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BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT

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COMMISSION OF THE STATE OF CALIFORNIA

)

Petition to Amend the HUNTINGTON BEACH ENERGY PROJECT

) Docket No. 12-AFC-02C

PREHEARING CONFERENCE

CALIFORNIA ENERGY COMMISSION CHARLES IMBRECHT HEARING ROOM (HEARING ROOM B) 1516 NINTH STREET SACRAMENTO, CA 95814

MONDAY, November 14, 2016 2:30 P.M.

Reported by: Kent Odell

APPEARANCES

COMMISSIONERS

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Jerry Salamy, CH2M Hill, Inc. CALIFORNIA REPORTING, LLC 229 Napa Street, Rodeo, California 94572 (510) 224-4476

APPEARANCES(Cont.)

AGENCIES

Bhaskar Chandan, South Coast Air Quality Management District Jane James, City of Huntington Beach

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Meeting Agenda

- 1. Call to Order & Introductions
- 2. Report from Applicant, Staff and Intervenor(s) regarding their readiness for the upcoming Evidentiary Hearing, proposed testimony and witnesses; Committee discussions with the parties about the order of subject areas, use of informal and formal procedures, and other matters in preparation for the Evidentiary Hearing.
- 3. Public Comment
- 4. Closed Session (if necessary)

Committee Closed Session consideration of the following item:

PETITION TO AMEND THE HUNTINGTON BEACH ENERGY PROJECT

Deliberation by the Committee on any matters submitted for decision by the Committee including, but not limited to, pending motions and scheduling.

The Committee will adjourn to Closed Session in accordance with Government Code section 11126, subdivision (c)(3), which allows a state body, including a delegated committee, to hold a Closed Session to deliberate on a decision to be reached in a proceeding the state body was required by law to conduct.

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 1
 PROCEEDINGS

 2
 November 14, 2016
 2:38 p.m.

 3
 COMMISSIONER MCALLISTER: Good afternoon,

 4
 everyone.

(Brief colloquy re: audio)

5

6 This is the Huntington Beach Energy Project 7 Amendment Prehearing Conference. Thank you all for 8 being here. My name is Andrew McAllister, Lead 9 Commissioner, Presiding Commissioner, on this 10 application of this amendment.

11 I am going to introduce folks on the dais 12 here. To my right is my Adviser, Brian Early. To my 13 left is Susan Cochran, the Hearing Adviser. To her 14 left is Commissioner Douglas, the Associate Member of 15 the Committee. And to her left is Le-Quyen Nguyen, 16 Commissioner Douglas's Adviser. And to her left is Kristy 17 Chew, the Technical Adviser to the Commission on Siting 18 Matters.

19 I would like to go around the room and have 20 the parties introduce themselves, maybe starting with 21 Mr. O'Kane.

MR. O'KANE: Thank you. Good afternoon, this is Stephen O'Kane, Vice President with AES Huntington Beach Energy, the Applicant. I have my Counsel and Consultants here. I'll let them introduce themselves. CALIFORNIA REPORTING, LLC 5 229 Napa Street, Rodeo, California 94572 (510) 224-4476

1 MS. CASTANOS: Good afternoon, Kristen 2 Castanos with Stoel Rives, Counsel for the Applicant. 3 And Kim Hellwig from Stoel Rives is also with me. 4 MR. SALAMY: Hi, this is Jerry Salamy with 5 CH2M Hill. I'm the Project Director for the AES 6 Licensing Project. 7 COMMISSIONER MCALLISTER: Okay. 8 MR. BELL: Kevin W. Bell, Senior Staff 9 Counsel on behalf of staff. With me is John Heiser, 10 Project Manager, other staff are also present. 11 COMMISSIONER MCALLISTER: Okay. Thanks. 12 Is that it? Yeah, let's see who all is on 13 the line. I'm going to ask for elected officials 14 first, do we have anyone from the federal government, 15 any agency of the federal government? Feel free to 16 break in if you're on mute and just getting to it. 17 Any agencies from the State of California? 18 That would include --19 MR. CHANDAN: Hi. 20 COMMISSIONER MCALLISTER: Oh, who's that? 21 MR. CHANDAN: Yeah, hi. This is Bhaskar 22 Chandan from South Coast Air Quality Management 23 District. 24 COMMISSIONER MCALLISTER: Oh, great. I was 25 going to ask for you guys specifically, but terrific. CALIFORNIA REPORTING, LLC 6

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1 Thanks for being with us.

2 Any Native American tribes represented on 3 the phone?

Any representatives from the City ofHuntington Beach or nearby jurisdictions?

6 MS. JAMES: Good afternoon. This is Jane 7 James with the City of Huntington Beach Community 8 Development Department.

9 COMMISSIONER MCALLISTER: Great, thanks for 10 being here with us.

11 Any other agencies that I might have left 12 out?

13 (No audible response.)

14 Okay. I will note for the record that Alana 15 Mathews, our Public Adviser, is in the back of the 16 room there. So she's with us as well.

17 So I think having the introductions out of 18 the way, I'm going to pass off to Susan Cochran, the 19 Hearing Adviser, to continue through our agenda. We 20 do have a number of issues to get through, so 21 hopefully we can be expeditious about that. We've got 22 a couple of hours.

23 So thanks, Susan.

24 HEARING OFFICER COCHRAN: Well, thank you so
25 much, and good --

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COMMISSIONER MCALLISTER: Commissioner
 Douglas, did you want to say anything? No. Okay,
 great.

4 Okav, o

Okay, on to Susan.

5 HEARING OFFICER COCHRAN: The Committee 6 Noticed today's Prehearing Conference in its Notice 7 of Prehearing Conference and Evidentiary Hearings 8 issued on October 21, 2016. I'm going to remind 9 everyone that we have Noticed a November 30, 2016 10 Evidentiary Hearing on all subject areas except for 11 air quality and public health.

12 As explained in the Prehearing Conference 13 Notice the basic purpose of today's meeting is to 14 assess the project's readiness for hearings, to 15 clarify areas of agreement or dispute, to identify witnesses and exhibits, to determine those areas the 16 17 parties need to question the other parties' witnesses 18 on, and to discuss associated matters including the 19 Applicant's motion to submit supplemental testimony 20 as well as to discuss the informal versus formal 21 hearing procedures that we have used in these 22 matters.

To achieve these purposes we require that
any party seeking to participate at this conference,
or who desires to present evidence or cross-examine CALIFORNIA REPORTING, LLC 229 Napa Street, Rodeo, California 94572 (510) 224-4476

witnesses, file a Prehearing Conference Statement.
 And timely Prehearing Conference Statements were
 filed by both Applicant and staff.

4 Staff published the Part 1 Final Staff 5 Assessment or FSA on October 17, 2016. It covered all 6 areas except for air quality and public health. The 7 FSA serves as staff's testimony on all subject matter 8 areas and the FSA has been marked for identification 9 as Exhibit 6000.

