



Committee Members Present

Robert Pernell, Presiding Member

Robert A. Laurie, Commissioner, Associate Member

Ellen Townsend-Smith, Commissioner Advisor

Major Williams, Jr., Hearing Officer

Staff

Jack Caswell, Project Manager

David Mundstock, Legal Counsel

Roger Johnson

Applicant

Ed Western  
Western Midway Sunset Cogeneration Co.

Also Present

Kate Poole, CURE

Robert Gomez  
Native American Consultant

Phil Castle  
Kern County Fire Department

Brian Patrick  
West Kern Water District

Angie Marconi  
Channel 29

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

2 PRESIDING MEMBER PERNELL: Good  
3 afternoon. This is an Informational Hearing  
4 conducted by the Committee of the California  
5 Energy Commission on the proposed Midway Sunset  
6 project.

7 The Energy Commission has assigned a  
8 Committee of two Commissioners to conduct these  
9 proceedings. Before we begin I'd like to  
10 introduce the Commissioners to you. My name is  
11 Commissioner Robert Pernel, I'm the Presiding  
12 Member. To my far left is Commissioner Robert  
13 Laurie, he's the Second Member on the Committee.

14 To my right is my Advisor, Ellen  
15 Townsend-Smith, and to my left is Major Williams,  
16 who is the Hearing Officer.

17 In order of introductions, we will begin  
18 with the Applicant's presentation, Staff,  
19 Intervenors, agencies or utilities, and any member  
20 of the public.

21 Would the parties please introduce  
22 themselves and their representatives at this time,  
23 beginning with the Applicant.

24 MR. WESTERN: I'm Ed Western, the  
25 Executive Director of the Midway Sunset

1 Cogeneration Company, the sponsor of this  
2 application.

3 PRESIDING MEMBER PERNELL: Thank you.  
4 Staff.

5 MR. CASWELL: My name is Jack Caswell.  
6 I'm the Project Manager for the Energy Commission.

7 MR. MUNDSTOCK: I'm David Mundstock,  
8 attorney for the Energy Commission staff.

9 PRESIDING MEMBER PERNELL: And any  
10 Intervenors, potential Intervenors?

11 MS. POOLE: Kate Poole, for the  
12 California Union for Reliable Energy.

13 PRESIDING MEMBER PERNELL: Agencies.

14 MR. PATRICK: I'm Brian Patrick,  
15 Director of Operations, West Kern Water District.

16 PRESIDING MEMBER PERNELL: One second.  
17 Could you come up to the mic, please, when you're  
18 introducing yourselves, so we can have it on  
19 record?

20 Did we get CURE?

21 MR. PATRICK: My name is Brian Patrick.  
22 I am the Director of Operations, West Kern Water  
23 District. And we will furnish the district --  
24 furnish the project water supply.

25 PRESIDING MEMBER PERNELL: Thank you.

1 Any other agencies?

2 MR. CASTLE: Phil Castle, Fire Marshal,  
3 Kern County Fire Department.

4 PRESIDING MEMBER PERNELL: Thank you.

5 Any utilities?

6 Members of the public?

7 MR. GOMEZ: My name is Robert Gomez. I  
8 am a Native American consultant.

9 PRESIDING MEMBER PERNELL: We also have  
10 a Public Adviser, Roberta Mendonca. She could not  
11 be with us today. Typically, however, the Public  
12 Adviser explains how the public can obtain  
13 information about the project, and how the members  
14 of the public may participate and offer comments  
15 during this review process.

16 Also, the Public Adviser typically  
17 provides information about how to intervene as a  
18 formal party in these proceedings. Intervention  
19 allows you to present evidence and cross examine  
20 witnesses.

21 This Informational Hearing is the first  
22 public event conducted by the Committee as part of  
23 the Energy Commission's licensing proceedings on  
24 the Western Midway Sunset Company Cogeneration  
25 Project, MSP.

1           Notice of today's hearing was sent to  
2           all parties, adjoining landowners, interested  
3           governmental agencies, and other individuals on  
4           March 24th, 2000. In addition, notice of today's  
5           event was published in the local newspaper, The  
6           Bakersfield Californian.

7           Documents in today's hearing include a  
8           Staff Issue Identification Report, filed on April  
9           5th, 2000.

10           The purpose of today's hearing is to  
11           provide a public forum to discuss the proposed  
12           Midway Sunset Project, to describe the Energy  
13           Commission's review process, and to identify the  
14           opportunities for public participation in this  
15           process.

16           Following adjournment of the  
17           Informational Hearing, the Applicants will provide  
18           transportation and conduct a tour of the site, and  
19           a viewing of the transmission line corridors.

20           Today's event is the first in a series  
21           of formal hearings which will extend over  
22           approximately the next year. The Commissioners  
23           conducting these proceedings will eventually issue  
24           a proposed decision containing the recommendations  
25           on the proposed power plant.

1           It is important to note that, by law,  
2           the proposed decision must base its  
3           recommendations solely on the evidence contained  
4           in the public record. To ensure that this  
5           happens, and to preserve the integrity of the  
6           Commission's licensing process, Commission  
7           regulations and the California Administrative  
8           Procedure Act expressly prohibits off the record  
9           contacts between the participants in these  
10          proceedings and the Commissioners, their advisors,  
11          and the Hearing Officer. This is known as the ex  
12          parte rule.

13                 This means that all contact between a  
14          party of this proceeding and Commissioners Pernell  
15          and Laurie, and their staff, concerning a  
16          substantive matter must occur in the context of a  
17          public discussion, or in the form of a written  
18          communication distributed to all the parties. The  
19          purpose of this rule is to provide full disclosure  
20          of all participants of any and all information  
21          which may be used as a basis for the future  
22          decision.

23                 And at this point, I'd like to turn the  
24          hearing over to Major Williams, who is our Hearing  
25          Officer.

1                   HEARING OFFICER WILLIAMS: Thank you,  
2 Commissioner Pernell.

3                   I will basically explain -- go over the  
4 procedure that we'll follow at the hearing today,  
5 and I will also read a statement from the Public  
6 Adviser, who, as Commissioner Pernell indicated,  
7 due to a scheduling conflict is not able to join  
8 us today.

