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COMMITTEE WORKSHOP
BEFORE THE
CALIFORNIA ENERGY RESOURCES CONSERVATION
AND DEVELOPMENT COMMISSION

In the Matter of:

Proposed Adoption of Regulations
Governing an Electric Transmission
Corridor Designation Process Under
SB-1059

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) Docket No.
) 07-OIR-1
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CALIFORNIA ENERGY COMMISSION
HEARING ROOM A
1516 NINTH STREET
SACRAMENTO, CALIFORNIA

FRIDAY, JUNE 29, 2007

10:03 A.M.

ORIGINAL

Reported by:
Peter Petty
Contract No. 150-04-002

COMMISSIONERS PRESENT

John L. Geesman, Presiding Member

Jeffrey D. Byron, Associate Member

ADVISORS PRESENT

Gabriel Taylor

STAFF and CONTRACTORS PRESENT

Chris Tooker

Arlene Ichien

Gary Collord

Jim Bartridge

Roger Johnson

ALSO PRESENT

Tom Acuna
Christopher P. Terzich
San Diego Gas and Electric Company
Sempra Utilities

Allen Trial, Attorney
San Diego Gas and Electric Company
Sempra Energy

Ziad Alaywan
Global Engineering and Energy Solutions
on behalf of Imperial Irrigation District

Scott Galati, Attorney
Galati and Blek
on behalf of Pacific Gas and Electric Company

Kathy Mannion
Regional Council of Rural Counties

Andy Horne
Imperial County

ALSO PRESENT

John Leeper
Lynn Ferry
Southern California Edison Company

Steve Hill
Modesto Irrigation District

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1 P R O C E E D I N G S

2 10:03 a.m.

3 PRESIDING MEMBER GEESMAN: This is a
4 workshop of the California Energy Commission's
5 Siting Committee on proposed regulations to flesh
6 out some of the ways in which SB-1059, enacted
7 last year, will be applied by the Energy
8 Commission.

9 I'm John Geesman, the Presiding Member
10 of the Commission's Siting Committee. To my right
11 is Jeffrey Byron, the Associate Member of the
12 Siting Committee; also the Presiding Member of the
13 Commission's Electricity Committee. And to his
14 right, Gabe Taylor, his Staff Advisor.

15 I want to turn this over to the staff
16 pretty promptly. But I'd also like to explain the
17 context in which we are considering these draft
18 regulations.

19 The Commission is supportive, and this
20 may surprise a number of people, but it is
21 supportive of the federal government's assertion
22 of jurisdictional authority in southern California
23 under the proposed National Interest Electric
24 Energy Transmission Corridors Provision of the
25 Energy Policy Act of 2005.

1 It's our belief that a federal presence
2 is likely to be an ongoing fixture of transmission
3 permitting jurisdiction in southern California.
4 And as things go, it's one of those we-told-you-so
5 moments for the Energy Commission. Because we had
6 been predicting that in several previous
7 Integrated Energy Policy Reports.

8 Not clear whether or not that will be
9 the case at some point in time in northern
10 California. But we're mindful of the experience
11 that we had with Path 15 several years ago. And
12 recognize that there's likely to be, over time, an
13 ongoing shift in jurisdictional relationships
14 between levels of government involved in
15 transmission siting.

16 To us, the message from that is that
17 California, particularly in pursuit of its land
18 use objectives -- and we've argued in the past
19 that one of the principal state interests in
20 transmission permitting is land use.

21 In our judgment the message of the
22 impending federal role is that California needs to
23 try to accelerate in time the decision points, the
24 land use aspects of transmission permitting.

25 The Legislature, I think, has

1 anticipated this and enacted SB-1059 after quite a
2 bit of consideration in committees before the bill
3 was actually passed. And many of the parties were
4 today were involved in that discussion.

5 There were important stakeholders that I
6 don't see any familiar faces from. But their
7 interests are important, too.

8 I hesitate to us a sports metaphor
9 because it tends to be overworked, but I'm going
10 to return to it again and again in the course of
11 this process, and that is a baseball game. Our
12 current decisionmaking process tends to
13 concentrate state decisions on transmission
14 permitting to the eighth or ninth inning of a
15 project. We would like to accelerate as many of
16 those land use and environmental decisions as we
17 can to the second or third inning.

18 We'd like to avoid re-litigating issues
19 or decisions that have been resolved in the second
20 and third inning, but we're clearly mindful of the
21 need for updating decisions if new information
22 becomes available. And we're particularly
23 mindful, as well, of the importance of extending
24 due process rights to all affected parties. Give
25 them a meaningful opportunity to participate.

1 So, with that preface, what we'd like to
2 do today is go through the staff's draft of
3 regulations; attempt to elicit as much input as we
4 can. And I guess the key test that I'd ask people
5 to observe is how can these regulations be made
6 helpful and useful to you or the interests you
7 represent.

8 We don't have -- beyond the statute and
9 what I've tried to articulate from our past
10 Integrated Energy Policy Reports, we don't have a
11 grand vision here. If there is a way in which
12 these regs can be made more useful to your
13 interests, please make us aware of that and help
14 us to craft something that can prove workable over
15 the years ahead.

16 It's our intent to have these adopted by
17 the end of the year. And let me emphasize, I'd
18 very much like to see them adopted before my term
19 expires at the Commission, and that is the end of
20 the year.

21 So, with that, Commissioner Byron, do
22 you have anything to add?

23 ASSOCIATE MEMBER BYRON: I would like to
24 just add that obviously Commissioner Geesman's
25 been working on transmission issues here at the

1 Commission for a number of years. 1059 authorizes
2 the Energy Commission to designate transmission
3 corridors.

4 I think the staff's done a very good job
5 of working collaboratively with a lot of the
6 different agencies and constituents that have been
7 involved.

8 But clearly Commissioner Geesman's
9 direction here is extremely helpful. We want the
10 public's input today and we're really looking
11 forward to your comments and hearing what you have
12 to say.

13 Commissioner Geesman, thank you.

14 PRESIDING MEMBER GEESMAN: We're going
15 to proceed. I don't know how much time we'll need
16 today, but we'll spend as much time as it takes.
17 Commissioner Byron and I are going to leave no
18 later than 1:00.

19 And if there's a desire for more time
20 after the lunch break, what we intend to do is
21 convert this into a staff workshop where the staff
22 and the parties have an opportunity to interact
23 without the benefit or the burden of having
24 Commissioner Byron and I present.

25 Chris, why don't we turn it over to you.

1 DR. TOOKER: Thank you, Commissioner.
2 Before I turn it over to Gary Collord, the Project
3 Manager, I just want to point out that we have
4 coordinated with the IOUs, and I expect that they
5 have their representatives here today. Multiple
6 representatives from San Diego, from PG&E and from
7 Edison.

8 And we have set up a roundtable --
9 square table structure here to facilitate a
10 dialogue, and would invite anybody in the room who
11 does plan to participate in the discussion and
12 provide comments to come forward. We've found
13 that an effective strategy at staff workshops, and
14 invite you to come forward today.

15 PRESIDING MEMBER GEESMAN: That's a
16 great idea and it also frees us of the
17 cumbersomeness of having people come up to the
18 podium. I'd really invite people to come up to
19 the table.

20 It's real important that when you speak
21 the green light on your microphone be turned on;
22 and that you introduce yourself. The reason for
23 that is so that we have an orderly transcript of
24 today's proceeding.

25 DR. TOOKER: So, I'd like to turn it

1 over to Gary Collord, the Project Manager.

2 MR. COLLORD: Okay, good morning. I'm
3 Gary Collord with the energy facilities siting
4 division. And I think most of the background
5 information for the objectives of today's workshop
6 have been pretty well covered.

7 The main goal here is to develop
8 regulations that create an Energy Commission
9 process for designating electric transmission
10 corridors within California.

11 And, as Commissioner Geesman noted, the
12 goal here is to hopefully have regulations adopted
13 by the Commission by the end of the year. And
14 hopefully approved and ready for implementation
15 early next year.

16 Staff's proposed regulations were posted
17 on the Commission's website on June 8th. And this
18 is the first workshop the Commission's Siting
19 Committee has hosted to solicit comments from
20 interested parties.

21 I think it's been noted that we've
22 already received written comments from several
23 parties, including the California Public Utilities
24 Commission, San Diego Gas and Electric, Imperial
25 County, Imperial Irrigation District, the

1 California Farm Bureau Federation. And copies of
2 those written comments are on the table out front,
3 along with the workshop notice and staff's
4 proposed regulations.

5 I'm essentially going to ask Arlene
6 Ichien, with our legal office, who has also been
7 the primary author of the draft regulations, to
8 kind of walk us through staff's proposed
9 regulations. And we also have staff here from our
10 engineering and environmental offices to help in
11 the discussion, particularly concerning any
12 clarification that's needed concerning application
13 information requirements contained in appendix G
14 of the draft regulations.

15 And we also have key project staff here
16 such as Chris Tooker and Jim Bartridge to help in
17 the discussion, as well.

18 I understood that staff from the PUC
19 might also be here today; and if that's the case,
20 we're hoping that they will, too, participate in
21 this roundtable discussion.

22 And then lastly, we've arranged for a
23 telephone call-in line; and so we may have
24 individuals participating in today's discussion
25 over the telephone.

1 And so with that I'll turn it over to
2 Arlene.

3 MS. ICHIEN: Good morning. I'm Arlene
4 Ichien, attorney at the Energy Commission. And
5 I'll just provide a brief overview of the
6 regulations as drafted.

7 These regulations are modeled after the
8 power plant licensing regulations. And they are
9 quasi-adjudicatory in nature in that they would
10 include an evidentiary hearing at which parties,
11 including the staff as an independent party, would
12 present testimony under oath and subject to cross-
13 examination.

14 And the staff's testimony would be at
15 that point the equivalent of a final EIR. Prior
16 to the evidentiary hearings the staff would
17 publish a draft EIR that would go out for public
18 review and comment. And that would be followed by
19 the final EIR which would serve as staff's
20 testimony, and subject to review and rebuttal at
21 the evidentiary hearings.

22 As part of the quasi-adjudicatory nature
23 of the proceedings there would be an ex parte rule
24 that would apply to all parties, including the
25 staff.

1 The proceedings contemplate the Energy
2 Commission Staff doing an EIR, probably a program
3 EIR. And in the context of what Commissioner
4 Geesman was saying about dealing or addressing
5 environmental and land use issues in the second
6 and third innings of the game, the program EIR
7 would hopefully help to focus project-specific EIR
8 later at the permitting stage.

9 The proceeding contemplates several
10 public workshops, and contemplates conferring with
11 and receiving input from all levels of government,
12 particularly local and regional governments with
13 respect to their land use interests.

14 The evidentiary hearings would establish
15 the hearing record upon which the Commission's
16 decision would be based, and upon which it can
17 make the findings that are expected under the
18 statute with respect to whether a proposed
19 corridor is appropriate with respect to
20 environmental, public health and safety, economic,
21 other factors.

22 Appendix G contains informational
23 requirements for selected technical areas. You'll
24 note that there aren't as many technical areas
25 contemplated here as there would be for power

1 plant licensing cases. And depending on the
2 technical area, the level of information may vary.
3 So your comments on the level of information
4 requested would be appreciated.

5 The regulations, as drafted, are
6 currently silent on the update proceeding. And
7 that's probably something that we need to address,
8 as the statute does require us to review, at least
9 every ten years, the designated corridors.

10 But in the context of the strategic
11 plan, which is part of the IEPR done biennially,
12 we expect to have updates more frequently than
13 every ten years. And those updated would be
14 subject to the same procedural requirements as a
15 designation process.

16 So with that, I'd like to just turn to
17 you folks and perhaps unless there's a suggested
18 alternative way of doing it, perhaps we should
19 just start with the draft regulations and go
20 section-by-section on through to appendix G.
21 Unless there's a desire to just focus on certain
22 part of the sections.

23 MR. ACUNA: This is Tom Acuna; I
24 represent SDG&E. And today I have Chris Terzich
25 from my staff, as well as Allen Trial from SDG&E's

1 regulatory staff.

2 My suggestion is that since the
3 Commissioners won't be here after 1:00 perhaps the
4 utilities could share some of their key points.
5 And then maybe we could drill down to the more
6 detailed level of review as we go.

7 MS. ICHIEN: Certainly, that would be
8 fine. Shall we begin with you, then, and have the
9 parties then get their key points across while the
10 Commissioners are here.

11 MR. ACUNA: That would be fine, thank
12 you.

13 Well, thank you for having us here
14 today. I think the CEC effort to streamline and
15 plan in advance is complementary to what needs to
16 be done in this state; fits very well with what
17 the federal government's doing with their energy
18 policy.

19 So, we've looked at this in detail. We
20 sent our recommendations here. And I'll go
21 through them very quickly. We have five key
22 recommendations.

23 And I think the first one is most
24 important to us, is that we do this in a
25 programmatic approach. One of the things that is

1 difficult, when we looked at the original
2 regulations or the draft regulations is -- and I
3 know folks have heard this already -- why would a
4 utility go through a process to repeat what will
5 happen down the road with the CPUC.

6 And so our goal is not for that to be
7 the fact. In fact, let's make this helpful to
8 what happens in the future.

9 So you mentioned the programmatic
10 approach. We strongly support that. That was our
11 number one recommendation. We think that by
12 designating existing rights-of-way with the
13 ability to add additional utility lines within
14 those corridors is key.

15 That does not mean that future lines
16 would be exempt from CPUC regulatory licensing.
17 We feel that your programmatic approach would fit
18 well with that. The CPUC would still have an
19 opportunity to comment and approve our projects
20 later. But at least the route routing, the
21 designated corridor will have been defined. And
22 the key focus would be left to the CPUC such as
23 environmental issues that could be addressed in
24 their process. So we commend you for that
25 approach, and at least taking that on. I think

1 it'll be a good approach for everyone.

2 Chris or Allen, would you like to add
3 anything to that?

4 MR. TERZICH: I'd say that the use of
5 the -- this is Chris Terzich with SDG&E. I think
6 that the use of existing corridors recognizes
7 existing policies and guidelines. The Garamendi
8 principles, for example, which stress the use of
9 existing transmission corridors in the siting of
10 transmission lines.

11 And sometimes the intervenors and others
12 that might be out there in the public looking at
13 transmission line corridors will conveniently use
14 those; and then not use those as need be,
15 depending on what they want.

16 So the recognition of those principles
17 and the transmission line corridors is, I think,
18 really key. Because what it's going to do, it's
19 going to mesh those things together and kind of
20 almost codify or make those principles really kind
21 of have some further bearing, or some further
22 teeth. So, that.

23 And then coupled with the programmatic
24 approach which really, I think, can look at, you
25 know, broad-based issues, focus and narrow down

1 the subsequent environmental review, address
2 cumulative impact needs and also maybe even
3 provide further impetus for purpose and need for
4 the project, which would be adjudicated later with
5 the CPUC.

6 But at least you would have a purpose
7 and need, a point A and a point B, and a need to
8 get the transmission from point A to point B. But
9 you would have maybe more of a focused or narrowed
10 way of getting from point A to point B, meshing
11 the Garamendi principles, sound transmission
12 planning criteria and the CEC's corridor process
13 that meshes with the federal process.

14 So I think this is all good stuff.

15 MR. ACUNA: The second part of our
16 recommendation is that when we submitted our IEPR
17 this spring, we included transmission lines that
18 we felt -- these were 69 kV lines that would
19 ultimately be useful to reaching out to renewable
20 locations.

21 And we feel that it's important that we
22 take those routes identified in the plan and make
23 them part of your strategic initiative here so
24 that if we designate those lines we can seek a
25 designation. So that's important to us.

1 So, very briefly again, the existing 69
2 kV lines that reach out to renewable areas need to
3 be designated so that we have an opportunity later
4 to upgrade them if we need to. And right now, the
5 strategic plan, our IEPR, we brought that forth.
6 And those routes are not reflected currently in
7 your strategic map. So that's what we would like
8 you to do, if you could open that up that would
9 help us in that direction.

10 PRESIDING MEMBER GEESMAN: Can I ask,
11 are those lines currently under the operational
12 control of the Cal-ISO? The 69 kVs.

13 MR. TERZICH: I believe so. I think all
14 transmission --

15 MR. ACUNA: No, I think ISO is 138
16 and --

17 MR. TERZICH: And above?

18 MR. ACUNA: I think it's a greater
19 voltage, yes.

20 Well, our feeling is that at some point
21 you could have a 69 kV line --

22 PRESIDING MEMBER GEESMAN: That would be
23 upgraded?

24 MR. ACUNA: Right.

25 PRESIDING MEMBER GEESMAN: Yeah.

1 MR. ACUNA: To 138.

2 And recommendation 3, I think you
3 folks -- that's pretty clear that we'd like the
4 plan to be updated every year -- I'm sorry, every
5 two years. And I think we discussed that with
6 staff a little bit, and that seems to be their
7 intent. So that was one of our recommendations.

8 DR. TOOKER: Let me just clarify. This
9 is Chris Tooker with the staff. The strategic
10 plan, which is part of the IEPR process, we will
11 be updating every two years.

12 MR. ACUNA: Right.

13 DR. TOOKER: But designated corridors,
14 although they need to be reflected in the
15 strategic plan for the statute, we wouldn't plan
16 on automatically updating every two years unless,
17 you know, there was a rationale for doing that in
18 terms of the timing as to permitting. At least at
19 this point that's our perception.