I brought with me today exhibit lists. They are located on the table by the Public Adviser if anyone wants to play along at home. You can also print your own out using the Energy Commission's eDocketing system.

15 Staff's rebuttal testimony was filed on 16 November 3rd and has been marked for identification 17 as Exhibit 6001.

18 The Applicant has also filed a number of 19 exhibits that have been pre-marked for identification 20 and those are also reflected on the exhibit list here 21 in the room. That exhibit list will be subject to 22 update as we move forward throughout the hearings. 23 Part 2 of the FSA is still pending. As we 24 talked about Part 2 covers air quality and public 25 health. And part of the reason for its pendency is CALIFORNIA REPORTING, LLC 9 229 Napa Street, Rodeo, California 94572 (510) 224-4476

1 the need for the issuance of the Final Determination 2 from South Coast Air Quality Management District. I 3 understand we have someone on the phone from South 4 Coast. Is that correct?

5 MR. CHANDAN: Yes, hi. This is Bhaskar, it's 6 B-H-A-S-K-A-R. The last name is Chandan, C-H-A-N-D-A-7 N.

8 HEARING OFFICER COCHRAN: Okay. Thank you for9 joining us today.

10 So obviously the first question that we 11 would like to ask is can you give us an update on 12 when you believe the District may issue the Final 13 Determination of Compliance? And we again would like 14 to thank you for your submittal of status reports, 15 trying to keep us appraised of them. Do you have a 16 date for us?

17 MR. CHANDAN: We are working diligently. We 18 have received some comments and we are working 19 diligently to address those. We are trying our best 20 to get everything out by next week. But next week 21 being Thanksgiving, for Huntington Beach it might be 22 end of the week, but we will try our best to get it 23 out by next week.

24 HEARING OFFICER COCHRAN: So that I can 25 confirm, so you're then saying that the Final CALIFORNIA REPORTING, LLC 229 Napa Street, Rodeo, California 94572 (510) 224-4476

1 Determination of Compliance will be issued for 2 Huntington Beach either the week of November 21st, or 3 November 28th?

4 MR. CHANDAN: Right.

5 HEARING OFFICER COCHRAN: Okay. I noticed that last Thursday there was a Notice that South 6 7 Coast filed in the docket that reopened the public 8 comment period on a document. So will that re-9 noticing period affect the issuance of the FDOC? MR. CHANDAN: The re-noticing was done from 10 11 advice of our legal counsel that we needed to do 12 that. But what we have decided is to go ahead and 13 issue the FDOC. The re-noticing has already been 14 done, so the FDOC will be issued, as I said, in the 15 next week or two.

16 HEARING OFFICER COCHRAN: Okay. Thank you
17 very much.

18 So that leads me to questions then about the 19 -- about where we are. And I guess the question I 20 would have is we have bifurcated this proceeding --21 strike that. Never mind. We'll go on.

Before we get to schedule let's talk about what we're generally going to cover today at a prehearing conference. And the first is that we'll discuss the motion to allow the Applicant to file CALIFORNIA REPORTING, LLC 229 Napa Street, Rodeo, California 94572 (510) 224-4476

1 supplemental rebuttal testimony.

2 Second, we'll discuss the parties' pre-3 hearing statements. Specifically what subjects are 4 disputed that need live testimony, and what subjects 5 can be submitted on written testimony. Then, we'll discuss the exhibit lists and witness lists. Fifth, 6 7 we'll discuss the agenda for the hearing itself. Sixth, we will discuss the formal and informal 8 9 processes that the Committee may utilize in 10 conducting Evidentiary Hearings in this matter. And 11 then we'll discuss other items including scheduling. 12 And finally, there will be an opportunity for public 13 comment.

14 So first, let's talk about the Motion to 15 Supplement Testimony that was filed by the Applicant 16 last week. And usually motions are not acted on until 17 after a certain amount of time to allow the parties 18 to comment or object. Does staff have a position on 19 the Motion to Supplement?

20 MR. BELL: At this time staff has no 21 objection to the Motion to Supplement. Staff 22 originally had land use as an uncontested issue, but 23 has not had a chance to fully digest the information 24 that's in the testimony. Of course staff wants as 25 much information as we can in order to make an 26 CALIFORNIA REPORTING, LLC 12 229 Napa Street, Rodeo, California 94572 (510) 224-4476 1 informed and thorough decision for the Committee.

2 So it very well may be that if that 3 testimony is allowed, that could become a contested 4 issue. I can't say whether or not it will be at this 5 time.

6 HEARING OFFICER COCHRAN: Okay. Do you --7 would it help you if you had additional time to look 8 at the proffered testimony to let us know whether 9 that is then a contested issue?

10 MR. BELL: I think a decision can be made 11 today by the Committee that wouldn't prejudice staff. 12 And in any event, we've always reserved the right to 13 call additional witnesses or conduct cross-14 examination in subject areas where necessary. It 15 could very well be that after having read and 16 considered the additional testimony, staff may agree 17 with the Applicant's position.

18 HEARING OFFICER COCHRAN: Okay.

MR. BELL: And if so then it will not be contested. If staff disagrees it would be remade a contested issue. So I don't think that waiting to decide whether or not to allow that supplemental testimony would make a difference.

24 HEARING OFFICER COCHRAN: Okay.

25 As the maker of the motion, does the CALIFORNIA REPORTING, LLC 229 Napa Street, Rodeo, California 94572 (510) 224-4476

Applicant wish to make any statements about its
 motion?

3 MS. CASTANOS: Nothing more than what's4 stated in the motion itself.

5 HEARING OFFICER COCHRAN: Okay. So then the6 Committee will take that motion under advisement.

7 Which leads me then to the next topic, which 8 Mr. Bell sort of teed up for us, which is the topics 9 that are in dispute according to the Pre-Hearing 10 Conference Statements filed by Applicant and staff. 11 And by my reckoning, they are a few. There is 12 cultural resources, biological resources, geological and paleontological resources, visual resources and 13 14 compliance enclosure.

Have I missed anything that either party believes is still contested?

17 (No audible response.)

18 Land use being a late-breaking development 19 that may or may not be contested depending upon 20 staff's review of the substance of the testimony 21 being offered in the Supplemental Declaration.

