PREHEARING CONFERENCE AND EVIDENTIARY HEARING BEFORE THE

CALIFORNIA ENERGY RESOURCES CONSERVATION

AND DEVELOPMENT COMMISSION

DOCKET

09-AFC-10

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In the Matter of:

Application for Certification for the RICE SOLAR ENERGY POWER PLANT PROJECT) Docket No. 09-AFC-10

)

CALIFORNIA ENERGY COMMISSION

HEARING ROOM B

1516 NINTH STREET

SACRAMENTO, CALIFORNIA

FRIDAY, OCTOBER 29, 2010 9:02 A.M.

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1 <u>APPEARANCES</u>

ALSO PRESENT

Bill Werner, Western Area Power Administration

Jim Shipley, Blythe Area Chamber of Commerce

John Benoit, Riverside County Board of Supervisors and South Coast Air Quality Management District

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PROCEEDINGS

PRESIDING MEMBER WEISENMILLER: Welcome to the Rice evidentiary hearing. I'm Commission Weisenmiller. To my left is my advisor, Eileen Allen. To my right is the hearing officer, Kourtney Vaccaro. And the chair, Karen Douglas, and her advisor, Galen, will be here shortly.

Do you want to go around and introduce the parties?

HEARING OFFICER VACCARO: Sure. We'll go ahead and do introductions now of, I think, the applicant's representatives, staff's representatives; but before I do that, I'm going to take this a little bit out of turn and bring everybody's attention to the public advisor for the Energy Commission, which is Jennifer Jennings. She's holding her hand up.

I see a pretty full house in here, and it appears that most of you are affiliated with one of the parties; but if anyone is a member of the public who wishes to make a public comment during today's proceeding, you're certainly welcome to do so. We have a procedure where we ask that you fill out a blue card.

If you have any questions, need any information on how to do that, please see Jennifer Jennings, and she will assist you and give you further information about the

public comment period. That is going to happen at the end of today's proceeding with one possible exception, which I'll discuss once we get moving today. But as long as everybody's aware, that's the public advisor in the back.

And those of you on the telephone who might wish to make a public comment, while you won't be speaking to Ms. Jennings or filling out a blue card, we'll get all of your pertinent information at the end of the proceeding, and you, just like everybody else, can make a comment with respect to the project and today's proceeding.

So I think we'll go ahead and get introductions from the applicant.

MR. GALATI: Scott Galati, representing Rice Solar Energy, a wholly-owned subsidiary of Solar Reserve.

HEARING OFFICER VACCARO: I'm sorry, Mr. Galati, while you were speaking, and I did understand that you introduced yourself, and I apologize that we were talking over you.

I was just advised that yesterday there were some technical difficulties in this room during the proceedings, and we may well have that problem today with our microphones; we'll find out. So I think what I ask everyone to do is why don't you go ahead and turn off your microphone when you're done speaking.

Usually we can have about four on at a time in

here, but I don't want people to not be heard, I don't want to have to ask you to repeat yourself, and I certainly don't want to talk over you like I just did.

So if you wouldn't mind, please, go ahead and introducing the rest of the applicant's representatives.

MR. GALATI: Thank you.

Scott Galati, representing Rice Solar Energy, which is a wholly-owned subsidiary of Solar Reserve.

MR. BENOIT: Good morning. I'm Jeff Benoit, I'm the project director for the Rice Solar Energy Project.

MS. GRENIER: Andrea Grenier, permitting consultant to Solar Reserve.

MR. DAVY: I'm Doug Davy, I'm the AFC project matter and a consultant to Solar Reserve.

MR. GLADDEN: Bob Gladden, with Galati Blek, also representing Solar Reserve.

MR. GALATI: We have several other members of the Solar Reserve management team and support team in the audience. I'm not going to introduce them now unless the Committee would like me to. During testimony, various members will be sworn in as testimony.

HEARING OFFICER VACCARO: Okay. I think we'll go with the latter suggestion, which is as they come up for testimony, you can do the introductions at that time.

Staff?

MS. DYER: Good morning. I'm Deborah Dyer, staff counsel for the Energy Commission.

MR. KESSLER: Good morning. I'm Jeff Kessler, project manager from staff.

HEARING OFFICER VACCARO: Okay. And I understand that you two have some individuals who are going to be giving testimony today, but we'll wait and get their introductions later.

MS. DYER: Yes.

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HEARING OFFICER VACCARO: Okay. I think we are all pretty clear though what we have here today are only two parties, we do not have any intervenors in this proceeding. We've got the applicant, we have staff. But we do have some federal agencies who also have an interest in this project.

And I understand we have Ms. Reilly on behalf of Western. Do we have anyone on behalf of the Bureau of Land Management either present or on the telephone?

It does not sound like it.

Mr. Kessler, you wanted to say something?

MR. KESSLER: I just wanted to mention that also representing Western here in person is Bill Werner this morning.

HEARING OFFICER VACCARO: Thank you. Welcome. Would you please spell your last name.

1 MR. WERNER: W-e-r-n-e-r.

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HEARING OFFICER VACCARO: Great, thank you.

I think we've completed the introductions, but I do want to be clear if there are any other individuals who joined us on the phone, if you represent a public entity of any sort, if you would please let us know that you are on the line, other than those who have already identified themselves.

Anyone else?

MR. BENOIT: Madam coordinator, John Benoit.

HEARING OFFICER VACCARO: Okay.

MR. SHIPLEY: Madam coordinator, this is

Jim Shipley in Blythe. I'm with the Blythe Area Chamber of Commerce.

HEARING OFFICER VACCARO: Thank you.

MR. BENOIT: And, madam coordinator, this is

John Benoit again. I'm sorry, but I wanted to point out
that I am also a member of the Riverside County board of
supervisors and the South Coast Air Quality Management

District, which the South Coast board is meeting at 9:30
on an emergency session, and I will have to leave at that
point. If there's any possibility I could make my
presentation before then.

HEARING OFFICER VACCARO: Okay. And thank you for letting us know that. And you are the one exception

that I was referring to a few moments ago when I stated that we would go ahead and take some public comment early on. So I just need to get through a few housekeeping issues, we'll go ahead and hear from you, and then I might have to finish up with my housekeeping issues. So if you could just be patient for a few moments longer.

MR. BENOIT: Certainly.

HEARING OFFICER VACCARO: So for some of you this procedure, I think, is a little old hat; you know what we do and why we do it. There are those of you who aren't clear on what today's proceedings are intended to accomplish.

This is a formal process. It's the prehearing conference and evidentiary hearing. The purpose of today's proceedings are to take in all of the evidence into the record that's going to be the basis of the Presiding Member's Proposed Decision. That decision can only be based on the evidence in the record. So today we'll be taking in all of the documentary evidence as well as oral evidence.

So this is a very formal procedure; although it seems like it might be a little bit informal, it's very important for the Presiding Member's Proposed Decision.

That decision is something that's issued by the two members of the Committee that later gets presented to the

full Commission for hearing and for possible adoption.

So we're moving very swiftly in this case. We're looking to get that before the Commission in its

December -- on a December business meeting, which means we really need to be efficient today, we need to be thorough.

And with that, that means that for all of this written testimony that's already been submitted, you can assume that the Committee is well aware of what you've already stated. We don't need you to restate what you've already told us. We need to understand what the issues are, and we need you to ensure that your direct testimony, your cross, and your rebuttal are focused on those issues.

We have a full day; and I think what we're going to do is you're not going to hear is lot from us, we're going to hear mostly from you. But I want to make sure that we're very clear; we don't need to be redundant and we don't need to repeat what's already been said.

I think with that I'm going to go ahead and take the public comment, because we do need to talk about the exhibit list and the topic witness list. Those have been distributed to the parties. You've seen them in advance of today's proceeding, you also have a copy before you. I have not made any changes since I've heard from the parties, so they are exactly what you've seen. I have a few additional copies if anyone else might want to look at

that as a guide when we get to those topics.

But what we're going to do is something a little different today, and in this one instance, because we do have an elected official on the line who is pressed for time, we're going to take public comment.

And it's my understanding, and, Mr. Galati, correct me if I'm wrong, that this public comment is really intended to go to the overrides issue that's been presented in this matter; is that correct?

MR. GALATI: That is correct.

HEARING OFFICER VACCARO: Okay. And we will be hearing the overrides topic early this morning. I didn't hear Mr. O'Brien on the telephone, but I suspect that he will be available by phone when we're ready to hear from him.

MR. KESSLER: Hearing Officer Vaccaro, if we have any idea what time we would like Mr. O'Brien to call in, I could convey that to him.

HEARING OFFICER VACCARO: Well, I can't give you that with precision, but I believe I did indicate that would be one of the first orders of business today; so once we get there, if you need to call him and get him on the phone line, you can certainly do that.

I think with that, why don't we go ahead and hear from our one public commenter at this point, the county

supervisor, and hear what you have to say.

(Chair Douglas joins the hearing.)

MR. BENOIT: Thank you very much. And I appreciate the consideration to allow me to speak now.

I am John Benoit, Riverside County Supervisor. I represent the Fourth District, which is roughly 4800 square miles from Palm Springs to Blythe and includes the site of this proposed project.

You should have at the meeting a letter I drafted and forwarded in support of the project yesterday and another from our board chairman, Marion Ashley, who is also very supportive and understands that I will speak for both of us today as I make these comments.

Here in Riverside County we're working very hard to help be a partner in the governor and the state's goal of reaching a 33 percent renewable energy status. And to that end, I have studied and carefully considered the Rice Solar Project. And while all projects will have impacts, I believe the project before you today, that the level of impact from this project is acceptable.

I recently was made aware of concerns read into the record and forwarded by Mr. Terry O'Brien, deputy director of the siting transmission and environmental protection division. I appreciate the fact that he agreed to and did meet with me earlier this week, and we had a

chance to talk face to face about his concerns. And frankly, I agree with most of his concerns.

Mr. O'Brien has three primary concerns. One is the visual impact. This isn't a unique style of plant. It's not dissimilar from the one that was passed and ground broken yesterday near -- on the road to Las Vegas. That plant will have three large towers; this one will have one.

But I think when we consider the visual impact, which is one of Mr. O'Brien's stated concerns, it is important to note that the location of this particular device is in -- plant is extremely remote in eastern Riverside County. That presents some challenges in transmission, but it also means that less than 2,000 vehicles a day will travel within about a mile and a half of this, as compared to the nearly 40,000 that will be traveling by the project that was -- ground was broken yesterday and will be much more visible to those 40,000 than this one is because of the type of terrain involved.

There's certainly an impact of any of these facilities. When you build them, people will see them, as they see all our windmills and other facilities. It is unfortunately a necessary part of our effort to become energy independent and reach our 30 percent goal.

While Mr. O'Brien considers the location to be a

concern because it is remote, once again, that is part of what has been advised by the Desert Renewable Conservation Plan, which repeatedly emphasizes the need, to the degree possible, to site all renewable energy developments on previously-disturbed land. This project meets that criteria, primarily seated on the Rice Army Airfield from World War II.

The transmission challenges are there because we are trying to locate in this a facility -- in a location -- or this facility has been located in a location that is somewhat remote to avoid worse impacts that might result from this type of building in a closer environment.

With all this background, and I know that you've already read and heard a lot more, I would simply like to represent that myself and the chairman of the board in Riverside County strongly believes in this project, we would urge an override of these concerns; legitimate as they are, they apply to all solar projects, including this one.

I would invite the board as a whole or individual members to please come down and take a tour and join us and we in Riverside County would love to have the opportunity to personally show you the opportunities and the value that we think we can bring to the solar and

renewable energy world. I would invite the members to do that in January through March, not August, if at all possible.

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But with that, I would conclude my remarks and urge that the project be approved.

ASSOCIATE MEMBER DOUGLAS: Thank you, Supervisor Benoit. This is Karen Douglas, the Chair of the Energy Commission.

Good.

MR. BENOIT:

MR. BENOIT: Karen, hello. Thank you.

ASSOCIATE MEMBER DOUGLAS: Hi, how are you?

ASSOCIATE MEMBER DOUGLAS: I wanted to say it's always helpful for us to hear from the county and particularly from the supervisors. I really appreciate you calling in and sharing your perspective and the county's perspective; and we would, I think, most certainly be interested in taking you up on your offer to meet with you and talk more about how Riverside County sees its future in solar development and what your priorities are.

MR. BENOIT: Let's do it soon and not in August.

ASSOCIATE MEMBER DOUGLAS: Absolutely not August.

Thank you.

MR. BENOIT: Okay, Karen, thanks. And thank you for allowing me to go in order so I could make my AQMD

meeting.

ASSOCIATE MEMBER DOUGLAS: Absolutely.

HEARING OFFICER VACCARO: Okay. We will go ahead, and we will be hearing more on the overrides issue, not as public comment; we will have sworn testimony from Terry O'Brien in -- probably within a half an hour, but we need to get through, as I said, some of the important housekeeping, because again, it's very important that everything that we intend to have in the record is actually in the record.

So with that, I'm going to summarize the Committee's understanding of where we are based on the prehearing conference in opening testimony that was submitted by the parties. So please correct me where I'm wrong because, again, it's important that I get this right.

So it's my understanding that all technical areas are ready for hearing today; that there are a number of areas that are not in dispute. And what we'll be doing is taking all of the testimony in on the documents.

I'm going to go ahead and identify what those topical areas are, and after I do that, let me know if I've missed anything.

I have project alternatives, air quality, facility design, geology and paleontology, hazardous

materials management, noise and vibration, power plant efficiency, power plant reliability, public health and safety, socioeconomics, soil and water resources, traffic and transportation, transmission line safety and nuisance, transmission system engineering, waste management, the general conditions, as well as biological resources.

Does that sound about right?

And I also have identified -- some of those we are going to hear testimony, but not because there's something that's in dispute, but just that oral testimony will be given.

Are those the areas on which the intention before hearing a few different things from the Committee that you are intending to submit and rely on the papers?

MR. GALATI: I believe so. Since there's so many, it's easier for me to keep track of the ones that we're not going to; but I think that you got all the ones that we're -- that clearly are submitted on the pleadings.

HEARING OFFICER VACCARO: Okay. Let me state this otherwise, staff, before you respond, Ms. Dyer.

How about this: Biological resources, cultural resources, land use, visual resources, and worker safety and fire protection require both the submission of evidentiary written evidence as well as oral testimony today; is that correct?

MS. DYER: Biology is submitted on the documents that staff submitted in their rebuttal testimony and declaration.

HEARING OFFICER VACCARO: Okay.

MS. DYER: And I believe that that suffices.

HEARING OFFICER VACCARO: So just four issues,

then.

MR. GALATI: Yes, that's correct. And what we wanted to say, and we can say it now or when we get to biology, is the applicant agrees with the conditions as identified in the rebuttal testimony filed by staff.

There's no formal document in the record yet with that, so you can use the following, the last statement as an offer of proof of the applicant that we agree with those.

HEARING OFFICER VACCARO: Okay. And that's your understanding as well, Ms. Dyer?

MS. DYER: Yes.

HEARING OFFICER VACCARO: Okay. So I think we're pretty clear then on what we're going to focus on today. There are a few caveats. We are going to hear from someone sponsoring the FDOC today on air quality; is that correct? So we will have some oral testimony, not that there's a dispute, it's just a matter of clarification and ensuring that that document is properly sponsored and brought into the record.

MS. DYER: Yes.

MR. GALATI: Ms. Vaccaro, I have one other -project description was submitted on the pleadings, but
since project description has the information necessary
for our evidence of supporting an override, if the
Committee has any questions about any of the items listed
in project description, I have the witness.

HEARING OFFICER VACCARO: Okay. Thank you.

You also have before you the exhibit list. And that exhibit list should identify every written document that both parties intend to have brought into the record in this proceeding. You've had an opportunity to look at it before today. I've talked with both of you briefly about this to ensure that it was complete.

Since we've discussed this, and since you've looked at this, are there any other changes that we need to make today to this document?

MR. GALATI: I have several letters that have been received over the last day or two that did not make it onto the exhibit list. And the Committee could accept those as public comment, or the Committee could have me identify them as exhibits and list them as exhibits. I'd prefer to identify them as exhibits. And I have copies for everyone here for them. And if the Committee would like that, I can identify them now, provide numbers for

them, and then my office can make a change to the exhibit list and e-mail it over during the proceedings.

HEARING OFFICER VACCARO: I think, you know, my first question is always has Ms. Dyer had the opportunity to see these letters, does she know what they are, because before they're brought in at this late time as an exhibit, there is somewhat of the element of surprise that we like to avoid.

So have you seen these documents at all? Do you know what they are?

MS. DYER: These were not documents that were submitted as part of applicant's rebuttal testimony?

MR. GALATI: No, they're not. These are letters of support from the supervisors and a Blythe City Resolution, all of which were sent directly to the Commission except one; so in going directly to the Commission and the Committee, I don't know if the Committee or Commission has docketed them yet. We're docketing them today. And so I have copies, and I can provide them to you, and you can determine whether they should be exhibits.

HEARING OFFICER VACCARO: Okay. So what I propose, why don't you at some point, probably at the lunchtime, if you can ensure that Ms. Dyer's had the opportunity to take a look, we'll revisit how these are

going to come in, whether they'll come into the record as an exhibit or public comment later.

MR. GALATI: That's the only modification to the exhibit list other than I wanted to clarify that we have two fire needs assessments identified as exhibits. And I wanted to at least take the opportunity to explain to the Committee why that is and which one you should be looking at, although you can read both if you like.

The Fire Needs Assessment, Exhibit 50, is the revised Fire Needs Assessment that we would like the Committee to use as its document when referring to the Fire Needs Assessment. Exhibit 43 was the original needs assessment. That was prepared, and then we had a workshop that was productive, and some issues came out of that workshop that were pointed out were not addressed in the needs assessment, which were then addressed in the revised Fire Needs Assessment.

So the real difference in the revised Fire Needs
Assessment other than some typos and things that were
cleaned up, is the addition of some information to address
issues that came out of that workshop, if that provides
that clarification.

HEARING OFFICER VACCARO: Okay. So the bottom line is you want them both entered into the record, but the operative and controlling document is Exhibit 50, the

revised Fire Needs Assessment.

MR. GALATI: That's correct. And our testimony, which was prepared on worker safety, refers to the revised Fire Needs Assessment.

HEARING OFFICER VACCARO: Okay. Thank you.

Ms. Dyer, I think you'll notice that I highlighted in yellow a document related to Exhibit 203, which was submitted by staff, and I just want to make sure so that the record is clear that what Exhibit 203 did was submit a complete cultural resources section. And that section is intended to supercede what was initially presented in Exhibit 200; is that correct, specifically on the topic of cultural resources?

MS. DYER: And that's correct. We did not want to submit changes and pull those changes out of the section because they were throughout the section; so we thought it would be cleaner just to submit a whole new section. So it does supersede that that was published in the staff assessment and Draft EIS.

HEARING OFFICER VACCARO: Okay. And that's the controlling document when we are preparing the PMPD section relating to cultural resources.

MS. DYER: At this point, yes. Staff and applicant may have some additional information that they wish to submit after we discuss cultural resources.

1 HEARING OFFICER VACCARO: Okay.

MS. DYER: We'll go from there.

HEARING OFFICER VACCARO: Okay. So I take it both parties have had an opportunity to see all of the documents that are identified on the exhibit list?

MS. DYER: Yes.

HEARING OFFICER VACCARO: Applicant?

MR. GALATI: Yes.

HEARING OFFICER VACCARO: Staff?

MS. DYER: Yes.

HEARING OFFICER VACCARO: Do you have any objections to any of the documents that are identified on the exhibit list?

Applicant?

MR. GALATI: No, they may all be received into evidence.

HEARING OFFICER VACCARO: Staff, do you have any problem or any objection with any of these documents?

MS. DYER: No, we have no objections.

HEARING OFFICER VACCARO: Okay. Then what I would propose, even though we're going to be hearing oral testimony in just a short while that's going to supplement some of this information and might, in fact, tease out where some of the information might need to be adjusted at least in the mind of the Committee as it's looking at the

evidence, I would propose that applicant make a motion at this point to bring in all of your evidence that's identified on the exhibit list.

MR. GALATI: We'd ask the Committee to submit into the evidentiary record Applicant's Exhibits 1 through 52.

HEARING OFFICER VACCARO: And again, as we mentioned, we will return to the issue of what to do with these additional letters.

Staff, do you have any objection to that?

MS. DYER: No objections.

HEARING OFFICER VACCARO: Okay. They're deemed admitted.

(Applicant's Exhibits 1 through 52 were admitted into evidence.)

HEARING OFFICER VACCARO: Staff, we'd entertain a similar motion. And if you're going to do it by number, please follow the numbers on the exhibit list.

MS. DYER: Absolutely.

Staff would like to move Exhibits 200 through 209 into evidence.

HEARING OFFICER VACCARO: Any objection, applicant?

MR. GALATI: No objection.

HEARING OFFICER VACCARO: Okay. Then at this

point everything before us is deemed admitted into the record.

(Staff's Exhibits 200 through 209 were admitted into evidence.)

HEARING OFFICER VACCARO: Okay. Before we move forward and really start the heart of this, which are the oral testimony, we have an issue that relates to timing. And I gave Ms. Dyer a heads-up just before the proceeding so she might get her calendar and actually confer with Mr. Kessler as well. And it has to do with the 30-day comment period that runs with the staff assessment and looking at all of the dates that we're trying to meet by the end of the year. It's very important that we understand when that comment period ends.

And this goes directly to the issue of testimony in the record, because as you know, staff has an obligation to respond to those comments. And that's usually done in the body of a supplemental or revised staff assessment.

And what we need to work out today is when exactly does that 30-day comment period run, and what was staff's intent in ensuring that the Committee has before it in preparing the PMPD any and all comments that staff might have with respect to agency and public comments received on any of the technical areas.

So I'll turn it over to you, Ms. Dyer, first; and then, Mr. Galati, if there's something that you'd like to say after that, we'll hear from you.

MS. DYER: Well, I believe that the staff assessment was posted on the web site on October 11th; and, Hearing Officer Vaccaro, you had mentioned that you thought there might be a discrepancy as to that date. So if there's a different date that we need to identify as our starting date for the 30 days for the public comment, then --

HEARING OFFICER VACCARO: Well, I think what I'm asking you is you tell me. What's the date that's the operative date based on your understanding of when it was published and made available to the public, when do the 30 days start to run, when does the clock start, and when does that clock end? And those are important dates for the Committee in meeting its goals in getting the PMPD published by a date certain.

MS. DYER: The staff assessment was published on October 11th. And that would make 30 days run on November 10th.

HEARING OFFICER VACCARO: So up through the close of business on November 10th, the public has the ability to make comments. And staff is going to be responding to those comments as appropriate.

So I guess my question for you is how is it that you will be submitting those comments into the record, or what was your thought on that so that we have a complete record and that gets woven into the PMPD?

MS. DYER: We would propose that the record remain open to receive those comments, and the responses, staff's responses to those comments up through -- November 10th is a Tuesday, I believe -- if we could leave the record open until that following Friday to respond to any comments that we receive.

And at this point we do not have any comments that we need to address, but hopefully we will be able to address them as they come in if they come in before the end of the comment period, we will submit our responses to you at that time, but would like some buffer at the end of that comment period in which to formulate our responses.

HEARING OFFICER VACCARO: Okay. Did you have any comment and response to that, Mr. Galati?

MR. GALATI: We don't have a problem with that, but I did want to at least state for the record I'm trying to find in the regulations where there's a requirement that the staff assessment be circulated for 30 days. It has been common that the staff assessment is circulated for 30 days, and I didn't want -- there were some issues that came in other cases that I wanted to make sure didn't

bleed over. I believe that there's been correlation between the CEQA analysis under a traditional EIR process and the Energy Commission process, and I wanted to make sure that we understand that.

We believe that the Presiding Member's Proposed Decision is also circulated for 30 days, and that the Presiding Member's Proposed Decision -- and at the business meeting, certainly the Commission has in past practices, and I think should, respond to comments from the public on the Presiding Member's Proposed Decision as well.

So I didn't want -- if being able to go to hearing in 14 days sort of precludes sometimes public comment being entered into the record, so I don't have a problem doing it, but I wouldn't want to set up a precedent where if -- that it would be impossible in the future to do hearings before the 30-day comment period ran.

HEARING OFFICER VACCARO: Okay. Understood. I think what the Committee was interested in was getting the positions of the parties on that. I think that we're all informed of now if there is an issue that does need to be addressed in some fashion, the Committee will address it and will advise you how it intends to proceed and what its expectations are with respect to the responses to the

comment and bringing those into the PMPD.

MR. GALATI: And I do not want in any way to signal to the Committee that I think we're going to get a waive of public comments. The project has enjoyed broad support, and we haven't had any intervention, and any of the issues that were raised early have been addressed. So it's just to not set a precedent.

HEARING OFFICER VACCARO: We hear you. I think on that note, we are going to go ahead and finish up the housekeeping. And this is a point where I'm not going to talk, I think I'm going to listen, because it's my understanding that there were some initial disputes, not major disputes, over some language on some of the conditions of certification; some of those issues have been resolved, and that there is language that both parties can agree to on a number of technical areas. I think for the purposes of a clean record, if you could identify for us where the agreement has been reached and what issues remain outstanding for the Committee to resolve in this proceeding.

So we'll go ahead. I think we'll start with the applicant; and then, Ms. Dyer, if you can let us know whether or not you concur and if you have a difference of opinion.

MR. GALATI: If I may have just a moment to get a

hard copy of a document.

HEARING OFFICER VACCARO: Is this part of your prehearing conference statement, Mr. Galati? I mean, do you have a document you're going to look at? So could you tell us what it is, because we've got a few up here that the Committee might want to look at as you're looking at yours.

MR. GALATI: You bet.

HEARING OFFICER VACCARO: Is it Table 1?

MR. GALATI: I will tell you as soon as I find

it.

HEARING OFFICER VACCARO: Okay.

MR. GALATI: I think for ease, I will use your working topic and witness list.

The only thing that has been changed since the filing of testimony has been that minor changes to biological resources have occurred both in staff's -- yeah, in staff's rebuttal testimony, which addressed the concerns and issues that we had. So Exhibit 209, which is the rebuttal testimony of Scott White, those changes to the conditions of certification in the revised staff assessment are acceptable to the applicant. So the changes proposed in our rebuttal -- our opening testimony, many of them were incorporated. So for the Committee's purpose, I think you should use the revised staff

1 assessment as modified by Exhibit 209.

HEARING OFFICER VACCARO: Ms. Dyer, do you agree with that on the topic of biological resources?

MS. DYER: Yes.

HEARING OFFICER VACCARO: Okay. And my wish is and hope is --

MS. DYER: Yes, I agree.

HEARING OFFICER VACCARO: And you will, one of the two of you will be preparing a clean version, non-marked-up version for the Committee to use to ensure at that we properly incorporate the correct language into the PMPD?