20 MR. ACUNA: So we would still want it,
21 to update it every two years as a utility, then.
22 That would be necessary because I think you're
23 saying that wouldn't occur the way it's drafted
24 now?

25 MS. ICHIEN: Well, right now the

1 regulations are silent on updates. But we're
2 thinking of a provision which would allow a party
3 to petition for an update. And so I think that
4 would meet your concerns --

5 MR. ACUNA: Okay, good.

6 MS. ICHIEN: -- about the ability to ask
7 for an update as you see fit.

8 MR. ACUNA: Great.

9 PRESIDING MEMBER GEESMAN: What do you
10 envision coming from an update?

11 MR. ACUNA: What we've seen is that
12 things change very quickly, especially with
13 renewable energy. We need the ability to change
14 our mind, --

15 PRESIDING MEMBER GEESMAN: Sure.

16 MR. ACUNA: -- to add things.

17 PRESIDING MEMBER GEESMAN: Sure.

18 MR. ACUNA: And if we can come back and
19 periodically have that mechanism to do that, that
20 would facilitate those changes that we didn't
21 predict.

22 PRESIDING MEMBER GEESMAN: If that's
23 triggered by your request, is that sufficient? Or
24 do you want the staff to just automatically go
25 through a process?

1 MR. ACUNA: I think we can -- well,
2 certainly, we would like to be able to do that,
3 ourselves. I think that if the staff can do that,
4 obviously I think that would be helpful. But we
5 can discuss that some more.

6 PRESIDING MEMBER GEESMAN: Okay.

7 DR. TOOKER: I think one of the
8 balancing factors that's been mentioned by others,
9 and actually by SDG&E, as well, is minimizing
10 costs. You know, an update of a transmission
11 corridor that's been designated will require
12 review of environmental information and will
13 require outreach to local governments and their
14 participation.

15 And according to the statute, the
16 proponent, utility or otherwise, would be
17 responsible for reimbursing those costs. So we
18 think that needs to be considered in the timing of
19 updates and the need for those updates.

20 MR. ACUNA: Right, right.

21 MS. ICHIEN: You referred to changes
22 that occur.

23 MR. ACUNA: Yes.

24 MS. ICHIEN: Just keep in mind that a
25 designated corridor, even the change to

1 designation has to be found consistent with the
2 current strategic plan.

3 So presumably changes would still be
4 relevant or relate to, you know, objectives that
5 are in the strategic plan in effect at that time.

6 MR. ACUNA: Exactly. And that's, step
7 one is identifying your routes in the strategic
8 plan. Make sure that happens. And then when you
9 go through to the designation process, are you
10 consistent with what's shown on the plan. Of
11 course, that's what we want.

12 One of the other issues is payment. And
13 our concern is this. Let's suppose a utility goes
14 through the process and is the applicant to
15 designate a corridor. And two or three years
16 later a municipality decides to take on its own
17 power needs and needs a route, powerline route,
18 and utilizes our designated corridor.

19 We would like to make sure that the
20 utility that generated the original designation is
21 reimbursed in some fashion for the loss of that in
22 terms of cost. And we would like you folks to
23 prioritize and consider the utility's needs before
24 another utility or city were to utilize our
25 corridor that we took the time to designate.

1 MS. ICHIEN: Again, staff is working on
2 a provision clarifying the reimbursement process.
3 And will certainly take your comments under
4 consideration.

5 MR. ACUNA: Thank you, appreciate that.
6 Now, I think recommendation 5 is kind of unique.
7 And I think it would be very helpful. And let me
8 explain this.

9 Basically what we're asking for is some
10 sort of CEQA exemption to be added to the
11 regulations. And the idea is this: If we have a
12 low voltage transmission line right now, and we
13 want to designated that corridor for future use,
14 we don't think having to go through an EIR process
15 is necessary.

16 The structures already exist. The roads
17 exist; the pads exist. So what we're looking for
18 here is that it can be designated and we can
19 receive an exemption if there's one of three items
20 available.

21 One is cultural resources; it's always
22 an issue. If the utility can demonstrate that it
23 has a program to handle cultural resources, then
24 that would be one of the exemption criteria.

25 The second would be if a utility has its

1 own habitat conservation plan to mitigate for
2 wildlife and habitat, then also that would meet
3 part of the criteria of minimizing impacts to the
4 environment.

5 The third, which is not here and I would
6 add this, is that if a utility can participate in
7 a local jurisdictional approved habitat
8 conservation plan, then that would also be an
9 "or"; either the utility has its own, or it could
10 utilize or participate in the local jurisdiction
11 habitat plan.

12 Because that plan, in theory, has gone
13 through CEQA review, received all of the state and
14 federal wildlife approvals. And by participating,
15 a utility participating in that, in theory, the
16 impacts caused could be mitigated by use of that
17 plan.

18 So that's the fifth recommendation.
19 And, Chris and Allen, would you like to add
20 anything to that?

21 MR. TERZICH: Unless we have questions.

22 DR. TOOKER: I do have a question.
23 Again, Chris Tooker. You had mentioned the
24 existing poles. Would your expectation be that
25 that exemption would be based on the assumption

1 you'd just be using existing infrastructure and
2 stringing additional conductors? Or would you
3 also be contemplating adding additional poles and
4 related infrastructure within the corridor?

5 MR. ACUNA: Yes, good question. It
6 would be minor. If we were going to take a line
7 and upgrade it, there would need to be some room
8 to add additional poles, insets potentially. We
9 might have to modify existing structures. We
10 might have to increase the height, say, 20
11 percent. I think that's -- 20 feet is what we
12 said in our testimony here, written testimony.

13 DR. TOOKER: Thank you.

14 MS. ICHIEN: I have a question. Your
15 reference to an HCP or a cultural resources
16 protection plan, suggests that there could be the
17 potential for impacts in the absence of those
18 plans.

19 And so I'm having difficulty dealing
20 with the concept of an exemption with respect to
21 designation, as opposed to, for example, mitigated
22 negative declaration, or a neg dec.

23 Do you see a mitigated neg dec or a neg
24 dec being --

25 MR. ACUNA: Oh, I --

1 MS. ICHIEN: -- being a possible
2 document --

3 MR. ACUNA: -- I think, yes, I think we
4 all have to be very flexible. There are going to
5 be times when an exemption will clearly work; and
6 there are going to be times that a mitigated neg
7 dec would possibly work.

8 I think, when I read the regulations it
9 just seemed so strongly slanted in the direction
10 we were going to have to do an EIR, period. So
11 adding tools is what we're looking for.

12 MS. ICHIEN: Or adding the option of a
13 neg dec or mitigated neg dec would go towards your
14 concerns?

15 MR. ACUNA: Yes.

16 MS. ICHIEN: And also, based on your
17 description of how a designated corridor might be
18 considered for an exemption, it sounds like the
19 designated corridor would also be restricted for a
20 particular use or upgrade, to allow for that
21 exemption or neg dec.

22 I mean do you contemplate such
23 restrictions or parameters being placed on the
24 designated corridor.

25 MR. ACUNA: Can you give me an example

1 of what you think would be a limit?

2 MS. ICHIEN: Well, frankly, to me an
3 exemption seems more appropriate at the project's
4 permitting stage, where you've got a specific
5 project proposed; whether it's just stringing
6 additional lines or whatever.

7 At that stage it seems appropriate, more
8 appropriate to consider whether or not that
9 proposed project's entitled to an exemption under
10 CEQA.

11 But at the designation stage it sounds
12 like there's potential, you know, without undue
13 restriction of a designated corridor, there's a
14 potential for a variety of projects to go into the
15 designated corridor.

16 And so therefore I'm having difficult
17 with the use of an exemption for a designated
18 corridor. Without more restrictions than we
19 initially contemplated for a designated corridor.

20 MR. ACUNA: Do you want to try to answer
21 that, Chris?

22 MR. TERZICH: Yeah, I think I can.
23 Chris Terzich, SDG&E. The intent would be, I
24 think, that the corridor exempt status would be a
25 category that could be applied as an overlay, for

1 lack of a better term.

2 So, in other words there might be
3 certain corridors where we have existing
4 facilities that this may not apply. I can see
5 some of our 69 line corridors this probably would
6 not apply, because any major upgrades would never
7 meet these criteria. We may have the habitat
8 conservation plan in place; we may have, you know,
9 the cultural resources plan in place.

10 But, you know, the inter-sets or the
11 structure replacements and all that would be such
12 that, you know, the exemption just simply wouldn't
13 apply.

14 There are other categories or other
15 corridors that we've identified such as our
16 existing facilities where we have multiple lines
17 like 69, 138 and 230 lines, where it is possible
18 that simple upgrades of facilities such as
19 described here could be done and would be
20 appropriate, and this overlay category would be
21 applicable.

22 So we wouldn't want to have this as a
23 blanket over every facility; only those where we
24 felt that there was existing facilities that could
25 meet this criteria. And that would be limited to

1 those, probably those circumstances that I just
2 talked about.

3 DR. TOOKER: How does the current CPUC
4 exemption process apply to those situations?

5 MR. TERZICH: It's very kind of hit-and-
6 miss. And subject to interpretation, I think, in
7 certain categories. I think this would basically
8 probably obviously still result in us having to do
9 an advice letter to the CPUC if we felt that it
10 fit under the advice letter exemption category, as
11 appropriate.

12 However, this might provide us with an
13 impetus to basically have something else in our
14 back pocket to tell the PUC, that, look, this fits
15 under this certain category, this certain
16 exemption.

17 And it would be basically up to us to
18 determine what level of trigger is required in
19 terms of that advice letter. Sometimes we file
20 them, sometimes we don't.

21 So it just depends on the circumstances,
22 I think.

23 DR. TOOKER: So you think in some
24 circumstances there would be sufficient value to
25 the utility to go through that voluntary exercise?

1 MR. TERZICH: I think so. I think so.
2 Because then it would provide an overview and
3 would provide the PUC with just another tool to
4 say this has been looked at and thought about.
5 And, you know, that the impacts are covered, and
6 that the category is applicable and the exemption
7 is applicable.

8 DR. TOOKER: Thank you.

9 MR. ACUNA: I would also like to add,
10 one issue that we're facing in San Diego County,
11 I'm sure other utilities are facing, the
12 additional wildlife refuges preservation areas are
13 occurring more and more in California. And its
14 basically locking up lands where we have existing
15 corridors currently pass through.

16 Let me give you an example. And where
17 I'm going here is that the designation process, a
18 designated corridor, gives utilities greater
19 authority and more recognized need that those
20 corridors need to be protected for existing and
21 future uses.

22 The example that I'm going to give you
23 is our Miguel Substation. It's a transmission
24 substation located in the City of Chula Vista.
25 And it is a transmission substation that brings in

1 power from Arizona and Mexico. And it's strategic
2 to San Diego, significant parts of our power come
3 from there, as well as the State of California.

4 The U.S. Fish and Wildlife is
5 contemplating the acquisition of 15,000 acres;
6 this 15,000 acres would basically surround our
7 substation. And our powerlines also go through
8 those areas.

9 We sat down with staff, this is Fish and
10 Wildlife Staff, as they're creating their long-
11 range plan. And we asked them the question: In
12 the event that SDG&E needs to add an additional
13 powerline through these areas, would you be able
14 to grant us the rights-of-way that we need to meet
15 energy demand. And the answer was no. It goes
16 against their objectives, their goals of their
17 plan, which is wildlife and habitat first.

18 So, if we can go through a process at the
19 CEC where we can designate corridors, and this is
20 recognized, then we may have additional support
21 from Washington, the Department of Energy, for
22 these land use plans, these stewards at the Fish
23 and Wildlife, to incorporate our needs for
24 potential expansions in the future.

25 So that's an important feature that the

1 designation process could provide to us.

2 Would you like to add something to that?

3 MR. TERZICH: Yeah. And, again, because
4 we are focusing on existing corridors, that means
5 that there's existing access roads, existing pads
6 for facilities. This reduces environmental impact
7 because we can limit the number of new access
8 roads, shorten the spur road that come off of the
9 existing roads, minimize the new pad areas.

10 So this has an effect of consolidating
11 facilities and consolidating and minimizing
12 environmental impacts on the ground.

13 So, you know, we're meeting a couple of
14 different objectives.

15 MR. ACUNA: I think that concludes the
16 recommendations that we're suggesting at this
17 time. And we'd like to keep the door open to
18 provide you folks more recommendations as we can
19 think of them.

20 (Laughter.)

21 MR. ACUNA: This is a good time to do
22 it. So, I'm sure the other utilities have things
23 to say, too. So, thank you.

24 PRESIDING MEMBER GEESMAN: I certainly
25 thank you for your input on that. I think that

1 your utility, probably moreso than the other two,
2 have felt the acute landlock nature of population
3 growth and economic growth in California.

4 And certainly my five years on the
5 Commission have been bookended by the Valley
6 Rainbow controversy, and now the Anza Borrego-
7 related controversy on the Sunrise Power Link.

8 So we're quite aware at the Commission
9 of the challenges that you face. And I certainly
10 think your recommendations are constructive as a
11 response to it. I thank you for doing that.

12 MR. ALAYWAN: My name is Ziad Alaywan.
13 I'm here on behalf of Imperial District. And I --

14 DR. TOOKER: Imperial Irrigation?

15 MR. ALAYWAN: Imperial Irrigation
16 District. Just a little bit -- I'm a new face at
17 the CEC, so just maybe I can introduce myself.

18 I've been retained by the IID Board as
19 an advisor to the IID Board on various matter,
20 including transmission. And I'm also representing
21 the IID Board on the negotiation with our
22 partners, San Diego Gas and Electric, on the
23 Sunrise, and also with the Los Angeles Department
24 of Water and Power on the Greenpath North.

25 I'm delighted to be here, and thank you

1 for this workshop and an opportunity for IID to
2 sort of communicate with the various entities what
3 are our concern.

4 On way of background I'm an engineer; I
5 started with Pacific Gas and Electric on the
6 transmission/generation side for about ten years.
7 And I spent about nine years at the California ISO
8 as a Managing Director of the market operations.
9 And I'm a consultant now, and one of my client is
10 Imperial Irrigation District.

11 So at the board meeting yesterday in
12 Imperial the board had asked I attend this
13 meeting. And obviously, the board has taken some
14 initiative in some of these PUC/CEC matters,
15 especially in light of the many projects that the
16 board is sort of trying to make decisions on a lot
17 of important project, as the Greenpath North and
18 Sunrise.

19 And also we have request from the
20 Southwest Utilities to also build lines from
21 Arizona into Imperial County. So, it's coming
22 from all directions.

23 And excuse me a little bit for not
24 getting to the point right away, because I want to
25 set the context, you know, a little bit, and I

1 won't take more than a few minutes here.

2 But the Imperial Irrigation District has
3 always on record encouraged renewable generation
4 in the area. In 2005, as you know, some of you,
5 the IID have submitted to the CEC the Imperial
6 Valley Study Group result, which is basically on
7 record the IID has committed to beef up the
8 transmission system in the IID area.

9 And if you look at the report that was
10 submitted to the CEC it talks about three phases
11 of development of the transmission, and at a cost
12 of about \$250 million. Now, that's a lot of money
13 for Imperial; it's a lot of money for anybody, but
14 especially for Imperial Irrigation this is a lot
15 of money.

16 Phase 1, 2 and 3, all together, amount
17 to the 250 million approximately that I mentioned.
18 Based on that report it also assumed a level of
19 generation that will interconnect to that
20 transmission. That level of generation is soon to
21 be 2200 megawatt of renewable generation. This
22 was in 2005 as a result of a regional planning
23 exercise. There's a lot of parties including San
24 Diego and the various utility in southern
25 California and the southwest been engaged, too.

1 I think it was a very positive, very good
2 dialogue.

3 Since then, IID have taken that very
4 seriously. They have, since 2005 have spent
5 millions of dollars in the following: They have
6 acquired right-of-ways along the Palo Verde-Devers
7 line, 110 miles of a new right-of-way.

8 They have acquired and performed
9 engineering and environmental analysis on the
10 routes around the Salton Sea for a new 230 kV
11 line.

12 They have done engineering analysis and
13 environmental on the southern area of the Imperial
14 Valley around the Imperial Valley Substation. All
15 in accordance with the IID study group.

16 And so the record shows that this was
17 not just a paper that was filed at the CEC. But
18 actually money's been spent; actual right-of-way
19 has been acquired; and moving ahead.

20 The issue that IID Board specifically is
21 facing today, which is what we need to be involved
22 in these form is if IID Board decided to spend
23 that money. What guarantee that these facilities
24 will be built that are going to be utilized, and
25 will not be stranded facility.

1 For example, if IID comes in and move
2 ahead with their plan and build a 230 line, one of
3 the many projects -- this is about 15 projects
4 outlined in the IID study group -- today, if you
5 look at the generation queue, which is what the
6 generators will usually submit their transmission
7 interconnection request to the local utility, the
8 level of the generation queue in the IID, to
9 connect to IID system, is, as of last week, is
10 around 600 megawatt of new geothermal plus solar
11 basically.