22 MR. BELL: Those are the subject areas that 23 staff shows as being contested. There are certain 24 areas that -- within those subject matters -- that 25 may not be contested where other issues may be. 26 CALIFORNIA REPORTING, LLC 229 Napa Street, Rodeo, California 94572 (510) 224-4476

1 HEARING OFFICER COCHRAN: Right. 2 MR. BELL: Particularly with the visual 3 resources. I believe that staff is now in agreement 4 with the Applicant on certain aspects of visual 5 resources with respect to timing issues. 6 HEARING OFFICER COCHRAN: Right. 7 MR. BELL: However, for the substantive 8 matter of whether or not there are visual impacts 9 requiring mitigation, there remains a dispute. HEARING OFFICER COCHRAN: Right. I wasn't 10 11 getting yet into the exact contours of what the 12 issues are, merely the broad areas that we're talking 13 about. Because from my reckoning, it seems that many 14 of the remaining issues are actually regarding the 15 Conditions of Certification and the language in 16 those, not necessarily the conclusions in the overall 17 FSA Part 1, as it relates to the identification of 18 impacts. 19 MR. BELL: I think that's fair. I think that 20 for the most part, correctly characterizes the 21 dispute, the nature of the dispute. 22 HEARING OFFICER COCHRAN: Well, and as an 23 amendment that would tend to be what one would 24 expect, because we're looking at usually the 25 incremental changes.

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1 MR. BELL: Correct.

HEARING OFFICER COCHRAN: So with that in mind there are still though some topics of interest to the Committee as a whole or to the Committee. And so this may affect some of then the timing, and the areas that are in dispute.

7 And so one of the fist questions I have is 8 regarding a phasing plan or again because of the 9 language of the Conditions of Certification, the 10 original Conditions of Certification had sort of a 11 clear phasing between Power Block 1 and Power Block 12 2.

And for example, NOISE-4, I want to make sure that that phasing plan still works and that I have a clear understanding of the phasing plan. So it maybe that I -- we need some testimony or someone to point to us where that exists, so that we can follow though to make sure all of the conditions continue to track.

I think that that's part of what's going on in the Visual Condition of Certification that's still at dispute, because the need for access and things of that nature. So that's just an overall comment that I want to make sure that I'm understanding correctly.

25

MR. BELL: You also touched on one matter, CALIFORNIA REPORTING, LLC 229 Napa Street, Rodeo, California 94572 (510) 224-4476

which is that we have looked at the incremental
 changes from the original project to the amended
 project, analyzed those for LORS consistency and also
 potential for environmental effects.

5 However, there are some aspects of the 6 original project that may no longer apply to the new 7 project. The phasing plan, that's one that I'm -- I 8 have to admit I don't have on the tip of my tongue 9 right now, but I can go back and take a look at that 10 -- I'm not sure how that's going to change from 11 original to as amended.

12 Perhaps Applicant, Mr. O'Kane, could talk to 13 the phasing aspect?

14 HEARING OFFICER COCHRAN: And let me be very 15 specific. What I'm talking about is ensuring that --16 you'll recall that in the original proceedings we had a lot of discussion about making sure that because 17 there was such a long construction timeframe, that 18 19 certain interim steps were taken especially in like 20 visual screening, landscaping, things if that nature. 21 So that it wasn't wait until the very end of the last 22 construction to get these things in place.

23 And I want to make sure that the Conditions 24 of Certification are still then in compliance with 25 what we're now talking about regarding this project. CALIFORNIA REPORTING, LLC 17 229 Napa Street, Rodeo, California 94572 (510) 224-4476 1 I'm sorry. Go ahead.

2 MR. O'KANE: Stephen O'Kane with the 3 Applicant. Yeah, the general concept about the phase 4 approach is still consistent. I think we still have 5 it.

6 We have a different visual mitigation -- or 7 sorry for using that word -- a different visual 8 architectural treatment for this plant. So the 9 phasing of that, it does require us to do -- we have 10 to delay some of the things that would apply to say 11 the Power Block 1, because of the nature of access 12 and things.

13 So that's one area where it's a little bit 14 different than the first time around.

HEARING OFFICER COCHRAN: And obviously we're not going to be able to resolve this today, but I just wanted to highlight for you that this is something that we're looking at as the Committee.

And the second area is the intersection improvements at Magnolia and Banning. And the direct question that I'm struggling with still, even after reading the project description and traffic and trans and bio-resources, among other things is whether this is part of the project, or if it's covered by the All Plains Permit?

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1 And what I'm also going to be looking for on this is a proper accounting for the impacts, which 2 may just be answering questions regarding what the 3 4 City of Huntington Beach processes for allowing the 5 construction of these improvements. Because at this point the discussion is that it's going to fall under 6 7 essentially the original Condition of Certification, 8 traffic and trans, dealing with the need to repair 9 roads damaged by heavy haul, which I believe is TRAFFIC and TRANS-2 or 3. 10

11 And so I believe that the conclusion of 12 traffic and trans is that that's how this 13 intersection is also going to be treated. And I am a 14 little bit concerned that with an encroachment 15 permit, it's a ministerial action by the City. This 16 intersection improvement may be something far different. And so I'm seeing the need for additional 17 18 information, testimony on that issue, as we get 19 closer to Evidentiary Hearing. 20 MR. O'KANE: Could I --21 HEARING OFFICER COCHRAN: Yes?

MR. O'KANE: -- yeah, hopefully respond a little bit to that. So the intersection of Magnolia and Banning is definitely part of the project, part of the project description. It is not part of the CALIFORNIA REPORTING, LLC 229 Napa Street, Rodeo, California 94572 (510) 224-4476

Plains American CDP-4, their demolition. There is no
 description of any new entrance or need for an
 intersection at Banning and Magnolia that is clearly
 under the scope of this project.

5 And I think some clarification around that 6 issue for the City's benefit would be good, so they 7 understand who's got the discretionary authority 8 versus the ministerial authority for permits. So 9 thank you for bringing that issue up.

HEARING OFFICER COCHRAN: So again, that's 10 11 probably going to be something that we're going to 12 have to cover at the Evidentiary Hearing. So I don't 13 know who will be that witness or panel of witnesses. 14 And perhaps I know that Ms. James from the Community 15 Development Department of the City of Huntington 16 Beach is on the phone. She may be able to assist us 17 in this as well, but I think that we need to close 18 that gap.

19 The next question is that we have received a 20 document from the California Coastal Commission. And 21 the Energy Commission and the Coastal Commission have 22 a Memorandum of Agreement regarding the -- we'll call 23 them reports, with a small "r" reports -- that are 24 submitted. And part of that is that the Coastal 25 Commission is supposed to send a witness to the CALIFORNIA REPORTING, LLC 20 229 Napa Street, Rodeo, California 94572 (510) 224-4476

Evidentiary Hearing. Does either party know whether 1 2 the Coastal Commission will be sending someone to the 3 Evidentiary Hearing?

