BEFORE THE ARIZONA POWER PLANT AND TRANSMISSION LINE SITING COMMITTEE

LS-448

IN THE MATTER OF THE APPLICATION OF CG APACHE COUNTY WIND LLC AND CG APACHE COUNTY SOLAR LLC, IN CONFORMANCE WITH THE REQUIREMENTS OF ARIZONA REVISED STATUTES §§ 40-360, ET SEQ., FOR A CERTIFICATE OF ENVIRONMENTAL COMPATIBILITY AUTHORIZING THE CONSTRUCTION OF THE LAVA RUN INTERCONNECTION PROJECT, A 345-KILOVOLT (KV) ALTERNATING CURRENT GENERATION TIE TRANSMISSION LINE, WITH ASSOCIATED INTERCONNECTION FACILITIES, WITHIN APACHE COUNTY, ARIZONA.	DOCKET NO. L-21364A-25-0198-00250 LS CASE NO. 250 EVIDENTIARY HEARING

At: Pinetop, Arizona

Date: October 20, 2025

Filed: October 28, 2025

REPORTER'S TRANSCRIPT OF PROCEEDINGS

VOLUME I
(Pages 1 through 190)

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BE IT REMEMBERED that the above-entitled and numbered matter came on regularly to be heard before the Arizona Power Plant and Transmission Line Siting Committee at Pinetop, Arizona, commencing at 1:01 p.m. on October 20, 2025.

BEFORE: ADAM STAFFORD, Chairman

MICHAEL COMSTOCK, Arizona Corporation Commission
LEONARD DRAGO, Department of Environmental Quality
DAVID FRENCH, Arizona Department of Water Resources (via videoconference)
NICOLE HILL, Governor's Office of Energy Policy
R. DAVID KRYDER, Agricultural Interests
SAL DICICCIO, Incorporated Cities and Towns
ROMAN FONTES, Counties (via videoconference)
DOUGLAS FANT, General Public
GABRIELA SAUCEDO MERCER, General Public

APPEARANCES:

For the Applicant:

Matt Derstine
SNELL & WILMER
One East Washington Street
Suite 2700
Phoenix, Arizona 85004

CHMN STAFFORD: Let's go on the record.

Now is the time set for the hearing on the application of CG Apache County Wind, LLC, and CG Apache County Solar, LLC, for a certificate of environmental compatibility, Docket No. L-21364A-25-0198-00250 and Docket No. 21365A-25-0198-00250, for Line Siting Case 250.

Let's take roll call of the members.

Member Kryder.

MEMBER KRYDER: Here.

CHMN STAFFORD: Member Mercer.

MEMBER MERCER: Present.

CHMN STAFFORD: Member Comstock.

MEMBER COMSTOCK: Present.

CHMN STAFFORD: Member Fant.

MEMBER FANT: Here.

CHMN STAFFORD: Member Hill.

MEMBER HILL: Present.

CHMN STAFFORD: Member Drago.

MEMBER DRAGO: Present.

CHMN STAFFORD: Member DiCiccio.

MEMBER DICICCIO: Here.

CHMN STAFFORD: And online I see Member French.

MEMBER FRENCH: Here.

CHMN STAFFORD: And Member Fontes.

MEMBER FONTES: Here.

CHMN STAFFORD: All right. I would admonish the parties and the public that the ex parte rule is in effect and that you are not to communicate with the members of the committee about the merits of the application while it is pending.

Let's take appearances of the parties. Mr. Derstine.

MR. DERSTINE: Good afternoon, Mr. Chairman, members of the committee. Matt Derstine, appearing on behalf of the applicants.

CHMN STAFFORD: All right. There have been no notices of intent to be a party filed in this matter. We have, however, received five limited appearance statements.

Appearance statements -- limited appearance statement have been received from the Town of Eagar, Linda Weiland, Karen Glennon, Michael Anable and Monica Boehning.

Those been marked as Exhibits KG-1, LW-1, MA-1, MB-1, and TE-1.

Mr. Derstine, would you like to make an opening statement?

MR. DERSTINE: Yes. Thank you.

Let me start by saying thank you. I know for the members who are here in the hearing room, whether you drove up from Phoenix in the valley or drove up from Tucson or Green Valley, we appreciate you making that drive and certainly is beautiful up here, but it takes a commitment of time and we greatly appreciate your willingness to appear for the Lava Run Interconnection Project application hearing.

And for those members who are appearing virtually, we also appreciate you attending and being here.

One of the first questions I had about this project was why is it called the Lava Run Interconnection Project. So let me answer that question if you had the same as I did.

The Lava Run Interconnection Project name refers to the Springerville Volcanic Field. When you have a large number of volcanos together clustered in an area, they call that a volcanic field.

The Springerville volcanic field is located between Show Low and Springerville, as you can see on the map here on the -- or maybe see on the map here on the right screen here in the hearing room. It covers 12,000 square miles.

It's an extremely large area. It covers

essentially that whole area between Show Low and Springerville, and the land ownership of the Springerville volcanic field is a mix of state land, land that's managed by the Bureau of Land Management, and private land ownership.

The interconnection project crosses a portion of the Springerville volcanic field. On the screen, right screen here in the hearing room you can see two photos of the mounds off in the distance, which are older volcanos. And then what the -- what the landscape looks like today as you might travel along US 60 or any of the unimproved or dirt roads that are used for -- largely for the grazing lessees who manage or run cattle in those areas.

There are other volcanic fields in northern Arizona. One of the other notable fields is the San Francisco volcanic field closer to Flagstaff.

So that's the name. So what's the project?

The Lava Run Interconnection Project is a new 345kV generation tie line. It extends approximately 27 miles. The line will connect the Lava Run Wind project here on the western side of the map you're seeing here on the right screen in the hearing room.

And then it extends through the two wind project substations, continues on to the east where it

will connect with the two project substations for the solar project, and then interconnect at the Springerville Substation which is adjacent to the Springerville Generating Station.

The gen-tie line, the interconnection project will be single circuit for the vast majority of the line, approximately 26 miles until it reaches the solar project where it will add a second 345kV circuit that will carry the output, the energy from the solar project.

The line is going to be constructed almost exclusively on state trust land. Except for then, I guess -- well, I think exclusively on state trust land. The solar project sits on a portion of private land at the end of the line, but as I understand it, and our witnesses will correct me if I've got it wrong, that the gen-tie line is almost exclusively on state trust land.

As you saw from the photos of the Springerville volcanic field, the project is being sited on rural, largely vacant land that's used for grazing. Within the project area as shown on the right screen here, there are eight lessees that hold nine grazing leases with ASLD.

And the applicants have been coordinating with those grazing lessees and are negotiating agreements

to ensure that their grazing operations are not impacted by the project.

Importantly, the closest residence to the gen-tie, to the Lava Run Interconnection Project, is about 1.8 miles away. And that's one private land holding that sits generally in this area. It will come through on other maps. And then they -- the other residences are going to be approximately four miles away from our -- our transmission line.

In terms of the environmental studies that were performed that Ms. Casteel is going to testify to, the impacts to ESA-listed species and other special status plants and animals will be minor and will be minimized by the use of mitigation measures. And we'll cover those mitigation measures in the testimony. There is no designated or proposed critical habitats or wilderness areas within the study area for our project.

So that's the project. I was hesitant to talk about your -- the framework for your analysis because I think you know the statute better than I do.

At the same time, maybe for the benefit of the public and others, I'll simply note that this committee's jurisdiction is to analyze the transmission line that we're presenting to you in our CEC application under the various factors that are identified in

ARS 40-360.06. You know those factors, you cover them in every hearing that you -- you're sitting and considering a CEC application. I don't need to go through them here.

And these are the same factors that this committee has used to and applied to every CEC application.

The language of the statute hasn't changed with regard to the 06 factors. And the analysis doesn't change based on what's at the end of the line. And whether it's a natural gas generating plant, whether it's a nuclear plant, whether it's a wind project or a solar project, your analysis with regard to the transmission line application that's before you is the same.

Public comment is a critical and important part of every case. It's an important part of this case and we've received a lot of it.

I'm sure the members of the committee have seen the -- some of the written public comment that's been filed, and I anticipate that this evening we'll hear a fair amount of public comment here in the room and/or from folks who are going to appear virtually.

But I think what's important to, maybe for the public to understand -- I know this committee understands -- is that this proceeding is not a referendum on wind energy, on the Lava Run Wind project,

this proceeding is for this committee to hear the testimony, to hear the evidence on the various aspects, the resources that have been studied, the nature of the project, and then to make a determination on our application.

And at the end of the day or at the end of this hearing, I don't think we're going to get through it today, but at the end of this hearing we'll ask that you grant us a CEC based on the record, the testimony, and the evidence.

So thank you again for being here, for attending this hearing, and we look forward to presenting our case to you.

CHMN STAFFORD: Thank you, Mr. Derstine.

Now, I understand you intend to present your witnesses as a panel.

MR. DERSTINE: Yes, Mr. Chairman. We have four witnesses who are here in the hearing room. There will be an additional witness who will appear virtually, that's Ms. Turner.

