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BEFORE THE

CALIFORNIA ENERGY COMMISSION

In the Matter of) Docket No. 08-AFC-09C
)
Palmdale Energy Project)
Committee) Status Conference

PALMDALE ENERGY PROJECT COMMITTEE STATUS CONFERENCE

Petition to Amend Certification

CALIFORNIA ENERGY COMMISSION
1516 Ninth Street
Charles Imbrecht Hearing Room (Hearing Room B)
Sacramento, California 95814

TUESDAY, MAY 10, 2016 10:00 A.M.

Reported by: Kent Odell

APPEARANCES

Commissioners Present

Karen Douglas, Presiding Member

Janea Scott, Associate Member

Hearing Officer

Kenneth Celli

Advisers to the Commissioners

Jennifer Nelson, Adviser to Commissioner Douglas Le-Quyen Nguyen, Adviser to Commissioner Douglas

Rhetta DeMesa, Adviser to Commissioner Scott

Kristy Chew, Technical Adviser

Public Adviser

Alana Matthews, Public Adviser

Petitioner

Thomas Johns, Palmdale Energy, LLC, Project Manager

Petitioner Representative

Scott Galati, DayZen, LLC

CEC Staff Present (* Via WebEx or Phone)

Kevin Bell, Senior Staff Counsel
Eric Veerkamp, Compliance Program Manager
*Alvin Greenberg

Also Present

Lisa Beckham, U.S. EPA Region IX
Marie-Anne Fogel, California Energy Markets
Chris Dennis, Water Board Staff
Nancy F. [Sic], Air Quality Staff

- 1 PROCEEDINGS
- 2 MAY 10, 2016 10:01 a.m.
- 3 COMMISSIONER DOUGLAS: Good morning,
- 4 everyone. This is a Status Conference conducted
- 5 by a committee of the California Energy
- 6 Commission regarding amendments to the proposed
- 7 Palmdale Energy Project.
- 8 Before we begin, I'd like to introduce
- 9 the members of the Committee to you. I'm Karen
- 10 Douglas, Presiding Member of this committee. And
- 11 Commissioner Janea Scott, to the left of the
- 12 Hearing Adviser, is the Associate Member of the
- 13 Committee. Hearing Adviser Ken Celli is to my
- 14 left. To my right are my Advisers, Jennifer
- 15 Nelson and Le-Quyen Nguyen. And to the left of
- 16 Commissioner Scott is Rhetta De Mesa,
- 17 Commissioner Scott's Adviser.
- 18 So at this point, I'd like to ask the
- 19 parties to introduce themselves and the
- 20 representatives beginning with Petitioner.
- 21 MR. GALATI: Scott Galati representing
- 22 Palmdale Energy Project.
- MR. JOHNS: Tom Johns, Summit Power,
- 24 owner of the Palmdale Energy Project.
- MR. BELL: Kevin Bell, Senior Staff

- 1 Counsel. With me here is Eric Veerkamp,
- 2 Compliance Program Manager.
- 3 COMMISSIONER DOUGLAS: Thank you. All
- 4 right, so we've got Petitioner and staff.
- 5 MR. CELLI: So I'm just going to inquire
- 6 of the Court Reporter, did you -- were you able
- 7 to hear everybody pretty well? Okay.
- 8 COMMISSIONER DOUGLAS: All right, well,
- 9 are there any representatives of state, federal,
- 10 or local government agencies in the room or on
- 11 the phone?
- MS. BECKHAM: This is Lisa Beckham with
- 13 U.S. EPA Region 9.
- 14 COMMISSIONER DOUGLAS: Thank you. Thanks
- 15 for being on the phone with us today. Anyone
- 16 else from federal, state or local government
- 17 agencies?
- 18 All right, so with that I'll hand over
- 19 the conduct of --
- 20 MS. FOGEL: I just want to identify
- 21 myself that I'm Marie-Anne Fogel, I'm from
- 22 California Energy Markets. Thanks.
- 23 COMMISSIONER DOUGLAS: Super. Thanks for
- 24 speaking up. All right, at this time, I'll hand
- 25 over the conduct of the Status Conference to the