MS. DYER: Staff will.

HEARING OFFICER VACCARO: And then you'll make sure the applicant's taken a look just to ensure that there are no problems.

MS. DYER: Okay. Right.

MR. GALATI: I'll give an opportunity for staff to let us do that if they want. If they're busy, we have no problem putting that together, circulating to staff, and doing it as a joint stipulation; but if you guys want to do the work, that would be great.

HEARING OFFICER VACCARO: Well, I'll let you decide that between the two of you.

Is that the only topic on which there has been

some agreement reached since the initial submission of prehearing statements and opening testimony?

MR. GALATI: We had a productive workshop yesterday on cultural resources. We received a modification just before the hearing. I think we need a few minutes to be able to caucus, but we might have agreement on cultural resources, in which I could then point to you which are the exhibits; but we need some time for that. I don't know if the Committee would like us to take that time now, or after we take all the evidence we could take a break and then we could do that.

HEARING OFFICER VACCARO: I think their preference is to keep moving, and I think there will be time enough, whether it's at the lunch break or later in the day, for you to maybe have that conversation, but let's do that, I think, on your time instead of on hearing time. Okay. So we'll revisit that issue later.

Those of you on the telephone, this is Hearing Advisor Vaccaro, and I need to make a request that when you're not speaking, if you would please put us on mute, or put your phone to mute. That way we don't hear your background noise. We can pretty much hear everything that's happening behind you, even the rustling of papers. We do ask you though, do not put us on hold, because we will hear any sort of Muzak or anything else that that

might be projected through your phone system.

So again, please go ahead, put us on mute or put your headset or handset on mute unless you're speaking.

Thank you.

I think we've taken care of all the housekeeping issues, unless there's something from the applicant's perspective or staff's perspective that we missed. I think we're very clear on where we are, where the agreements are at this point, and where we need to go in terms of addressing the remaining technical issues.

MS. DYER: I did have a question and point of clarification on the revised traffic and transportation condition of certification. Staff submitted that in their opening testimony, and I was wondering if that was something that we had agreed upon from applicant's point of view.

MR. GALATI: We apologize for the record. We agree to those changes.

HEARING OFFICER VACCARO: So what is the operative document that we'll be looking to for the conditions of certification for traffic and transportation?

MS. DYER: Generally, Exhibit 200, the staff assessment with the modifications that were submitted in Exhibit 205 with specific changes to a condition.

HEARING OFFICER VACCARO: Okay. Do you agree with that, Mr. Galati?

MR. GALATI: That's correct.

HEARING OFFICER VACCARO: Okay. So I think we're done with housekeeping; I think we can move on.

I'd like us to start with the topic of overrides. I understand that staff's witness will be available by telephone. I trust that he has the call-in number and that we can have him on the line shortly. So I think we'll go off the record just for a moment while we wait for Mr. O'Brien to join us.

(Recess.)

MR. GALATI: Can I ask for accommodation from the Committee. We have several members of the public that are on that want to speak to the issue of override as well, some are elected officials. I don't know if they've called in yet. We have like chamber of commerce and others. If after we're done with the testimony on -- after we are done with the testimony on the subject of override, we would prefer if the Committee would allow that public comment to go so they don't have to wait till the end of the hearing.

HEARING OFFICER VACCARO: I think we'll take that under submission. Of course, you've noticed that the Committee had already been willing to allow elected and

appointed -- I'm getting a lot of feedback right now.

I think I'm okay now. That cell phone's off now. I think that might have been the cause of the interference, maybe not. Oh, I'm getting a little bit of feedback still.

I think, as you've already noticed, the

Committee's been willing to allow elected and appointed

officials to have a time in advance to accommodate their

schedules. I think the Committee will still consider

that. We do need to get a sense of who it is that's

wishing to make the public comment earlier than the public

comment period.

Is this better? Sounds much better. We've got a little more feedback still. Well, hopefully we'll get this technical difficulty worked out; otherwise, we'll just, unfortunately, hear everybody with an echo.

Where are we in terms of Mr. O'Brien calling in?
MR. O'BRIEN: I have called in.

HEARING OFFICER VACCARO: Excellent. You're stealthy. So good. We're on the record. We went off for a moment, we went back on, we're still on the record now.

So I understand, Mr. O'Brien, you will be giving testimony on staff's behalf. We can't see you, but I am going to need to have you sworn in, so if you would follow the honor system, raise your right hand, and I'll have the

1 court reporter swear you in. 2 MR. O'BRIEN: Okay. 3 Whereupon, 4 TERRENCE O'BRIEN 5 was called as a witness herein and, having been first duly 6 sworn, was examined and testified as follows: 7 THE COURT REPORTER: Please state your name for 8 the record and proceed. 9 MR. O'BRIEN: My name is Terrence O'Brien. 10 HEARING OFFICER VACCARO: Staff, your witness. 11 understand you wanted to have some direct testimony before 12 Mr. Galati engages in cross-examination? 13 MS. DYER: Yes, I do. Thank you. DIRECT EXAMINATION 14 15 MS. DYER: Good morning, Mr. O'Brien. This is 16 Deborah Dyer. 17 MR. O'BRIEN: Good morning. 18 MS. DYER: How are you? 19

MR. O'BRIEN: I'm fine, thank you.

MS. DYER: Good.

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I'm just going to ask you a few questions.

The first one would be did you prepare the statement regarding overriding considerations which has been identified as Exhibit 201 in this case?

MR. O'BRIEN: Yes, I did.

MS. DYER: Okay. Can you please summarize your statement regarding overriding considerations?

MR. O'BRIEN: Yes. In my statement I indicated that staff did not -- would not recommend an override for this project given the impacts associated with visual resources, and that the reason for that was the project location, given its remote location.

MS. DYER: And what was this recommendation based upon?

MR. O'BRIEN: The recommendation was based upon staff's views regarding development in California deserts that goes all the way back to the work that the staff was engaged in on the Renewable Energy Commission Initiative and which have continued into the work that we're doing on the Desert Renewable Energy Conservation Plan.

And going back to that, to the RETI work, when various locations were identified for potential development, the staff in November of 2008 indicated concerns with development in remote areas of California's desert, and that concern has continued based upon our work on the Desert Renewable Energy Conservation Plan.

The staff has taken the position that development whenever possible should be located in close proximity to load centers to existing transmission infrastructure; and the Western Mojave is a preferable place whenever possible

for development given the existence of private land, and also it happens to be a more disturbed environment.

MS. DYER: Okay. So you are aware of staff's conclusions regarding the significant and unmitigable environmental impacts of the project?

MR. O'BRIEN: Yes, I am.

MS. DYER: Okay. In making your recommendation, did you weigh the potential benefits of this project against those potentially-significant environmental impacts?

MR. O'BRIEN: Yes. Certainly this project does have some, you know, benefits. The fact that you would get an additional 150 megawatts of renewable energy is certainly a positive. The fact that the project has storage is a positive. So there are some -- you know, there are some benefits obviously associated with this project.

MS. DYER: And is there any benefit from this project that you believe would outweigh the environmental impacts of the project as identified in the staff's assessment?

MR. O'BRIEN: No, I mean, you know, that's why we took the position that not to recommend an override to the Commission. I mean, in the statement we talked about the concerns we have for hodgepodge development across the

desert going all the way back to RETI, staff has talked about the need to, whenever possible, cluster development. That's certainly the goal with the Desert Renewable Energy Conservation Plan, to identify areas for development in the desert in addition to areas to conserve. And, you know, staff has a concern that we could have sprawl, a development sprawl across the desert of California, and we want to see that development clustered in a limited number of areas.

MS. DYER: So hypothetically speaking, do you believe that this project might be better suited for a different location; not pinning down any location, just is there a -- are there other locations that would be better for this project?

MR. O'BRIEN: Yes. I think this project would be better located in an area that has more development, is less remote, and is located closer to other renewable energy projects.

MS. DYER: Okay. Now, as you know, there have been other projects before the Commission recently, including the Ivanpah project in which staff has recommended that the Commission override significant visual impacts and approve the project. Can you tell us how the Rice project is different from, particularly, the Ivanpah project in your opinion?

MR. O'BRIEN: Yes, I can. And I would say that these are obviously difficult decisions. We didn't make the decision on Ivanpah lightly; obviously there are going to be, you know, significant visual impact associated with that project.

But the differentiating factors were that Ivanpah is located next to a major interstate; you've got existing commercial development there; you know, the golf course, the major casino development at Primm; you've got an existing power plant, the El Dorado power plant, natural-gas fired facility located not too far; and you have some, you know, several major transmission lines running through that valley.

MS. DYER: And is there anything else that you think is important for the Committee and the Commission to consider in evaluating this project and its impacts?

MR. O'BRIEN: The only other comment I would make is that if this project approved, the question becomes, you know, where in the desert, you know, are you not going to be permitted to site a project? So it does raise that question.

MS. DYER: Okay. Thank you.

No further questions.

HEARING OFFICER VACCARO: Okay. Thank you.

Mr. Galati?

CROSS-EXAMINATION

2 MR. GALATI: Good morning, Mr. O'Brien.

MR. O'BRIEN: Good morning.

MR. GALATI: You do recognize that your recommendation is that the Committee deny the project, correct?

MR. O'BRIEN: Well, if the Committee were to follow, you know, staff's viewpoint as expressed in my statement, I think that would be true; but I will note that the staff did not make that recommendation to the Committee. You know, my wording was carefully chosen.

MR. GALATI: And I did. I was trying to understand that wording, because the Committee must make a finding of override if they find that there's a significant impact. And the staff has found there's a significant impact.

So I just wanted to clarify that if they don't make a finding and follow their recommendation, they would have no choice but to deny the project.

MR. O'BRIEN: Yes, I think that's true.

MR. GALATI: Okay. And you are aware that your staff did an alternative analysis, correct?

MR. O'BRIEN: Correct.

MR. GALATI: And they found throughout the alternative analysis that there was no place in the

alternative that they found that there wouldn't likely be significant visual impacts; is that correct?

MR. O'BRIEN: I believe that's true. The staff has taken the position, I believe on all of the projects, perhaps save one, that there is a significant visual impact associated with building a large industrial facility in a -- you know, in the California desert.

MR. GALATI: Okay. Sir, to clarify -- well, actually I'll wait and get to that. I think I've strayed into visual and I apologize, Mr. O'Brien. Let me stay with the attributes of the project.

So you said you did consider that the project has storage capability?

MR. O'BRIEN: Yes. And that's certainly a -- certainly a benefit.

MR. GALATI: And I'm just trying to get an idea from a weighing perspective, and so I'm going to ask you some clarifying questions on weighing.

How much weight did you give to the project having storage as a benefit?

MR. O'BRIEN: Well, if you're looking for a numerical answer to that question, I really can't give you one. I mean, you look at -- you look at a project in its totality and you look at the benefits, you look at the impacts, and you reach a conclusion going through kind of

a weighing factor.

And the -- you know, the process that I went through was that, you know, on the scales, if you will, the benefits, for example, associated with storage, which obviously, you know, is an important benefit, didn't outweigh the fact of the project's location.

MR. GALATI: Okay. Let's continue on storage. And I appreciate that.

Would you agree that currently in California this is the only project being proposed that has storage capability?

MR. O'BRIEN: In terms of the projects before the Energy Commission, I believe that's true.

MR. GALATI: Would you agree that the ability to have storage and generate more flexibly actually helps displace other power plants better than a project that did not have storage?

MR. O'BRIEN: I think to the extent you have storage and the facility can operate over a longer period of time is a benefit, particularly if over that longer period of time, and especially given evening hours, for example, past 6:00 p.m., would mean you would probably have to burn less natural gas. So that would be a benefit.

MR. GALATI: And, you know, in your experience

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    here at the Commission, would you say that the Rice Solar
    Energy Project has a -- I guess I'll give you three
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    concepts for you to choose from, a short, sort of moderate
    length, or a long transmission line being permitted?
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             MR. O'BRIEN: Well, I'm trying to remember now in
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    terms of the -- in terms of the length, which I seem to
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    recall is somewhere between -- around 20 miles.
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    have permitted projects that have longer lines than that.
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    But I would say that that is -- it's probably on the upper
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    end.
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             MR. GALATI:
                          I believe the transmission is about
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    10 miles. Would that change your answer?
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             MR. O'BRIEN: Yeah, I would say that would be
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   probably average.
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             MR. GALATI:
                         And you recognize that the project
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    is using dry cooling, correct?
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             MR. O'BRIEN: Yes.
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             MR. GALATI: And it does have a power purchase
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    agreement?
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             MR. O'BRIEN: Yes.
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             MR. GALATI: Okay. And you recognize that the
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   project's on private land that is previously disturbed,
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    correct?
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             MR. O'BRIEN: That's correct.
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             MR. GALATI: And would you agree that isn't that
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one of the reasons why the only outstanding impact that we're really talking about is related to visual?

MR. O'BRIEN: Yes. The fact that, you know, the project is on disturbed land obviously lowers its -- the potential for impacts to sensitive biological resources.

MR. GALATI: And are you aware that the project owns land surrounding it that has been conditionally approved by your staff as meeting most if not all of the biological mitigation requirements?

MR. O'BRIEN: Yes.

MR. GALATI: Are you aware of any other project at the Energy Commission that currently has in its possession its biological mitigation lands?

MR. O'BRIEN: Let me think about that for a second.

I believe most of the projects are still in the process of trying to secure their land, and the conditions of certification for those projects gives them 18 months to obtain those. The expectation, obviously, is that all of the projects that the Commission have licensed will meet that 18-month requirement and, therefore, will meet their mitigation requirement.

MR. GALATI: And are you aware that this project has no intervenors?

MR. O'BRIEN: Yes, I think I'm aware of that

fact.

MR. GALATI: And are you aware that, or can you point to another project that is currently in front of the Energy Commission that does not have any intervenors? I apologize, I'm going to qualify that to renewable energy projects.

MR. O'BRIEN: Let's see. I'm trying to -- I'm trying to think. I think -- it wouldn't surprise me if all of the other projects had intervenors.

MR. GALATI: Would you agree that the environmental community for at least the last year and a half has strongly favored the development on privately-owned land that's previously disturbed?

MR. O'BRIEN: I think that's a fair statement.

MR. GALATI: And when you weighed all of the factors we just talked about, you still thought that the visual impact was more significant than those benefits, correct?

MR. O'BRIEN: Correct.

MR. GALATI: Is it really the issue about this project, Mr. O'Brien, or is it about maintaining influence and comments on how the desert should be planned?

MR. O'BRIEN: Well, the two are interrelated.

MR. GALATI: On the other recommendations of findings of override for renewable energy projects, didn't

all of those recommendations include more than one significant impact, for example, in the area of cultural or bio or something other than just visual impacts?

MR. O'BRIEN: I believe on all the other projects there were multiple impacts, though I'm not -- I'm not 100 percent certain regarding the Beacon project.

MR. GALATI: Mr. O'Brien, thank you very much.

I don't have any more questions.

HEARING OFFICER VACCARO: Thank you.

Mr. O'Brien, I want to find out whether or not staff might want to redirect, and after that I'd like to know if the Committee might have a few questions for you, so if you could please stay on the line and wait to be excused, I'd appreciate that.

MR. O'BRIEN: Certainly.

HEARING OFFICER VACCARO: Ms. Dyer, do you have any redirect?

MS. DYER: I have one redirect question.

REDIRECT EXAMINATION

MS. DYER: Mr. O'Brien, even given all of the benefits that you and Mr. Galati just discussed, would that change your answer when you answered me earlier that there was no benefit from this project that you believed would outweigh the environmental impacts of the project?

MR. O'BRIEN: That's correct. I mean, everything

that Mr. Galati, you know, asked me was factored in to the overall decision-making process.

MS. DYER: Okay. Thank you.

No further questions.

HEARING OFFICER VACCARO: Do any members of the Committee have a question for Mr. O'Brien, or any advisors?

PRESIDING MEMBER WEISENMILLER: I do.

Terry, this is Bob Weisenmiller. As you're probably aware, in most of the discussion on the decisions we've had so far I've raised the job question. Do you have any information on the unemployment rate in this area?

MR. O'BRIEN: I believe, Commissioner, it's very high. The Blythe area has a very high unemployment rate, but I couldn't tell you what that is. But I know that's -- you know, that's an issue of concern for the county of Riverside.

PRESIDING MEMBER WEISENMILLER: Thank you.

MR. SHIPLEY: This is Jim Shipley; I'm the COO with the Blythe Area Chamber of Commerce.

I believe Riverside --

HEARING OFFICER VACCARO: Mr. Shipley, excuse me, this is Hearing Advisor Vaccaro. I am going to give you an opportunity to speak, but we still have Mr. O'Brien

under oath as the witness before us. So if you --

MR. SHIPLEY: I apologize.

HEARING OFFICER VACCARO: No problem.

MR. SHIPLEY: I was just going to insert some unemployment information. And I apologize for that,

ma'am.

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HEARING OFFICER VACCARO: Thank you. And just hold on for a few more moments.

MR. SHIPLEY: You bet, ma'am. Thank you.

10 HEARING OFFICER VACCARO: Okay. Anything further

11 from the Committee for Mr. O'Brien?

12 Oh, quite possibly.

PRESIDING MEMBER WEISENMILLER: So, Terry, one more question.

Are you aware of any other renewable or industrial-type facilities proposed within two to five miles of the proposed Rice project?

MR. O'BRIEN: The only thing that I'm aware of is that we have had conversations with Solar Reserve about another potential project I think located perhaps six, seven miles away towards the area of the Iron Mountain Solar PEIS area.

HEARING OFFICER VACCARO: Okay. I think there are no further questions for Mr. O'Brien.

So with that, I think I'd like to thank you for

being available by telephone and go ahead and excuse you.

MR. O'BRIEN: Thank you. And if you need me, John Kessler has my phone number.

HEARING OFFICER VACCARO: Okay. Thank you very much.

MR. O'BRIEN: You're welcome. Thank you.

HEARING OFFICER VACCARO: Now, it's my understanding that we have a few callers on the phone who are representatives in some form or another of the local jurisdictions within the county of Riverside. So we've already heard from Mr. Benoit. If we could -- I think, Mr. Shipley, you're on the line, and you represent the chamber of commerce; is that correct?

MR. SHIPLEY: Yes, ma'am, it is correct.

HEARING OFFICER VACCARO: Okay. Do I have any other elected or appointed officials on the line who would like to speak as a public comment specifically to the issue of overrides?

Okay. I think with that, Mr. Shipley, you have a few moments to give your public comment on this topic.

Again, for the record, it is a public comment. We aren't having you give sworn testimony, so if you would go ahead, spell your last name for the record, state your first and last, and you're welcome to make a brief and pointed public comment.

MR. SHIPLEY: Yes, thank you, ma'am, I will be brief.

First name is Jim, J-i-m, last name is Shipley, S-h-i-p-l-e-y. I'm the chief operating officer with the Blythe Area Chamber of Commerce. We represent 300 chamber members in Blythe and the Palo Verde Valley. And again, I apologize for interrupting.

Riverside County, on the previous unemployment question, Riverside County is in the 15 percent neighborhood; Blythe unemployment is closer to 20 percent.

And now to add to my public comment, I just wanted to mention that in the area of visual impact, I've lived in Blythe for 27 years, and I've heard no one in the community discuss visual impact for this project.

Continuing, I would just mention that this is going to be a tremendous benefit when it comes to jobs for Blythe and the Palo Verde Valley. You know, our motels, our restaurants, our gas stations, just like any businesses in California and across the country, are in dire need of an economic boost. This along with the other solar projects proposed and also the ones that are approved for the area are going to be great.

Blythe needs jobs just like anybody needs jobs, any city needs jobs. And we're looking forward to this project being approved, being completed. And not only the

construction jobs would be a tremendous benefit, but also the permanent jobs that would hopefully be considered for our local folks in the area.

And I think that's all I want to say, ma'am.

HEARING OFFICER VACCARO: Okay. Thank you.

MR. SHIPLEY: You're welcome, ma'am.

HEARING OFFICER VACCARO: I think with that we'll move on to one of our next topics.

Ms. Dyer, do you have the representative from the air district available on the phone at this time? I didn't hear any identification when I asked for callers; or is that something that you need to call and make available?

MS. DYER: Mr. Kessler is able to get him on the line, and he had said he would be available on our call.

HEARING OFFICER VACCARO: Okay. Well, then why don't we do that now, because I think that's going to be brief testimony, and I suspect the rest of this might take a little bit of time.

So we'll go off the record just for a moment to get that individual on the telephone.

(Recess.)

HEARING OFFICER VACCARO: Thank you.

MR. GALATI: I apologize, we really didn't. It was procedural, I wanted to just check because some of our

callers are calling in and out, and one of them is a senator, if we could just ask, so he may have just dropped off and then been asked to get back on the line. Could we just ask if the senator's available, or his office?

Okay. Thank you.

HEARING OFFICER VACCARO: I apologize, yes, we're back off the record.

(Recess.)

HEARING OFFICER VACCARO: We are awaiting Mr. Oktay's signing in to WebEx.

Are you on the telephone line yet, Mr. Oktay?

Okay. Not quite yet. Hopefully he'll be

connected in the next few seconds. Let's go off until.

(Recess.)

HEARING OFFICER VACCARO: Mr. Oktay, have you been able to join us?

Still not hearing from Mr. Oktay. Don't want to take up too much of everyone's time, but let's just give him a few more moments and see if he can connect on WebEx.

Mr. Oktay, are you with us?

Okay. I'm looking at the clock, it's 10:10, we'll give him till 10:11, otherwise, unfortunately, he's going to get moved to the end of the day because we do need to keep moving forward. We have quite a bit to cover.

MR. OKTAY: Okay. I just dialed in. Name is Sam Oktay with the Mojave Desert AQMD.

HEARING OFFICER VACCARO: Great, you got in just under the wire. Thank you very much. This is Kourtney Vaccaro, I'm the hearing advisor in this proceeding. I understand that you are going to be giving some testimony.

Before you do that, I need to ensure that you're sworn in. You're on the honor system, we can't see you, but please hold up your right hand, and the court reporter will now swear you in.

11 Whereupon,

SAMUEL J. OKTAY

was called as a witness herein and, having been first duly sworn, was examined and testified as follows:

THE REPORTER: Could you please state and spell your name for the record.

MR. OKTAY: My name is Samuel, J, as in John, Oktay. First name, S-a-m-u-e-l, middle initial J, last name Oktay, O-k-t-a-y.

HEARING OFFICER VACCARO: Mr. Oktay, I apologize, we did hear most of what you said, but I believe it's possible that we're also picking up a lot of the background noise where you are. If there's any way you might be able to shut a door or somehow silence those around you, we'd greatly appreciate it, because we hear

everything in the background. And if it's not yours, then someone else on the line, we're hearing all of your background noise, so please address that so that we can hear from Mr. Oktay.

So can you speak now, Mr. Oktay, and let's hear what's going on in your background.

MR. OKTAY: So again, the spelling of my name is first name Samuel, S-a-m-u-e-l, middle initial J, last name is Oktay, O-k-t-a-y.

HEARING OFFICER VACCARO: Great. Thank you.

And because there is so much feedback, let me ask the court reporter, do you need to do the swearing in again, or do you believe that we've accomplished that on the record?

Okay. Then, Mr. Oktay, I'm going to turn you over to Ms. Dyer to ask you some questions and have you sponsor a document into the record.

MR. OKTAY: Okay. Thank you.

DIRECT EXAMINATION

MS. DYER: Good morning, Mr. Oktay. This is Deborah Dyer with staff counsel at the Energy Commission.

MR. OKTAY: Good morning.

MS. DYER: Good morning.

Could you please state your position and affiliation?

MR. OKTAY: I am the lead air quality engineer at the Mojave Desert Air Quality Management District.

MS. DYER: Thank you. And did you prepare the determination of compliance which has been identified as staff's Exhibit 206 in this proceeding?

MR. OKTAY: I did.

MS. DYER: Could you please summarize very quickly what your responsibilities are with the district?

MR. OKTAY: Well, I review all sources of air pollutants as submitted by applicants for subsequent permitting action. I do permitting activities from -- anything from gas stations all the way up to and including power plants.

MS. DYER: Okay.

MR. OKTAY: That would require that we make sure that the equipment does meet the applicable state, federal, and local requirements upon permitting.

MS. DYER: Okay. Do you have any changes or corrections to the determination of compliance?

MR. OKTAY: I did, and I did e-mail those to you just about ten minutes ago.

I did find there is a discrep- -- let's see here.

I don't know if you have access to your e-mail at this time.

MS. DYER: I'm sorry, I can't pull up the

document at this time.

MR. OKTAY: Okay. Yeah, I did -- I do have a change -- okay, it's on page 31 of the document, it's condition 12 as it applies to the emergency fire water pumps, and those were preliminary permit numbers E010812 and E010813. And we need to remove redundant condition 12.

If you have the document front of you, you'll notice that 12 and 11 --

(Interruption in phone call.)

MR. OKTAY: There's somebody --

HEARING OFFICER VACCARO: Yes, we're hearing the background noise from one of the callers. If you could please ensure that you have hit the mute button so that we can't hear anything where you are, we would greatly appreciate it. We were unable to hear the witness speak because we heard someone else -- there's the voice again.

MR. OKTAY: There's somebody that's talking to somebody else on the phone.

HEARING OFFICER VACCARO: Is that in your workplace?

MR. OKTAY: No, that's not my --

HEARING OFFICER VACCARO: Okay. Well, what we're going to have to do, unfortunately, is let's have

Mr. Oktay speak louder, and I'll see if I can't go to the

podium and mute that person.

MR. OKTAY: All right. So again -- okay, again, it's page 31 of the --

MS. DYER: Mr. Oktay, why don't you just pause for a moment while we try to mute this person. I don't think anyone can really hear you right now.

MR. OKTAY: Okay.

HEARING OFFICER VACCARO: Okay. This is Hearing Advisor Vaccaro. I apologize for that disruption to the witness's testimony. Unfortunately, we were hearing a lot of background noise. And at this point I have muted a particular caller. I don't want to call you out by name, but I'll just use the last name of Mann, M-a-n-n, as the identified caller. And we'll go ahead and take you off mute in just one moment when we finish up this witness's testimony.

Thank you.

MR. OKTAY: Okay. So again, page 31 of the final, there is a redundant condition. It's condition 12 that's a duplicate of condition 11 just above it. It's in the first -- it's about -- it's the -- one, two, three -- fourth paragraph down from the top of the page. That condition is redundant to emergency fire water pumps E010812 and E010813. So I'd like to have condition 12 removed because it is redundant.

MS. DYER: So there would be no condition 12 in the document?

MR. OKTAY: Correct. Because it's identical to 11. It was just oversight.

MS. DYER: Okay.

MR. OKTAY: Okay. Then, let's see.