We'll -- I'll make arrangements with you in terms with you in terms of coordinating the timing of her testimony. Ms. Turner's testimony will focus on the transmission studies that were performed for this project, and address the letter that came from

Corporation Commission Staff.

So we're looking to, I think, depending on her schedule and your schedule, call her either tomorrow afternoon -- probably tomorrow afternoon we'll try to fit her in.

But for today, we have the four witnesses who are in the hearing room, and happy to have you. Do you want me to call them and then you'll swear them in?

CHMN STAFFORD: Yes, indeed. Thank you.

MR. DERSTINE: All right. We'll call our witness panel. Our first witness is going to be Mr. Derek Rieman. Mr. Rieman has been correcting me in my pronunciation of his last name. And it's important to understand that it's the German pronunciation and not the butchered pronunciation that I've used several times.

So it's Derek Rieman. Mr. Trey Patton. And then on behalf -- our environmental witnesses are Mr. Jeremy Casteel and Ms. Victoria Casteel.

CHMN STAFFORD: All right. Well, I'll start on the end, and Ms. Casteel, do you prefer an oath or affirmation?

MS. CASTEEL: Affirmation.

CHMN STAFFORD: Do you affirm the testimony you will give in this matter will be the truth, the whole truth, and nothing but the truth, taking into

consideration the penalties for perjury in the State of Arizona?

MS. CASTEEL: I do.

CHMN STAFFORD: Mr. Casteel.

MR. CASTEEL: Affirmation.

CHMN STAFFORD: Do you affirm the testimony you will give in this matter will be the truth, the whole truth, and nothing but the truth, taking into consideration the penalty for perjury in the State of Arizona?

MR. CASTEEL: I do.

CHMN STAFFORD: Mr. Rieman, oath or affirmation?

MR. RIEMAN: Affirmation.

CHMN STAFFORD: Do you affirm the testimony you will give in this matter will be the truth, the whole truth, and nothing but the truth, taking into consideration the penalty for perjury in the State of Arizona?

MR. RIEMAN: Yes, I do.

CHMN STAFFORD: Mr. Patton, oath or affirmation?

MR. PATTON: Oath.

CHMN STAFFORD: Do you swear the testimony you will give in this matter will be the truth, the whole

truth, and nothing but the truth, so help you God?

MR. PATTON: So help me God, yes.

CHMN STAFFORD: Mr. Derstine, please proceed.

MR. DERSTINE: I think the way that our deck is assembled here, we'll switch over to the hearing room slides. There we go. I think, Mr. Patton, your introduction slides come up first, so let's start with you.

VICTORIA CASTEEL, JEREMY CASTEEL, TREY PATTON, and DEREK RIEMAN,

called as witnesses as a panel on behalf of the applicants, having been affirmed or sworn by the Chairman to speak the truth and nothing but the truth, were examined and testified as follows:

DIRECT EXAMINATION

BY MR. DERSTINE:

Q. State your name and your business address for the record, please.

A. (Mr. Patton) My name is Aubrey Patton, III. I go commonly by Trey. My business address is 1221 McKinney Street, Houston, Texas.

Q. Take a couple minutes to introduce yourself to

the committee, a little bit on your background and your experience and what brings you here.

A. (Mr. Patton) Happy to do so. So my current role is as lead project manager for Repsol Renewables North America. My background is nine years of experience in renewable energy development.

I touch on the projects from inception all the way through mid stage and late stage and ultimately into construction. I also support M&A financial activities and construction efforts across the industry.

And prior to that I have six years in the mining industry, starting on as a fabricator, welder and draftsman and project manager. Today I am here to testify in my capacity as the lead project manager for the applicants CG Apache County Wind, LLC, and CG Apache County Solar, LLC.

CHMN STAFFORD: Mr. Derstine, the witness presentation slides, those are marked as Exhibit CG-7, correct?

MR. DERSTINE: That's correct.

BY MR. DERSTINE:

Q. Mr. Patton, while I have you, and before I forget it, which I am prone to do, let me have you speak to the application that's presented to the committee that's marked as Applicants' Exhibit 1.

As the lead project manager you were involved with and oversaw the preparation of the CEC application which is Applicants' Exhibit 1; is that right?

A. (Mr. Patton) Yes, sir.

Q. Have you had an opportunity to review the CEC application, Applicants' Exhibit 1?

A. (Mr. Patton) Yes, sir.

Q. Do you have any corrections or changes or clarifications to the application that you'd like to state for the record today?

A. (Mr. Patton) Yes, sir, I do. I would like to note that in the application it states that the interconnection project will be approximately 29 miles in length.

We'd like to correct that as stated in the opening statement that the length has been revised down to approximately 27 miles in length. It also denotes here that it will be a single circuit gen-tie line as denoted and as we'll unpackage in the project overview in the route description, the line is predominantly single circuit. It does turn into a double-circuit line closer to the termination point.

Q. Okay. And you'll cover that in your testimony when you describe the overall project; correct?

A. (Mr. Patton) Yes, sir.

Q. Anything else that you want to note for the record concerning clarifications or modifications to the application?

A. (Mr. Patton) No, sir.

Q. Okay. All right. Mr. Rieman, let's go through your background and history and experience. Let's start by stating your name for the record and your business address, please.

A. (Mr. Rieman) My name is Derek Rieman, and my office is located at 1221 McKinney Street, Suite 1900, Houston, Texas 77010.

Q. Okay. Yeah, using your slide and whatever you would like to say, give the committee an understanding of who you are, your experience and your background, please.

A. (Mr. Rieman) Yes, I am the chief development officer of Repsol Renewables North America, where I am responsible for overseeing the development of our utility scale wind, solar, solar plus battery storage, and battery storage portfolio, which exceeds 15 gigawatts of which 2.5 gigawatts are located here in Arizona.

My responsibilities include greenfield prospecting and development, negotiating and evaluating development agreements, negotiating commercial offtake agreements, and providing general guidance and oversight over our development activities in markets across the

United States.

I have 16 years of experience in developing and constructing utility-scale renewable energy projects all across the country.

And I'm here representing the applicants CG Apache County Solar, LLC, and CG Apache County Solar, LLC.

Q. Okay. I think some of the testimony that you have planned will provide a little more background on CG Apache County Wind and Solar, the two LLCs, as well as Repsol Renewables North America; right?

A. (Mr. Rieman) That is correct, yes.

Q. Okay. I think the next slides we have are the introduction slides for Ms. Turner, that's the witness I indicated will be testifying virtually when we schedule her hopefully tomorrow afternoon, so we'll skip her slides for now.

And that brings us to you, Mr. Casteel. State your name and your business address for the record, please?

A. (Mr. Casteel) Good afternoon. My name is Jeremy Casteel. My business address is 20 East Thomas Road, Suite 1700, Phoenix, Arizona 85012.

Q. And take a few minutes, introduce yourself to the committee, tell us about your background and your

experience.

A. (Mr. Casteel) I'm a lead environmental planner and project manager for SWCA. I'm a manager of the CEC application and oversaw the preparation of the exhibits as well as the public outreach efforts.

I have 21 years of environmental planning experience in Arizona and that experience is related to transportation, transmission, renewables and water infrastructure.

Q. Do you want to take a minute, and you mentioned that you work for SWCA Environmental Consultants. Take a minute to talk about SWCA, what it does, its role for this project.

A. (Mr. Casteel) Yes. SWCA is a national environmental consulting firm based out of Phoenix, Arizona. Natural and cultural resources management, regulatory compliance and other services within Arizona and nationwide.

Q. And SWCA was engaged by applicants to perform various environmental studies and public outreach and other things that were in support of the CEC application; is that right?

A. (Mr. Casteel) Correct. Yeah, the applicants retained SWCA to prepare the CEC application, the environmental studies that support the application, and

assist with the public involvement and public outreach.

Q. Okay. Thank you.

Ms. Casteel, I guess your name and business address, please?

A. (Ms. Casteel) My name is Victoria Casteel. My business address is 20 East Thomas Road, Suite 1700, Phoenix, Arizona 85012.

Q. And I guess at the risk of stating the obvious, you're in some way related to the other Casteel on the witness panel; right?

A. (Ms. Casteel) Yes, we've been together and working together for 16 years, married for 12.

Q. Great. Congratulations.

Well, tell us, tell the committee a bit about yourself and your experience and what role you have played and what you'll cover in your testimony.

A. (Ms. Casteel) I am the natural resources director for Arizona for SWCA Environmental Consultants. My role on the project is to support Jeremy and our team of natural resource and cultural resources specialists in preparation of the CEC and the process in general.

I have 19 years of experience in environmental and planning and permitting including projects in the renewable energy, transmission, and infrastructure fields among other industries. And I have testified previously

in case numbers 209 and 240.

Q. Okay. Thank you.

With those introductions of our four panel witnesses, Mr. Rieman, let's come back to you to give the committee an overview of the applicants and Repsol Renewables North America, please?

A. (Mr. Rieman) Thank you. Yes, the applicants, CG Apache County Wind, LLC, and CG Apache County Solar, LLC.

MEMBER KRYDER: A bit closer to your mic, please.