9                   The procedure that we'll follow is first  
10 the Applicant will describe the proposed project,  
11 and explain plans for developing the project site.

12                  Second, Commission staff will provide an  
13 overview of the Commission's licensing process,  
14 and its role in reviewing the proposed Midway  
15 Sunset project.

16                  Upon completion of each of these  
17 presentations, interested agencies and members of  
18 the public may ask questions.

19                  Following these presentations, we will  
20 turn to a discussion of scheduling and other  
21 matters addressed in staff's April 5, 2000, Issues  
22 Identification Report.

23                  At this point we'll go forward with the  
24 presentations. Again, in the interest of time,  
25 please hold your questions until the end of the

1 presentations. And we'll begin with the  
2 Applicant. Mr. Western.

3 MR. WESTERN: Thank you, gentlemen.

4 HEARING OFFICER WILLIAMS: At this  
5 point, the Committee will move forward so that we  
6 can view the presentation.

7 (Inaudible asides.)

8 MR. WESTERN: The project we are going  
9 to discuss today is the Western Midway Sunset  
10 Cogeneration Company Project. We call it the  
11 WMSCC Project. I've noticed that the Commission  
12 has shortened it to the MSP project, and either  
13 way -- we'll recognize it either way.

14 But what is the project? The project  
15 is, as we're proposing, a 500 megawatt combined  
16 cycle merchant plant. It is a two-on-one  
17 configuration. And two-on-one means two gas  
18 turbines supplying heat through two boilers to one  
19 steam turbine, hence the two-on-one configuration  
20 nomenclature. We do plan to build a 1.8 mile 16  
21 inch waterline to supply water to the cooling  
22 tower for condensing the steam. It includes an  
23 additional transmission line to Buttonwillow, and  
24 we'll see a little bit more about the transmission  
25 line and the waterline here in -- a couple of

1 slides later.

2 And merchant plant, simply a merchant  
3 plant means that MSCC is solely at risk for the  
4 permitting, construction, operation. If we're  
5 fortunate enough and it makes money, fine. But if  
6 it doesn't, there's no ratepayer help. The risk  
7 is strictly on us.

8 And this is a simple schematic of a two-  
9 on-one combined cycle plant. You have two gas  
10 turbines. This is one here, identical one over  
11 there. You can think of it as just like a turbine  
12 on a -- on a jet engine on an airplane. Ours are  
13 certainly a lot bigger and a lot heavier and  
14 slower, but the principle is the same. And we  
15 burn clean burning natural gas, and air and gas  
16 mixed together in the turbines generating the  
17 power. We're direct connected to generators, and  
18 we produce approximately 170 megawatts out of this  
19 turbine and the turbine over there, so a combined  
20 340 megawatts there.

21 Then we take hot exhaust gas, and this  
22 runs approximately 1100 degrees Fahrenheit. And  
23 there's about three million pounds per hour in  
24 each one of those streams, and we can bring water  
25 in, and with the hot exhaust gas we make steam,

1 and then the steam is -- is joined from each  
2 boiler and then taken down to the steam turbine.  
3 The steam turbine rotates, and then we generate  
4 power from the steam turbine.

5 So we have a combined cycle, and there's  
6 two gas turbines, one steam turbine. Hence, a  
7 two-on-one configuration.

8 This is a -- kind of a blown up or a cut  
9 down version, however you want to look at it, of  
10 the map from our AFC. And what it does show is  
11 the water pipeline where we'll tie into West Kern  
12 Water pipe, and then bring the power -- pardon me,  
13 bring the water up to the plant. This is the  
14 existing plant, and right adjacent to it is the  
15 new WMSCC plant.

16 And when we go out today, I thought that  
17 we would stop and just see where -- we'll need  
18 some pumps, and I can show you the pumps will be  
19 located, where we tap into the West Kern Water  
20 District line, and you can also see that we are  
21 using a right-of-way that already has steam lines  
22 on it, waterlines on it, so we are using the very  
23 same right-of-way across that one and a half, 1.8  
24 mile line that already exists.

25 And then there is a -- a one -- pardon

1 me, a 19 mile transmission line that goes from the  
2 plant up to the Midway Substation, and there is an  
3 existing 230 kV line on that right-of-way right  
4 now. And what we propose to do is put a new  
5 transmission line parallel to the existing line,  
6 and 100 feet away. Back when we got our  
7 certification on the existing plant -- and, by the  
8 way, this plant is unique in that I think it's the  
9 only one that you have under review that already  
10 has a CEC certified plant -- but one of the  
11 conditions was that we buy a 200 foot right-of-  
12 way, which is enough to accommodate two lines, and  
13 to buy as much of the 200 foot right-of-way as we  
14 effectively could buy on the initial time back in  
15 1987.

16 And we did do that, and we got over 70  
17 percent of the 200 foot right-of-way, and then  
18 more recently we have essentially 100 percent of  
19 the right-of-way now, paralleling the old line.

20 We will see the start of the  
21 transmission line today. As you can see, the  
22 existing -- the takeoff tower, and we can see  
23 where the line takes off from the plant.

24 Where is the project located? Well,  
25 it's -- we're in Taft today, and it's 12 miles

1 northwest of here. It's officially on 3466 West  
2 Crocker Springs Road, and it is immediately  
3 adjacent to the existing plant. And in fact,  
4 we've got our fence, of course, around the current  
5 plant, and we'll take down part of that fence and  
6 the new plant will be incorporated and made a part  
7 of the existing plant when it is built.

8 I'd like to point out that there is --  
9 because of all the infrastructure that we already  
10 have in place, we'll not need a new control  
11 building or admin building. Those are already  
12 there. The tankage is largely in place. So we  
13 will not need new tanks. We will basically just  
14 need the building blocks of building a basic two-  
15 on-one power plant.

16 And we will also use the same laydown  
17 area as was used for the original plant. And, of  
18 course, the laydown area is nothing more than  
19 where we store equipment that comes in from the  
20 vendors until it's ready to be moved onto its  
21 foundation. And we'll get to take a look at the  
22 laydown area.

