

INFORMATIONAL HEARING  
BEFORE THE  
CALIFORNIA ENERGY RESOURCES CONSERVATION  
AND DEVELOPMENT COMMISSION

In the Matter of: )  
 )  
Application for Certification ) Docket No.  
for the Lodi Energy Center ) 08-AFC-10  
Northern California )  
Power Agency )  
\_\_\_\_\_ )

CRETE HALL  
HUTCHINS STREET SQUARE  
125 SOUTH HUTCHINS STREET  
LODI, CALIFORNIA

THURSDAY, JANUARY 15, 2009

5:00 p.m.

Reported by:  
John Cota  
Contract No. 170-07-001

COMMITTEE MEMBERS PRESENT

Karen Douglas, Commissioner and Presiding Member

Jeffrey D. Byron, Commissioner and Associate  
Member

Kenneth Celli, Hearing Officer

Kristy Chew, Advisor to Commissioner Byron

Diana Schwyzer, Advisor to Commissioner Douglas

STAFF AND CONSULTANTS PRESENT

Rod Jones

Melanie Moultry, Staff Counsel

Robert Worl

PUBLIC ADVISER'S OFFICE

Nick Bartsch

APPLICANT

Scott Galati, Attorney  
Galati and Beck

Ed Warner  
Northern California Power Agency

Andrea Grenier  
Grenier & Associates, Inc.

Sarah Madams  
CH2M HILL

ALSO PRESENT

The Honorable Larry D. Hansen  
Mayor, City of Lodi

Nicole Goehring  
Golden Gate Chapter of the Associated Builders and  
Contractors

PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

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

2 5:07 p.m.

3 PRESIDING MEMBER DOUGLAS: Welcome to  
4 the Scoping and Issues Identification and  
5 Scheduling Conference conducted by a committee of  
6 the California Energy Commission regarding the  
7 proposed Lodi Energy Center. The Energy  
8 Commission has assigned a Committee of two  
9 Commissioners to conduct these proceedings.

10 Before we begin e would like to  
11 introduce ourselves to you. My name is Karen  
12 Douglas, I am the Presiding Member of the Siting  
13 Committee. My colleague, Commissioner Byron, who  
14 is seated not to my immediate left but one further  
15 down, is the Associate Member of the Committee.

16 To my right is my advisor, Diana  
17 Schwyzer. To my immediate left is the Hearing  
18 Officer, Kenneth Celli. And to Commissioner  
19 Byron's left is his advisor, Kristy Chew.

20 Would the parties please introduce their  
21 representatives at this time beginning with the  
22 applicant.

23 MR. GALATI: My name is Scott Galati  
24 representing NCPA.

25 MR. WARNER: My name is Ed Warner

1 representing NCPA.

2 MS. GRENIER: Andrea Grenier, consultant  
3 to NCPA.

4 MS. MADAMS: And Sarah Madams,  
5 consultant to NCPA.

6 PRESIDING MEMBER DOUGLAS: Thank you.  
7 And staff?

8 MR. JONES: My name is Rod Jones. I am  
9 the CEC siting project manager.

10 MS. MOULTRY: My name is Melanie  
11 Moultry, I am a CEC attorney.

12 PRESIDING MEMBER DOUGLAS: Very well.  
13 There are no intervenors at this time.

14 Are there -- Let's see. I understand  
15 that the mayor of the City of Lodi, Larry Hansen,  
16 is here; is that correct.

17 MAYOR HANSEN: Yes.

18 PRESIDING MEMBER DOUGLAS: Welcome,  
19 thank you.

20 Are there elected officials, other  
21 elected officials or representatives from the  
22 State of California or San Joaquin County? From  
23 the City, PG&E, Water Boards, Air District or any  
24 other agencies, organizations present? Very well.

25 And I would like finally to introduce

1 the Public Adviser, Nick Bartsch. Nick, can you  
2 wave your hand. He is in the back of the room.

3 On September 10, 2008 the California  
4 Energy Commission received an Application for  
5 Certification from Northern California Power  
6 Agency, the applicant.

7 The project involves a 255 megawatt  
8 combined-cycle electric generating plant and  
9 facilities in the city of Lodi in San Joaquin  
10 County, approximately six miles west of the city  
11 center of Lodi and approximately two miles north  
12 of the city of Stockton.

13 Just prior to this Informational Hearing  
14 the Committee conducted a public site visit at the  
15 proposed location of the power plant.

16 The purposes of today's hearing are the  
17 following: Provide information about the proposed  
18 power plant, to describe the Commission's process  
19 in reviewing the application, to provide  
20 information on opportunities for the public to  
21 participate in this process, to inform the  
22 Committee, the parties and the community about the  
23 project, its progress to date in the application  
24 process, perceived issues that need resolution,  
25 and to meet and confer about the project schedule.

1                   Later in the hearing the Public  
2           Adviser's representative will explain how the  
3           public can obtain information about the project  
4           and participate and offer comments during this  
5           review process. Mr. Bartsch will also explain how  
6           to intervene as a formal party should members of  
7           the public wish to present evidence and cross  
8           examine witnesses.

9                   At this time I will be handing over the  
10          conduct of this hearing to Hearing Officer Celli.

11                   HEARING OFFICER CELLI: Thank you,  
12          Commissioner. Can you all hear me okay?

13                   (Affirmative responses)

14                   HEARING OFFICER CELLI: Great. We have  
15          a PowerPoint. Folks, I am going to be reading so  
16          I apologize for that. The California Energy  
17          Commission, a state agency, has exclusive  
18          jurisdiction to license, or as we say, certify new  
19          power plants that generate 50 megawatts of  
20          electricity or more.

21                   On November 20, 2008 the Energy  
22          Commission accepted as complete the Northern  
23          California Power Agency's Application for  
24          Certification for the Lodi Energy Center, a 255  
25          megawatt combined-cycle electric generating plant

1 near the city of Lodi in San Joaquin County.

2 Notice of today's hearing was mailed to  
3 all parties, adjoining landowners, interested  
4 governmental agencies and other individuals. It  
5 was also posted on the Energy Commission's  
6 website. The Public Adviser's Office is here  
7 today and they will explain in a moment their role  
8 in terms of additional efforts to notify the  
9 public.

10 Today's hearing is the first in a series  
11 of formal committee events that will extend over  
12 the next year. The Commissioners conducting this  
13 proceeding will eventually issue a proposed  
14 decision called a Presiding Member's Proposed  
15 Decision containing recommendations on the  
16 proposed project to the full, five-member Energy  
17 Commission.

18 To be clear, the Lodi Energy Center AFC  
19 Committee -- and when we talk about an AFC we are  
20 talking about the Application for Certification.  
21 The Committee itself is made up of the two  
22 Commissioners, Commissioner Douglas and  
23 Commissioner Byron, their advisors and me.

24 It is important to emphasize that the  
25 law requires that the Committee's proposed

1 decision be based solely on evidence contained in  
2 the public record. To ensure that this happens  
3 and to preserve the integrity and impartiality of  
4 the Commission's licensing process the  
5 Commission's regulations and the California  
6 Administrative Procedures Act expressly prohibit  
7 private, off the record contacts concerning  
8 substantive matters between the participants in  
9 this proceeding and the Commissioners, their  
10 advisors or me.