MR. RIEMAN: Certainly. The applicants, CG Apache County Wind, LLC, and CG Apache County Solar, LLC, are affiliates of Repsol Renewables North America, and are -- which is the indirect parent of these entities.

Repsol Renewables North America acquired the 100 percent equity interest of ConnectGen, LLC, in March of 2024 which included the entire portfolio of wind and solar and battery storage projects with that organization.

As such, Repsol Renewables North America has been developing and working on the Lava Run wind and solar projects since that time.

MR. DERSTINE: Just pull that close to you

so you don't have to reach for it.

MEMBER KRYDER: Very much appreciate it.

MR. DERSTINE: There you go. Of course.

MR. RIEMAN: Repsol Renewables North America is headquartered in Houston, Texas, and it has 155 employees that are supporting the development, construction, and operations of our renewable energy project portfolio.

We identify, develop, and build these projects all across the United States. We currently have 1400 megawatts of operating solar projects in New Mexico and Texas. We are currently constructing 1200 megawatts of solar and storage projects in Texas, and we are developing a portfolio of projects as indicated on the slide before you across the entire country.

Repsol Renewables North America is part of a global energy company with a strong presence in the United States.

As you can see on the slide, we have highlighted a variety of projects in various jurisdictions across the United States. We have a considerable amount of experience in greenfield identification of renewable energy projects, developing them through the site acquisition process, permitting process, interconnection studies, and bringing those

projects to construction and into its operations.

BY MR. DERSTINE:

Q. Thank you for that. I guess with that background on the applicants and Repsol Renewables North America, let's turn to you, Mr. Patton, to talk a little bit about the wind and the solar projects that are being developed.

I took time to note that the wind and the solar projects are not projects that are before the committee. This committee doesn't have jurisdiction to approve, disapprove those projects, but at the same time it's important that the committee understand that what's being developed at the end of the line, which is the starting point and the end point for the interconnection project.

So take us through those at a high level, the wind and solar project, if you will, Mr. Patton.

A. (Mr. Patton) Certainly. So as you alluded to, the end of the gen-tie facility, we have the wind facility which is known as the Lava Run Wind Project.

That is a standalone wind facility that is sited across roughly 44,500 acres of publicly owned land that is administered by the Arizona State Land Department.

Our final infrastructure footprint will be consolidated down to roughly 500 acres. The nameplate capacity of that project would be up to 500 megawatts.

We are currently targeting a commencement of construction date in 2027 and our targeted commercial operations date is late 2028.

Moving to the solar facility, this is a standalone solar facility that is sited on approximately 3760 acres, also again predominantly publicly owned land. There is a private landowner participating in that project.

The nameplate capacity for that project is up to 450 megawatts. It is paired with a battery energy storage system, also known as BESS, that is up to 450 megawatts. And these projects are slated for the same time line as Lava Run Wind, so Lava Run Solar would commence construction in 2027 and would begin operations -- commercial operations in late 2028.

MEMBER KRYDER: Mr. Chairman.

CHMN STAFFORD: Yes, Member Kryder.

MEMBER KRYDER: One quick question. In looking at the map here and in the application, I think it's under exhibit whatever, here, I'll get it.

CHMN STAFFORD: Hearing Exhibit 7 is the slide deck and the map they're looking at is Slide 22.

MEMBER KRYDER: Okay. What I -- my question was toward the relative sizes on the map. I know the solar and the wind fields are not our

jurisdiction, but I was confused.

The wind portion seems to be much larger than the solar portion, and yet by the other slide it says that the solar portion is 3700-plus acres and the other is 500. Am I reading the map wrong? Or what's going on? Can you help me on that?

MR. PATTON: Yes, sir. I absolutely can. So I want to clarify that the boundary that you see here, I'm going to use this pointer. Hopefully it works for me.

MEMBER KRYDER: Into your microphone. Just slip it over close to your mouth.

MR. PATTON: Yes, sir.

MEMBER KRYDER: Thank you.

MR. PATTON: So you can see here this gray boundary, this is the 44,550 acres that I was referencing. This is the state boundary of all of the -- or this is the boundary of all the state-owned land that you can see.

So our wind footprint is within this boundary.

MEMBER KRYDER: Okay. It's within. That is not the boundary itself.

MR. PATTON: No, sir.

MEMBER KRYDER: Okay. I misread the map,

then. Thank you very much for the clarification. So over on the east end of the corridor, then, would be your, what, 500 acres of wind facility. Is that -- no? Oh, I've got that backwards. Help me out.

MR. PATTON: Yes, sir. So what you see here on the east, this is our solar facility.

MEMBER KRYDER: Okay.

MR. PATTON: So this is our perimeter of 3760 acres.

MEMBER KRYDER: Okay. Thank you so much.

MEMBER DICICCIO: Mr. Chair.

THE WITNESS: Yes, Member DiCiccio.

MEMBER DICICCIO: Thank you. More along the lines of timing, because you mentioned solar is going to come on on 2027. When do you plan to install the transmission lines?

MR. PATTON: That's a great question. So we would commence the construction of the gen-tie in 2027.

MEMBER DICICCIO: So it would be done first?

MR. PATTON: In sequence.

MEMBER DICICCIO: Okay. In sequence. And then what about the wind.

MR. PATTON: The wind would also be

commencing in 2027.

MEMBER DICICCIO: Okay. So what if you're required to put in the transmission lines in first before you do any of the other parts of the project?

MR. PATTON: Well, that is an interesting question. It wouldn't be standard operating procedure from a sequencing standpoint, because we want to ideally start with your lay down facilities and your substation, your interconnection infrastructures or wind facilities and begin to start seeking that way.

MEMBER DICICCIO: The biggest controversy is going to deal with the wind part, and I don't mind addressing it head on.

MEMBER KRYDER: I can't hear you, Sal.

MEMBER DICICCIO: Oh, I'm sorry. That's right. I need to -- sorry about that. So the biggest part of this is the controversial part, which is the wind part of it, and whether we're supposed to look at it or not, it's there, it's the elephant in the room, so I will ask questions about that.

MR. PATTON: Yes, sir.

MEMBER DICICCIO: And I do represent the cities and towns. That's my role here.

So from my end, because of the financing and all that has been pretty much dried up on the wind

side of it, what -- do you have your financing in place? Is it all ready to go? Do you have all the financial capability to do this?

MR. PATTON: Yes, sir. To speak about our platform, we are balance sheet financing these projects, which means that we do not have to raise capital, so other developers are typically smaller operations that do not have operating assets. We are part of a broader industrial group, a multi-national, multi-energy group.

And so for us, our only financial threshold is we have to meet to green light our projects, our internal, and presenting the certain KPIs of the project to our leadership and our executive board, and from there we, like I said, we balance sheet finance these projects.

There's either balance sheet financing or debt financing. And you see predominantly in this space debt financing of these projects.

MEMBER DICICCIO: And then one last question, too, a lot of state land is checkerboarded, like you see up in the northern part of there, this is all contiguous property, then, below where you're right now.

MR. PATTON: Yes, sir.

MEMBER DICICCIO: It's checkerboarded as well.

MR. PATTON: It's all contiguous, if you can see here on this map, all of these layers that you see in the light blue, these are all state-owned lands. These white pieces are private land parcels.

MEMBER DICICCIO: Right.

MR. PATTON: And so these carve-outs here are private land pieces that I can speak to later in my testimony. But everything that you see in this gray threshold here is contiguous state-owned land.

MEMBER DICICCIO: Okay. Thank you.

MR. PATTON: Yes, sir.

CHMN STAFFORD: All right. So the map you're referring to is the one on Slide 22 of Applicants' Exhibit 7.

One quick question I had about this while we're on it is there's the wind facility and then there's the solar facility with the storage system. Is that storage system capable of being charged from both the solar and the wind projects?

MR. PATTON: Just the solar.

CHMN STAFFORD: Just the solar.

MR. PATTON: Yes, sir.

CHMN STAFFORD: So the wind, you can't charge the batteries with the wind, then.

MR. PATTON: No, sir.

CHMN STAFFORD: Okay. And then I see Member Fontes has had his hand raised for a minute, and then after him I think Member Hill has a question. Member Fontes.

MEMBER FONTES: Thank you, Mr. Chairman. Like to ask applicant what's the status of offtake for the wind and solar and storage.

MR. PATTON: Ongoing.

MEMBER FONTES: So you have no offtake?

MR. PATTON: Part of our process is we get through the interconnection studies phase, which we have. We have signed interconnection agreements with the regional grid operator. I believe Ms. Turner can speak to that in her testimony as well to greater detail. And part of our offtake is to engage in what's called an RFP, a request for proposal, with the regional grid operator, and they are indicating to opening up that process in 2026. First quarter, ideally the first half of 2026. And that is --

MEMBER FONTES: Can you be more specific than regional grid operator? Are you chasing an RFP with CAISO or SPP?

MR. PATTON: No, sir, it would be with Tucson Electric Power.

MEMBER FONTES: They're not a regional grid

operator. They are a utility, an IDU in Arizona, to be precise.

Is your construction or corporate decision to move forward with the investment contingent upon offtake contracts?