23 The timeline. Well, based on our -- our  
24 May -- pardon me, March 8th data adequacy and the  
25 comments that Commissioner Pernell just mentioned,

1 we're expecting a CEC certification date of  
2 approximately April 1 of 2001. It'll take a  
3 little bit of time to get everything set up, but  
4 construction would start approximately August 1 of  
5 2001, and be completed November 1 of 2002.

6 And some of the benefits from the  
7 project, with the 500 megawatts it'll provide  
8 power for approximately a half a million homes.  
9 The project cost is estimated to be \$239 million,  
10 which will help the economy of the country. We  
11 will buy as much locally as we can, and the  
12 estimated local area is -- we will spend  
13 approximately \$23 million. Yearly property tax  
14 would be \$2.4 million, which will help schools and  
15 other needs in the county. And we will provide  
16 construction jobs for a minimum of 200 people.

17 The AFC does have a higher number in  
18 there, that is set up to 400. I think we will  
19 probably do it with a few less people than the  
20 400. We built the first plant, which I think was  
21 a little more complicated, with 225 people, so  
22 that's -- that's why the 200 number is in there.

23 And because it is adjacent to an  
24 existing plant, then -- and we have 30 people in  
25 that plant, we will only need five additional

1 people, then, to run not only the existing plant  
2 but the new plant.

3           And some other benefits. The -- what we  
4 are proposing in the new project is that it'll  
5 have a NOx emission limit of two and a half parts  
6 per million, which is pretty low, but that's  
7 primarily what you're, I think, approving in most  
8 of the other projects that have gone through. And  
9 the combined output of the plants, the new one is  
10 500, the old is 230, so the combined output will  
11 be 730 megawatts of the two plants.

12           But because of some steps that we are  
13 taking with the existing plant, its current output  
14 is about 20 parts per million of NOx, and we're  
15 voluntarily changing the way we burn and combust  
16 our gas, going from a quiet combuster technology  
17 to a dry low NOx technology, and we will drop the  
18 NOx emissions from approximately 20 parts per  
19 million down to 10 parts per million, and in doing  
20 so the combined NOx emission limits from the 730  
21 megawatts will be approximately 40 percent lower  
22 than what we emitted from the existing plant in  
23 1998.

24           And then on the biological front, we  
25 have been surveying right around the plant area

1       either semi-annually or quarterly since the spring  
2       of 1985. So we've got a pretty good idea of the  
3       biological resources in the area. And, of course,  
4       we are continuing to do that, and also along the  
5       transmission line, too.

6                So because we have an existing --  
7       existing roads are in place along the transmission  
8       line, we think that there will be very minimal  
9       biological impacts as we build the transmission  
10      line.

11               This is a picture taken from the top of  
12      one of our towers. This is the plant that you  
13      will see today. This is the existing plant, 85-3,  
14      the 230 megawatt plant, and the new plant, the 500  
15      megawatt plant, will be built immediately west of  
16      it. And the existing road that you see here will  
17      continue, we'll build this new road and continue  
18      it right up to the plant, and that -- then we will  
19      incorporate all of this area into the existing  
20      plant.

21               The next slide is not a really great  
22      slide, but I still think it'll give you an idea.  
23      There we go. This is Crocker Springs Road right  
24      up here, and we'll go right up that road. And  
25      there is a little knoll right over here, and we'll

1 go up Crocker Springs Road, and if the bus driver  
2 can drive up that little knoll we'll go to the top  
3 of that. If not, we'll park down here and walk up  
4 to that knoll, and I think you can get a pretty  
5 good look at where -- where the plant will be.  
6 The area, you can also see this is the laydown  
7 area. That's where we use -- what we used it for  
8 last time, and it's still a perfect spot. And  
9 we'll use -- so you can see all of this area in  
10 here, and the existing plant.

11 After we've looked over the area, then  
12 we'll drive back, get back on the bus, drive back,  
13 and we'll go into the plant and we'll take some --  
14 we'll take a tour of the plant, all of those that  
15 would like to do that.

16 And those are the brief comments I have  
17 on the -- on the project.

18 HEARING OFFICER WILLIAMS: Thank you,  
19 Mr. Western.

20 At this point, I think we can proceed  
21 with staff. Does staff -- will you be using a  
22 slide presentation, also?

23 Okay.

24 MR. CASWELL: Again, I'm Jack Caswell,  
25 Project Manager for the Energy Commission.

1                   And I have a slide show presentation  
2                   that'll discuss process here at the Energy  
3                   Commission. If we can get this to work. Okay,  
4                   take a second to warm up.

5                   (Pause.)

6                   MR. CASWELL: There we go. All right,  
7                   thank you. We're being patient here.

8                   Anyway, this is a presentation to  
9                   discuss some of the process that'll go on for the  
10                  next year. Again, this is an information hearing.  
11                  Hopefully -- if we can get this to work properly -  
12                  - okay, let's see what's going on here. There we  
13                  go.

14                  This is part of the AFC siting purpose,  
15                  to ensure a reliable supply of electrical energy  
16                  is maintained at a level consistent with the need  
17                  for such energy for protection of the public  
18                  health and safety, for the promotion of the  
19                  general welfare, and for environmental quality  
20                  protection.

21                  Don't tell me the battery just died on  
22                  me. This is the first time I've used this. I was  
23                  kind of hoping that it would --

24                  (Pause.)

25                  HEARING OFFICER WILLIAMS: Let's go off

1 the record.

2 (Off the record.)

3 HEARING OFFICER WILLIAMS: I just have a  
4 few comments. I would note that the machinery  
5 failed for the overhead presentation, but staff  
6 does have a package of material that was in the  
7 back of the room, and I believe those have been  
8 distributed to everyone.

9 And there was also a sign-up sheet in  
10 the back of the room, so we would ask that please  
11 -- please put your name on the sign-in sheet at  
12 some point, so we will have that record of names  
13 of folks that were here.

14 Also, I had failed to ask, at the  
15 conclusion of the Applicant's presentation, if  
16 there was any questions at that point. So if  
17 there -- if anyone does have a question about the  
18 Applicant's presentation, you're certainly free to  
19 ask those questions at this point.