- 1 Hearing Adviser, Ken Celli.
- 2 MR. CELLI: Thank you, Commissioner
- 3 Douglas. How is my sound? Everyone can hear me
- 4 fine? Thank you. Yes, I'm loud. I've been
- 5 accused of being loud.
- 6 So this Status Conference was scheduled
- 7 in a Notice dated April 18, 2016. This is the
- 8 first Status Conference regarding the Amendment
- 9 Petition for the proposed Palmdale Energy
- 10 Project, formerly known as the Palmdale Hybrid
- 11 Power Project. The purpose of today's conference
- 12 is to inform the Committee about any changes made
- 13 to the Palmdale Energy Project Amendment and the
- 14 progress the parties are making on the project.
- Today we will try to help resolve any
- 16 procedural issues that may exist, as well as to
- 17 assess how well the parties are keeping to the
- 18 schedule.
- 19 We also need to acknowledge now that the
- 20 City of Lancaster has withdrawn its Petition to
- 21 Intervene, so as of today, there are no
- 22 Intervenors in this amendment proceeding.
- 23 Lancaster is welcome to continue to monitor and
- 24 participate in the Palmdale Energy Project
- 25 Amendment, or we may refer to it as PEP today.

- 1 And also, we welcome any comments from Lancaster.
- The process of amending a power plant
- 3 certified by the California Energy Commission is
- 4 a public proceeding in which members of the
- 5 public and interested organizations are
- 6 encouraged to actively participate and express
- 7 their views on matters relevant to the proposed
- 8 amendment.
- 9 The Committee is interested in hearing
- 10 from the community on any aspect of this project.
- 11 Members of the public are also eligible to
- 12 intervene in the proceeding, and if there are
- 13 potential Intervenors, we encourage you to file
- 14 Petitions to Intervene as soon as possible to
- 15 allow full participation. Generally, a Petition
- 16 to Intervene will be granted by the Committee if
- 17 the grounds for intervening are reasonable and
- 18 relevant to the proceeding, and the Petition to
- 19 Intervene satisfies the requirements of
- 20 Commission Regulation 1207(a).
- 21 The Committee's scheduling order has
- 22 established the deadline for filing a Petition to
- 23 Intervene as five weeks after the filing of the
- 24 final staff assessment. The Public Adviser will
- 25 assist members of the public who would like to

- 1 become Intervenors in the amendment proceedings,
- 2 and at this time we would acknowledge that the
- 3 discovery period has closed.
- With regard to today's procedure, first
- 5 we will hear from the Applicant regarding the
- 6 current status of the Amendment; next, we will
- 7 hear from staff regarding its point of view
- 8 regarding the status and progress of the
- 9 Amendment Petition; we will then provide an
- 10 opportunity for the general public comment.
- If necessary after the public comment,
- 12 the Committee may go into a closed session for
- 13 deliberations if there is anything before them
- 14 that needs decision.
- 15 At the conclusion of the closed session,
- 16 I will return to re-open the record to adjourn
- 17 the Status Conference.
- 18 And with that, I have a few comments and
- 19 observations I'd like to make with regard to the
- 20 preliminary staff assessment. Before I do, there
- 21 was a stack of papers that was here -- yes. Who
- 22 gave us these? And what are they? It says
- 23 "Palmdale Energy --
- 24 MR. GALATI: Comments from the staff --
- MR. CELLI: Oh, okay.

- 1 MR. GALATI: Comments from the staff --
- MR. CELLI: Oh, okay. Well then, since
- 3 nobody has had a chance to read it, maybe when it
- 4 comes time for staff to address the Committee,
- 5 you will make all those points in the record.
- 6 Thank you.
- 7 I just want to say at this time that the
- 8 Committee has read the PSA and generally I wanted
- 9 to say that, as an example, because we did
- 10 request that staff address the factors under
- 11 15162, that generally staff did a good job of
- 12 that and, in particular, I really wanted to
- 13 acknowledge the land use section for doing an
- 14 excellent job of laying out a factual basis under
- 15 15162 because the way they did it is they said,
- 16 "There are no changed circumstances, there are no
- 17 significant impacts, and here are the facts that
- 18 support this conclusion." And they lay it all
- 19 out in bullet points. The reason I'm saying that
- 20 is because not every section does that. And I
- 21 would really ask staff before the FSA comes out
- 22 to have other staff take a look at those sections
- 23 and try to conform to that standard if they can
- 24 because a couple of sections, like Social and
- 25 Public Health, actually say none of the factors