MR. PATTON: Generally speaking, yes.

MEMBER FONTES: So how does that line up with the 2027 dates that you represented with awards on RFPs for solar and storage and wind?

MR. PATTON: So we go through several different thresholds for what we call our final investment decision, which commences the construction of our project.

The offtake is certainly a key component of that. And so our timing is we enter into an RFP, we secure a PPA, we also work to secure our contractors, our materials, our equipment. And from there that gets us to a notice to proceed.

MEMBER FONTES: Understood. But to go back to Member DiCiccio's question so that I can provide additional context and understand myself, if you don't win an RFP before 2027, would Repsol continue to proceed to NTP for construction?

MR. PATTON: I can't speculate on that as I'm not in a position to make strategic decisions to that

end.

MEMBER FONTES: Okay. Fair enough. With respect to the solar and storage, is that contingent upon a tax credit and the same thing as wind to make those viable for an investment decision for the PPA award?

MR. PATTON: I would refer to my previous comment that I don't sit on the strategic --

MR. DERSTINE: Mr. Patton can -- maybe those are questions that --

MEMBER FONTES: Well, Mr. Derstine, if I may, what I'm trying to do is get the certainty on that 2027 date back to Member DiCiccio's original question.

We're not trying to -- we're not looking at a gotcha here. We're looking at what is realistic in terms of timing on where you're at. I am a former developer. I applaud the enthusiasm about chasing PPAs and awards, but help us help you in that that may not happen, PTCs may not happen. ITCs.

You want to preserve this project, you want to move forward with it, but we need a little bit of transparency in that uncertainty, or what I will call the worst case in the financial model, so that we can help you when we get to the issues that we need to look at on 345kVs offtake timing.

I think Member DiCiccio asked a really good

question. So I'd ask if you could think about that and come back to this further in the testimony, it would be helpful to get a little more thoughtful answer on that.

CHMN STAFFORD: I thought Mr. Rieman was about to be able to answer the beginning of your question.

MEMBER FONTES: Okay. Go for it.

CHMN STAFFORD: Mr. Rieman.

MR. RIEMAN: Thank you, Chairman. The project has -- with respect to your question regarding tax qualification and expiring PTCs and ITCs or production tax credits and investment tax credits, the project has secured tax, start of construction through off-site physical construction, so the projects have secured main power transformers, which is a documented strategy that's supported by IRS guidance that allows us a four-year time frame by which the project started construction in order to install the projects and secure those tax credits.

MEMBER FONTES: So is that on the wind and the solar and storage that you have safe harbor?

MR. RIEMAN: Wind and solar.

MEMBER FONTES: Wind and solar. Anything on the storage we should know about on that?

MR. RIEMAN: No, not at this time.

MEMBER COMSTOCK: Mr. Chairman, one point of order, if I may?

CHMN STAFFORD: Yes, Member Comstock.

MEMBER COMSTOCK: For those of us who might know what the acronyms mean, appreciate it if you would at least for the record state it the first time what you're saying. For instance, PPA stands for?

CHMN STAFFORD: Power purchase agreement or purchased power agreement.

MEMBER COMSTOCK: Perfect. As long as we can get on the record what those acronyms are, then we go back to short course after that.

CHMN STAFFORD: Thank you, Member Comstock.

MEMBER COMSTOCK: Appreciate it.

MEMBER FONTES: Hey, Member Comstock, thank you for the reminder. I tend to get wonky, and I appreciate you pointing that out.

MEMBER COMSTOCK: No problem.

MEMBER DICICCIO: Mr. Chair.

CHMN STAFFORD: Yes, Member DiCiccio.

MEMBER DICICCIO: Follow-up to Mr. Fontes, but I thought he had great questions. If you're not looking for these PPAs, what you would call them, until 2027, why are you here today? I mean, generally the ones I've seen, everybody's secured all this in place way

before coming to the meeting here.

MR. RIEMAN: We have been actively marketing the power from both the wind and the solar project with TEP and other commercial and industrial users of electricity.

And so that could be very large corporations or hyperscalers that have corporate goals to procure a certain percentage of their electricity from renewable energy projects.

And as we have seen in the press, the advancement of artificial intelligence and data centers is creating a tremendous amount of demand for renewable energy sources, and so we as Repsol Renewables North America have established relationships with these entities and so we have had ongoing discussions with them about buying the energy generating from those projects.

MEMBER FONTES: Mr. Chairman, I have a follow-up, one last follow-up if I may.

CHMN STAFFORD: All right. Yes, Member Fontes.

MEMBER FONTES: Mr. Rieman, I would appreciate knowing the transaction structure on this. I know it's Repsol North America SA, a subsidiary of Spain, but then you're going to have two project companies that I believe I heard.

We have an obligation as Mr. Derstine pointed out to look at the statutory criteria of the certificate of environmental compatibility. That includes remediation at project termination.

Now, while we're subject to the gen-tie, we're going to want to look at who holds that insurance policy. And oftentimes with developers, we -- and you've got two renewable projects here and they may be financed at corporate finance, but then they may be taken out by project finance.

We'll want you to think through for us the life cycle of how that gen-tie's going to fit within financing and then who's going to hold that insurance policy for end of life and remediation. I represent the counties. That's a big issue for the counties. Member DiCiccio represents the cities.

So we're trying to help understand that so that we can help advance the project forward. Again, think that through. Don't need an initial response if you don't have the answer. I'd rather have you consult with that, as Mr. Derstine knows.

Thank you, Mr. Chairman.

CHMN STAFFORD: Thank you, Member Fontes.

MR. RIEMAN: Thank you for your question. We will consult and respond.

CHMN STAFFORD: Thank you. Member Hill, you had a question.

MEMBER HILL: Thank you, Mr. Chair. We found out a lot of dates, and my colleagues have asked a lot of questions, but I want to repeat what I heard and you can clarify.

What I heard is that you're looking for beginning construction in 2027, that there are several requests for proposals for power purchase agreements coming out in January, I think, from TEP, first quarter of that year.

MR. RIEMAN: Of 2026, I apologize.

MEMBER HILL: I think SRP has one coming out in the spring as well. So there are a couple of local utilities who are looking for power. And power is a challenge here in this state, and a shortage of it.

So that you might have all the information you need by the end of 2026 to actually go to construction in 2027. Does that sound like the time line that we've been talking about?

MR. RIEMAN: Yes, ma'am.

MEMBER HILL: Okay. Thank you.

CHMN STAFFORD: Thank you, Member Hill.

Mr. Derstine.

MR. DERSTINE: Anything you wanted to add

on the overview of the solar and the wind project? You had a number of good questions from members of the committee.

And I would only, I guess, note and respond, Member DiCiccio, that in my limited experience in advising clients who are presenting proposals in response to an RFP, it's my understanding and experience that oftentimes having the necessary permits in place like a CEC to construct the gen-tie is an important consideration for judging a project and deciding if it's a real project and whether or not it's a project that they want to contract with for development. So that the fact that this project, these applicants for the solar and wind side are seeking the CEC now in anticipation of the 2026 RFP is not that unusual and, in fact, it's an important part oftentimes of the response process to an RFP.

MEMBER DICICCIO: Well, Mr. Chair.

CHMN STAFFORD: Yes, Member DiCiccio.

MEMBER DICICCIO: Follow-up on that. The line of questioning on my end, and Mr. Fontes did a much better job at it, is that if they're going to be balance sheet financing, and they're not going to be able to do this, and they won't do it, any investor wouldn't put any money into if they didn't have contracts in place

already, so they have to have a general idea of whether or not they have a user in place or not, and it doesn't sound like it to me.

I'm just telling you from what I've heard. It sounds to me that it's more of an off-the-cuff type of thing and they're trying to see if they're going to get the permit first.

I'm in the development business as well. And especially on the wind side of it, because I think that's the least practical that's out there right now, but that's just my own personal opinion.

That I think they need to come in from my end, more stability is to say here's where we're looking at. We feel comfortable, we're going to get this, and here's who we're looking at, or who we're going to be putting this deal together with.

Because whether it's debt financing or balance sheet financing, no one's going to invest in that if they don't have an end user in place. They're just not going to have it.

MR. DERSTINE: No, and I don't think anyone is saying anything different, it's just the timing and the sequence and the fact that they're here seeking the CEC and approval of the CEC to support these projects is not out of sequence necessarily with the development of

projects, especially when you have the time line where as you know the time line for the construction of a gen-tie line like this is typically 10 years, and we've advocated for longer terms.

So the planning horizon, whether it's 2027 or the project doesn't have a PPA in place until 2028, this process and getting this CEC in place is an important part of the long-term permitting approach and ensuring that a project like this has legs.

MEMBER DICICCIO: But what I heard is that they're planning on construction 2027. I heard that.

MR. DERSTINE: Yes, and I think that's the initial -- I think that's their initial plan. Do you want to clarify, Mr. Patton or Mr. Rieman, about that, the time line?

MR. PATTON: The time line is correct.

MR. RIEMAN: Yeah, I would just say that we seek to secure a power purchase agreement for the project in 2026, which would facilitate the internal investment approval that would allow for a start of construction of the project in 2027 and hitting the time frames that were described by Mr. Patton.