20 Seeing no questions --

21 PRESIDING MEMBER PERNELL: I do have a  
22 couple of questions. I was going to do it after  
23 staff.

24 My question is on the transmission line.  
25 Who owns the existing line?

1           MR. WESTERN: Midway Sunset Cogeneration  
2 Company does own the existing line from our  
3 substation in the plant, over within a couple of  
4 hundred feet of the PG&E Midway Substation.

5           PRESIDING MEMBER PERNELL: And then you  
6 are proposing to build another 19 mile line --

7           MR. WESTERN: Yes.

8           PRESIDING MEMBER PERNELL: -- adjacent  
9 to your existing line?

10          MR. WESTERN: Right.

11          PRESIDING MEMBER PERNELL: Then the only  
12 other one was the -- how old is the existing  
13 plant?

14          MR. WESTERN: There was commercial  
15 operation May -- May 8th, 1989, so it's 11 years  
16 old.

17          PRESIDING MEMBER PERNELL: Okay.  
18 Thanks.

19          HEARING OFFICER WILLIAMS: I would also  
20 add for the record that Ms. Angie Marconi, from  
21 Channel 29, the local CBS affiliate, is here  
22 filming the proceedings. And Mr. Western, maybe  
23 she'll have some questions for you. She's going  
24 to go with us to the site visit, as well, and she  
25 might want to interview you for purposes of a

1 presentation on that -- on the project.

2 If there are no more questions, then  
3 we'll proceed now back to staff and its  
4 presentation.

5 Mr. Caswell.

6 MR. CASWELL: Thank you. If you have a  
7 handout in front of you, I'm on the third page of  
8 that handout. This handout is a reproduction of  
9 that slide show. I apologize for the problems  
10 with the laptop. I couldn't tell you what's wrong  
11 with it.

12 But, anyway, this -- this handout is a  
13 duplication of that. And on this, the page I'm  
14 looking at now says AFC Proceeding Relationships.  
15 And it has a chart here that shows the Commission,  
16 the five member Commission decision makers at the  
17 top. It shows the two member Project Siting  
18 Committee. And, again, it explains -- identifies  
19 those individuals, which is Robert Pernell, the  
20 Presiding Member, and Robert A. Laurie, the  
21 Associate Member. The Hearing Officer, Major  
22 Williams.

23 And then it shows the -- the individuals  
24 or organizations involved in this process, which  
25 is the Western Midway Sunset Cogeneration Project,

1 with Ed Western identified as the Project  
2 Director. It shows, again, the local and state,  
3 federal agencies. Commission -- Energy Commission  
4 staff, identified as an independent party, and  
5 Project Manager Jack Caswell. Intervenors,  
6 California Unions for Reliable Energy, CURE, which  
7 had notified us of their intervention, and they  
8 are docketed. And then the public. It also shows  
9 the Public Adviser, Roberta Mendonca, who is not  
10 here.

11 Turn the page. Energy Commission Siting  
12 Process is the title. Energy Commission  
13 permitting authority, and it's under thermal power  
14 plant 50 megawatts or greater, related facilities,  
15 transmission lines, water supply systems, natural  
16 gas pipelines, water disposal facilities, and  
17 access roads.

18 We coordinate with federal, state and  
19 local agencies. The lead state agency for  
20 California Environmental Quality Act, we act as  
21 that, the CEQA. Full review of environmental  
22 impacts, public workshops and hearings, and CEQA  
23 documentation, reports and decisions. That's the  
24 Energy Commission's role in this.

25 Siting process, continued. Open public

1 process. Workshops and hearings, notices 10 to 15  
2 days in advance. We do mailing lists.

3 Where you can obtain documents. Under  
4 that heading is public libraries in Bakersfield  
5 and Taft. Energy Commission Library in  
6 Sacramento. Energy Commission Web site. There's  
7 the address for that Web site for this particular  
8 project. Some of these photographs that were in  
9 your AFC are now displayed on the Web page. It  
10 will show the plant as it is and the computer  
11 enhanced drawing of the future view, as well as I  
12 believe the access road, and a ground level view  
13 of the new project. And anyway, that's the  
14 address for that.

15 And there's also the Docket Unit address  
16 at the Energy Commission on that page.

17 AFC 12 month process. This is to  
18 display some benchmarks for timeframes within that  
19 12 month period. There's a pre-filing process  
20 that does not have a time -- a date assigned to  
21 that. As for the activities there are to clarify  
22 filing requirements with the Applicant.

23 We have a 45-day data adequacy. And data  
24 adequacy is to determine the Applicant's  
25 application contains enough information to begin

1 the review.

2 We have a discovery phase. There is no  
3 timeframe. The whole process becomes somewhat of  
4 a discovery phase of information, as we exchange  
5 analysis. It's information hearing, the discovery  
6 phase, which is site visits, data request  
7 workshops, scoping meetings, and other workshops.

8 There's 120 days of analysis. And in  
9 that analysis, its described activities are data  
10 responses, workshops, preliminary staff  
11 assessment, a pre-hearing conference, and a final  
12 staff assessment.

13 About day 210, the Committee is going to  
14 hold hearings and submit -- and everyone will be  
15 able to, that's involved in the process, will  
16 submit testimony or evidence in that Committee  
17 hearing.

18 At about the 300 day benchmark, there's  
19 a decision, a draft proposal decision, public  
20 comment period, hearing, and Commission decision.

21 At about day 365, to complete that 12  
22 month period, compliance is the phase, and  
23 compliance with conditions, monitor operations,  
24 and oversee facility closure, if that's the case,  
25 if there is a closure.

1           Commission meetings. That's the next  
2 page. Commission meetings will -- part of that  
3 process is staff workshops. In those staff  
4 workshops there will be data requests, data  
5 response, issue resolution, and preliminary staff  
6 assessment.

7           Committee staff conferences, Committee  
8 hearings. Meetings are publicly noticed, and  
9 public welcome to discuss noticed topics.

10           The next page. Staff's AFC analysis.  
11 In that analysis, to determine if proposal  
12 complies with laws, ordinances, regulations, and  
13 standards in federal, state and local areas.