11 This prohibition against off the record  
12 communications between the parties and the  
13 Committee is known as the ex parte rule. This  
14 means that all contacts between the parties and  
15 the Committee regarding any substantive matter  
16 must occur in the context of a public discussion  
17 such as this evening's event, or in the form of  
18 written communication that is distributed to all  
19 of the parties. The purpose of the ex parte rule  
20 is to provide full disclosure to all participants  
21 of any information that may be used as a basis for  
22 the Committee's future decision on this project.

23 The Energy Commission staff is a party  
24 to these proceedings in the same way that the  
25 applicant, or if we had an intervenor, they would

1 be a party. So even though the staff -- When I'm  
2 talking about staff I'm talking about the  
3 California Energy Commission staff, Mr. Jones over  
4 here. That's what we are referring to. Staff and  
5 the people he represents. These are completely  
6 separate entities for purposes of these  
7 proceedings. So the ex parte rule applies to the  
8 Energy Commission staff just as it would apply to  
9 the applicant.

10 In addition there will be additional  
11 opportunities for the parties and governmental  
12 agencies to discuss substantive issues with the  
13 public, and that will occur in public workshops to  
14 be held by the Commission staff at locations near  
15 here in Lodi or elsewhere.

16 Information regarding other  
17 communications between the parties and the  
18 governmental agencies is contained in written  
19 reports or letters that summarize such  
20 communications. These reports and letters are  
21 distributed to the parties and are made available  
22 to the public.

23 Information regarding hearing dates and  
24 other events in this proceeding will also be  
25 available on the Energy Commission's website.

1           The Application for Certification, or  
2           AFC process, is a public proceeding in which  
3           members of the public and interested organizations  
4           are encouraged to actively participate and express  
5           their views on matters relevant to the proposed  
6           project.

7           The Committee is interested in hearing  
8           from the community on any aspect of the project.  
9           Members of the public are also eligible to  
10          intervene in this proceeding. And if there are  
11          any potential intervenors we encourage you to file  
12          petitions to intervene as soon as possible to  
13          allow full participation.

14          In a moment we will ask the Public  
15          Adviser's representative to explain the public  
16          participation process and to also provide an  
17          update on their efforts to contact local residents  
18          and other interested groups and organizations  
19          regarding this proceeding.

20          Following this we will then ask the  
21          applicant and staff to make their respective  
22          presentations. These will in turn be followed by  
23          general comments from the public and/or agencies  
24          present.

25          So if you are a member of the public

1 that wants to make a comment, if you will sit  
2 through these quick presentations we will have an  
3 opportunity afterwards for you to get on the  
4 record and speak.

5 Everything that we are saying is being  
6 taken down and there will be a transcript provided  
7 of today's event.

8 So with that, Mr. Bartsch, would you  
9 please come forward.

10 MR. BARTSCH: Thank you very much. Can  
11 you hear me?

12 (Affirmative responses)

13 MR. BARTSCH: Thank you very much  
14 Hearing Officer Celli. My name is Nick Bartsch.  
15 I represent the Public Adviser's Office, which is  
16 kind of a separate office within the Energy  
17 Commission. Our main responsibility is --

18 HEARING OFFICER CELLI: One moment. Are  
19 you able to --

20 THE REPORTER: I don't know if that mic  
21 is really working or not.

22 ASSOCIATE MEMBER BYRON: Come use this  
23 mic right here.

24 HEARING OFFICER CELLI: Your mic is --

25 THE REPORTER: My mic is picking him up

1 but I don't know if the public can hear him.

2 HEARING OFFICER CELLI: I see what  
3 you're saying, okay.

4 ASSOCIATE MEMBER BYRON: Come use this  
5 one and speak to the audience, okay.

6 HEARING OFFICER CELLI: I'm sorry folks,  
7 we just want to make sure that everything is being  
8 recorded.

9 MR. BARTSCH: Can you hear me now? Our  
10 Public Adviser's Office main responsibility of  
11 course is to provide information for those  
12 interested in Energy Commission programs and  
13 proceedings and also to provide meaningful access  
14 for the general public and stakeholders to those  
15 proceedings.

16 We do have an excellent website and we  
17 also have a lot of information available. Even if  
18 you are not on-line you can request information by  
19 mail. And if you sign up on the sign-in sheet  
20 there was an opportunity for you to indicate  
21 whether you want to receive information by US mail  
22 or by e-mail. I hope that you will avail yourself  
23 to that by signing up.

24 The Energy Commission website has a  
25 dedicated website webpage to this particular

1 project. And it is the first item there,  
2 [www.energy.ca.gov/sitingcases/lodi](http://www.energy.ca.gov/sitingcases/lodi). And if you  
3 enter that you will bring up the main page. It  
4 has a wealth of information about this particular  
5 project.

6 It will also have a Notice and Document  
7 folder where you get all the updated and upcoming  
8 information about notices about hearings, events,  
9 and all of the documents that have been filed and  
10 docketed.

11 It also has information about the Public  
12 Adviser's documents. There's information about  
13 participation. Some of the things that I only  
14 have a few minutes to outline here. And also our  
15 contact information where you can reach us.

16 In addition that we have a docket.  
17 Whenever you are submitting information or  
18 comments or whatever be sure to put the docket  
19 number that is particular for this case and that  
20 is 08-AFC-10 on all your communication that you  
21 submit to the Commission.

22 We have provided information and the  
23 application provided information, their AFC which  
24 comes in large binders. The AFC is available for  
25 public view at those local libraries as well as

1 state libraries in major metropolitan areas in  
2 California. And you also have access, electronic  
3 access, on the dedicated website, to the AFC.

4 We have also, we being the Public  
5 Adviser's Office as well as the Hearing Office as  
6 well as the Siting Office, the Energy Commission  
7 has provided notices to property owners within  
8 1,000 of the project. Librarians, agency letters  
9 to local, state and federal agencies. And we have  
10 also notified local elected officials of the  
11 surrounding cities within a six mile radius and  
12 also San Joaquin County.

13 And also the various property and other  
14 municipal agency and owner and library. Now we  
15 also have a List Server list where you can sign up  
16 electronically and that is on the dedicated  
17 website. On the right hand side of the webpage  
18 there is a place where you can enter your e-mail  
19 and you will be notified electronically about  
20 information about this particular project and the  
21 progress of the case.

22 We have also prepared a notice in  
23 English as well as in Spanish about this  
24 particular hearing and site visit, which are the  
25 first public events of this particular siting

1 process. And we have distributed that notice to  
2 various local elected officials as well as to  
3 various organizations, ethnic, environmental,  
4 health organizations and educational organizations  
5 and facilities as well as libraries throughout the  
6 six mile region of the proposed site.

7 Now in addition our outreach included  
8 putting ads in English in the Lodi News-Sentinel,  
9 which is the daily newspaper with the highest  
10 circulation in the area. As well as a Spanish, a  
11 notice in Spanish in a bilingual weekly. The  
12 January 1 issue of that particular paper in order  
13 to reach the Spanish-speaking Hispanic community  
14 in San Joaquin County.

15 And in addition to that we have  
16 contacted the major radio and television stations  
17 that are broadcasting in English as well as in  
18 Spanish in the project area. We requested that  
19 they do public service announcements and post the  
20 information about these events on their particular  
21 websites.