- 1 that require a subsequent or supplemental
- 2 environmental analysis set forth in the CEQA
- 3 Guidelines at Section 15162(a) described in the
- 4 introduction section of this staff assessment are
- 5 present regarding this topic. But that is all we
- 6 have there. So what I have, then, is a
- 7 conclusion without a factual foundation laid. So
- $8\,$ what I'm asking for is, when the FSA comes out,
- 9 to make sure that there is a factual foundational
- 10 laid for those conclusions. Clear? Any -- I
- 11 hope there's no question on that. It will be
- 12 clear when you look at Land Use and then look at
- 13 those two sections.
- 14 A couple other points I want to make,
- 15 just as to house cleaning, in the Facility Design
- 16 section it says that if a project owner submits a
- 17 decommissioning plan required in the compliance
- 18 and closure portion of this decision, prior to
- 19 the commencement of decommissioning the
- 20 decommissioning procedure is likely to result in
- 21 a satisfactory decommissioning performance. I'm
- 22 asking you to go back and check to make sure that
- 23 that is mentioned in there.
- 24 Also, in the Reliability section, it
- 25 states, "Appropriate conditions of certification

- 1 included in the facility design portion of this
- 2 decision ensure implementation of the QA/QC
- 3 programs in conformance with seismic design
- 4 criteria." However, there is no mention in
- 5 Reliability or -- actually, we just need to make
- 6 record about the QA/QC in Reliability, or
- 7 Facility Design, just make sure that it's there
- 8 because I didn't see it.
- 9 Next, in Noise, there is a mention of
- 10 Noise and Vibration Figure 2 and it's referenced
- 11 in both the Noise section and it says it's in the
- 12 2011 Decision, but I went looking for it in the
- 13 2011 Decision and it's not included, Figure 2 for
- 14 Noise and Vibration, so I think it just needs to
- 15 be put into your FSA in the Noise section so that
- 16 people can refer to it and we don't have to go
- 17 looking for it.
- 18 And let's see what else. So those are
- 19 the specific comments that I have, observations I
- 20 made on the PSA.
- 21 The last point I want to make before
- 22 handing the floor over to the Applicant is that
- 23 the Lahontan comments that came in just I think
- 24 this week, I read the comments, and on page 3
- 25 they're requesting that impacts from generator

- 1 tie lines that may traverse any Waters of the
- 2 State, including ephemeral drainages, be
- 3 evaluated to avoid, minimize, and mitigate for
- 4 such impacts, please see permitting requirements
- 5 below. And then it says consultation with Water
- 6 Board staff is encouraged as soon as possible.
- 7 When we hand the mic back over to staff, you can
- 8 tell us what kind of communications there have
- 9 been between staff and Lahontan, but we just want
- 10 to make sure that that's covered.
- 11 So with that, I would hand it over to Mr.
- 12 Galati for the Applicant.
- MR. GALATI: Thank you for having the
- 14 Status Conference so we can get face to face and
- 15 talk. The case is going remarkably well, I
- 16 think, and going as predicted. And part of the
- 17 reason is, is the project is an amendment, and so
- 18 we focused on those changes and in most of the
- 19 changes the impacts have gone down. And where
- 20 the impacts are different, or are different in
- 21 scope or magnitude or type, we have addressed
- 22 those. And I think staff did a good job in their
- 23 Preliminary Staff Assessment.
- We filed initial comments which were
- 25 primarily focused on the Conditions of

- 1 Certification and the conclusions. We filed
- 2 those prior to the preliminary Staff Assessment
- 3 Workshop, and then when we had a workshop with
- 4 staff, we went over those, and then we filed a
- 5 document called "Final Comments on the PSA," and
- 6 what they do is they reflect the agreements that
- 7 we've had with staff in the Preliminary Staff
- 8 Assessment. And as I sit here today, I think
- 9 there's only a couple of areas in which we have
- 10 not yet had formal agreement.
- 11 So I think that the case is progressing
- 12 well.
- 13 A couple of things I did want to mention,
- 14 I also wanted to address the Lahontan comments.
- 15 I just want to point out to everybody that the
- 16 transmission line has not changed since it was
- 17 originally permitted, the consultation was done
- 18 at that time. The determinations of whether
- 19 things were Waters of the State and needed any
- 20 special permits were done at that time. Those
- 21 are unchanged and we don't believe that -- we
- 22 believe that the Lahontan comments were more of a
- 23 standard type of comment that you would see from
- 24 them when they see a CEOA document, but we don't
- 25 believe that there are any new consultations that