4 MR. BELL: Staff has no information whether 5 or not they will, but staff's understanding of this is that this is not a 30413(d) Report. It does not 6 7 require Coastal Commission sponsorship in this 8 proceeding. This proceeding is not an AFC proceeding, 9 which is what the underlying statutes and also what 10 our Memorandum of Understanding covers with the 11 Coastal Commission. These are comments that have been 12 submitted under the heading of a 30413(d) Report. In 13 fact, these would be comments under subsection (e). 14 Of course if a Coastal Commission 15 representative would like to attend the hearings, we 16 would welcome them. And we welcome their 17 participation. 18 HEARING OFFICER COCHRAN: Applicant? 19 MS. CASTANOS: We agree. 20 HEARING OFFICER COCHRAN: Okay. I thought you 21 might. 22 Okay. So that then obviates -- my next 23 question is that the Warren-Alquist Act, in Section

24 25523(b), talks about how the Energy Commission is

25 supposed to respond to comments made by the Coastal CALIFORNIA REPORTING, LLC 229 Napa Street, Rodeo, California 94572 (510) 224-4476

1 Commission in a 30413(d). So is it staff's position 2 then that that analysis is inapplicable?

3 MR. BELL: Correct. I believe that we've
4 covered this in one of our previous filings. We also
5 briefed this in the underlying proceeding as well.

6 And the only change between what we cited 7 and what we argued in the underlying proceeding and 8 here, is that now the ambiguity of whether or not the 9 timing of the report that they submitted, which by 10 the way was after our proceeding -- sorry after the 11 hearings and before the decision -- the timing of 12 that was really the only issue. You know, we had 13 conceded that there was an AFC proceeding. They could 14 if they chose, participate in that proceeding 15 according to our Memorandum of Agreement.

16 However, here we have a different 17 circumstance. This is not an AFC proceeding. It's an amendment to an existing Commission decision, which 18 19 is not covered under the relevant statutes or under 20 the Memorandum of Agreement. However the standard 21 that would apply here is, as it would with any other 22 government agency, which is a due deference standard. 23 Staff really does take seriously, and take 24 to heart the comments and the participation of other 25 government agencies, of our sister agencies. In this CALIFORNIA REPORTING, LLC 22 229 Napa Street, Rodeo, California 94572 (510) 224-4476

circumstance however, I believe that there may have
 been a misreading or misunderstanding of the relevant
 statutes and also the Memorandum of Agreement.

Staff has read and considered the comments 4 5 that were submitted by the Coastal Commission. And as we'll point out later, because I'm sure we'll be 6 7 briefing the issue, where applicable we have 8 incorporated those comments. However some of the 9 comments filed by the Coastal Commission have already 10 been considered, not just by staff, but by the 11 Commission. In fact, they're saying the same thing 12 that they did the last time where there are areas of 13 really no change.

14 COMMISSIONER MCALLISTER: I just want to make 15 sure in the spirit of deference to our brethren 16 agencies, sister agencies, and just making sure that 17 as you said -- well, I guess I would like to have the 18 details of that.

19

MR. BELL: Sure.

20 COMMISSIONER MCALLISTER: Sort of what 21 consideration has been given to those original 22 comments? And I don't know that those have really 23 been put on the record yet, the response? 24 HEARING OFFICER COCHRAN: What I will say is 25 that there is some discussion in the Final Staff CALIFORNIA REPORTING, LLC 229 Napa Street, Rodeo, California 94572 (510) 224-4476

Assessment. And I think what the Committee was - well what I was looking for was a discussion of the
 standard in the Warren-Alquist Act regarding the
 30413(d) Report.

5

MR. BELL: Sure.

6 HEARING OFFICER COCHRAN: And by your saying 7 that that's not what is required, that that would 8 explain why there is never a mention of 25523 in the 9 FSA, which is what I was looking for and expecting. 10 Because you'll remember, you're correct that last 11 time the report came late and there was no witness. 12 And as a result applying 25523 in the original 13 proceeding led us to find most of the proposed Conditions of Certification from the Coastal 14 15 Commission to be infeasible, because we didn't have 16 evidence to substantiate them -- those things.

17 So we don't have those timing issues this 18 time, which is why I don't think a 15162 approach or 19 a 1749 approach works when we're dealing with the 20 Coastal Commission, because it can't be just about 21 the incremental, we're supposed to address their 22 comments. But that presupposes that we're within the 23 statutory framework.

24 MR. BELL: Correct.

25 HEARING OFFICER COCHRAN: And I've not seen CALIFORNIA REPORTING, LLC 24 229 Napa Street, Rodeo, California 94572 (510) 224-4476 1 the legal discussion of why we are in or out of that 2 framework, in this timeframe.

MR. BELL: Sure. Much of what staff filed, 3 4 when we briefed the issue in the underlying 5 proceeding, also applies here. The timing issue is actually what everything revolved around there in 6 that proceeding. However, I can say that staff 7 8 certainly didn't not take into consideration the 9 comments filed by the Coastal Commission the last 10 time, we certainly did. We looked at everything that 11 they filed. And I believe that we addressed those. 12 This time we were fully prepared to brief 13 the issue again, but the same reason that we used the 14 last time applies this time as well. And 15 additionally, we're not even in the same statutory 16 framework at this point. This is not an AFC proceeding. In fact, they've even titled their 17 18 document, I believe it was the 30413(d) Report for 19 the Application for Certification, which this is not. 20 It's an amendment proceeding, an entirely different

21 animal.

HEARING OFFICER COCHRAN: Understood, so maybe that's something that we'll like to see some briefing about to make sure that in our final decision that we have the ducks in a row and CALIFORNIA REPORTING, LLC 229 Napa Street, Rodeo, California 94572 (510) 224-4476

1 discussing it appropriately.

2 MR. BELL: We already have the brief written.
3 COMMISSIONER MCALLISTER: Okay, great.

4 So yeah, I mean I want to just make sure 5 that the legal framework is understood and what we do and don't have to do and it sounds like mostly it's 6 7 don't. But also make sure that the underlying issues 8 to the extent that they're substantive and relevant, 9 we will also want to just make sure that we give that 10 deference to our sister agency. So you've already 11 done all that, but I think just having that be more 12 explicit would be helpful.

13 MR. BELL: Yes, sir.

14 HEARING OFFICER COCHRAN: So another briefing 15 item then, is you'll remember at the August status 16 conference, I had talked about Water Code Section 17 10910(h), which creates an exemption to additional 18 water supply assessments if you've already done one. 19 And there was no discussion of that in the FSA. So is 20 that something then that you want to do a legal brief 21 on?

22 Because I would rather not do a Water Supply 23 Assessment again if we can avoid it by saying, "We're 24 subject to (h)."

25 MR. BELL: Yeah, staff believes it's CALIFORNIA REPORTING, LLC 229 Napa Street, Rodeo, California 94572 (510) 224-4476

1 categorically exempt. Therefore they didn't do it.

HEARING OFFICER COCHRAN: Well, no, they did
include a Water Supply Assessment in the FSA.

4 MR. BELL: In this one?

5 HEARING OFFICER COCHRAN: Yeah.

6 MR. BELL: Out of an abundance of caution,7 I'm told.

8 HEARING OFFICER COCHRAN: Okay.

9 So and I'm not going to be calling on you, 10 so if you want to say something just turn on your mic 11 and I'll watch your little red lights come on.