MS. DYER: I'm sorry, did you have more corrections or changes?

MR. OKTAY: There is one more correction. It is on page 38 under the "Public Comment" header. And it is stated that this preliminary decision determination will be released, da, da, da.

Well, it already went out, and it is a final at this point, so that paragraph needed to be updated. And I can read the updated language to you if you'd like. I've also sent the text to yourself in e-mail form.

MS. DYER: Yes, please do read the updated language on that.

MR. OKTAY: Okay. So that is under N, which is the public comment notification, subsection one, public comment, and it should read as follows:

"Previously the MDAQMD submitted its preliminary determination document, PDD, to the U.S. EPA Region 9, California Energy Commission, and the California Air Resources Board on or about June 10th, 2010.

"Additionally, the PDD was publicly noticed with a public comment deadline of July 19th, 2010. No public comments were received. Comments were received from the CEC and Rice Solar Energy LLC, and copies of those letters are attached to the end of this document as Attachments 1 and 2 respectively.

"The MDAQMD coordinated with the CEC and Rice Solar Energy LLC to effect compromised permit conditions and equipment description which have been incorporated into this final decision determination document.

"Final district authority to construct permit shall be prepared within approximately 15 days after the California Energy Commission has granted project approval.

"Any comments on this final decision determination document shall be forwarded to:" and the contact information remains the same.

MS. DYER: Okay. Thank you.

MR. OKTAY: You're welcome.

MS. DYER: So are the facts as you've amended them in the document, the determination of compliance, true and correct?

MR. OKTAY: Yes, they are.

MS. DYER: And do the opinions represent your best professional judgment?

MR. OKTAY: They do.

1 MS. DYER: No further questions.

HEARING OFFICER VACCARO: Okay. Thank you. I have a couple, but I want to go ahead and give Mr. Galati the opportunity to ask any questions if he might have any.

CROSS-EXAMINATION

MR. GALATI: Mr. Oktay, this is Scott Galati representing the applicant. Good morning.

MR. OKTAY: Good morning, sir, how are you?

MR. GALATI: Did I hear your testimony that you removed a condition?

MR. OKTAY: It was a redundant condition. The condition really still is there, it's just it was a duplication of an existing condition.

MR. GALATI: Okay. I wanted to wipe the tear from my eye; I was so happy. Thank you.

MR. OKTAY: You're welcome.

HEARING OFFICER VACCARO: Mr. Oktay, this is
Kourtney Vaccaro, the hearing advisor. I just want to be
sure that I'm understanding procedurally where we are. We
were having you sponsor Exhibit 206, which is the FDOC
that had been distributed and reviewed by everyone.

It's my understanding though that by way of an e-mail that you submitted to Deborah Dyer earlier today, there are two amendments to that FDOC, and you've made those clear to us today on the record. Will you be

issuing a fully-revised FDOC, or can we understand that you are sponsoring Exhibit 206 and the e-mail that we've all yet to see as your testimony and that those two documents together comprise the entire FDOC?

MR. OKTAY: Yes. I believe that with the addendum we can approve the final as submitted. So I wouldn't want to delay the project any further for a revision for what I consider fairly minor changes. But the final submitted along with the addendums I mentioned, which are identical to what I submitted in e-mail form, would -- that should suffice, I believe.

HEARING OFFICER VACCARO: And it is also your representation that although we don't have that e-mail before us, what you've stated orally is true and correct and accurately represents what is in the e-mail?

MR. OKTAY: That's correct, yes.

HEARING OFFICER VACCARO: Okay. Staff or applicant, do you have any objections or concerns with the amendment that has just been made by the district in this proceeding today?

MR. GALATI: No objection.

MS. DYER: No objections or concerns. I just want to make sure that that document with the amendments did get into the record. And I don't know how you would propose we go about that.

We will identify that e-mail as Exhibit 206A, and at this point we will consider that deemed admitted into the record with the caveat that if the document does not, in fact, match the language that was given orally today, that we will have to reconsider how to treat that particular exhibit. But at this point we have 206 and 206A as representing the FDOC, and those document are admitted.

(Staff's Exhibits 206 and 206A were admitted into evidence.)

HEARING OFFICER VACCARO: Okay. I think we have no further questions.

Anything from the Committee for Mr. Oktay?
Okay. Mr. Oktay, thank you very much.

MR. OKTAY: You're welcome. Have a good day.

HEARING OFFICER VACCARO: You, too.

MR. OKTAY: Bye-bye.

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HEARING OFFICER VACCARO: Okay. We are now going to unmute caller Mann.

And again, if you could please ensure that the background is muted, we would really appreciate that because we hear everything in this room.

MR. MANN: This is Carlos Mann. Can you hear me?
HEARING OFFICER VACCARO: Yes, I can.

MR. MANN: Okay. Actually, if you could just

leave me muted -- I'm on the WebEx, and so I can't figure
out how to mute it myself here.

what telephone you were using, so I did make an assumption that you might be calling from a phone that actually has a mute button on the handset. But if not, if you could do your very best to cover the speaking part of the telephone when you're not speaking if there are others present in the room or nearby.

MR. MANN: Okay. Yeah, I'm just on the computer here, on the WebEx system; so if it's okay, you can just leave me muted.

HEARING OFFICER VACCARO: Okay. That's fine.

And we'll check back with you a little bit later in the event that you might have a comment. Thank you.

MR. GALATI: Ms. Vaccaro, before we leave the area of air quality, I'd like to just, on behalf of the applicant, thank the Mojave Desert Air Quality Management District. They have been extremely responsive on the renewable projects and especially this one, and they did a superb job in working with us. And while Mr. Oktay was on the phone, I just wanted to make sure he understood that and the Committee is aware and it's in the record that we very much appreciate their hard work.

HEARING OFFICER VACCARO: Thank you.

I think now we're ready to move forward to our next topic. And if we use the witness topic list that's been distributed, the next in order, as I understand it, would be the topic of land use. It's my understanding that the applicant would like to present direct testimony, that the applicant would also like to cross-examine staff's witness, and that staff would like to be able to cross-examine the applicant's witness; is that correct?

MR. GALATI: That is correct, since there was cross-over between visual and land use, I'd like the Committee, if the staff didn't mind, to entertain taking them together.

HEARING OFFICER VACCARO: Does staff have any objection or concern with putting together I guess a combined panel of land use and visual witnesses?

MS. DYER: I -- I would prefer to take visual first and then follow with land use since land use, the testimony sort of follows the visual issues, if we could do that.

HEARING OFFICER VACCARO: I think -- I mean, from my perspective that's fine.

I think -- Mr. Galati, is there a compelling reason to combine, or is there a way -- I mean, if you want your whole panel sitting up there and those who are best able to answer a particular question being given the

opportunity to do so, I think that's certainly fair and reasonable. I am not sure why we can't then divide the topics up if we handle it that way.

MR. GALATI: That's fine. If we do visual first, the only thing I would ask is before we move to land use, let's not close the record on visual in case there is a cross-over question, I can bring my visual person, or at least have them -- they're still sworn, and they can answer it. Because my land use witnesses will not be able to answer any of the cross-over visual questions.

So I'm fine doing visual first. I don't think visual will cross into land use; but I do think that when we're doing land use, we might need to cross into visual.

HEARING OFFICER VACCARO: Okay. I understand that.

Do you have any problems with that, Ms. Dyer?

MS. DYER: No.

HEARING OFFICER VACCARO: Okay. Then I think that's what we'll do.

I suspect that you were considering a panel approach in presenting your witness testimony, Mr. Galati; is that correct?

MR. GALATI: That's correct.

24 HEARING OFFICER VACCARO: Okay. How many

25 | individuals do you have?

1 MR. GALATI: I have three.

HEARING OFFICER VACCARO: Okay. I believe that we can have them sit directly across from the Committee at the -- I guess that would be the foot of the table. They have to share a microphone, or perhaps we could bring another microphone over for their use. If you'd go ahead, please, and call your witnesses up.

MR. GALATI: Yes, at this time I'd like to call up Dr. Tom Priestley. I actually have Doug Davy down on here, but I think I do not need Doug Davy, I apologize. I only have two. And Mr. Diep.

12 | Whereupon,

THOMAS PRIESTLEY, CHARLES DIEP were called as witnesses herein and, having been first duly sworn, were examined and testified as follows:

THE REPORTER: Individually state and spell your names for the record.

MR. PRIESTLEY: My name is Thomas Priestley,
19 P-r-i-e-s-t-l-e-y.

MR. DIEP: And I'm Charles Diep, D-i-e-p, senior engineer for Solar Reserve.

HEARING OFFICER VACCARO: Okay. Thank you.

And this is a panel convened on the topic of visual resources.

Mr. Galati, if you'd like to do direct.

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DIRECT EXAMINATION

2 MR. GALATI: I'm going to go ahead and start with 3 Dr. Priestly.

4 Did you prepare opening testimony in visual resources Exhibit 48?

MR. PRIESTLEY: Yes, I did.

MR. GALATI: We're going to play this like a tennis game, okay? I'll give you the eyebrow.

9 Did you also prepare rebuttal testimony

Exhibit 52 in visual resources?

MR. PRIESTLEY: I did. 11

MR. GALATI: And, Mr. Diep, did you also help 12 13 prepare those, Exhibit 48 and Exhibit 52?

MR. PRIESTLEY: Yes.

15 MR. DIEP: Yes.

16 MR. GALATI: Did the court reporter get the

17 distinct answers?

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18 Thank you.

> Dr. Priestly, my understanding is with respect to visual resources, there are two issues. I'd actually like you to summarize both of them for the Committee very briefly.

> The first issue is our change requested to VIS 3 on pigmenting concrete for the tower. And then the second issue I'd like you to address is the reasons you disagree

with staff's conclusion on the significance of the visual impact.

And, Mr. Diep, if you wanted to chime in on the concrete, that would be great.

So go ahead, Dr. Priestly.

MR. PRIESTLEY: Okay. Let me first address the issue of tinting of the concrete of the solar tower. I recommend that this condition be removed. Appearance with coloring of very, very large structures would suggest that you're a lot better off leaving this tower the natural concrete color.

You probably have looked at the simulations that we submitted. We took two of the KOPs, and for each of those, we have set up a page where first there is a simulation of the tower with the natural concrete color, then with a sky tint, and then with an earth tone tint. And this allows you to kind of compare and contrast what you get with these treatments.

And I wasn't surprised to see that these simulations very strongly suggest that it's actually the natural concrete color that works the best, because the sky color -- whenever the structures are seen against the landscape background, the sky color increases the facility's contrast with that landscape backdrop. And in cases where there is an earth tone color, when the earth

tone is seen against the sky, the contrast and visibility of the structure is greatly increased.

MR. GALATI: Dr. Priestly, I wanted to interrupt you for a moment, because I have copies of those simulations that I'd like to pass out since you're speaking to them.

MS. DYER: Can I ask a point of clarification, please?

HEARING OFFICER VACCARO: Yes.

MS. DYER: Are you discussing VIS 3 or VIS 1?

MR. PRIESTLEY: VIS 1.

MS. DYER: Okay. Thank you.

HEARING OFFICER VACCARO: Let's please have the record reflect that Mr. Galati has passed handouts to the parties and to the witnesses.

Mr. Galati, before moving forward, please give us all an indication of what it is that's before us and whether or not these are the same simulations that were presented in materials submitted by the applicant prior to today's proceeding.

MR. GALATI: No, they are not. They are prepared as part of rebuttal testimony, and they're being handed out now for the first time. And I have used them for clarification purposes.

I was not intending to issue them as exhibits,

but they're similar to something that's demonstrative to help illustrate the witness's testimony. If you'd like, I can mark each of them as an exhibit and identify them.

HEARING OFFICER VACCARO: I think we may -- we should go ahead, let's for the purposes of identification at this point go ahead and mark this document. I think we're now at Applicant's Number 53. So we're going to go ahead and mark it for identification, allow staff the opportunity to take a look at it. We'll move forward with the testimony using it as demonstrative evidence.

At the close of testimony, we'll go through the process of you making your motion to admit and hearing whatever staff might have to say by way of objection, if there is any.

(Applicant's Exhibit 53 was marked for identification.)

MR. GALATI: You know, just to clarify,
Exhibit 53 now consists of two documents. There are two
KOPs where photographs were taken and simulations
performed. Each document has three photographs and visual
simulations on them. So I think we can refer to them as
Exhibit 53.

And I would instruct the witness that when you're speaking to those, when you're speaking to those documents, Dr. Priestly, please refer to which KOP, which

version, which one you're using. Okay?

So I apologize for interrupting your testimony on that, but I knew it would be better if there was a drawing or a figure. So would you continue, please.

HEARING OFFICER VACCARO: Actually, please don't.

I need to make sure of what I have in front of me, because you indicated two documents; I have one. So if this is comprised of two documents, I need the second, and we need to be clear on what this is comprised of if we are, in fact, going to move this into the record later.

Okay. Let me tell you what I have before me. I have a document that has KO 4 simulated tower colors. I think we can grab another one from someone.

Okay. Thank you.

And just to be clear for the purposes of the record, both of these documents are identified now as Applicant's Exhibit 53 for identification.

Please proceed.

MR. PRIESTLEY: Okay. Yeah, no, my apologies. I had just assumed everybody had already seen those.

So just to be very, very clear, what we have in front of us is Figures 1, Figures SI 10-1, and SII 10-2. The first one, SII 10-1 is views from KOP 1. And that's the same KOP used in the rest of the analysis.

So what we see here is a view looking east down

SR 62 in close proximity to the project site. A is a simulation of the solar tower built using untreated concrete. B is a simulation of the tower in which the concrete has been tinted a sky blue color. And C is a simulation of the tower treated using an earth tone color.

So similarly, figure SII 10-2 is the view from KOP-4, which is the view from SR 62 looking to the west. And similarly, the views indicate untreated concrete, blue-tinted concrete, and brown-tinted concrete.

MR. GALATI: Dr. Priestly, I'd like you to move into the second issue now, specifically on staff's finding of a significant impact that cannot be mitigated in visual. So could you please summarize for the Committee very briefly the main points of the basis for your disagreement in that ultimate conclusion?

MR. PRIESTLEY: Okay. Now, I'm assuming that all of you have seen my written rebuttal testimony?

HEARING OFFICER VACCARO: I think that's a fair assumption, yes.

MR. PRIESTLEY: Okay, good. Then I won't repeat everything that's in there, but here is the bottom line: This all boils down to assessment of the significance of the project's impacts under the four criteria established under the guidelines for interpretation of CEQA. And of those four criteria, I do, in fact, agree with one of

staff's conclusions, but I disagree with three of them.

I do agree with staff's conclusions that the project will not have a significant impact on scenic highways. That is criteria B. But I do disagree with staff's conclusions on the other criteria.

I disagree with staff's finding that the project would have a significant impact on a scenic vista. And I think one of the problems with the staff's assessment is a very faulty assumption. They interpret the California Desert Conservation Area Plan as suggesting that every single view in the California desert is a scenic vista; and this does not at all reflect a reading of that plan's intent or its specifics.

So that assumption is -- on which this finding is built is just absolutely incorrect. The reality, because this land is private land, in fact, the California Desert Conservation Area Plan which pertains to management of federal lands has no jurisdiction over this project site; and beyond that, the lands in the project's vicinity, in this plan, those plans that are federal lands have been designated for a moderate level of development, which, in fact, permits a whole array of development, including mining and energy facilities, all of which can be presumed to have some level, in fact, in some cases substantial level of visual impact.

And so that's -- that's one of the -- so that's the primary reason why this finding of impact on a scenic vista is incorrect. And beyond that, assessment of the scenic highway impact clearly states that the project will not have a significant impact on views from SR 62. So there would not be a finding of a significant impact related to scenic vistas from there.

And then the final point that kind of folds into the findings related to scenic vista, there is a presumption that the project would have significant impacts on views from the two nearby wilderness areas, the Rice Valley Wilderness Area and particularly the Turtle Mountain Wilderness Area. And there are several points to consider here.

The finding of a significant impact on views from the Turtle Mountain Wilderness Area can be challenged given the fact that there were two key observation points established in that area. And interestingly enough, the simulations, the quote, simulations, unquote, provided to substantiate the analysis of the impacts from those views were not based on photographs that an actual person had gone into this area to take. Because of the fact that this area is very inaccessible, these simulations were based on Google Earth terrain models. So it's very, very artificial.

And I have to say that as somebody who has done visual analysis for a very, very long time, I was -- I was rather taken aback by the use of these hypothetical viewpoints as the basis for evaluation of the visual impacts of a project, because, you know, in visual assessment we establish key observation points to use as the basis for our analyses.

And the assumption is that a key observation point is a view that is seen by some substantial numbers of people and is selected either because it's a worst-case view that people see or because it is a representative view that people see. But the idea of selecting a view that has no real viewers or a tiny number of viewers really is at variance with established professional practice for conducting visual impact assessments.

And it's very fair to say that even the visual analysis section of the staff report indicates that data from -- or information from the BLM has established that the number of viewers in the two wilderness areas is very, very low; and beyond that, it's not clear that there are any trails that would provide the few viewers who visit, say, the Turtle Mountain area to get to the viewpoints that were established to create this finding of a significant impact.

So in any case, you know, I challenge this

finding of a significant impact on a scenic vista.

I also challenge the finding impacts under criteria C, which is a substantial adverse degradation of the character and quality of the site and its surroundings.

It has not been established that the project site is an area of outstanding -- of outstanding beauty requiring protection. And again, I mention the California Desert Area Conservation Plan, which has set aside the lands immediately adjacent to the project, those lands that are federal lands to which this plan applies as lands in which a fair amount of development and with it visual change would be -- would be allowed.

So public policy already permits a substantial level of visual change in this area and has not set aside this area for preservation, and beyond that, the sensitivity of the views towards the project site are low given the fact that it has not been identified for preservation under public policy; and secondly, because of the relatively small numbers of viewers and the low sensitivity of the viewers.

The project is -- would be seen almost exclusively by travelers on SR 62. We know that there is something on the order of 2,200 vehicles a day on that road, and we do know that this road has not been developed

as, say, a tourist or a scenic route in that in this area in particular there are no places for -- that have been designed for people to pull over to take in panoramic views, to enjoy the scenery and so on.

So the case has not been established that this view -- the views in this area are so sensitive that the changes would amount to a substantial degradation of the scenic qualities in that area.

And then the final point, D, has to do with whether the project would create levels of light and glare that would substantially degrade people's experience of the area. And I do agree with staff that the nighttime lighting associated with the project would not create a significant impact; however, I do disagree with the staff that daytime levels of glare would create a substantial impact.

I think it's very important, first of all, to define, well, what is glare. If you look in the traffic section on the discussion of the light impacts of the project, they have a very nice and a very accurate definition of glare, which is glare is a light source that is so much greater than the surrounding lighting conditions that it either makes it difficult to see or it causes, you know, severe -- severe annoyance.

And in this case, again, if you look in the

transportation section analysis of the lighting issues, this analysis establishes at the point along Highway 62 where you would be closest to the solar tower, at that point the level of light seen from the solar collector at the top of the tower would have the luminance that would be equivalent to that of two ordinary 60-watt light bulbs. And this is -- something I want to point out is that this is the level of luminance that would be experienced right at that point that is closest to the tower.

A very important thing to understand about light is that light energy decreases very, very rapidly with the distance; you know, it's a factor, it decreases at a rate that's related to the square of the distance. So it drops off pretty quickly. And I would -- I would say that when you're at that point where you're closest to the solar tower, in fact, your view is going to be looking either straight east or straight west and not towards the solar tower. As you're further down the road and you would incorporate the solar tower in your cone of vision, you would be much, much further from the solar tower. So the degree of luminance that one would experience at that point would be less than at this very closest point that was documented in the transportation analysis.

So in any case to the extent that, in fact, one does see some glow at the top of the solar tower, it would

not constitute glare as defined -- as referred to in the CEQA guideline.

MR. GALATI: Dr. Priestly, did you review the testimony of Terry O'Brien?

MR. PRIESTLEY: Yes, I did.

MR. GALATI: And did you have any opinion about the statements related to how far you would be able to see the tower?

MR. PRIESTLEY: Yes, I did. His analogy that oh -- or statement that, oh, you could see this solar tower in an area that's as large as the state of Rhode Island really took me aback as a new Englander in particular. So my thought is well, what an overstatement this is. Because -- for a couple of reasons.

Well, if you take a look at that viewshed map, well, maybe if you're out at the far edges of the viewpoint, of the viewshed, maybe you could barely detect this project, but is it really going to substantially affect your view in any way? And in fact, one of the things I would say, here's a little cautionary tale:

Whenever you do a viewshed map, you should always put on concentric circles that show distance zones so that in looking at this map, you can begin to interpret, well, maybe this thing is visible, but just how visible is it going to be, because obviously the further you get away

from things, the smaller they are and the more they're absorbed into the overall landscape pattern.

So this figure -- this statement that this area -- that this project can be seen in an area big as the state of Rhode Island does not take distance into account at all. And in fact, if you look at your staff's testimony for visual, it indicates that the potential for a significant impact of this project extends only up to five miles.

So I think that one would need to revise

Mr. O'Brien's statement to at most refer to an area within

five miles of this project, which I think would be

probably an area somewhat smaller than that of the state

of Rhode Island.

MR. GALATI: I have no more further direct testimony.

HEARING OFFICER VACCARO: Okay. Thank you.

Ms. Dyer, did you wish to cross-examine either of the witnesses?

MS. DYER: Yes, I do have a question for Dr. Priestly.

CROSS-EXAMINATION

MS. DYER: You had stated in your discussion of CEQA criterion C which states, "Would the project substantially degrade the existing visual character or

quality of the site and its surroundings," you had mentioned something about outstanding beauty, that this is not a site of outstanding beauty. Is there anything in that criteria that requires the visual character to be of outstanding beauty?

MR. PRIESTLEY: If you look specifically at the language of that criterion, there is no mention; but I think in practice, when that criterion is applied, you know, typically we look -- and the Commission does this as well -- if you take a look at the Commission staff's methodology, you will see that one of the factors taken into consideration is the visual sensitivity of -- of the project site and its surroundings. And one of the criteria again that the Commission looks at is whether or not policies have been established that designate this area as an area of outstanding beauty or whether policies have been established to protect it in some way.

MS. DYER: I have no further questions.

HEARING OFFICER VACCARO: Okay. So now let's turn our attention back to what's been identified as Applicant's Exhibit 53.

I think you've had an opportunity at this point to review it, Ms. Dyer. Have you shown it at all to your witness on visual?

MS. DYER: Yes. And I would like our witness on

visual to address that.

HEARING OFFICER VACCARO: Okay. So we'll hold off doing anything further with this exhibit, I think, until after we've finished with all of the testimony on the topic of visual.

MS. DYER: Right. And I think what our witness is going to testify to, that what applicant has proposed as far as coloration of the tower is acceptable to us.

HEARING OFFICER VACCARO: Okay. Thank you. I think that would be helpful to hear that under sworn testimony first, and then we'll get to the housekeeping part of this exhibit.

MS. DYER: Okay.

HEARING OFFICER VACCARO: Okay. Thank you.

So if there are no further questions for these two witnesses, Mr. Galati, would you like -- we'll go ahead and excuse them, but it's possible that we're bringing them back when we discuss land use; is that correct?

MR. GALATI: That's correct.

HEARING OFFICER VACCARO: Okay. So I think at this point, thank you, gentlemen. You can be excused.

I think the -- we had this -- I mean, the way it was originally intended was that applicant was going to do direct, staff was going to do cross, but that the

1 applicant did want to cross-examine, I believe, staff's
2 witnesses regarding visual resources.

And there wasn't a reservation by staff to have direct testimony; is that correct, on visual?

5 MS. DYER: Staff does have direct testimony on 6 visual.

HEARING OFFICER VACCARO: Okay. Why don't you go ahead and call your witnesses.

9 MS. DYER: At this point we'd like to call

10 Mr. Bill Kanemoto.

11 Whereupon,

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12 WILLIAM KANEMOTO

was called as a witness herein and, having been first duly sworn, was examined and testified as follows:

THE REPORTER: Could you please state and spell your name for the record.

MR. KANEMOTO: William Kanemoto, spelled

K-a-n-e-m-o-t-o.

THE REPORTER: Thank you.

DIRECT EXAMINATION

MS. DYER: Mr. Kanemoto, did you prepare the staff's testimony on visual resources that's included in the staff assessment?

MR. KANEMOTO: Yes, I did.

MS. DYER: And could you please summarize for the

Committee briefly your testimony and your conclusions on that topic?

MR. KANEMOTO: Well, first of all, in terms of the visual setting that we were describing in which the project takes place, we evaluated the Rice Valley as having moderately high visual quality. It includes long, highly-distinctive panoramic views of the Rice Valley and dunes ringed on each side by mountain ranges, despite some existing manmade features such as the California aqueduct and ATSF Railroad. These features are generally subordinate within the viewshed and are located to the north away from the scenic views of the Rice Valley to the south.

Overall the impression of the viewshed, I would characterize of one of a highly intact, relatively undisturbed landscape. Evidence of Rice Field itself is subtle, often undetectable, and doesn't interfere with the scenic views of the Rice Valley and mountain ranges in the distance.

In terms of the impacts of the project, the project comprises a 1300-plus acre mirrored field, roughly two square miles, with a 538-foot tall central concrete tower, a hundred-foot solar receiver on top of that, and an overall right of 653 feet. The solar receiver, in addition, our understanding is it would be very bright.

The mirror field would be located very close to SR 62 at its nearest points and dominating the visual foreground of the highway for a distance of roughly four miles. Outside of that area, the mirror field itself would not be visible, but the solar tower would remain visible to great distances.

There seems to be some question as to the distance at which the project would be visible, but we consulted several illumination engineers for the purpose of determining that, and we were told by them that we would expect the solar receiver would represent a prominent and annoying visual nuisance to distances of at least ten miles or greater. A good part of our analysis is based on that fact.

So, yeah, the tower is 653 feet tall, in other words, 70 stories, and -- well, equivalent to a 60-story building.

Again, according to the viewshed mapping presented in figure 513-1 of the AFC and Figure 2 of the staff assessment, the project would be visible from portions of three wilderness areas, the Turtle Mountain, Rice Valley, and Palen McCoy Wilderness Areas.

On the basis of level of impact, particularly two viewers on State Route 62 within that four-mile length in which the project would be visible at either very close

foreground or near middle ground distances, we determined that it would have very strong visual effects. And from the point of view of the assessment methodology that we routinely apply to all energy projects, that constitutes a significant impact.

In general, staff has also been concerned over the great -- well, in this and other recent visual analyses of solar projects, over the potential for local and desert-wide cumulative impacts to the scenic valley desert area, particularly along large portions of the desert's major travel routes.

MS. DYER: Thank you, Mr. Kanemoto.