MR. DERSTINE: And if you don't have, say the RFP process isn't finalized or you don't have a PPA in place, what then? What's the next? What's the

process for the applicant?

MR. RIEMAN: Yeah, we would continue to seek power purchase agreement for the project to support the internal investment approval, so we would look for alternative sources of requests for proposals or other entities that would be interested in buying the power from the projects.

MR. DERSTINE: So your start of construction date of 2027 is what you hope to achieve, but that time line may slip depending on where you are in the process of securing an offtaker?

MR. RIEMAN: That is correct.

CHMN STAFFORD: So intention is to get the PPA in place before construction commences; correct?

MR. RIEMAN: That is correct.

CHMN STAFFORD: You do not intend to build a true merchant plant that will just be constructed, you know, if you build it they will come approach that someone's going to buy it if you build it, correct?

MR. RIEMAN: That is the current strategy, yes.

CHMN STAFFORD: I guess it's theoretically possible that you could begin construction without a PPA in place but that's highly unlikely.

MR. RIEMAN: That is correct.

MEMBER DICICCIO: Mr. Chair, one final question just as a follow-up.

CHMN STAFFORD: Yes, Member DiCiccio.

MEMBER DICICCIO: So let's say you get half of it, you get the solar part of it done and not the wind, or the wind done and not the solar, will you start construction?

MR. RIEMAN: That is correct.

MEMBER DICICCIO: So you can do either/or; correct? Either the solar or the -- so if you get your PPAs in place for the solar part of it, or you get your PPAs in place for the wind part of it, you can build the transmission lines?

MR. RIEMAN: That is correct.

MEMBER DICICCIO: Okay. Thank you, Mr. Chair.

CHMN STAFFORD: Member Fontes has his hand raised.

MEMBER FONTES: I want to point out something for Member DiCiccio. I agree with your observation on the structuring of the capital stack for development.

However, what we have seen in the past five years, and I work in project finance for renewables, is corporate financing is cheaper than project financing for

the development.

So in the end result, they are more competitive for a bid to an RFP by using corporate finance than take out of project finance. The net benefit to the ratepayer is that you're going to get an overall more competitive affordable project in -- in doing so by taking that corporate finance risk with a project finance takeout.

I hope that benefits this discussion, but I wanted to provide that color to you, Member DiCiccio, that this is becoming more increasingly common and it's drive by the credit cycle policy on PTC, production tax credits, investor tax credits, and what we're seeing in terms of a trend.

MEMBER DICICCIO: Thank you for that.

MEMBER FONTES: Thank you, Mr. Chairman.

CHMN STAFFORD: Thank you.

So I guess maybe you could expound on that a little bit or maybe one of the witnesses can. We're hearing the terms project financing and corporate financing bandied about. So kind of take a shot here, make sure I understand this and that it's clear on the record. The corporate financing means --

MEMBER FONTES: -- financing since I used it -- but corporate financing is typically on the balance

sheet of the corporate entity.

CHMN STAFFORD: And that means that the corporate entity has the money, they have investors, they put up the money for the project.

MEMBER FONTES: Yes.

CHMN STAFFORD: Okay.

MEMBER FONTES: They get bond or any kind of debt instrument and they use it to finance the development activities through construction. Project finance is non-recourse. It is solely recourse to that of the project and it's dependent upon the power purchasing agreement and the revenue from that for repayment on any debt that it takes.

CHMN STAFFORD: So it's those --

MEMBER FONTES: It's not at the corporate level, it's at the project level.

CHMN STAFFORD: Right, so it's for the debt of the company, so if they don't pay it then the creditor will take the asset.

MEMBER FONTES: Correct. It's usually off balance sheet or a special purposes entity. In this case I would imagine it, but I'll let the applicant opine on this.

There could be two project financings here, one for the solar and storage and a separate one for the

wind farm. If there is two, that begs the question that I originally posed on, okay, where's the gen-tie fit and how is that insurance policy for ultimate environmental mitigation that we need to deal with in the CEC.

So I'll leave it at that, Mr. Chairman.

CHMN STAFFORD: Mr. Rieman, did you have a response?

MR. RIEMAN: Yeah, at this time we have not determined the financing strategy as it pertains to whether the wind and solar will be financed as one financing or two separate financings.

CHMN STAFFORD: Thank you.

Mr. Derstine.

BY MR. DERSTINE:

Q. Mr. Patton, I think you have one more slide you're going to touch on in terms of some of the common development characteristics of the wind and the solar project.

A. (Mr. Patton) Yes, thank you. So as noted previously, both these facilities are sited primarily on land that is publicly owned and administered by ASLD, and is within unincorporated Apache County.

Each project will be constructed in two phases, and we are seeking, as we've been speaking for some time, we are seeking power purchase agreements for those

projects.

Q. So we've moved on from the wind and the solar project and the discussion of those projects and how they're financed. So getting back to the interconnection project, the gen-tie line.

And so at a high level, why don't you cover the purpose and need of the gen-tie line? I think the committee understands it, but just for the record?

A. (Mr. Patton) Absolutely. So the gen-tie is needed to deliver power from the generating facility, the wind and solar projects, to the grid.

Q. And in terms of the length and the ties for the gen-tie, the basic driver for this, the interconnection project, is that it must connect the wind side of the project with its two project substations and then continue over to the solar project to the east, and then interconnect those two substations and allow for interconnection at the Springerville Substation.

Is that at a high level what we're looking for and what our needs are for the gen-tie?

A. (Mr. Patton) Yes, sir, that's it.

Q. And your last bullet there just clarifies that the voltage of the gen-tie line, 345kV, is determined by the Springerville Substation. That's the operating voltage that TEP uses at Springerville; is that right?

A. (Mr. Patton) Yes, sir, that is correct.

CHMN STAFFORD: Member Hill.

MEMBER HILL: Thank you, Mr. Chair. I do understand at the end of gen-tie line you have a double circuit.

MR. PATTON: Yes, ma'am.

MEMBER HILL: Can you talk about the need for that?

MR. PATTON: Yes, ma'am. So let me point here. So the route is predominantly single circuit from its origination point, and we can also discuss this in the route description.

Project Substation 3 is the first substation of the solar project. The energy that is generated from this facility will then go to the gen-tie as a double circuit, and from project Substation 3 to its ultimate destination which is the Springerville station it will be double circuit.

BY MR. DERSTINE:

Q. Well, there's a solar project Substation 4 and then you proceed to interconnect at Springerville. Do I have that right?

A. (Mr. Patton) That's correct.

CHMN STAFFORD: Approximately how long is the double circuit portion of the line?

MR. PATTON: Don't want to misspeak. Just over a mile and a half.

CHMN STAFFORD: Thank you.

BY MR. DERSTINE:

Q. And the reason for the second circuit, picking up that second circuit on the solar side, is that the single circuit from the wind project will be largely utilized by the generation from the wind project, and then once you get to the solar project you need that additional circuit to carry the energy that's going to be generated from the solar side of the project.

A. (Mr. Patton) Yes, sir.

Q. Okay. That's the main needs for the gen-tie line that's driving the project.

Let's talk about how we -- how you came to the route that's presented to the committee in the CEC application.

A. (Mr. Patton) Sure. So I would like to kind of start from the beginning, which is what you kind of see here. This is a wind density resource map. So this is a desktop assessment of where the resource is most viable.

And from here we take a look at siting the gen-tie project based off of where we are collecting the energy and how we intend to deliver that energy that's generated to its ultimate delivery point.

And so to use a developer standpoint, this is kind of our development terminology, this is the first pancake, if you will. We take at look at where the resource is, and we begin to synthesize a project thesis and that helps to inform our design iterations of the gen-tie.

And so we obviously have a guiding philosophy throughout that entire process. It is an iterative process that takes multiple stabs at this thing to get it correct, but the guiding thesis is to have minimal environmental impact and to consider how the land is currently being used and take into account feedback from stakeholders.

Q. So I guess the starting point in your -- as I understand it, in your route selection process for this project is to, most importantly and first and foremost was to identify where the wind resource is, and in doing that, you used this the map that's shown on the screen here. I guess it's -- I have a hard time reading that slide, I don't know if that's slide 32.

A. (Mr. Patton) Yes, sir.

Q. And the end point as we discussed is going to be is the Springerville Substation which is your closest access point to the grid. So that was kind of -- that is your starting and end point for the gen-tie. And then

you worked on your route selection process from there. Is that a fair statement?

A. (Mr. Patton) Yes, sir.

Q. So take us through that process, please.

A. (Mr. Patton) Sure. So I'd like to demonstrate a time line for the committee from how this inception, how this was formed to where we are now.

So, again, 2018, 2019, this is what I would call the first pancake, if you will. We synthesize a project thesis. We identify where this makes sense from a business standpoint. That's just par for the course.

We have to understand, you know, what is our end goal, but then reverse engineer how we get there. And from there we start to begin to -- all the subsequent development work.

And so the solar facility was sited in 2019, based off of its approximation -- or, I'm sorry, its proximity to the Springerville Substation.