14           Environmental assessment, a CEQA  
15 evaluation, or equivalent, excuse me. Identify  
16 environmental consequences, evaluate alternatives,  
17 identify mitigation measures, and recommend  
18 conditions of certification.

19           Another section is facilitate public and  
20 agency participation. Facilitate public and  
21 agency participation. Issue identification and  
22 resolution, coordination of all federal, state and  
23 local licenses and permits.

24           The next page, local, state and federal  
25 coordination. Staff works closely with local,

1 state and federal agencies. For example, local  
2 Kern County Planning Department and Kern County  
3 Water District. Regional, San Joaquin Valley  
4 Unified Air Pollution Control District. The State  
5 Department of Fish and Game, Air Resources Board,  
6 Water -- Department of Water Resources, Central  
7 Valley Regional Water Quality Control Board.  
8 Federal would be the Environmental Protection  
9 Agency and Fish and Wildlife Services.

10 These are agencies and organizations  
11 that we are aware of, and that doesn't preclude  
12 anybody else from getting involved in the process.

13 Ways to participate. If you're  
14 interested in participating, submit written  
15 comments or statements to the Commission. Provide  
16 verbal comments at public meetings, or become a  
17 formal Intervenor.

18 Next, contacts. On this page, the  
19 contacts of the top of the page, the California  
20 Energy Commission. I'm identified as Project  
21 Manager, my phone number, as well as my e-mail  
22 address is identified. The Web page, again, for  
23 this particular project is identified.

24 Major Williams, Commission's Hearing  
25 Officer, has his phone number, as well as his e-

1 mail address. The Public Adviser, Roberta  
2 Mendonca, is -- we have her address, as well as  
3 the Public Adviser's Web site address.

4 And again, we also identify Western  
5 Midway Sunset Cogeneration Project. Ed Western is  
6 Project Director, his phone number and his e-mail  
7 address.

8 The next page is issue identification.  
9 These are issues that currently have been  
10 identified as potential issues that may arise in  
11 this project. This does not mean that there may  
12 not be other issues that arise during the  
13 discovery phase, or other information that'll be  
14 brought by the public or formal Intervenors. But  
15 this is at this point in time in this process, is  
16 what we're aware of.

17 If you turn the page, in this issue  
18 identification report the purpose is to inform  
19 participants of potential issues, early focus, and  
20 it's not limiting to these issues that I've  
21 identified. Criteria, impacts that may be  
22 difficult to mitigate, non-compliance problems,  
23 and potentially contentious areas in this area.

24 Potential major issues for the Western  
25 MSCC project. These have been identified at this

1 point as biological resources and water resources.  
2 These are the two areas so far that have been  
3 identified.

4 In biological resources, the State  
5 Endangered Species Act protects the San Joaquin  
6 antelope squirrel and blunt-nosed lizard both in  
7 this area of disturbance.

8 Federal and State Endangered Species Act  
9 may necessitate a take authorization from the US  
10 Fish and Wildlife Service. Take authorization  
11 requires California Department of Fish and Game  
12 approval, as well as USFWS.

13 The USFWS, again the US Fish and  
14 Wildlife Service, has identified a need to address  
15 cumulative impacts in this area. There are other  
16 issues in this area, potential power plants being  
17 developed, and this will all have to be resolved  
18 at a later date. But it is, again, an issue that  
19 has been brought forward.

20 The next one is water resources. The  
21 State Water Resources Control Board has a  
22 resolution, 75-58, protecting inland sources of  
23 fresh water. Staff are working on pending siting  
24 cases addressing this policy and are working with  
25 the State Water Resources Control Board to clarify

1 the issue. It's -- this Resolution 75-58 has been  
2 discussed in other projects, and a way to deal  
3 with that has not been defined by the State Water  
4 Resources Control Board at this time, at least to  
5 our staff. And so some of the process is further  
6 along than yours is, and they are working with  
7 these -- with the Water Resources Control Board to  
8 clarify the resolution, and how they plan on  
9 implementing it.

10 Milestone schedule for the MSCC project.  
11 We've identified 3/8, 2000, as the AFC is deemed  
12 data adequate at a business meeting. On 4/5,  
13 2000, staff filed data requests. On 4/10, we are  
14 -- AFC Committee is having this informal hearing  
15 and site visit. On 4/13, 2000, staff is going to  
16 hold a data request workshop. And that has been  
17 scheduled for the Applicant and others to  
18 participate in.

19 On 7/7, 2000, the APC files preliminary  
20 determination of compliance. That's the Air  
21 Pollution Control District. On 8/21, preliminary  
22 staff assessment will be due. On 8/29 through  
23 8/31, 2000, staff workshops on that PSA, that  
24 preliminary staff assessment will be held.

25 On 9/5, 2000, the Air Pollution Control

1 District's final determination of compliance on  
2 the project is due. 10/4, 2000, final staff  
3 assessment will be due.

4 Between 10/18 and 11/3, 2000, the AFC  
5 Committee evidentiary hearings. They will hold  
6 hearings on this, all the evidence that has been  
7 provided.

8 On 1/8, 2001, Presiding Member's  
9 Proposed Decision, and 3/7, 2001, Final Energy  
10 Commission Decision.

11 Now, these are benchmarks that have been  
12 developed to give us all some guidelines and some  
13 way to glance forward and see what's going to go  
14 on in the process. That isn't to eliminate the  
15 idea that some of these are obviously going to  
16 change, depending on information that's provided  
17 and -- and discussions that are had. But at this  
18 point in time, these are the best benchmarks that  
19 we can come up with, and we think they're somewhat  
20 realistic at this point.

21 The last page is a closing summary.  
22 Staff proposes to provide periodic status reports  
23 to the Committee on the progress in addressing  
24 these issues and any new issues identified during  
25 the course of staff's analysis.

1           The next steps in this process are data  
2           request workshop, again scheduled for April 13th.  
3           The issues currently identified, again, are  
4           biology and water. And data requests areas that  
5           have been submitted to the Applicant are air,  
6           biology, cultural, hazardous materials, land,  
7           public, safety, socioeconomics, traffic and  
8           transmission, transmission system engineering,  
9           visual, waste, and unfortunately, I put water on  
10          here and water is to follow. We were unable --  
11          they are -- there will be data requests related to  
12          water, but they are not ready at this time.

