsis

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COMMISSIONER LAURIE: Gentlemen, good morning -- ladies and gentlemen, good morning. My name is Robert Laurie, Presiding Member of the Siting Committee.

To my right is Susan Gefter who's the Hearing Officer.

To Ms. Gefter's right is Commissioner David Rohy, vice chairman of the Commission, my cohost on the Siting Committee.

And to Commissioner Rohy's right is Bob Eller, Commissioner Rohy's advisor on these issues.

Today's meeting is for the purpose of hearing the petition for jurisdictional determination, as further expressed by Ms. Gefter, as she will proceed to talk about some basics with you, some of which you may already be acquainted.

Ms. Gefter, what I would ask is that perhaps you give a little discourse about the procedure you're going to follow, and then we'll be interested in some introductions.

Let me ask first if Commissioner Rohy has
any comments at this time?

COMMISSIONER ROHY: I have no comments.

MS. GEFTER: Before we proceed, I'd like the parties to introduce themselves for the record, so that we have who's here.

MR. GRATTAN: Certainly. I'm John Grattan, and I'm counsel to this project, at least for this hearing, and I have with me Mr. Robert Looper from Blythe Energy and from the Summit Energy Group.

And I also want to introduce some folks seated behind us. They are from Greystone, which is the engineering firm which is working on this project, and Mr. Jeff Harvey -- there he is -- and Mr. John Forsythe.

Thank you.

MS. GEFTER: And the staff, would you introduce yourselves?

MR. MUNDSTOCK: I'm David Mundstock, attorney for Energy Commission Staff.

MR. HOFFSIS: Jim Hoffsis.

MS. GEFTER: And I think any members of the public, we'd just like you to identify yourselves for the record. We have some representatives here from Three Mountain.

MR. TOTH: Yes. My name is Less Toth. I'm with Three Mountain Power Project.
MR. WASHINGTON: Andrew Washington.

MS. GEFTER: And we have a representative from SBGD here also. Would you introduce yourself?

MS. FLEMING: Pat Fleming. Just an interested observer.

MS. GEFTER: Thank you. I'm going to describe the background here, why we are here for this hearing. This is background for the record.


The petition contends that Blythe Energy's project is a market based response to formation of the California Power Exchange, which solicits energy bids on an hourly basis. The proposed project will be operated to sell all or some of its output to the California Power Exchange.

In accordance with Section 1232 of the Commission's regulations, this committee sent a notice of the hearing and a copy of the petition to the individuals, organizations, and businesses identified as interested parties in the petition, as well as to
other entities who have indicated an interest in the proceeding.

The notice originally scheduled the hearing for September 14th, 1998. However, upon petitioner's request, the hearing date was rescheduled for today, September 29th.

In the notice we directed all entities intending to participate file written statements explaining their positions by September 8th, 1998.

The notice also directed petitioner to provide responses to several inquiries regarding its assertion that the proposed project is a result of competitive solicitation or negotiation relative to the California Power Exchange. The petitioner requested an extension of one day to file its responses, and submitted its responses on September 9th. Staff filed a statement on September 8th.

The purpose of today's hearing is to provide a public opportunity to discuss the issues raised in the petition and to receive evidence from the parties in support of their positions.

If there is no objection, the Committee will receive this evidence today.

Hearing no objections, we'll go forward.

The procedure that we would like to follow today is to have the parties mark and identify
their documentary submittals for the record before we begin taking testimony. Then we will proceed in the following sequence:

First we'll take petitioner's presentation. Then staff will have the opportunity to cross-examine the petitioner. Then staff will make a presentation, and the petitioner will have an opportunity to cross-examine, and then we'll take comments from the public if there are any.

At this point if the Committee has no other questions or comments, we will begin with Blythe Energy's presentation, asking first you identify your exhibits for the record and then move for admission as appropriate during your presentation.

Mr. Grattan, please.

MS. GEFTER: Thank you.

Exhibit 1 is the petition of Blythe Energy, dated July 22nd.

Exhibit 2 is the response to the Committee's questions, dated September 9th.

And Exhibit 3 will be the resume of Robert Looper of Blythe Energy and the Submit Energy Group.