And from there, we begin to continue to look at the wind resource in 2019 and where we could best site that project.

We filed for our interconnection requests with TEP in 2020. And in that stage we begin to really hone in on where we think our footprint is going to be for our generating facilities.

In 2021 we secured the rights to erect MET towers. Meteorological towers are instruments that are used for resource assessment. It's very common practice for us to erect these structures and gather data over the course of seasons and years. And that helps to inform the production profile of the project and the viability.

Q. When you say you secured the right to construct the MET towers, you mean you obtained approval from State Land Department?

A. (Mr. Patton) Yes, sir.

Q. Okay.

A. (Mr. Patton) They require a special land use permit and those have been secured and are valid.

Q. Okay.

A. (Mr. Patton) And then from 2023, after you can see a couple years of this wind resource assessment campaign, we really began to fine tune the generating profile of the projects.

And once we have the project design defined for the generating facilities, this helps to inform our transmission.

So if I may, I have a map here that shows the iterative processes that we've had for the gen-tie line.

So for clarification we have the, again, on the map on the right where you kind of see toward the western

orientation, this is the footprint of all the state-owned land parcels, and this is the initial route selection that we had based off of the generating profile of the wind, and where we know we want to have the energy ultimately delivered to.

So this is essentially a desktop analysis, a placeholder, if you will, a jumping off point from the developer perspective.

Subsequently, we -- it's incumbent on us as developers to engage with our neighbors, the community, and take into account their feedback, their reservations and incorporate that into our site design.

And so in 2024, based off of some engagements with the private landowner, we heard what the reservations were about these infrastructures and our footprint, and we wanted to understand what their considerations were and what they would like to see from us.

We codified that into what's called a good neighbor agreement that has been signed and executed, and so we take their feedback, and for clarification I'm going to point here this landowner, my clicker doesn't seem to be cooperating -- there we go -- is right here in this carve-out.

So they're a nonparticipating landowner, but

they've made it clear they can live with the project as long as we demonstrate that we would take into account their feedback. So which is how we landed on the site design where you see the line has been relegated to north predominantly of highway -- of this highway here and minimizes their viewshed impact.

And then the other thesis with this design as you can kind of see here, the substations have been defined, so we understand where the generating facility's going to be.

We start to then start build out our civil design and our electrical design, so we help define where our substations are going to be. Substation 1, Substation 2. And then from there we begin to route with minimal environmental impact and the optimized constructable strategy.

In our initial -- this is baked in, to say. Once we get here, there is an existing 69kV line that is opened by Navopache. And the thesis for this design was dependent on being able to straddle that existing 69kV line, as it orients to the northeast to Springerville station and then cut back towards where our solar facilities are.

In 2024 we approached TEP for the -- to gauge their receptiveness to enter into an easement with us.

They told us that they would not be willing to entertain that easement, and so that has led us to this design that you see here, which is the latest and greatest.

So this is still predicated off of the good neighbor agreement, and at this time there's other subsequent development work there's going on. We have aquatic resource delineation. We have topographical analysis. We have cultural surveys, a Class III cultural survey, and that helps to inform the design process that led us to -- and also taking into account the existing 69kV plan was not on the table anymore.

This relegates us to taking the route that you see here, which is predominantly a west-to-east orientation, so it gets here, hits an angle, mono pole orients it north, enters into the solar facilities and where you see it ultimately connects into the project substations and finishes up into the Springerville Substation.

MEMBER HILL: Mr. Chair.

CHMN STAFFORD: Yes, Member Hill.

MEMBER HILL: There's the little nodule, little -- I'm just noticing it. There's a little thump out. Can you talk about -- yeah, right there.

MR. PATTON: Right. So thank you for pointing this out. This is something that we've

identified as part of, again, our development process is to in sequence conduct cultural surveys.

A cultural resource was identified here and for us, we take that into account and we bake that into our design to have no impact on that resource. So it's purely an avoidance measure.

MEMBER HILL: Thank you.

MEMBER DICICCIO: Mr. Chair, one quick question.

CHMN STAFFORD: Yes, Member DiCiccio.

MEMBER DICICCIO: Where is the TEP line that you wanted to do the -- just approximately.

MR. PATTON: For clarification, the existing TEP line?

MEMBER DICICCIO: Yeah, the one you wanted to get in the easement area.

MR. PATTON: It's a Navopache line. It's a 69kV line here.

MEMBER DICICCIO: So you would have been able to go a shorter distance if you were able to use that?

BY MR. DERSTINE:

Q. I guess for clarification, Mr. Patton, you said that it's a Navopache 69kV line, but you had to negotiate with TEP to utilize that same corridor. What's the

relationship, then, where TEP owns the right-of-way but the line serves Navopache?

A. (Mr. Patton) I'm not privy to the details of the arrangement between Navopache and TEP. But that line is sited on privately owned parcels by TEP. So it's a private parcel that would ultimately have to grant us the easement and their leadership, their team made it clear to us that they were not willing to grant an easement at that time.

And then just clarity's sake you can kind of see this is, again, an iterative process. You can see the different site designs as they have kind of matured, again, for clarity.

Oop. I apologize.

You see where the red line is our initial -- our jumping off point. From there, we are very keen to engage our stakeholders, our neighbors. This helps define where our substation and where our viewshed can be minimized for our good neighbor agreement. And then you see where we were initially routing up the 69kV. That was no longer tenable. And then you see here following this.

CHMN STAFFORD: And you're referring to Slide 42 of Hearing Exhibit 7; correct?

MR. PATTON: My eyes aren't the best from

this distance, but, yes, yeah, I can see it there.
BY MR. DERSTINE:
Q. All right. That's the route selection and how you got to the route that's presented to the committee in the application.
Let's move to the kind of an overview of the interconnection project in terms of what you plan to construct, the various facilities, et cetera.
A. (Mr. Patton) My pleasure. So the line will be approximately 27-mile-long gen-tie line. 345kV. AC, which is the voltage in which the energy is delivered to the Springerville station. It will connect the four projects substations as I've denoted there, and it will, again, will be single circuit from its origination point, which is the westernmost substation, Substation 1 for Lava Run Wind, until which point it gets to Substation 3, what we call Project Substation 1 for Lava Run Solar, and it will become double circuit. And from there it will ultimately hit Substation 4 and then terminate at the Springerville Substation.
The line does cross a couple of highways, which I can denote here.
Q. Can you use your laser pointer while you're describing these features, please?
A. (Mr. Patton) So Substation 1 is here. There is

a short span just under half a mile, .4 miles to be exact. Then it orients itself to the northeast just under a mile, .9 to be exact. This is where it crosses Highway 60.

And from there it runs another tangent of 3.6 miles, so where it gets to Project Substation 2. From Project Substation 2 it orients northeast again by .9 miles, and then the longest run of this gen-tie spans west to east 13.6 miles where it crosses Highway 180 and the lower Colorado River.

It orients again north here roughly three miles. It makes an avoidance for that cultural site. There you kind of see the outer perimeter of the solo facility, it orients west another 1.7 miles to Project Substation 3, which is the first substation of the solar project.

Orients another mile and a half to Substation 4. And then you see in this expanded view its orientation and design to its terminal position at the Springerville Station.

Q. Okay. I think your next slide kind of breaks out what you already covered, which was walking the committee through the route for the project. And I think you've actually covered it here already. Unless you wanted to -- why don't you, yeah, move on to that, and is there anything you want to add or pick up from that

overview description? I think you largely did it using your laser pointer with the map slide.

A. (Mr. Patton) Yeah, I apologize for not having that up for sequencing. But hopefully tracking with the laser pointer on the map was clear enough.

Q. Right. Okay. So let's move on. And --

MEMBER COMSTOCK: Mr. Chair?

CHMN STAFFORD: Yes, Member Comstock.

MEMBER COMSTOCK: Excuse me, Mr. Derstine.

MR. DERSTINE: Yes.

MEMBER COMSTOCK: The crossing over the Little Colorado, is that over a canyon? What's the elevation of the wire above the river itself?

MR. PATTON: It will span over the lower Colorado River, but I would defer to Mr. Casteel over the specifics of the canyon and what design considerations were taken into account for that.

MR. CASTEEL: I'd have to get back on the actual elevation over the canyon, but we'll have a fly-through here in a bit, and we have a picture of that so you could see what it looks like at the crossing.

MEMBER COMSTOCK: I'd appreciate knowing the elevation. But thank you, yes.

MR. DERSTINE: And Member Comstock, your question is how high is the -- will the line be above the

Little Colorado?

MEMBER COMSTOCK: Above the water, yes.

MR. DERSTINE: Okay. We'll get that information for you.

MEMBER COMSTOCK: Thank you, sir.

BY MR. DERSTINE:

Q. Okay. Let's move on to the -- I think your next slide involves the structure types and then the heights and configuration, please.

A. (Mr. Patton) Yes. So the structure types will be an arrangement of tangent mono poles, angle mono poles, dead-end mono poles, common depiction of what you would see here is on the right.

The selection of these structure types will either be from galvanized steel or from weathering steel, and they will be self-supporting.