13                 And that's the hard copy of the slide  
14                 show I had. And again, thank you for your  
15                 patience.

16                         HEARING OFFICER WILLIAMS: Thank you,  
17                         Mr. Caswell, for that presentation.

18                         At this point, as we indicated earlier,  
19                         Ms. Roberta Mendonca, the Public Adviser, was not  
20                         able to be with us today because of a scheduling  
21                         conflict. However, she did provide a statement  
22                         that she requested that I read into the record  
23                         concerning her role in this proceeding. The  
24                         statement is as follows.

25                         The Energy Commission has a unique

1 position entitled the Public Adviser. As the name  
2 suggests, the Public Adviser is an attorney who is  
3 available to assist members of the public to  
4 participate in the process leading to a decision  
5 to certify construction of a power plant.

6           Roberta Mendonca is the Public Adviser.  
7 She is unable to attend the hearing today due to a  
8 schedule conflict. She does wish to welcome any  
9 members of the public showing an interest by  
10 attending this Informational Hearing.

11           Today, members of the public will have  
12 an opportunity to hear from the Applicant, the  
13 company proposing the power plant, and from the  
14 Energy Commission staff, who do an independent  
15 analysis of the project.

16           You will meet the two Commissioners who  
17 comprise the Siting Committee. As the decision  
18 makers, the Siting Committee Commissioners will  
19 listen to the evidence and make findings of fact  
20 in preparation for a Proposed Decision to be  
21 presented to the full Commission approximately ten  
22 months from now.

23           As members of the public, you will be  
24 given an opportunity to ask questions and make  
25 comments on what you hear and what you think.

1                   At the Energy Commission public  
2 participation is an important part of the decision  
3 making process. To assure that the public knows  
4 about the meetings and workshops, the Energy  
5 Commission sends notices to announce the scheduled  
6 meetings and the topics to be discussed. To  
7 assure that you know about all the meetings,  
8 please add your name and address to the sign-in  
9 sheet and check that you'd like to be placed on  
10 the mail list for meeting notices. If  
11 appropriate, you can provide your e-mail address  
12 and request notices will be sent via e-mail.

13                   In addition to offering the opportunity  
14 for public comment and opinion, the Energy  
15 Commission also has a process called intervention.  
16 Intervenors must file a petition requesting that  
17 status, and if the petition is granted,  
18 Intervenors become a formal party to the decision  
19 process.

20                   Intervention has responsibilities such  
21 as complying with Energy Commission process rules,  
22 providing copies of filings to the Energy  
23 Commission and to all other parties, and  
24 responding to data requests. Some of the benefits  
25 of intervention are that you will receive all the

1 documents in the case and have the opportunity to  
2 enter evidence in the formal hearings, as well as  
3 cross examine witnesses.

4           Should you want additional information  
5 about intervention, the Public Adviser is  
6 available to assist you. Mr. Caswell provided the  
7 numbers and the e-mail address of Ms. Mendonca in  
8 the packet, so if anyone needs that be sure to  
9 either have a copy of the packet that Mr. Caswell  
10 provided, or copy those phone numbers down.

11           Again, Ms. Mendonca welcomes you to the  
12 Energy Commission Informational Hearing, and she  
13 hopes to be of assistance to you as the process  
14 moves forward from today.

15           Signed, Roberta Mendonca.

16           Okay. I think with that -- are there  
17 any questions from anyone at this point about the  
18 process or the proceedings today?

19           COMMISSIONER LAURIE: Mr. Williams, I  
20 have a question or two of Mr. Caswell. Let me  
21 defer to the Chairman, Commissioner Pernell, to do  
22 that.

23           PRESIDING MEMBER PERNELL: Go right  
24 ahead.

25           COMMISSIONER LAURIE: Mr. Caswell, two

1 issues come to mind.

2 Let's talk about land use for a minute.  
3 Are there any discretionary requirements that need  
4 to come out of any local jurisdiction?

5 MR. CASWELL: I believe there are -- are  
6 two areas that relate to that, and it has to do  
7 with the Applicant clarifying whether they intend  
8 to -- if I could put something up here, that -- it  
9 has to do with the -- how they're identifying  
10 their intent to use the land, the existing -- try  
11 to find my paperwork here, and I can answer that.

12 MR. MUNDSTOCK: Commissioner, the  
13 Applicant appears to need a minor lot adjustment,  
14 and that's all we know at the moment. And that's  
15 not a non-conformity, and it doesn't require any  
16 particular analysis. So there's no non-conformity  
17 that we are aware of, and no land use problems  
18 that we are aware of.

19 COMMISSIONER LAURIE: Okay. No special  
20 use permit required?

21 MR. MUNDSTOCK: None that we are aware  
22 of.

23 COMMISSIONER LAURIE: Then let me ask  
24 about water. And I'm not going to ask you to get  
25 into the water issue now, other than note that I

1 will be very interested to be watching and  
2 carefully following the water issue, especially  
3 when it comes from three different sources, as  
4 this appears to be coming from.

5 I also find that over 15,000 acre/feet  
6 appears to be an extraordinarily large amount of  
7 water usage, even for this kind of a plan. And I  
8 may be wrong about that.

9 MR. CASWELL: I can explain that. In --  
10 in my description of that, identifying that 15,000  
11 acre/feet, that is the combined use for the  
12 existing plant --

13 COMMISSIONER LAURIE: Okay.

14 MR. CASWELL: -- and additional waters.  
15 Now, where I read that, there was a singular  
16 statement, and later on in the -- in the AFC, the  
17 Application for Certification, they describe the  
18 breakdown of exactly the additional water use, as  
19 well as the existing water use.

20 COMMISSIONER LAURIE: Thank you.

21 I will also be watching with interest  
22 how you go about examining economic impact of dry  
23 or wet/dry cooling systems. Simply the incurrence  
24 of expense is inadequate, when we talk about  
25 addressing the state requirements. So we're going

1 to have to balance off the environmental benefits  
2 from a dry or wet/dry cooling from any potential  
3 infeasibility of -- economic infeasibility of such  
4 technology. And just a note, I'll be watching  
5 with interest as to how you folks analyze that.