22 Now how can you participate in the  
23 siting process. Just very briefly I will explain  
24 and then I can expand on it or you can come back  
25 and ask me questions either after the hearing or

1 contact me when I give you the contact  
2 information.

3 But basically there are, you can, you  
4 can participate in this event by filling out a  
5 blue card like this one. One side English and if  
6 you prefer the other side is in Spanish. And  
7 indicate your interest that you want to address  
8 this Committee during the designated period for  
9 public comment. I'll be happy to give you a copy  
10 of this to fill out, I'll collect it and give it  
11 to the Hearing Officer at the beginning of the  
12 public comment period.

13 Now there are two ways you can  
14 participate. One is if you just want to make  
15 comments and participate in just providing some  
16 information and comments you can do so either  
17 verbally like at this hearing or you can submit  
18 written comments to the Energy Commission. Be  
19 sure to include the docket number on all your  
20 written communication that you send in to the  
21 Energy Commission. And you can do this throughout  
22 the whole process. Your comments will be  
23 docketed. They will become part of the record by  
24 which the decision is made.

25 Now there is another way that you can

1 participate. By really becoming what is called an  
2 intervenor where you are really, actually become  
3 one of the formal parties to the proceeding. The  
4 benefits -- Just very quickly, the difference  
5 between just being an interested party and an  
6 intervenor:

7           As an intervenor -- As an interested  
8 party you are just providing comments. Your  
9 comments become part of the record. But as an  
10 intervenor you are actually submitting testimony.  
11 Testimony is something on which the decision can  
12 be based. And also as an intervenor you have the  
13 opportunity to not only provide testimony but to  
14 offer witnesses and also cross-examine witnesses  
15 of other parties. So your testimony actually  
16 becomes a part of the record and carries more  
17 weight.

18           How do you become an intervenor? You  
19 have to as early as possible, as Hearing Officer  
20 Celli said. The earlier that you decide, if that  
21 is what you want to do, the earlier you petition  
22 to become an intervenor the better because you get  
23 the benefit of the entire process.

24           In order to become an intervenor you  
25 have to submit a petition in writing. We do have

1 the forms. And if you contact us we walk you  
2 through the process. The Public Adviser's Office,  
3 we can assist you with the information with the  
4 process. We cannot, however, represent you. But  
5 you do not need to be an attorney nor do you need  
6 an attorney to be an intervenor.

7 After your petition is received you will  
8 get a response back within 30 days. And if it is  
9 approved then you become a party to the  
10 proceeding, a formal party to the proceeding.

11 Now with the benefits that you get by  
12 becoming a more direct participant there's some  
13 obligations. And the primary obligation is as a  
14 party to the proceeding you have to serve any  
15 document or anything that you submit, statements  
16 or anything to the Commission, you have to serve  
17 copies of those documents on each of the parties  
18 who are on the proof of service list.

19 I think I covered this already.

20 Okay. So if you do have comments that  
21 you want to make, you want to address the  
22 Commission, please ask for one of these blue  
23 cards, fill it out and give it back to me and I'll  
24 make sure that you will have an opportunity to  
25 address the Committee. But if you want to, should

1 you want to submit written comments later on you  
2 can do so at any time but be sure to put the  
3 docket number on your comments.

4 My contact number is there. I do have  
5 copies of these slides I'd be happy to provide for  
6 you and I also have my card and some other  
7 additional information on the back table. I'll be  
8 happy to answer any questions that you may have.  
9 Thank you for your attention.

10 HEARING OFFICER CELLI: Thank you,  
11 Mr. Bartsch. Ladies and gentlemen, as Mr. Bartsch  
12 said, if you want to participate by making a  
13 comment later he will have these blue cards that  
14 you will fill out. So please make sure that you  
15 fill one out. We will call you off of the list of  
16 blue cards to come up and make a public comment  
17 when it is time to do that.

18 Also, if you want to intervene you want  
19 to do it sooner than later. Because the longer  
20 you wait to be an intervenor the more likely it is  
21 that the Committee will limit your participation  
22 in terms of things like discovery. And so you  
23 want to get in that as early as you can because we  
24 don't want to prejudice the other parties by your  
25 taking your time on that.

1           The way we are going to proceed now  
2 folks is first the applicant, which is NCPA, they  
3 are going to describe the project to you and  
4 explain their plans for developing the site.  
5 After that the California Energy Commission staff  
6 will provide an overview of the Commission's  
7 licensing process and its role in reviewing the  
8 proposed Lodi Energy Center.

9           After that we are going to discuss  
10 scheduling and issues identification, which the  
11 staff has already submitted and conducted  
12 essentially a status conference so that the  
13 parties can inform the Committee as to the  
14 progress of this AFC as they perceive it.

15           And then upon completion of these  
16 presentations you, the public, will be able to  
17 come forward and speak at the podium and make  
18 comments into the record. And as I said, this is  
19 all being taken down, there will be a transcript.

20           So with that, applicant, please.

21           MR. WARNER: Good evening, I'll  
22 introduce myself again. My name is Ed Warner; I  
23 am the project manager for Northern California  
24 Power Agency for this project. And the first  
25 thing I would like to do is introduce two key

1 people from NCPA that are here, Ken Speer, the  
2 assistant general manager for generation services  
3 at NCPA, and then the project engineer, Mike  
4 DeBartoli. Mike is the project engineer on this  
5 facility for NCPA.

6 What we are here to talk about tonight  
7 is the Lodi Energy Center. It is a proposed  
8 project out at the White Slough treatment facility  
9 owned and operated by the City of Lodi. I would  
10 like to start off a little bit by telling you  
11 about NCPA.

12 NCPA is headquartered in Roseville,  
13 California. We are a not-for-profit power agency.  
14 We represent 17 member communities and districts  
15 in Northern and Central California. NCPA was  
16 founded in 1968 to support community-owned  
17 utilities to prevent costly market abuses employed  
18 by private utilities at that time.

19 NCPA helps its members make investments  
20 to ensure an affordable, reliable, clean, future  
21 energy supply for the electrical ratepayers that  
22 the serve and that NCPA serves.

23 NCPA has a longstanding commitment to  
24 the generation of electricity from environmentally  
25 responsible sources. NCPA owns and operates

1 several power plants that together comprise a 96  
2 percent emission-free generation portfolio.  
3 Members collectively reflect a 50 percent carbon-  
4 free resource portfolio, thanks in part to the  
5 contribution of our own resources mix of  
6 geothermal, hydroelectric and natural gas  
7 facilities and two small solar projects, one  
8 megawatt solar projects, that are under  
9 development and construction right now in Lake  
10 County.

11 NCPA continues to advance its ethic of  
12 environmental leadership with the recent addition  
13 of new wind, geothermal and solar resources to the  
14 resource mix to power the Northern California  
15 communities that are members.

16 These are the members of NCPA. As you  
17 can see we are based in Northern California. We  
18 do have Lompoc, that's down here on the Central  
19 Coast.

20 Here is a list of the project  
21 participants in the Lodi Energy Center. And  
22 you'll see the ones with asterisks. They are  
23 public entities but they are not members of NCPA.  
24 Asuza, BART, Biggs, California Department of Water  
25 Resources, a non-member, Asuza is a non-member.