- 1 need to take place to accommodate the project
- 2 other than what we're doing with the Energy
- 3 Commission, and those people providing us water.
- 4 I would like to just really go through
- 5 the issues quickly. There is information that
- 6 the Applicant still needs to provide to staff --
- 7 they're called out in the Preliminary Staff
- 8 Assessment and we're working on them -- there
- 9 were four new sites that were identified in the
- 10 Cultural materials that needed a further
- 11 evaluation; we have engaged a consultant who is
- 12 doing that and we hope to get that very quickly.
- 13 I think I was optimistic in telling staff we
- 14 might get it in two weeks, it's probably a three-
- 15 week timeframe for us to provide that information
- 16 to staff.
- 17 In addition, in the old project there
- 18 were summaries of a bunch of reports that were
- 19 done for archaeological and cultural resources,
- 20 but the reports were never provided to the
- 21 Commission from the last Applicant. Staff has
- 22 asked us to get those reports, and we're getting
- 23 those reports and we'll put those into the
- 24 record.
- 25 With respect to -- staff had a question

- 1 about modeling the thermal plume from the air-
- 2 cooled condenser, the plumes had been modeled
- 3 from the stacks, but not the air-cooled
- 4 condenser, they asked us some information about
- 5 that, we had a little difficulty getting the
- 6 information from the various potential vendors
- 7 since there's not a vendor selected and under
- 8 contract to provide that. We do have that
- 9 information and we will be providing that to
- 10 staff very soon.
- 11 The one area that is a long lead item,
- 12 and it's not an item that we believe is
- 13 necessary, although we've been cooperating and
- 14 working with staff, is a Water Supply Assessment
- 15 for the 3.6-acre feet per year of potable water
- 16 that is going to be used at the plant for potable
- 17 purposes. The provider is the same as the
- 18 original project. The amount is the same as the
- 19 original project, nothing has changed there. The
- 20 staff didn't have a Water Supply Assessment for
- 21 the first project, asked L.A. County to provide
- 22 that Water Supply Assessment. Apparently, that's
- 23 a very long lead time, and apparently it's done,
- 24 but there's a seven to eight-week review cycle
- 25 for a Water Supply Assessment to supply the

- 1 equivalent of about four homes. We don't want
- 2 that to delay our project. We're happy to work
- 3 with staff, but we don't control the outcome. We
- 4 were asked to update the will serve letter, but
- 5 they will not update the will serve letter until
- 6 the Water Supply Assessment has been prepared.
- 7 So what we talked about with staff is, if that
- 8 becomes a pinch point in the schedule, we would
- 9 ask staff to perform the Water Supply Assessment
- 10 on its own and to move forward. And I think
- 11 that's a possibility and I think staff was open
- 12 to that.
- We are still hoping that we're able to
- 14 get the Water Supply Assessment because we are
- 15 delayed, and we are delayed for the following
- 16 reason: you alluded to it in the EPA comment
- 17 letter on the Preliminary Determination of
- 18 Compliance for PDOC that was issued. Much of
- 19 those comments were associated with the offset
- 20 package of which we had filed confidentially.
- 21 The Commission granted confidentiality, as did
- 22 the District. But EPA did not grant
- 23 confidentiality, so they were not provided with
- 24 the offset package. And the PDOC summarized an
- 25 offset package that EPA had not seen.

	1	30	part	οf	the	comments	were	they	were
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- 2 very concerned about whether the offset package
- 3 was appropriate. We have withdrawn our request
- 4 for confidentiality to accommodate this. We have
- 5 re-docketed the offset package in a non-
- 6 confidential way. And Antelope Valley included
- 7 the confidential information and addressed the
- 8 offsets, but felt the need to recirculate the
- 9 Preliminary Determination of Compliance.
- 10 So that has to go out for another round
- 11 of circulation before they can prepare an FDOC,
- 12 and staff can't prepare its FSA until the FDOC
- 13 comes out.
- 14 So I think as we sit here today, we are
- 15 at the earliest maybe nine weeks, probably closer
- 16 to 10 weeks before the FSA will be out. So we're
- 17 hoping we get the Water Supply Assessment in
- 18 time, but still we have no control over that part
- 19 of the process.
- 20 So that has delayed the project, but we
- 21 understand why it's delayed; the Antelope Valley
- 22 doesn't have any rules that allow them to
- 23 recirculate the FDOC, for example, so that its
- 24 comment period is going concurred with
- 25 preparation of the FSA. So we were unable to do

