

PUBLIC INFORMATIONAL HEARING AND SITE VISIT
BEFORE THE
CALIFORNIA ENERGY RESOURCES CONSERVATION
AND DEVELOPMENT COMMISSION

In the Matter of:)
)
Application for Certification) Docket No.
Starwood-Midway Energy Project) 06-AFC-10
_____)

MENDOTA COMMUNITY CENTER
195 SMOOT AVENUE
MENDOTA, CALIFORNIA 93640

WEDNESDAY, FEBRUARY 7, 2007

11:39 a.m.

Reported by:
Peter Petty
Contract No. 170-04-001

PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

COMMITTEE MEMBERS PRESENT

Jeffrey D. Byron, Presiding Member

John L. Geesman, Associate Member

HEARING OFFICER AND ADVISORS

Garret Shean, Hearing Officer

Kevin Kennedy, Advisor

STAFF AND CONSULTANTS PRESENT

Arlene Ichien for Deborah Dyer, Staff Counsel

Che McFarlin, Project Manager

PUBLIC ADVISER

Nick Bartsch for Margret Kim

APPLICANT

Allan Thompson, Attorney

Ron Watkins

Rich Weiss

Starwood Power-Midway, LLC

Angela Leiba

URS Corporation

J.J. Fair, General Manager

CalPeak Power

ALSO PRESENT

Barry Baker

Baker Farming

I N D E X

	Page
Proceedings	1
Introductions	1,4
Opening Remarks	1
Presiding Member Byron	1
Hearing Officer Shean	2
Public Advisor's Office Process	5
Background and Overview	7
Presentations	8
Applicant	8
CEC Staff	20
Issues Identification Report	30
Proposed Schedule	31
Closing Remarks	34
Adjournment	35
Reporter's Certificate	36

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

P R O C E E D I N G S

11:39 a.m.

PRESIDING MEMBER BYRON: Good morning, it's still morning. My name is Jeff Byron; I'm the Presiding Member. And we are at the Mendota Community Center in Mendota, California for an initial siting visit for the Starwood-Midway Energy Project. To my left is my Senior Advisor, Kevin Kennedy. And the Associate Member is Commissioner Geesman.

I just wanted to welcome everyone here this morning. We may have some members of the public here I hope; and just let you know that this is one of the things that the Energy Commission does very well, I believe, is these power plant siting cases. I'd like to thank everyone for being here this morning, particularly Commissioner Geesman. I think this is about a three- or four-hour drive for most of us to be here.

And I would also like to introduce Garret Shean who will be our Hearing Officer. And we're really going to turn it over to him and let him run the morning's proceeding. Unless there was anything else you wanted to add first,

1 Commissioner?

2 ASSOCIATE MEMBER GEESMAN: No.

3 PRESIDING MEMBER BYRON: Garret.

4 HEARING OFFICER SHEAN: Thank you,
5 Commissioner. This informational hearing is being
6 conducted by a Committee of the two Commissioners
7 to my left. The Energy Commission, which is a
8 five-member body, has assigned them to conduct
9 these proceedings.

10 The applicant, Starwood-Midway, Limited
11 Liability Corp., filed an application for
12 certification for this 128 megawatt, simple cycle
13 power plant with the Energy Commission on November
14 17, 2006.

15 The staff evaluated it for data
16 adequacy; found it to be data adequate. And on
17 January 3rd the Commission accepted it, and these
18 proceedings began.

19 The purpose of this informational
20 hearing and the site visit which just preceded it,
21 is to inform members of the public of the nature
22 of the project, and to solicit from them any
23 questions or comments. It's an opportunity, as
24 well, for local governmental agencies and
25 representatives from local government to address

1 the Commission.

2 However, let me indicate, this is the
3 beginning of what could be up to a year-long
4 process. So I think what we want to emphasize
5 with respect to that is that this is not the only
6 opportunity to be heard. We would expect that the
7 staff, which is going to begin to conduct its
8 review of the proceedings, will be coming to the
9 local area and providing further opportunities for
10 the public to interact with the Energy Commission
11 through workshops, and ultimately we will,
12 depending upon the level of public participation,
13 perhaps actually return here for another hearing
14 in about six to seven months, after the staff has
15 produced a document which they call the final
16 staff assessment. Which is its independent review
17 by staff technical experts of the various
18 environmental and engineering aspects of the
19 project.