MS. GEFTER: Have you given a copy of that resume to staff, and do you have copies for the members?
MR. GRATTAN: I've given copies to the court stenographer, and I'd be pleased to distribute them to staff now if I could get them from the court stenographer.

THE REPORTER: They're right there (indicating).

MR. GRATTAN: Anyone else who would like a copy?

MS. GEFTER: Yes, the Committee would like copies.

Actually, I was referring just to the resume. We do have copies of the other documents.

MR. GRATTAN: Oh, you do? Okay.

MS. GEFTER: Thank you.

Mr. Grattan, would you like to proceed with your presentation at this point, and if no one has objection to the admission of these documents into evidence, you can move to have them admitted at this point.

MR. GRATTAN: Very well.

I would like to move admission of these documents.

MS. GEFTER: Any objection?

MR. MUNDSTOCK: No objection.

MS. GEFTER: Exhibits 1, 2, and 3 submitted by the petitioner are now admitted into the record.
MR. GRATTAN: I would like to call to the witness stand Mr. Robert Looper of Blythe Energy --

MS. GEFTER: We could have him --

MR. GRATTAN: Yes.

MS. GEFTER: -- have the reporter swear --

MR. GRATTAN: Swear him in?

MS. GEFTER: Yes.

ROBERT LOOPER, P.E.,
a witness in the above-entitled action, who being first duly sworn by the court reporter, was thereupon examined and testified as follows:

THE WITNESS: I do.

EXAMINATION BY MR. GRATTAN

Q BY MR. GRATTAN: Mr. Looper, before we begin, maybe you can tell us a little bit -- you submitted a resume here -- if you could tell us a little bit about your professional history, your role in the development of the Blythe Energy Project.

A Thank you, John.

And I'd like to also before we start give the Committee a thank you for indulgence for our extension for missing our first -- basically it was my schedule that was conflicted there, and I appreciate to have the opportunity today to come before you.
My name is Robert Looper, and I am a vice president of Summit Energy Group. I'm also president of Summit Engineering, an affiliate of Summit Energy Group.

You'll notice that Blythe Energy, LLC is a limited liability corporation. It is 100 percent owned by Summit Energy Group, and that is my status, why I'm here before you today.

I am a project engineer type of person by background. I've been in the business for only 20 years and have been involved in the development of somewhere over 20 power projects ranging in size from 5 megawatts all the way up to 700 megawatts.

My background here on this project today is basically as project manager for Blythe Energy, LLC. I will be overseeing the development, the permitting, putting together the contracts for construction, for operation, procurement of gas and sale of electricity for the project.

Q And Mr. Looper, did you prepare, or have prepared under your direction the responses to comments -- excuse me, the responses to the Energy Commission's comments, and it was dated September 9th, 1998?

A Yes, I did.

Q Very well. And are you prepared today as a
witness to adopt those responses to comments as your testimony?

A Yes, I am.

Q That is your testimony?

A That is correct.

Q Could you care, for the record, to summarize what that testimony comprises?

A I'd like to go in, I guess, a little bit of an overview and give the members some background here on Blythe Energy, LLC, what the project is about and how it was sited, and how it came before you here today.

Blythe is a product of Summit Energy Group's development effort for power projects in the United States. We have currently over 1,000 megawatts under construction. We are a very significant player in the -- what has been termed in the past, the IPP market, the Independent Power Producer market. Our Bridgeport project will be going online combined cycle next year. It went online simple cycle this year. It's a very large, one of the very first -- what will be classified merchant plants in the United States to come online. It is a gas fired combined cycle facility located in Bridgeport, Connecticut.

The Summit Energy Group was the principle developer on that project. Other stake holders include
Duke Energy and United Illuminating.

That's one of four projects that we currently have under construction throughout the United States. All are gas fire combined cycle facilities.

Summit Group in its development efforts did quite a comprehensive search to target the Blythe Energy project location. There are some key reasons why this project is located where it is. Fairly remote in the state.

Number one, of course, is the presence of interstate high pressure natural gas, the El Paso gas lines which flow east to west from the area.

Two, and no insignificant issue, is the fact that the Blythe substation is located immediately there. The location of 5, 161 KD lines that interconnect with a variety of players. The substation is owned by the Western Area Power Administration.