Did you have the opportunity to review applicant's rebuttal testimony that was submitted on October 27th?

MR. KANEMOTO: Yes, I did.

MS. DYER: Could you please respond to that testimony in the context of your understanding of the project and its impacts?

MR. KANEMOTO: Well, in essence, the applicant, as he just stated, takes issue with the conclusions that we came to under the individual topics of CEQA Appendix G, criteria A, C, and D.

Criterion A, of course, refers to scenic vistas.

And, you know, rather than respond to the specific

assertions and the discussion of scenic vistas, we would like to note that this criterion is often problematic because CEQA does not specifically define what a scenic vista is but, rather, I as an analyst for quite a long time have often taken the approach that scenic vistas as a category or by definition a subset of criterion C, that is the visual character and quality of the site and surroundings. And so, you know, in order to save time and simplify matters, I think it would be productive to focus on our findings under criterion C.

Under criterion C, the applicant disagreed that the project would degrade the existing character and quality of views from SR 62 and the Turtle Mountain Wilderness Area stating that they would produce small to moderate levels of visual change. With all due respect, staff finds this statement quite remarkable and strongly disagrees.

As described at length in the staff assessment, by almost any measure, the project would represent a highly-dominant intrusive presence of highly disparate and incompatible visual character and huge scale in the foregrounded views from SR 62 and the middle ground or near middle ground distances of the Turtle Mountain Wilderness Area.

Anyway, the project could hardly be more visually

dominant and would command the attention of viewers on SR 62 for miles with very strong levels of visual contrast and visual change. Under the methodology that we routinely are required to use to evaluate these projects, there is absolutely no way that we could not find a substantial impact in that situation.

For a distance of roughly four miles the project will largely obliterate southward panoramic views of the Rice Valley and its background mountain ranges. The area of visual impact would be greatly increased by the very tall, very bright solar receiver, which according to the staff illumination consultants I referred to a second ago, would be visible, highly visible and intrusive to distances of many miles, potentially over ten miles.

The applicant objected that the viewpoints within the affected wilderness areas would not be substantial in number or extent. This is undoubtedly true, and we agree with that; however, that fact does not necessarily imply that the number of viewers is insignificant. Use data were not available.

Finally, under the discussion of criterion D, referring to glare and bright lighting, the applicant makes a distinction between reflected glare and direct illumination, implying that direct illumination such as that that would be experienced from the solar receiver

does not constitute glare under CEQA.

Staff would simply observe that evaluation of sources of direct illumination such as lighting are routinely evaluated under criterion D. In any case, staff believes it is indisputable that the solar receiver will represent an extremely bright sort of illumination that will be highly prominent and intrusive to distance of several miles.

Again, relying very heavily on the testimony of two highly-qualified and very experienced illumination engineers, one of whom was the president of the Illumination Engineering Society of North America and the other who has been senior member of many of its committees. I don't purport to be an expert in glare or illumination. We've got all of our guidance on that subject from those two individuals.

MS. DYER: The applicant's witness, Dr. Priestly, suggested that some of our key observation points were hypothetical key observation points that maybe were not accessible. Can you address that, please?

MR. KANEMOTO: Well, as I just mentioned, you know, we don't dispute the fact that the number of viewers that would be expected within the wilderness area is bound to be small; however, Dr. Priestly implies that in his rebuttal testimony, his written rebuttal testimony, that

they're not -- the points within the wilderness area are not legitimate KOPs because they're only accessible by foot. That would imply that no KOPs could ever be found in any wilderness area, because all wilderness areas are by definition accessible only by foot. But we do know for a fact that many wilderness areas receive a lot -- I wouldn't say heavy, but substantial hiking traffic. Now whether this one does or not, we don't know for a fact, because there's no user data.

But those areas from which the viewpoints are taken are accessible for most hikers who are going for the purpose of cross-country hiking, they're taken from ridge lines that are not far from the level areas, not far from parking areas and are accessible as day hikes.

So I would have to disagree that they're completely unrealistic. It's true that they're virtual views, and it's a little bit unorthodox, but I don't think that they're Illegitimate. They were very carefully studied, and I believe that they are easily accessible viewpoints.

MS. DYER: Is it your understanding, think about the significance criteria under CEQA, you know, there's A, B, C, and D, if they're -- how many criteria do you need to find significant impact for it -- to make a conclusion that there is a significant visual impact?

MR. KANEMOTO: Well, an impact may be significant if any one of these criteria is not met. As I mentioned before, however, in general, staff's analysis particularly emphasizes criterion C, substantial degradation of visual character and quality of the site and surroundings, and in this case, also substantial adverse light or glare, criterion D. But any one of those is adequate to arrive at a significant impact finding.

MS. DYER: And one final question.

Based on your background and experience, do you believe that there are any mitigation measures that could reduce the impacts of this project to a level below significant?

MR. KANEMOTO: No. Staff is not aware of any available measures that would reduce the project impacts to less than significant levels.

MS. DYER: Thank you.

Now, my understanding is that we will discuss land use and LORS compliance at a later time, or is that something that we should invite Mr. Kanemoto to discuss right now?

HEARING OFFICER VACCARO: Yes, we are going to do land use separately; so if this is a witness you'd like to bring back again to discuss land use and local LORS compliance, you're certainly welcome to do that.

1 MS. DYER: I have no further questions.

2 Thank you.

HEARING OFFICER VACCARO: Mr. Galati, do you have cross?

MR. GALATI: Yes, I do.

CROSS-EXAMINATION

MR. GALATI: Mr. Kanemoto, thank you for your testimony.

If an applicant proposed the KOP and Google Earth visual simulations in their application for certification, would you consider that application data adequate?

MR. KANEMOTO: Well, I can't speak for the rest of the staff, but I personally would consider it with qualifications, technical qualifications.

MR. GALATI: So rather than requiring actual photos and visual simulations based on actual photos at a particular focal length and a particular size, in your opinion the Google Earth images that you created would be -- would satisfy the data adequacy regulations?

MR. KANEMOTO: Well, I think this approach, which we've acknowledged is highly unorthodox, would only be called for in instances like this, where, you know, it's difficult and under the circumstances it wasn't practical in our time frame to get to those viewpoints and do it in the conventional way.

I'll mention that considerable effort was made to ensure that the Google Earth views that you saw represented a normal camera lens, they were cropped to emulate a 40-degree angle of view, you know, typical of a normal camera lens.

The idea in this case was simply to show the visual magnitude of the object from those general distance zones and to give you a sense of how visible the extent of the mirror field were, and so on and so forth. I admit they're not ideal.

MR. GALATI: Wouldn't you agree they seriously overestimate the visual contrast?

MR. KANEMOTO: Not based on my understanding; and that understanding was based on an awful lot of conversation with the two illumination engineers that I mentioned to you before.

MR. GALATI: Individual simulations, you've taken the entire mirror field and colored it sort of a gray reflective area. You are aware, correct, that the mirrors are not all visible from that location, and, in fact, you've shown it as a circle where they are all visible as a reflected color, correct?

MR. KANEMOTO: That's correct. And they would be visible in that manner at certain times, under certain conditions they wouldn't. And I believe that we mentioned

this in the text and the discussion. And probably this was based also on aerial photographs of not identical, but very similar types of sole tower systems that actually exist, you know, Solacar and other projects like that.

MR. GALATI: With respect to the selection of those KOPs, would you agree that if a particular KOP is inaccessible, that it should not be used as a key observation point for visual analysis?

MR. KANEMOTO: I suppose I would agree with that, yes.

MR. GALATI: How many users would have to use a location for you to consider that it's appropriate KOP for analysis?

MR. KANEMOTO: Well, obviously today there's been a lot of emphasis on the number criterion as the measure of visual sensitivity, but I have to point out that, you know, no where does CEQA specify the number of viewers as one of the criteria for visual sensitivity or impact; and although all methods acknowledge viewer number as a key component of analysis, it is never the sole criterion for establishing viewer sensitivity, it's one important component.

MR. GALATI: Yeah, aren't we looking at -- I mean, by the very definition, aren't we looking at the sensitivity of a viewer? Obviously there has to be at

least one, correct?

MR. KANEMOTO: I'm sorry, can you repeat that?

MR. GALATI: All of the CEQA criteria talk about the impact on someone who views it, so there has to be at least one viewer, correct?

MR. KANEMOTO: Yes, I would say so, I would agree with that.

MR. GALATI: So it's theoretically possible for you to choose -- if you chose a KOP where there were no viewers, would you agree that that is not an appropriate KOP to base your analysis on?

MR. KANEMOTO: I would agree with that statement with qualifications. I mean, we refer to these sometimes as key representative viewpoints; in other words, you know, if that exact spot is not accessible, but it's representative, substantially representative of the view conditions of other locations of a similar nature in that vicinity at a similar distance and a similar viewing angle, I would say it's representative.

If we could establish -- and actually, this has come up on some recent cases, that there are not accessible viewpoints in the area of possible potential visibility, then I would agree with you that those are not appropriate or very particularly meaningful viewpoints, but I don't think that applies in this case. That's my

1 opinion.

MR. GALATI: Visual analysis is very subjective; would you agree?

MR. KANEMOTO: I would only partly agree with that. I mean, as a professional visual analyst, I have to believe that the process is designed specifically to narrow down areas of, you know, the areas of vagaries to the point where at least where they are subjective, that aspect can be explicitly identified. And I think certain things like the various components of viewer sensitivity, and more importantly, you know, the actual measure of visual impact, of visual contrast, visual dominance, visual magnitude, things like that, have a very objective aspect to them.

MR. GALATI: But wouldn't you agree the subjective part of the analysis isn't whether it's contrast of what the dominating view would be, it's actually whether anybody sees it, correct?

MR. KANEMOTO: That's correct.

MR. GALATI: I want to turn to a statement that you said is using the Energy Commission's methodology; there's no way you could find an insignificant impact for the Rice project, correct?

MR. KANEMOTO: Yes, that's correct.

MR. GALATI: Using that same methodology, do you

think there's any place in California the Rice project could be sited in which you could find no significant impact?

MR. KANEMOTO: I believe there probably could be, yes.

MR. GALATI: Can you help me understand what -how you would make that decision? Want to give the
Committee a view of where the Rice project should be sited
with no impact from your view?

MR. KANEMOTO: I think in a situation where the project was not located so close to the sensitive viewers, you know, the key sensitive viewers, which in this case, to my mind, are the motorists on SR 62, that distance makes a huge difference. Just in the way that Dr. Priestly referred to the way the light falls off as the square of the distance, visual magnitude and all that goes with it, contrast and dominance also falls off as a square of the distance. So distance makes a big difference.

The opportunity for screening or topography makes a big difference. And of course, screening would probably be a very, you know, important consideration in the case of this particular technology because of the fact that I think the larger problem that is being countered here is the fact that there's this tremendously tall structure,

the top, which the primary source of impact is occurring, the solar receiver. So that is an unusual circumstance.

MR. GALATI: What it appears to me you're describing is putting the solar project in -- even in a more remote location farther from roads and viewers than its current location.

MR. KANEMOTO: I would have to think about that further, sir. I'm -- you know, it has to do with the level of sensitivity being ascribed to those viewers.

MR. GALATI: I don't have any further questions.

Thank you.

MS. DYER: I have a couple of redirect questions, if that's all right.

REDIRECT EXAMINATION

MS. DYER: How many KOPs did you consider in your analysis?

MR. KANEMOTO: There were five KOPs; four that were presented in the AFC and then the two controversial ones using Google Earth.

MS. DYER: So four KOPs were used, were identified using traditional camera methods that you would normally use on a visual impacts analysis.

MR. KANEMOTO: Yes.

MS. DYER: And if I could clarify, have you clarify for my understanding your statement regarding the

visibility of the proposed project in the proposed site regarding the distance that that project could be seen from, could you explain just for me what you meant by that again?

When Mr. Galati asked you if there was any way -any place that you thought a power plant like this power
plant could be sited where the visual impacts would be
reduced, you said if you thought the power plant -- or
maybe I'm misstating, I would like you to state your
testimony to that question again, please.

HEARING OFFICER VACCARO: Before you do so, I just want to be clear that the record reflects that you asked your initial question, and the witness, although it was not captured on the microphone, asked for clarification, and you, therefore, restated the question.

And with that, I do have to ask if you could please ensure that the red light is on when you speak, because it's important that everything is captured on the record.

MR. KANEMOTO: Could you repeat the beginning of the question again? I'm sorry. I'm just trying to --

MS. DYER: Mr. Galati had asked if there was any place you thought that such a project could be located that it would reduce the impacts, the visual impacts. And you had said if the views were -- and please correct me --

if the views were not visible from such distances, that would reduce the impact of the project. Could you please explain that?

MR. KANEMOTO: Right. Well, it isn't simply an issue of visibility, it's also an issue of, as Mr. Galati has been saying, the nature of the receptors and the conditions under which they're viewing the project. So I -- I couldn't right now state what type of site would be ideal for siting this type of project. I think that would take a lot of thought, and it's a complicated question. But the two basic parameters are the sensitivity of the viewers that are going to be exposed, especially at a high level of brightness, and certainly visibility, distance, and so on.

MS. DYER: Thank you. I understand I put you on the spot with kind of a speculative question of that nature; but I have no further questions.

HEARING OFFICER VACCARO: Okay. Then can we address the issue of Exhibit 53 at this point?

I think you indicated that your witness had taken a look at these simulations and did not have any objection to that, but I'd rather have that on the record through your witness than through you. So, Ms. Dyer, if you could question your witness with respect to Exhibit 53.

MS. DYER: Absolutely.

I believe that the condition of certification in question was VIS 1, and the question was the color of the concrete that should be used in the tower, and applicant had suggested a non-colored concrete. Could you please explain your view on that?

MR. KANEMOTO: Yes. That was actually a new question and one that we spent some time trying to resolve.

I spoke with one of the staff illumination consultants, Dr. Greg Irvin, and discussed the issues at stake here. And based on that discussion, we are prepared to agree to the applicant's request to drop the requirement for coloring of the concrete tower. We believe instead that a minor change in wording indicating that the tower not be reflective or shiny would be adequate.

As Dr. Irvin observed, a light-colored concrete with its associated high LRV value would cause the tower to blend with the sky reasonably well as long as it's not shiny.

HEARING OFFICER VACCARO: Okay. Then so just to ensure that the Committee's understanding with respect to what's before us as Exhibit number 53, I'm hopeful that you have that before you or that someone will get that before you, what's identified on both sheets as the

untreated concrete, which I believe is what the applicant is suggesting they'd like to go with, you're now saying that it's staff's position that the untreated concrete is acceptable, but you would like to ensure that the language of the condition expressly states that the tower structure should not be reflective or shiny; is that correct?

MR. KANEMOTO: Yes, that's right.

HEARING OFFICER VACCARO: Okay. Applicant, is there anything at all you need to say about that? I think you should be satisfied, but let me let you get the last word on that.

MR. GALATI: Whenever this happens, I think can I put myself during compliance. We're rushing to get something approved, we now have a demonstration that natural concrete is not shiny. We have visual simulations, we know that natural, unpigmented concrete is not shiny, so why do we need the criteria? Can't we just make it really clear to the applicant, use unpigmented natural concrete; and that's not treated, that's not shiny, and we've shown proof of that.

So I just worry about whether or not we're going to have another meeting and a discussion during compliance about proving that the concrete is not shiny.

HEARING OFFICER VACCARO: I think your point is well taken, and I think what we've done at this point is

we've heard from staff and heard from applicant on the key issue, which is color-treated or not color-treated concrete, and on that point, my understanding is that the parties are in agreement. Whether or not additional language might be added is something to clarify or ensure that everyone understand the intent, I think that's the job of the Committee.

So I want to be sure that we are in agreement that there is no longer a problem with VIS 1 with respect to the color treating of the concrete; is that correct?

MR. GALATI: It is correct. For the issue, we would ask the Committee to use our Visual 1 in our opening testimony.

HEARING OFFICER VACCARO: Okay. I think I have a question. And I think I can just direct it to

Mr. Kanemoto, but if, in fact, it looks like we might need to ask Mr. Priestley, we'll do this.

And I think it was triggered though by your testimony, Mr. Kanemoto, and I -- I want to be clear that I'm understanding, so please don't think I'm signaling anything to you, this is really just a point of clarification.

You had indicated that the primary viewer that you're concerned with is the motorist; is that correct?

MR. KANEMOTO: From my point of view, that was

the focus of my concern, yes.

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HEARING OFFICER VACCARO: Okay. And that's true with respect to the heliostat field as well as the tower structure and the receiver on top of the tower structure; is that correct?

MR. KANEMOTO: Yeah, that's right.

HEARING OFFICER VACCARO: Okay. And you had indicated distances. I think with the heliostat field you said maybe from up to four miles away --

MR. KANEMOTO: Right.

HEARING OFFICER VACCARO: -- that would be of concern potentially for a motorist.

MR. KANEMOTO: Right.

HEARING OFFICER VACCARO: Okay. And with respect to the tower and receiver, I believe you said ten miles and maybe beyond; ten miles or greater I think was the language you used.

MR. KANEMOTO: Yes.

HEARING OFFICER VACCARO: Okay. I guess what I'm interested in is let's use the four-mile mark. And the heliostat field is what we're talking about right now.

How long is this going -- for what duration, for what period of time is this going to be of concern for a motorist?

MR. KANEMOTO: Well, depends on how fast they're

driving, but --

HEARING OFFICER VACCARO: Do you know what the posted speed limit is on State Route 62 on that segment?

MR. KANEMOTO: I frankly don't remember, but if one assumes that they're traveling at roughly a mile a minute, then it would be about four minutes.

HEARING OFFICER VACCARO: Okay. And same question, but now going where -- starting at about ten miles away, and we're looking at the receiver, you're telling me maybe about ten minutes that that would be of concern for a motorist, the receiver tower and the receiver structure?

MR. KANEMOTO: I think that's right, although as I think we've heard today, there's some dispute as to what the limit of significant impact from the glare would be. I was simply told that ten miles or more.

HEARING OFFICER VACCARO: Okay. Thank you. I think you've answered my question.

Are there any questions what the Committee might have?

Okay. So unless there's anything else for this witness, let's excuse Mr. Kanemoto, and let's go ahead then and have the applicant move in Exhibit 53.

MR. GALATI: I ask to receive into evidence Exhibit 53, both figures, KOP 1 and KOP 4.

HEARING OFFICER VACCARO: Okay. Ms. Dyer?

Excuse me, it's my understanding staff does not have an objection to Exhibit 53.

MS. DYER: That is correct; we have no objection.

HEARING OFFICER VACCARO: Okay. Then we'll deem
that admitted. And the copies that I have will be deemed
the copies for the record.

(Applicant's Exhibit number 53 was admitted into evidence.)

HEARING OFFICER VACCARO: Okay. So now I think we've finished with the topic of visual resources. I think we're going to next move into land use. But let me sort of go off the record for just one moment, briefly confer with the Committee, and then we'll go back on the record.

(Recess.)

HEARING OFFICER VACCARO: We're back on the record.

We went off, believe it or not, just to talk a little bit about the next topic and the appropriate place to break, because we understand that there is a rhythm that's developed as you're questioning and preparing for cross. We also understand that at some point people are going to need to eat. So the question that I have for both is do you anticipate the land use testimony, both

direct and cross, exceeding one hour; and if so, that's fine, we just need to know if you anticipate that it will be longer than an hour.

Mr. Galati, what do you think?

MR. GALATI: I think I have about five minutes of direct and about five minutes of cross-examination. I also think we could also handle, just to throw on the record, I think we have an agreement in cultural. And so I think we could do both of those before lunch, unless staff has more than a few minutes for land use.

HEARING OFFICER VACCARO: Okay. Ms. Dyer?

MS. DYER: I would say we maybe have ten minutes on land use, probably very little cross. And I would agree that we have come to an agreement on cultural, we want to put that on the record, but that would be fairly quick.

HEARING OFFICER VACCARO: Okay. I think that's good. Then why don't we go ahead and move forward with those two topics. At that point, natural place to break for lunch, and then we'll come back and finish up.

So I think we'll begin with the applicant's panel that may be comprised of both land use and visual witnesses, from what I understand; is that correct Mr. Galati?

MR. GALATI: Yeah. I think I'll call the visual

witness back up to the panel, he's already sworn, if there's a question that comes up that the land use people --

HEARING OFFICER VACCARO: Okay. Thank you.

And before we begin, I did send an e-mail to Mr. Galati and Ms. Dyer yesterday advising them that it's possible that the Committee will have a question or some questions relating to the Riverside County development impact fee requirement and the topic of property taxes. So please ensure whomever it is that you're calling up will be able to respond to any such questions.

MR. GALATI: I identified the witness that is most relevant and most knowledgeable about that in worker safety. He is here. I can have him answer the question now in land use or in worker safety, I would just need to swear him now.

HEARING OFFICER VACCARO: Why don't we go ahead and swear that individual in at this time, and if it's a different technical area, I don't think it matters because the substantive topic is what we're most interested in. Whereupon,

DEBBIE BUILDER, JOHN SNELL, BOB ANDERS were called as witnesses herein and, having been first duly sworn, were examined and testified as follows:

MS. BUILDER: Debbie Builder, B-u-i-l-d-e-r.

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             MR. SNELL: John Snell, J-o-h-n, S-n-e-l-l.
             MR. ANDERS: Bob Anders, A-n-d-e-r-s.
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                        DIRECT EXAMINATION
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             MR. GALATI: Probably to make this easier, I'm
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    going to ask a question to all of you, and then if you
6
    could each just answer one at a time.
7
             So the question to all of would be, did you
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    prepare opening testimony as part of Exhibit 48 in land
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    use?
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             MS. BUILDER: Yes.
             MR. SNELL: No.
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12
             I'd restate that to yes.
             MR. ANDERS: Yes.
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             MR. GALATI: And did you also prepare rebuttal
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    testimony of part of Exhibit 52 for land use?
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             MS. BUILDER: Yes.
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             MR. SNELL: Yes.
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             MR. ANDERS: Yes.
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             MR. GALATI: Ms. Builder, did you review the
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    staff assessment on land use?
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             MS. BUILDER: Yes, I did.
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             MR. GALATI: And did you agree with the
23
    conclusion that the project needs a finding of override
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    because it does not comply with land use LORS?
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             MS. BUILDER: I disagree with staff's conclusion.
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MR. GALATI: Can you briefly tell us -- the Committee has read the testimony that you wrote. Can you briefly summarize why you disagree?

MS. BUILDER: Yes. I believe that staff was incorrect with their findings of inconsistency on some of the policies as well as the conclusion that inconsistency with a policy renders a determination of finding of override for inconsistency with LORS. And that's primarily based upon the concurrence of the Riverside County Planning Department and their supporting letters that, in fact, the project is in conformance with the LORS.

MR. GALATI: I actually don't have any more questions on direct.

HEARING OFFICER VACCARO: Ms. Dyer, I'm assuming you want to cross-examine? Or perhaps you don't.

MS. DYER: I don't have any cross questions.
Thank you.

HEARING OFFICER VACCARO: Okay.

Actually, I think the Committee has just a few questions.

And I think we want to first of all understand two statements that were made in this staff assessment, understanding that you're not staff's witnesses but you've read the staff assessment.

In land use there is an indication that the project owner will be required to pay Riverside County development impact fees. Will the project owner be required to pay such fees?

MR. SNELL: The CEC has jurisdiction over the project. Right now the county expects to receive the fees; and if the project was under the direct jurisdiction of the county, it would receive the fees. It will be up to the Commission to require that. And then that would be done through the CBO, is my understanding.

HEARING OFFICER VACCARO: Okay. And I think that answer clarifies what my next question was going to be, because in the topical area of worker safety and fire, there is narrative stating that if the projects were required to pay that fee, that might address some of the concerns relating to fire impacts.

I don't want to talk about worker safety and fire right now, I was just trying to reconcile the two statements, one in the land use testimony, one in worker safety and fire. And, of course, I'll pose these same questions to staff.

So let's assume that the project owner is going to be required to pay these fees. What's the amount, and how is it calculated?

MR. SNELL: I'll start with the latter part of

that first.

matter with the county right now on the area that is most -- they considered to be the most heavily developed, and that would be the primary paved access road, the square footage of the footprint of buildings, and the square footage of the major foundations, for instance, the turbine or the cooling areas, those kind of things, and, of course, the footprint of the tower would be part of that. Right now that's calculated to be between 10 and 20 acres. The exact calculations will be done at the time the construction plans are done and reviewed with the county staff.

HEARING OFFICER VACCARO: And is the fee based per acre? So let's say this would probably be deemed, what, industrial use. That has a dollar figure associated with industrial use per square foot; is that correct?

MR. SNELL: Your assumption is correct. The way the ordinance is written, and county recognizes that this would be an industrial use, the ordinance is written though that certain zoning categories are put into the assessment of the fee regardless of what the actual land use is. And this zone is W-2 primarily. W-2 is in the category of a commercial use. So the fee is based on the commercial use in the desert area.

The fee is \$25,931 per acre. We're in a period now where that fee is cut in half for all development in the county to encourage development. I think that expires at the end of the year, if I'm not mistaken.

HEARING OFFICER VACCARO: Okay. So to be clear, it would be \$25,931 per acre without the 50 percent discount that the county is giving to stimulate development, and that would only apply to, based on the preliminary design, 10 to 20 acres.

So does that mean the heliostat field is completely excluded --

MR. SNELL: That's correct.

HEARING OFFICER VACCARO: -- from this?

And why is that?

MR. SNELL: That's not considered heavily impacted on the ground. And they equate this to mineral extraction areas, surface mines, and other industrial uses where they use that same methodology.

HEARING OFFICER VACCARO: Okay. Thank you.

And as to the issue of property taxes, again, AFC as well as the staff assessment make clear that this is going to be sited on private property. Is the project subject to a property tax requirement?

MR. SNELL: Yes, it is. And that's -- in the AFC it's identified as \$209,000 per year after development.

HEARING OFFICER VACCARO: Okay. Thank you.

Any questions of the --

PRESIDING MEMBER WEISENMILLER: Just a follow-up question on the county cutting things in half for projects this year.

As I understand this, this project is probably going to use the safe harbor approach, and so the question is whether that would comply with the county's requirements.

MR. SNELL: Anything that the project does that start up and trigger that funding won't affect the payment of these fees. These fees are due at the time that they've gone to commercial operation and after they're complete construction, which would be two, three, years in the future. So I expect that -- and I should have mentioned that -- I expect that qualification not to apply. And I hope we're in a better situation by the end.

MR. GALATI: Thank you.

HEARING OFFICER VACCARO: Okay. And I guess we now have some of this information in the record by way of your sworn testimony, we'll certainly hear from staff as well; but where within the evidence that's been submitted to date is the narrative that explains how the development impact fee would work, discount dollar figures, the discount by the county and the like? Is that anywhere in

the documentary evidence that's been submitted? I just don't recall seeing it.

