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BEFORE THE
ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION
OF THE STATE OF CALIFORNIA

HUNTINGTON BEACH ENERGY PROJECT
COMMITTEE CONFERENCE ON
REVISED PRESIDING MEMBER PROPOSED DECISION
DOCKET NO. 12-AFC-02

Wednesday, October 22, 2014
1:00 p.m.
California Energy Commission
1516 Ninth Street
Third Floor Fishbowl Conference Room
Sacramento, California

Reported by: WENDY E. ARLEN, CSR #4355, RMR, CRR
COMMISSIONER DOUGLAS: I'm going to say a few things, and people on the phone can tell us if there's a problem. This is Commissioner Karen Douglas. I'm the associate member on this committee. Today, we are convening a committee meeting for the Huntington Beach Energy Project, and as explained in the October 9th, 2014, notice of availability of revised PMPD, today's committee meeting is being held to allow the committee to deliberate in a closed session.

So right now, Susan, could you just unmute and let's ask if that was audible. So somebody on the phone could you please speak up? Was the audio okay?

SPEAKER: That was clear.

COMMISSIONER DOUGLAS: So we'll start with introductions. I introduced myself. To my right is Pat Saxton. He's Commissioner McAllister's advisor. To his right is our hearing officer, Susan Cochran, and to my left are my advisors, Christine Stora and Jennifer Nelson. To the left of Jennifer Nelson is Eileen Allen. She's the technical advisor for Commissioners on Siting.

And let me ask now for the parties to introduce themselves.
Are there -- I'll start with Public Advisor.

Actually, Alana Matthews is here from the Public Advisor's office.

Is there anyone here representing the petitioner, AES Southland?

MS. CASTANOS: Kristin Castanos.

COMMISSIONER DOUGLAS: And staff?

MS. MILLER: Felicia Miller, staff project manager for Huntington Beach Energy Project.

COMMISSIONER DOUGLAS: Intervenor Jason Pyle, are you on the phone?

MR. PYLE: Yes, I am.

COMMISSIONER DOUGLAS: Thank you. And intervenor Monica Rudman.

MS. RUDMAN: I'm here, yes.

COMMISSIONER DOUGLAS: Are any representatives of federal, state or local government agencies here today or on the phone?

Any officials representing Native American tribes or nations?

All right. In that case we are through introductions, and I'll turn this over to the hearing officer.

HEARING OFFICER COCHRAN: Thank you. We're here today, as Commissioner Douglas indicated, for a
closed session pursuant to Government Code Section 1126 subdivision (c)(3) which allows the committee to deliberate on the revised Presiding Member's proposed decision.

Before we go into closed session deliberations, we are required to take public comment. So if anyone has public comment, now is the time to do it. What will then happen is we will go into closed session and then at the end of closed session we will adjourn the meeting.

So at this point I would ask whether anyone has comments that they would like to make regarding the reason that we're here today, the revised Presiding Member's proposed decision, being mindful that we received written comments from the applicant, from staff, and resubmitted comments from Mr. Simpson on behalf of Helping Hand Tools earlier today.

So, Mr. Stewart, I know that you called in. You're caller user number three. Did you have anything you wished to say?

MR. STEWART: Yes, I would like to make some public comment.

HEARING OFFICER COCHRAN: Okay.

MR. STEWART: Shall I go ahead?

HEARING OFFICER COCHRAN: Yes, please.
MR. STEWART: Thank you. So I don't think that
this revised proposed decision is ready. It has a
number of errors of fact and then the findings are not
correct. Plus, it really makes it very clear that the
proposal is premature.

For example, on page 4-12, 4.1-12, you say
demand response and other distributed technologies have
clear potential to provide similar services in the
future. They're not presently available for, you know,
for sufficient scale. But clearly there is no need for
this plant at this time because of the fact that you
don't have an impact.

I mean, all the plants that the Commission has
approved, Sentinel and Willows and all those, are
clearly way exceeding the capacity and as Cal ISO just
reported this Monday that the peak demand even this hot
summer was still ten percent below the peak demand that
was reported by Cal ISO in 2006. It dropped from 50,000
megawatts to 45,000 megawatts this year.

So clearly there is no need. You're in a
system which is way, way over. You say here that you
only need a 15 to 17 percent excess capacity over peak
demand and the capacity, according to Cal ISO, is 30 to
40 percent over this peak demand.

So it's clear that your conclusions of law, et
cetera, talking about the fact that the operational
emissions will not pose a significant environmental
impact is obviously ridiculous. You know how many tons
of C02 this is going to produce per year.

And then you shouldn't have ridiculous things
like, you know, the new natural gas power plant would
not interfere with generation from existing renewables
or within the integration. And clearly what you're
doing is you're clearly leaving an albatross stranded
asset here that is not going to be needed as more
renewables come on, or you're way loading up the rate
structure so that it makes it more expensive and more
difficult to bring more renewables online.