12 Then one of the things too is I am -- as we 13 talk about the Plains Tank site where the laydown 14 yard and construction parking are going, that 15 Magnolia/Banning is part of, is that the 2007 Coastal Development Permit 05-07 that's referenced in the BIO 16 17 Section? Because there's a reference to a 2007 18 Mitigated Negative Declaration for a Coastal 19 Development Permit in BIO. And I don't know if that's 20 the Plains Tank site or what that relates to or how 21 it integrates with this project.

MR. O'KANE: Stephen O'Kane with AES. And Jane James is on the line too. She may be able to add a little bit to this as well, but as I understand that Coastal Development Permit that was referenced, CALIFORNIA REPORTING, LLC 27 229 Napa Street, Rodeo, California 94572 (510) 224-4476

was for the widening of the Newland Street. That was 1 2 the City's own CDP.

3 HEARING OFFICER COCHRAN: Okay.

4 MR. O'KANE: So a completely different 5 project, completely different area.

6 HEARING OFFICER COCHRAN: Okay. Is -- and 7 this is something that I'll need you to go back and 8 check -- is the Coastal Development Permit for the 9 Plains Tank site an exhibit in this proceeding? And 10 if not, can we make it one?

11 MS. CASTANOS: I don't believe it is an exhibit currently. I don't think it's been docketed 12 13 in this proceeding.

14 HEARING OFFICER COCHRAN: Okay.

permit, correct?

15 MS. CASTANOS: What would be the reason that it would be relevant here? 16

17 HEARING OFFICER COCHRAN: Well, we're saying 18 that some of the activities that are on the site, on 19 the Plains site are covered by that development 20

21 MS. CASTANOS: No. None of the activities 22 associated with this project are covered by that CDP. 23 That is a separate CDP for demolition, grading of 24 that site.

25

HEARING OFFICER COCHRAN: Okay.

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MS. CASTANOS: And then the additional work that will occur on that site to facilitate this project will be covered by this decision. And this decision will be in lieu of the additional CDP that would otherwise be required.

6 HEARING OFFICER COCHRAN: Right. Okay. I was
7 trying to trace all of these--

8 MS. JAMES: (Indiscernible)

9 MS. CASTANOS: Ms. James, is that you?

MS. JAMES: Yes. I would like to jump in, if that's appropriate?

12 HEARING OFFICER COCHRAN: Please do.

13 MS. JAMES: Thank you.

I just wanted to offer one clarification. That the PSA describes that the grading that was approved under that Coastal Development Permit for the demolition of the tanks was for future undisclosed development purposes. That's a little bit incorrect.

20 The demolition of the tanks was permitted by 21 the Coastal Development Permit. And grading just to 22 the level to level out the site associated at both 23 tanks' location. It did not anticipate any future 24 development. And that's important to the City for 25 that distinction, because no additional development 26 CALIFORNIA REPORTING, LLC 29 229 Napa Street, Rodeo, California 94572 (510) 224-4476 1 has been approved on the site at all.

2 HEARING OFFICER COCHRAN: Okay. Thank you for 3 that clarification.

4 MS. JAMES: Thank you.

5 HEARING OFFICER COCHRAN: In TRANS-9 it says that replacement parking will be assured. What does 6 7 "assured" mean? And because you're using TRANS-9, 8 then to create consistency with the LORS requirement 9 for parking in the Huntington Beach Code, so what 10 does assured mean? And how do we make that work then 11 as actual mitigation to ensure consistency with the 12 LORS for parking?

13 So we had talked about the areas that were 14 in dispute according to the parties. So it sounds to 15 me as though it may be that we need to be having 16 traffic and trans added to the disputed area, to do 17 this cleanup on the intersection improvements and on the assured language in TRANS-9. Does that make sense 18 19 to everyone? Briefly, I think we can do that briefly. 20 MS. CASTANOS: Yeah. I mean, I guess I don't 21 know that it would be a disputed topic, but certainly 22 the Applicant will be available to answer questions 23 related to it.

24 TRANS-9 does specify that the replacement 25 that's required is a one-for-one basis consistent CALIFORNIA REPORTING, LLC 229 Napa Street, Rodeo, California 94572 (510) 224-4476

1 with the City Code. And so I guess I read "assured"
2 to mean assure that there is a one-for-one
3 replacement consistent with the City Code.

4 HEARING OFFICER COCHRAN: And to be clear, 5 when we talk about disputed it's not necessarily that 6 there are alternate contingencies. It may just be 7 that something requires additional testimony or 8 clarification. And so it's on our list of things to 9 talk about. That's how I use dispute.

So that means that the following topic areas 10 11 are not at issue for the Evidentiary Hearing: 12 facility design, power plant efficiency, power plant 13 reliability, transmission system engineering, 14 transmission line safety and nuisance, waste 15 management, worker safety and fire protection, socio-16 economics, hazardous materials management, noise and 17 vibration. And obviously air quality, greenhouse 18 gasses, and public health are of an unknown category 19 since we don't have a document yet.

20 MR. BELL: And I would also add executive 21 summary introduction and project description as well, 22 unless there's some additional testimony for those 23 that you need?

24 MS. CASTANOS: I would like to point out that 25 in our comments on the FSA, we did provide some CALIFORNIA REPORTING, LLC 31 229 Napa Street, Rodeo, California 94572 (510) 224-4476 1 clarifying comments on some of the project
2 description statements in both the Executive Summary
3 and the project description. And we would like to
4 make sure that those are accurately reflected in the
5 Final Decision. But with those clarifications to the
6 project description we would agree that those are not
7 contested.

8 MR. BELL: Also, they got traffic and 9 transportation out of uncontested since there's 10 additional information. Soil and water resources, the 11 Committee will require additional information on 12 that?

HEARING OFFICER COCHRAN: No. I think that that's a legal issue that I want to hear from the lawyers about. I don't know if we require testimony on that.

MR. BELL: No, and alternatives? MR. BELL: No, and alternatives? HEARING OFFICER COCHRAN: I was thinking more of the more substantive sections, not the intro stuff, but yeah we can add that as well.

21 So that do the parties understand that for 22 those areas that are undisputed, all testimony will 23 be submitted by declaration. And that live testimony 24 of witnesses is unnecessary.

25

MS. CASTANOS: Yes. CALIFORNIA REPORTING, LLC 229 Napa Street, Rodeo, California 94572 (510) 224-4476 1

MR. BELL: Yes.

2 HEARING OFFICER COCHRAN: Excellent.

As to the topic, so no one said that there 3 4 were any areas that were incomplete other than air 5 quality, greenhouse gas and public health. I feel like a broken record. Entering a dispute, we expect 6 7 you to work together to determine whether or not any 8 of these topics can be moved into the undisputed 9 column. So if there's a way to answer some of the 10 questions, especially from the Committee, that were presented today that would be helpful. 11

12 So I'm assuming you two can work together on 13 that?

MR. O'KANE: Yeah, as much as we can, I believe so. It's the Applicant's point of view that those items that we still call in dispute that no live testimony is required. That it can all be -- it should all be resolved by declaration.