12 Well, that's not even close to what IID
13 needs to have in order to justify these projects.

14 But then if you look at the ISO
15 generation queue, San Diego Gas and Electric have
16 put in 6000 megawatt in the ISO generation queue,
17 for solar, for wind to connect to Imperial Valley
18 Substations, which is a joint substation, joint-
19 owned substation.

20 So the ISO -- the IID Board looks at
21 this and said, what do I do. I don't have enough
22 generation requests to justify spending all these
23 millions of dollars. I have done the
24 environmental analysis; I have done the
25 permitting; I'm ready to go to pour concrete here.

1 But they see that the policies maybe
2 that we need more coordination; maybe we need to,
3 you know, talk more about what IID is doing. And
4 all we want is we don't want anybody to duplicate
5 facilities. And I think that's something
6 everybody will share.

7 So, my only comment here is what we
8 submitted in writing is we need to take into
9 account not just the ISO planning process, we need
10 to take into account the WECC planning process.
11 Because IID, with all these plans, they go to the
12 WECC. And they tell WECC, this is what my plans
13 are. And they also tell the ISO.

14 They also tell -- there's a lot of
15 different planning forum, but we need to make sure
16 that the staff and the Commissioners looks at what
17 IID is doing, and not designate corridors that IID
18 already have right-of-ways, or already have new
19 right-of-ways you might not be aware of. We're
20 happy to provide all the information to you, all
21 what you need.

22 But, you know, we're very supportive of
23 your action. We just want to make sure that IID
24 is very concerned about duplication of facilities.
25 We trying to resolve this with our partners, with

1 San Diego and ISO, in terms of what does it mean
2 to have a 6000 megawatt of generation in the ISO
3 queue, and 600 in the IID queue, and they both
4 impact each other.

5 And does IID move ahead or not? And
6 really the IID Board is really looking for help,
7 to clarify the policies. And we'll be asking the
8 PUC for the same thing. We already have a
9 scheduled meeting with the ISO, so we're engaging
10 in a multiparty discussion to just basically make
11 sure that existing facilities that IID has does
12 not get, you know, stranded, or new facilities.

13 IID have 1000 megawatt of existing
14 capacity on their transmission system today in
15 some part of their system around the Salton Sea.
16 It's the 230 system, the collective system that
17 was built in the '80s, which is 40 percent
18 utilized. And there is capacity there that can be
19 utilized. We want to use that first before we go
20 and acquire new right-of-way or somebody else
21 comes in and build, you know, transmission right
22 next to an existing transmission.

23 So that coordination is really important
24 to insure lowest cost to the ratepayer. Both the
25 IID ratepayers and the IOUs' ratepayers.

1 Thank you.

2 MS. ICHIEN: I just want to add that
3 both the statute and the regulations, as drafted,
4 contemplate the process involving conferring with
5 local governments for input into the strategic
6 plan, as well as into a proposal for a designated
7 corridor.

8 MR. ALAYWAN: Thank you, yes.

9 PRESIDING MEMBER GEESMAN: I also think
10 the experience of the Commission power plant
11 siting process has emphasized the importance or
12 close coordination with the local land use
13 authority. We've got 32 years of history of
14 working quite closely with local governments on
15 land use questions.

16 MR. GALATI: Scott Galati representing
17 PG&E. I think PG&E is already on record, and
18 thank you very much for inviting us so that we can
19 participate in this regulatory workshop. PG&E, I
20 think, is already on record on where they stand on
21 most of the policy issues.

22 So, one of the things I'm going to
23 address is whether or not the regulations, as
24 drafted, actually produce something that we think
25 is really useful, especially from the

1 environmental review.

2 I think our take is a little different
3 than San Diego Gas and Electric's take. While we
4 understand the concept of the programmatic level
5 approach to looking at high-level impacts, we
6 think in order for it to be of value it ought to
7 be sufficiently detailed enough to allow tiering
8 by the Public Utilities Commission.

9 So, for example, I look at this as
10 something more than just a general plan
11 designation. For example, as a local agency would
12 draft it's general plan, and it would contemplate
13 that a piece of ground would be used for
14 manufacturing. But they don't know what kind of
15 manufacturing. So their view is extremely high at
16 a programmatic level.

17 Then there's another level that a land
18 use agency would use, which would be more of a
19 specific plan where they might designate in a
20 particular commercial use that it will all be
21 business and commercial retail in different
22 sections. And they then look at a much more
23 detailed look. But still not detailed enough to
24 be a project level, because they don't have a
25 project in front of them.

1 In my opinion I think that the
2 designation, since all that can go in the
3 designation in the corridor would be transmission
4 lines, that the level of review should be more of
5 a specific plan level and not the high-level
6 program level as a general plan.

7 For example, if such a high level were
8 conducted I'm not sure that there would be useful,
9 for example, mitigation strategies that develop
10 out of such a high-level look that would allow the
11 PUC or an applicant to say I understand what I'm
12 probably going to have to do in the portions of
13 the corridor, for example, that may cross some
14 biological habitat.

15 So, while we're not advocating in any
16 way, shape or form that the Energy Commission
17 evaluate specific projects such as the size and
18 locations of structures, the size of conductors,
19 all the typical ground disturbance that may occur,
20 we certainly want something that is specific
21 enough to be useful.

22 I'll give you an example. And I think
23 that San Diego Gas and Electric raised really good
24 examples that they already have in place. Habitat
25 conservation plans, cultural resource mitigation

1 proposals and programs. The more detailed they
2 can be, if an applicant has them, clearly that
3 would be really good. And in my opinion, that's
4 mitigation already incorporated into the project.
5 You wouldn't necessarily need to develop new ones.

6 But in the case where an applicant did
7 not have them, we certainly would want this review
8 to come out with very clear strategies on what
9 would need to occur within the corridor.

10 So that when we went to the PUC for a
11 specific project we can incorporate that
12 mitigation very specifically into the definition
13 of the project; it had been publicly reviewed;
14 there had been an agency who has several years of
15 experience in permitting, including transmission
16 lines. And that those mitigation proposals could
17 be incorporated into our application.

18 We think only in that way would the
19 CPUC's review be expedited. Would the CPUC have
20 the ability to really functionally tier.

21 So, our comments, and when we get into
22 more specifics, are going to be more of importing
23 into these regulations the similar types of
24 information and results that come from the siting
25 regulations that you already have in place.

1 Again, I want to make it absolutely
2 clear, we're not advocating that you site a line.
3 But we are advocating that if there is a
4 transmission corridor designated, that that
5 transmission corridor very much streamline the
6 next set of the process.

7 And I'm concerned about the term program
8 level EIR. Not that it's the wrong term, but that
9 it may imply too high of a look.

10 So there will be some specific comments
11 that we can make on these issues, specifically in
12 the findings and the detailed nature of the
13 environmental review.

14 PRESIDING MEMBER GEESMAN: And you think
15 you can bring that detail to an appropriate level
16 of specificity so it's more than just expression
17 of good intentions on the Commission's part?

18 MR. GALATI: I think so, and I think
19 that it's going to be on a case-by-case basis.
20 For example, as San Diego Gas and Electric just
21 raised, if you were to designate a corridor that
22 had existing lines in it, I think it's much easier
23 for --

24 PRESIDING MEMBER GEESMAN: Right.

25 MR. GALATI: -- you to do, a much more

1 specific --

2 PRESIDING MEMBER GEESMAN: Right.

3 MR. GALATI: -- type of analysis. If
4 you were looking at a brand new corridor with
5 nothing really contemplated at the moment, but you
6 know you need it, maybe you can't bore down to
7 that level.

8 But you clearly -- and I certainly don't
9 want to under or misrepresent the magnitude of
10 potential environmental impacts, but when it comes
11 to transmission lines we are dealing with a lot of
12 the "ologies", and we're dealing with ground
13 disturbance, land disturbance. And the detailed
14 review often comes out with a set of mitigation
15 strategies that are very similar between project
16 to project.

17 We hope that this designation process
18 would make that more clear, so that we wouldn't
19 have to reinvent that wheel --

20 PRESIDING MEMBER GEESMAN: Right.

21 MR. GALATI: -- each time we went for a
22 projected project.

23 DR. TOOKER: Scott, I have a followup
24 question. So, as an example, you might be looking
25 at a section of the corridor in which there's a

1 range of potential impacts depending on where the
2 alignment is. You might have a water fowl area,
3 you might have a scenic highway area. And what
4 you're looking for is for us to identify a range
5 of mitigation or avoidance strategies for those
6 kinds of constraints that exist within the
7 corridor without really knowing where the line is
8 going to go, but assuming that it was going to
9 impinge on those resource areas.

10 MR. GALATI: Yeah, and I would think
11 that in -- I agree with that, Chris. And I think
12 that if, as the regulations are currently proposed
13 and certainly an EIR requires, you would be
14 looking at alternatives to the corridor
15 designation.

16 And if you found a, for example I think
17 I used the word before, a pinchpoint, a point in
18 the corridor where there were more potential
19 environmental issues so that you would want to
20 either restrict, avoid, mitigate in a certain way,
21 have different types of structures in those areas,
22 however you wanted to mitigate, provide a habitat
23 conservation plan, mitigation strategy, you could
24 even come up, in my opinion, with the actual
25 acreage ratios, you certainly could come up with

1 some strategies for addressing that.

2 And I would think you would have to in
3 order to defend your choice of that alternative
4 versus some other alternative.

5 So I think that you're going to end up
6 having to get there anyway when you wrote that
7 document. And I would just like the regulations
8 to reflect that. And I think that you have some
9 good history and some specific regulations in some
10 of the findings of the staff assessment, and what
11 needs to be included in the Commission decision
12 that you can import from the other parts of your
13 regulations.

14 PRESIDING MEMBER GEESMAN: I think those
15 are good points.

16 DR. TOOKER: Yes, Tom.

17 MR. ACUNA: Yes. I think you bring up
18 some great points and I think we're thinking
19 similarly. I think the point that we really need
20 to focus on is how do we get the CPUC to recognize
21 the efforts that we go through prior to that, so
22 that we can be sure that we're going to meet their
23 exemption criteria or their 131(d) criteria.

24 MR. GALATI: I agree with that, and, you
25 know, we had talked about that. I can only speak

1 from siting experience that the Energy Commission
2 has, in the past, entered into memorandums of
3 understanding between agencies that I think has
4 been extremely helpful.

5 And we're making comments on regulations
6 that don't affect our main concern, which is how
7 is this coordination going to occur. If the
8 coordination did not occur the comments I just
9 made we would probably not make.

10 We would prefer you do something very
11 quickly and something without a lot of information
12 if it's not going to be used. But if it is going
13 to be used, let's make it as useful as we can.
14 And we implore you to do whatever we can to insure
15 that coordination.

16 PRESIDING MEMBER GEESMAN: Paul Clanon,
17 the new Executive Director, I think the first week
18 he was in that new role, came here to one of our
19 hearings; emphasized the importance he attached to
20 transmission corridor designation and his
21 commitment to try and make the two agencies work
22 more closely together.

23 And I think, from my perspective,
24 there's certainly no desire there at the PUC to
25 reinvent the wheel, or re-litigate stale issues.

1 I think that it's reasonable for all of you folks
2 to expect a greater clarification as to how that
3 coordination is going to take place downstream.

4 But we ought to strive to, as we found
5 it productive among Commissioners, to think that
6 let's assume there's one commission with ten
7 members. It's all part of the same agency. How
8 would the process look then.

9 And, you know, frankly it's not one
10 agency, there are two agencies; they're separate
11 legal jurisdictions and separate findings that
12 need to be made, separate judicial review
13 processes.

14 But I think if we approach it as if it
15 were one agency, it gives us a pretty good
16 starting point. And then we can navigate our way
17 around some of the barriers that currently exist.

18 MR. GALATI: I think, Commissioner
19 Geesman, I appreciate that very much. I did read
20 the CPUC comment letter, and I was concerned that
21 their general overall tone was you should deliver
22 less information.

23 Now, I represent applicants, and you
24 know, in the past, I would love to produce less
25 information --

1 (Laughter.)

2 MR. GALATI: -- because it costs money
3 for us to produce information. But as a realist,
4 I realize the less amount of information we
5 produce the less useful --

6 PRESIDING MEMBER GEESMAN: Right.

7 MR. GALATI: -- this process will be.
8 And so I was concerned when I read that maybe
9 there was less information necessary to do the
10 designation when we think it probably needs the
11 same or more information provided in an
12 application to get to the end game.

13 PRESIDING MEMBER GEESMAN: And I think
14 that's one of the things that motivated the staff
15 towards a quasi-adjudicatory process, in order to
16 establish an evidentiary record that the PUC will
17 be prepared to rely upon.

18 And I think that commitment existed at
19 the Commissioner level and at the upper management
20 level, that we simply have to bring the two
21 institutions into closer alignment.

22 MR. GALATI: Well, we appreciate that.
23 And certainly when we get down to the nitty-gritty
24 I have some comments on intervention and discovery
25 and some of those things on the process. And I'd

1 be more than happy to do that. And we will follow
2 that up in writing with very specific
3 recommendations after the discussion.

4 PRESIDING MEMBER GEESMAN: Good.

5 MR. COLLORD: Scott, are you
6 recommending that the regulations be structured to
7 have a two-tier process so if an applicant wants a
8 higher level analysis for kind of like a
9 programmatic EIR there is an option for doing
10 that, as well as if they want something more
11 specific, like a master EIR --

12 MR. GALATI: I really wasn't advocating
13 that the regulations provide that. I think what
14 I'm advocating is that you not limit yourself to
15 something so high as a programmatic level EIR.
16 And so some of the ideas would be in that initial
17 scoping meeting to certainly develop the content
18 of the document that you're using.

19 And like I said, for example, the
20 corridor designation that San Diego Gas and
21 Electric was talking about, in which they're
22 contemplating a line replacement, that could be
23 very very specific. And it could provide -- it
24 could incorporate everything. It could be, in my
25 opinion, a mitigated negative declaration if

1 that's what it was.

2 If there's a broader corridor where
3 there aren't any lines, or a corridor where it's
4 really an expansion that's being looked at, I
5 think you should tailor the level of review to the
6 application that is in front of you.

7 But in no case, in my opinion, should
8 you do something like a general plan review. That
9 won't be useful, I don't believe, at the PUC.

10 MS. ICHIEN: Scott, I think your points
11 are well taken, and I think they are consistent
12 with what the staff intends in the way of an
13 environmental review.

14 And, as you point out, it is largely
15 dependent on the level of information provided on
16 what's being proposed.

17 And I think the use of the word program
18 was not intended to limit the Commission's review.
19 It's simply to refer to a stage in the planning/
20 permitting process that precedes the actual
21 permitting of a project.

22 But, in any event, you know, depending
23 upon the level of information provided, and I
24 think appendix G indicates that the staff is
25 looking forward to more than just a cursory level

1 of information regarding the proposed designation,
2 that the environmental review would reflect that.

3 And I think it's incumbent on the agency
4 to do as comprehensive of a review as the
5 information supports.

6 MR. GALATI: And I think the way the
7 tiering would work in that case would be the PUC
8 would look and say, I've got an application in
9 front us; I'm looking at the mitigation
10 incorporated into the designation. What
11 additional mitigation should I provide, which
12 option should I select, and what specific do I
13 know now because I know the height of the
14 structures, or I know the footprint of the
15 structures. Has anything change.

16 And so that becomes a focused project
17 EIR. And hopefully, if we've done a good job at
18 the designation stage, those issues will be
19 extremely focused and they won't be what are the
20 biological impacts of the entire line. We know
21 what the biological impacts are going to be of
22 development inside the corridor. Now, we're
23 looking at refining the number or refining the
24 avoided strategy.

25 I think that's the only way it makes

1 sense.

2 DR. TOOKER: Scott, I think your
3 comments are very instructive, and especially when
4 we're looking at updating a designation. We are
5 assuming, in the original designation of a
6 corridor that has a 15- to 20-year expected life,
7 that at the five-year interval, once you get close
8 to a more specific need, that there'll be more or
9 less uncertainty regarding environmental issues.
10 And any update we would do then would be able to
11 be more specific to address those remaining
12 critical issues that we know more about at that
13 point.

14 So I think it'll be also important to
15 apply that approach kind of in a chronological
16 sense as the uncertainties are reduced and
17 information is increased.

18 MR. GALATI: I think there's one other
19 thing that the regulations don't address, and I
20 haven't really thought about how I could make them
21 address it, but I think it's very important for
22 the Energy Commission Staff to defend the corridor
23 against other land use encroachments.

24 And so other development proposals later
25 that come from a location that may not understand

1 or incorporate what the corridor means. That's
2 how transportation planning agencies do it.
3 That's how other districts, irrigation districts
4 do it. When they have plans in place, it's sort
5 of incumbent upon them to participate in other
6 CEQA processes, in other general plan updates,
7 specific plans. And I think that's going to be a
8 significant burden on the Commission that you
9 should be planning for now.

10 I know that you're going to get
11 everything from the clearinghouse, but somebody's
12 got to read that and review it. And it's going to
13 take some time.

14 DR. TOOKER: We have discussed that, the
15 fact that we'd have to develop those strategies
16 for following designations over time to assure
17 that they get recognized by agencies, array of
18 different agencies, in their decisionmaking, to
19 maintain their viability.

20 Would you like to speak?

21 MS. MANNION: Thank you. Kathy Mannion
22 with the Regional Council of Rural Counties. We
23 were participating, of course, in the legislation
24 and also look forward to participating in the
25 formulation of the regulations.