20 So, given that we have relatively
21 limited public attendance, I believe there's only
22 one gentleman here who's a member of the public.
23 Everyone else is either here from the State of
24 California or from the applicant or the
25 applicant's consultants.

1 It doesn't necessarily mean we're going
2 to abbreviate this to the point that nobody has
3 anything to say, but we'll abbreviate our meeting
4 just a bit.

5 So, with that, we'll have the applicant
6 introduce its people; and the Commission Staff.
7 And then we'll have a few more comments, and then
8 we'll get the presentations by the applicant.

9 MR. WATKINS: Representing the applicant
10 I'm Ron Watkins with Starwood and CalPeak Power.
11 Our Project Manager on the Starwood project here
12 is Rich Weiss. And our attorney representing us
13 is Allan Thompson in this process. We're also
14 using URS Corporation to do the environmental work
15 and put the AFC application together. And we have
16 the Project Manager from URS, Angela Leiba here.

17 We also have the General Manager of
18 CalPeak Power. CalPeak will do the operation and
19 maintenance of the project when it's in operation.
20 J.J. Fair is the General Manager of Cal-Peak
21 Power.

22 And incidentally, in the audience is
23 Barry Baker from Baker Farming, a man who has a
24 keen interest in this project. He owns the land
25 where the project is located.

1 HEARING OFFICER SHEAN: All right, how
2 about some introductions from the staff, please.

3 MR. McFARLIN: My name's Che McFarlin;
4 I'm the Energy Commission's Siting Project
5 Manager.

6 MS. ICHIEN: Good morning; I'm Arlene
7 Ichien from the Chief Counsel's Office; I'm
8 sitting in for staff counsel Deborah Dyer today.

9 HEARING OFFICER SHEAN: Thank you. Just
10 one other notable member of the Commission Staff
11 that we ought to introduce; this would be Nick
12 Bartsch who's here representing the Public
13 Adviser's Office.

14 And for you members of the public, I'd
15 indicate that the Governor gets to assign the
16 Public Adviser, who's an attorney. And the Public
17 Adviser's fundamental job is public outreach to
18 provide notification of the project, as well as
19 assistance in guiding public participation in this
20 proceeding. So if you have any questions about
21 how to proceed with your participation from this
22 point forward, Nick is the guy to talk to; and he
23 can provide you all the information that you need
24 in order to get yourself into the process at a
25 level that is what you would like it to be.

1 There are various levels of
2 participation, and let me just indicate there are
3 several means by which you can receive
4 notification of what is going on in the case.

5 If you have access to the internet and
6 can provide us an email address, we will put you
7 on the electronic distribution list. And every
8 time there is a notice of a public meeting,
9 whether being conducted by the staff as a
10 workshop, or by the Committee, you will receive
11 notification of that.

12 If you don't have that internet
13 connection you can sign up for a postal mail
14 notification; and you will receive the same
15 notice, except it'll be by mail.

16 If you desire a further level of
17 participation, there's the potential to intervene
18 in the proceeding, at which point you're going to
19 receive all the documentation that is in the case,
20 as well as an opportunity, if you choose to avail
21 yourself of it, to present evidence in the
22 hearings that will be conducted later by this
23 Committee in about six or seven months. And that
24 evidence will lead to a final decision by the full
25 Commission.

1 And I should indicate that our process
2 is quasi-adjudicatory, which in technical terms
3 means it's semi-legal. And we do have legal
4 requirements in terms of what we are required to
5 do, both in terms of process and the contents of a
6 decision.

7 We will be going through this extensive
8 period where the staff will review the application
9 document that was filed by Starwood. And the
10 staff, as I indicated earlier, will be conducting
11 public workshops; and they will go a technical
12 analysis of each of the environmental and
13 engineering areas. And then produce their own
14 document.

15 And then the applicant and the staff and
16 any other participant who has become a party at
17 that point can come to the Committee and give us
18 your views on the adequacy of the analysis and
19 whether or not the facility should be licensed.
20 And if so, under what conditions.

21 So, that's all out there in the future;
22 but if you would like to receive notification
23 there's a sign-up sheet; or you can do it through
24 Mr. Bartsch. And we will make sure you get
25 notification of everything that's going to happen

1 here.

2 At this point I think that pretty much
3 describes the process in an overview. At this
4 point it would be appropriate for the applicant to
5 give you and us a more detailed description of its
6 project. And they have a set up for a PowerPoint
7 presentation.

8 (Pause.)