MR. GALATI: I'll do my best to answer.

I believe that it starts in the AFC, I believe there was a data response that was required. And I'm not sure whether it is addressed in the fire needs assessment.

MR. SNELL: I don't think that whole story is in the record. We might want to think about entering the ordinance into the record. And that's clear in the ordinance how that works, the current state.

HEARING OFFICER VACCARO: And that's also something that the Committee could take official notice of as well without having to go through the process of putting it into the record, but thank you for clarifying.

Ms. Dyer?

MS. DYER: I believe our witness, Ms. Strattan, might have something to clarify the questions, if we could swear her in.

HEARING OFFICER VACCARO: We'll do that because -- we'll turn to her in just a few moments, as soon as I'm, I think, finished with this group.

MS. DYER: Okay.

HEARING OFFICER VACCARO: Thank you. I think, unless the Committee has any other questions for these three witnesses, I think you've answered all of our

1 questions. Thank you.

MR. GALATI: Can I ask one redirect based on the Committee's questions?

HEARING OFFICER VACCARO: Yes, go ahead.

REDIRECT EXAMINATION

MR. GALATI: I apologize Mr. Snell, I forgot to ask you to introduce yourself and your relationship with the county for your opinion.

MR. SNELL: I'm a practicing civil engineering, professional engineer in the State of California, and I'm also a planning commissioner for Riverside County, which I've held for almost 16 years, it's 15 years currently. I've worked with all the departments, and I've helped establish many of the policies the county has, the general plan, the zoning ordinance, a lot of the fee ordinances, and the practices and guidelines in the county.

MR. GALATI: Thank you.

HEARING OFFICER VACCARO: Thank you. We have no more for these witnesses.

So, Ms. Dyer, if you'd like to go ahead and have your witness sworn in, and I will pose, as I indicated, the same exact questions, which is why I gave everyone advance notice to be prepared to answer the questions.

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Whereupon,

SHAELYN STRATTAN

was called as a witness herein and, having been first duly sworn, was examined and testified as follows:

THE REPORTER: Please state and spell your name for the record.

 $\mbox{MS. STRATTAN:} \quad \mbox{Shaelyn Strattan, S-h-a-e-l-y-n,} \\ \mbox{S-t-r-a-t-t-a-n, as in Nancy.}$

HEARING OFFICER VACCARO: So as I mentioned to people at the beginning of this proceeding, you can assume that the Committee is aware of your testimony and has read all that you have to say, and really the specific questions for you are the same as just posed to the applicant's witnesses; but since you heard my question, we can probably cut through some of that.

What I'd really like to hear about is your understanding of the application of Riverside County's development impact fee to this project, notwithstanding the Commission's authority.

MS. STRATTAN: Notwithstanding the Commission's authority, Riverside County has enacted an ordinance, 659, plus amendments that required development impact fees that would go to supporting all of the county services within the county itself. It's an across-the-board determination on what areas it goes into, but it's primarily public

facilities in the area.

The understanding that we have, I spoke repeatedly with Mr. Ray Juarez -- he is the Riverside County Urban Regional Planner and is also the lead for the renewable energy projects in the area -- in a letter that we sent to in Juarez in April, April 28th of this year, followed up by e-mail request in March -- or prior to that in March, we asked specific information about the development impact fee.

On a return call to Mr. Juarez, which was docketed in May of -- May 11th of 2010, he indicated that the fees -- that the project site is in the desert center CVDIF area that -- the development management fee area would be based on commercial development at \$12,367 per acre based on the August 20th, 2009, fee schedule.

He indicated that those fees would be set at the time of licensing, that the acreage would include all power block facilities and all primary paths of travel leading to the production plant areas. That would include access roads, but did not include the solar heliostat roads or the heliostat fields. And they would require that the applicant or the project owner at that time provide an exhibit showing all applicable roads and facilities, including acreages. And that would be submitted to the county at the time that they determine

the exact amount of the fee that would be due.

In response to that, in the staff's analysis, there's a condition of certification, Land 6, which basically mirrors that information. It states that prior to the start of commercial operation, upon final inspection or issuance of a certificate of occupancy, that the project owner would be required to pay the development impact fee that we've noted earlier, consistent with ordinance 659.

There was no mention at the times I spoke with Mr. Juarez about it being a 50-percent discount that was going to expire at a particular date. And as far as I know, there is nothing on their web site or on their posted fee schedule that indicates that expiration date, that special consideration.

And I think that's pretty much all I have on that.

HEARING OFFICER VACCARO: Okay. Thank you. That really does clarify a lot of what the confusion was that I had in reading those two different technical area sections.

Just to be clear, you're saying ordinance number 65 as it's been amended and a certain resolution dated August of '09 are the operative documents relating to the county's development impact fee program?

1 MS. STRATTAN: It's ordinance 659.

HEARING OFFICER VACCARO: 659, thank you.

MS. STRATTAN: It is a -- it is their fee schedule that was adopted by the board of supervisors on August 20th, 2009.

HEARING OFFICER VACCARO: Okay. Thank you.

And I'll ask you the same question that I asked the applicant's witnesses. Is it your understanding that this project will pay property taxes?

MS. STRATTAN: I do not have the property tax information. It is my understanding, but that isn't in my section, it's handed off to the socio section.

HEARING OFFICER VACCARO: Thank you.

Any other questions for this witness?

PRESIDING MEMBER WEISENMILLER: I just wanted to double check on whether the fee you cited was roughly half the fee the applicant's witness cited?

MS. STRATTAN: That's correct, it is half, but as I said, I didn't see any stipulation that it was to expire or that it -- my understanding is it was just a decision on the basis of the board's determination of reducing the fees to encourage business development within the county.

PRESIDING MEMBER WEISENMILLER: Thanks.

MR. GALATI: I could offer something to clarify that question. I actually think I now see where the

disconnect is.

And, Mr. Snell, correct me if I'm incorrect, but I think there's a difference between the commercial designation and the industrial designation, that is a different fee. And then --

HEARING OFFICER VACCARO: You can go ahead and answer.

MR. SNELL: The industrial designation is half of the commercial designation.

And actually, we entered into it thinking this is an industrial usage, should be charged the industrial rate, and that's what we assumed for a long time. As we worked closer with staff, and we're very familiar with Mr. Juarez, it became clear staff would be assessing this as a commercial designation. The fee is not based on anyone's discretion, it's based on the ordinance. It's not set when we're licensed, it's due when we go to certificate of occupancy; and at that time you will submit the plans, review the areas, come to agreement with staff on how it's to be assessed.

HEARING OFFICER VACCARO: Okay. Thank you.

I don't think we have any more questions for the land use witnesses. Thank you.

So I believe that the applicant and staff wanted to submit information to the Committee on the topic of

cultural resources.

Have you had the opportunity to look that over and confer, or do you still need to do that?

MR. GALATI: I can do that; but, Ms. Vaccaro, could I please cross this witness for a minute?

HEARING OFFICER VACCARO: Oh, I am so sorry, yes.

MR. GALATI: I messed you up when I brought another witness up; my fault.

HEARING OFFICER VACCARO: Yes, go ahead. I'm sorry.

CROSS-EXAMINATION

MR. GALATI: Ms. Strattan, if the Committee Chose to make a finding of override for visual resources, do you believe that that finding of override will also take care of any finding that you believe is necessary for land use?

HEARING OFFICER VACCARO: Ms. Strattan, I'm sorry, it's -- I know you're looking to Ms. Dyer to give you some assistance, but when Mr. Galati is asking a question, the attention has to be focused on the person asking, and then before you answer, if you need to confer with legal counsel, you may do so; but I think -- let's let the whole question be asked first, and then we'll figure out what you might need to do before you answer.

MS. STRATTAN: I think my first question is we have not had direct on land yet. So I'm curious as to

where we're going with this.

MS. DYER: And that would have been my statement at that point, that we haven't established Ms. Strattan's testimony at this point.

HEARING OFFICER VACCARO: Well, I guess as a point of clarification, I disagree, because you submitted all of the land use testimony this morning, it was done without objection of the applicant. The direct is submitted into the record. You do have the opportunity if you feel that you need to do some sort of preliminary direct, and we did give you that opportunity to carve that out, but her testimony is in the record as of a couple of hours ago, and everything within her testimony is now subject to guestioning by Mr. Galati.

But if for the purposes of frame of reference or context you would like to take a moment, have Ms. Strattan summarize her testimony and give some context for Mr. Galati's question, I think the Committee, I think, would be fine with that, but the testimony is in the record.

MS. DYER: I'm sorry, I misspoke on that. I meant we didn't -- we had not yet had any direct examination before we had cross. I just wanted to introduce what she was saying before we address it on cross.

HEARING OFFICER VACCARO: Okay. Mr. Galati, do you have any objection to our just moving, taking a few steps back and covering that procedural hurdle to set up your question in a way that gives everyone greater context?

MR. GALATI: Yeah, no problem. I'd like to apologize to everybody. It was when I brought somebody out of order that got us out of order. I apologize.

Yes, Ms. Strattan, I think you should be able to explain direct.

MS. DYER: Thank you.

DIRECT EXAMINATION

MS. DYER: Ms. Strattan, your testimony states that the project would not comply with all applicable laws, ordinances, and standards. And would you please explain that?

MS. STRATTAN: There are a number of general plan land use element policies and also a policy within the multipurpose open space element that refer primarily to scenic and visual impacts. And as noted in the visual section of our staff analysis, there are significant visual impacts that were judged to be -- that we were unable to mitigate to a less than significant impact. And those were discussed both in the land use and in the visual resources section of the document. They included

Land Use 6.1, 13.1, 13.3, 20.1, 20.2, 20.4, and 30.1.

And as a point of reference, Land use 4.1 was also identified as a significant impact but did not make it onto the list of -- it's in the text, but it's not on the list of summary of conclusions at the beginning of the document. So it would also include Land Use 4.1

MS. DYER: So your conclusions of a finding of significance in your land use testimony relates only to the visual impacts that were identified for the project; is that correct?

MS. STRATTAN: Yes, that's correct.

Like I said, some of them were identified in visual resources section, and I also identified them within the land use section.

MS. DYER: Okay. Thank you.

That's all the questions I have at this time.

CROSS-EXAMINATION

MR. GALATI: Ms. Strattan, with that being said, would you believe that if the Committee either found there were no significant impacts in visual or the Committee chose to override the impacts in visual, that both of those findings would satisfy compliance with LORS and significant impacts for land use?

MS. STRATTAN: Yes, it would.

MR. GALATI: No further questions.

HEARING OFFICER VACCARO: Okay. I think we're finished.

Thank you.

So now can we turn to cultural?

MR. GALATI: Yes, we can.

HEARING OFFICER VACCARO: Okay. So I know that we had indicated early on that you might need some time to confer. I don't know if we're still at that point and if at a natural break, which is lunch, which is coming, for you to confer, or if we can put the issue of cultural resources to rest at this point.

Mr. Galati, we'll hear from you first, and then Ms. Dyer, or Ms. Dyer first, however.

MR. GALATI: First of all, I want to thank staff for continuing to work with us.

You know, to give the Committee just a quick little background on this agreement, the applicant agreed from the very beginning to engage in a mitigation program that would be substantial and something important for the Camp Rice and Army -- Rice Army Airfield. So the real question that we've been talking about the whole time is not whether, but what. And so we have come to an agreement, I think, working in through yesterday's workshop and today.

And that agreement is -- we probably need to

identify these documents into the record, but we'll start with cultural resources rebuttal testimony, and then there was modifications made to Cultural 13 and 14 most recently in an exhibit that we need to identify that are acceptable to the applicant. So we have, I think, complete agreement on the conclusions, findings, and the conditions of certification for cultural.

HEARING OFFICER VACCARO: Ms. Dyer, is that your understanding as well?

MS. DYER: It is my understanding. We also had -- we also reached an agreement on CUL 7, I believe. So it would include CUL 7, 13, and 14. And these documents were just finalized this morning, and we would be willing to offer them into evidence to replace those portions of staff's Exhibit 200, the staff assessment.

HEARING OFFICER VACCARO: Okay. So why don't we have that -- do you have copies for us?

MS. DYER: Yes.

HEARING OFFICER VACCARO: Okay. So once we have the document before us, Ms. Dyer, you can explain to us what we have before us so that the record is clear; but I believe this is going to be staff's 210; is that correct? I think we ended at 209, so now we're looking at staff's 210.

MS. DYER: Yes, that's correct.

HEARING OFFICER VACCARO: Okay. So if you could go ahead and distribute and then tell us what's before us, we'll make sure we have a clean record.

MS. DYER: So included in staff's Exhibit 210 are modifications to condition of certifications CUL 7, CUL 13, and CUL 14, clarifying the method of mitigation for impacts to the Rice Army Airfield. And it was the result of considerable work between staff and the applicant, and we believe we've reached an agreement on this. And we would offer a clean, complete copy at some point in the next day or two for the Committee. And I think that's -- I think that sums it up.

HEARING OFFICER VACCARO: Okay. Thank you.

So it looks like what we have is a joint motion to submit into the record staff's Exhibit 210; is that correct?

MR. GALATI: That's correct.

MS. DYER: Yes.

HEARING OFFICER VACCARO: Okay. Then it's deemed admitted. Thank you.

(Staff's Exhibit 210 was marked for identification and admitted into evidence.

HEARING OFFICER VACCARO: And thank you both for working out those cultural issues, because I think that puts us in a very good place as we head off to lunch,

which is that we come back and we deal with the issue of Worker Safety and Fire.

I do have a question though, Mr. Galati, for you, because even though you indicated that socio was not something -- a topic where you had a dispute, my recollection is that staff analysis does reference Worker Safety 7 and 8 within the text of the socio analysis.

So with the caveat of you -- applicant still objecting to the inclusion of Worker 7 and 8, you otherwise agreed with the socioeconomic analysis, and but that that's something that still needs to be resolved at the conclusion of these proceedings, however the Committee addresses Worker 7 and 8.

MR. GALATI: That is correct. We -- Worker 7 and 8 are the only disputes we have with staff at this time.

HEARING OFFICER VACCARO: Okay. Unless there's anything we need to address right now, I would suggest that we all go to lunch, and I believe we should come back at -- I don't know, you tell me what time.

Okay. 1:15, we'll see you then. Thank you. (Lunch recess.)

HEARING OFFICER VACCARO: Okay. We're back on the record. We just completed a lunch break.

We've been moving along very efficiently, so it appears we only have one more topic to address. Before we

get to it, I just want to make sure of a couple of things.

Over the lunch break Ms. Dyer was kind enough to print out for all of us the e-mail that was referenced this morning on the testimony regarding the FDOC. So what I have before me is the document that I've identified as Exhibit 206A.

Mr. Galati, have you taken a look at it?

MR. GALATI: Yes, I have. We have no objection to its admission.

HEARING OFFICER VACCARO: Okay. Staff?
MS. DYER: We have no objection.

HEARING OFFICER VACCARO: Okay. So we'll go ahead and enter this into the record. We did it tentatively earlier, but now actually have the physical document, and that is identified as 206A.

The other thing I noticed during lunch is that the applicant did follow through on the representation that there would be some letters docketed. And we discussed earlier this morning the possibility of having those come in as public comment and if we might consider them coming in in some other fashion. I think the leaning is that we'll take them as public comment, just as we took the earlier oral comments, but that we are aware of the letters of support on the topic of overrides.

MR. GALATI: Thank you.

HEARING OFFICER VACCARO: Ms. Dyer?

MS. DYER: We have received a letter from the Western Area Power Administration. One of the issues that remained open when we filed our opening testimony was whether or not Western was going to be requiring a fiber optics line, and so that left open --

(Interruption in the proceedings.)

MS. DYER: So we have received an e-mail from Matt Mueller essentially setting out that -- where did it go -- that they can state with come certainty that it's highly unlikely that Western will need to have a -- put in a transmission line. So I was wondering if we could --

HEARING OFFICER VACCARO: The fiber optic telecommunications.

MS. DYER: The fiber optics, yes.

HEARING OFFICER VACCARO: Okay. So there were roughly three to four options that were presented, and this is one of the options then that is no longer needing to be fully evaluated or considered, so that it now -- I think and that's why your biological resources put a placeholder for the possibility of the need for a fiber-optic line.

MS. DYER: Correct. And so there will be no need to amend the biological testimony to that regard.

HEARING OFFICER VACCARO: Okay. Thank you.

Any questions or comments about that, Mr. Galati?

MR. GALATI: No.

HEARING OFFICER VACCARO: Great. Thank you for that clarification.

You know, we were just having a brief conversation about whether or not that's testimony to go into the record. I don't see that as such, but I think you need to docket it. And there are a number of representations in the record by both the applicant and staff in what you've submitted referencing the possibility of this and what Western's tentative position was; but if you would just go ahead and ensure that it is docketed, and you have made the representation basically as an officer of the court, as an attorney, that this is what it says, we'll verify that's what it says, and we'll use that moving forward in looking at the sufficiency of the documents submitted by both staff and the applicant.

MS. DYER: Thank you.

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HEARING OFFICER VACCARO: All right. So I think we're ready to move forward with worker safety and fire protection. We'll start with the applicant.

I don't know, is everybody here in person, anyone on the telephone, or is it Mr. Snell?

MR. GALATI: It's actually a panel of four witnesses.

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1
             HEARING OFFICER VACCARO:
                                        Okay.
             MR. GALATI: And if I could have my worker safety
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    fire protection panel come up. Mr. Snell, Mr. Alston,
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    Mr. Kaminski --
             HEARING OFFICER VACCARO: And I notice
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6
   Mr. Snell's been sworn.
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             MR. GALATI: And Mr. Anders.
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             HEARING OFFICER VACCARO: I think too Mr. Anders
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    and Mr. Snell have been sworn, but the other two, we do
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    need to go ahead and swear you in.
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    Whereupon,
                    WES ALSTON, SCOTT KAMINSKI
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13
   were called as witnesses herein and, having been first
14
    duly sworn, were examined and testified as follows:
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             THE REPORTER: State and spell your names
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   respectively.
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             MS. ALSTON: Wes Alston, A-l-s-t-o-n.
             MR. KAMINSKI: Scott Kaminski, S-c-o-t-t,
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19
   K-a-m-i-n-s-k-i.
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                        DIRECT EXAMINATION
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             MR. GALATI: I'm going to ask a question for each
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    of you to describe very briefly your qualifications and
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    your role on the project.
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             MR. SNELL: I think mine are in the record.
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             MR. KAMINSKI: Scott Kaminski, I'm the -- I'm a
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project manager for Solar Reserve on this project. I'm acting as the senior project engineer and have been directly involved in preparation of several of the sections as well as some of the -- some of the additional documents that have been submitted.

MR. ANDERS: My name is Bob Anders. I'm a licensed civil engineer practicing for 26 years in all forms of engineering. I've worked on the engineering description and engineering portion of the project.

MS. ALSTON: Wes Alston with Pacific Development and Solutions Group. We're a firm that does fire protection analysis and land use analysis for developers. I had 32 years of service with the Riverside County Fire Department and CAL Fire. And I wrote the fire needs analysis.

MR. GALATI: And did you gentlemen each prepare Exhibit 49, which is the opening testimony of worker safety fire protection?

MR. SNELL: Yes.

MR. ANDERS: Yes.

MR. KAMINSKI: Yes.

MS. ALSTON: Yes.

MR. GALATI: And also, did you each prepare the portion of Exhibit 52 which is the worker safety fire protection rebuttal?

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             MR. SNELL: Yes.
             MR. ANDERS: Yes.
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             MS. ALSTON:
 3
                          Yes.
 4
             MR. KAMINSKI: Yes.
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             MR. GALATI: And lastly, primarily for Mr. Snell
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    and Mr. Alston, did you prepare a Fire Needs Assessment
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    and a revised Fire Needs Assessment, specifically
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    Exhibit 50?
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             MR. SNELL:
                         Yes.
10
             MS. ALSTON:
                         Yes.
11
             MR. GALATI: And, Mr. Alston, do you have any
    changes or corrections to either Exhibit 50 or your
12
13
    testimony on Exhibit 52?
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             MS. ALSTON: Exhibit 52 on page 9, under
15
    "Inspections," second line, that should be ordinance 787.
16
    And then service would you paid through ordinance 671.18.
17
             MR. GALATI:
                         Any other changes?
18
             MS. ALSTON:
                          No.
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             MR. GALATI: Okay. I'm going to ask you, and
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    maybe start with Mr. Alston, if you could -- first of all,
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    let me know, have you reviewed the staff assessment and
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    the staff rebuttal testimony on worker safety fire
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   protection?
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MR. GALATI: Including what we're calling the

MS. ALSTON: Yes, I have.

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response matrix?

MS. ALSTON: Yes.

MR. GALATI: And do you agree with the staff conclusions in those documents?

MS. ALSTON: I don't agree with both the staff's assessment and the nexus.

MR. GALATI: Okay. The Committee has read your direct testimony, but I would like you to summarize the main points of the disagreement if you could.

MS. ALSTON: Well, we were asked by Solar Reserve to come in and do a Fire Needs Assessment based off the original Fire Needs Assessment that was done by the CEC staff. We took a look at the entire fire department ability to respond, we took a look at the risk at the site, we took a look at the risks at other sites, at other plants, we took a look at the accidents that can occur based on trips per day on the road that come in to the site, we looked at the history of accidents that usually occur at other plants throughout California, and we put together a Fire Needs Assessment. And that Fire Needs Assessment was -- really got down to one basic thing, or actually two basic things; the need for EMS service at the site and the drawdown element to the county fire department.

So we made recommendations to staff based on

their initial document that required paramedics or some type of advanced life support at the site during construction and operation, and we looked at how that would impact the fire department and how we could reduce the drawdown aspect of the fire department.

If we continue -- if we accept the recommendations of staff through probably the county fire department, what would happen today if there was an injury out there, basically the client would pay "X" amount of dollars over a period of time, there would be no advanced life support out there, there would be simple first aid, it would be an hour and 20 minutes for a fire department unit to respond.

Once they get there, they would do their assessment, they would determine if a helicopter would need to be brought in. Also there would be an ambulance company responding from Blythe. That may take up to an hour and 10 or 15 minutes, and meanwhile that patient or that employee doesn't have advanced life support. That's based on the staff's recommendation today.

The initial recommendations by staff was to have some type of advanced life support out there. So what we did was we looked at a way to make that happen. And we put together a plan to make that happen and sent that recommendation in to staff.

There was a letter from county EMS that said there was some points within that plan that had to be resolved, and that was basically, you know, how we were going to use advanced life support systems within the county EMS system. And a letter was sent to Jason Neuman. And that basically removed the Worker Safety 10 and 11 from the report.

We went back and had some additional correspondence with the county staff and were able to get an understanding that if we provided advanced life support systems through their contracting ambulance companies, that we could basically do what we initially wanted to do in Worker's 10 and 11 and have some type of advanced life support on site.

MR. GALATI: So, Mr. Alston, you described what would happen with staff's current mitigation identified. Could you describe what would happen with advanced life support system on the site and how that would work?

MS. ALSTON: County staff, county EMS staff feels that we have to use their contracting purveyor out there, which is Blythe Ambulance. So Solar Reserve could contract with them, there would be an ambulance on site and advanced life support staff on site. That if there was an injury at the site, they could immediately start to treat the patient, that they could call Riverside County's

command center and start the helicopter out there and/or they could start to transport that person toward a hospital immediately rather than having to wait for the county fire department to respond.

Also, this gets back to the whole issue of drawdown. The county fire department's concern is if they start sending a unit an hour and a half away, that that's going to take time for them to backfill that unit. That unit's going to be out of service for up to two or three hours while it's responding to our site. With advanced life support on site, it eliminates that concern for the county fire department; it also provides better service to our employees.

MR. GALATI: So would it be fair to say that if you did -- if the Committee adopted staff's recommendation, would you believe that would provide better or worse protection for workers?

MS. ALSTON: Well, if adapted, staff's recommendation, it would be up to an hour, between an hour and 10, hour and 15 minutes, depending on what report you get from county fire, before any type of advanced life support would be at our plant.

MR. GALATI: Can you describe for us, when you're using the word "drawdown," what "drawdown" means and how that works?

MS. ALSTON: Well, drawdown is when fire engines respond to an incident, they need to be filled in behind or there's going to be a gap left in service. Really when you do fire planning, you only worry about one incident at a time, but you also have to consider what happens to the overall county.

So the closest engine responds, they have to move up and cover additional resources, but essentially that equipment is out of service for the length of the incident. That could happen due to a traffic collision at Highways 177 and 62. That probably happens every day in the county where there's multiple incidents throughout the county within a large geographical area. And there may be an open station, so the command center does its best that it can to make sure that a few of the key stations are covered so that they continue operations within the county.

MR. GALATI: And your understanding is that the impacts are not that Riverside County can't respond to an incident, it's that if they do, they're on the road so long that there is a possibility that some other incident is taking place that they can't respond to; is that correct?

MS. ALSTON: Well, that's correct.

And the county does have the capability for

rescue, they do have the capability for advanced life support, they do have the capability for fires at the site; it's the length of time it takes to get there. And that's why through the Fire Needs Assessment we were able to put together a way that would serve the EMS, the fire protection needs, and the rescue needs at the site without having to involve the county fire department to the extent that it would cause a drawdown to their resources.

MR. GALATI: Can you say definitively that the fire department will never have to respond to the Rice Solar Energy Project?

MS. ALSTON: No. I can say, you know, at some point they may have to respond, but what we want to do is we want to take the likelihood of that response and minimize it to the point where it wouldn't be an impact on the day-to-day operations of the fire department.

MR. GALATI: Now, you testified just a little bit ago about the county EMS letters, because in staff's rebuttal testimony it seems that the county EMS letters were a reason for them to believe we could not accomplish what we can accomplish.

Could you please describe again if you believe it's possible and the legal means to be able to provide advanced life support system on the site?

MS. ALSTON: We initially got a letter from

Cindy -- from Cindy Stoll for county EMS suggesting a change in the language in EMTP to advanced life support.

And that's what -- that and some other changes to rescue is what made the changes to our evidentiary item 50.

MR. SNELL: Advanced life support service?
MS. ALSTON: Right. Right.

Well, what happened is -- advanced life support.

And that set off a series of e-mails. She started to e-mail me letters to Jason Neuman regarding the fact that the way the system that we had originally written it would not work within the county's ordinance system.

and we have those e-mails here -- that asked her the question, if we contract with an existing ALS, or advanced life support purveyor, which happens to be Blythe, and had that unit on scene, would that satisfy the requirements of county EMS, and then we could activate the EMS system without having to go through the county fire department, that the only county fire department involvement would be the dispatch of the airship. And she agreed that if we contract with an approved advanced life support company, that we wouldn't need to have involvement of the county fire department.

MR. GALATI: Did you make any other

recommendations about avoiding the need to call the county for technical rescue?