1 I did want to make you aware that my
2 local government colleagues and I are reaching out
3 to our local agencies, our cities and counties,
4 seeking feedback on the proposed regulations.

5 I do have, today, some minor comments
6 which I'll submit in writing. And at this point
7 in time, just want to let you know that we're
8 there and certainly want to do what we can.

9 We're very please with, of course, the
10 process that's laid out insofar as, you know, the
11 coordination and working with local agencies. And
12 I do feel at the end of the day that the
13 cooperation between the CEC and the local
14 governments will benefit everyone.

15 PRESIDING MEMBER GEESMAN: I appreciate
16 that. And certainly enjoyed the level of joint
17 cooperation that we were able to achieve in the
18 legislation last year.

19 I might direct your particular attention
20 to the seven southernmost counties in the state,
21 which have been designated by the federal
22 government for federal preemption over permitting.
23 That's likely to be where these issues come to
24 fruition first. By no means exclusively. But I
25 think that's what's got our attention focused

1 right now.

2 DR. TOOKER: John, I'd just like to
3 mention that just as RCRC is doing outreach, we've
4 been working with League of Cities and with the
5 California Association of Counties, and they're
6 also doing an outreach to their members to try to
7 solicit their interest and provide feedback.

8 MS. MANNION: And that's who I was
9 referring to, of course.

10 MS. FERRY: I'm Lynn Ferry with Southern
11 California Edison. Generally we concur with San
12 Diego Gas and Electric's comments related to the
13 programmatic environmental impact assessment
14 process. That it should be at a higher level.

15 I think Edison looks at this as a long-
16 term process that we should start setting aside
17 land now for future transmission projects. And we
18 don't necessarily believe this will lend itself to
19 the projects that we have proposed at this point
20 in time.

21 That it's much longer term in nature,
22 and that obviously land use is a difficult issue
23 in California. There are so many needs from it at
24 different levels. And that to bank that land now
25 is very important.

1 And I believe Commissioner Geesman, at
2 one of the earlier meetings, brought up the point
3 that we have five-year land-banking requirements
4 now at the CPUC. And we hope that that issue does
5 get visited at some point.

6 PRESIDING MEMBER GEESMAN: It's our
7 intent to make a recommendation in this year's
8 Integrated Energy Policy Report to extend that out
9 to a 20-year horizon, which I think is consistent
10 with a recommendation that your company made in
11 one of our earlier hearings.

12 But both Commissioner Pfannenstiel and I
13 intend to include that in the recommendations that
14 we put in the Integrated Energy Policy Report.

15 MS. FERRY: Great, great. And I hope
16 that carries over at some point to the CPUC.
17 Obviously our hands are tied at that level. But
18 that we really do need to look at this in the
19 long-term basis.

20 So, perhaps a programmatic EIR is the
21 best way to go about this, because obviously the
22 environmental issues will change over time. And
23 to do such a conclusive analysis at this point for
24 a corridor that we may not use for five or maybe
25 ten years down the road would likely not be very

1 fruitful.

2 So, we do want this process to lend
3 itself to the CPUC process, however. So that it's
4 streamlined, I mean that's fantastic. Obviously
5 permitting and siting is a huge hurdle for
6 transmission facilities.

7 And also we think it's important that
8 these corridors are linked to the Federal Energy
9 Policy Act section 368 corridors. We've brought
10 that up before in our previous comments. But to
11 the extent that these corridors are very lengthy
12 and that there are not, you know, pieces missing,
13 kind of a checkerboard effect, is very important.

14 And we hope that, you know, to the
15 greatest extent possible that this process is
16 coordinated with the CPUC. It sounds like from
17 their initial comments that they really thought
18 the programmatic EIR approach was the best. That
19 they wanted to do the environmental analysis
20 themselves. I don't know how willing they were to
21 accept the real master EIR approach and then just
22 to pick that up in their process and accept that.

23 And finally, I think, you know, we
24 really don't want this to be project-specific.
25 While it would be great to be able to do that at

1 this point, I think with the longer term nature of
2 it, you know, we can't tell five, seven, ten years
3 from now exactly which project would go into the
4 corridor.

5 I think that's it. John, did you have
6 anything to add?

7 MR. LEEPER: I think I also would like
8 to express support for what we heard from
9 Commissioner Geesman, that we'd like to see
10 transmission planning done in the second or third
11 inning of a baseball game, rather than coming in
12 at the last moment.

13 And at that point it becomes a surprise
14 to some entities who need, you know, have
15 jurisdictional oversight. And it becomes more
16 adversarial, and we'd like to see this more of a
17 collaborative so that all the parties' needs and
18 wants and wishes can be addressed and considered
19 on a sort of a more relaxed basis without the
20 pressures of an immediate need, say trying to
21 serve a load growth issue.

22 So I think that is very important. And
23 that's kind of why we see this process being more
24 valuable, at least in our area, towards the longer
25 term corridor designation. That then, as projects

1 evolve, those corridors then have been identified
2 and a lot of the -- at least the preliminary
3 issues have been address. That then makes the
4 stepping stone towards the more detailed filing
5 that we would be required to do with the CPUC.

6 So we see that as really a cornerstone.
7 And I think we also share everybody's concern here
8 that we don't particularly want to spend a
9 significant amount of time and effort on a process
10 that has little or no value going forward.

11 So we would like it to be fashioned in a
12 manner that would provide at least a starting
13 point for a future project.

14 And so that's, I think, pretty much
15 where we are. We believe, you know, we're very
16 hopeful and very positive in the direction this is
17 going. And we see that, you know, this has a
18 significant potential for addressing a lot of the
19 state's needs.

20 ASSOCIATE MEMBER BYRON: John, would you
21 identify yourself, please.

22 MR. LEEPER: Oh, I'm sorry. I'm John
23 Leeper, Southern California Edison.

24 ASSOCIATE MEMBER BYRON: And will
25 Southern California Edison be providing some

1 written comments?

2 MR. LEEPER: Yeah, I meant to say that.
3 We did not provide -- we've had quite a bit of
4 information on record in earlier proceedings. But
5 we will have more detailed comments that we will
6 provide after this meeting.

7 MS. ICHIEN: I was going to ask, do you
8 think the regulations, as drafted, allow for the
9 kind of review that you would expect if SCE were
10 to petition for a designated corridor? Is there
11 anything in the regulations that you think --

12 MS. FERRY: I think we had a number of
13 concerns with regulations as drafted, like we went
14 through in the call earlier this week.

15 But I think the initial read was that
16 maybe they were too specific as far as the
17 environmental regulations, or the proposed
18 environmental review. I think the more
19 programmatic level would be probably a better
20 approach at this point in time. Just so that
21 information doesn't become stale as it feed into
22 the CPUC.

23 MR. LEEPER: Excuse me, Lynn. One of
24 the things we had thought about, too, is we
25 currently have an advice filing before the PUC to

1 do some renewable corridor resource assessment and
2 transmission corridor planning. How we can get
3 some of this renewable power into California.

4 And, you know, that's, here again, what
5 appears to be a very good, in our mind anyway, a
6 programmatic approach. Because we don't have a
7 specific project that we're trying to route into
8 California, but we have an identified need both
9 from the state and from the corporate perspective,
10 to integrate renewable resources for a significant
11 portion of our new load growth.

12 So we see that maybe as a -- we could
13 maybe link these two activities where we'll be
14 looking on resource assessments for how to get
15 renewable energy into California. And maybe run
16 that through as maybe one of the examples to see
17 how these regulations might work on a more
18 programmatic level non-project-specific.

19 DR. TOOKER: John, one of the things I
20 failed to mention earlier is that although we're
21 trying to formulate an approach that we think best
22 reflects the requirements of SB-1059, we also
23 recognize there may be opportunities here, maybe a
24 need for some statutory changes to supplement this
25 process.

1 And would encourage you, if you have
2 ideas where you think that could be helpful, to
3 think about that. Because as we learn more and
4 more going forward with developing and
5 implementing this process, you know, we're finding
6 out new things and new challenges, such as the
7 ratebasing issue and how that can best be
8 resolved.

9 MR. LEEPER: Yeah, I think that, at the
10 moment, would be our most pressing our ability to
11 acquire right-of-way in a designated corridor that
12 would then give us some assurances that we would
13 be able to put a powerline through there,
14 transmission line, as the need arose, you know, in
15 some reasonable period of time. So I think that's
16 good.

17 Another area that we had thought, and
18 it's not too different than my other colleagues
19 here at both PG&E and San Diego that I've heard,
20 is maybe there's some way that some of this
21 environmental mitigation could be done in a more
22 collaborative manner, to where the utilities would
23 be able to participate in the habitat protection.
24 Or in maybe mitigation strategies with existing
25 agencies that would allow for some potential

1 offsetting mitigations when projects were actually
2 built within that affected area.

3 So that, I don't believe, is really in
4 the statutes right now. It almost would follow
5 under the emissions banking concept. Right now
6 you can bank emission offsets that then would be
7 applied to a new generation project.

8 Possibly there could be some strategy to
9 do environmental mitigation now where it's at a
10 lower cost and maybe could be more effective in
11 that, you know, species that maybe are being
12 threatened, or biological resources could be
13 somehow protected in today's dollars or today's
14 date that would then have some carry-forward value
15 to a specific project that could impact that
16 species or --

17 DR. TOOKER: So you would do this within
18 the context of an HCP where --

19 MR. LEEPER: Right. That would be just
20 another thought that we'd like to at least have
21 considered as possibly a more effective and lower
22 cost alternative to mitigation going forward on a
23 specific project.

24 MR. TERZICH: I just wanted to add a
25 couple things. I think that between the three

1 investor-owned utilities here that I know the IEPR
2 has been broken down to this latest one for
3 identifying transmission line projects that go
4 till like 2012. And then there was a category for
5 2012 and beyond.

6 I think that the middle ground here
7 would be at the applicant's option maybe that the
8 projects that are in the 2012 category possibly
9 could have additional greater detail in the
10 analysis going through the corridor designation
11 process.

12 And then those projects that have 2012
13 and beyond possibly could have this more
14 traditional programmatic environmental approach.
15 That might be a way to look at it and meet, kind
16 of have a middle ground.

17 The other thing is that the -- I think
18 that the designations essentially, while the PUC,
19 of course, would determine the ultimate need for
20 the line, what I think this process could do is
21 say, if there is -- if the PUC identifies and says
22 that there is definitely a need to have
23 transmission between point A and point B, it
24 should go here.

25 And I think that would go a long way in

1 making this process work, you know, really well.
2 Because a lot of it is, you know, now pushing it
3 this way, pushing it that way, pushing it this
4 way. If there's a recognition that it should go
5 in this area if there is a need to go from point A
6 to point B, the utility of this process could
7 really go far, I think.

8 DR. TOOKER: I think you received some
9 blue cards, is that correct?

10 PRESIDING MEMBER GEESMAN: I've gotten
11 one from Andy Howe or maybe it's Andy Horne,
12 County of Imperial. Wasn't clear if Andy wanted
13 to speak or --

14 MR. HORNE: I'd like to if I can. It's
15 Andy, it's Horne, by the way. My handwriting
16 is -- I went to a rural public school --

17 (Laughter.)

18 MR. HORNE: -- down in Imperial County
19 and didn't learn how to write very well.

20 Again, I would also like to thank the
21 CEC for holding this workshop. The County of
22 Imperial, of course, is very interested in
23 especially the renewable energy field.

24 Just to read out of your own report, if
25 I might, here: Imperial Valley is one of the

1 state's most promising sources of renewable
2 generation." And I'm not sure that we're not
3 probably the largest or one of the largest
4 counties in the state in terms of renewable
5 generation.

6 And I think this section of the report
7 talks about geothermal potential. But as those of
8 us who live down here, especially this time of
9 year, we think solar generation has unlimited
10 capabilities or potentials down there.

11 And so we look forward to working the
12 CEC. Imperial County has provided written
13 comments on the draft regulations. We especially
14 would like to emphasize the fact that Imperial
15 County, because of its experience over the last 30
16 years in building and transmitting electrical
17 energy out of Imperial County, has created in its
18 general plan an element that deals with
19 transmission of electrical energy.

20 And we think that there ought to be some
21 recognition of that, recognizing, as you said,
22 that the federal efforts may, in fact, supersede
23 what we're doing here, at least in that section of
24 the state. That we would continue to work with
25 CEC and with the FERC or WECC or whoever it is

1 that's coordinating that effort.

2 And we would like to see that
3 recognition, if not perhaps even an exemption, of
4 state mandates or state overlays or state
5 duplication of effort in designating those
6 corridors.

7 Imperial County has been involved in
8 discussions with IID and San Diego in regards to
9 those elements, and DWP in regards to the
10 transmission corridors being envisioned as part of
11 the so-called Greenpath project. And we would
12 like to see those efforts continue.

13 And we'd like to have continued
14 discussions. This gentleman here talked about the
15 additional capacity or excess capacity that IID
16 has. In talking to some of the renewable
17 generators down there, they're under the
18 impression that there is no significant additional
19 capacity for movement of electrons out of Imperial
20 into other areas of the state.

21 So we need to perhaps -- the County
22 feels so strongly, in fact, and wishes to
23 facilitate this, that they've created a new
24 natural resources development department which I
25 represent. And so we need to further that

1 dialogue locally and also here at the state and at
2 the federal level.

3 Thank you.

4 PRESIDING MEMBER GEESMAN: Thank you.

5 And let me just kind of share the philosophical
6 guidance that we picked up a bit from the federal
7 government. And I think it derived from our
8 experience with power plant siting.

9 And that is if we are able to do a good
10 job of bringing some order to the decisionmaking
11 process within California on these kinds of
12 projects over a long period of years, the federal
13 government's significantly less likely to preempt
14 our authority as a state.

15 The same is true for local government.
16 And I think that in our power plant siting
17 experience the number of instances where the
18 Commission has found it necessary to override a
19 local judgment on a land use or other similar
20 local requirement, extremely limited. And really
21 a function of providing the opportunity for local
22 initiative first.

23 So it's just precepts of good planning.
24 Developers who want to get their projects approved
25 generally achieve a very friendly relationship

1 with local government and conform to what local
2 government would like them to do.

3 That's the model we're hoping to emulate
4 in our developing relationship with the federal
5 government, as well. Appreciate your comments,
6 Andy.

7 ASSOCIATE MEMBER BYRON: However,
8 Commissioner, I think that in the comments there's
9 a recommendation to delegate power plant siting
10 authority up to 100 megawatts locally. And I
11 think that might require some legislative changes
12 there.

13 PRESIDING MEMBER GEESMAN: Forty-one
14 votes in one house; 21 votes in the other, and
15 it's yours.

16 Where do we go next?

17 ASSOCIATE MEMBER BYRON: I believe Mr.
18 Galati may have had some additional comments that
19 he wanted to make. Is that true?

20 DR. TOOKER: If I might. I think we
21 started this off by kind of taking a higher level
22 view. And then we were going to dive into the
23 actual regulatory language to take comments. I
24 think we're kind of at that point, is that right?

25 PRESIDING MEMBER GEESMAN: The question

1 is do you want Jeff and I here for that? Would
2 that be productive to the parties, or are we a bit
3 of a distraction?

4 DR. TOOKER: I don't think you're a
5 distraction. There may be some policy issues or
6 concerns you need to be aware of as we talk about
7 some of the regulatory language.

8 PRESIDING MEMBER GEESMAN: Okay, let's
9 go then.

10 MS. ICHIEN: Shall we start then from
11 the very beginning? Unless somebody suggests
12 otherwise we could just go around in roundtable
13 fashion, beginning with the first section, which
14 sates the objectives of the designation process.
15 And if there are no comments, we'll just move on
16 to the next section.

17 MR. GALATI: I have one at 2401. Is the
18 way (a) reads, is it your intention that any
19 person can file an application? Or are we
20 limiting, should we define what a person is?

21 MS. ICHIEN: Based on the statute, we're
22 assuming that any person is allowed to file a
23 petition or an application.

24 MR. GALATI: Okay.

25 MS. ICHIEN: Moving on, --

1 MR. ACUNA: Let me stop for a second and
2 just look at my notes for a second.

3 MS. ICHIEN: Yes.

4 MR. ACUNA: The word I put here was
5 designate over existing corridors, no EA will be
6 required. The point, I think, is that this is
7 focusing on proposed new corridors. And the
8 feeling I got was that they didn't existing,
9 existing rights-of-way.

10 And so more clarification in your goals
11 here is that existing rights-of-way could be part
12 of this designation process.

13 MS. ICHIEN: I think that's a good
14 point. And this could stand clarification that an
15 existing corridor could be the subject of a
16 designation process.

17 MR. ACUNA: Yes, existing rights-of-way.

18 MS. ICHIEN: Existing rights-of-way.

19 MR. ACUNA: Yes.

20 PRESIDING MEMBER GEESMAN: I think,
21 consistent with that, because it is such a heavy
22 priority of the so-called Garamendi principles,
23 that it might be well advised to try and
24 articulate or republish those Garamendi principles
25 in these regs to give them more force and effect.

1 MS. ICHIEN: I think that's a good idea.
2 I'd note that those principles are referred to in
3 the statute, itself. So it makes sense to also
4 reincorporate them here.