1 Gridley, Healdsburg, the City of Lodi, the City of  
2 Lompoc, Modesto Irrigation District, Plumas-  
3 Sierra, Port of Oakland, Power and Water  
4 Producers, Silicon Valley Power, which is Santa  
5 Clara, and Ukiah. And you can see the capacity  
6 share of the facility and the percentage share of  
7 the facility each one of these entities own in the  
8 proposed project.

9 A quick description of the Lodi Energy  
10 Center. It will be producing electricity using  
11 state-of-the-art, combined-cycle technology,  
12 integrating one combustion turbine and one steam  
13 turbine. The combustion turbine will be fueled by  
14 natural gas and works very similar to the jet  
15 engine that you will see on an airliner.

16 Heat from the combustion turbine is  
17 captured and recycled in a separate process to  
18 create steam to turn -- in turn drives the steam  
19 turbine.

20 The combined-cycle process results in a  
21 highly efficient, low emission plant that directly  
22 benefits the region and the state by ensuring  
23 reliable and affordable electricity while relying  
24 on proven, state-of-the-art, environmentally  
25 friendly technology.

1           The Lodi Energy Center will be a  
2 combined-cycle, nominal 255 megawatt plant. It  
3 will comprise of a combustion turbine, a steam  
4 turbine with duct -- HRC with duct firing and wet  
5 cooling using Title 22 water from the City of  
6 Lodi's treatment facility.

7           The heat rate is right at the state-of-  
8 the-art technology, 6,553 BTUs per kilowatt,  
9 higher heating value in the combined-cycle mode.

10           One of the benefits of this facility,  
11 locating it, is it is adjacent to an existing NCPA  
12 power facility so we can hedge off the economies  
13 of scale from that existing unit for manpower.

14           It is using recycled water from the City  
15 of Lodi treatment plant. It is actually located  
16 as we saw earlier right on the City's property,  
17 right next to the treatment facility.

18           The transmission interconnect to the  
19 Cal-ISO/PG&E is right there. The transmission  
20 lines are within feet of the property line.

21           And the natural gas supplied from the  
22 existing PG&E gas line easement to the existing  
23 NCPA plant out there. This is the only off-site  
24 linear that this facility has is that natural gas  
25 line.

1           This is just a quick schematic of how a  
2           combined-cycle power plant works. At the front  
3           end you have a gas turbine where you mix air and  
4           natural gas. That drives a turbine section. That  
5           drives a generator. That goes through a  
6           transformer and on into the system.

7           The hot exhaust gases from the gas  
8           turbine go over to what they call a heat recovery  
9           steam generator, which is a boiler. That heat  
10          recovery steam generator produces steam that  
11          drives a steam turbine that drives a generator and  
12          then out into the transmission system.

13          And then the hot exhaust gases leave the  
14          plant through the stack. And the steam from the  
15          steam turbine is condensed after it is used to  
16          drive the turbine in a condenser. That's where  
17          the use of the Title 22 comes from. And then that  
18          condensate is returned back to the heat recovery  
19          steam generator and just recycled over again.

20          This is the conceptual drawing of the  
21          Energy Center. This area right here is the  
22          existing facility. When we went on the site tour  
23          we came in this road right here. Came in this  
24          direction into the facility with a cooling tower.  
25          This is the steam turbine. The heat recovery

1 steam generator, the gas turbine, the transformer.

2 I can't see them but maybe you can.

3 There's one tower and then a second tower here for  
4 the transmission line, or excuse me, the gen-tie  
5 line. So you come off the main transformer you  
6 have one, two towers. You make a 90 degree turn  
7 right into the existing NCPA switchyard.

8 The natural gas line will enter the  
9 plant through this area right through here. The  
10 water treatment building is located right here. A  
11 very compact, tight, neat site. That's all I  
12 have, Commissioner.

13 HEARING OFFICER CELLI: Thank you. Next  
14 we will hear the staff's presentation. Mr. Jones.

15 MR. JONES: Thank you. I'll just need  
16 the clicker. Thank you.

17 Good evening. My name is Rod Jones and  
18 I am the California Energy Commission's project  
19 manager for the Lodi Energy Center project. This  
20 presentation is to provide you with an overview of  
21 the Energy Commission's siting process.

22 The Energy Commission has sole  
23 permitting authority in California over all  
24 thermal power plants 50 megawatts and greater. So  
25 essentially if a project is proposed for 49

1 megawatts it will actually fall upon the  
2 jurisdiction of that proposed area.

3 The Commission has the authority to also  
4 extend to linear facilities, related facilities  
5 such as electric transmission lines, water supply  
6 pipelines, natural gas pipelines, waste disposal  
7 facilities, access roads.

8 The Commission also is the lead state  
9 agency for the California Environmental Quality  
10 Act. The California Environmental Quality Act,  
11 CEQA, has been around since 1970. And its purpose  
12 really is to ensure that state and local agencies  
13 consider the environmental impact of their  
14 decisions when providing a public or private  
15 project. Or essentially approving a project.

16 An overview. The licensing process  
17 really consists of three phases. There is a data  
18 adequacy phase, staff discovery and analysis  
19 phase, Committee evidentiary hearing and decision  
20 phase.

21 During the data adequacy phase the staff  
22 reviews the application to determine if it meets  
23 the minimum requirements for our technical review.  
24 When the application is accepted as complete the  
25 clock starts. This is the beginning of the review

1 process.

2           During the discovery and analysis phase  
3 staff develops data requests to obtain further  
4 information or to more fully understand the  
5 project. Staff also creates an Issues  
6 Identification Report, which I will talk more  
7 about later in this presentation. Essentially,  
8 really two reports are created, the Data Request  
9 Report and the Issues Identification Report.

10           The first round of the, actually the  
11 staff Data Request Report was presented to the  
12 applicant on January 8. And essentially these are  
13 requests for additional information on the  
14 project. Staff is essentially seeking  
15 clarification on the project.

16           There are also workshops during the  
17 staff discovery and analysis phase. This is where  
18 staff meets with the applicant. These workshops  
19 are really open to the public and to agencies to  
20 provide comment on the project and input.

21           From the workshops are created  
22 Preliminary and Final Staff Assessments. These  
23 are two environmental documents. And really these  
24 documents are crucial because it provides the  
25 information to the Committee in terms of

1 determining which appropriate measure or action to  
2 take regarding the project.

3           It happens essentially with the Final  
4 Staff Assessment. After the Final Staff  
5 Assessment is published the Committee will begin  
6 evidentiary hearings. That's the third phase.  
7 It is essentially receiving formal testimony from  
8 staff, from the applicant, from the interested  
9 parties, agencies, even intervenors.

10           This slide here really just points out  
11 the discovery and analysis phase in more detail.  
12 As you can the Public Affairs Office is really  
13 crucial in this process. You have the intervenors  
14 involved, you also have the public involved. As  
15 well as the applicant's input, local, state and  
16 federal agencies.

17           This slide is the discovery and analysis  
18 process. Staff's discovery and analysis process  
19 examines the Application for Certification to  
20 determine if the proposal complies with all laws,  
21 ordinances, regulations and standards, or LORS.  
22 Staff conducts independent engineering and  
23 environmental analyses of the project. This  
24 includes identifying issues. Staff also  
25 recommends the conditions of certification that

1 will govern operation of the power plant.