HEARING OFFICER COCHRAN: Well, I know that staff had asked -- and that was the next thing I was going to skip to -- is the witness list. And the amount of time that folks had said they wanted to examine witnesses. So when we have disputed we expect that there is going to be a panel of witnesses. For example, the dispute in biological

For example, the dispute in biological CALIFORNIA REPORTING, LLC 229 Napa Street, Rodeo, California 94572 (510) 224-4476

1 resources relates to the approval of the biological 2 monitors -- I mean, I'm in bio, right -- bio 3 monitors, under BIO-1. And you have similar issues in 4 CUL-1 and PAL-1 or GEO -- PAL-1. GEO-3 is our tsunami 5 mitigation drill stuff. So that I'm assuming that 6 there was going to be testimony that. Was that 7 staff's assumption as well?

8 MR. BELL: Unless the Committee just wants to 9 take everything in the declarations without hearing 10 testimony. But I can imagine that on some of these 11 issues, especially with the timing issues, then we 12 have two very different opinions on the timing issue. 13 And I would imagine that unless the Applicant just 14 wants to agree with us that they may want to make a 15 case.

MS. CASTANOS: So our position is that all of the testimony has been submitted in writing. And it's not necessary to present live witnesses on the issue unless the Committee has specific questions for those witnesses to try to understand that testimony.

HEARING OFFICER COCHRAN: We'll take that under advisement and we'll let you know what we're thinking.

24 MR. BELL: The only substantive issue that we 25 had left however, was in visual resources, which is CALIFORNIA REPORTING, LLC 34 229 Napa Street, Rodeo, California 94572 (510) 224-4476 1 not a timing issue. Ironically, that's the one area 2 where it seems like we agree on timing. The issue 3 there is whether or not there are significant visual 4 impacts that require mitigations.

5 It could be possible, I don't want to cut 6 off the Applicant for their right to cross-examine 7 the witness, but it could be possible that we could 8 submit that to the Committee as well absent live 9 testimony. It's something that the Committee may want 10 to consider.

11 I can say that staff's position will not 12 change and I can't imagine that the Project Owner's 13 position will not change either. We are diametrically 14 opposed on the issue of whether or not impacts exist. 15 MS. CASTANOS: And we have the same position with respect to this issue as we did with the BIO and 16 17 CUL and PAL-1 conditions -- that, you know, we disagreed on this condition or this significance 18 19 determination in the underlying proceeding and we 20 still maintain that disagreement. We believe that the 21 written record is complete enough to provide the 22 Committee with all of the reasons for that 23 disagreement. And that it can be decided on the 24 written record.

25

(Brief pause in audio.) CALIFORNIA REPORTING, LLC 229 Napa Street, Rodeo, California 94572 (510) 224-4476

HEARING OFFICER COCHRAN: Sorry, we were
 talking up here about inside baseball.

3 So the exhibit list, as I said, has been 4 generated. Please look it over. We'll want to make 5 sure that everything is included. If not, let us know. And then you have all provided witness lists 6 7 and you've asked for about four to five hours of live 8 testimony. But what I'm hearing you all say now is 9 that for many areas, you're looking instead at doing 10 it solely on the declarations. 11 So I know, Mr. Bell, you're voting for 12 visual. Anything else that you absolutely, positively 13 want live testimony on? 14 MR. BELL: What was I voting on? 15 HEARING OFFICER COCHRAN: What other areas 16 besides visual, do you think live testimony would be 17 helpful? MR. BELL: Well, from staff's perspective, 18 19 I'm not sure that any of these other areas such as 20 biological resources, cultural resources, those that 21 involve the timing issue? 22 HEARING OFFICER COCHRAN: Uh-huh. 23 MR. BELL: I'm not sure that from staff's 24 perspective that we need to cross-examine anybody on 25 those issues. We could proceed on declarations.

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However, from a decision maker's standpoint it seems that based on the assertions that are being made by the Applicant, and also staff position as well, that's something that a decision maker may want to resolve. But I'm trying to be fair and objective here.

HEARING OFFICER COCHRAN: Right.

8 MR. BELL: It'd be easy for us to sit back 9 and say, "Here's our testimony. Decide." But the 10 Applicant has testimony that's in conflict with that 11 and it's on an issue that's not necessarily black and 12 white.

HEARING OFFICER COCHRAN: Right. It's notabout how many tortoises there are.

15 MR. BELL: Yeah.

7

16 COMMISSIONER MCALLISTER: Just to be clear, 17 Mr. Bell, you are saying that you would like there to 18 be live testimony on visual? Or is the same kind of 19 thing, you think it's a good idea for policy reasons, 20 but you're not personally committed?

21 MR. BELL: Altruistically, I can understand 22 why the Committee would want to take live testimony. 23 From staff's perspective we don't believe that we 24 need live testimony on that issue.

25 As to visual resources, again this is CALIFORNIA REPORTING, LLC 229 Napa Street, Rodeo, California 94572 (510) 224-4476

1 something that we have thoroughly hashed out,
2 especially in the original proceeding. Now, we do
3 have some changes to the project. The project is
4 changing in configuration and size. And we also have
5 a different visual screen in place. And if I can just
6 outline the issue here, this might help everybody
7 understand there we're at.

8 There is a disagreement as to whether or not 9 there is a visual impact, in this case based on the 10 changes to the project from the license project. 11 Staff's position is that there is a visual impact and 12 requires mitigation. The project owner's position is 13 that there is no visual impact.

14 That being said, there is an agreement 15 between the Project Owner and the City of Huntington Beach. That staff also believes that this is an 16 17 adequate agreement for the Project Owner to come up 18 with a visual screen that we colloquially call the 19 "ball wall." That it's already been put out -- at 20 least the conceptual design for this visual screen 21 has been put out. From a LORS Consistency Analysis 22 staff does believe that this furthers the Coastal 23 Commission's Restore and Enhance Provision and that 24 is enhancing in some way the coastal zone.

25

So at the end of the line, whether or not CALIFORNIA REPORTING, LLC 229 Napa Street, Rodeo, California 94572 (510) 224-4476

1 there's a visual impact, this is going to be part of 2 the license. And it will be ordered by the 3 Commission. So they're going to have to deal with the 4 visual treatment one way or the other, which makes 5 the underlying argument as to whether or not there's 6 an actual impact that would justify this, from a 7 mitigation perspective, almost academic.

8 It's for that reason that staff believes 9 that submitting this on the declarations I believe is 10 adequate. I'm not sure what Applicant -- Ms. Castanos 11 is nodding her head. May the record reflect that.

MS. CASTANOS: Right. I mean, that's the Applicant's position. We have a fundamental disagreement on whether or not there is an impact, but the Applicant is committed to implementing a visual enhancement screening, which in staff's opinion mitigate that impact. So we don't have a disagreement about the condition itself.