5 DR. TOOKER: I think in San Diego's
6 written comments, or at least in our discussion,
7 our conference call, you were talking about not
8 only referencing the Garamendi principles in the
9 regulations but also the Energy Commission's
10 loading order?

11 MR. TERZICH: Yes.

12 DR. TOOKER: Could you speak to that a
13 little?

14 MR. TERZICH: I believe the loading
15 order talks about, you know, just -- I think we
16 are required to look at, you know, our portfolio
17 in terms of, you know, first energy efficiency and
18 then, you know, load management programs. And
19 then transmission and then, you know, just
20 generation, then transmission, so on and so forth.

21 I think it's four or five of those
22 loading orders. And I can't remember the
23 specific, you know, language there. But that was
24 something that could be incorporated in there.
25 Because a lot of times when the purpose and needs

1 are adjudicated, that comes up, why haven't you
2 looked at this.

3 And so if the CEC kind of has it
4 incorporated into their corridor designation
5 process, it could further aid in having that kind
6 of fleshed out so that --

7 PRESIDING MEMBER GEESMAN: That might be
8 a good bridge to the PUC, as well, because they've
9 embraced the same loading order.

10 DR. TOOKER: I'm just wondering if the
11 term loading order is going to be appropriate in
12 the regulations or there's some --

13 PRESIDING MEMBER GEESMAN: You may just
14 restate it from the Energy Action Plan or
15 something that the two Commissions have both
16 adopted, which may provide a little more comfort
17 to the PUC that our determinations in these
18 corridor designations have, in fact, been
19 consistent with the loading order.

20 DR. TOOKER: So we have a framework for
21 what we call non-wires alternatives going forward
22 and demonstrating a need, and being able to
23 evaluate alternatives.

24 MR. TERZICH: Exactly, yes.

25 DR. TOOKER: Thank you.

1 MS. ICHIEN: And even if there isn't a
2 specific reference to the loading order, like in
3 this section of the regulations, nevertheless I
4 think that's an appropriate topic to come up in
5 the discussion of alternatives.

6 MR. TERZICH: Definitely.

7 MS. ICHIEN: Okay, moving to section
8 2402, information requirements.

9 DR. TOOKER: Do you want to discuss
10 appendix G now or after we have gone through the
11 other sections?

12 MS. ICHIEN: Why don't we leave it to --
13 unless somebody has a need to raise comments now
14 about appendix G, just leave it till we finish
15 these sections first. Is that all right?

16 Then section 2403, format and number of
17 copies. Any comments? I know there was a
18 question during one of our phone conferences about
19 the appropriateness of the number of copies being
20 requested. But hopefully we provided a reasonable
21 explanation so there are no remaining concerns.

22 So, moving to section 2402 (sic) then,
23 review and acceptance of application.

24 DR. TOOKER: 2404.

25 MS. ICHIEN: I'm sorry, 2404.

1 MR. GALATI: I have a comment on
2 subsection (e).

3 MS. ICHIEN: Yes.

4 MR. GALATI: Subsection (e) says, while
5 I support it very much and support the concept and
6 wish we had this in the siting regulations, as
7 well, the ability to have a committee prior to
8 sort of the date of complete determination.

9 It looks, as written, that the
10 Commission could decide never to assign a
11 Committee to preside over the designation process.
12 And we think that, once again, in order for this
13 to be helpful, it should mirror the siting
14 committee in the siting regulations, and we should
15 have a committee.

16 MS. ICHIEN: I think that was the
17 Commission's prerogative whether or not to assign
18 a committee. I think that's the case in the
19 siting case, as well.

20 And I think the expectation would be
21 that the Commission would choose to have a
22 committee oversee a proceeding.

23 MR. GALATI: I would strongly urge that
24 the regulations require it. If we're going to
25 have intervention and discovery and evidentiary

1 hearings, I think it's a foregone conclusion there
2 will be a committee. And so the idea that it's
3 possible we could have those things without a
4 committee I think is inconsistent with how (e) is
5 written.

6 PRESIDING MEMBER GEESMAN: Do you really
7 think our siting regs have that discretion at the
8 Commission level, whether to appoint a committee
9 or not?

10 MS. ICHIEN: Well, I think, based on the
11 statute, you know, it's the Commission's
12 prerogative to assign --

13 PRESIDING MEMBER GEESMAN: Right.

14 MS. ICHIEN: -- a committee.

15 PRESIDING MEMBER GEESMAN: But don't the
16 siting regs speak of the Commission shall assign a
17 committee?

18 MS. ICHIEN: I don't --

19 PRESIDING MEMBER GEESMAN: I'm making an
20 assumption. I'm not necessarily familiar with how
21 that's addressed, but --

22 MS. ICHIEN: Let me get back to you on
23 that.

24 PRESIDING MEMBER GEESMAN: Yeah.

25 MS. ICHIEN: Okay.

1 PRESIDING MEMBER GEESMAN: Because I
2 certainly think Scott makes a good point. This
3 ought to parallel our siting process as much as it
4 can.

5 MS. ICHIEN: One departure from the
6 siting process, and that is assuming that a
7 committee is appointed in advance of an
8 application being found complete, and that is an
9 option specifically called out here, then the
10 committee would be the one making the
11 determination about the completeness of the
12 application. You know, based on a supplemental
13 filing. So that is a difference from the siting
14 cases.

15 DR. TOOKER: Based on our phone
16 conversations there was a concern raised about the
17 arrangement of some of the sentences in this
18 paragraph regarding the actions of the Executive
19 Director, and clarifying that those would happen
20 prior to the committee's action. And the
21 committee would be the one to take final action on
22 that determination if we're going to make that
23 revision.

24 PRESIDING MEMBER GEESMAN: I'm
25 comfortable with that.

1 MS. ICHIEN: Any comments on 2404?

2 MR. ACUNA: Right. I just wanted to
3 point out at the bottom of page 5, item (b), the
4 last four words: corridor must be consistent."
5 I'd just point that out, could that be problematic
6 to --

7 DR. TOOKER: You're talking about 2405
8 now?

9 MR. ACUNA: Did I jump ahead of you?
10 I'm sorry, I'll save that. Thanks.

11 (Laughter.)

12 MS. ICHIEN: So, can we leave 2404?
13 Then 2405.

14 MR. ACUNA: Okay.

15 (Laughter.)

16 MR. ACUNA: Shall I repeat it?

17 MS. ICHIEN: You're referring to --

18 MR. ACUNA: Note the word "must be
19 consistent."

20 MS. ICHIEN: And that is consistent with
21 the statute.

22 MR. ACUNA: Okay. I'm just pointing
23 that out. It's just that, you know, when I see
24 the word "must be" I always get a little concerned
25 that at some point later, boy, I wish we had

1 worded that differently.

2 MS. ICHIEN: Um-hum.

3 MR. ACUNA: And I'm just pointing out.

4 We can move on -- the point.

5 DR. TOOKER: You know, one thing I think
6 that's instructive here, if you look at the
7 statute actually it gives direction not only to
8 this process, but also to the strategic plan
9 process and requires certain things to be done
10 with respect to the strategic plan, which is
11 technically outside of this process.

12 And so I think, and staff believes that
13 there needs to be a very very strong linkage
14 between the strategic plan and any subsequent
15 designations. Not only in terms of information,
16 but also in terms of the analytical process and
17 the participation of agencies, local governments,
18 utilities, et cetera.

19 MR. ACUNA: Thank you.

20 MS. MANNION: I did have a comment. I
21 don't know if this really belongs in the
22 regulations, but maybe it should be as maybe a
23 matter of policy.

24 In regards to the notification to the
25 local government entities. In the instance of a

1 county, for example, we would suggest that
2 notification be sent to the chairperson of the
3 board of supervisors and to the planning
4 department.

5 I think we need to talk to the cities
6 and see what their preference would be, whether it
7 be the mayor or the city manager and the planning
8 department.

9 Again, that doesn't necessarily go in
10 regulations, but it's something to --

11 PRESIDING MEMBER GEESMAN: I think
12 realistically --

13 MS. MANNION: -- consider.

14 PRESIDING MEMBER GEESMAN: -- it
15 probably should.

16 ASSOCIATE MEMBER BYRON: Yeah.

17 PRESIDING MEMBER GEESMAN: You know,
18 don't rely on a pattern of practice here over a
19 long period of time.

20 MS. MANNION: Well, then we would
21 request that.

22 MS. ICHIEN: So, again, chairman of the
23 board --

24 MS. MANNION: Chairman of the board of
25 supervisors and to the planning department. And

1 then we'll need to check with the League as to
2 their preference, you know, whether it's the mayor
3 or along with their planning department. They
4 might, in some instances, prefer someone else.

5 MS. ICHIEN: Okay, thank you.

6 Any further comments on public
7 notification?

8 MS. FERRY: Arlene, we had that comment
9 related to number 4, as far as publishing the
10 application --

11 MS. ICHIEN: Oh, yes.

12 MS. FERRY: -- on the Commission
13 internet website.

14 MS. ICHIEN: Um-hum.

15 MS. FERRY: We had a little bit of
16 concern related to sensitive or confidential
17 information. While I think we were willing to
18 provide that in written format, we did have
19 concern with all of the information being posted
20 out on the internet so anybody could find that.

21 PRESIDING MEMBER GEESMAN: I think
22 that's a good point. And we have previously
23 refrained from publishing the types of information
24 that you're talking about. I don't know if it's
25 something that we need to clarify in the regs or

1 what. But I certainly agree with what you're
2 saying.

3 MR. GALATI: Maybe just a --

4 MS. FERRY: And, again our --

5 MR. GALATI: I'm sorry. Maybe just a
6 reference and a notification that information
7 provided under this section can use all the
8 confidential protections provided on the
9 Commission's other use of providing information.

10 And so I think a good reference
11 somewhere in here, just to make sure that this
12 application be treated like any other application.

13 PRESIDING MEMBER GEESMAN: She's
14 talking, though, about information that's not
15 necessarily confidential.

16 MS. ICHIEN: That's sensitive --

17 MS. FERRY: Sensitive.

18 MS. ICHIEN: -- and hasn't been
19 designated formally as confidential. If we were
20 to get a Public Records Act request we probably
21 would have to provide that information. It
22 depends.

23 But, anyway, that's a gray area. And
24 with respect to that category of sensitive
25 information our practice has been to withhold that

1 from the website

2 MR. GALATI: Until requested. Yeah. By
3 a Public Records Act.

4 MS. ICHIEN: And so I would suggest not
5 referring to that category, because to me that
6 kind of raises a red flag and may draw attention
7 to --

8 PRESIDING MEMBER GEESMAN: Trigger a
9 request.

10 MS. ICHIEN: -- to a gray area here that
11 we'd like to just treat discreetly. But I guess
12 it's a matter of just understanding we do have a
13 practice in place of being, you know, sensitive to
14 certain kinds of information. And then keeping
15 that off of the website.

16 DR. TOOKER: Arlene, do we currently
17 have practices which allow us to share that
18 information with local governments to the extent
19 that they have responsibilities related to those
20 kinds of issues?

21 MS. ICHIEN: I think that's reasonable
22 to expect that kind of coordination. I mean --

23 MS. FERRY: I think we do, too. Just a
24 concern that was out there for everybody to see,
25 maybe maps or information about substations or

1 what-have-you.

2 MS. ICHIEN: Any further comment on
3 public notification?

4 Then we can move to the next section,
5 coordination with interested agencies --

6 DR. TOOKER: If I might, in the written
7 comments, I believe there's a suggestion from
8 Imperial County that we extend notification to
9 property owners within a half a mile of the
10 corridors. No, perhaps --

11 MS. ICHIEN: Half a mile of the
12 corridor.

13 DR. TOOKER: Half a mile. And is that,
14 what's the current language in the regs?

15 MS. ICHIEN: Five-hundred feet.

16 DR. TOOKER: So that is something we'll
17 have to wrestle here.

18 MR. LEEPER: I think that's more back in
19 appendix G.

20 DR. TOOKER: Okay.

21 MR. THOMPSON: So, next section then,
22 2406, coordination with agencies and the public.
23 Yes.

24 MR. ACUNA: If you go to the middle of
25 the page on 6, item (c), there's a sentence there

1 that "... may grant a petition to intervene filed
2 after the deadline only upon showing good cause by
3 the petitioner."

4 So, what I'm thinking here is that here
5 we're a utility working very diligently to move
6 ahead and then we get a surprise from someone who
7 wants to intervene. And they have to show good
8 cause. What is good cause? And maybe when the
9 time's up, time's up. That's my thought.

10 MS. ICHIEN: This sentence is, in
11 effect, granting discretion to the presiding
12 member of the committee assigned, or the chairman,
13 assuming a committee's assigned; the presiding
14 member.

15 And a showing of good cause would
16 probably be made through pleadings in which case,
17 you know, other parties, including the applicant,
18 would be allowed an opportunity to object. And
19 oftentimes a hearing is held to receive input from
20 the parties. So, --

21 MR. ACUNA: So you're saying this is a
22 standard policy?

23 MS. ICHIEN: Well, it's similar to
24 what's in the siting regulations. There's a
25 deadline, but then for good cause shown,

1 intervention after that deadline may be granted.
2 It's a discretionary act. But the encouragement
3 is to file, you know, by the deadline to
4 intervene.

5 MR. ACUNA: Right.

6 MS. ICHIEN: And I do know of at least
7 one instance in a siting case where a petitioner
8 was denied intervention status. So it has
9 happened.

10 MR. GALATI: I would just recommend that
11 you just replace this section with a reference to
12 1207, and then change the date by which it should
13 be filed. Section 1207 of your regulations
14 already provide exactly how petitions are handled.
15 And more than that, it puts the petitioner on
16 notice that they not only have all these rights,
17 but they also have obligations as a party. And I
18 think that's an important thing.

19 They have the right, for example, to
20 present witnesses and subject themselves to cross-
21 examination. And I think that it's important to
22 let them know that the proceedings followed should
23 be 1207. If they become a party then they're a
24 party in all aspects, both some that would be seen
25 positive and some that would be seen negative.

1 MS. ICHIEN: That's a suggestion that
2 we'll consider seriously. The last sentence in
3 subsection (c), do you see that last sentence as
4 going to the point you were making about, you
5 know, listing the rights and obligations of an
6 intervenor?

7 MR. GALATI: Yeah, I see those only as
8 the rights. I don't see it as an obligation. So,
9 I think you should just stick with the language
10 that you have in 1207. There's several things
11 that have to happen, (a) through (e), including
12 withdrawal and how that's all dealt with.

13 And then I think you should talk about
14 this 15 days after the staff issues the final
15 environmental report. I think that's too late.
16 And I think that that will certainly result in a
17 surprise.

18 If there's going to be any meaningful
19 dialogue with an intervenor it needs to occur
20 after the draft environmental impact report and
21 prior to the final environmental impact report.

22 We've advocated that in siting cases. I
23 understand the siting case allows you to do it in
24 a prehearing conference. But I really believe
25 that it's just going to surprise people after the

1 final EIR is done. That's pretty much staff's
2 final testimony.

3 The only ability to have any dialogue is
4 now in front of a Commissioner in a very formal
5 evidentiary hearing. And so there isn't the
6 ability, in my opinion, to roll up your sleeves,
7 have a dialogue that maybe addresses somebody's
8 issues. You have to do it formally in a
9 legalistic adjudicatory manner. And often that
10 requires the Committee to make decisions that
11 smart people around the room can make if they'd
12 had the opportunity to talk.

13 So I think that we should encourage
14 intervention prior to the final EIR; I would say
15 no later than 15 days after the draft
16 environmental impact report, if one is prepared.
17 And then only upon good cause later could someone
18 intervene.

19 PRESIDING MEMBER GEESMAN: This is
20 directive to parties. I mean, the reality, based
21 on the Commission's track record, is we seem to
22 let everybody in. But if we can provide direction
23 to them to get in early, that's probably a
24 constructive thing to do. And I think the closer
25 we try to mimic the siting process, the better off

1 we are.

2 MR. GALATI: Because we don't have a
3 prehearing conference in this sort of scenario,
4 that's why I'm recommending after the draft EIR
5 and prior to the final EIR.

6 MS. ICHIEN: There is a prehearing
7 conference contemplated.

8 MR. GALATI: I didn't -- I apologize,
9 one again, reading closely.

10 MS. FERRY: We also have a comment
11 related to subsections (a) and (b). We had a
12 little concern that there was not some kind of
13 timing requirement for the CEC to get information
14 back from the other governmental agencies.

15 And while you may not be able to require
16 them to report back within a certain period of
17 time, we would ask that, you know, the CEC maybe
18 had requirements for moving forward, you know,
19 within X number of days of public notification,
20 the CEC shall, and then continue on.

21 We just don't want it to stall out --

22 PRESIDING MEMBER GEESMAN: I think
23 that's a constructive suggestion, as well.

24 MS. MANNION: Excuse me, but you would
25 want to make sure that there was an adequate

1 period of time.

2 PRESIDING MEMBER GEESMAN: Yes.

3 MS. MANNION: As you're aware, local
4 agencies have a lot on their plate, so you need to
5 have it realistic. So, what I'll do is I'll check
6 with the folks and see if we can come up with a
7 suggestion.

8 MS. ICHIEN: That would help, thank you.

9 Any further comments on coordination?
10 Then moving to reimbursement, I had mentioned that
11 the staff is working on clarifying or elaborating
12 on the method of reimbursement here. So, with
13 that, any suggestions?