I'd like to add a little bit of comment on that and maybe give you an idea of the significance of our play in Blythe. We were at a meeting of stakeholders with the Western Engineering Power Administration last week that was held down in Yuma. The purpose of that meeting, there was some 45 representatives, utilities and irrigation districts there, was to resolve the problem of having future loads and demand in the Blythe/Yuma area. There is not
only transmission constraints in the area, but there is
a growing market in that particular area. It is going
to be unable to be served in the near future.

The Blythe project was brought up at the
meeting and was identified, and it was, of course, one
of the solutions to that problem. That's one of the
major reasons why we're there. It does solve a
particular need in terms of transmission constraint as
well as meeting local loads, as well as having access
to the Power Exchange.

In addition to the electricity
interconnection that's there, Blythe has a significant
amount of water available, which is necessary for power
plants. It is located in the Colorado River flood
plane area there, where there's ample surface as well
as ground water available. It is also an attainment
area, relative to air quality, and from a permanent
standpoint, Summit Energy Group has never initiated a
project that has not successfully permeated and brought
towards its completion, and we don't expect Blythe to
be one such project. So we're very careful in our
research in looking at what the constraints might be to
ultimate successful development of the project there.

I think in terms of the configuration of the
Blythe project, we provided you some additional
information on that in the response to the question,
but I want to emphasis just a couple of things about that.

This will be gas fired only. It will be very clean burning. It will be using the latest advanced technology of these type of facilities which we have implemented on our other projects.

This is the type of project that you have seen before you in the past and you will see before you in the future using natural gas and providing a clean burning, reliable energy source into the market.

Q One further point of clarification, Mr. Looper. Is this project -- you've given us the site selection process and the configuration both in your testimony and summary of it, as a gas fired project. Is it fair to say that it is your testimony this project was conceived and is being developed as a result of the creation and operation of the PX, California Power Exchange?

A That's a fair assessment. The Power Exchange is a critical component to the success of any type of merchant plant in this area.

I'd also like to add that in addition to the Power Exchange, there is also the emerging Desert Star, which will be the counterpart ISO in the Arizona market, and the proximity of this project is no secret. It lies on this border, basically, and is accessible to
not only California markets, but the Arizona markets, so it is very strategically positioned.

MR. GRATTAN: That concludes the direct testimony. The witness is available for cross-examination.

MS. GEFTER: I'll ask, David, if you have any questions of the petitioner?

MR. MUNDSTOCK: We have no questions.

MS. GEFTER: Commissioner Rohy?

QUESTIONS BY THE COMMITTEE

COMMISSIONER ROHY: I'm sure we'll get into it more as the project proceeds, but when you said, "the latest advanced technology for emission control," can you say a word or two about that?

THE WITNESS: Sure. I mean, this project will be subject to Bact, B-A-C-T, analysis relative to EPA Region 9, which has jurisdiction in California and the local air pollution control authority. We will be subject to Bact just like every gas fired plant is subject to Bact, and Bact is changing dynamically day by day, and so when we get around to finally submitting the air permit, there may be some additional technology that's available to us then that's not today, but currently this would be a project that would use selective catalytic reduction as the primary source for nox reduction, which is the primary consideration for
It also is going to use combustion turbine technology, where the burning of the natural gas is what we call dry low nox combustion, not using water to reduce the nox. It's the investment in that technology from the turbine manufacturer with the investment in the back-end cleaning of emissions that is currently state of the art.

COMMISSIONER ROHY: Thank you.

COMMISSIONER LAURIE: Mr. Looper, could you get your petition in front of you please? Your petition. Do you have your petition?

THE WITNESS: Yeah.

MR. GRATTAN: Yes.

COMMISSIONER LAURIE: No, no, no. I have it.

MR. GRATTAN: Oh.

COMMISSIONER LAURIE: I want to make sure Mr. Looper has it, because I wish to refer to it. Sir, refer to page 1, second paragraph. If you could just read that please.

THE WITNESS: You want me to read that?

COMMISSIONER LAURIE: Read it to yourself to familiarize yourself.

THE WITNESS: Okay.