The specs as we have assigned are a maximum height of 180 feet. The maximum span length is -- so the length between each structure, the maximum would be 1200 feet with a typical range between 675 and 770 feet.

So there's a little bit of design flexibility based off of topography and a number of other features.

The minimum ground clearance as stated is 20 feet, and the anticipated number of structures is capped at 200.

Q. I think in the proposed or draft CEC that I prepared, I have -- I included that the structure heights would be 199, I think that's just a number that was stuck in my head. But it's my understanding that we're committing to -- to maintain the structure heights at 180 feet and we'll make that change in the CEC. Do I have that right?

A. (Mr. Patton) Yes, sir.

Q. All right.

MEMBER KRYDER: Mr. Chairman.

CHMN STAFFORD: Yes, Member Kryder.

MEMBER KRYDER: Could you build a little bit for me. I think it's probably Mr. Patton on the amount of concrete. I noticed that in some of the comments. Just instruct -- instruct me and if the other committee members also would like some instruction on that, about the size of the foundation for these structures and such. Thank you.

MR. PATTON: My pleasure. So the foundation design is still something that has to be determined. We determined this through the launch of what's called a geotechnical survey.

And so we've done some preliminary geotechnical assessments, we are actually gearing up to do geotechnical assessments as we speak. We have men out

in the field who are staking and beginning to conduct that exercise.

The geotechnical study informs the geology and the compression strength of the material subsurface. And so each structure you kind of have to think of it as its own little construction project. Right?

And so when we have the geotechnical report, which will cover the footprint of this gen-tie, that'll inform how each and every single structure needs to be constructed. There'll be different methodologies based off of different topographies, but generally we go through what's called with a DTH hammer rig -- and I apologize, my background is more blue collar, so if I get down a rabbit hole, please feel free to stop me.

CHMN STAFFORD: What was the acronym you just used?

MR. PATTON: DTH, down-the-hole hammer rig, that uses a rock auger. And so from there, the depth in which that rock auger will have to drill is going to be determined by the geotech report. And from there, there is a number of different ways to establish the foundations and the amount of concrete that's going to be used for each of those structures. I will say that this is not unprecedented topography for projects like these.

There are several lava fields across the

country that have transmission lines, closest of which is kind of outside of the San Diego area. There's also transmission lines around the Columbia River Gorge, which is a volcanic field, Hawaii.

So it is not uncommon and there is several different ways to approach the foundation setting for these structures.

MEMBER KRYDER: Okay. Thank you very much. It sounds like above ground you've done pretty good homework. Below ground not so much maybe.

CHMN STAFFORD: The work continues.

MEMBER KRYDER: Yeah. TBD, to be determined.

MR. PATTON: Ongoing, I would say. I didn't mean to cut you off.

MEMBER KRYDER: I've flown those airplanes, too. So the point of all of this is, and I'm again kind -- trying to address some of the commentary I read in the public statements.

You're going through a lava magnum, as I understand, and so what would be your worst-case scenario since you are asking this committee to approve a 200-foot corridor? Is it possible you could get out there and you could not get a big enough, what was the phrase you used, down in the bottom of the hole or something.

MR. PATTON: A DTH hammer.

MEMBER KRYDER: You'd open a hole and kind of there's a bottomless pit? I mean, is that a possibility? Not bottomless, literally.

MR. PATTON: So I want to clarify what we were requesting is a 500-foot corridor, and this is exactly for this reason. It's for us to have a room -- an area to which we have a degree of flexibility.

MEMBER KRYDER: Okay.

MR. PATTON: 500 gives us the degree of certainty to know we have the flexibility for different design iterations and different construction methodologies that need to be needed on case by case for each of these respective structures.

MEMBER KRYDER: I must have read it wrong. I thought it was a 200-foot corridor.

CHMN STAFFORD: I think it's a 200-foot right-of-way final, but the corridor is always bigger.

MEMBER KRYDER: 500. Okay. So putting a hole and filling it with concrete into magnum, I mean, it's basically the stuff in my barbecue grill, you know, porous rock, looks like that could be a serious problem. And I think that's what the public comment that I read was addressing.

How much -- what's the worst-case scenario

you can imagine or your company could imagine on this?

MR. PATTON: A very expensive foundation design. And so that --

MEMBER KRYDER: Yeah. I get that. I know it's like my son says about things. Dad, that's not a problem, that's an expense, okay? I get that.

MR. PATTON: Yes, sir.

MEMBER KRYDER: But is the hole 15 feet or 50 feet deep, that's an issue. Have you done any speculating, even though you've got your surveyors out there as we speak, as you said a moment ago, have you done any speculating as to, gosh, if you folks who are surveying find this, we're in deep water? Talk to me.

MR. PATTON: Yes, sir, so I will say it is the nature of engineers to think in the worst-case scenario and we are a very engineering-heavy firm.

And so that is, again, exactly what the need of the geotech report does. That gives us a sense as to the geology. They use their own coring samples so they take a drill bit essentially and they drill down as far as they can to understand the topography and that helps to inform the foundation design. And so that report is -- it is incumbent us to have that report sooner rather than later.

And so for us, again, the stated time line

as constructed in 2027, we are conducting that geotechnical report in 2025. So that way I can get the engineers and I can get the construction team to begin thinking about what the worst-case scenario is now.

Again, I think that there is operating precedent for building on topography such this. It's all basalt. Basalt can be either very porous and not uniform or it can be extremely hard.

And all that is going to be predicated off of the site-specific conditions. And so we are doing that investigative work now, and I can assure our engineers will be penciling out the worst-case scenario, the most expensive scenario, and we will begin to formulate a strategy for how we will build.

MEMBER KRYDER: Okay. Continuing this a little bit, I'm still going to push on you.

MR. PATTON: Sure.

MEMBER KRYDER: Of the approximately 29 or 27 or 9 or 30 back-of-the-envelope 30 miles that you're going to be building, how much of it is across porous rock of the sort we're speaking? Do you know? I mean a third, two-thirds? Three-fourths? Half? None?

MR. PATTON: I have a figure in my head that is closer to roughly a third, but I don't want to speak out of school. It's something I can circle back to

you and confirm. I don't want to give you --

MEMBER KRYDER: I'd appreciate that.

MR. PATTON: Yes, sir.

MEMBER KRYDER: Back-of-the-envelope, I can take that. So 10 miles out of 30 miles is going to be real dicey, and the rest of it is much more solid rock to use that term?

MR. PATTON: That is my general assessment.

MEMBER KRYDER: Okay. Just kind of talk to whoever you can, bring us a little more information, I'd sure appreciate it. Thanks.

MR. PATTON: Yes, sir.

BY MR. DERSTINE:

Q. Following up on Member Kryder's questions, I think what some of the public comments raised and the concern would be that within the Springerville volcanic field, potentially you have areas which have voids or maybe it's an old vent, you may encounter any number of geological conditions. That's what you're looking to identify through your geologic report; correct?

A. (Mr. Patton) Geotechnical report.

Q. Geotechnical report?

A. (Mr. Patton) Yes, sir.

Q. And then based on the finding in the geotechnical report you then have the ability to then

locate your structures in the best possible location to avoid areas subsurface that may present a problem in terms of the foundation for those structures; correct?

A. (Mr. Patton) Yes, sir.

Q. And you have the flexibility not only within moving side to side within your 500-foot corridor, but you also have the ability to span areas, extend the distance between structures to avoid problem areas that may not afford you a good footing for a given pole?

A. (Mr. Patton) Yes, sir.

Q. Okay.

MEMBER KRYDER: Thank you very much, Mr. Derstine. That's great.

BY MR. DERSTINE:

Q. So we were getting to the corridor and the right-of-way, and you mentioned it's a 500-foot corridor that we're requesting. I also note that there is one area where you're asking for 700 feet and another area that we're requesting 3200 feet. Would you cover that, please?

A. (Mr. Patton) Yes. So it will be, I'll use the pointer here, for design flexibility we are requesting a variable-width corridor. The overwhelming majority of this line will be a 500-foot corridor, and that's what we're requesting from this body.

As you can kind of see here where this angle tangent is here, what we've been able to assess is that's why we're requesting a variable width of up to 700 feet, this gives us the ability for staging, lay down yards, and safety, which is paramount for us whenever we're constructing anything. That gives us that variable width. The variable width gives us that flexibility.

Predominantly 500 foot all along these runs.

And then when we get to our terminating position within the Springerville Station, that is where we're requesting up to a 3200-foot corridor. And this allows us to incorporate the feedback from TEP, because we are essentially marrying up our infrastructure.

It's not just our infrastructure. We're having to take into account what already exists today, and then we have to understand what the plant is going to want to see from a safety perspective, how we can incorporate that into our construction practices. And so hence why we have at the terminating position a 3200-foot-wide corridor.

Q. So you're essentially just draping this 3200-foot corridor, this footprint over the Springerville Substation to allow you to work with TEP and whatever sort of final interconnection design and engineering so that we have the flexibility to enter into whatever bay

TEP tells us is our interconnection point?