14 MS. FERRY: We did have some concern
15 that the utilities at least be allowed to review
16 any bills that were submitted to the CEC by the
17 other agencies. There are other processes in
18 place in the state where we just have to pay for
19 the bill, but we don't necessarily get a chance to
20 look those over.

21 MS. ICHIEN: Um-hum.

22 PRESIDING MEMBER GEESMAN: I think
23 that's a reasonable request.

24 MS. ICHIEN: Any other comments?

25 DR. TOOKER: So, Arlene, you were

1 expecting that we would contemplate putting in
2 here also this question about compensation of
3 original applicants for any subsequent use of the
4 corridor by other utilities or persons.

5 MS. ICHIEN: Yes, we would think about
6 whether or not to provide coverage of that.

7 2408, requests for information. This
8 has to do with discovery, data requests. Any
9 comments?

10 MR. GALATI: I think, again if we were -
11 - I would mimic the siting regulations a little
12 more. There's a couple of things here. There's
13 the ability for staff to ask information from the
14 applicant. And then there's ability for staff to
15 ask information from any source.

16 And in the siting regulations there are
17 some protections about what is reasonably
18 necessary, what is reasonable available to the
19 applicant, so that when things are outside your
20 control there's the ability to say, I can't
21 provide that information to you.

22 There's also sort of a restriction on
23 staff in their ability to get things from third
24 parties. Once again, only as reasonably
25 necessary. And I'll point to those regulations in

1 our writing.

2 But, again, I would -- I think this is
3 going to possibly avoid a lot of -- if we make
4 this more specific it may avoid a lot of fighting
5 with broad questions being asked, and then
6 applicants having to object, or third parties
7 having to object. And then having these motions
8 to compel, which we've really gotten away from.

9 And I think it's because we have a
10 specific window. The requests are reasonable.
11 And especially since now we're going to have
12 intervenors, who, I'm assuming, have the rights to
13 ask questions, as well.

14 So I would again import from the
15 discovery protections in the site certification
16 section. I don't have those right in front of me,
17 but I will put those in our writing, you know,
18 written comments.

19 MS. ICHIEN: Well, certainly the wording
20 "reasonably available" to the applicant or the
21 source of information is --

22 MR. GALATI: Yeah.

23 MS. ICHIEN: -- is reasonable --

24 PRESIDING MEMBER GEESMAN: Yeah, I would
25 go through the siting regs and try and replicate

1 as much as we can, because it really has improved
2 our process with power plants.

3 MS. ICHIEN: Okay, any other comments on
4 information requests?

5 Then informational hearing and scoping
6 meeting.

7 MR. GALATI: I would also ask that there
8 be a limit when discovery is done, so that this
9 isn't other parties can continue to go through
10 four, five, six, seven, eight, ten, god knows how
11 many, rounds of data requests.

12 And so I would request that there be a
13 point in which discovery closes, staff presents
14 its information, and then we have a dialogue.

15 MS. ICHIEN: Thank you. Informational
16 hearings, any comments?

17 MR. GALATI: Well, one of the comments
18 on the informational hearing is we've had a lot of
19 discussion here, and maybe some differing opinions
20 on the scope of the environmental review, based on
21 what's in front of the Commission, what's being
22 proposed, what's the applicant asking for, or what
23 is the Commission trying to do in designating
24 corridor.

25 This is a good area, I think, to modify

1 (c)(2); again, to make it clear that the staff
2 does not have to prepare an environmental impact
3 report if there is a negative declaration
4 opportunity or something like that.

5 In my mind it would be good to expand
6 (c) to have a dialogue, even with the committee,
7 as to what should be the scope of the review. And
8 maybe that's where this dialogue happens.

9 As opposed to foreseeing that it always
10 must be at program level, or it always must be
11 something more of a master that could be tiered
12 upon, maybe this is the point in time in which the
13 proponent of the corridor can tell you what the
14 proponent would like it to be.

15 MR. ACUNA: SDG&E would concur with
16 that. I think this is a great location to
17 identify there are more tools available than an
18 EIR. So I don't know exactly where you would put
19 that, but I'm sure with some wordsmithing this
20 would be a good spot.

21 MS. ICHIEN: I think a negative dec or a
22 mitigated neg dec should certainly be options.
23 They would all, though, probably in initial study
24 guide. So, in any event unless we just decide to
25 go straight to an EIR, staff would probably do an

1 initial study. And then decide whether or not to
2 recommend a neg dec.

3 MR. GALATI: Well, does it make --

4 MS. ICHIEN: -- discussion here, I
5 think, is a good suggestion.

6 MR. GALATI: Since we're not following
7 exactly the Energy Commission siting process, I
8 mean does it make sense then to not have this
9 hearing within 45 days? I mean shouldn't the
10 committee have in front of it maybe the initial
11 study or something upon which to help define what
12 the scope is?

13 I'm just wondering how much value that
14 would be if, I, as an applicant, would come and be
15 advocating for a mitigated negative declaration
16 and staff's response would be, we have to prepare
17 an initial study before we can comment on that.

18 I'm not sure that this would be a useful
19 hearing for me to convince a committee to agree to
20 a negative declaration if staff's not supportive
21 of that.

22 MS. ICHIEN: The 45-day period is based
23 on statutory wording that has the Commission begin
24 information -- or site visits and informational
25 hearings within 45 days of receiving an

1 application. So we've modified that somewhat to
2 mean 45 days after an application's complete.

3 But that's where the 45 days comes from.
4 And this is an opportunity for an informational
5 hearing for the public and interested agencies.
6 We could also take comments as in an EIR process
7 on the scope of review, and what agencies and
8 other entities wish considered in the
9 environmental review.

10 And then I would contemplate staff, you
11 know, doing an initial study, unless it's clear
12 that an EIR is appropriate. But do an initial
13 study, and then have that be available for public
14 review and comment, assuming it, you know, results
15 in a neg dec or a mitigated neg dec.

16 MR. GALATI: I understand where staff's
17 going and that makes sense to me. You work on
18 these regulations like you work on a contract.
19 You pull out the contract when you don't like each
20 other anymore.

21 Okay, so I'm pretending that I have to
22 pull out these regulations because I don't like
23 what you said.

24 But there needs to be a forum with the
25 committee to determine the scope. And so maybe

1 it's not at the informational site visit, but
2 there ought to be a forum at the committee to
3 determine the scope.

4 Because I can imagine -- I'll give you a
5 perfect example. On the Blythe transmission line,
6 which Commissioner Geesman did, we had a great
7 roundtable discussion on the scope of that review.
8 And we avoided a lot of issues that staff was of
9 one mind, we were of another mind. With the
10 committee's help we came to what -- we basically
11 got an informal scoping order, this is what we're
12 looking at.

13 While that sort of makes you fight
14 early, it streamlines the process because you get
15 a decision and an agreement, as opposed to waiting
16 for the draft environmental impact report to come
17 out. And now you have to comment on work that's
18 already been done that's either too far, or not
19 far enough. And it's really difficult to correct
20 it at that point.

21 So, maybe there needs to be at least the
22 ability --

23 MS. ICHIEN: Issues identification? Are
24 you talking about issues identification?

25 MR. GALATI: Or maybe you could just

1 cite in these that the applicant has the right,
2 under the informal hearing procedure or some other
3 procedure, to have a scoping order.

4 I mean we could agree with staff and
5 staff should make a recommendation at some point
6 in time, I think a fixed point in time, of what
7 level of review it believes needs to be done. And
8 then there should be an opportunity to resolve the
9 disagreement, from the Committee.

10 PRESIDING MEMBER GEESMAN: I'd rather do
11 it upfront, I mean as early in the process as we
12 can. In my experience this has been productive.
13 So I'd try and craft this informational hearing as
14 one which may very well lead to a scoping order.

15 I'm willing to entertain the notion that
16 there may be instances where the staff is not
17 prepared at that point in time, and feels that an
18 initial study needs to be done before the staff
19 can respond.

20 But I think there are probably a number
21 of instances where that wouldn't be necessary.
22 And that it would probably be productive for the
23 Committee to have the discretion at the
24 informational hearing to issue a scoping order.

25 MS. ICHIEN: In a siting case the staff

1 usually is prepared with an issues identification
2 report. And, you know, based on a review of the
3 information available at that time the staff
4 identifies all issues that could potentially be
5 dealt with in the case.

6 PRESIDING MEMBER GEESMAN: Then I think
7 the staff should be at that level of preparation
8 here, I would think, 45 days after filing's been
9 determined to be complete.

10 MS. ICHIEN: And I think there is
11 reference to an issues identification report.
12 Let's see. It's in the next section. "Staff may
13 independently" -- it's may -- "independently
14 prepare an initial report on the proposed corridor
15 to identify potential issues for the information
16 hearings."

17 DR. TOOKER: And you could modify that
18 to say the potential issues and proposed scope.

19 MS. ICHIEN: Um-hum.

20 DR. TOOKER: In terms of whether it
21 would be an EIR or a neg dec. Sounds like
22 Commissioner Geesman was looking for staff to
23 provide those recommendations potentially at the
24 informational hearing.

25 PRESIDING MEMBER GEESMAN: Yeah, I think

1 that would be most productive. And I think if you
2 expand the section, such as Scott's describing, to
3 explicitly provide for a full cafeteria of
4 potential options, it would also be helpful.

5 MS. ICHIEN: Okay. I think further
6 clarification on the options available.

7 DR. TOOKER: Arlene, is there any
8 expectation that there will be noticing
9 requirements and public review of the initial
10 study that we need to reflect in here, as per the
11 clearinghouse or --

12 MS. ICHIEN: Probably, since we are
13 going to specifically refer to the option of the
14 neg dec, and under CEQA the initial study is
15 circulated with the neg dec or mitigated neg dec
16 for public review.

17 DR. TOOKER: That would be subsequent,
18 then.

19 MS. ICHIEN: Yeah.

20 DR. TOOKER: Okay, thank you.

21 MS. ICHIEN: That's not to say we
22 couldn't, you know, modify that, tailor it to our
23 needs or purposes. And have advanced review of an
24 initial study for purposes of identifying issues
25 or the lack of issues.

1 PRESIDING MEMBER GEESMAN: Just as long
2 as you meet the notice requirements under CEQA.

3 MS. ICHIEN: Yes.

4 DR. TOOKER: Right, that's my point.

5 MS. ICHIEN: But ultimately with a neg
6 dec the initial study would be circulated with a
7 neg dec for public review and comment.

8 Can we move on then to 2410. And this
9 heading will have to change to be more inclusive
10 of other options besides the EIR.

11 MR. TERZICH: We have a comment, SDG&E,
12 Chris Terzich has a comment on item (d). Talks
13 about the public workshops and gaining resolution.
14 And we would like to maybe have a sentence or
15 something added that gave the ability to move on
16 if there is no resolution.

17 MS. ICHIEN: To move on --

18 MR. TERZICH: To move on to the process.
19 So if, in other words, you go through these public
20 workshops and nothing can be, you know, there's an
21 impasse --

22 MS. ICHIEN: Loggerhead, um-hum.

23 MR. TERZICH: -- then we can have
24 something to move on.

25 DR. TOOKER: Isn't that the purpose of

1 the scoping order? Isn't that a decision point,
2 in fact?

3 MS. ICHIEN: The staff, you know, does
4 have the responsibility to prepare the
5 environmental document, even if there's an impasse
6 among the parties. And there's a timeline kind of
7 implicit in these regulations in the process that
8 we would have to observe, with the thought of
9 trying to complete a designation process in 12
10 months, you know, similar to a siting case.

11 MR. TERZICH: Okay. Just a suggestion
12 to say if it was -- if there was something more
13 specific or, you know, kind of clarifying, that
14 that might be good. But then, you know, if it's
15 implicit, then that might be okay.

16 MS. ICHIEN: Well, in the next section
17 there is a timeline within 120 days of the final
18 informational hearing the staff is to come out
19 with a report. So that indicates that there is
20 this timeline that we have to observe.

21 MR. TERZICH: Okay.

22 MS. ICHIEN: Is that sufficient?

23 MR. TERZICH: Sure.

24 MS. ICHIEN: Any other comments?

25 DR. TOOKER: I think didn't we, based on

1 input from OPR, agreed to change paragraph (b) of
2 2411 to 45 days?

3 MS. ICHIEN: Yes, subsection (b) in
4 2411, the public comment period will be expanded
5 to 45 days. And that's based on a very helpful
6 comment from OPR, and consistent with CEQA.

7 And we'll also have reference to
8 providing reports to the clearinghouse, so
9 notifying parties through the clearinghouse.
10 Again, a suggestion from OPR that was helpful.

11 PRESIDING MEMBER GEESMAN: Forty-five
12 days consistent with CEQA or compelled by CEQA?
13 Or recommended by OPR?

14 DR. TOOKER: All the above.

15 MS. ICHIEN: It's --

16 PRESIDING MEMBER GEESMAN: Okay.

17 MS. ICHIEN: Yeah. There's an exception
18 allowed under CEQA, but I don't think it's
19 worth --

20 PRESIDING MEMBER GEESMAN: No, I
21 understand. One of the virtues of a CEQA-
22 equivalent certified process.

23 MS. ICHIEN: Okay, moving on then to --
24 yes?

25 MR. HILL: Ask a quick question?

1 MS. ICHIEN: Certainly.

2 MR. HILL: My name is Steve Hill; I'm
3 with Modesto Irrigation District. I apologize, I
4 have a fair amount of experience with building
5 power plants and going through the siting process,
6 but this process is somewhat new to me.

7 Maybe you could just give me a little
8 instruction on one point. This is siting of
9 transmission corridors, correct?

10 MS. ICHIEN: It's not siting.

11 MR. HILL: I'm sorry, the approval of
12 just a corridor or a right-of-way, is that
13 correct?

14 MS. ICHIEN: Just designating, it's like
15 a --

16 MR. HILL: Just designating.

17 MS. ICHIEN: -- designation.

18 MR. HILL: Now, is it possible that you
19 could actually link the designation of a corridor
20 and the siting of a transmission line at the same
21 point?

22 MS. ICHIEN: You mean at the same --

23 MR. HILL: At the same time.

24 MS. ICHIEN: -- concurrently?

25 MR. HILL: Um-hum.

1 MS. ICHIEN: It would require supreme
2 coordination with the --

3 MR. HILL: I understand.

4 MS. ICHIEN: -- Public Utilities
5 Commission or other permitting entity.

6 MR. HILL: I understand. So, am I to
7 understand this is strictly to designate a
8 corridor, and then there's another process or
9 another hearing process to site it? They cannot
10 be done in conjunction with one another, is that
11 correct?

12 MS. ICHIEN: Based on how things are
13 now, this is a sequential process --

14 MR. HILL: Right.

15 MS. ICHIEN: -- where the designation
16 would occur in advance, probably far in advance of
17 the permitting.

18 MR. HILL: That's right. What I'm
19 wondering, is it possible to be able to do these
20 things in parallel? I don't see that in this
21 document. Because as I'm reading through this I'm
22 seeing okay, you got to go through this process.
23 When this is done then the clock may start on the
24 siting process.

25 And I understand these things can take

1 much longer than building a power plant, but I was
2 just curious if provisions can be made, because I
3 don't see anything in here where that can be done
4 in parallel.

5 DR. TOOKER: Well, it was our
6 expectation that a utility or a person proposing
7 this would be looking at 10, 15 years, and trying
8 to assure that there was some commitment of the
9 preservation of a reasonable way to get power from
10 A to B.

11 And if they were looking at a very
12 short-term planning process, as they do now with
13 the Cal-ISO, I'm not sure that there would be any
14 added value to a utility to have us go through a
15 voluntary designation process at the same time
16 that they get a permit from the PUC.

17 Just my initial response to that.

18 MR. HILL: Okay. I'm just trying -- I
19 asked that, I'm just trying to understand the
20 process, because as I've listened this morning
21 I've heard some things versus programmatic versus
22 project versus somewhere in between. I understand
23 the term for long-term planning.

24 But as a power plant builder I
25 understand how to get on with things, okay. And

1 so I'm just, as I've listening, I'm just trying to
2 figure out with some of these things, how you
3 marry them together. Because there is some
4 transmission that's needed much sooner than 15
5 years down the road, although we need to plan for
6 15 and 20 years down the road.

7 So I'm just trying to understand how
8 those things get married. And maybe this isn't
9 the forum to discuss that. I was just trying to
10 understand the full scope of what this is trying
11 to accomplish.

12 DR. TOOKER: Well, I think this is the
13 forum to discuss that marrying concept. And I
14 think it's one that we share an interest in with
15 you. But the question is the timing. And that'll
16 depend on individual proposals by individual
17 applicants.

18 MS. ICHIEN: But think of the
19 designation process in the context of long-term
20 planning. The intent is to designate a corridor
21 for purposes of identifying it as a potential site
22 for a future transmission line project that has
23 yet to be defined fully.

24 And this is in the context of, you know,
25 competing land use interests.

1 PRESIDING MEMBER GEESMAN: For a number
2 of years the Energy Commission has observed that
3 this is an area that would probably benefit by
4 only having one state agency involved. The
5 recommendation to consolidate the planning and
6 permitting authority has been made several times
7 to the Legislature.