9 MR. WATKINS: I've already introduced
10 the Starwood team, and we do have a PowerPoint
11 presentation that I'll go through. We will try to
12 make it as brief as possible, because most of you,
13 I think, were at the site and we did talk about
14 most of this at the site. And we have food
15 waiting, so we don't want to stretch this out too
16 long.

17 I will speak of both Starwood and
18 CalPeak in this presentation. Perhaps I should
19 describe the relationship. CalPeak owns the
20 existing plant out at the site. And CalPeak, the
21 majority owner of CalPeak is Starwood. So there's
22 a very close relationship between Starwood and
23 CalPeak.

24 For those who didn't attend, the site
25 location is out near Interstate-5 on Panoche Road.

1 It is on land owned by Baker Farms. And it is
2 land that we have had under lease actually for
3 about five years. And we have stored equipment;
4 it is not land that has been in agricultural
5 production in the last few years.

6 This is an aerial view superimposed with
7 the site. This is Panoche Road running up here
8 with Interstate-5 being back this way about a mile
9 and a half, two miles from the site.

10 There is an existing PG&E substation at
11 the site that has been there for a number of
12 years. It's a high voltage 230 kV and 115 kV
13 substation.

14 There are also two existing plants; we
15 toured the existing CalPeak plant. There is
16 another existing plant that is Wellhead plant, but
17 that we have no relationship with at all. The
18 CalPeak plant has been there since about late
19 2001; and it's one of five identical plants that
20 CalPeak has in operation in California.

21 There is a -- the site for the new plant
22 is located right here. And we actually have the
23 equipment, some of the equipment, already stored
24 on that site.

25 There is another plant, the Panoche

1 Energy Facility by EIF that is a proposed new
2 plant that is also going through the Energy
3 Commission siting process, as well.

4 Might ask, you know, why is there so
5 much interest in power plants in this specific
6 location. For a peaking plant you need two
7 essential ingredients. One is a high-pressure gas
8 supply to provide fuel to the plant. And then
9 when you generate the electric energy, you need to
10 be able to get it into the electric system, so you
11 need a substation or transmission line. We have
12 both here.

13 The PG&E substation is the off-take of
14 the energy. There's also a high-pressure gas
15 transmission line that runs right down Panoche
16 Road that supplies the fuel supply to the plant.

17 This is an artist's rendering of the
18 plant. Actually there are two units for the
19 plant, one unit here, and another unit.

20 Let me describe for you basically the
21 design of the plant. These plants are very simple
22 in design, yet at the same time very sophisticated
23 in the technology and the particular emission
24 controls for the plant.

25 Each plant consists of two jet engines.

1 They are engines that you would find on an MD80
2 aircraft or a 737, a 727 type aircraft.
3 Manufactured by Pratt and Whitney, they are
4 engines that have been in operation for many many
5 years in both commercial and military aircraft.
6 Pratt and Whitney has produced over 15,000 of
7 these engines over the years.

8 There's two engines; one on this side
9 and one on this side, that drive a generator in
10 the middle. The white boxes that you see here is
11 really the inlet to the jet engine. The jet
12 engine is in an enclosure here.

13 The white boxes that you see are
14 actually the air inlet, and they are basically
15 swamp coolers. We call them bidders in the
16 industry, but they are basically swamp coolers
17 where you spray water to cool the air coming into
18 the engines. You can do that on an engine that
19 doesn't have to fly. And it makes the engines
20 more efficient and produce more power.

21 The exhaust from the engines comes out
22 these ducts. Goes into a big box here that you
23 see; that big box is the SCR, selective catalytic
24 reduction, unit. It's basically a big catalytic
25 converter that's similar to what you might see on

1 a car. Except, since it's not mobile, it's
2 stationary, we can do some things with it that you
3 couldn't do with a mobile source.

4 We actually are much more effective at
5 removing pollutants in the flue gases on a
6 stationary source because we can take an ammonia/
7 water solution that's 19 percent ammonia, 81
8 percent water, similar to a household cleaner that
9 you might find. We can inject that into the SCR
10 and that produces a chemical reaction that reduces
11 the emissions to I say almost zero. Not quite
12 zero, but, for example, the NOx emissions coming
13 out of the stack will be a maximum of 2.5 parts
14 per million.