MS. ALSTON: We did. And even though the county fire department has a great technical rescue division and they have the capabilities to do technical rescue, if we were to have a low angle, a confined space, or any of the other technical rescue needs on the site, their response would be so lengthy, it really wouldn't do our workers any good.

So one of the conditions that we wrote in or one of the recommendations was that our staff, as part of their maintenance, if they had to put their people in a situation where it was a technical rescue may be needed, a technical rescue team would be available on site to immediately react to any incident that may happen, you know, thus eliminating the need for the county fire department to respond and eliminates that whole drawdown issue.

HEARING OFFICER VACCARO: Mr. Galati, I don't want to throw off your flow, but I think for me to be able to continue following the rest of the narrative, I want to clarify two things that you just said.

This team, who would the team be for the technical rescue? Who would it be comprised of?

MS. ALSTON: Well, Riverside County has truck

companies and heavy rescue teams.

HEARING OFFICER VACCARO: And that's who -
MS. ALSTON: But those -- but those -- that

equipment is not in the immediate area or is not even

available to the three stations that are closest to our

facility. So they would have to travel quite a distance.

And so there's a high-angle rescue where a guy would fall off and be protected by his safety equipment, but he would still need to be rescued. So you'd have to a have a specific technical rescue team that's certified by NFPA that would be able to be on the scene to be able to rescue that individual.

HEARING OFFICER VACCARO: And I understand that, thank you. I'm asking who would that be in this case on site at this facility.

MS. ALSTON: That would be part of their contractor with their contracts.

HEARING OFFICER VACCARO: Okay. A separate contract from the ALS contracts; we're talking two different contracts?

MS. ALSTON: No, it would be a separate contract. The contractor would have to provide a team that's certified in the specific rescue -- or in the specific task -- a rescue for the specific task they were doing.

So if they were doing confined space, they would

have -- cleaning boilers or whatever, they would have to have a team that would be available to go in and do a confined-space rescue.

HEARING OFFICER VACCARO: Okay.

MS. ALSTON: And if they're working on the top of the tower and they're in an unsafe condition or a condition where they're on safety lines, they would have to have a team that's trained to -- high-angle rescue.

HEARING OFFICER VACCARO: Okay. Thank you.

Sorry about that. Please go ahead.

MR. GALATI: And, Mr. Alston, you made those recommendations to Solar Reserve?

MS. ALSTON: Yes.

MR. GALATI: And to your knowledge did Solar Reserve agree to those recommendations?

MS. ALSTON: Yes, they did.

MR. GALATI: Do you believe that having those appropriately-trained people as part of the contractor on site will provide better service than the county can provide for technical rescue?

MS. ALSTON: Absolutely. I mean, the county's asking us to pay 590 and \$260,000 a year, but they'll still be an hour and a half away from our site and can't provide the service to our employees.

MR. GALATI: Are you familiar with the portion of

staff's recommended worker safety conditions that allow if there is no agreement between Riverside County Fire Department and Solar Reserve on an amount of funding, that 4 there could be an independent Fire Needs Assessment performed?

> MS. ALSTON: Yes.

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MR. GALATI: Do you believe that the study that you've done now, the Fire Needs Assessment and the revised Fire Needs Assessment, meet that criteria?

MS. ALSTON: Absolutely.

MR. GALATI: I have no further questions.

MR. SNELL: Could --

MR. GALATI: Yes, Mr. Snell, go ahead.

MR. SNELL: I did a little research at lunch, and in my earlier testimony I stated that the 50 percent reduction expired this year. It's been extended till September of next year. And so I just wanted to make that on the record. So 50 percent reduction is good till September 2011.

HEARING OFFICER VACCARO: And what's the source of that information?

MR. SNELL: The ordinance, the board of supervisors has amended it through 659.9, which added that extension. And I imagine that was done in August and it's effective now.

MR. GALATI: And we actually have obtained a copy of that, and my office is bringing over ten copies as soon as they can. And I'll mark those.

HEARING OFFICER VACCARO: I have a couple of questions, if you don't mind, before you go to cross.

The first has to do with the e-mails that you were referring to. You know, often when we see the testimony that gets submitted in the AFC, the Fire Needs Assessment report as well as the staff assessment, sometimes we have to look elsewhere to find some of this source material that's being relied on.

To your knowledge, have you submitted those e-mails in anything you've presented in the testimony that you presented, or are those things, Mr. Galati, that have been docketed, because I don't recall seeing those? That does not mean that they're not already somehow in the record.

MR. GALATI: No, they weren't.

What happened is when I saw that staff would not be bringing Ms. Stoll -- I have not docketed these, I was going to intend to use them as cross-examination of a witness. But since I believe that her letters are part of their testimony and they're admitted, they are hearsay and this is hearsay. So if the Committee would like, I have copies, and I can enter them as an exhibit and docket

1 | them. I wasn't intending to do that.

HEARING OFFICER VACCARO: I think -- you're going to use it as part of your cross-examination?

MR. GALATI: I was, that was my intention, because -- but I know that -- I don't believe that Ms. Stoll's going to be here.

HEARING OFFICER VACCARO: And perhaps, though, Mr. Lesh might be familiar with these correspondence and might be able to speak to it.

So I think what we'll do is if you're going -we'll see if you're able to use them or not in the context
of your cross, and if not, we will address how they're
going to be brought into the record at that point.

So less on procedure, more on substance, during the land use testimony, there were a few questions posed relating specifically to the application of the county's development impact fee. So let's assume that for the sake of argument that that's going to apply to this project.

How does that affect the amount of money that's being requested by way of Worker Safety 7 and Worker Safety 8? It looks like there is a disproportionate amount of money there, but I may be speaking out of turn, so maybe you can educate me.

MS. ALSTON: We'll tag team on this one.

I guess to start with, you know, the county fire

department has a fire department master plan that was adopted back in '87, and that establishes fire needs throughout the county. And what came out of that was the fire department mitigation fee that originally was stand alone, and that was part of this ordinance --

MR. SNELL: 659.

MR. ALSTON: -- 659. So any industrial project that would come into the county would have to pay this mitigation fee. And with the fee that the department is asking over and above that today is just an arbitrary fee that they're asking for development of fire stations that may or may not be built that may not even impact our site.

MR. SNELL: And additionally to the point of this, I think what your question is, we've had discussions with the fire department about our property taxes and the portion of that property tax known as the structural fire protection tax. The fire department would recognize that tax and discount the amount we have to pay on an annual basis.

We haven't had discussions that I recall dealing with the one-time fee versus the DIF fee and how those relate together. It would be reasonable though to assume that one-time fee could be reduced by the amount we pay on the DIF fee that's directly proportional to fire.

HEARING OFFICER VACCARO: Okay. So let's take

away the initial assumption that I built into the question, and I'll rephrase this entirely differently.

Is the project owner anticipating that it will be paying development impact fees --

MR. SNELL: Yes.

HEARING OFFICER VACCARO: -- or is that something that you thought might be a question mark?

MR. SNELL: It's not a question in our mind that the applicant, the developer anticipates paying that fee.

HEARING OFFICER VACCARO: Okay. Thank you.

Ms. Dyer, if you want to go ahead with your cross. Thank you for letting me intervene.

MS. DYER: Thank you.

CROSS-EXAMINATION

MS. DYER: Mr. Alston, I just -- this may be a duplicative question, I just wanted to make certain. You said you had a letter, I thought the hearing officer referred to e-mails, that said you wouldn't need -- you wouldn't be required to call the fire department. Is that the same communication that --

MR. ALSTON: Yeah, we had a series of e-mails --

MS. DYER: Okay.

MR. ALSTON: -- after I got the second letter to Jason Neuman.

MS. DYER: Okay. Thank you.

Under your proposed plan to have your rescue team on site, how many people would you have on site at the various times during construction and that would be trained to provide rescue?

MR. ALSTON: Well, if there's a specific task that needs to be done, say, confined space to clean a boiler out, then in addition to the people, the two-in two-out, there would be the number of people that would be required to perform a technical rescue in a confined-space environment per NFPA.

MS. DYER: Okay. And when -- can you tell me who hired you to do the Fire Needs Assessment?

MR. ALSTON: Solar Reserve.

MR. SNELL: Actually, I'm hired by Solar Reserve as Aurora Consulting. I subcontracted to PDSG. So he was hired by me.

MS. DYER: Okay. And at the time that you agreed to do the Fire Needs Assessment, were you given any type of direction as to -- as to what the desired outcome of the Fire Needs Assessment would be?

MR. SNELL: Can I go?

We were given -- we were familiar with the project, we were familiar with the process, we were familiar with the challenges that set a background. We did have questions about the formatting, the topics that

have to be covered. We were provided an example study, which I believe was on the Colusa project, and we used that to kind of set the parameters, the topics that needed to be covered as well as the things that we uncovered as we went along.

So we weren't really given any specific direction by the client, we actually gave them a proposal, told them what we planned to do, and then did it through the process that we went through.

MS. DYER: No further questions. Thank you.

HEARING OFFICER VACCARO: Let's just go back to the e-mails for a moment. I know you were going to use them as an exhibit for cross, but you've already started to have the witness lay the foundation for these e-mails, so why don't you go ahead and develop further foundation for these e-mails. Although they are, you know, hearsay, the witness appears hears to have personal knowledge of receiving them and having involvement in these e-mails. So why don't you lay the foundation for that, and we'll go ahead and mark those as applicant's next in order. I'm not sure what that is, but I'll check.

MR. GALATI: Let me -- again, since I wasn't going to admit them into the record, I hadn't given counsel copies, so --

HEARING OFFICER VACCARO: That's why you're going

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2 MR. GALATI: -- I'll do that now.

HEARING OFFICER VACCARO: You'll identify them right now, you'll lay the foundation, she'll get hers, she can take a look at it. And then all the rest of us will get a copy as well.

REDIRECT EXAMINATION

MR. GALATI: Mr. Alston, I handed to you exhibit marked for identification, I believe it's -- next is Exhibit 54.

(Applicant's Exhibit 54 was marked for identification.)

MR. GALATI: It is a three-page document, and it appears to be a series of e-mails. Are you familiar with that, these e-mails or this three-page document?

MR. ALSTON: Yes.

MR. GALATI: And is this three-page document the e-mails to which you were referring?

MR. ALSTON: Yes.

MR. GALATI: And does this represent a true and correct copy of the e-mails that you received?

MR. ALSTON: Yes.

HEARING OFFICER VACCARO: Thank you.

Okay. So if we finished with direct and cross with these particular witnesses, Ms. Dyer, now that you

have these in front of you, if there's anything that you might want to ask, you're certainly welcome to do so. If you need a moment to take a look at them, let's take about like four minutes off the record, why don't you take a look. If they bring to mind any questions that you might want to pursue.

So let's go off the record for a few moments. (Recess.)

MS. DYER: I'm looking at the e-mail, and the e-mail string starts with an e-mail from Cindy Stoll saying she was asked to clarify several points of a 911 response, please see attached letter.

Is that letter the October 27th letter that staff attached to their testimony; do you know? I'm trying to put it in context.

MR. ALSTON: Yes.

HEARING OFFICER VACCARO: Ms. Dyer, for our purposes, would you identify what exhibit that letter is attached to?

MS. DYER: Yes, they were two letters that were attached to staff's rebuttal testimony, Exhibit 207.

HEARING OFFICER VACCARO: Okay. So the letter that is referenced by way of the e-mail that you just identified is attached to staff's testimony, and the witness agrees that that is the subject letter as well.

Do you need to see it again, or are you certain that that is the letter?

MR. ALSTON: That is the letter.

HEARING OFFICER VACCARO: Okay.

MS. DYER: Okay. I'm trying to understand what it is that the author is saying. Is she saying that if you were to have a life-threatening emergency on the site and you had an EMT on site, you would not be required to dial 911?

MR. ALSTON: That's correct.

MR. SNELL: I think we should expand it.

MR. ALSTON: Yeah, we need to clarify that a little bit.

MR. SNELL: That's why the letters got written, because we wrote it just the way you said, and what her problem was was that EMT needs to be part of a larger system that has a medical director, sets out policies and guidelines, and is actually contracted with a provider that's approved by the county EMS system. That's the nut of the problem; that's why the letters got written. We had said it too simply and didn't give enough qualifications to that.

MS. DYER: So when the author says "The EMS system is built upon the 911 system for a full response to a scene call, since the solar facility is not a licensed

health care facility, it is a scene, therefore, the full EMS system must be engaged," is it your understanding she's talking about an EMS system that Solar Reserve would develop and have on site?

MR. ALSTON: Well, no. The way it was originally written in staff's assessment, yes, 10 and 11 kind of says that. And we went back to refine that, because we're not in the EMS business, we're in the electrical generation business. So we went back and looked at a way that we could do it on a contract basis.

The contract services that we discussed with her was inappropriate in her eyes, and because they have an exclusive area agreement with Blythe Ambulance, we would have to go to Blythe Ambulance to provide that ALS service. Once that ALS service is at the site, then they can do everything they need to do under the direction of their licensing and their medical director, and we don't need to have the fire department respond.

MR. SNELL: Wes, let's expand that and let's talk about an example.

Someone gets hurt, they're treated, they go in the ambulance, they're on the way to the hospital; why would the fire department come to the site an hour later? I mean, they've done the duty that needs to be done and they're on their way to the hospital.

MR. ALSTON: They're gone already.

So, and actually, the ALS staff on site had the choice of staying there and will have a safe and secure helipad to call through 911. And they wouldn't be 911, it would be just a notification from Blythe Ambulance to the command center that they need to have the airship respond, and because they have a safe and secure pad, they have redundancy because they have an ambulance on site, there would be no need for county fire department to respond.

County fire department feels they need to respond if it's not a safe and secure site and if there's no redundancy built into the response in case there's a failure of the helicopter.

MS. DYER: Thank you for that clarification.

I don't have any further questions at this time.

HEARING OFFICER VACCARO: I think the Committee has a few questions before we have you redirect.

MS. ALLEN: In the discussion about Blythe
Ambulance being available, does this concept apply to both
the construction and the operational phase?

MR. ALSTON: We're going to have to work out details on the operational phase, but it would apply during the construction phase.

MS. ALLEN: Okay. This is a related project description question.

Is Solar Reserve planning to have construction around the clock sometimes, so, therefore, would you be envisioning that there would be an EMT on site 24/7?

MR. SNELL: We anticipate whenever there's construction activities, the ambulance will there, the EMT people will be there, the -- we anticipate a medical trailer will be staffed.

MS. ALLEN: Thank you.

HEARING OFFICER VACCARO: Mr. Galati, you indicated that you wanted to redirect?

MR. GALATI: Yes.

REDIRECT EXAMINATION

MR. GALATI: Mr. Alston, Ms. Dyer asked you a series of questions about who paid you to do the work and how the contract worked. Under Worker Safety 7 where there's an independent assessment, who pays for that?

MR. ALSTON: Applicant.

MR. GALATI: No further questions.

HEARING OFFICER VACCARO: Okay. So let's follow up with this Exhibit 54. Appropriate foundation has been made with respect to this e-mail string. I don't see a basis for objection, although I'm certainly willing to hear if you have an objection to what's been identified as applicant's number 54 coming in, Ms. Dyer.

MS. DYER: I don't have an objection.

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             HEARING OFFICER VACCARO: Okay. Would you like
    to make a motion?
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             MR. GALATI: Yes, I'd like to move Exhibit 54,
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    which is a series of e-mails, three pages, into the
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    record.
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             HEARING OFFICER VACCARO: Thank you. It's
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    admitted.
             (Applicant's Exhibit 54 was admitted into
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             evidence.)
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             HEARING OFFICER VACCARO: I think, are we
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    finished with this panel of witnesses at this point?
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             MR. GALATI: Yes, we are.
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             HEARING OFFICER VACCARO: Okay. Thank you,
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   gentlemen.
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             Ms. Dyer, whenever you're ready.
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             MS. DYER: Thank you.
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             Staff would like to call Mr. Lesh to testify on
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   behalf of worker safety and fire protection. He needs to
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   be sworn.
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    Whereupon,
                           GEOFFREY LESH
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   was called as a witness herein and, having been first duly
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    sworn, was examined and testified as follows:
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             THE REPORTER: State and spell your name for the
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    record. On the microphone, if you could.
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MR. LESH: Geoffrey Lesh, G-e-o-f-f-r-e-y, L-e-s-h.

I'm an engineer working in the siting division of the Energy Commission in the engineering office, and I worked on the worker safety and fire protection section, Rice Solar siting.

HEARING OFFICER VACCARO: I think, Ms. Dyer, I'll turn it over to you to ask your witness questions.

MS. DYER: Thank you.

DIRECT EXAMINATION

MS. DYER: Mr. Lesh, did you -- so you prepared, you just said you prepared the worker safety and fire protection for the staff assessment. Did you also prepare the revised worker safety conditions of certification submitted as Exhibit 202 for staff?

MR. LESH: Is that the one we call --

MS. DYER: Dated October 21st, 2010?

MR. LESH: Yes, I did.

MS. DYER: And then you also prepared a rebuttal testimony docketed on October 27th that is titled staff's Exhibit 207; is that correct?

MR. LESH: Yes.

MS. DYER: Okay. Thank you.

Can you please explain your methodology and how you reached your conclusions in the staff assessment and

the subsequent rebuttal testimony as far as what would need to be done to mitigate for any impacts to worker safety and fire protection?

MR. LESH: When we start out to do an analysis for a power plant, and in this case, solar power plant, we look at the proposal from the applicant, and we contact a local fire marshal or fire department to ask if they feel adequately equipped and staffed to support the increased needs that they expect to come from the power plant.

In this case they said they would have significant impacts, both direct and cumulative. Because we were siting other power plants in Riverside prior to working on Rice, there had been some consideration by the fire department of the total impacts of four solar power plants.

So they -- their strategic planning director, or a person in the strategic planning office, Jason Neuman, had been looking at how to accommodate for solar power plants. And they decided at that time that they needed to add one fire station and staffing and equipment, that they could use to, I think, handle drawdown and backfill of people if they had to respond to any of those four power plants.

At that time I think their consideration was to take the four power plants and allocate the cost of that

mitigation that they thought they would need, one quarter to each of the four power plants.

We took a look at the -- we developed over the last year, I guess, the decision matrix that's purpose is to allocate proportionally a cost for some mitigation between different power plants by looking at their relative expected demands on the fire department.

In this case, staff looked at the design of Rice and decided that they didn't have to a large degree the same risks that were presented by the other plants because they didn't have the hydrocarbon-based heat transfer fluid, they weren't -- they didn't have the piping that ran throughout the entire solar field; so most of their risks were confined to either during construction, during a melting phase when they melt their salt, they have propane and they have ammonia on site, but after that, the risks are, in our opinion, less from a potential for a large conflagration that's going to demand large resources over, you know, a multi-day burning period perhaps than the other power plants.

The one thing against Rice that shows up in the matrix is their extreme remoteness, the fact that to get there from any of the existing fire stations takes more than an hour.

The fire department felt that their proposal

accommodated this from the point of view that if they had to commit a response out to Rice that might take in most cases, if there's a confirmed fire, that means six engines and a battalion chief, which would be committed probably for the entire day, a minimum of probably five hours considering it's going to be an hour and a half out, an hour and a half back, and probably two on site, that this would -- the addition of the other firehouse would give them the capability of backfilling to the stations that responded. So they put together the cost structure as I described, and we allocated that.

When we looked at Rice, we decided that we didn't think it really deserved its full 25 percent of that total cost, and initially we looked at it and said maybe 22 percent.

At a workshop the applicant proposed in their Fire Needs Assessment that they could do some of that response capability on site themselves, at which point we looked at what they were proposing to do and thought that that's meritorious, actually. It would be a benefit to the workers on site to have faster response, and if they could achieve their goals of not having to dial 911 and involve the county's response system, that would be mitigating toward what the county was concerned about.

So in the next revision of the matrix, we

accommodated those plans that were put into the initial Fire Needs Assessment and we wrote into that then the conditions, Worker Safety 10 and 11, which said that they would have what they proposed in the Fire Needs Assessment, which were essentially EMTs on site, an ambulance during construction, and a contract that would enable them to have their on-site people call directly an air ambulance any other time so they could get faster response.

During that time those Fire Needs Assessments and proposals, and, of course, ours were reviewed by the fire department, and they felt that they weren't going to help, and they told us that they would still have to respond and that the applicant's people on site would still have to dial 911 at which point the fire department would still have to respond.

We redid the matrix and accommodated those things and came out with smaller numbers. And we've since gone back and forth.

At the workshop we told the applicant, subsequent workshop I think, we said, you're still potentially involving the fire department because of rescue needs, and that hasn't been addressed, and they have long lead times. So the applicant then came with the revised Fire Needs Assessment where they proposed to have rescue capability

on site.

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About the same time we got the letters from the county, our EMS and letter from the fire department saying that what they're proposing to do with the medical personnel won't really mitigate for us, we will still have to respond, they indicated that they didn't think it was compliant with LORS, and at which point we looked at it and said, well, it's best then to deal with this rather than trying to ensure that for the next 30 years that the Energy Commission was making sure that we have response capability on site for medical and rescue, that we put it back into Worker Safety 7 and 8 and encourage the applicant and the fire department to negotiate a way to do this, either directly by paying the mitigation demanded by the fire department, or coming to a contract to do your own on-site mitigation with your own teams and getting compensation, an allowance from the fire department for that.

We've from the beginning encouraged the applicant to negotiate with the fire department and tried to provide options that if that doesn't work, at least there's a high-water limit, which would be the number that the Energy Commission has reduced from what the fire department initially requested. And the third option would be that if none of those are acceptable, then to go

to an independent third-party consultant to look at the fire needs as well as the fire risk so we can have another party come up with a number.

MS. DYER: And, Mr. Lesh, the letters that you referred to were attached to your testimony which is Exhibit 207; is that correct?

MR. LESH: Yes.

MS. DYER: So the applicant's exhibit that we just received, was that 54? The e-mail chain is from the same individual that wrote two of the letters.

Do you feel that the e-mail is consistent with what we have received in letter form from the EMS, or there's still some questions as to what's required?

MR. LESH: There's still some question in my mind.

The e-mail chain from the applicant, this is the first I've seen it, and when I first read through it I had it in reverse order, but I see the last date on it is October 27th at 9:00 in the morning. And the letter I have that's also addressed that was in my revised testimony, the rebuttal testimony, was also written on October 27th to Jason Neuman of the fire department.

Frankly, it's difficult for me to understand from the letter exactly what is required in terms of whether it's advanced life support ground or basic life support

air and various other things, but essentially the comment coming from the fire department was they didn't think it was workable. And the letter says that the 911 system will still be activated any time anybody is moved off site. That was my understanding from this letter.

At which point the -- our conclusion is that the mitigation proposed to work outside the existing response and emergency system of the county may not be workable. We're not the experts to intervene in how the county does that, and so we really can't set up a condition to manage this kind of a response outside the existing regulatory framework that exists in the county.

MS. DYER: Thank you.

I don't have any further questions.

HEARING OFFICER VACCARO: Before we move on to cross, I have a couple questions, and the Committee might have some in a second.

This is more a point of clarification because I'm trying to understand, and so if it's very direct, it's just because that's my manner of speaking, but it's not intended in any way to put you on the hot seat.

There are a couple of terms of phrase that you used. You talked about the mitigation demanded by the county, that was a word choice. And you also used some phrasing that suggested either that the county says

something is not allowed or that the county has a preference that something not be done. And I think I need some clarification on those points.

And if you want more context, I think you recall the context in which you said those things, but to me there is a difference between what a regulatory framework requires, and you referenced that at the very end, versus what the county is agreeable to or not agreeable to versus also a mitigation demand made by the county, that I'm hopeful staff objectively reviewed and made its own determination that the mitigation demand is reasonable and is consistent with staff's own evaluation analysis of what it perceives the impacts and needs to be.

So if you could address all of that, I would greatly appreciate it.

MR. LESH: Okay. Yeah, the word "demand" is regrettable. They suggest this is the amount we think is needed to mitigate. And initially that amount was 25 percent of the total that they thought they needed for the county. Initially we looked at the numbers and said 22 looked more realistic.

As the Fire Needs Assessment came in and we looked to accommodate the suggestions that were made, our numbers using the matrix varied from initially our 22 percent to at one point about 10 percent.

You know, we're really not trying to track with the county, we're advisors to the process. We rely on officials of the county to give us advice as to the legality of various things, and when they have given us feedback, I wouldn't say we are -- when they give us feedback after reviewing either our documents or documents that have been submitted into the docket and it's legal, it's their interpretation of whether something is legal according to the county codes. Personally, I'm not a person who is equipped to deal with that, I'm not a lawyer. So I rely on what I -- from an engineering point of view, as a mechanical engineer and a metallurgist who's been working in safety and fire for the last eight years, just to say does this look reasonable from the engineering point of view. And that's where the numbers come from.

HEARING OFFICER VACCARO: Thank you. I think that provided some important clarification.

I think we're going to interrupt the flow just a little bit more to ask a few questions before you get to your cross-examination.

Okay. Mr. Lesh, there's a follow-up question, and actually it flows very well from what I was just asking you, the difference between sort of a regulatory framework, staff doing its own objective analysis.

Just looking purely from staff's perspective at

the issue of protecting the lives of the workers and worker safety, the proposal that's been made by the applicant to have these on-site services, in staff's estimation, would that be adequate to protect the workers, notwithstanding anything that the county might say about who truly has jurisdiction, but the concept itself and the idea of having these on-site services, and this response time.

MR. LESH: From the point of view of worker safety, having faster response to any kind of emergency that comes up that requires first-aid treatment, faster response is always better, provided it's available and it's adequate. So from a LORS point of view or OSHA requirements for worker safety, they're both -- and whether they have an on-site team or not, they can be made adequate; but it would be better from a worker safety point of view to have a response team on site. There's no question about that.

From the other point of view of impacts to public safety, from the concern of having an event at the power plant that would take resources from the county, then there would be -- with drawdown, the concern isn't, as was mentioned earlier, that the county couldn't respond to something on I-10 or at one of the other power plants or a car wreck somewhere, the concern is that until a backfill

and cover is done with personnel and equipment, response times to any of those other events would be extended. So in the same way that we're benefiting the workers on site, we might be putting the public at increased risk because the response time is critical. So that's the other thing that we are holding in the balance.

HEARING OFFICER VACCARO: So just as a -- to understand, if we have the on-site services as proposed by the applicant, that would be detrimental to the public -- or that would actually be beneficial to the public because the county would not then be required to come out and address those issues and, in fact, the drawdown and backfill issues wouldn't be triggered in the first place?

MR. LESH: If -- it's beneficial to the workers. And if the fire department is relieved of having to respond, either in frequency or in magnitude, then it's also beneficial to the public.