COMMISSIONER LAURIE: Making reference there
to the first sentence of that paragraph, you make
reference to both the High Desert and Calpine projects,
where you say, "This request," which is basically
similar to the others, is it -- is your reason for
equating this project with the others, is that -- is it
your position that the other projects set a precedent
for this complication?

MR. GRATTAN: Yes.

COMMISSIONER LAURIE: And are you referring
to a legal precedent, Mr. Grattan?

MR. GRATTAN: Yes, it is. I believe it is a
precedent. It is not -- it is not -- this case is
obviously before a committee in the Energy Commission.
We don't believe because we allege that this plant is a
merchant plant that there is an irrebuttable
presumption, but I believe this body like any
ajudicatory body has a -- has an obligation to follow
precedent unless there are particular facts which lead
the other way.

COMMISSIONER LAURIE: And is it your
position that there are insufficient facts in this case
to distinguish it from the others so that for all
practical purposes we are, by law, believed to follow
our decision making in previous cases?

MR. GRATTAN: The answer to that -- I act
with a little trepidation when I try to tell a body
that is in a judicial function that it has no
discretion, but I believe that precedent --
particularly the precedent in the La Paloma case -- is
extremely relevant and perhaps compelling to your
decision here today.

COMMISSIONER LAURIE: I'm trying to
determine whether you feel we are legally obligated to
act in a certain manner in light to our previous
decisions.

MR. GRATTAN: I feel you are -- I feel you
have a legal duty to follow precedent. You also have
the duty to examine facts.

COMMISSIONER LAURIE: Mr. Looper, talk to me
about your business entity. Are you a private for
profit corporation?

THE WITNESS: Yes, we are.

COMMISSIONER LAURIE: Is the corporation in
any way partially owned or subsidized or in any other
manner financed by the rate payers of this state?

THE WITNESS: No, it is not.

COMMISSIONER LAURIE: Do the rate payers of
this state bear any potential liability for the
financial liabilities of the corporation?

THE WITNESS: No, they don't.

COMMISSIONER LAURIE: I have no more
questions, Madam Hearing Officer.
MS. GEFTER: I have a question regarding the timetable for the filing AFC in this case. What is the timetable for developing the project?

THE WITNESS: The project is now scheduled for a May, June, 2001 online date, which is a very aggressive schedule, knowing that we're roughly a year in this process. However, from the timely standpoint, we believe we can meet that schedule. That is our -- we would proceed very aggressive with the project development and try to meet that date.

MS. GEFTER: In choosing the site in Blythe, had you considered alternative sites down in that area?

A: Yes. The selection of the Blythe area is really compelling because of the location of the substation, which is eight miles west of the city of Blythe. However, we did have alternative sites that we considered in and around the area, but being within half a mile of the high pressured gas pipeline and near the substation is very compelling at that location.

MS. GEFTER: Finally, the technology that you expect to employ in this particular project, is it the same technology that you used in your Connecticut project that's coming online shortly?

THE WITNESS: Yes, it is.

MS. GEFTER: Okay.

COMMISSIONER ROHY: Just in line with the
questions that both parties appeared to just ask, is
the technology that you're employing similar to those
employed by High Desert and Calpine?

    THE WITNESS: I don't know exactly the final
ultimate solution at High Desert and Calpine, because
I'm not familiar with the day to day. They've been
changing it --

    COMMISSIONER ROHY: To the best of your
knowledge.

    THE WITNESS: To the best of my knowledge, the
combustion portion of the technology will be very
similar, meaning that the advanced burning -- the
technology we consider to be the F or G technology
relative to combustion turbines. The back-end
technology, in terms of the cleaning up of the
emissions may be different, because, of course, they
are in a nonattainment area, and they are subject to a
different criteria in terms of air permitting that will
be the Blythe site. So they are subject to a different
standard that we are, and therefore the backend might
be different on the air pollution control equipment.

    That's all I have.

    MS. GEFTER: I have a further question
regarding the Power Exchange.

    What is the petitioner's intent with regard
to becoming a registered member of the Power Exchange?
How do you expect to sell your power on the California Power Exchange?

    THE WITNESS: The project entity is a sole purpose project energy, Blythe Energy, LLC, and the intent there is very specific. It is a generator, and it is intended to enter into relationships for the procurement of gas and sale of electricity, and we'll be doing that, negotiating with several of the marketers there that are contracted to do business in Power Exchange and other markets in the southwest.