15 The SCRs also have a CO catalyst; and
16 the use of it reduces the CO emissions
17 substantially.

18 The plants -- the transmission line.
19 This is the step-up transformer. They generate at
20 13.8-thousand volts. We step it up for this
21 transformer to 115 kV. That then goes across the
22 transmission line here, 115 kV line. It simply
23 goes right over to the existing CalPeak plant,
24 which is adjacent, and ties into the line coming
25 out of the CalPeak plant.

1 There is a -- we do use a little bit of
2 water, but very little water, actually, in the
3 evaporative coolers. We also inject a little bit
4 of water into the combustors for NOx control. And
5 we will have a reverse osmosis unit there to clean
6 up the water. And then the discharge from the
7 reverse osmosis unit will go into an evaporation
8 pond that we will provide there at the site.

9 Who is Starwood? Starwood is basically
10 an equity investment firm headquartered in
11 Connecticut. They invest in a number of different
12 types of projects. They acquired CalPeak Power
13 from United Technologies less than a year ago.

14 Interestingly, another acquisition that
15 they have made here in California, they bought
16 Mammoth Mountain. And they paid, I think, \$365
17 million for Mammoth Mountain. And so they invest
18 in properties and also in energy projects.
19 They're very interested in being a significant
20 energy supplier here in California. They have
21 existing since 1991. They have over \$16 billion
22 in transaction.

23 CalPeak, which Starwood acquired,
24 operates five plants in California; three in the
25 San Diego and two in the PG&E area, including the

1 one at Panoche. It's a very lean and efficient
2 operation. We have 14 employees; the plants are
3 designed to be operated unmanned. And we can
4 control them, start them up, shut them down, from
5 the CalPeak controller in San Diego.

6 We will have two people in the vicinity
7 here for the existing CalPeak plant and the new
8 plant. We also have another plant up in
9 Vacaville, and we have a CalPeak employee there
10 that we can interchange with the people.

11 I'm going to go through this very
12 quickly. It's a 120 megawatt plant that's being
13 proposed with the two units. In layman's terms
14 that can supply enough power for about 100,000
15 people. It does burn -- you know, I mentioned jet
16 engine, and when you say jet engine most people
17 think of jet fuel, but these engines, being land-
18 based, do not burn jet fuel; they burn natural
19 gas.

20 We have a power purchase agreement with
21 PG&E for 15 years to sell the power to PG&E.
22 Commercial operation is expected in May of '09.
23 It will be about a 12-months construction period.

24 As I said, these are simple designs, but
25 very sophisticated in their application of

1 technology. And are state-of-the-art
2 environmental controls. Very compatible with the
3 site and the surrounding area. And we use
4 CalPeak, with their experience, to manage the
5 operations.

6 I'm not even going to go through this.
7 It's just technical specifications on the engines.
8 I will mention one point. The Energy Commission
9 process does require that we fully mitigate any
10 emissions from the plant. We are doing that. We
11 are purchasing emission reduction credits for NOx,
12 SOx, PM10 and VOCs. In fact, I think, Rich, all
13 those credits have been purchased at this point?

14 MR. WEISS: Ninety-five percent of it
15 purchased.

16 MR. WATKINS: So essentially all the
17 credits have already been acquired for the
18 project.

19 Noise. When you think about jet engines
20 most people, the first thing that comes to mind is
21 how noisy are they. And actually, with the
22 evaporative coolers on the inlet, they are very
23 effective at noise abatement. And then with the
24 SCR on the exhaust, that is also very effective at
25 noise abatement. And we have plants that operate

1 very close to other commercial businesses without
2 any issues of noise.

3 Community benefits are the power plants
4 tend to be capital intensive and expensive. And
5 these plants are, as well. So it does make a
6 substantial contribution to the local tax base.

7 We will be using local suppliers and
8 contractors to the full extent that we can. We do
9 that with our existing CalPeak operation. Very
10 clean, reliable source of power.

11 One thing that I should mention. We
12 talk about peaking plants and sometimes we just
13 assume that people know what peaking plants mean.
14 And actually it means two things. You know, if we
15 look at where the power is coming from in this
16 community center today, we really can't say where
17 it's coming from. We can't say it's coming from
18 any specific plant.

19 You have a big network that all the
20 power plants tie into. So, some of this energy
21 could be coming from the nuclear plant in Diablo,
22 and some from a coal-fired plant in Montana, some
23 from wind machines or solar, although I don't know
24 about solar today.