HEARING OFFICER VACCARO: Okay. Why don't you go ahead and do your cross, and if the Committee has any further questions, we'll hold them until after you do your cross-examination.

CROSS-EXAMINATION

MR. GALATI: Mr. Lesh, thanks. You had made a comment earlier in sort of maybe how the development of the matrix, and you said that the county had provided you

with what they thought they needed in the terms of monetary compensation to mitigate impacts from four projects.

Do you remember that?

MR. LESH: Yes.

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MR. GALATI: Are you sure that at the time they made that request, they were talking about the Rice project as the fourth project?

MR. LESH: I'm not certain.

MR. GALATI: Are you familiar with a project called Desert Sunlight, which is also along the I-10 corridor, but it's a photovoltaic project?

MR. LESH: No.

MR. GALATI: I want to talk a little bit about the Fire Needs Assessment.

You've reviewed the Fire Needs Assessment, correct?

MR. LESH: Yes.

MR. GALATI: And then you reviewed the revised
Fire Needs Assessment.

MR. LESH: Yes.

MR. GALATI: Is there anything about that assessment that you see that is not addressed or that shows or gives you some reason to believe it's biased?

MR. LESH: In my opinion, the initial Fire Needs

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Assessment didn't address rescue. The other portions of the initial Fire Needs Assessment was somewhat vague in the sense that it asserted that an on-site first-aid person could call in a helicopter. And then we -- at the same time it said that it would be required to call in a helicopter, an EMT paramedic.

So we revised some of the proposals that were in that initial Fire Needs Assessment so it would be self-consistent. And that's where worker safety conditions 10 and 11 came from that required sufficient personnel on site and an ambulance such that it was self-consistent to the point that what it was proposing to do was described therein.

MR. GALATI: So you're familiar with what's in Worker Safety 7, staff's current proposal; there are possibly three ways to comply, right?

MR. LESH: Yeah.

MR. GALATI: You can pay the money, you can get an agreement, or you can do an independent Fire Needs Assessment, correct?

MR. LESH: Yes.

MR. GALATI: And that you would do the independent fire needs assessments, submit it to the Energy Commission, and then the Energy Commission would determine if it's adequate; and if it found it was

adequate, wouldn't it impose the mitigation from the Fire Needs Assessment? Isn't that how the condition works?

MR. LESH: Pretty much.

MR. GALATI: Okay. So what it is about the revised Fire Needs Assessment, since it now addresses technical rescue, that makes it not comply with this condition? Because if this assessment was submitted as part of compliance, why wouldn't it determine what the mitigation is?

MR. LESH: In -- staff believes that the depth of rescue capability that could be applied much of the time when it's needed either would be not there or inadequate, or if that if there were a multiple-injury event that occurred at this site, 911 would still need to be called most times, and a response from the local fire and emergency services district would still need to be involved, in which case the mitigation component that the Fire Needs Assessment is directly targeting wouldn't be met.

MR. GALATI: Okay. Let's explore that just a bit.

How often do you think that's going to happen during construction?

MR. LESH: I couldn't say. With 400 people --

MR. GALATI: If the fire department --

1 MR. LESH: With 400 people, I don't know.

MR. GALATI: Right. So we're not talking about making sure the fire department has the equipment necessary to respond to such an event; so if they didn't have it, once might be significant, correct?

MR. LESH: I'm sorry, would you say that again?

MR. GALATI: We're not talking about if they have
to respond one time, they don't have the equipment or
personnel to respond, so the impact is make sure they have
the equipment and personnel to respond, right, that's not
what we're talking about?

MR. LESH: I don't know if that's true or not.

There's --

MR. GALATI: I thought you said in your revised testimony that they were capable, in fact, highly capable, more capable than the applicant to respond to technical rescue.

MR. LESH: I believe that is so.

MR. GALATI: Okay. So what has to occur is this event that overloads what's on site, then the fire department has to respond, and then there are other things in the county that need response that these particular technical rescue units cannot respond to for there to be an impact to the county, correct?

MR. LESH: If we were going to call it an impact,

yes.

MR. GALATI: And so the mitigation you proposed is some percentage of a number given to you by Riverside County Fire Department, correct?

MR. LESH: Yes.

MR. GALATI: Where did the number come from? I mean, what's it based on?

MR. LESH: It's based on the cost of building a fire station, I think a fire engine, and staffing it with three people.

MR. GALATI: Okay. Do you think that that's a reasonable mitigation if the events I already laid out happen once throughout the two and a half years of construction?

MR. LESH: I would say that if you could guarantee that you will only have one event -- I still couldn't say it's not reasonable because I'm not in the business of running rescue teams or fire departments or county services.

MR. GALATI: Okay. Well, let's take it to the next level.

Let's say the applicant agrees with Worker

Safety 7 and 8 and pays the \$590,000 and the annual

payment. What will Riverside County do with that money?

MR. LESH: I have to assume that they will use it

for operational costs, capital costs, and personnel.

MR. GALATI: So they would actually backfill the drawdown; is that what you're suggesting would happen?

MR. LESH: No.

MR. GALATI: I may be using the wrong word then.

Would they build a fire station?

MR. LESH: They have said that that was where they got the figure for the amount of mitigation they needed.

MR. GALATI: Okay. So when you used the response matrix, it assumes that the project does impact Riverside County Fire Department; no matter what the numbers are, it assumes that there will be some impact to Riverside County, doesn't it?

MR. LESH: It -- yeah, it assumes there is based on -- well, no, it assumes that there potentially is.

MR. GALATI: Okay. But there is no way in using the response matrix to get a condition that says you don't owe Riverside County anything, correct?

MR. LESH: No.

MR. GALATI: How would you get such a condition?

MR. LESH: I think if you have zeros in all the places, you would -- you would have no demand.

MR. GALATI: Let's turn to it. Let's look at Appendix A to your rebuttal testimony, which is

1 Exhibit 207.

You have in your response criteria, you have item number 1 called "Inspections."

MR. LESH: Yes.

MR. GALATI: And you rated it as a minimal need.

MR. LESH: Yes.

MR. GALATI: Does inspections cause drawdown such that if somebody is inspecting, the county cannot provide service to other areas?

MR. LESH: This is not a drawdown matrix.

MR. GALATI: But the impact is all based on drawdown, correct?

MR. LESH: That's the principle, not drawdown.

MR. GALATI: You didn't say the impact is --

MR. LESH: It's utilization of resources, it's the fact that having an event there, because of the remote location and the long durations, that any response is -- ties up local resources for longer than it would be to a plant that was next door to the fire department.

MR. GALATI: No, there's no question. But let's go to item 1, Inspections.

Why didn't you mitigate by requiring the applicant to pay fees for inspections?

MR. LESH: We've allocated using a consistent method between all the power plants.

MR. GALATI: Correct, which assumes that all the power plants cumulatively contribute to an impact, correct?

MR. LESH: You were assuming that, yeah, inspections is one component of utilization of the fire department's resources.

MR. GALATI: Right. We're going to get to the rest of them, but I wanted to single them out here.

So it's impossible to get a zero.

MR. LESH: No, it's not impossible. If we could reasonably convince ourselves that you would never need inspections or a need for a fire department to come out to do either training, spill response, inspection after a response, inspections or reporting after an injury, or have any other reason to come out to do anything we would term an inspection, then we would give it a zero. And, in fact, through the iteration of revising the matrix over the last several months here, we have at different times put zeros in different categories. Because as we say, this is a guideline that we use as part of the process.

MR. GALATI: So under that scenario though, every power plant would always contribute to drawdown if it used services in any way, shape, or form, correct?

MR. LESH: No.

MR. GALATI: What is it about inspections here

that cause an impact to the county, beyond, let's say, of a project closer to the fire department?

MR. LESH: Say that again.

MR. GALATI: Let's say two projects, and let's compare them, a project that's right next to the fire department and a project that's far away from the fire department.

How do inspections cause a different impact?

It's drawdown, correct?

MR. LESH: Drawdown, we don't consider to be simply utilization. Drawdown is when you've utilized sufficient resources that the fire department is required to do backfill and to move people between stations because they have reached the point where they can no longer respond effectively in some stations.

MR. GALATI: And so would inspections cause that at all for the Rice project?

MR. LESH: Inspections for drawdown, I don't think they would be a component.

MR. GALATI: Okay. So if this were --

MR. LESH: They're just a utilization of resources.

MR. GALATI: So shouldn't this be zero?

MR. LESH: It's not a -- it's not a drawdown

25 | matrix. It's not simply a drawdown matrix.

MR. GALATI: Okay. So is the applicant mitigating for anything other than the drawdown impact on Riverside County Fire Department?

MR. LESH: They're mitigating, in my understanding, for the increased demands, personnel and equipment that they will need to adequately service both the facility -- to service the facility as well as the community where the stations are if there's, say, a large event that would create drawdown.

MR. GALATI: So Riverside County does not have enough personnel to handle inspections for the Rice project and needs funds for that.

MR. LESH: I couldn't say.

MR. GALATI: Okay. I'm going to move on to something else, because that one just confused me.

Let's go to item 2.

In your mind here, isn't this a relative -- item 2, which is fire, isn't it relative sort of risk as you see it with respect to other projects like the Blythe or Genesis or Palen projects?

MR. LESH: Risk of fire, yes.

MR. GALATI: Okay. So this has a low risk of fire at the Rice project?

MR. LESH: We would say it has a middling risk.

It has flammables on site, it has diesel fuel on site, it

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has hydraulic oil, it has transformer oils, and there are large quantities of flammable materials, there will be propane; so it's not zero risk and not necessarily minimal risk.
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MR. GALATI: Okay. With respect to other power plants, let's take a natural-gas fired power plant or even a solar project with HTF fluid and the Rice project.

Which project, just by its characteristics, has the least fire risk?

MR. LESH: That's hard to say.

MR. GALATI: Well --

MR. LESH: I would --

MR. GALATI: -- I'm going to make you say it,

14 so --

MR. LESH: I would venture a guess that -- I would expect there to be less fire risk at Rice and at a gas-fired power plant and one with HTF in large quantities; however, we're looking at here the risk of fire to the public off site to some extent and workers as well. And in a case where the gas-fired plant were close to a fire station, we have -- we have very few fires at them because there are thousands of them, even in the U.S., there's 50 years of operating experience, there are standard procedures, it's -- they're well managed.

MR. GALATI: Yeah, but wouldn't they even be more

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well managed if you didn't have a gas pipeline or any sort of combustion source on the site?
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MR. LESH: If you're asking me would they have fewer events, probably; but they have very few. There's not really a statistical risk.

MR. GALATI: That's right. So is it really an impact to the county for drawdown to respond to the infrequent nature of a fire at something like the Rice facility?

MR. LESH: It depends on the magnitude of the fire.

MR. GALATI: Correct. So there could be a day or two that there was some sort of drawdown, correct?

MR. LESH: Yes.

MR. GALATI: Okay. And so in the life of the project, that is --

MR. LESH: Are we talking Rice?

MR. GALATI: Yes.

MR. LESH: Okay.

MR. GALATI: Let's say in the life of the project, do you think it's reasonable that an applicant should have to pay almost like having somebody stand by for drawdown due to a very infrequent risk?

MR. LESH: I would say you're paying for the capability of responding if that event occurs, the same as

I do for homeowners insurance.

MR. GALATI: Okay. I want to talk about that, because I thought that's not what we're talking about.

The Riverside County Fire Department, according to your testimony, has the capability right now to respond to the Rice project for a fire. It has all of the training, all of the equipment, the only thing is it's an hour and 15 minutes away; isn't that correct?

MR. LESH: Yes.

MR. GALATI: So it wasn't that you didn't identify that they didn't have a ladder truck so they couldn't reach something high or their people weren't trained to handle a particular material, that's not the impact; the impact is when they come out, they can't respond to something else, correct?

MR. LESH: No, it's not that they can't respond to something else, it's that their response time to other things could be extended, impacting public safety.

MR. GALATI: Okay. And so you think there's a risk to public safety that the Rice project poses based on the possibility that the Riverside County Fire Department may have to respond sometime during its operations.

MR. LESH: There is a risk. If they respond, and it's a major response, yeah, there's -- there is a risk.

A risk is a chance.

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MR. GALATI: So any chance, from your

perspective, is -- gives rise to level of significance

under CEQA?
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MR. LESH: No, I didn't say that.

5 MR. GALATI: But you're mitigating for that, 6 correct?

MR. LESH: We are using a standard methodology to evaluate the potential size of a fire on site.

MR. GALATI: On technical rescue, you still have technical rescue here, item number 4, as contributing to the risk. Why?

MR. LESH: We don't believe that the depth of potential response can be maintained by the power plant at all times to the extent that you will never need to call on the county's fire department.

MR. GALATI: So if we call the county fire department once, that's an impact for you that you need mitigation, correct?

MR. LESH: That's one of those responses that you're helping to pay to ensure it's there when you need it.

MR. GALATI: Well again, no, we're not; they're there. You're telling me that we have to pay for them to be able to respond and backfill to somebody else.

So in every one of your scenarios, there are two

events going on, one at the fire department -- I mean one at the project site and one somewhere else that the fire department can't or is delayed in responding to, correct?

MR. LESH: Not necessarily a rescue event.

MR. GALATI: Okay.

MR. LESH: Because we're talking resources, we're talking just firefighters.

MR. GALATI: I'm having difficulty understanding under any scenario why an emergency service on site with trained employees to do technical rescue, that anyone would pick up the phone, wait an hour and 15 minutes for the person who needs to be rescued to be rescued by the fire department. Can you think of a scenario where that would occur?

MR. LESH: Yes. One where they can't get to the guy, one where they don't have the skills or they don't have sufficient people to dig somebody out, or somebody is injured to the point that they say, we need help. That could be on the tower, that could be in a ditch, it could be pinned between a turbine anywhere. Where somebody says we have a couple guys on every shift who have been trained and they have a certificate, but they've never actually done a technical rescue, they just have a certificate; at which point when one happens, they would be very tempted to say, we're calling 911.

MR. GALATI: Okay. So the concept's okay -HEARING OFFICER VACCARO: Re-ask your question.

I'm going to interject just for a moment here because if -- I apologize for interrupting the flow, but there's a reason that I'm doing it, because I'm finding that we're covering the same ground in a way, but in a different -- a different question that's basically getting at the same exact issue and the same point. And I'm hopeful that maybe there are a few questions that can really get to the heart of what you're getting at, which I could be putting words in your mouth.

You've got significant issues with each of the line items and the matrices numbers and the manner in which staff arrived at those numbers. And what you've done is shown us, using at least three examples now, where you take issue. And there's also been testimony submitted by the applicant that shows where you take issue.

This witness is not, I don't think, as he sits here today going to change his position. He's going to answer your questions. But I think you're making the point. I don't know if we really feel we need to go through each item and do a series of questions on one point to further underscore what I think we're all understanding and is becoming abundantly clear in this interaction, but I leave that to you because there may be

something you're truly getting at, but I think you're making your point.

MR. GALATI: Fair enough. One never knows when they -- and I'm used to not making my point. And always following a joke with something serious, it's just that this is a very significant issue, and it's an extremely significant cost to the project, so I want to make sure that I don't leave any stone unturned so that the Committee is aware of everything.

And many of the questions, the answers I did not quite understand and had to ask a lot more to get to that point, but I will hurry it up.

HEARING OFFICER VACCARO: No, that's fair enough. And what I'm saying to you is it's not a matter of hurrying it up, it's a matter of asked and answered. And asking the same question perhaps ten different ways might give you ten different answers, or you might get the same answer all ten times.

So if you feel that your diligence for your client requires you to continue, then please do; but I did want you to know that your point is being made.

MR. GALATI: Let's move to the Riverside County EMS letters. Specifically let's move to the October 27th letter to Jason Neuman.

If I remember correctly, in your direct testimony

you testified that this letter was instrumental in you revising the matrix to not give credit for the EMS services in the way that the applicant's witness had, correct?

MR. LESH: That's true.

MR. GALATI: Okay. And then we looked at some e-mails, which I apologize for surprising you guys with them. I actually didn't intend to do it that way, I thought that maybe Ms. Stoll would be here, and she's familiar with them.

So is it the sentence that says "911 system will be activated" that makes you think that Riverside County EMS objects to the concept of having a contract with an approved service provider?

MR. LESH: I don't -- I don't have that opinion.

I don't know that they object to you having a contract with an approved provider.

MR. GALATI: That's fair enough. I threw some facts on you in that question. I apologize.

Do you believe that it's this portion of the sentence -- I'm trying to figure out what it is that causes the problem -- is the fact that you believe that 911 system has to be activated no matter what the applicant has on site?

MR. LESH: My concern is the Fire Needs

Assessment says we will never have to contact the fire department or the 911 system because we can call directly for an ambulance. And in this, it kind of unwinds that position, at which point I'm relying on the experts in the county and encouraging the applicant to deal with the county.

MR. GALATI: Yeah, I'm trying to understand what it is about this letter that says that to you, because the 911 system activating doesn't mean that Riverside County Fire Department responds to the site; isn't that correct?

MR. LESH: It doesn't necessarily mean that.

MR. GALATI: And, in fact, if you have an ambulance service on site, and as Mr. Snell testified, you might not call 911; but if you did call 911, wouldn't you be saying, I'm bringing someone to the hospital?

MR. LESH: I don't know what I would say.

MR. GALATI: I'm just trying to walk through this because -- or wouldn't you say, I have an ambulance but I need the airship? Wouldn't that be the only two calls that are made?

MR. LESH: I -- I don't know about the calls, not being in that business. The response from the fire department with these letters was that these don't mitigate because we still have to respond.

And, in fact, the letter says, you know, the

decision of whether to respond is up to the fire department. I don't know what they're going to do. This basically says to me that you can't operate outside the existing county emergency services network. And in the fire needs, repeated very often, we don't need to call 911 or the fire department, and to which I say based on that's letter, it doesn't appear that that's going to be compliant with LORS. And I'm not in a position to finesse or, you know, change the Fire Needs Assessment.

MR. GALATI: Understand that. I'm just going to ask one final question, okay, and I want that if the Committee were to adopt Worker Safety 7, which has the ability to do it in a Fire Needs Assessment, I would like staff to state on the record what needs to be done that is not done in the Fire Needs Assessment before you so that we have a chance of compliance.

So can you please answer what the revised Fire Needs Assessment, how it would need to be modified to provide the information necessary under Worker Safety 7?

MR. LESH: From my point of view, I would like to see it vetted through the county agencies that concur that this level of mitigation and -- well, not necessarily level of mitigation, but that the proposal of what's to be done is consistent with county policy and LORS.

MR. GALATI: I don't have any further questions,

unless -- I notice Jason Neuman's on the line. I do not know if staff is going to call Riverside County Fire Department as a witness, I didn't see them as a witness, but it sure would be helpful; and I would have cross for him if he testifies.

HEARING OFFICER VACCARO: You're a mind reader. In fact, I did ask staff in advance of the proceeding in preparing the witness list if they were planning on calling a county representative, and Ms. Dyer indicated that they were not.

We do have -- or I have a few questions for this witness; and we would also like to hear from the fire department on some of these issues that have been raised.

So I have a few more questions for you, and the Committee might as well. And again, these are intended as clarity so that I can ensure that I'm understanding what it is that you're saying as you intend to say it.

Just breaking this down into construction impacts and operations impacts, I'm just trying to get a sense of truly what the concerns are or what we're talking about as giving rise to the opinion that there will be direct and cumulative impacts.

You had indicated from a construction perspective that, at least speaking only about fire, not EMS, that during construction you're looking at maybe the melting

phase is a possible area that would do, what, give rise to a potential fire or might otherwise raise concerns? What types of services would be required, EMS or fire?

MR. LESH: Well, potentially both. I suppose if you have a fire, then you have EMS concerns. But during that phase is when they are doing the melting of the large salt bags to a liquid form. There's a couple of trailers full of propane on site. The applicant's AFC states that they may also have ammonia on site to mitigate NOx from their burners at that time. So at that time we have larger quantities of flammables, potential for explosion or fire, and a haz mat spill.

HEARING OFFICER VACCARO: And when you say "at that time," it's my understanding the construction phase is roughly 27 to 30 months but that the salt commissioning phase is not quite that long. So when you say "at that time," you're meaning during salt commissioning. And what is that? What's that window? How many months are we talking about that we have a concern about these flammable products being on site and being used?

MR. LESH: I believe the window of melting is approximately three to four months.

HEARING OFFICER VACCARO: Okay. So we know that we're not going to be salt commissioning during operations, but there's the potential for fire. What's

the difference between the reference to sort of a major fire versus, I guess, a garden-variety fire?

MR. LESH: Size and duration, I suppose.

HEARING OFFICER VACCARO: Okay. And how does that then play out in terms of the projected impacts on the county? Does the size of the fire make a difference, whether it's a major fire or a garden-variety fire; how does that flow with the analysis?

MR. LESH: In the case of Rice having perhaps 15,000 gallons of -- of ammonia or propane or some other material on site, a major fire would be confined to the propane. The risk there would, in most scenarios I think, be a leak that would not be extinguished soon enough and would overheat the tank into a potential bleve which would cause multiple injuries, but would probably quickly burn itself out.

HEARING OFFICER VACCARO: Okay. And again, we're speaking of the propane; are we talking primarily the construction phase, or are you talking about --

MR. LESH: Construction phase, yes.

HEARING OFFICER VACCARO: So then what are the concerns for any greater potential, I guess, for a major fire to occur during the operations phase, since we're no longer going to be doing salt commissioning and using these quantities of propane?

MR. LESH: Okay. During operations flammable materials on site would be mostly oils. We have somewhere probably shy of a hundred thousand gallons, I'm not sure, maybe 50,000 gallons of oil in the transformers, lube oil for the generators, those sorts of things.

HEARING OFFICER VACCARO: Okay. And has the county in its conversations with staff or staff independently sort of made an assessment that the risks appear greater during construction versus operation, or does the matrix or the analysis just sort of average everything out and look at the project as a whole?

MR. LESH: The matrix looks at the project as a whole; it doesn't distinguish between construction and operational phases.

There was another part to your question. The first part --

HEARING OFFICER VACCARO: I think you captured it in your answer.

Basically I was trying to get a sense of are you doing some sort of proportional weighting or are you just averaging across the project as a whole.

MR. LESH: Oh. This averages across the whole.

I think the -- the justification, my understanding is, you know, for -- there's a one-time payment up front, and that's for acquisition of capital and equipment.

HEARING OFFICER VACCARO: Okay. And this is just because I didn't quite understand.

A fire station, personnel, and, what, an additional fire engine and apparatus, is that what we're talking about?

MR. LESH: Engine and apparatus, whatever gear they -- the firemen require.

HEARING OFFICER VACCARO: Okay.

MR. LESH: Breathing apparatus, I don't know what all the equipment is, plus the firehouse itself.

the determination that the acquisition of those items, that equipment and those items and personnel would mitigate for the cumulative impacts for what are perceived as direct and cumulative impacts of the four solar projects, because that really only relates to four solar projects; is that correct? And that's mitigation for the impacts from four solar projects.

MR. LESH: That's correct.

HEARING OFFICER VACCARO: And that -- so I guess that wouldn't be direct impacts, that would probably be looking more at the cumulative impacts are mitigated by the acquisition of these things. And instead of dividing by four and apportioning a quarter to each, the other three projects are supposed to pay a little bit more than

Rice because Rice has the salt as opposed to the quantities of ammonia or HTF or whatever other.

MR. LESH: I'm not sure what the other power plants will end up paying. The initial rationale was to divide it by four. As I look at the matrix now, the allocation, because Rice is lower than the others, the allocation of the others is -- it sums to more than 75 percent for the other three. So either they pay more or they got a deal. And if they got a deal, or get a deal, then the Riverside Fire Department is going to come up short of what they said they needed for mitigation.

HEARING OFFICER VACCARO: And just one final question.

The development impact fee payment isn't intended in any way then to address these environmental impacts of projects to the --

MR. LESH: It --

HEARING OFFICER VACCARO: -- fire -- the ability of the fire department to provide fire services or emergency services?

MR. LESH: It is intended for that. The fire department has told me from the beginning that any DIF fees paid or property taxes paid, portions thereof that go to the fire department, they would use to offset what they were requesting for mitigation.

HEARING OFFICER VACCARO: So do the figures in Worker Safety 7 reflect the payment of property taxes and development impact fees by this project? And I'm not talking -- and on top of that, this project's reduced amount of that initial 25 percent?

MR. LESH: The matrix does not reflect the existence of any DIF fees or taxes, so the amount that's actually being requested should be offset by whatever gets trickled down to the fire department through DIF fees and property taxes.

HEARING OFFICER VACCARO: Okay. Thank you.

PRESIDING MEMBER WEISENMILLER: I have questions in two areas. I guess the first one following up a little bit on those questions.

Typically in a risk assessment you look at probability and you look at consequences. And so in terms of consequences are to see a consequence is associated with the remote access here; in terms of probability, you talked about considering the impacts of the different working fluids in the different pipeline structures.

Now, did you also consider -- I'm going to characterize it as size in the sense that with a larger project, presumably you have a much bigger footprint, you have more workers. Did you capture that in the allocations?

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MR. LESH: In the matrix, the size of the power plant would factor in through the amount of hazardous materials and the amount of flammables on site and potential through the frequency and complexity of inspections, it would have to be done by the fire department. In things like inspections, you know, we can consider also the probability of there being a necessity for the fire department to come out and train at the facility if it's more complex. So I guess I'm saying not explicitly but probably implicitly it's being considered. There isn't a component in there that we consider to be probability in the risk assessment.

PRESIDING MEMBER WEISENMILLER: So if the number of workers were related to the amount of working fluid, then you'd capture the potential of that having, say, ten times as many workers might have, you know, higher probability of something occurring to those workers.

MR. LESH: Yeah.

PRESIDING MEMBER WEISENMILLER: But if they're not proportional, then obviously it could be skewed, because this is one of the -- of the projects down there, this is one of the smaller -- along with having a different working fluid and different pipes, it's obviously smaller, substantially smaller than some of the others.

1 MR. LESH: Yes.

PRESIDING MEMBER WEISENMILLER: The other question was when you talked about having the county look at the risk assessment study, were you saying the county should be able to comment, or were you saying the county should be able to approve that study?

MR. LESH: The county should comment, and the comment should include certainly whether the application of the proposals that come from the new Fire Needs

Assessment meet the existing LORS or whether it would be potentially disruptive or have some other impact upon the county, but not -- not the right to approve or disapprove of -- or the acceptability of the Fire Needs Assessment.

HEARING OFFICER VACCARO: Ms. Dyer, did you want to do any redirect?

MS. DYER: Yes. I have just a couple of questions on redirect, please.

REDIRECT EXAMINATION

MS. DYER: My question goes to workers traveling to and from the site and the increased burden that that might place on both the fire department and the rescue system of Riverside County. Is that factored into this emergency response matrix? And if so, where is it, which section?