6 And I think that's all I have.

7 PRESIDING MEMBER PERNELL: Mr. Caswell,  
8 the Rule 75-58 that you mentioned in your  
9 presentation.

10 MR. CASWELL: Yes.

11 PRESIDING MEMBER PERNELL: Will that --  
12 is it your opinion whether or not that would slow  
13 down this process at all?

14 MR. CASWELL: You know, there is no  
15 indication clearly at this time, because of the --  
16 the way -- the intent of the Water Resources  
17 Control Board is not clear to the Energy  
18 Commission at this time on their -- on the Water  
19 Resources Control Board's plan to implement that  
20 -- that resolution. They are in discussions  
21 currently, is my understanding, with the Water  
22 Resources Control Board. All we know is that this  
23 point in time it's an issue. It's very unclear to  
24 the Energy Commission staff on how the Water  
25 Resources Control Board intends to implement that.

1                   And, David, do you have any --

2                   MR. MUNDSTOCK: Commissioner, we also  
3                   suspect that in other cases, including some of  
4                   which where you are involved, such as Elk Hills  
5                   and also possibly Three Mountain, which are all  
6                   much more advanced, that the results of those  
7                   cases will help to establish policies which may  
8                   then be either relied upon or used as a starting  
9                   point by staff or other parties in this case.

10                   So it's not our anticipation that this  
11                   is going to be the case to set the policy.

12                   COMMISSIONER LAURIE: Commissioner --

13                   PRESIDING MEMBER PERNELL: Commissioner  
14                   Laurie.

15                   COMMISSIONER LAURIE: -- just let me  
16                   note that there are better ways to set policy than  
17                   through individual cases. And it is preferable  
18                   that the Commission and its siting process look at  
19                   the issue in its totality, in its relationship  
20                   with the state resolution and the state  
21                   regulation, rather than approaching it on a case  
22                   by case basis.

23                   So you and I are the members of the  
24                   Siting Policy Committee, and it would be most  
25                   interesting to address this issue on a statewide

1 basis, rather than on a case by case basis. And  
2 perhaps that is something that can be discussed at  
3 a later date.

4 PRESIDING MEMBER PERNELL: Yes.  
5 Actually, I think that's more productive, that we  
6 address the issue, answer the question, and then  
7 move on.

8 I don't have any other questions. I  
9 just have a comment, and I would ask that we have  
10 a -- Mr. Caswell has went over the benchmark  
11 timeline. I can tell you that I'm going to be  
12 interested in this case coming to the Commission  
13 before the 12 month timeline that we have. So I  
14 would ask that the Applicant, staff, and  
15 intervenors get your whatever you have to get in  
16 to staff, staff respond, and have all of this done  
17 in a timely manner. Because it is my intention to  
18 complete this in the allotted time, which is 12  
19 months. And I would like to have it done before  
20 then.

21 So I'm not very sympathetic to excuses.  
22 So I wanted to put that on the record up front.

23 Mr. Williams.

24 HEARING OFFICER WILLIAMS: Thank you,  
25 Commissioner Pernell.

1           I think it's probably appropriate now  
2           that we discuss the scheduling on this project.  
3           We touched on it, and the staff has included a  
4           proposed schedule, both in its presentation today  
5           and in the Issues Identification Report.

6           I guess at this point we are clearly  
7           interested in hearing from the Applicant, in terms  
8           of its scheduling input.

9           Mr. Western.

10           MR. WESTERN: From the schedule that we  
11           saw and what you have in front of you, we feel  
12           that we can move forward and hit, or maybe even  
13           beat that schedule, depending upon what -- maybe  
14           what has -- what staff has to say, or maybe some  
15           of the intervenors. But because we've done so  
16           much of the work already with the existing plant,  
17           there will be new additions, certainly, to be  
18           added on, but we believe that we can meet that  
19           schedule, or, as you desire, even beat it, if we  
20           work very hard to do that. To meet that  
21           requirement.

22           HEARING OFFICER WILLIAMS: Do you have  
23           any special concerns or requirements for the -- in  
24           terms of scheduling that you'd like to offer at  
25           this time, or -- certainly you can offer them

1 later, but now is a good time if you -- if you  
2 have any particular concerns.

3 MR. WESTERN: None that we know of. All  
4 we have received to date, though, is what you just  
5 have in front of you right now. So we are  
6 prepared to answer those two key areas. And --  
7 and then all of the other areas, for that matter,  
8 and try to work through those workshops as quickly  
9 as possible.

10 HEARING OFFICER WILLIAMS: Thank you,  
11 sir.

12 Does any -- anyone else have any input,  
13 scheduling input?

14 MR. JOHNSON: Good afternoon,  
15 Commissioners, Major Williams.

16 My name is Roger Johnson. I'm the  
17 Siting Program Manager for the Energy Commission,  
18 and I have the responsibility for managing the --  
19 the siting program, including all the project  
20 managers and all the individual projects as they  
21 come before the Commission.

22 I just want to let you know that at this  
23 time we have 13 projects that are with the  
24 Commission for evaluation. Some are still in data  
25 adequacy, others are nearing completion. But they

1 have a tremendous workload on the staff right now,  
2 to manage all these projects. We have a matrix  
3 organization where we have defined set of staff  
4 that are assigned to multiple siting cases.

5 And so if this were one of a few  
6 projects that we were working on, we, too, would  
7 suggest that we attempt now to agree to do a  
8 expedited schedule if we could. The issues don't  
9 seem to be that large in this case. But I'd just  
10 like to caution you that we do have a siting  
11 resource constraint. We're adding consultants to  
12 our workforce now, as you know.

13 So we think that the standard 12 month  
14 schedule is the one that we should agree to commit  
15 to, and to meet that schedule, and we will do what  
16 we can. If it's -- if it's in our, you know,  
17 ability to provide early reports, we will do it.  
18 But with all the other projects that we have  
19 coming in and having their reports due, at this  
20 time it's hard to suggest that we could agree that  
21 we could shorten the schedule.