8 The Legislature did not choose to go
9 down that path. And instead came up with this
10 corridor designation process as a way in which to
11 address the land use interest and hopefully as
12 many of the environmental issues as possible
13 before the PUC is asked to make a decision on a
14 certificate of public convenience and necessity.

15 So, if you think it looks like a camel,
16 that's probably because it is a camel.

17 MR. HILL: Okay, thank you for the
18 clarification.

19 MR. GALATI: Arlene, on --

20 MS. ICHIEN: Yes.

21 MR. GALATI: -- just a clarification on
22 2411(c). It does say within 30 days the staff's
23 going to prepare a final environmental impact
24 report. It just probably should say issue or
25 release or publish instead of just prepare one.

1 Just to make it clear, like with the other
2 regulations, that that's actually when it comes
3 out.

4 MS. ICHIEN: Um-hum. You don't think
5 we'd share it with you?

6 (Laughter.)

7 MR. GALATI: I think you would. Just,
8 again, --

9 DR. TOOKER: So we can say prepare and
10 publish so that --

11 MR. GALATI: Yes.

12 MS. ICHIEN: Any other comments on
13 publication?

14 Then moving to section 2412, the
15 prehearing conference and hearing order.

16 MR. LEEPER: John Leeper, Southern
17 California Edison. Just a clarifying question on
18 number (c). It says, the issue of conformity with
19 strategic plan shall include a demonstration based
20 on substantial evidence of the need for the
21 proposed corridor." Okay.

22 And then, "The basic issue of need for a
23 corridor shall first be considered in a proceeding
24 on the strategic plan under" a certain section.

25 I guess the clarification I'd like is if

1 you do it on a nonspecific project, a future need,
2 is that going to be -- is that in conflict with
3 this or is that consistent with this language?

4 MS. ICHIEN: This language allows for
5 that level of nonspecificity.

6 MR. LEEPER: Okay.

7 MS. ICHIEN: Yeah.

8 DR. TOOKER: Well, I think one thing
9 we've discussed quite a lot and recognize is that
10 the parameters you look at and the information you
11 would have to determine the need for a project 20
12 years out is going to be considerably different
13 than the need determination and factors you look
14 at in a five-year window --

15 MR. LEEPER: Right.

16 DR. TOOKER: -- and an update. You
17 know, we recognized that.

18 MR. LEEPER: Okay, and that would be --
19 okay, I thought so, but I was just reading and I
20 wasn't sure if that was, you know, sort of
21 defeating the purpose by forcing an identified
22 need. Okay.

23 MS. ICHIEN: Any other comments on that
24 section?

25 MR. GALATI: Yeah. On both in (a) and

1 (b) the term Commission or assigned committee
2 keeps popping up. And I just would hate to have
3 the full Commission have to do these things. So I
4 think that we should --

5 MS. ICHIEN: Just strike --

6 MR. GALATI: -- call that assigned
7 committee. Yeah.

8 PRESIDING MEMBER GEESMAN: Yeah, I think
9 we need a global change to clean that up.

10 MS. ICHIEN: Moving then to section
11 2413, hearings and record. Any comments,
12 suggested changes?

13 MR. GALATI: Yeah, on section (b),
14 2413(b), that provides the rules of evidence and
15 cross-examination of witness. And then it says
16 any person may ask questions.

17 Once again, I think that that should be
18 a party. That, you know, the ability to stand up
19 and ask questions and present evidence is, I
20 think, limited to people who are granted party
21 status, not just any person.

22 I would sure hate to have my client be
23 standing up there and any member of the public can
24 come up and cross-examine them, who has been part
25 of the process. So I think that should be

1 reserved to party.

2 MS. ICHIEN: I understand. Some input
3 from the Committee would be helpful here in terms
4 of --

5 PRESIDING MEMBER GEESMAN: Track the
6 siting process for power plants.

7 MS. ICHIEN: I think there is discretion
8 given the presiding member of a committee.

9 PRESIDING MEMBER GEESMAN: We don't want
10 it.

11 MS. ICHIEN: Okay.

12 PRESIDING MEMBER GEESMAN: Track the
13 siting process.

14 MS. ICHIEN: Well, even in the siting
15 case, not to cross-examine --

16 PRESIDING MEMBER GEESMAN: And we
17 generally put those people into the public comment
18 period if they're not parties.

19 MS. ICHIEN: Yes. And that would be
20 specified in the procedural part of the order.

21 PRESIDING MEMBER GEESMAN: No greater
22 discretion is needed than is currently afforded in
23 our siting regs.

24 MS. ICHIEN: Okay. Any other comments?

25 Moving then to the proposed decision,

1 section 2414.

2 MS. FERRY: Arlene, we have a comment
3 related to that.

4 MS. ICHIEN: Yes.

5 MS. FERRY: Subsection (a) there, we
6 were hoping we could put some kind of
7 quantification as to after the conclusion of
8 hearings. And perhaps qualify that with no longer
9 than say 90 days after the --

10 MS. ICHIEN: Yes.

11 MS. FERRY: -- conclusion of hearings
12 the Commissioner shall -- just put some more
13 parameters around the whole process.

14 MS. ICHIEN: I think that's a reasonable
15 timeline. And so, within 90 days of proposed
16 decision you'd be expected --

17 PRESIDING MEMBER GEESMAN: Fine by me.
18 The risk that you have in putting what you think
19 of as an outer parameter is that it becomes the
20 target. And I'm not about to deny that sometimes
21 these can be hard to assemble, but we do strive
22 for a tighter timeframe in our siting decisions.
23 It's not written anywhere, but --

24 MS. FERRY: Okay.

25 PRESIDING MEMBER GEESMAN: -- 90 days

1 would be a slow decision in our siting cases in
2 terms of a PMPD.

3 MS. FERRY: I think no longer than, but
4 why don't we make it ten?

5 (Laughter.)

6 MS. FERRY: And maybe it's not an issue
7 then. If you usually, you know, render quick
8 decisions and it might not be an issue. We were
9 just --

10 PRESIDING MEMBER GEESMAN: I wouldn't
11 call them quick. I was about to suggest 60 is
12 more reasonable than 90. And I guess my question
13 to the staff is you thought 90 was reasonable, do
14 you think 60 would be reasonable?

15 MS. ICHIEN: I think 60 is reasonable.

16 PRESIDING MEMBER GEESMAN: Okay, then I
17 would suggest we follow her recommendation but
18 substitute 60 for 90.

19 MS. ICHIEN: I assume a hearing officer
20 would be assigned to help with the proceeding.

21 PRESIDING MEMBER GEESMAN: Don't we have
22 hearing officers in the audience to comment on
23 that?

24 MS. ICHIEN: We should get the hearing
25 officers --

1 PRESIDING MEMBER GEESMAN: You're
2 certainly accurate that hearing --

3 MS. ICHIEN: -- input.

4 PRESIDING MEMBER GEESMAN: -- officers
5 would be assigned. And I think we should put 60
6 in without waiting for comment from the hearing
7 officers.

8 (Laughter.)

9 DR. TOOKER: Especially not at this
10 moment in time.

11 PRESIDING MEMBER GEESMAN: Yeah.

12 MS. ICHIEN: Any other comments on the
13 proposed decision?

14 Then moving to findings --

15 MR. ACUNA: One last one.

16 MS. ICHIEN: Yes.

17 MR. ACUNA: Item (c). Is it procedural
18 that it's the full Commission who takes the vote?

19 MS. ICHIEN: On the --

20 MR. ACUNA: Item (c), proposed decision.

21 MS. ICHIEN: Oh, to receive --

22 DR. TOOKER: No, that's going to be --

23 MS. ICHIEN: -- we're going to get rid
24 of "commission" --

25 DR. TOOKER: It's going to say assigned

1 committee.

2 MS. ICHIEN: -- wherever it's referred
3 to with a an assigned committee.

4 Findings and conclusions. Any comments,
5 Scott? Others?

6 MR. GALATI: What I was wondering,
7 whether the language in (e) allows the decision to
8 set forth mitigation strategies.

9 Again, I certainly don't want to usurp
10 the CPUC's authority, but it would be very helpful
11 if people knew in a particular designated corridor
12 about what they would have to do.

13 PRESIDING MEMBER GEESMAN: I sure think
14 that's right.

15 MR. GALATI: And I do recognize the CPUC
16 will have to update it; it'll have to be based on
17 new biological surveys. But I would be the person
18 that would say, I only want to do my biological
19 surveys where I access the corridor, where my
20 footprints are going to be.

21 PRESIDING MEMBER GEESMAN: Right.

22 MR. GALATI: I don't want to do the
23 whole darn thing again.

24 PRESIDING MEMBER GEESMAN: Right.

25 MR. GALATI: I don't want to do the

1 cultural surveys for the whole darn thing again.
2 I'd be looking at disturbance areas. And if there
3 were strategies already developed on how you avoid
4 or mitigate.

5 So I don't know if we can come up with
6 language in (e) that says, you know, recommended
7 or, you know, --

8 MS. ICHIEN: To me feasible means of
9 mitigating includes existing HCPs and other plants
10 that are in place that could avoid, you know,
11 identified potential impacts.

12 And then in the next section there is
13 reference to, you know, the findings that a CEQA
14 agency has to make in its final decision about
15 mitigation, if there are potential impacts.

16 And so I would expect the Commission's
17 decision to contain mitigation measures where
18 there are identified significant impacts. Be that
19 requirement to comply with an HCP or an existing
20 cultural resources plan, or one that was proposed
21 by the applicant during the case.

22 PRESIDING MEMBER GEESMAN: Do you allude
23 to that at the top of page 12?

24 MS. ICHIEN: Yes.

25 PRESIDING MEMBER GEESMAN: Would it be

1 desirable to provide more detail in 2415 that,
2 indeed, you're looking at not only whether there
3 are feasible means of mitigation, but what they
4 are?

5 MS. ICHIEN: Whether there are, and
6 identification. Um-hum.

7 MR. GALATI: Yeah, because the final
8 decision in hearing, that section 1, it basically
9 says that the decision is going to have a
10 requirement for that proposed designation. And so
11 the proposed decision ought to so you can look at
12 what the requirements might be and comment on
13 them.

14 MS. ICHIEN: Um-hum.

15 DR. TOOKER: So you could just drop --

16 MR. GALATI: You can just take 1 and
17 drop 1 into (e).

18 DR. TOOKER: Or in (e) you could just
19 drop "whether there are" and it just says
20 "feasible means of mitigating or avoiding."

21 MS. ICHIEN: Where there are, and if so
22 the identification of feasible mitigation.

23 MR. GALATI: And this, again, brings up
24 a point of, you know, we're going down the siting
25 regulations avenue. So how do you see the

1 proposed decision coming out? Do you see the
2 proposed decision coming out with a list of
3 conditions that say, here's biology; we did all
4 the environmental analysis and these are the
5 conditions we would impose upon anyone who
6 develops within the corridor?

7 MS. ICHIEN: Yes.

8 PRESIDING MEMBER GEESMAN: I think
9 that's the best model.

10 MR. GALATI: Because certainly the EIR
11 would be identifying mitigation measures. So you,
12 I'm assuming, would be incorporating those
13 mitigation measures right into the decision?

14 PRESIDING MEMBER GEESMAN: I think
15 that's the best model.

16 MS. ICHIEN: I think the Energy
17 Commission, as the lead agency, would have to take
18 into account those recommended mitigation measures
19 in its final decision.

20 MR. GALATI: Yeah, then incorporating
21 the concepts of one into the decision, I think,
22 are important.

23 MS. ICHIEN: Any other comments on that
24 section?

25 Then moving to the final decision and

1 hearing.

2 DR. TOOKER: Oh, I just might point out
3 that item (d) at the top of page 12, we're aware
4 that its reference to subsection (b) should be to
5 subsection (c). As a result of our phone
6 conversations earlier.

7 MS. ICHIEN: Right.

8 DR. TOOKER: We're going to change that.

9 MS. ICHIEN: Did you have a comment?

10 MS. FERRY: Not at this point.

11 MS. ICHIEN: On 2416. Moving then to
12 2417. Notification. This is notification to
13 local governments.

14 MS. MANNION: I would make the same
15 comment --

16 MS. ICHIEN: About who to notify, being
17 specific here, too.

18 MS. MANNION: Right.

19 MS. ICHIEN: Okay. And then section
20 2418. This was an attempt to get the Energy
21 Commission's decision, as well as the
22 environmental review, squarely before the Public
23 Utilities Commission for its consideration and use
24 in the permitting stage.

25 And then 2419, catalogue.

1 PRESIDING MEMBER GEESMAN: The catalogue
2 is broader than simply EIRs, is it not? It would
3 include negative decs and mitigated negative decs?

4 DR. TOOKER: Yes. Any environmental
5 documents.

6 MR. TERZICH: Just for clarity, also --
7 Chris Terzich, SDG&E -- where it says permit to
8 construct, could also be a CPCN?

9 MS. ICHIEN: Where are you?

10 MR. TERZICH: Sorry, on the 2419.

11 MS. ICHIEN: Yes.

12 MR. TERZICH: Where it say for a permit
13 to construct a high-voltage transmission line, it
14 could also be a certificate of public convenience?

15 MS. ICHIEN: Yes. I mean, that wasn't
16 intended to be the artful term in the PUC's order,
17 131(d), but I can see where that could cause
18 confusion.

19 DR. TOOKER: You mean that's in their
20 language now?

21 MS. ICHIEN: A permit to construct is a
22 category.

23 PRESIDING MEMBER GEESMAN: We need to be
24 mindful of that to avoid confusion.

25 MS. ICHIEN: And then finally, the

1 review of designated corridors.

2 MR. LEEPER: Maybe I could -- this sort
3 of comes to kind of a general question along the
4 need for corridors.

5 Say in the event that we've a designated
6 corridor and there is a significant change, say a
7 large area of desert becomes a protected area, a
8 national monument or a park or something.

9 Is there some way that there would be a
10 grandfathering clause? Or would that be any way
11 the CEC could be, or would it be up to the parties
12 to intervene with that proceedings or something?

13 I'm just kind of curious because we are
14 talking about going through areas that normally
15 would be very sensitive. And maybe even preclude
16 a transmission line.

17 But when you have sort of a pre-
18 established identification of a need and a
19 corridor, and then sort of comes in after the
20 fact, how might that be handled? Would that be
21 part of this review, or would it be some sort of
22 grandfathering? Or would the CEC possibly be an
23 advocate on behalf of that corridor designation?

24 DR. TOOKER: I think staff had
25 contemplated the need for a very active ongoing

1 outreach with key agencies once a designation has
2 occurred, just for the purposes of addressing
3 those kinds of issues that would arise, to assure
4 that we could participate in say, a park planning
5 process, or other planning processes. And make
6 sure that they recognize the need to consider the
7 designation as a statement of state policy.

8 And then perhaps to update that
9 designation to reflect changes made in that
10 planning process. And hopefully in a positive way
11 to maintain the viability of the corridor.

12 MR. LEEPER: Right. And it sort of
13 follows along with what Tom had been talking about
14 earlier in the, you know, how would you build
15 through there, and the answer is you wouldn't.

16 And, you know, I mean that obviously,
17 you know, we need to consider that as one
18 alternative. But, if that is the only viable way,
19 there should be some middle ground or some
20 opportunity to at least come up with some
21 mitigation strategy.

22 And like I said, the second thing is
23 that we are designating a corridor in the future.
24 And then, you know, something happens between the
25 designation and the actual implementation of a

1 specific project, is there, you know, just some
2 sort of way to address that potential outcome?

3 PRESIDING MEMBER GEESMAN: I think the
4 Commission envisions a certain required vigilance
5 on our part in preserving and protecting the
6 corridor designations that we make. So, at least
7 as the Commission's currently comprised, I think
8 you could expect a pretty ongoing level of
9 activity there in making certain that there aren't
10 intrusions on a corridor once the designation's
11 been made.

12 MR. LEEPER: Great.

13 MS. ICHIEN: And we hope to establish
14 and maintain an ongoing relationship with local
15 governments through whose jurisdiction a
16 designated corridor may go, for purposes of
17 encouraging them to reflect the designated
18 corridor in their general and specific plans.

19 And I mean that's the best way to
20 preserve the corridor, is to have it actually
21 designated, reflected in a local plan.

22 MR. LEEPER: Okay.

23 DR. TOOKER: And we're working with OPR
24 now to try to figure out an overall strategy as to
25 how best to do that, and what tools are available

1 to have an ongoing coordination with local
2 agencies. Not just cities and counties, but the
3 water districts, park districts, fire districts, a
4 lot of local governments that might have the need
5 to construct projects or make decisions that could
6 impact the viability of a corridor.

7 MR. LEEPER: Great.

8 MS. ICHIEN: Shall we move on to
9 appendix G, information requirements.

10 MR. TRIAL: This is Allen Trial with
11 SDG&E. On 2420, I might suggest that we add,
12 after the word necessary, that there be a review
13 for upon request.

14 MS. ICHIEN: Yes, okay.

15 DR. TOOKER: Yeah; one of the issues
16 that's come up in some of our discussions was that
17 that review upon request might not be just
18 exclusively the proponents, but it could be local
19 government or other entities that would request an
20 update of our review.