    MS. GEFTER: Is there anything you could tell us about any progress in those negotiations at this point?

    THE WITNESS: I think our negotiations there are well along to the point where we do have relationships established with these organizations, but they are proprietary.

    MS. GEFTER: Any further questions from our Committee?

    We'll ask staff if you have a presentation at this point.

    MR. MUNDSOCK: Our one exhibit would be the Energy Commission's staff statement that we docketed on September 8th.

    MS. GEFTER: That would be marked as Exhibit 4.
(Staff's Exhibit Number 4 was marked for identification.)

MR. MUNDSTOCK: And our witness is Jim Hoffsis.

MS. GEFTER: If there's no objection to moving your staff statement into evidence, you could do so at this time.

MR. MUNDSTOCK: I would so move.

MS. GEFTER: Any objection?

Looks like there's no objection from Mr. Grattan; is that correct?

MR. GRATTAN: No objection at this time.

MS. GEFTER: Okay. We'll move Exhibit 4 into evidence at this time.

(Staff's Exhibit Number 4 was entered into evidence.)

MS. GEFTER: You may proceed.

MR. MUNDSTOCK: Will you swear the witness?

*JAMES HOFFSIS,
a witness in the above-entitled action, who being first duly sworn by the court reporter, was thereupon examined and testified as follows:

THE WITNESS: Yes.

DIRECT EXAMINATION BY MR. MUNDSTOCK

MR. MUNDSTOCK: Mr. Hoffsis, did you prepare or help prepare the analysis dated September 8th, 1998,
that is part of the Commission's staff statement?

A Yes, I did.

Q Would you please summarize your analysis?

A The testimony itself is already very brief, so my summation must necessarily be even shorter.

The testimony addresses the issue whether or not the Blythe project is the result of a competitive solicitation and negotiation.

I conclude that it is, and that it can be exempted from the AOI process.

MR. MUNDSTOCK: Thank you. Staff has nothing further.

MR. GRATTAN: No cross.

MS. GEFTER: Commissioners, any questions?

QUESTIONS BY THE COMMITTEE

MS. GEFTER: I would like to ask Mr. Hoffsis to expand upon that conclusion. What led you to that conclusion?

THE WITNESS: The question turns in my mind on two issues. One is whether or not the Power Exchange, which petitioner has asserted that they are willing or intending to sell power into, is indeed a competitive solicitation and negotiation.

This is the same issue that was examined in the La Paloma case. The petitions in regard to this issue are virtually identical. In the La Paloma
decision that was issued about six weeks ago, the Commission did find in the affirmative that the PX constitutes the same competitive solicitation. So I think that issue is dispensed with.

The second issue is whether or not the Blythe project is indeed -- is being proposed in response to the formation of the Power Exchange. Petitioner asserts that it is, and I think, as I indicated to the La Paloma decision -- or La Paloma case, there exists little, if any, basis for refuting the claim, and on that basis I think we are left with accepting the claim.

COMMISSIONER ROHY: Mr. Hoffsis, it's my recollection that the applicant said that they may be selling power into the Arizona area, specifically the Yuma area would share the power, as I recall the statement. Did that in any way enter into your decision, or statement that you wrote bringing forth as evidence today?

THE WITNESS: Not really. I guess I'd respond to that, though, by offering two additional thoughts for consideration. One is that the statute doesn't reference selling all of the power or a portion of the power into what we'd regard as a competitive solicitation, number one.

Number two, it doesn't say anything about
where that competitive solicitation must originate. So I think even given this additional information, while not having examined the issue of whether or not Desert Star is a competitive solicitation, there's at least a prima facie case that it probably is, and even short of that the statute does refer to competitive solicitation or negotiation, and I think it's a -- there's an extremely high probability that any power that comes from this plant that is not sold directly into the California Power Change will be sold to somebody, Desert Star or elsewhere, as a result of some sort of negotiations.

So, I think we can take comfort that the compliance with the statute is covered in all respects.

COMMISSIONER LAURIE: Mr. Hoffsis, is it your understanding -- strike that.