- 1 that and we're comfortable.
- 2 That does lead me to a request that we
- 3 need to make of the Commission and I need some
- 4 guidance from the Committee on how to do this.
- 5 The license is set to expire in August, and so I
- 6 would like to make a request that the Committee
- 7 extend -- and whether the Committee can or it has
- $8\,$ to go to a full Commission I'd ask for that
- 9 advisement -- that the license be extended to the
- 10 date of the final decision on this project.
- I don't want to say extend it for two
- 12 months, or four months, or six months, or one
- 13 year because, as the Committee did and the
- 14 Commission did in, for example, the Blythe Solar
- 15 Power Project, which was amended, they provided a
- 16 new five-year license for the new revised project
- 17 where all the CEQA has been updated. That's what
- 18 we would request the Committee do in this case in
- 19 its final decision, is that it extend the
- 20 license, issue a new decision for the project
- 21 which has a five-year life.
- 22 So we're asking the Committee to consider
- 23 at this time a good cause requirement to extend
- 24 the license in order to allow the decision to be
- 25 made.

- 1 COMMISSIONER DOUGLAS: Mr. Galati, why
- 2 would you want or need a five-year extension for
- 3 a project when you're actually not that far out
- 4 potentially from having an amendment decision?
- 5 MR. GALATI: I think it's -- for our
- 6 perspective, we're marketing a new project, we do
- 7 not have a Power Purchase Agreement, and we will
- 8 need time to secure such a Power Purchase
- 9 Agreement.
- 10 COMMISSIONER DOUGLAS: But aren't you
- 11 marketing the project that is being proposed
- 12 here, not the old project?
- MR. GALATI: If I could clarify, is your
- 14 question -- so let me just clarify this and make
- 15 sure we're on the same page. We want to ask for
- 16 an extension to allow you to make the decision.
- 17 In the decision, we're asking you to give us five
- 18 years because you're issuing a new decision in
- 19 the same way you did the Blythe Solar Power
- 20 Project, and so the reason that we need that five
- 21 years is we have a new project we'll be
- 22 marketing.
- 23 COMMISSIONER DOUGLAS: So, okay, now I
- 24 understand. Thank you. I was really puzzled at
- 25 why you would want -- anyway. Okay, so you are

- 1 asking for something that has to go to the full
- 2 Commission. There's a similar situation on the
- 3 May Business Meeting, there's an extension for a
- 4 similar reason. So you should just work with
- 5 staff to, you know, on a more short-term
- 6 extension proposal for the currently permitted
- 7 project that would allow us to complete the
- 8 processing of the amendment.
- 9 MR. GALATI: And does the Committee have
- 10 a preference of whether we set a date or leave
- 11 the date open to say it's extended for the period
- 12 of time until a final decision on the amendment
- 13 is appropriate? Does the Committee have a
- 14 preference?
- 15 COMMISSIONER DOUGLAS: I think my own
- 16 preference is for a date, but that the date be
- 17 reasonably generous in order to accommodate
- 18 anything unforeseen so that we're not going to
- 19 the Commission twice.
- MR. GALATI: We'll go ahead and do that,
- 21 so we'll file a formal request and we'll docket
- 22 that request, and then staff can evaluate and
- 23 determine if good cause is met and give you a
- 24 recommendation, and we'll get on hopefully not
- 25 this business, but we'll get on the next business

- 1 meeting. Thank you.
- 2 COMMISSIONER DOUGLAS: Sounds good.
- 3 Eric, were you going to say something?
- 4 MR. VEERKAMP: No.
- 5 MR. CELLI: Thank you, Mr. Galati. Let's
- 6 hear from staff next, the status of the Palmdale
- 7 Energy Project.
- 8 MR. VEERKAMP: Good morning.
- 9 MR. CELLI: Good morning.
- 10 MR. VEERKAMP: My name is Eric Veerkamp,
- 11 Project Manager for Palmdale Energy Project.
- 12 Staff and the Applicant are very close. We would
- 13 echo many of the comments that Scott has made
- 14 about the outstanding issues.
- I do think that this process has been
- 16 very smooth, you know, through the data requests
- 17 and data response process we have resolved many
- 18 issues.
- 19 I do want to mention that, in addition to
- 20 what Scott mentioned, there was an outstanding
- 21 issue about staff wanting to see a more defined
- 22 protocol procedure for the RACT adjustment that
- 23 would clarify what would take place when those
- 24 ERCs are redeemed, I quess you'd say. My
- 25 understanding was that the Applicant was going to