25 And so you can't say where it's coming

1 from. Many of those plants -- and nuclear plants
2 require a lot of cooling water, so they typically
3 are located on the ocean or a large lake or a
4 large river. And the coal plants are typically
5 located where the coal supply is. And the wind
6 machines are located where the wind blows.

7 Peaking plants serve two functions.
8 One, they operate when the demand is max and
9 everybody's got their air conditioners on. But a
10 second function, they can be located a lot more
11 flexibly than other types of plants. And so you
12 take advantage of that. And you want them to be
13 what we call distributed locations where they can
14 serve as backup.

15 And here in the San Joaquin Valley, you
16 know, that's very important, because a lot of the
17 energy comes in through large transmission lines.
18 If one of those transmission lines goes out, a
19 primary function of these peaking plants is to
20 start up quickly and provide backup to that
21 transmission line. So it does contribute
22 significantly to improving the reliability in the
23 local area.

24 So, that's a -- you know, as we go
25 around and talk to various people in the

1 community, reliability of electric supply is a
2 significant issue here. So that's a significant
3 benefit to the local community.

4 And, of course, this community is, you
5 know, the primary economic activity is
6 agriculture. And I think everybody in here
7 welcomes some diversity in that economy. And this
8 will contribute to some economic diversity.

9 That's it. I don't know how you want to
10 handle the questions.

11 HEARING OFFICER SHEAN: Let's just see
12 if there are any. Anyone in the audience have a
13 question with respect to this?

14 Can you describe how you -- I think the
15 gentleman who's here from the local area was
16 interested in how it is that you handle either
17 local contracting or jobs for local folks.

18 MR. WATKINS: On this project we've
19 signed what we call an EPC contract, engineering,
20 procurement and construction. It's actually with
21 a subsidiary of Pratt and Whitney called Energy
22 Services, that has a lot of experience in building
23 these types of plants. But they'll just serve as
24 the general contractor. And they will sub out all
25 the work, you know, electrical, mechanical, civil,

1 landscaping, anything else that is involved. And
2 they will use local contractors to the extent
3 possible.

4 We will use union labor on the project,
5 and so we will have to be cognizant of that. But
6 we would use union -- I mean local suppliers to
7 the fullest extent we can.

8 HEARING OFFICER SHEAN: Okay. And I
9 guess let me just follow that up. We drove by the
10 federal prison facility that started construction;
11 and I think it's stalled construction. So how
12 would someone who's local and either has been in
13 the contracting business or some other something,
14 how would they either find out about opportunities
15 or will you come to the community to solicit them?

16 MR. WATKINS: If it's an individual, or
17 if it's a local contractor, let's say somebody's
18 got a local landscaping or paving contractor,
19 because we will do some paving onsite, they should
20 contact us. We will put them in contact with the
21 EPC contractor, which is Energy Services, Inc.
22 And they would, you know, -- they are building a
23 list of bidders that could bid on the jobs, and
24 they will be considered for the jobs.

25 HEARING OFFICER SHEAN: All right, thank

1 you. Why don't we go now to the Commission Staff
2 and get a brief description of the process that
3 the staff is going to employ to review the
4 project.

5 MR. McFARLIN: Good afternoon. My
6 name's Che McFarlin; I'm the Energy Commission's
7 Siting Project Manager, as I mentioned earlier.
8 And since Mr. Watkins has already gone through the
9 design of the facility I'll try to provide you
10 with some details regarding the siting process
11 that we'll be going through.

12 The purpose of the Energy Commission's
13 siting process is to insure a reliable supply of
14 electrical energy is maintained at a level
15 consistent with the need for such energy for
16 protection of public health and safety, for
17 promotion of the general welfare and for
18 environmental quality protection.

19 The Energy Commission has the sole
20 permitting authority in California over all
21 thermal power plants of 50 megawatts or greater.
22 This authority extends to all related facilities
23 that we sometimes refer to as linears, such as
24 transmission lines, water supply, pipelines, water
25 disposal facilities and access roads.

1 The Commission is the state lead agency
2 under the California Environmental Quality Act.
3 And as such, the staff will produce a number of
4 decisionmaking documents associated with this
5 project. Notably the preliminary staff assessment
6 and final staff assessment. And those are roughly
7 equivalent to what you commonly hear as the EIR
8 under CEQA.

9 It's a three-step process that we go
10 through. The first step that we recently
11 completed is determination of data adequacy. That
12 process was completed on January 3rd. During that
13 time staff reviewed the application for
14 certification to determine if it met the minimum
15 requirements for our technical review.