So you talk about how, you know, in 818 that
demand response had the potential to do this and that
the CPUC has begun a rulemaking and yet, you know, they
haven't finished the rulemaking. So why not wait a year
or so and then when they finish the rulemaking, it
should be very clear.

In fact, it's interesting that in other
divisions of AES as presented last week at the storage
conference in San Jose that they can actually produce
storage units for less a kilowatt hour than a current
gas peaker.

So it's clear that the Commission has not
looked at the alternatives, it has not looked at how to minimize greenhouse gas production and it's not looked at considering the loading order.

And I will submit written comments in addition.

HEARING OFFICER COCHRAN: Thank you very much.

Is there anyone else who would like to address the committee with public comments? Mr. Pyle? Did you have something you wish to say?

MR. PYLE: First similar to -- I have a question first if I may ask.

(Interruption by the Reporter.)

HEARING OFFICER COCHRAN: Mr. Pyle, we couldn't understand you. Can you speak up a little bit? I'm going to mute Mr. Stewart at this point.

COMMISSIONER DOUGLAS: Are you on speaker phone?

MR. PYLE: No, I'm not. I'm on a regular phone.

COMMISSIONER DOUGLAS: You've got to speak clearly and more slowly. That will be helpful.

MR. PYLE: I understand. I got a lot of feedback from your side also.

My question is this before I begin. Will I, and may I, be permitted to speak at public comment and then also may I speak in closed comment? As an
intervenor, am I invited, or do I only get to speak in public comment?

HEARING OFFICER COCHRAN: That's a very good question. The intervenors are not parties to the closed session. The closed session is for the committee only. So any comments you wish to make need to be made now.

MR. PYLE: Okay. I would like to submit for the record a formal writing in addition to what my comments are.

So allow me to introduce myself first. My name is Jason Pyle. I am one of the original intervenors of the project. I, for the record, live within about 2500 feet of the proposed project. I'm a resident of Huntington Beach and I am a homeowner here in Huntington Beach.

I'd like to start off by thanking the committee for a lot of their time, and staff. As an intervenor, I have received all the documents. I'm amazed how much information has gone through both on AES's side and on the committee, and I don't know how one person could ever digest it all. For that, I appreciate all your hard work.

But in saying that, I also have many great concerns, and I'm only going to address one of them today, which is the issue of noise. I brought this up
at the original committee hearing back at Banning Library almost a year and a half ago. The question of noise was brought up and presented to Mr. O'Keefe at the time, and I still think this item went up to the committee for discussion and also for action, which is this.

AES is a stand-alone project. It still must conform to all of the rules and standards (inaudible). They are not a continuing an existing power plant and they are not granted this permit just because we need energy within the system. That itself is available (inaudible) the applicant is by themselves is part (inaudible)standard.

And as CEQA violations clearly state, when we compare the ambient noise of our community both the wetlands and schools and neighborhoods and all the receptor sites, and AES did a wonderful job doing an ambient noise study over a long duration of time, their data is great, unfortunately, findings are flawed and their findings are flawed and they have to accept it.

And it simply stated is this, and this is what I've asked the Commission to look at and intervene on, is that our nighttime ambient noise without the power plant operating versus our nighttime ambient noise with the power plant operating.
CEQA clearly defines what is acceptable and what's not. We are going to be impacted for the next half a century. I'd like the Commission to consider that. Your actions today this week will impact our community for a long time beyond when all of us are gone. It's going to be three generations, half a century.

So when we look at what the effects are when the power plant is not operating and when it is operating, the noise by itself is a significant impact. Our decibel level in our community and wetlands is down in the 30-decibel range. When the power plant is operating, it's going to be just short of 50.

Now, there is no dispute that on Fourth of July weekend in Huntington Beach at 5:00 o'clock you would never know that power plant is operating, but at 9:00 o'clock in the morning on a Monday when the elementary school just down the street has its doors and windows open because they do not have air conditioning, they're going to hear the power plant.

When our residents at 2:00 o'clock in the morning in the middle of August or in the middle of a heat wave sleep with all the doors and windows open, it's going to sound like a freight train in your backyard.
You must at all times look at what is the ambient noise -- and they did a good study -- at 2:00 o'clock in the morning and what is it going to become. Because the power plant can come on line 60 minutes, it's going to be quantifiable without question. What is our noise before it starts and what will be our noise at the receptor sites 60 minutes later.

I remind the Commission, this is not the most effective and efficient power plant on the market today. As the previous speaker spoke, Willow and Sentinel, those plants are different and it's the applicant's responsibility to propose a design that meets all standards, including a CEQA violation of a difference of what it is without them and what will become the effect with them.