- 1 refile, re-docket those RACT adjustment
- 2 procedures again, redacting the confidential
- 3 nature to --
- 4 MR. CELLI: And for the record, you said
- 5 RACT, R-A-C-T?
- 6 MR. VEERKAMP: Yes, R-A-C-T, RACT
- 7 Adjustment.
- 8 MR. CELLI: Thanks.
- 9 MR. VEERKAMP: So I would defer to Scott
- 10 at the appropriate time whether they still plan
- 11 to refile that.
- 12 I also wanted to mention for Cultural
- 13 Resources, there is still a bit of a language
- 14 issue that we need to work out having to do with
- 15 the definition of construction activities and
- 16 what may constitute potential damage to
- 17 topography and natural features. I don't think
- 18 it's anything that we can't overcome with
- 19 continued discussion, but I do mention that.
- 20 I think the biggest concerns right now
- 21 are really the outside factors that are affecting
- 22 the timing, the publication of the revised PDOC
- 23 and also the Water Supply Assessment that's going
- 24 to be forthcoming on LA County. My understanding
- 25 from staff, and I would ask staff to clarify if I

- 1 misspeak, but I think given the fact that they've
- 2 already begun that process, in fact it's written,
- 3 the Water Supply Assessment, it is in review by
- 4 Legal, I think that somewhat precludes us from
- 5 now writing one in-house.
- I also wanted to mention, finally, just
- 7 summarize the comments that we received, I know
- 8 Scott mentioned the Lahontan comments, as did
- 9 you. But we also received comments from Center
- 10 for Biological Diversity. Their concerns
- 11 primarily were that the PEP should have been
- 12 subject to a new AFC and also that the
- 13 Environmental Justice issues were not adequately
- 14 addressed.
- We received comments from the LA County
- 16 Public Works regarding road rights of way, and my
- 17 understanding is there are ongoing discussions
- 18 between the Applicant and LA County for a
- 19 Franchise Agreement to address those comments.
- 20 And then we received comments from two
- 21 families, presumably within a 500-foot radius of
- 22 the Palmdale Plant, basically stating their
- 23 opposition to the project, I think primarily from
- 24 an air quality/health standpoint.
- I agree with Scott's comments about the

- 1 nine weeks, although it even seems to me that we
- 2 may be nine weeks from being able to target an
- 3 FSA publication date. So those conclude my
- 4 comments. Thank you very much.
- 5 MR. CELLI: Thank you, Mr. Veerkamp. So
- 6 just to be clear, the nine weeks is your
- 7 estimate, Mr. Galati, from the FDOC's publication
- 8 to an FSA?
- 9 MR. GALATI: No, it's from today. So if
- 10 we believe the revised PDOC will come out this
- 11 week, it will be circulated for 30 days; if the
- 12 comments that were received were primarily about
- 13 the offset package. Depending on how long the
- 14 comments are, if there are any, and if they need
- 15 to be addressed, it's possible that the District
- 16 could go to an FDOC shortly after the close of
- 17 comment period. So the FDOC is what triggers
- 18 staff's 30-day requirement for a FSA. So I think
- 19 that, best case scenario, the District could be
- 20 done in about a five-week period, leaving staff
- 21 about four weeks to get the FSA out. That's why
- 22 I thought it would be nine to ten weeks is
- 23 probably the earliest that we would see an FSA.
- 24 We would endeavor to -- all of the information
- 25 that we need to provide will clearly be provided

- 1 to Energy Commission before the FDOC is, so
- 2 they'll have at least 30 days, probably close to
- 3 six weeks, with the information that's
- 4 outstanding from our perspective.
- 5 I did also want to clarify that we will
- 6 docket the RACT adjusted information, I actually
- 7 thought we had, but I don't think we did, and it
- 8 was docketed confidentially, with a request for
- 9 confidentiality, so we'll re-docket that, that
- 10 will solve that problem.
- 11 And LA County did make comments, they did
- 12 not make comments in the first project about a
- 13 Franchise Agreement, we're not sure why, we guess
- 14 that maybe because it was a public agency at that
- 15 time that maybe they didn't need to have a
- 16 Franchise Agreement with Lancaster for putting
- 17 their transmission lines -- Palmdale, excuse me
- 18 -- putting their -- but either way, we're flying
- 19 down on Thursday and going over with them all the
- 20 different areas that may need a Franchise
- 21 Agreement. That's not something that needs to be
- 22 done before the Commission finishes. So what
- 23 we'll be proposing is a simple condition be put
- 24 into the Land Use section, and then once we talk
- 25 with LA County where the areas are, then we would