16 And as I mentioned, that process was
17 wrapped up on January 3rd when the Commission
18 accepted the application to the Executive Director
19 as complete. That begins the one-year review
20 cycle.

21 That also began the second step which
22 we're in right now, the discovery and analysis
23 phase. During this part of the process staff is
24 developing data requests to obtain further
25 information in order to more fully understand the

1 project and inform our analysis.

2 Staff also identifies issues that, as we
3 bring them up, that may inhibit completion of the
4 project or delay it to some degree. At this point
5 staff's identified two issues and has filed an
6 issue ID report, which is available as a handout
7 at the front.

8 We're currently in the process of
9 issuing the first round of data requests; we'll
10 have those out shortly. And then this will
11 culminate in staff's analysis, and of the two
12 environmental documents I mentioned earlier, the
13 preliminary and final staff assessments.

14 During this discovery and analysis phase
15 we'll stage a variety of workshops to solicit
16 input from the public and there will be additional
17 opportunities which we'll get into soon.

18 After that process is complete, we'll
19 enter the third phase which is evidentiary hearing
20 and decision phase. This means the Committee will
21 begin holding hearings and will accept formal
22 testimony from participants in the process,
23 including the public.

24 The Committee will then produce a
25 Presiding Member's Proposed Decision, which is a

1 recommendation on the proposed project. This
2 document will then be presented to the full
3 Commission for a final decision on licensing.

4 The first thing I'd like to mention
5 about the discovery and analysis process, is that
6 this graphic here represents the process that we
7 go through for developing those two documents, the
8 preliminary and final staff assessments.

9 During this phase staff is considering
10 input from the public, the applicant, other state
11 and federal agencies, and formal intervenors. And
12 if the public, somebody wants to become a formal
13 intervenor, they need to contact the Public
14 Adviser's Office and they will help you through
15 that process. And anyone can -- that would be
16 their point of contact, the Public Adviser will
17 help them navigate through our process as best
18 they can.

19 During the discovery and analysis phase,
20 staff examines the application for certification
21 that's been submitted and accepted as complete;
22 and determines if the proposal will comply with
23 all applicable laws, ordinances, regulations and
24 standards. Those are commonly referred to as LORS
25 throughout the process. If you hear that acronym

1 come up, that's what we're talking about.

2 In addition, staff will be conducting an
3 engineering and environmental analysis of the
4 project; identifying issues; evaluating
5 alternatives; and identifying measures that would
6 mitigate or reduce any potentially significant
7 impacts that have been identified, with the intent
8 of reducing those to a level of less than
9 significance.

10 Staff will also develop conditions of
11 certification that govern operation of the plant
12 throughout its life.

13 The alternatives analysis we'll be
14 conducting provides an evaluation analysis of the
15 environmental impacts; a reasonable range of
16 alternatives, including a no-project alternative
17 to compare against the impacts of the proposed
18 project.

19 An important component of this process
20 is facilitating public agency participation.
21 Staff will consider and respond to any written or
22 oral comments received during our discovery
23 analysis process.

24 As I described earlier two documents
25 that we'll be generating are the PSA and the FSA.

1 You want to pay attention to those, and I'll
2 discuss how you can be informed when those will be
3 available at a workshop to be conducted to discuss
4 the analysis contained in those documents.

5 Once we complete the final staff
6 assessment the Committee will then begin
7 conducting the evidentiary hearings and will
8 accept testimony. At the conclusion of that
9 testimony the Committee will issue a Presiding
10 Member's Proposed Decision, as I mentioned
11 earlier.

12 That decision contains all the findings
13 relevant to the project's environmental, public
14 health and engineering impacts, and the project is
15 in compliance with the LORS, the laws, ordinances,
16 regulations and standards I mentioned earlier.
17 And will recommend conditions of certification, a
18 recommendation of whether or not to move forward
19 and approve the project.

20 This Presiding Member's Proposed
21 Decision is used by the Commission to decide
22 whether or not to grant the license for the
23 project. If the project is approved and the
24 license is granted, then staff will work
25 throughout the life of the project to monitor, to

1 make sure that all the conditions of certification
2 are complied with. So, we cradle-to-grave with
3 these projects.

4 As I mentioned earlier, we tried to
5 solicit participation from the public and also
6 other agencies. And that's a very important part
7 of the process. At this point we've already
8 received formal comments from the Fresno County's
9 Planning Department and the Central Valley
10 Regional Water Quality Control Board.