2           During this process the staff will  
3 facilitate public and agency participation in  
4 workshops, complete their analysis, produce their  
5 documents and make a recommendation to the  
6 Committee.

7           The evidentiary hearing and decision  
8 process is formulated here in this particular  
9 slide. It takes place after the Final Staff  
10 Assessment is published, of course. During this  
11 process the public, intervenors, agencies and the  
12 applicant have additional opportunity to  
13 participate in the Committee and Commission's  
14 Decision. Staff is essentially no longer at the  
15 center of the process but continues to provide  
16 input to the Committee and to the Commission's  
17 final decision.

18           Once again the evidentiary hearing and  
19 decision process. The Committee conducts hearings  
20 on all the information. And once again, this  
21 takes place after the Final Staff Assessment is  
22 released.

23           This process really allows for the  
24 development of what is called a PMPD. And it is  
25 really the consensus of the four or five member

1 Commission to decide whether or not to grant a  
2 license for the proposed project. So up to this  
3 point before the Final Staff Assessment we are  
4 dealing primarily with two members of the Energy  
5 Commission.

6 Okay. Local, state and federal agencies  
7 are, of course, allowed to participate in the  
8 process. Their input is welcomed. Listed here,  
9 for example, the City of Lodi Health and Public  
10 Works Department, the San Joaquin County Health  
11 and Public Works, San Joaquin Council of  
12 Governments. We also will receive input from the  
13 California Department of Fish and Game, the  
14 Central Valley Regional Water Quality Control  
15 Board. And also from the federal level the US  
16 Fish and Wildlife Service, the US Army Corps of  
17 Engineers.

18 This slide speaks to the public  
19 participation information. Essentially the  
20 process, of course, is open to the public process.  
21 Workshops are noticed at least ten days in  
22 advance. Just to let you know that as we go  
23 forward and we hold workshops we will bring  
24 actually the workshops to the community. And that  
25 is typically the process.

1           You may also obtain information through  
2           the mailing lists of the Energy Commission. Staff  
3           maintains the project mailing list. If you would  
4           like to receive information and notices we send  
5           out you can ask to be placed on the list. The  
6           Commission's list server, which was discussed  
7           earlier, is also available.

8           And you also will find the application  
9           at the local libraries, Lodi, Thornton and  
10          Stockton. You may also find it at the Energy  
11          Commission library in Sacramento. Which is a very  
12          actually impressive library which has about 22,000  
13          titles of various energy-related topics.

14          You also will find information on the  
15          Energy Commission's website. The documents  
16          essentially will be filed and docketed in the  
17          siting case. You may also contact our docket unit  
18          about document availability.

19          This slide speaks to project contacts.  
20          Essentially it lists the Commissioners, the  
21          California Energy Commission staff and the  
22          applicant, Northern California Power Agency. It  
23          is anticipated that the majority of inquiry  
24          regarding the project will come through the CEC  
25          staff and the applicant.

1                   Now moving on to the Issues  
2           Identification Report, which I spoke about  
3           earlier. The purpose of the Issues Identification  
4           Report really is to develop issues that may impact  
5           the timely delivery of the project.

6                   The criteria used for determining  
7           whether something is identified as an issue  
8           include the potential for any significant impact  
9           that might be difficult to mitigate, non-  
10          compliance with laws, ordinances, regulations and  
11          standards, or if there is a conflict that could  
12          affect the schedule.

13                  Staff has identified potential issues  
14          that may impact the project, or essentially the  
15          schedule of the project. Biological Resources,  
16          Land Use, Transmission System Design. These are  
17          potential concerns.

18                  The potential issue, Biological  
19          Resource. This at the start was essentially  
20          identified by staff as a possible concern. A  
21          wetland perhaps might be located at the southwest  
22          edge of the proposed project site. However, we  
23          have learned that this particular area is perhaps  
24          not a wetland based on information that we have  
25          received from the applicant's biologist. So

1 essentially we will discuss this a little bit  
2 further and make a final determination.

3 The other issue that staff identified  
4 was Land Use. Applicant will file a request for a  
5 consistency determination with the San Joaquin  
6 Airport Land Use Commission to determine what  
7 findings would be necessary to enable construction  
8 of a natural gas pipeline that would be buried in  
9 the transition runway zone for the Kingdon  
10 Airport. The project's proposed natural gas  
11 pipeline would require an amendment to the current  
12 land use plan to allow a pipeline through the  
13 runway protection zone.

14 The next potential issue, Transmission  
15 System Design. The California Energy Commission  
16 staff is awaiting the Interconnection Facility  
17 Study from the applicant. If the Lodi Energy  
18 Center would cause any transmission line  
19 overloads, which might require transmission line  
20 reconditioning. Essentially a need for upgrading  
21 or significant downstream upgrades.

22 A general CEQA analysis will be required  
23 for the reconditioning as it is a downstream  
24 indirect input. So essentially if it is  
25 determined that through the Interconnection

1 Facility Study that there will be a need for a  
2 transmission reconditioning then there is a  
3 potential that there will need to be some type of  
4 CEQA analysis prepared for this aspect of the  
5 project.

6 Now moving on to staff's proposed  
7 schedule. And this schedule really is a tentative  
8 schedule. It is based on where we think we will  
9 be with the project assuming things go according  
10 to plan. Just to look at the first line. It's  
11 probably hard to read from probably where you are  
12 sitting. But it lists the Informational Hearing.  
13 It also lists the Data Response and Issue  
14 Resolution Workshop, which would take place next  
15 month. And also various other aspects of the  
16 project.

17 The bottom part of the proposed schedule  
18 where it says TBD, to be determined, essentially  
19 is based on input from the Committee.

20 Staff's proposed schedule really is  
21 based on a lot of factors. Applicant's timely  
22 response to the staff's data requests.  
23 Determinations by other local, state and federal  
24 agencies. Resolution of the Biological Resources,  
25 Land use and Transmission System Design issues.

1                   Also the Siting, Transmission,  
2           Environmental Protection division has currently 25  
3           projects in-house, which is about four times the  
4           historical workload and may make achieving the 12  
5           month schedule process problematic. The Energy  
6           Commission staff will do its best to review the  
7           Lodi Energy Center project in as timely a manner  
8           as possible.

9                   Post-licensing project compliance  
10          oversight. The commission is involved with the  
11          project from start to finish. Once the project  
12          has been approved, assuming it is approved by the  
13          full Commission, there is a monitoring and  
14          compliance process which will take effect.

15                  The compliance phase will apply during  
16          construction, operation and decommissioning.  
17          Essentially closure of the facility. The purpose  
18          is to assure compliance with all conditions of  
19          certification and applicable law, LORS.

20                  The compliance project manager would  
21          have responsibility for oversight of the  
22          construction operation to include possible  
23          amendments. And this concludes my presentation on  
24          the process.

25                  HEARING OFFICER CELLI: Thank you,

1 Mr. Jones.

2 MR. JONES: Thank you.

3 HEARING OFFICER CELLI: Applicant,  
4 please respond, if you would to the Issues  
5 Identification and then we can talk about  
6 scheduling.

7 MR. GALATI: You bet, thank you. Scott  
8 Galati representing NCPA. Before I respond to the  
9 Issues Identification Report I wanted to say some  
10 brief words for the public. This is a pretty  
11 complex process. Some of the words that we use  
12 sometimes are hard to translate.