21 MR. TRIAL: Correct.

22 MS. FERRY: Arlene, if I may?

23 MS. ICHIEN: Yes.

24 MS. FERRY: Can we go back to section
25 2410, subsection (c). I was just wondering if

1 those hearings under that subsection might be
2 redundant to the hearings that you have under
3 section 2409.

4 MS. ICHIEN: I notice there are two
5 subsection (c)s, a typo.

6 MS. FERRY: The first one.

7 (Laughter.)

8 MS. ICHIEN: That's the evidentiary
9 hearing. And you're asking if that's redundant of
10 the hearing under section --

11 MS. FERRY: 2409, informational hearing
12 and scoping.

13 MS. ICHIEN: It's not intended to be
14 duplicative in that the informational hearing is
15 like the introduction to the public of the
16 proposed corridor.

17 And the later hearing is the more
18 formal, evidentiary hearing, at which time
19 testimony will be sponsored by witnesses for
20 inclusion into the record upon which the
21 Commission's would rest.

22 DR. TOOKER: I'd note there's a comment
23 by staff about 2420 in terms of review upon
24 request. Assuming that the Commission, in any
25 event, would have the discretion as to how it

1 responded to such requests.

2 MS. ICHIEN: You mean whether to deny it
3 or not?

4 DR. TOOKER: Right. Or to proceed with
5 it. I mean it wouldn't be staff determination it
6 would be the Commission's determination.

7 MS. ICHIEN: Oh, I see what you're
8 saying. Yes. The request would go to the
9 Commission.

10 MR. LEEPER: Right.

11 MS. ICHIEN: Not to the staff. You
12 could request the staff -- but the request to
13 initiate a formal update or review would be to the
14 full Commission.

15 DR. TOOKER: I mean you would want to
16 avoid arbitrary requests that weren't based on
17 some level of justification. And the Commission
18 should have the ability to -- the discretion to
19 consider that.

20 MS. ICHIEN: The discretion to deny a
21 request.

22 DR. TOOKER: Right.

23 MS. ICHIEN: Yes.

24 MR. HILL: But in the informational
25 hearing that's still recorded, is it not?

1 MS. ICHIEN: Yes.

2 MR. HILL: And everything that's said by
3 presenters is still considered testimony?

4 MS. ICHIEN: It wouldn't be considered
5 formal testimony, but certainly public comment
6 that would be, you know, available for
7 consideration.

8 MR. HILL: Right, that would not. But I
9 thought that any formal presentation during an
10 informational hearing could be considered
11 testimony.

12 MS. ICHIEN: The testimony, under oath
13 and subject to cross, would be at the later
14 evidentiary hearing.

15 MR. HILL: At the evidentiary, okay.

16 MS. ICHIEN: The informational hearing
17 wouldn't be conducted that way.

18 MR. GALATI: One of the questions that I
19 have, from a legal perspective, is with the Energy
20 Commission siting regulations being a CEQA-
21 equivalent process, we never really have to think
22 about this, but staff produces the final EIR;
23 applicant submits testimony. Let's say there's
24 disagreement on the way mitigation should be
25 incorporated.

1 There is an evidentiary hearing and for
2 some untold reason the Commission agrees with the
3 applicant. And so now the mitigation measure
4 that's incorporated into the decision, what does
5 that do to the validity and certification of the
6 final EIR?

7 Is the final EIR that is certified,
8 since the Commission's not issuing a permit, how
9 does that dovetail with the decision, such that
10 there is a final? What would you take to the PUC
11 if you wanted to make the argument that the
12 impacts were all mitigated; our route for our
13 project within this corridor has been designed in
14 accordance with this; please do a mitigated
15 negative dec, which is where we'd like to be
16 someday, right?

17 What would you take to them?

18 MS. ICHIEN: To the PUC? The
19 regulations would direct that the Commission's
20 decision and the environmental report --

21 MR. GALATI: Okay, --

22 MS. ICHIEN: -- document be included in
23 the application.

24 MR. GALATI: i'm just saying that the
25 final environmental report, I'm assuming the

1 Commission would --

2 MS. ICHIEN: It could vary, it could
3 differ from the decision.

4 MR. GALATI: Right. So, you know, in a
5 typical land use permitting authority they certify
6 the environmental report as the final EIR, and
7 then they issue a permit. And they have
8 conditions in the permit. I've never seen the
9 conditions in the permit not incorporate all the
10 conditions of the final EIR. Or they would send
11 it back out for the final EIR to be revised.

12 And so my concern is how do we do that
13 here with no permit.

14 MS. ICHIEN: The final decision of the
15 agency can vary from what's recommended in an EIR
16 so long as there's substantial evidence in the
17 record. And there would be in that example you
18 provided.

19 MR. GALATI: Okay.

20 MS. ICHIEN: On which to base the
21 Commission's final conclusions.

22 MR. GALATI: Okay, so they might choose
23 a different mitigation strategy?

24 MS. ICHIEN: They could disagree with
25 staff and require mitigation that's based on

1 substantial evidence provided by party X or the
2 applicant.

3 MR. GALATI: Okay. Then, never mind.
4 Sorry.

5 PRESIDING MEMBER GEESMAN: Let's keep in
6 mind Chris' suggestion that we think of any
7 statutory clarifications that might be desirable.

8 MS. ICHIEN: So, are we ready to move to
9 appendix G, informational requirements. Any
10 comments on the executive summary or the project
11 description?

12 MR. GALATI: In number (1) you ask for
13 the transmission facilities anticipated to be
14 within the corridor. I'm assuming a general
15 description of the transmission facilities, I mean
16 I'm not sure how I would write that if we're far
17 out in advance. Just three lines, two lines, one
18 line, 500 kV.

19 At some point in time when you start
20 providing that specificity you are moving to a
21 specific EIR. So I think that we need to be
22 cognizant of the information that we request
23 versus the level of review that we're doing.

24 In some cases I think that you could be
25 identifying there's a possibility of, you know,

1 one line, but we need a corridor to have future
2 expansion that may include up to eight lines or
3 two lines or four lines. And that's why it needs
4 to be this wide.

5 But I think we just need to make clear
6 that you're not asking for if it's a lattice
7 structure tower or monopoles or voltage or
8 something.

9 MS. ICHIEN: Right. We're assuming that
10 that level of detail has, in all likelihood, not
11 been developed.

12 MR. GALATI: Yeah.

13 DR. TOOKER: I think there would be --
14 although we agree with you that it's especially
15 for protecting, you know, 15 years out, that
16 there's not a lot of specificity. To the extent
17 that we would need to look at potential impacts it
18 might be good to identify a range of potential
19 structures or ways to accommodate that size of
20 line in terms of towers or whatever, as exemplary
21 or just samples to help guide us in looking at
22 potential impacts.

23 MS. ICHIEN: And certainly what's
24 reasonably foreseeable. To the extent there's
25 information on what's reasonably foreseeable, we

1 would like information on that.

2 MR. GALATI: Yeah, and those are some of
3 the words, I think, that we should clarify there.

4 MS. ICHIEN: Um-hum.

5 MR. GALATI: Use some of those things
6 reasonably foreseeable when anticipate -- describe
7 to the extent available or something like that.

8 MR. TERZICH: Or worst case.

9 MR. GALATI: Yeah.

10 MS. MANNION: And then we were going to
11 suggest that you also add in here an
12 identification of lands under Williamson Act
13 contracts.

14 DR. TOOKER: Okay, that probably --

15 MS. ICHIEN: Yes.

16 DR. TOOKER: -- would be in the land use
17 section.

18 MR. JOHNSON: Roger Johnson from the
19 staff. I'd like to follow up on that question
20 about not necessarily identifying the facilities
21 that are going to go into the corridor.

22 We know that the corridor is going to be
23 200 kV or larger, so typically it's a 230 or a 500
24 kV transmission system. They are quite different
25 in size and height.

1 And so some corridors might have height
2 restrictions that a 500 kV -- so are you
3 suggesting that we would just do a generic
4 corridor and have to look at whether or not a 500
5 would fit in this particular corridor or only a
6 230?

7 MR. GALATI: No, I think that's a
8 general description. But my point was that, as
9 it's written, I think it could be subject to
10 interpretation to ask for more level of detail
11 than you would need.

12 For example, how many towers are
13 anticipated or are you using a lattice structure
14 or monopole or what is the color, things like
15 that.

16 So I just wanted some clarification that
17 we ought to have some to the, you know, reasonably
18 foreseeable, to the extent available, some
19 qualifier in the description of transmission
20 facilities so that we don't get into sort of a do-
21 loop of trying to go back and ask the engineers
22 what they think ten years out really will look
23 like.

24 But I agree with you that maybe the size
25 of the conductor or maybe the, you know, general

1 height of poles, if it was available, might be
2 appropriate.

3 DR. TOOKER: And also perhaps typical
4 spacing strategies that are used. But without a
5 commitment to, you know, actual placement.

6 MR. GALATI: And I think that's where
7 there certainly is a disagreement among the group
8 of maybe when, at what time a utility might ask
9 for a corridor, someone might ask for a corridor
10 because they're anticipating something relatively
11 soon. And someone might ask for a corridor
12 because they're anticipating something a long time
13 from now.

14 So I just think you need to build into
15 here the flexibility so that we don't get stuck
16 into, this is what is required for data adequacy.
17 And you can't move forward without that level of
18 detail. That's what I was suggesting.

19 MS. ICHIEN: So to recognize that
20 different applicants may have different levels
21 of --

22 MR. GALATI: Correct.

23 MS. ICHIEN: -- depending on where they
24 are in the planning stages.

25 MR. GALATI: That's correct.

1 MS. ICHIEN: Comments on project
2 description. Conformity with the strategic plan
3 and need.

4 MR. ACUNA: Just a note of interest. I
5 looked at the national interest electric
6 transmission corridor mapping that FERC put out,
7 DOE, in San Diego. And they're very large. And
8 here you're very specific, which is good;
9 centerline, description. Are we trying to match
10 what they're doing under 1221? Is there a
11 conflict here? That's the point of discussion.

12 MS. ICHIEN: Well, we have in mind to
13 try to match up with the section 368 corridors,
14 federally designated corridors.

15 MR. ACUNA: They're more specific.

16 DR. TOOKER: I have a question. I hate
17 to break in here but, Commissioner Geesman, you
18 said that you and Commissioner Byron would be
19 leaving at 1:00.

20 PRESIDING MEMBER GEESMAN: That's right.

21 DR. TOOKER: And I do think it's
22 critical that we seek from the Committee at this
23 point some expectations regarding filing of
24 comments, and then our preparation of revised
25 regulations and a subsequent workshop.

1 PRESIDING MEMBER GEESMAN: I think we
2 ought to have a subsequent workshop. I think you
3 ought to determine from the participants what
4 would be a reasonable time to allow for them to
5 file written comments.

6 You should work out before you leave
7 today a rough schedule for when such a workshop
8 would be held. And at least my hunch is one more
9 workshop ought to be sufficient.

10 So we ought to aim for an additional
11 workshop that will ultimately resolve the
12 remaining ambiguities and other questions in regs
13 before they can be recommended to the full
14 Commission.

15 DR. TOOKER: Yeah, and I think as we
16 have already, to offer the opportunity for
17 conference calls and all the dialogue --

18 PRESIDING MEMBER GEESMAN: Yeah, I would
19 strongly encourage that. I think it helped this
20 workshop that you guys did that.

21 DR. TOOKER: Thank you.

22 PRESIDING MEMBER GEESMAN: Does that
23 mean then that Jeff and I are excused?

24 (Laughter.)

25 MS. ICHIEN: Unless any of the parties

1 want to provide comment on any of the
2 informational requirements before the
3 Commissioners leave.

4 MR. SPEAKER: No.

5 MS. ICHIEN: Okay.

6 PRESIDING MEMBER GEESMAN: I want to
7 thank you all very much. This has been, I think,
8 quite productive. And I think if we can maintain
9 that same kind of mutuality in objectives we can
10 accomplish --

11 DR. TOOKER: I might just ask if there's
12 anybody on the phone that wanted to provide
13 comment that hasn't? Okay, there is nobody.

14 PRESIDING MEMBER GEESMAN: Okay, this
15 will turn, then, into a staff workshop for the
16 remaining --

17 DR. TOOKER: Is there a common interest
18 in taking a five-minute break before we proceed?

19 MS. ICHIEN: Or lunch.

20 DR. TOOKER: Well, my other question is
21 are we close enough to the end that we can proceed
22 with going through appendix G in a timely manner
23 here. Or should we break for lunch?

24 MR. GALATI: I can only speak from
25 PG&E's perspective, I think our appendix G

1 comments are going to be very similar with our
2 other comments about providing the flexibility in
3 the specificity based on what is added.

4 I think that we can provide that in
5 writing probably a little better than going
6 through each one of the items. So I actually
7 don't have a lot on appendix G.

8 DR. TOOKER: San Diego?

9 MR. TERZICH: Yeah, we concur.

10 DR. TOOKER: Edison?

11 MS. FERRY: Same.

12 MR. LEEPER: Yeah.

13 MS. ICHIEN: Anyway, your suggested --

14 DR. TOOKER: RCRC?

15 MS. MANNION: We also are going to
16 submit comments, and as I said, we're reaching
17 out. We'll have additional comments.

18 I did have a question. Are you looking
19 at this additional workshop being after the
20 revised regs come out?

21 MS. ICHIEN: Yes.

22 MS. MANNION: Okay, so that'll be
23 excellent. Okay.

24 MS. ICHIEN: Anyway, so are the parties
25 in agreement that we could just leave it at you

1 providing us with specific written suggestions as
2 to the wording of this informational requirements.
3 And we understand the flexibility that the
4 requirements need to reflect, within reason.

5 MR. LEEPER: I guess I'd just like to
6 offer a general comment. I would prefer that the
7 regs, you know, not be more stringent or more
8 onerous than what we're already subject to in some
9 of our environmental and some of these land use
10 permits.

11 So I think that we'd like to track, at
12 least as the maximum, what we currently have, and
13 possibly where feasible, to go to less detail so
14 that we minimize the amount of time and effort
15 that's required for it, especially in our case
16 looking at, you know, future corridor planning, or
17 designation.

18 DR. TOOKER: John, could you provide us
19 with some examples of that?

20 MR. LEEPER: Yeah, we have some
21 specifics. You want to --

22 MS. FERRY: Sure. It's in the appendix
23 G, the land use, subsection -- or it's (i) and
24 subsection (3). And one of those was the special
25 status areas in the proposed corridor zone that we

1 notify within one mile, or identify within one
2 mile.

3 I don't think the CPUC's requirements
4 are near as onerous as --

5 DR. TOOKER: Okay, so these are similar
6 to the things we discussed in our conversation --

7 MR. LEEPER: Yes.

8 MS. FERRY: Yes.

9 DR. TOOKER: I thought you were
10 referring to giving -- I was asking for you to
11 give us kind of an overview of what the data
12 requirements are for the permit processes that you
13 go through, but if you just have focused comments,
14 then that's fine.

15 MR. LEEPER: Yeah, I'm not really that
16 knowledgeable on the specifics. But I think that
17 some of these do appear to be more onerous than
18 we're currently required. And we don't mind going
19 up to that level, especially if it would
20 facilitate moving this process forward, you know,
21 in a later hearing.

22 But we'd rather not have more
23 requirements placed upon us as part of this
24 corridor designation than we're already subject
25 to.

1 That's just a general overview. And our
2 comments will sort of reflect that. If we do see
3 areas that we think could be more onerous than
4 we're currently subject to, we would probably
5 point that out in our written comments.

6 DR. TOOKER: Okay, thank you.

7 MR. ACUNA: When reviewing, or we're
8 picking up a couple next points where are we
9 going. And it sounds like written comments per
10 Commissioner Geesman. And then we would have
11 revised regs. And then we'd meet again together.

12 In keeping with PG&E I think what we can
13 do is we can provide more detail in writing to you
14 on appendix G. I think the things that we have
15 all discussed today have been the main body of
16 your rules.

17 MS. ICHIEN: Yes.

18 MR. ACUNA: So from our company's
19 perspective we would provide you more comments on
20 G. We need to set a date. We can do that. And
21 then pick the date for the review or the public
22 workshop of the final document.

23 MS. ICHIEN: Is one week a reasonable
24 period of time to get comments back to us?

25 MR. ACUNA: It's a holiday. I'd say

1 everybody needs --

2 MS. ICHIEN: Oh, that's right.

3 MR. ACUNA: -- a couple of weeks at
4 least.

5 MS. ICHIEN: Two weeks?

6 MR. GALATI: Yeah, I think a couple of
7 weeks would be fine.

8 MS. ICHIEN: Okay.

9 DR. TOOKER: I assume that we'll proceed
10 with incorporating changes based on what we've
11 heard here today. Then be able to respond to any
12 subsequent comments in writing.

13 MS. ICHIEN: July 13th, yes, day before
14 Bastille Day.

15 DR. TOOKER: And in the meantime if you
16 have any questions, please contact Gary Collord.
17 Fortunately I'll be out on vacation all next week,
18 so. But Gary's going to be available, as well as,
19 I'm sure, Arlene if you have any questions of her.

20 MS. ICHIEN: Anyway, thank you all very
21 very much for all of your time and reviewing these
22 draft regs and your comments.

23 (Whereupon, at 12:51 p.m., the Committee
24 workshop was adjourned.)

25 --o0o--

CERTIFICATE OF REPORTER

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

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

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

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