11 And up on the slide it shows a few of
12 the other, a few ones that we'll be contacting
13 like the Air Resources Board, Fish and Game, Fish
14 and Wildlife Service, EPA, a host of others.

15 I think we've already kind of gone over
16 some of what we were going to discuss on this
17 slide, so might as well just -- be kind of
18 iterative.

19 And I mentioned earlier that the public
20 process and input is very important to us. And
21 throughout the Energy Commission's licensing and
22 siting process we'll be holding meetings and
23 workshops and making information concerning the
24 project available to anyone who requests it.

25 All of these meetings are noticed at

1 least ten days in advance. And in order to keep
2 you fully informed we maintain several mailing
3 lists such as a list of all the property owners
4 within 1000 feet of the site; a more general
5 mailing list that anyone could be on that wants to
6 receive notice of the project.

7 You can be placed on that list by
8 signing in and checking the box; and we'll make
9 sure you get on the mailing list. And if you want
10 email we'll make sure you get email notification,
11 as well.

12 There are also copies of the project's
13 application for certification available on the
14 Commission's internet site, which I'll get to
15 soon, and the address is provided on the slide.
16 And it's also available at a number of libraries
17 including the local one in Mendota.

18 There's some ways you can participate in
19 the process besides just merely reviewing those
20 application. You can provide oral comments at
21 meetings such as this, and if you would like to,
22 please -- Mr. Bartsch might have some cards you
23 can fill out so that he can organize the
24 commenters.

25 You could also request to become a

1 formal intervenor at which time if you want to go
2 through that process you should again contact the
3 Public Adviser's Office represented today here by
4 Mr. Bartsch.

5 You can also provide written comments on
6 the preliminary and final staff assessments, and
7 the staff will respond to those comments, as well.

8 Another way you can remain informed is
9 by signing up on our website for what we call
10 list-serve. And that's a fairly easy process.
11 You'll just want to -- this presentation is in a
12 handout, as well, so if you want to sign up for
13 the list-serve, just get that and it'll walk you
14 through it a little bit.

15 And if you have any other questions
16 we'll provide contacts at the end that you can
17 contact us individually.

18 We currently have a website up for the
19 project, and we try to get information up there as
20 quick as we can, and provide all the documents
21 that we've received and that we're issuing for
22 public review. It's pretty easy to navigate to
23 it; you just want to go to the Energy Commission's
24 website, again, as the address was given up there.
25 And you can navigate to it pretty easily. And if

1 you have a problem with it just contact us.

2 There's documents in a report section on
3 the website where you can view the application for
4 certification if you prefer to do that other than
5 going to the library.

6 And there's also additional information
7 I've mentioned. For instance, we've issued an
8 issue ID report which has a couple of the items on
9 it that I'll get into in a second. And so you
10 could review that. I also have copies of that
11 available right now or you can review that on the
12 website. And if you were on the list-serve you
13 would get an email notification, and then you
14 could then go to the project website and you could
15 read the information that we're looking at right
16 now.

17 The issues ID report that we've recently
18 issued provides information -- of potential issues
19 the staff has identified related to the project.
20 It also provides focus on important topics that
21 could potentially affect the project in staff's
22 analysis.

23 The criteria we use for determining
24 whether something is identified as an issue is if
25 it's significant impact that we're not quite sure

1 how mitigate for it, or it may be difficult to do
2 so. If the project may be in noncompliance with
3 some laws, ordinances, regulations and standards;
4 or if there's another conflict that could
5 potentially affect the schedule of the project.

6 At this point staff has identified two
7 issues, land use and transmission system
8 engineering, which I'll go into briefly now.

9 The land use issue is the fact that the
10 property is currently under a Williamson Act
11 contract, which is an agricultural preservation
12 program. And so in order for the project to move
13 forward, that part of the parcel on which the
14 project is located would -- that contract would
15 need to be canceled. And so the applicant has
16 initiated that process.

17 The other issue that's been identified
18 is under the heading of transmission systems
19 engineering. And the real issue there is that
20 there's some potential reconductoring which means
21 that there would be transmission lines or other
22 facilities that would need to be upgraded in order
23 to accommodate the load on the system this
24 facility would place.

25 And right now PG&E has issued one system

1 impact study which shows that it would be 11.4
2 miles of reconductoring. And at this time it's
3 our understanding that PG&E is revising that
4 report and when that report's made available we'll
5 have a better understanding of what the
6 reconductoring needs will be. And then we'll
7 start looking at the details of that and any
8 potential impacts associated with that part of the
9 project.