22 PRESIDING MEMBER PERNELL: I wasn't  
23 advocating for shortening the schedule. I'm  
24 simply saying that if everything goes according to  
25 plan, if there are documentation requests, if it

1 comes in to the staff and staff gets it back out,  
2 we should be fine. I understand the -- the strain  
3 on staff as these cases are moving forward, which  
4 is why the sooner we get the cases done, the  
5 better off everyone is.

6 So I -- I do understand the workload  
7 that staff has. I'm simply saying that -- and  
8 I've served on other cases, so I'm more or less  
9 warning folks that get your information in, let's  
10 get it turned around, and let's get the case done.  
11 And that way it'll be off the table, and you won't  
12 have another case lingering on your workload. And  
13 that's my concern, as well.

14 MR. JOHNSON: One thing we might want to  
15 do, as well, is just set the schedule now through  
16 the Preliminary Staff Assessment, get that  
17 published, see if there's any issues that are  
18 going to require any length of time to come up  
19 with the Final Staff Assessment, and revisit the  
20 schedule then to see if we can shorten the time  
21 between the typical Preliminary and Final Staff  
22 Assessment, and take some advantage of that.

23 Thank you.

24 PRESIDING MEMBER PERNELL: Good. Great  
25 idea.

1 HEARING OFFICER WILLIAMS: Thank you,  
2 Mr. Johnson.

3 I also note that CURE's representative,  
4 Ms. Poole, is in the audience. Ms. Poole, do you  
5 have any input on the schedule? CURE has -- has  
6 made a request to intervene in this proceeding  
7 that the Committee has not ruled upon, but since  
8 you're here, we would certainly like to hear any  
9 comments that you may wish to offer.

10 MS. POOLE: I don't have anything in  
11 particular. I think staff's proposed schedule  
12 looks doable.

13 I would just echo what Commissioner  
14 Pernell said, that the sooner that information is  
15 supplied, that help all -- all of the parties  
16 inform their analysis, the smoother things tend to  
17 go. And I think that helps things along  
18 tremendously.

19 HEARING OFFICER WILLIAMS: Okay. Thank  
20 you.

21 Does anyone else have anything to offer  
22 at this point, any comments or concerns or  
23 questions?

24 Seeing none, I think then we will  
25 proceed on to the site visit. The Applicant has

1 -- yes, sir.

2 MR. GOMEZ: Did you ask for public?

3 HEARING OFFICER WILLIAMS: Yes, sir.

4 MR. GOMEZ: Or are you still working on

5 --

6 HEARING OFFICER WILLIAMS: No. It's  
7 appropriate if you have --

8 MR. GOMEZ: I'd like to, please.

9 HEARING OFFICER WILLIAMS: Sure. Would  
10 you --

11 MR. GOMEZ: My name is Robert Gomez, and  
12 I'm a Native American Consultant. And I'm here to  
13 address some cultural resource issues.

14 In that regard, my position is always if  
15 there's an impact, or a potential impact to  
16 significantly impact cultural resources, my  
17 position is to having no project alternative.  
18 Beyond that, I believe that there is some room for  
19 some mitigation and some avoidances.

20 In particular, my big concern is burial  
21 issues whenever we have projects of development of  
22 this sort. In reading a letter that I received  
23 from Ms. Mary Jane Wilson, from WZI, Incorporated,  
24 it alluded to some cultural resources that may be  
25 impacted. And because of that, I became

1 concerned.

2 I did have a telephone conversation with  
3 Ms. Wilson, Mrs. Wilson, and what I would like to  
4 see with regards to those cultural resources is --  
5 I need to research it a little further, and the  
6 letter that I received is really superficial in  
7 regards to the impacts and some of the avoidances  
8 and some of the mitigation processes that are  
9 going to be incorporated into this project.

10 What I would like to see, and one of the  
11 things that glared at me was the fact that yes,  
12 there is some mitigation and some avoidance  
13 processes involved; however, they involve  
14 archeologists, engineers, and people of that  
15 nature, and there is no inclusion whatsoever of  
16 Native Americans. I think that's important in  
17 these development projects that we include Native  
18 Americans at all aspects of a project, to ensure  
19 that we can resolve some of these issues, if we  
20 can, avoid some of these issues, if we will.

21 And because of that, I would like to see  
22 some more documentation regarding the cultural  
23 resources so I can do some more research and  
24 analysis on them, and that I can also give you  
25 some documented input as to what I feel should be

1 done.

2 HEARING OFFICER WILLIAMS: Thank you,  
3 Mr. Gomez.

4 Sir -- I'm sorry.

5 PRESIDING MEMBER PERNELL: No, go ahead.  
6 Go ahead.

7 HEARING OFFICER WILLIAMS: I just want  
8 to make sure that you have the Public Adviser's --

9 MR. GOMEZ: I do. And I've talked to  
10 her.

11 HEARING OFFICER WILLIAMS: Oh, good.

12 MR. GOMEZ: Yes.

13 HEARING OFFICER WILLIAMS: Okay. And,  
14 of course, Mr. Caswell and Mr. Western are also  
15 available today for you to talk to and, you know,  
16 air any concerns of whatever that you have on that  
17 score.

18 MR. GOMEZ: Okay. Thank you very much.

19 HEARING OFFICER WILLIAMS: I think  
20 Commissioner Pernell --

21 PRESIDING MEMBER PERNELL: There is also  
22 the opportunity to be an Intervenor, which you can  
23 talk to the Public Adviser about. And that will  
24 allow you to do presentations and ask questions,  
25 and perhaps satisfy some of your concerns.

1 MR. GOMEZ: Fine. Thank you very much.

2 HEARING OFFICER WILLIAMS: Thank you,

3 sir.

4 Anything further?

5 Okay. At this point we're going to  
6 adjourn the Informational Hearing and proceed on  
7 the Applicant's transportation to the site visit.

8 Thank you.

9 (Thereupon, the Informational Hearing  
10 was concluded at 2:28 p.m.)

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## CERTIFICATE OF REPORTER

I, DEBI BAKER, 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 Informational Hearing, nor in any way interested in the outcome of said Informational Hearing.

IN WITNESS WHEREOF, I have hereunto set my hand this 19th day of April, 2000.

DEBI BAKER

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