13 We want you to know that you can contact  
14 NCPA at any time. Anybody at this table. We'll  
15 wait after this if you need a business card. If  
16 you have any questions about the project we are  
17 proposing or the process. If you have any  
18 questions about the process direct it to staff.  
19 If you have issues we want to reach out. We are a  
20 public agency. We would like to work with you and  
21 resolve and have any dialogue that you are willing  
22 to have.

23 That being said, with the Issues  
24 Identification Report we agree that these are  
25 issues in the case that need to be looked at. Let

1 me give you an update on all of them.

2 As Mr. Jones says, the biological issue  
3 with a potential wetland. we have submitted a  
4 report. We believe that it is not a wetland. We  
5 understand that staff is reviewing that. We look  
6 forward to having additional discussions about  
7 that. We think that issue, whether it is a  
8 wetland or not a wetland, is easily resolvable.

9 The second issue on land use. Again, I  
10 just wanted to remind the Commission that there is  
11 an existing gas line that runs through the same  
12 area. We are going to be -- PG&E will be building  
13 a gas line right along that in the same easement.  
14 We have talked with San Joaquin County. They are  
15 amenable to amending the plan. We are going to  
16 continue to work with them and we will certainly  
17 work as diligently as we can to get that taken  
18 care of.

19 On the Transmission System Engineering.  
20 I think Mr. Jones is correct that the Final System  
21 Impact Study and Facility Study are not available  
22 at this time. But I do want to say some good  
23 news, okay. And the good news is that this is one  
24 of the few projects that is not in the cluster at  
25 the process at the kipper.

1           This process, we already have a draft  
2 study. The draft study did not show any  
3 downstream reductoring. We expect the final,  
4 which we were told in December. I think maybe due  
5 to the holidays it has been delayed. It may be as  
6 early as tomorrow. This project is far ahead of  
7 other projects at its stage of getting a final  
8 study. We should have that done fairly soon.  
9 Certainly before we think the Preliminary  
10 Determination of Compliance comes out. So we  
11 think staff will have ample time to review that  
12 document and we are quite pleased with that.

13           The last thing I wanted to tell you was  
14 that the project also enjoys a favorable position  
15 when it comes to air quality. And that is NCPA  
16 took the proactive stance to purchase all of its  
17 credits before it filed. So it has all of its  
18 emission reduction credits in hand. The district  
19 knows that. That has enabled the district, we  
20 believe, to work very quickly on the PDOC. And  
21 that brings me to why we have proposed a schedule  
22 that is dependant upon the PDOC.

23           We see the Preliminary Determination of  
24 Compliance, and I apologize for the public. That  
25 is an acronym that is a draft permit that the Air

1 District issues. It basically is an analysis to  
2 ensure that the project would comply with all of  
3 the District air quality rules, both the federal  
4 Clean Air Act, the state Clean Air Act, and  
5 anything that is any local rules. The Energy  
6 Commission then uses that in its own analysis.

7 So that PDOC is a step which the staff  
8 is going to need to do their Preliminary Staff  
9 Assessment. My experience has been that that is  
10 the number one thing that delays projects and we  
11 think that we are favorably, and we have a nice  
12 position. In working closely with the Air  
13 District our air quality consultant did a  
14 fantastic job. She's hear and that's Nancy  
15 Matthews.

16 So I think with that we proposed a  
17 schedule that allows the staff's trigger dates to  
18 be dependant upon the Preliminary Determination of  
19 Compliance and the Final Determination of  
20 Compliance. Now we proposed a 30 day schedule.  
21 And I know staff has a lot of work. And I would  
22 just urge the Committee to adopt the 30 day  
23 schedule for the PDOC and the FDOC.

24 I think that, quite frankly, NCPA has  
25 earned the right to get it because I think we have

1 designed a very environmentally friendly project  
2 on an existing site with extremely few issues.  
3 This is a project with one of the fewest data  
4 requests I have received in the first round and I  
5 think it has largely to do with the selection of  
6 the site and the design of the project. So  
7 certainly understanding the staff's workload but  
8 we are hoping this project is easier than some of  
9 the ones they have had to work on.

10 HEARING OFFICER CELLI: So with regard  
11 to the schedule. When I look at your schedule and  
12 I look at staff's proposed schedule. Looking  
13 first at staff's, do you have any adjustments that  
14 you would make to staff's proposed schedule,  
15 Mr. Galati?

16 MR. GALATI: If you were to use staff's  
17 proposed schedule the one thing that I would do is  
18 I would not put a hard date on the local, state  
19 and federal determinations. And the reason being  
20 is one largely of not having to petition to change  
21 the schedule. If the district comes out with  
22 their Preliminary Determination of Compliance  
23 let's say in March, then the schedule needs to be  
24 revised. So I would put just a placeholder for  
25 that date.

1           The second thing is I think that it  
2 might be important to have monthly status reports.  
3 I know I have had trouble when they are not on a  
4 recurring monthly date, keeping track of when to  
5 do a status report. I also think that if you are  
6 having to do a status report on a monthly date you  
7 might get busy and working on what you need to get  
8 done if you have to report to the Committee what  
9 you have done since last month.

10           The PSA workshop. Again, some of these  
11 hard dates are dates that should be dependant upon  
12 when the actual Preliminary Staff Assessment comes  
13 out. So those are the things.

14           The other is the Preliminary Staff  
15 Assessment looks like it is closer to six weeks  
16 after the Preliminary Determination of Compliance  
17 and we had asked for 30 days. The same thing with  
18 the Final Staff Assessment. It looks like it is  
19 -- No, the Final Staff Assessment is 6/1, it looks  
20 like it's about 30 days.

21           HEARING OFFICER CELLI: So the PSA  
22 workshop on 4/24/09 is six weeks after what you  
23 are calling local, state and federal agency draft  
24 determinations. The PDOC would be in there on  
25 that 2/19 date?

1 MR. GALATI: Yes.

2 HEARING OFFICER CELLI: Okay. So you  
3 would like to see that shortened up to 30 days.  
4 You know, typically what happens is we draft a  
5 hearing order and a schedule. And it says, it  
6 pretty much follows what the parties put together  
7 at the Informational Hearing. And inevitably it  
8 will break down. There is always a delay here or  
9 there, whatever.

10 So of course we want the parties to do  
11 their best to do what they can. But by the same  
12 token NCPA needs to be cognizant of the fact that  
13 staff is just so over-burdened right now and there  
14 is the new furloughs and such. They're doing  
15 their best and I know that they are working really  
16 hard. But whenever I put a schedule together, and  
17 I will build in the monthly status reports because  
18 I like that. We do our best to stick with it.

19 So having said that. If we slip in some  
20 certain dates certain things will remain the same.  
21 I am loath to put out a new scheduling order until  
22 after we are ready to go with evidentiary hearings  
23 and so forth, pre-hearing statement conferences  
24 and so forth, because, you know, typically things  
25 just happen at the pace, when we get the PDOC

1 things will happen and so forth. So what I am  
2 saying is I am going to adopt the dates that you  
3 have put forth here and I will try to integrate  
4 the two.