- 1 identify those areas because there's two
- 2 transmission routes, would identify those areas
- 3 that need a Franchise Agreement, and we would
- 4 simply say "so many days before construction of
- 5 that portion of the transmission line you shall
- 6 provide proof of a franchise agreement to the
- 7 ACPM." We just want to outline the area so it's
- 8 clear. We hope to have a productive meeting.
- 9 We've already talked to LA County about that
- 10 concept of a condition, which they're fine with.
- 11 We're just going to go work with them on Thursday
- 12 and hopefully have a map with circles drawn on
- 13 it.
- 14 Was there something else you needed me to
- 15 address?
- MR. VEERKAMP: I don't think so.
- 17 MR. GALATI: Okay just the RACT adjusting
- 18 and the LA County.
- MR. CELLI: Does staff have any
- 20 opposition or a position with regard to
- 21 Petitioner's motion to extend the construction
- 22 start date?
- 23 MR. VEERKAMP: No. We do not have an
- 24 opposition to that.
- MR. CELLI: Okay. Thank you. Let's just

- 1 see if we can go to the phone and see if there's
- 2 anyone from the Antelope Valley Air Quality
- 3 Management District here. Anyone from AVAQMD on
- 4 the telephone? Please speak up. These are all
- 5 unmuted, aren't they? Or we heard from -- I know
- 6 that Lisa Beckham was on the phone from U.S. EPA
- 7 Region IX. Any comments from U.S. EPA?
- 8 MS. BECKHAM: No comments. I look
- 9 forward to seeing the revised PDOC.
- 10 MR. CELLI: Very good. Thank you. If
- 11 there's anything further from Applicant or staff
- 12 at this time, please speak up, otherwise we'll go
- 13 to public comment. I see there's a member of
- 14 staff who wanted to speak here.
- MR. VEERKAMP: Ken, I just wanted to say
- 16 staff supports adding the condition to Land Use.
- MR. CELLI: Thank you. Go ahead and
- 18 please introduce yourself.
- 19 MR. DENNIS: Hi, I'm Chris Dennis, I'm
- 20 with the Energy Commission. I'm still in Water
- 21 Staff. I just want to provide two pieces of
- 22 information that may be important for you guys.
- 23 The first is regarding the Water Supply
- 24 Assessment. I talked to LA County, too, and the
- 25 one thing I don't believe that I can complete the

- 1 Water Supply Assessment because they mentioned
- 2 there may be mitigation regarding the water. All
- 3 water in the Valley has been spoken for in the
- 4 Basin, and so they would have to bring in out-of-
- 5 basin water. That would have to come from
- 6 Antelope Valley, East Kern Water District. And
- 7 so that's something I can't write a Water Supply
- 8 Assessment, I don't know what the County's
- 9 mitigation --
- MR. CELLI: I just want to make sure, are
- 11 you getting good audio?
- 12 THE REPORTER: He could get a little
- 13 closer.
- 14 MR. DENNIS: Okay, I'm sorry. So that's
- 15 just a piece of information that may be a reason
- 16 where I wish -- we're waiting for their Water
- 17 Supply Assessment and whatever the conditions
- 18 they have on it. I'm not sure what those would
- 19 be, those conditions.
- 20 MR. CELLI: And that comes from LA
- 21 County?
- MR. DENNIS: Yes.
- 23 MR. CELLI: And LA County will provide
- 24 conditions?
- MR. DENNIS: Yes. And I can provide the

- 1 Conditions Form.
- 2 MR. CELLI: Okay.
- 3 MR. DENNIS: So that was the first piece
- 4 of information. The second is regarding -- I
- 5 concur with the project owner regarding the
- 6 transmission line and the Water Board's comments.
- 7 It's the same line and I think, I can't speak for
- 8 Biology staff, but Bio 23, I think, covers the
- 9 stream, the 401, and the stream alteration
- 10 impacts already. So I can't speak with Bio, but
- 11 I believe that's covered under that. Then also
- 12 for stormwater impacts regarding the transmission
- 13 line, that is already covered under Stormwater 2
- 14 that was part of the original project. I haven't
- 15 spoken at the Water Board, I will call them and
- 16 touch base with them.
- 17 And I wanted to ask the Applicant one
- 18 question about the Water Board made comments
- 19 about vegetating the laydown area; is that
- 20 something you're opposed to? Or would that be
- 21 okay? Because I think that's something the Water
- 22 Board was interested in.
- 23 MR. GALATI: What we proposed to staff is
- 24 that the current laydown area is something that
- 25 will be returned back to the City. And so what