HEARING OFFICER COCHRAN: Mr. Knight?
 MR. KNIGHT: Right, this is the Environmental
 Office Manager, Eric Knight here.

There is a misunderstanding here. My
recollection, and Janine, please correct me if I'm
wrong, the Commission decision found significant
visual impacts at one or two KOPs, I believe. And so
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1 what our position here on the amendment is those 2 impacts would continue, but also would be mitigated 3 with this new design.

4 So I don't think there's a fundamental 5 dispute between -- I mean maybe there is a dispute between us and the Applicant, but our position is we 6 7 were working off of the delta, which is the Commission's decision. Commission decision found 8 9 significant visual impacts, which could be mitigated 10 with the visual enhancement proposal, which also 11 ensures conformance with the Coastal Act and the 12 City's LORS.

13 So we didn't see that the changes in the 14 project, except for actually one KOP where we did 15 find that the revisions to the project would actually 16 make that one KOP that was originally found to be 17 significant, not significant. But the other impact 18 for the marsh would remain.

19 So the new project does or the redesigned project does get better. One KOP goes to less than 20 21 significant, one significant, whereas the original 22 project was both significant at those two KOPs. But 23 nonetheless, all is mitigated with the new design. 24 So the Applicant may disagree with that, but 25 I think we're taking our charge from the Commission CALIFORNIA REPORTING, LLC 40 229 Napa Street, Rodeo, California 94572 (510) 224-4476

1 decision. So (indiscernible)

2 MR. BELL: At least I think Mr. Knight's 3 contribution --

MR. O'KANE: Yeah, so I think he got that most of it right there and spoke to what the changes -- the changes of the project. And as he just said, the new design is actually an improvement from one of the KOPs. So then you end up with a project that from however many KOPs we ended up analyzing -- I can't remember -- there are no significant impacts.

So we're saying that on a whole, the project has no significant impacts on the visual resources.

MR. BELL: Anyway, I would like to thank Mr.
Knight for his contribution. As I said, there does
exist --

MR. KNIGHT: (Indiscernible)

16

17 MR. BELL: -- a dispute between staff and the 18 Applicant on this issue. However, I believe we can 19 proceed based on declarations. I don't believe that 20 we need live testimony on this issue, because it 21 really does end up being an academic discussion. 22 Whether or not there's an impact is not going to matter at the end of the day, because the mitigation 23 24 that staff is requiring is the same visual treatment 25 that the Applicant is agreeing to undertake. CALIFORNIA REPORTING, LLC 41 229 Napa Street, Rodeo, California 94572 (510) 224-4476

HEARING OFFICER COCHRAN: Right, okay. Thank
 you.

3 So then let's have a little bit of 4 discussion about the informal procedure. Is there a 5 desire by either Applicant or staff to have the formal procedure? 6 7 MR. O'KANE: I think it's our desire to do 8 the informal, because I think we're really close 9 here. 10 HEARING OFFICER COCHRAN: Right. 11 MR. O'KANE: And without taking words from 12 Mr. Bell's mouth I think we're offering live 13 testimony for the Committee's behalf, and not any new 14 live testimony for (indiscernible) 15 MR. BELL: I personally always prefer the 16 formal procedure, but on behalf of the Client and the 17 ease of these proceedings, I think the informal procedure will work just fine based on the stance of 18 19 the parties and where we are in the proceedings. 20 HEARING OFFICER COCHRAN: Okay. So I assume 21 everyone understands what this means, is to save time 22 we are not going to describe the exhibits that are 23 moved into evidence, or describe the topics covered 24 by an individual declaration or declarations. And it

25 will mean that all parties with opening and rebuttal CALIFORNIA REPORTING, LLC 42 229 Napa Street, Rodeo, California 94572 (510) 224-4476 1 testimony, that's their direct examination.

2 So there's no need to discuss the experts' 3 resumes and there's no objection to a witness as an 4 expert. If you have an objection when we come time to 5 the Evidentiary Hearing, we'll expect you to state the objection first. And don't try to do what we call 6 7 a speaking objection. You're both lawyers, I don't 8 have to get into that. But it's not a, "Let's talk my 9 way into why I think it's not subject -- why it's not 10 following the Evidence Code."

11 And rather than taking time with the usual 12 formal question and answer, what we'll do is we'll 13 swear in panels. And we may allow cross-examination 14 on issues as we see fit, but we'll expect you to be 15 prepared and ready to conduct that cross-examination. 16 It's not the time to be sitting there and fumbling. 17 We need to move quickly, again because you've asked for a certain amount of time and we're going to try 18 19 to come up with a time budget.

20 So we'll call the panel. We'll swear the
21 panel. We'll ask staff what the factual disputes
22 under this topic are, including any subtopics. Most
23 of them, as we've talked about today, are fairly
24 minor or limited in their scope. And then we'll ask
25 if the Applicant concurs and then we'll talk thought
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1 those issues that remain disputed.

2 So are there any other questions about that? 3 Do we see a need for briefing after the Evidentiary 4 Hearing? I don't recall that in the Pre-Hearing 5 Conference Statement.

6 MR. BELL: On certain topics, yes. The issue 7 of the Coastal Commission participation I believe that's something that we'll have to brief. In fact, 8 9 we already wrote the brief. We're ready to submit 10 that along with our briefing after the hearing.

11 There may be some other issues based on 12 questions that are asked by the Committee during the 13 proceeding, issues related to timing and the like. So 14 I do believe we should have a briefing statement.

15 HEARING OFFICER COCHRAN: Yes, Ms. Castanos? 16 MS. CASTANOS: Our Pre-Hearing Conference Statement indicated we did not believe there would be 17 18 a need for any post-hearing briefing. But I agree 19 that some of the briefing on the Coastal Commission 20 participation is appropriate.

21 We did propose in our Pre-Hearing Conference 22 Statement a pretty aggressive post-hearing briefing 23 schedule, which would be opening briefs due by 24 December 7th and reply briefs by December 15th. 25 HEARING OFFICER COCHRAN: And that CALIFORNIA REPORTING, LLC

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1 presupposes that you have transcript. Yes?

2 MS. CASTANOS: I don't. We were operating 3 under the assumption we would not necessarily need 4 the transcript in order to prepare the briefs at this 5 time.

6 MR. BELL: Yeah, staff would anticipate you 7 needing a transcript only if something came up during 8 the questioning of the Committee, of the witnesses or 9 the panels that are presented. Based on the position 10 of the parties and the evidence as we believe it will 11 be, we don't believe that we'll need a transcript. At 12 least not to brief the Coastal Commission issue.

HEARING OFFICER COCHRAN: Okay. Because last time what happened, as you may recall, is we had had Evidentiary Hearings. I'm writing the PMPD, the PMPD is almost done, and then I got everybody's briefs. And it was like, "Oh, well this is fun."