5 And staff, how do you feel about  
6 shortening the PSA date there on 4/15?

7 MR. JONES: Well once again, staff has a  
8 very heavy workload and sometimes you may not be  
9 able to deliver when you want to deliver a  
10 particular item. So, you know, we are willing to  
11 live with it but can't necessarily make any  
12 guarantees that we can be consistent in that  
13 respect.

14 So we ask that the applicant understand  
15 our situation with the extremely heavy number of  
16 projects in-house. And also as the Commissioner  
17 mentioned, the inactive -- the furlough program  
18 which will start next month for state employees as  
19 enacted by the Governor. So you lose time there  
20 as well so please, you know, keep those things in  
21 consideration.

22 HEARING OFFICER CELLI: Mr. Worl, did  
23 you want to come up to the podium, please, so you  
24 can be on the record?

25 MR. WORL: My name is Robert Worl, I am

1 the siting program manager for the Energy  
2 Commission. And I just wanted to reassure  
3 everyone that we don't work towards that six  
4 weeks, we certainly try to beat it given the  
5 opportunity. Our efforts are always aimed at  
6 shortening the time frame for documents and for  
7 moving forward with the schedule.

8 But at this point in time we have found  
9 that it is prudent to make sure that everybody is  
10 aware that the potential for delay is there. When  
11 we say six weeks instead of four it doesn't mean  
12 that we are going to actively work to take the six  
13 weeks. It means that it may happen and you want  
14 everyone to be aware of that.

15 HEARING OFFICER CELLI: And I appreciate  
16 that, thank you for the comment. So what is going  
17 to happen is the Committee will meet and confer as  
18 to the scheduling order and the scheduling order  
19 will come out before January 30. And ladies and  
20 gentlemen of the public, all of this information  
21 will be on the website, the California Energy  
22 Commission's website.

23 Before we get to questions from the  
24 public I just want to ask Commissioner Douglas  
25 whether you have any questions for either staff or

1 the applicant?

2 PRESIDING MEMBER DOUGLAS: I do not.

3 HEARING OFFICER CELLI: Okay.

4 Commissioner Byron?

5 ASSOCIATE MEMBER BYRON: I really don't  
6 have any questions but I would just like to take  
7 just a minute to add, if I may, my perspective,  
8 having sat through a number of these already.

9 You met all the applicants, the staff  
10 and the Commission here. If you wouldn't just  
11 mind for our benefit by a show of hands, we have a  
12 number of other participants from our staff and  
13 the applicant in the audience. But if you  
14 wouldn't mind a show of hands, how many of you are  
15 members of the public that are here today that are  
16 interested in this project?

17 (Show of hands)

18 ASSOCIATE MEMBER BYRON: Okay. And of  
19 course the reason all these people are here and  
20 the reason we are conducting this is for your  
21 benefit. We are very early in the stages of all  
22 of this, and as you can hear, we are discussing  
23 schedules as to how we are going to, how we plan  
24 to proceed.

25 And those of you that went on the site

1 visit, you may have noticed that one of the  
2 Commissioners is pregnant and so there's two of  
3 us. But there's always two. We take this very  
4 seriously. But as the staff also indicated their  
5 workload is pretty heavy. We have over 20 siting  
6 cases before this Commission and siting is not all  
7 that we do.

8 But we always assign two Commissioners  
9 so we can always cover for each other and stay on  
10 top of things. And that's the normal procedure.  
11 And as was indicated, it will go eventually to the  
12 full Commission for a vote, which is all five  
13 Commissioners.

14 I just wanted to take a second and add  
15 something else that I thought might be helpful to  
16 you. We have looked at how other parts of the  
17 country do this same kind of siting. And I think  
18 that you will find -- well we think very highly of  
19 it because it is a very participatory process and  
20 I think it is maybe one of the best that exists in  
21 the country.

22 We look at everything, everything will  
23 be considered and evaluated by this Commission,  
24 and everything has to be addressed or mitigated in  
25 some way that is a potential problem.

1           As I said, this is not all that the  
2 Commission does. We do not originate these  
3 projects. These projects come to us and we must  
4 decide them. And so that is why we need a  
5 schedule so that we can help move these things  
6 forward.

7           I'll just stop there. I don't have any  
8 particular questions at this time. It was a good  
9 set of presentations by the applicant and the  
10 staff and you will, of course, have your  
11 opportunity to comment. But this might have been  
12 my only opportunity to comment so I thank you very  
13 much.

14           HEARING OFFICER CELLI: Thank you,  
15 Commissioner. I actually have a few questions.  
16 And I want to make a point that I am working on a  
17 decision right now where a question was asked at  
18 the Informational Hearing. And we got to the  
19 Evidentiary Hearing, it was never dealt with.

20           And so the reason I am asking these  
21 questions now is because I am asking that the  
22 parties do deal with these so that the answers to  
23 these questions show up in the analyses by the  
24 time we get to the Prehearing Conference.

25           My first question had to do with the

1       anhydrous ammonia truck trips. I read in the AFC  
2       that the anhydrous ammonia is going to be  
3       servicing both power plants using the existing  
4       storage tank. So the first thought that came to  
5       my mind is that you are going to be doubling the  
6       number of truck trips, or more. I don't really  
7       know how much the use will be. But there is going  
8       to be an increase in truck trips.

9                   And I wanted to know whether there's --  
10       Or I'd like the parties to at least look at  
11       whether there is the possibility of having  
12       increased storage to prevent the need for the  
13       truck trips. Or at least address the fact that  
14       there will be these truck trips and what kind of  
15       mitigation, if any, is necessary for that. And I  
16       don't need an answer right now unless you have  
17       one.

18                   MR. GALATI: We have one. And yes, in  
19       the Traffic and Transportation section of the AFC  
20       we evaluated what the increased truck trips are.  
21       We have placed them in there. I know staff is  
22       evaluating. And I think they have asked us a  
23       question or we will discuss it at the workshop.  
24       But I have it here and we'll make sure that it is  
25       addressed in some evidentiary piece of exhibit.

1                   HEARING OFFICER CELLI: Great, thank  
2 you. Also I had a question about the injection  
3 well for the wastewater on site, in light of the  
4 fact that the project is situated right next door  
5 to the water treatment plant. And I read that  
6 there was going to be an injection well for  
7 wastewater on the site.

8                   And I note when I look at the map the  
9 site is relatively close to the Delta and some  
10 waterways. I didn't understand that but I hope  
11 that the parties will be able to address the need  
12 for that. Oftentimes there's zero liquid  
13 discharge projects that come through. So that was  
14 another question that came up.

15                   The other thing -- And Mr. Galati, when  
16 you get a chance, when you are at the Energy  
17 Commission if you wouldn't mind dropping by just  
18 so I can show you how, you know, so we can talk  
19 about the way that exhibits are presented.

20                   Because just so you know, folks, the  
21 largest number of exhibits come from the  
22 applicants and so the way that we get them really  
23 makes a difference in terms of the efficiency of  
24 getting the decision out.

25                   MR. GALATI: I appreciate knowing now

1 because then I can keep the exhibits this way.