Are you aware of Commission policy that it is the policy of this Commission to address these applications for exemptions on a case-by-case basis?

THE WITNESS: Yes, I'm aware of that.

COMMISSIONER LAURIE: With that recognition, do you wish to offer any modified comment as to rely on the decision of the La Paloma case? In other words, you've heard from the applicant, and I may be overstating this, but that it is applicant's view that in light of precedent in earlier cases, that we have
limited parameters in which to act in this case. Do you share that view?

MR. MUNDSTOCK: Commissioner, can I try that one on the legal basis?

COMMISSIONER LAURIE: Yes, thank you.

MR. MUNDSTOCK: I think the applicant and the staff would not deny the Commission the potential it may change its policy at some future date. The Commission has established its policy, and the applicant would follow its policy. Staff concurs.

COMMISSIONER LAURIE: Thank you, Mr. Mundstock. I appreciate your response, and I have no further questions, Madam Hearing Officer.

MS. GEFTER: Are there any questions between the parties at this point?

MR. GRATTAN: I have brief redirect, if that's an appropriate time for it.

MS. GEFTER: Yes.

REDIRECT EXAMINATION OF MR. LOOPER BY MR. GRATTAN

Q BY MR. GRATTAN: Mr. Looper, the Committee has asked you questions about the proposed technology for the project and has compared to technologies proposed by other applicants. Could you address that question in the context of the project configuration?

A John felt I needed to clarify was, this is a combined cycle project, meaning that it is for base
load operation, meaning, this is responsive to the market needs, and in particular, is tailored for the PX solicitation. And so just to make certain that we're clear that this is a combined cycle project, I think that you have seen that before you.

Q And one further question.

I wonder if you could perhaps expand a little bit on your response to the Committee's question regarding registration as a trader or as a marketer before the PX, and maybe you could tell us a little bit about what the requirements are to attract business before the PX, and perhaps why it's not a prudent business move for a project developer to register and go down that path.

A I think it's actually fairly easy to register and to do business on the Power Exchange. It is a little bit more complicated to actually do business on the Power Exchange in high quantity. Most of that has to do with the expertise and the credit worthiness of the entity that is actually doing those transactions, and in the case of the Power Exchange, there are numerous people who have signed up to do business on the Power Exchange. There are many entities who are conducting large amounts of business on the Power Exchange, and these entities are entered into contracts, such as ourselves, to actually market
their power in the Power Exchange, and from our prospective, that is a prudent way to do business within the California PX.

MR. GRATTAN: Thank you. That's all.

MS. GEFTER: Anymore questions from the staff?

MR. MUNDSTOCK: No.

MS. GEFTER: One further question. From the exhibits that were submitted from petitioner, it's unclear how many megawatts you intend to use.

THE WITNESS: The project as proposed is 400 megawatts.

MR. GRATTAN: I believe that's mentioned in both the petition and in response to one of the questions. Question 7 or 8, I believe.

MS. GEFTER: Are there any comments from members of the public at this point? Okay. Hearing no further comments, we can move towards conclusion here.

What we will do after concluding this hearing is prepare a Committee proposed decision, which will be sent to the parties for review and comment.

At this point we have a tentative business meeting date of November 4th. We will confirm that once we send out copies of the proposed decision to
everyone.

And if there are no further comments at this point, we can adjourn. Any further comments? No.

We can adjourn.

COMMISSIONER LAURIE: Thank you.

MR. GRATTAN: Thank you, very much. Time end two 42:00 p.m.
REPORTER'S CERTIFICATE

STATE OF CALIFORNIA )
COUNTY OF SOLANO ) ss.

I, JANENE R. BIGGS, a Certified Shorthand Reporter, licensed by the state of California and empowered to administer oaths and affirmations pursuant to Section 2093 (b) of the Code of Civil Procedure, do hereby certify:

That the proceedings were recorded stenographically by me and were thereafter transcribed under my direction via computer-assisted transcription;

That the foregoing transcript is a true record of the proceedings which then and there took place;

That I am a disinterested person to said action.

IN WITNESS WHEREOF, I have subscribed my name on October 2, 1998.

Janene R. Biggs
Certified Shorthand Reporter No. 11307