Let me expand on that (inaudible). When you look at seven and a half years of construction and high trial noise compared to a soft trial, you are going to condemn our community to seven and a half years of construction.

Is that an industry standard? It is not. You will condemn us to half a century of increase in our decibel noise limit, and you are lining up this project, the applicant and the Energy Commission itself to quantifiable, undisputable data that's going to result
in loss of mitigation because it won't just affect any
one person (inaudible) plant comes online and
(inaudible) come back (inaudible) to look at the
Commission and knowingly, knowingly had the option to
look at the differences and then include a condition of
build that says the new noise level when the plant is
operation shall not and will not exceed the ambient
noise prior to the start of the plant.

I know I exceeded my time. I encourage the
Commission to please look into the real effects of what
the noise is without the plant and what it is, and if
the applicant starts using the words it is within
standards or it was insignificant, one decibel more in
either site receptor over half a century is considered.

HEARING OFFICER COCHRAN: Thank you very much.
Is there anyone else on the phone who would like to
speak?

Ms. Rudman.

MS. RUDMAN: Yeah, I would like to speak. I
actually would like to pull up some pictures. I'm not
just sure everybody here has Googled my home address.
So I just want to pull it up for you.

So this is a map of Huntington Beach, and I'm
going to just use the pointer here. This is the project
site. Here's Eader Elementary School, here's Edison
High School. I grew up right here, and my mother still lives there.

So I originally went to Wardlow Elementary School and then went to Eader, which is here, and then went to Sowers, and I used to ride my bike along Atlanta Avenue past some oil wells that have since been capped and covered with houses, and right along here I go to high school.

So just so you know, I do have an interest. And then I just also want to show kind of a bigger perspective now. This is Huntington Beach, here's the project site, and I introduced into evidence a new key observation point, which is the Newport Beach Pier, which is a little hard to see here, but if you see the coast curves around and here is the Newport Beach Pier right here, and so I introduced that into evidence and analyzed that in terms of the millions of people that attend the beaches in Newport Beach and Huntington Beach. It's quite numbers of people.

One thing that I didn't do that I would urge you to take a look at is if you notice how the coast curves around. So from the Newport Beach Pier you're looking at the side of the power plant. So you're going to have one here, and it's a little longer and then it's moving over, a little longer, and so you're going to
really actually see from the Newport Beach Pier a much expanded view of the power plants.

In addition, this is the view from the Newport Beach Pier. So you can see from the Newport Beach Pier how the coast curves around, a lot of beaches, and the height of the new power plant is going to be right here, but you're going to see a longer type of view and this is very sensitive views. These are millions of people that attend the beaches at various times. So I urge you to take that into consideration.

And then I just urge you to take a look at the evidence that I submitted into the docket. My brief, my testimony. I would ask you to consider it and to reflect that in the final decision and to consider it.

Then I'd also like to present a couple of erratas. In my brief I did notice an error on page 5 that I'd like to correct. Huntington Beach Energy Project will emit a staggering amount of greenhouse gases. According to the South Coast Air Quality Management District's final determination of compliance, if operated as permitted, the turbines will emit what should be 7.8 million pounds or 3.9 million tons a year of CO2.

In addition, I'd like to point out on page 5.2-25 of the Presiding Member's proposed decision it
says that the Coastal Commission reports are not part of the record. I did submit into the record those reports. And I just would like to point out just a view of some of the local neighborhoods around here how close the power plants are.

HEARING OFFICER COCHRAN: If you could wrap it up, it's been about five.

MS. RUDMAN: Okay. And then my final thing is one of my favorite pictures. These are my nieces and nephew. She's now 26. So we're here at a family day at the beach. What I love about this picture, she's wearing a T-shirt that says "Whatever." And so I think children depend on us to protect them because they don't care. They just want to make sure that we have a safe environment for them. So thank you.

HEARING OFFICER COCHRAN: Thank you. Is there anyone else who wishes to make public comment? Then at this point the public portion of the meeting is closed and we will be going into closed session to discuss the revised PMPD.

Thank you for your participation today, and we are now in closed session.

(Whereupon the public portion of the meeting was closed at 1:26 p.m.)

HEARING OFFICER COCHRAN: The Committee has adjourned from
closed session; the time is now 3:50.

(Whereupon the meeting concluded at 3:50 p.m.)
CERTIFICATE OF CERTIFIED SHORTHAND REPORTER

I, WENDY E. ARLEN, hereby certify that I am a Certified Shorthand Reporter; that I reported in shorthand writing the foregoing matter at the time and place therein stated; that the foregoing pages are a full, true and complete transcript of my said shorthand notes and is a full, true and correct record of the proceedings had in said matter at said time and place.

Dated:___________________________

_______________________________

WENDY E. ARLEN, RMR, CRR
Certified Shorthand Reporter
California License #4355