18 So I would like to not have --

MR. BELL: We can do that again if you like. HEARING OFFICER COCHRAN: Fool me once. So I would like to have them earlier, rather than later, because it helps me then be able to draft -- help the

23 Committee draft the decision.

24 So with that do you want to take over?25 (Off mic colloquy.)

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1 So we are now to the public comment portion 2 of the today's exciting meetings. Are there any members of the public who are here in the room with 3 4 us who would like to speak to the Committee regarding 5 Huntington Beach amendments? Don't all rush to the mic. 6 7 Is there anyone on the line who would like 8 to speak to the Committee? 9 (No audible response.)

10 Okay. With that we are going to adjourn --

11 MR. O'KANE: Excuse me.

12 HEARING OFFICER COCHRAN: I'm sorry?

MR. O'KANE: Just, can we give the phone-ins one more chance?

15 HEARING OFFICER COCHRAN: Sure.

16 MR. O'KANE: And in particular I was thinking 17 about the City of Huntington Beach to make sure that 18 they have said all they wanted to say now.

19 HEARING OFFICER COCHRAN: Anyone on line?

20 Ms. James?

21 MS. JAMES: Yes, please.

HEARING OFFICER COCHRAN: Okay. Please do. MS. JAMES: We do have a couple of comments on the FSA. And I will go through them quickly. And I know that the preference is also to have them in CALIFORNIA REPORTING, LLC 46 229 Napa Street, Rodeo, California 94572 (510) 224-4476 writing, so we will submit comments in writing as
 well.

We do believe that the demolition of Units 1 and 2 is still unclear in the project description. It seems to indicate that the demo of Units 1 and 2, to grade, was described in the original permit. And now the addition to amend describes it's a demo to the turbine deck.

9 Staff believes that a total demolition of 10 the old and obsolete structures, which should be 11 required by the Conditions of Certification -- this 12 is Surf City. It was our iconic coastline, and our 13 community deserves the demolition of all of the 14 obsolete structures.

Secondly, we wanted to note that it's difficult to understand how the conclusions regarding noise from the construction laydown on 22 acres is the same as the noise that would have been emanating from the site when it was construction worker parking on 1.9 acres. And this is in reference to the Plains All American site.

22 We would prefer that the Conditions of 23 Certification in the description about the parking 24 and staging plan, that it be tightened up so that the 25 construction hours are observed on that site as well. 24 CALIFORNIA REPORTING, LLC 47 229 Napa Street, Rodeo, California 94572 (510) 224-4476 And that construction workers shall not be permitted
 to arrive onsite nor stage on the surrounding street
 system, prior to the 7:00 a.m. construction hours.

We feel that with this many activities going on and bringing it closer to our residential neighborhoods, it is a potential for greater impact to those residential neighborhoods. It seems as though the description regarding the use of the Plains site is a little bit too loose. And it should be tightened up.

11 Another comment is that in the visual 12 resources section we have two kind of main comments. 13 One is that the plans for the visual screen wall, 14 does not seem to be occurring early enough in the 15 process. And our fire department is unable to assess 16 whether fire department lanes and emergency access to 17 the site can be met with the visual screen wall. So a 18 precise plan of that screen wall should be submitted 19 much earlier in the process.

20 And then I'm reading in the visual 21 certifications, in which both the Applicant and CEC 22 staff seem to be agreeing to the timing. However, it 23 looks to me if there will be visual screen wall is 24 not required to be implemented until 12 months after 25 the plant has been in operation. And the City feels 26 CALIFORNIA REPORTING, LLC 48 229 Napa Street, Rodeo, California 94572 (510) 224-4476 1 that that is way too long. Visual screening plans
2 should be implemented and should be in place before
3 the plant begins operation. And that goes back to
4 this is our coastline, this is our important part of
5 our city. And we feel that our community deserves
6 better than to have that visual screen wall delayed
7 for such a long time.

8 One comment that Ms. Cochran raised, on the 9 land use issue with the lot line adjustment that the 10 City is supposed to be reviewing and approving for 11 consolidation of lots. That lot line adjustment 12 itself is in the -- is sited in the coastal zone. 13 That lot line adjustment would require a Coastal 14 Development Permit. It's not exempt from a Coastal 15 Development Permit.

16 So I'm a little bit confused by the 17 Applicant's description that the City cannot process 18 the Coastal Development Permit, but we can process 19 the lot line adjustment. Those two things don't --20 they go together. And the City would have 21 jurisdiction over both of those items in our opinion. 22 Finally, our comments are in relation to the intersection improvement and the traffic information. 23 24 We are disappointed that we have continuously made 25 comments that the intersection improvement should CALIFORNIA REPORTING, LLC 49 229 Napa Street, Rodeo, California 94572 (510) 224-4476

have their own environmental analysis. And that has
 not occurred.

However, the City is offering to continue to 3 4 work with the Applicant regarding those intersections 5 reconfiguration and reviewing of the engineering drawings and plans for processing. 6 7 We understand the importance of the timing of the 8 project. We do feel that the CEC staff should have 9 been requiring that environmental analysis of those 10 intersection improvements beforehand. 11 And finally, also in traffic and 12 transportation, we do feel that the Poseidon 13 Desalination Project has not been adequately covered 14 in the cumulative project analysis. 15 I'm sorry, one additional item from our transportation staff. The FSA describes a pedestrian 16 crossing for construction worker parking across 17 18 Newland Street. It should be pedestrian crossing 19 rather than pedestrian crosswalk, because using that 20 term implies that a crosswalk is the correct and

21 accurate interim improvement. And our public work

22 staff does not believe that's the case and so

23 additional analysis of that pedestrian crossing

24 should be made.

25 Those are the highlights of our comments. We CALIFORNIA REPORTING, LLC 50 229 Napa Street, Rodeo, California 94572 (510) 224-4476 1 do have several other things that we believe can be 2 incorporated into the decision. And we will put that 3 in writing and provide it to you shortly. Thank you. 4 HEARING OFFICER COCHRAN: Thank you very 5 much.

6 Anyone else, either in the room or on the 7 phone?

8 (No audible response.)

9 With that, the Committee is going to adjourn 10 to closed session. You don't need to stick around.

11 (Off mic colloquy.)

We'll put out a document in writing. We are going into closed session pursuant to the Government Code that allows us to do so. So with that, we're in closed session.

16 Thank you all very much for coming today.
17 (Adjourned to closed session at 3:38 p.m.)
18 HEARING OFFICER COCHRAN: This is Susan
19 Cochran on the Huntington Beach Energy Project
20 Amendments Prehearing Conference. We have returned
21 from closed session at 4:15. There is no reportable
22 action. This meeting is adjourned.

23 (Meeting adjourned at 4:15 p.m.)

- 24
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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 30th day of November, 2016.

fin@1. Odul

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 30th day of November, 2016.

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