2 HEARING OFFICER CELLI: Yes.

3 MR. GALATI: Because putting them  
4 together in the last five days before a hearing is  
5 not that fun.

6 HEARING OFFICER CELLI: Thank you,  
7 that's great. Those were all the questions I had  
8 in my reading of the AFC.

9 Ladies and gentlemen, it is now time for  
10 the public comment. I only saw like three hands  
11 go up. Mr. Bartsch is going to come forward with  
12 the blue cards so we can call out the names. But  
13 I thought that since we have the Mayor here we  
14 would give you an opportunity to speak first if  
15 you wanted to address the Committee. Please come  
16 forward and state your name on the record.

17 MAYOR HANSEN: My name is Larry Hansen.  
18 I am kind of in a unique situation. I am the  
19 Mayor of the City of Lodi, I am the Chair of NCPA,  
20 and I am the Vice Chair of San Joaquin CARB. So I  
21 get an opportunity to hear about this from all  
22 points of view.

23 Very briefly, the City of Lodi is very  
24 excited about this project. It has received  
25 unanimous support from the City Council. We have

1 received, to my knowledge, no, at this point,  
2 concerns, negative concerns from the citizens of  
3 Lodi.

4 I have tried to give updates to the  
5 Council in my role as the Chair of NCPA about this  
6 project. We have had to vote on issues about  
7 funding, potential equipment issues and those type  
8 of things. And we are just pleased that this is  
9 being considered. As NCPA staff has pointed out  
10 it seems to us to be in many ways just an ideal  
11 site for something like this.

12 To be honest, I am not quite sure I  
13 understand your question about the injection well.  
14 But I will tell you one of the things that excites  
15 the City Council about this project is that it is  
16 next to our water treatment plant. We have that  
17 water that is discharged that we have to find a  
18 use for. This seemed like just an absolute  
19 perfect fit for that.

20 So representing the City Council tonight  
21 I just wanted to confirm that we are very much in  
22 support of this and will be anxiously watching the  
23 process. Thank you.

24 HEARING OFFICER CELLI: Thank you. I  
25 just had a question. I just -- As you were

1 speaking. I note that really the project is  
2 closer to Stockton than it is to Lodi and I just  
3 wondered if you had heard from anyone from  
4 Stockton?

5 MAYOR HANSEN: I have not. You know,  
6 when we have our water treatment plant and looked  
7 at issues about future annexations, you know, in  
8 the city of Stockton, there was a buffer zone that  
9 was put in just to deal with the water treatment  
10 plant between that and the city of Stockton. But  
11 I have received no comments thus far from them  
12 regarding this project.

13 HEARING OFFICER CELLI: Well thank you,  
14 Mr. Mayor.

15 MAYOR HANSEN: Thank you.

16 MR. GALATI: Mr. Celli, could I add  
17 something that would bear up on your last  
18 question?

19 HEARING OFFICER CELLI: Please.

20 MR. GALATI: NCPA took the proactive  
21 role of doing a public outreach before this  
22 project was filed, including outreach to Stockton.  
23 We had our own open house in this very building  
24 and there were very few people that seemed  
25 interested. So I just wanted to let you know that

1 that took place on October 2.

2 HEARING OFFICER CELLI: Very good, thank  
3 you very much. Nicole Goehring. If you wouldn't  
4 mind coming forward, thank you.

5 MS. GOEHRING: Good evening  
6 Commissioners of the California Energy Commission  
7 and NCPA. My name is Nicole Goehring and I work  
8 for the Golden Gate Chapter of the Associated  
9 Builders and Contractors, which represents more  
10 than 590 predominately non-union contractors who  
11 build major commercial, industrial and public  
12 works projects in the Central Valley. The  
13 organization also operates state-approved  
14 apprenticeship programs in several trades in the  
15 Central Valley.

16 Most local districts want to maximize  
17 the number of responsible and capable bidders and  
18 construction in the Central Valley is done by both  
19 union and non-union general contractors and with  
20 both union and non-union subcontractors.

21 You are seeking approval from the  
22 California Energy Commission for a power plant and  
23 you are concerned that California Unions for  
24 Reliable Energy and its lawyers at Adam Broadwell  
25 Joseph and Cardozo will possibly delay power plant

1 construction unless you sign a project labor  
2 agreement with the construction unions.

3 When power plant applicants don't give  
4 the unions a monopoly on the construction and  
5 maintenance of the proposed plants CURE does  
6 intervene in the permitting process and files data  
7 requests and oftentimes phony environmental  
8 objections in attempts to delay the project.

9 Many power plant developers have  
10 responded to this nuisance by agreeing to sign a  
11 union-only project labor agreement, thus cutting  
12 bid competition and subcontractor choice and  
13 increasing the costs in order to get CURE off  
14 their backs.

15 I want you to know that the City of  
16 Victorville did not succumb to CURE's extortion  
17 and they didn't approve a project labor agreement.  
18 Their determination to preserve fair and open  
19 bidding competition paid off. On July 16 the  
20 California Energy Commission voted five-nothing to  
21 approve a license to build their 563 megawatt  
22 Victorville II hybrid power project in San  
23 Bernardino County, despite CURE's continuing,  
24 ineffectual objections based on no evidence  
25 argument and based entirely upon speculation.

1                   Also on August 26 the Riverside City  
2 Council unanimously approved a compromise for  
3 seeking bids to build the second phase of their  
4 power plant project.

5                   If your agency works with the California  
6 Energy Commission to scrutinize your documents and  
7 make sure your proposal is sound, CURE will have  
8 nothing legitimate as a basis to attack your  
9 project. You can resist CURE and win, saving  
10 ratepayers millions of dollars through greater bid  
11 competition among general contractors and  
12 subcontractors. Please don't give in to CURE's  
13 extortion. Thank you.

14                   HEARING OFFICER CELLI: Thank you,  
15 Ms. Goehring. Any other members of the public who  
16 would like to address the Committee? I will for  
17 the record state that it is a Thursday night.  
18 People are probably, you know, home having dinner.

19                   We probably, when I say we, the  
20 Committee will probably not have any interaction  
21 with the public until we get to the point where we  
22 are ready to have a prehearing conference and  
23 evidentiary hearings. This is the best chance  
24 really to speak to the Commissioners and tell them  
25 what your thoughts are about this project. So I

1 personally wish there was more public  
2 participation.

3 I know the Public Adviser's Office did a  
4 great job of putting it out there and publicizing  
5 the event but sometimes loads of people show up,  
6 sometimes a couple of people show up. We never  
7 know what we are going to get until we get here.

8 So with that I am going to hand back  
9 this Informational Hearing to Commissioner Douglas  
10 who will adjourn. Commissioner.

11 PRESIDING MEMBER DOUGLAS: Very well.  
12 Thank you to everybody, applicant, staff, members  
13 of the public, and at least plural members of the  
14 public. One last opportunity for public comment.

15 And seeing none we are adjourned, thank  
16 you.

17 (Whereupon, at 6:20 p.m., the  
18 Informational Hearing was  
19 adjourned.)

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## CERTIFICATE OF REPORTER

I, JOHN COTA, an Electronic Reporter, do hereby certify that I am a disinterested person herein; that I recorded the foregoing California Energy Commission Informational Hearing; that it was thereafter transcribed into typewriting.

I further certify that I am not of counsel or attorney for any of the parties to said hearing, nor in any way interested in outcome of said hearing.

IN WITNESS WHEREOF, I have hereunto set my hand this 30th day of January, 2009.

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