MR. LESH: It's not explicitly captured in an

item here other than through judgment of the evaluators in terms of the size of the workforce, the distance they travel, the nature of the roads to some extent. And in this case of Rice, it's the fact that they're -- you know, they will have to haul out 17,000 heliostats. So besides the workers commuting over the 60-mile distance on two-lane roads, there's going to be trucks during the construction period and a sizable number of materials you're bringing to build a power plant. If -- it's a consideration. It's not a line item.

MS. DYER: Okay. But that is definitely something that Riverside County would deal with should there be an incident on the road due to any of those.

MR. LESH: Yes, they would be the responders, whether it was fire or rescue or emergency medical services.

MS. DYER: Okay. And then one other question regarding the duty of Riverside County to report any incidents that may occur at the Rice site that did not necessarily require Riverside County assistance.

Is there a responsibility for Riverside County to document any health or safety or fire issues that they did not respond to?

MR. LESH: My understanding from letters from the county are that if there's an incident that involves

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either a reportable spill, an injury, a significant injury such that reporting has to be done as the authority having jurisdiction, that would require personnel from the fire department to come out and do the reporting, either to whichever agencies it would be necessary for.

6 MS. DYER: That's it for me. No further questions.

HEARING OFFICER VACCARO: Okay. Are you intending to do any kind of recross?

MR. GALATI: Yes, she raised an issue that we had not talked about, which was construction traffic.

RECROSS-EXAMINATION

MR. GALATI: Mr. Lesh, in the revised Fire Needs
Assessment, isn't there an analysis of the risk for
construction traffic accidents?

MR. LESH: Yes.

MR. GALATI: Is there complete tables of the existing accidents that occur on those roads?

MR. LESH: There is data for some period of

20 | years; I can't remember how many years it's for.

MR. GALATI: So does the fire department routinely respond to traffic accidents?

MR. LESH: Yes.

MR. GALATI: Only ones with injuries and/or fire,

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MR. LESH: I can't say.

MR. GALATI: Okay. Would it surprise you if the highway patrol was the person who's contacted when you call 911 for traffic accidents in that area?

MR. LESH: That would not surprise me.

MR. GALATI: Okay. No further questions.

HEARING OFFICER VACCARO: Okay. Thank you,

Mr. Lesh.

I think we're at that point now where it looks as though, Mr. Neuman, you are still on the phone. Thank you for hanging out all day. We would like to hear from you, but first I want to make sure that you can hear me and that you truly are still there.

MR. NEUMAN: Yes, ma'am, I'm still here.

HEARING OFFICER VACCARO: Okay. What I'd like to do, you're not really offered by either the staff or the applicant, but as you're aware, your name has been used several times throughout this proceeding, and there is some information I think that the fire department could provide directly.

So what I'd like to do is have you sworn in, if you're willing to do so, so that this doesn't come in as a public comment and truly comes in as testimony, have you sworn in and make you available for questions by the applicant, staff, and the Committee.

1 Are you agreeable to that?

CAPTAIN NEUMAN: Absolutely.

HEARING OFFICER VACCARO: Okay. So we'll have you state your name, your position for the record, and the court reporter will swear you in.

CAPTAIN NEUMAN: Jason Neuman, J-a-s-o-n, last name N-e-u-m-a-n, fire captain, strategic planning, Riverside County Fire Department.

Whereupon,

JASON NEUMAN

was called as a witness herein and, having been first duly sworn, was examined and testified as follows:

THE REPORTER: Thank you.

HEARING OFFICER VACCARO: Okay. I think what I'll do, Mr. Galati, is have you go ahead, even though, you know, he's not summarizing any testimony, he's heard it all, we know what he has to say in part from the staff assessment, your own communication. So we can treat this as, you know, a cross, but really it's just a matter of getting questions answered directly from the fire department as opposed to hearing it through a second-hand testimony.

MR. GALATI: I have no problem proceeding in that way. I would ask the Committee to indulge that if Mr. Neuman comes up with new testimony, that I have

witnesses that can rebut that testimony, I'd like the ability to recall them in rebuttal, since I don't know what he's going to say.

HEARING OFFICER VACCARO: That's fair, of course. And I want to make sure everybody has a full and fair opportunity to be heard. So we'll listen to what he has to say, and you and staff both can proceed as you see fit with additional witnesses.

CROSS-EXAMINATION

MR. GALATI: Captain Neuman, this is Scott

Galati. Thank you for hanging on the phone for so long.

CAPTAIN NEUMAN: No problem, sir.

MR. GALATI: Let me ask you, have you reviewed the revised Fire Needs Assessment?

CAPTAIN NEUMAN: Yes, I have.

MR. GALATI: Do you consider that document to be biased?

CAPTAIN NEUMAN: Yes.

MR. GALATI: And why so?

CAPTAIN NEUMAN: There's a number of issues that appear to be inaccurate after my review. To sum it up, there's not much follow through. I question how they substantiate that document, as well as looking at -- there's no contingency plans in place. I think today the discussion weighed heavily on EMS response, contracting

and technical rescue.

MR. GALATI: Okay. I understand why you think the Fire Needs Assessment might be flawed, but are you using those flaws to say that this is biased?

CAPTAIN NEUMAN: I'm using it based on operational perspective with our policies and procedures that we have in place. And I can also look at it -- as Mr. Lesh mentioned, I mean, the issue came up with drawdown, and maybe for lack of better terms, is the trickle-down effect and how it creates the cumulative impact.

MR. GALATI: And, Mr. Neuman -- I mean Captain
Neuman, did you prepare a Fire Needs Assessment?

CAPTAIN NEUMAN: No.

MR. GALATI: And did you prepare -- how did you come up with the impacts that require you to build a new fire station?

CAPTAIN NEUMAN: I think if we look back at the initial correspondence a year ago and looking at the totality of all four power plants, working with staff, different staff members for different projects, coming up with initial impact of a fire station required per development, and in working with the staff throughout this process, making a determination of a cost figure for one station, and as Mr. Lesh mentioned earlier in his

testimony, is dividing that by four, and then refining that up until today's date.

MR. GALATI: Where are you going to build that new fire station?

CAPTAIN NEUMAN: Well, we're currently doing some discussions at this point. As of today's date there will be no new additional station in that area; however, looking at the impacts associated with the project, and as Mr. Lesh mentioned, the funds would be available for fire station support, capital improvements. We are looking with our real properties division within Riverside County to upgrade and enhance two stations in the Blythe area.

MR. GALATI: Okay. It's unfortunate that maybe the question will seem confrontational, so I'll give you a heads-up ahead of time --

CAPTAIN NEUMAN: No problem.

MR. GALATI: -- but we have a Fire Needs
Assessment of which you have said is biased, and yet all
we have is you telling us that you need a new fire
station.

Do you have any analysis that you have done, other than comments on the Fire Needs Assessment for the Rice project, to show that independently, or even written down, that the fire department would have to respond in such a way that it would cause an impact to its current

resources?

CAPTAIN NEUMAN: We could look at a number of issues. I think they've been addressed in previous testimony. Mr. Snell -- I don't know if this is going off topic, but Mr. Snell made the comment of -- his last comment was actually why does the fire department need to respond dealing with EMS issues. And previous testimony, looking at the requirements we have, both for OSHA notification, and we also have a requirement internally with the California Incident Fire Reporting System that we do respond to incidents and obtain information and complete a report within 24 hours. That information gets shipped to Sacramento, and then from Sacramento it goes to the National Fire Agency for documentation purposes.

MR. GALATI: Okay. I understand that. But I was asking whether or not you've done any analysis in which you could share with us to show why the Rice project provides impacts, either directly or cumulatively, that you believe need to be mitigated by this mitigation proposal.

CAPTAIN NEUMAN: Looking at our fire protection master plan that was approved in 1987, there's categories within that master plan that identify land use categories. And with those land use categories it identifies specific land use as well as distance for fire stations, for an

example; therefore, we looked at this as one component as an impact to our level of service impacting the closest fire station, which is approximately a hundred plus -- well, actually, an hour plus away from the site, proposed site.

MR. GALATI: If the applicant pays any -- pays the mitigation required by staff, is Riverside County going to respond any quicker to the site?

CAPTAIN NEUMAN: I don't think anybody can really answer that, to be honest with you, Mr. Galati. We looked at this as a plan for worst-case scenario and look at it by a case-by-case basis. I think there was a number of components that would support this in dealing with response, and looking at the applicant proposing a no response by Riverside County Fire Department, looking at issues that were brought up through REMS, and there's a number of other issues that we could look at for technical rescue, and looking at our primary response, what is required by the Riverside County Fire Department as a standard response for technical rescue, for an example, and structure fires, for example, haz mat incidents, all incidents.

MR. GALATI: Captain Neuman, how many times have you responded to a power plant incident in Riverside County; not you personally, Riverside County Fire

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Department?
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CAPTAIN NEUMAN: I don't have that information, but I can actually tell you I have responded one time working out in that area.

MR. GALATI: Okay. And is this the kind of mitigation that you asked for, let's say, I don't know, the inland empire project?

CAPTAIN NEUMAN: Can you give me some geographic reference?

MR. GALATI: Romoland?

CAPTAIN NEUMAN: I wasn't involved in that project.

MR. GALATI: Do you know if Riverside County asked for mitigation for the Walnut Creek -- excuse me, the Sun Valley project, which is in Romoland as well?

CAPTAIN NEUMAN: If it came within -- if it was within county jurisdiction, which it is, it would involve an impact fee similar to what Mr. Snell mentioned earlier, 459 -- or 659.

MR. GALATI: Right. But to your knowledge, nothing above the impact fee, correct?

CAPTAIN NEUMAN: I can't answer that. I wasn't in the strategic planning bureau and the planning engineering department at that time.

MR. GALATI: Okay. If I could have just a

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1 moment. 2 HEARING OFFICER VACCARO: Yes, go ahead. 3 Let's just go off the record for just a couple of 4 moments. 5 (Recess.) 6 HEARING OFFICER VACCARO: Okay. We're back on. 7 MR. GALATI: Thank you. Sorry. 8 Captain Neuman, are you still there? 9 CAPTAIN NEUMAN: Yes, sir. MR. GALATI: Is Riverside County Fire Department 10 currently utilizing all of its resources? 11 12 CAPTAIN NEUMAN: Can you elaborate on that? 13 MR. GALATI: Yeah, I would love to be able to, 14 but I don't think I have the capacity. 15 But I guess what I would try to say is the county 16 fire department -- actually, I need to have some help 17 asking this question. 18 Are you currently maxed out on your workload? 19 CAPTAIN NEUMAN: Maybe you can rephrase that 20 again. 21 MR. GALATI: What I'm getting at --22 HEARING OFFICER VACCARO: Well, actually, I'm 23 going to interject here. I think maybe the first question 24 might have been a bit vague. I think the second question,

not so vague, because I think all of those in the work

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world sort of have a sense of if we're at full capacity or if we're beyond capacity. I think I could speak for many people at the Energy Commission, and I think folks here are well beyond capacity, and I'd say, you know, they'd say, yes, we're maxed out.

So maybe answer the question as you understand it; and if Mr. Galati needs to ask some follow-up questions, we'll have him do that. But answer the question, please, as you understand it.

CAPTAIN NEUMAN: Well, I can say this much, the furlough program for the state has been abolished; but for workload, no, we're working at full capacity with our specialized pieces of equipment, our air program and hazardous materials division, planning and engineering division.

MR. GALATI: How about those particular stations that would respond to Rice in and around Rice, how about those stations, are they at full capacity?

CAPTAIN NEUMAN: Yes, they are. With paramedics, except for station 49, that would be the first engine into the Rice area, has two paramedics assigned 24 hours a day, 7 days a week, 365 days a year.

MR. GALATI: Would you agree if the paramedics did not have to respond to Rice that the project would not provide an impact to Riverside County for EMS service?

CAPTAIN NEUMAN: I think there would be an impact.

MR. GALATI: I apologize. Did you say there would be, still be an impact?

CAPTAIN NEUMAN: There still would be an impact -- maybe I'm not understanding your question.

MR. GALATI: If the Committee were to find that the -- the proposal that the applicant has proposed, which would not have paramedics respond, they wouldn't be the first responders, for example, to an injury at the Rice facility, I'm asking you if you believe there would still be some residual impact to the county fire department.

CAPTAIN NEUMAN: See, I think that's why the needs assessment from a third party would have to address that, because I think there's -- there could be something lost in the interpretation with the REMS policy. They make reference to having EMTs or EMS personnel, advanced life support; I truly don't believe that that opportunity is acceptable under REMS.

I do question that because working within the system, having an ALS provider on site, and what is their capacity going to be? It has to be documentation through a REMS agency that they will be functioning in the capacity of a paramedic, advanced life support, have the efficient equipment that's authorized by REMS as well as

the ordinance and the policy to actually perform that service.

I don't know if I actually directly answered your question.

MR. GALATI: Well, I want to get back to -- because that leads to capacity.

I'm looking at a table in the Fire Needs
Assessment, specifically Table 5.2. And it identifies
station 43, 45, and 49, which are the stations closest to
the Rice facility. And under the master plan, isn't it
correct that those stations have the capacity to respond
to 2,190 calls per year per station?

CAPTAIN NEUMAN: I don't -- I recall looking at the staff assessment. It appeared that the stats were simply just cut and pasted out of our annual report; so I believe those were dated 2006, if I recall, but I'm sure the stats may have changed from year to date as well as from 2009.

MR. GALATI: Well, I do apologize because it's in the Fire Needs Assessment, not staff assessment. And the source is Riverside County Fire Department, Fire 2009 Yearly Emergency Incidents Statistics.

Are you familiar with that document?

CAPTAIN NEUMAN: Yes, I did review it.

MR. GALATI: According to that table, you

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1 responded 1,092 times for all three stations.
2 That sound about right?
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MR. GALATI: And if there's 2,190 calls available per station, how can you say that those stations are maxed out?

CAPTAIN NEUMAN: That sounds about right.

CAPTAIN NEUMAN: Well, I would go back and have to retract my last statement. I simply was looking at staffing personnel as well as space for those particular stations, possibly the need for upgrade for those stations in that area. So I apologize.

MR. GALATI: I don't have any further questions.

Thank you.

HEARING OFFICER VACCARO: Okay. Ms. Dyer, any questions for Captain Neuman?

MS. DYER: Staff has no questions for Captain Neuman.

HEARING OFFICER VACCARO: Okay. Mr. Galati, do you believe that you need to call any witnesses to offer any rebuttal, or do you need to think about that for a moment?

MR. GALATI: Just a moment, please.

HEARING OFFICER VACCARO: Thanks.

MR. GALATI: The Committee should be happy that

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1 HEARING OFFICER VACCARO: Okay.

Captain Neuman, are you still there?

CAPTAIN NEUMAN: Yes, ma'am.

much for being willing to offer sworn testimony. And again, with respect to the answer that you gave to the question about whether or not you're maxed out, you did truly answer it as you understood it, and there is no need to apologize for your answer. I think that with further questioning from Mr. Galati, at the end of the day he asked what he intended, and you were able to provide an answer. So thank you.

CAPTAIN NEUMAN: All right. Thank you very much.

HEARING OFFICER VACCARO: Okay. It is so warm in here.

MR. GALATI: That happens when I've been talking.

HEARING OFFICER VACCARO: It looks as though we have managed to get through all of the technical areas that we need to address in order for the Committee to prepare a PMPD. Unfortunately, I don't believe that the Committee is in a position to close the record on all of these topics today for the very simple fact that we do need to address any public comments that come in up through close of business on November 11th.

I think what the Committee is proposing, and you

can respond now or respond later, is that we keep the record open for that limited purpose of having staff, through declarations and supplemental testimony to the staff assessment, submit comments, responses to those comments at various intervals so that we're not waiting until the very last day on the 11th to address them.

We don't have enough play in the schedule to give you the extra buffer days that you require, so we need to continue to keep this moving on pace, but we will accept that as additional exhibits and evidence into the record subject, of course, to the applicant having the ability to submit some sort of written comment or response, should they need to.

We are not going to convene another hearing to hear those responses to comments, we'll do it by way of declaration and supplements to the staff assessment.

That's the Committee's proposal, to keep us on track.

MR. GALATI: We understand and support that.

MS. DYER: And staff is prepared to address comments as they come in and submit them into the record with the greatest of haste.

HEARING OFFICER VACCARO: Thank you.

So before we do the very final part of closing, I want to ensure that we're clear. That from the applicant we have admitted into evidence Exhibits 1 through 54.

MR. GALATI: That's -- oh, I have one clean up item, and you had asked a question about the ordinance.

We went and got the ordinance. I could --

HEARING OFFICER VACCARO: I think what we'll do is we'll go ahead and I think get our official copy probably from the jurisdiction and take official notice and make mention of that in the notice for the publication of the PMPD, but thank you for obtaining that.

MR. GALATI: Sure.

HEARING OFFICER VACCARO: Because I think some other documents were mentioned during today's proceeding that we need to obtain from the jurisdiction as well.

Ms. Dyer --

MR. GALATI: So you're correct, Exhibit 1 through 54 have been admitted.

HEARING OFFICER VACCARO: Okay. Ms. Dyer, it looks like we've admitted Exhibits 200 through 210, and we now have a 206 and a 206A which is the FDOC supplement; is that correct?

MS. DYER: It is correct.

Can you give me just a moment?

HEARING OFFICER VACCARO: Yes, just go ahead.

MS. DYER: Hearing Officer, we do have a letter from Riverside County Fire Department that we received yesterday I believe, it's dated October 27th, that I think

we should probably submit into the record as an exhibit since it did not get attached to Mr. Lesh's rebuttal testimony.

HEARING OFFICER VACCARO: Okay. So I want to be clear, because earlier on in the proceeding when we were looking at the e-mail string, and there is a letter referenced by the e-mail string, we did this clarification orally that that letter was attached to the rebuttal testimony, but you're telling me it appears that it truly was not?

MS. DYER: This is a different letter.

HEARING OFFICER VACCARO: Oh, it's a different letter. Okay. In that instance, Mr. Galati needs to see the letter --

MS. DYER: Yes.

HEARING OFFICER VACCARO: I think the Committee needs to see the letter. You can mark it for identification as 211. Let's take a look at that letter and go through the formal procedures if, in fact, it's going to be admitted.

(Staff's Exhibit 211 was marked for identification.)

HEARING OFFICER VACCARO: So do you have additional copies, or do you only have the one?

MS. DYER: We only have the one copy at this

1 point.

HEARING OFFICER VACCARO: And it's got highlighting.

MS. DYER: It has notes on it.

MEARING OFFICER VACCARO: Okay. Then we need to move forward with public comment before we do some of the close out. So if you could have someone, either use your Blackberry or otherwise, have someone make some copies and bring them down, we'll get back to that part in just a few moments.

MS. DYER: Mr. Lesh will do that.

HEARING OFFICER VACCARO: Okay. Thank you.

So I think at this point we finished up most of the housekeeping except for this one last item, and we need to move to public comment.

I see a lot of folks in the room but I'm not sure that anybody is a member of the public.

Do I have in members of the public who wish to speak?

Okay. Would you be Mr. Roper?

MR. ROPER: Yes.

HEARING OFFICER VACCARO: Okay. I have a blue card from you. And if you would like to come to the microphone at the foot of the seating area, we'd be happy to hear from you.

MR. ROPER: Okay. Thank you.

My name is Roger Roper, I'm president of the International Brotherhood of Electrical Workers, Local 440 that represents Riverside County. Thank you for hearing from me today.

I'm here today to ask that you consider the positive impact a project like this will have on the economy and the job market. The inland empire is experiencing 15 percent unemployment rate. And as you heard in the Blythe and Coachella areas, out there it's up to 20 percent and higher.

The construction industry is at 35 percent unemployment right now in Riverside County. The IBEW has hundreds of workers in the region that are unemployed; and this is typical of all the trades. Some of these have run out of their unemployment, they have lost their homes or are facing foreclosure, and most of them have lost their health benefits. All of this is leading to divorces and broken families because of the market.

In addition to putting a skilled workforce back to work, it will also allow us to expand our apprenticeship training with priority given to veterans returning from overseas utilizing a program we have called "Helmets to Hardhats." We're also working with training with the Riverside County Workforce Development Center and

the community colleges on pre-apprenticeship programs to get guys into training.

It is important that we start now to train for the future, as you have heard previous talk about shortage of skilled manpower. When construction industry takes back off and the baby boomers start to retire, we'll be facing a big shortage if we don't start to train now. Without the jobs, we cannot train.

Also, this project will have a positive impact on the economy in the inland empire, putting money back into the local area businesses within the region.

So considering the impact of the jobs, training, and the need for the economic stimulus, I'm asking you to approve the Rice Solar Energy Project.

Thank you.

HEARING OFFICER VACCARO: Thank you for making the trip. Did you come up from the region to make your comments today?

(Mr. Roper responds beyond the range of the microphone.)

HEARING OFFICER VACCARO: Thank you.

PRESIDING MEMBER WEISENMILLER: Thank you for coming.

HEARING OFFICER VACCARO: I think -- I don't see any more individuals, but what we've just had is a

technical difficulty with the connection to WebEx, unfortunately. I do know that there were a few members of the public who were on the line. I'm not sure if they wanted to make a comment, and I'm not certain that they're going to be able to reconnect.

I am looking at Public Advisor Jennifer Jennings as I say this so that you understand you may end up getting a call or two in a few moments from members of the public about being disconnected from our WebEx system that we're trying to reconnect, but at this point I'm not sure that they'll be able to make their presence known.

So I think with that, unfortunately, we're going to end public comment, but certainly until this proceeding is finished, the public is welcome to submit comments on not only the SIDEIS but as well as the PMPD. We still have several comment periods to get through, because I don't think we're going to make it --

Okay. We're going to go off the record for one moment and see if we can address this issue.

(Recess.)

HEARING OFFICER VACCARO: Let's acknowledge that Ms. Dyer has just passed out for the Committee and the applicant what's been identified as Staff's number 211, letter dated October 27th from the Riverside County Fire Department. And I'm going to give the applicant an

opportunity to review that document, and then we'll talk about its submission into the record.

I notice we have some of our callers back again.

Mr. Mann, I see you're on the line. Were you interested in making a public comment today?

MR. MANN: No, thank you. Just listening today. HEARING OFFICER VACCARO: Okay. Thank you.

Do I have any other members of the public on the line who have not already identified themselves who wish to make a public comment?

Okay. I'm not hearing any.

Mr. Galati, you're still making your way through the letter?

I take it that's a no, because you're about to say something else; so why don't you comment on what it is that's been distributed by Ms. Dyer.

MR. GALATI: While I recognize that I surprised
Ms. Dyer with some e-mails today that I really didn't
intend on exhibiting, I would have liked to cross-examine
Mr. Neuman -- Captain Neuman about his letter. There are
a lot of assertions in this letter. And if it's entered
into evidence without an opportunity for either
cross-examination or rebuttal, I'm nervous about that.

I certainly don't want to delay the proceedings today, and I certainly don't want to delay the proceedings

by requiring another hearing. So I'm trying to think of an alternative solution. And I don't know if staff would be okay if we submitted some sort of something in writing under declaration of penalty of perjury from my experts as a response to this letter. I'd be happy to do that instead of try to cross-examine or bring them here and have them do rebuttal.

If the staff would allow us to few days to file something, and the Committee would let us, because this is a very important letter because it's from the agency, Riverside County Fire Department, and it is something that was not explained in the testimony that I asked on cross. There are at least three or four assertions in here that I did not ask about.

HEARING OFFICER VACCARO: Fair enough.

I mean, I think you've heard me say, Ms. Dyer, before I try to follow my own rules, which is I don't want to surprise any of you with anything, and I certainly don't want any of you surprised primarily because, you know, undue surprise can result in prejudice, and it makes what's supposed to be a fair proceeding a little less fair.

I think where we are right now is that I think we can recognize that this is probably an important letter to have admitted into evidence, but it's equally important

that the applicant have a full and fair opportunity to counter or at least explain from applicant's perspective why it has concern with some of the assertions in this letter. I think even if you tried right now in the interest of time to put up rebuttal witnesses, I don't know that that really gives them a full and fair opportunity to digest this information and to say what it is that they would truly intend to say.

So I think what I'd like to have happen is that we go through the process of admitting this subject to the applicant having the opportunity to submit a declaration from, I would say in this case, it would be limited to the witnesses that have already been identified who have given testimony to make whatever comments they feel they need to make with respect to this letter.

Ms. Dyer, do you have any comments on that?

MS. DYER: That would be fine with me.

And I just wanted to say, you know, I apologize; my intent was not to surprise anyone, and would have preferred to have had this in earlier, definitely, but would be prepared to hear any rebuttal testimony, definitely.

HEARING OFFICER VACCARO: Okay. So what I would like is to have something in writing by Wednesday afternoon from the applicant.

MR. GALATI: We can certainly do that.

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And you don't see me fidgeting and getting really hot and crazy like you've seen me in the past. I have a long, working relationship with Ms. Dyer, and I know she would not surprise me; so I recognize this was surprised on her as well.

HEARING OFFICER VACCARO: Okay. So we're going to move forward and then move backwards.

So, Ms. Dyer, would you like to make your motion?

MS. DYER: Yes. I would like to move that the -that Staff's Exhibit 211 be admitted as the letter from

Captain Neuman to Mr. Kessler dated October 27th, 2010.

HEARING OFFICER VACCARO: Okay.

MR. GALATI: With the prior caveats, no objection.

HEARING OFFICER VACCARO: Okay. So it's deemed admitted.

(Staff's Exhibit 211 was admitted into evidence.)

HEARING OFFICER VACCARO: So, staff, at this point, just as a recap, Exhibits 200 through 211, and now with the addition of 206A, those are the exhibits submitted by staff.

MS. DYER: That is correct.

HEARING OFFICER VACCARO: Okay. Mr. Galati, when

you submit this testimony by Wednesday of next week, you're going to be using the next in order, which will be starting with number 55.

MR. GALATI: That's correct.

HEARING OFFICER VACCARO: Okay. I think we've given plenty of time for additional members of the public to call in. So let me do another last call.

Do we have any members of the public on the telephone line who wish to make a comment today?

Hearing none, I think I will turn it over to Commissioner Weisenmiller to close today's proceedings.

PRESIDING MEMBER WEISENMILLER: I'd like to first thank all the public who have commented and certainly thank the applicant and staff for their work today. And certainly we need to keep moving on this. But again, I think we've made a lot of progress today and appreciate everyone's hard work.

Thanks again.

(Thereupon the California Energy Commission Rice Solar Energy Power Plant Project Prehearing Conference and Evidentiary Hearing adjourned at 4:00 p.m.)

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 Prehearing Conference and Evidentiary 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 conference.

IN WITNESS WHEREOF, I have hereunto set my hand this 3rd day of October 2010.

PETER PETTY