- 1 we asked staff to do, since we're mitigating it
- 2 as permanent impact, and we agree to mitigate it
- 3 as a permanent impact as opposed to a temporary
- 4 impact, we ask to return it to the requirements
- 5 that the City requests us to do. We don't mind
- 6 doing some amount of erosion protection and
- 7 revegetation, what we did not want to do was to
- 8 restore the land, as well as pay permanent
- 9 habitat impacts. So we proposed that with staff
- 10 and I think that's how our current condition is
- 11 written, is that we'll return it to the City in
- 12 the condition the City would like to have it.
- MR. DENNIS: Is that in the Land Use
- 14 section, perhaps?
- 15 MR. GALATI: It is in the Biology
- 16 section. So if you look at our final comments,
- 17 we proposed a condition.
- 18 MR. DENNIS: Okay. Thank you, Mr.
- 19 Galati.
- 20 MR. CELLI: And then I would just ask --
- 21 and Mr. Dennis, when you're writing your section
- 22 for the FSA, that you refer to Bio 23 there so
- 23 that we know where to go to find that.
- MR. DENNIS: Okay, I will do that.
- 25 MR. CELLI: Provide a roadmap. Thank

- 1 you. Anything further, Mr. Dennis?
- 2 MR. DENNIS: No, there's not.
- 3 MR. CELLI: Mr. Veerkamp? Mr. Bell?
- 4 MR. BELL: Nothing, thank you.
- 5 MR. CELLI: Mr. Bell is shaking his head
- 6 no. Mr. Galati?
- 7 MR. GALATI: Just I'd like the record to
- 8 reflect that I've come here in front of the
- 9 Committee and I didn't ask for anything.
- 10 (Laughter)
- MR. CELLI: But did you announce that you
- 12 are going to ask for an extension?
- MR. GALATI: Recovery takes little steps.
- MR. CELLI: Thank you. Ms. Mathews, the
- 15 Public Adviser, Alana Mathews. Are there any
- 16 members of the public who would like to make a
- 17 comment today, or who provided comments to you on
- 18 their behalf?
- 19 MS. MATHEWS: No one from the public
- 20 provided comments, and there's no one in the
- 21 room.
- 22 MR. CELLI: Thank you. Then at this time
- 23 we'll go to the phones. Oh, these are wireless.
- 24 Okay, so I have Alvin Greenberg with staff, John
- 25 seems to have hung up, Justin Rainier is with

1 staff, Lisa Beckham, did you wish to make a 2 comment at this time? 3 MS. BECKHAM: No, thank you. 4 MR. CELLI: Thank you. Thank you for calling in. Marie-Anne Fogel is with the Energy 5 6 Markets, I think, and then I have Nancy F., who 7 is on mute. Did you wish to make a comment, 8 Nancy F.? 9 MS. F.: No. I'm Air Quality staff. 10 MR. CELLI: Air Quality staff, thank you. 11 And that is all. 12 So having taken all the public comment 13 there is to be gotten today, I'm going to hand 14 the meeting back to Commissioner Douglas. 15 COMMISSIONER DOUGLAS: All right, well, 16 I'd like to thank everyone for a productive 17 Status Conference. And with that, we're 18 adjourned. 19 (Whereupon, at 10:45 a.m., the meeting was 20 adjourned.) 21 --000--22

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REPORTER'S CERTIFICATE

I do hereby certify that the testimony in the foregoing hearing was taken at the time and

place therein stated; that the testimony of said witnesses were reported by me, a certified electronic court reporter and a disinterested person, and was under my supervision thereafter transcribed into typewriting.

And I further certify that I am not of counsel or attorney for either or any of the parties to said hearing nor in any way interested in the outcome of the cause named in said caption.

IN WITNESS WHEREOF, I have hereunto set my hand this 13th day of May, 2016.

Kent Odell
CER**00548

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I do hereby certify that the testimony in the foregoing hearing was taken at the time and place therein stated; that the testimony of said witnesses were transcribed by me, a certified transcriber and a disinterested person, and was under my supervision thereafter transcribed into typewriting.

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IN WITNESS WHEREOF, I have hereunto set my hand this 13th day of May, 2016.

Karen Cutler Certified Transcriber AAERT No. CET**D-723