10 What I've just discussed has been used
11 to develop the proposed schedule which is listed
12 there. I know it's kind of hard to read, such
13 small print. But, again, the handouts are
14 probably a better place to reference that at.

15 So this is our proposed schedule right
16 now. And meeting this schedule depends on a lot
17 of factors such as timely response to staff's data
18 requests and resolution of the issues that are
19 raised. Staff's analysis is dependent on inputs
20 from the agencies that I talked about earlier; one
21 of which is the Regional Air District and their
22 determination of compliance. It's another key
23 component that could affect the schedule.

24 As I mentioned earlier, the cancellation
25 of the Williamson Act contract is also something

1 that could potentially affect the schedule. And
2 there may be other factors that have not yet been
3 identified since we're so early in the process at
4 this point.

5 At this time we've targeted June 30th of
6 this year for release of the preliminary staff
7 assessment. And a workshop will be held at some
8 point in July to discuss that document and solicit
9 public input. And this will be just yet another
10 opportunity for you to participate. And encourage
11 you to consult the schedule just so you kind of be
12 aware of when these things are going to come up
13 and so you can plan ahead accordingly.

14 Based on the comments received in the
15 workshop on the preliminary staff assessment,
16 we'll then start preparing the final staff
17 assessment. And we anticipate publishing that in
18 September.

19 After completion of the final staff
20 assessment we'll then rely on the Committee and
21 the full Commission to schedule those remaining
22 items which are listed as to be determined on the
23 schedule.

24 And then the last thing I provided is
25 the major contacts for the project. For Garret

1 Shean, the Hearing Officer; for myself and for the
2 Commission's Public Adviser's Office who's
3 represented here today by Mr. Nick Bartsch.

4 And so if you need additional
5 information regarding the project, the Public
6 Adviser's Office is a good place to start.

7 If you have more specific questions
8 about aspects of the project then I would probably
9 be the proper contact. But any one of us can
10 point you in the right direction.

11 And that's all I've got for you today.
12 If you have any questions, I'd be happy to --

13 HEARING OFFICER SHEAN: All right, thank
14 you, Mr. McFarlin.

15 At this point we're pretty much prepared
16 to conclude our meeting. We're here, however, for
17 members of the public and your local governmental
18 officials. So if there are any questions or you
19 have any comments, we'd be happy to hear them.

20 All right, I don't see any, so we'll go
21 to our closing --

22 PRESIDING MEMBER BYRON: I have a
23 question. Mr. Bartsch, could you let us know, has
24 anyone from the public or potential intervenors
25 contacted you with regard to this project?

1 MR. BARTSCH: Commissioner, Nick
2 Bartsch, Public Adviser's Office. We have
3 received a couple of calls inquiring about the
4 site visit, wanting to go on the site visit. That
5 was it. We have received no other comment from
6 the general public about this project.

7 PRESIDING MEMBER BYRON: Okay. Thank
8 you. Mr. Shean.

9 HEARING OFFICER SHEAN: All right, thank
10 you, Commissioner. So with that being the case,
11 you know, we're certainly not trying to avoid
12 public participation here. And the Public
13 Adviser's Office will maintain its outreach
14 effort.

15 And we look forward to seeing you first
16 in the staff level, back here in the scorching
17 heat of the summer. And then the Committee will
18 be back sometime in early fall.

19 So -- pardon me? Yeah, we've scheduled
20 ours around the cooler times of the year. But,
21 anyway, if there's nothing further we'd like to
22 thank you for your participation.

23 We'd also like to thank the applicant
24 for providing some food snacks for us and
25 providing the hall, and the bus that took us to

1 the site visit.

2 And with that, we are adjourned. Thank
3 you.

4 (Whereupon, at 12:26 p.m., the public
5 informational hearing was adjourned.)

6 --o0o--

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

CERTIFICATE OF REPORTER

I, PETER PETTY, an Electronic Reporter, do hereby certify that I am a disinterested person herein; that I recorded the foregoing California Energy Commission Public Informational Hearing; that it was thereafter transcribed into typewriting.

I further certify that I am not of counsel or attorney for any of the parties to said hearing, nor in any way interested in outcome of said hearing.

IN WITNESS WHEREOF, I have hereunto set my hand this 11th day of February, 2007.