A. (Mr. Patton) Yes, sir. I can tell you from experience I've built seven of these substations and each one is its own project in terms of how it connects in. And we're very keen to make sure that we have the flexibility for safety, for design, for engineering, and making sure that we're not relegated to -- we're not put into a corner, so to speak.

Q. Okay.

A. Pun intended.

CHMN STAFFORD: Member Hill, you had a question.

MEMBER HILL: So the 3200-foot corridor will eventually be finalized as a 200-foot right-of-way; is that correct? Or do you think that you're actually going to need, depending on what the interconnection requirements are and the structures that you need, we've said the right-of-way, final right-of-way will be 200 feet. Is that for the entirety of the project, or do you think that there, you might need a little more space going into the substation?

MR. PATTON: Well, the right-of-way itself will be established with ASLD up until it gets to that private parcel, and from there it's an easement that we need to get.

So the corridor that we're requesting is the 3200-foot corridor through the CEC. When we get to that corridor, it's a private land parcel. It's just an easement we have to get.

MEMBER HILL: And that's Tucson Electric Power ownership?

MR. PATTON: Yes, ma'am.

MEMBER HILL: Thank you for that clarification.

CHMN STAFFORD: Thank you, Member Hill.

Mr. Derstine.

MR. DERSTINE: Thank you.

BY MR. DERSTINE:

Q. And that 200-foot right-of-way, that's sufficient not only for the single circuit roughly 26 miles of the interconnection project, but the 200-foot right-of-way will also be adequate when you add the second circuit at the last mile or so of the project; is that right?

MR. PATTON: Yes, sir.

CHMN STAFFORD: It's because the second circuit will be on the same set of poles as the first; correct?

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BY MR. DERSTINE:

Q. Is that correct, Mr. Patton?

A. (Mr. Patton) Yes, sir. The double circuit will share the same structures.

Q. Okay. In terms of who are we working with and who is the party that will grant us the right-of-way for the line?

A. (Mr. Patton) So we have a pending application now with ASLD. That is where the 200-foot right-of-way comes from that secures the land rights for the gen-tie.

And as part of crossing highways US 60 and US 180, we will need to get encroachment permits from ADOT, the Arizona Department of Transportation.

Q. So your slide here, 55, which is Applicants' Exhibit 7, says the right-of-way application has been submitted to ASLD.

Any more information in terms of timing or where you are in that process?

A. (Mr. Patton) We are in the process now. I don't know to what degree I can speak on it in a public forum, but it is pending and ongoing.

Q. Okay. Anything else you wanted to add on the corridor and the right-of-way request that we're making to the committee?

A. (Mr. Patton) Just to speak as it dovetails to

the right-of-way with the ASLD and to the CEC that we're requesting from this body, is this being state trust land, there are grazing lessees.

So some of these families have been here for generations since they settled. It is in the nature of our business, our business model, to approach those grazing lessees and to understand what feedback they have for us in terms of -- I come from a blue collar agricultural family, so understanding when they're going to be turning cattle over, what fences they're concerned about, what cattle guards need to be installed.

And so we enter into with each respective grazing lessee what's called a construction impact agreement. And that's my job to understand what their concerns are and how we can satisfy those concerns both for the grazing lessees, but ultimately for ASLD.

MEMBER KRYDER: Mr. Chairman.

CHMN STAFFORD: Yes, Member Kryder.

MEMBER KRYDER: Another question, Mr. Patton.

Are there any residences close to the area with your corridor?

MR. PATTON: The closest residence is 1.8 miles.

MEMBER KRYDER: That's 1.8?

MR. PATTON: Yes, sir. I don't want to speak out of turn, I think that's the exact length. And that is the private landowner that we entered the good neighbor agreement with.

MEMBER KRYDER: And there's just one that's kind of within that proximity within the mile and a half, two mile.

MR. PATTON: Yeah. Underneath two miles, that's the only one, yes, sir.

MEMBER KRYDER: Thank you.

CHMN STAFFORD: Yes, Member Fant.

MEMBER FANT: Thank you, Mr. Chair. Do the grazing lessees, I assume those are stake grazing leases?

MR. PATTON: Yes, sir.

MEMBER FANT: Benefit in any way, shape, or form financially from the wind project?

MR. PATTON: Each construction impact agreement is different, some grazing lessees may request that, some grazing lessees may not.

CHMN STAFFORD: I seem to recall you testified earlier that there are eight entities with nine grazing leases for the footprint of the project including -- I think that included the wind project and the transmission line?

MR. PATTON: Yes, sir.

CHMN STAFFORD: Okay. And so those leases will continue, even if the wind and transmission line are both constructed; correct?

MR. PATTON: Yes, sir.

CHMN STAFFORD: Okay. Now, were there any leases for the portion of the solar for the state land that the solar project is on?

MR. PATTON: Excellent question. So we do have a private landowner who's participating in the solar project on the state land portion. That same landowner is also the grazing lessee with state lands, and so he has a private lease that is par for the course with these solar agreements, and then he will have a construction impact agreement specific to his grazing parcels on ASLD land.

CHMN STAFFORD: Okay. So does that individual have other grazing leases on state land that won't be impacted by the solar project?

MR. PATTON: Yes, sir.

CHMN STAFFORD: Okay. And I'm assuming that because he's agreeing to give you the easement to his private property for the solar project and that he will be unable to graze cattle on the solar project that he is made whole in some way by being allowed to graze the cattle that he would have elsewhere.

MR. PATTON: Yes, sir, that is correct.

CHMN STAFFORD: Okay. But then -- but the transmission line and the wind project itself won't affect the grazing leases for those.

MR. PATTON: No, sir, but there will be. It's a construction impact agreement, so you have to imagine that throughout the course of activities and even over the life cycle of these projects there will be need for us to go out and service that, and the grazing lessees will be relatively unimpacted, but there is impact.

And so we want to make sure we codify that and make sure we're taking into account all their concerns.

CHMN STAFFORD: Well, more so during the construction than after, once it's -- once it's all completed then it kind of goes back to normal but with these additional structures there.

MR. PATTON: Yes, sir.

CHMN STAFFORD: Okay. Thank you.

Mr. Derstine.

MEMBER COMSTOCK: Mr. Chairman.

CHMN STAFFORD: Oh, Member Comstock.

MEMBER COMSTOCK: Excuse me. Mr. Patton, do you know long a grazing lease is good for?

MR. PATTON: A grazing lease with ASLD?

MEMBER COMSTOCK: Yes, sir.

MR. PATTON: My understanding is that some of these lessees trade them almost like commodities. Right? Some of them could be traded as in like an auction, some of them can be passed on down through their estate.

And so I have pulled all of the grazing lessees that was in Maricopa County and I pulled a line list of every grazing lessee, but the specifics of each individual lease is not known to me at this time.

MEMBER COMSTOCK: So just a follow-up, if a lease changes hands, what happens under the project?

MR. PATTON: The language in the construction impact agreement says that our agreement carries with the grazing lease.

MEMBER COMSTOCK: And the current lessee has the right to do that, to obligate somebody in the future?

MR. PATTON: I'm not a lawyer, so I can't speak to that with --

MEMBER FANT: Yes, they do.

MR. PATTON: -- 100 percent certainty, but I imagine that it's something that is -- this is ultimately also vetted with ASLD as well. And so they're

going to be comfortable, they have to sign off on the language that we provide in there for assignment.

CHMN STAFFORD: Yeah, because the State Land Department, they're this lessor, so it's up to them to tell the lessee if they can transfer the lease or not.

And so any kind of transfer of the lease would have to be approved by the lessor. It could be prohibited, but I don't think it is. It sounds like they're not typically prohibited. That the State Land Department gives people the leeway to transfer these grazing leases. I think the duration of these can be 10, 20 years or more, can't they? I'm looking at Mr. Derstine, he's the lawyer.

MR. DERSTINE: I'm the lawyer but not the expert. Can anyone speak to the duration of the grazing leases?

MR. PATTON: I can speak to knowing that some of these grazing lessees have had these leases for decades. For decades.

CHMN STAFFORD: Member Fant.

MEMBER FANT: I would suggest looking at the Hashknife outfit, ranch, south of Holbrook. Some of those grazing leases are from the 1800s.

MEMBER KRYDER: Doug, we can't here you.

CHMN STAFFORD: Speak into the microphone.

MEMBER FANT: Some of the grazing leases with the Hashknife Ranch outfit southeast of Holbrook go back to the late 1800s.

MEMBER KRYDER: That is absolutely correct. They're virtual assets that pass from generation to generation.

MEMBER COMSTOCK: Mr. Chairman, just making sure for future generations of ranchers in this state that that's noted for the record and has been discussed.

CHMN STAFFORD: Thank you. Thank you. And then I thought Member Fontes has a question.

MEMBER FONTES: It's withdrawn. Been answered, Mr. Chairman.

CHMN STAFFORD: Thank you. I'm going to give you fair warning, Mr. Derstine, we have a hard stop at 2:45. The court reporter and I have another matter to hear. It's a prefiling conference we have to hold in a different matter. So we will take a recess from 2:45 until approximately 3:30. And we'll come back for this hearing.

MR. DERSTINE: So the next item that we have up is the virtual tour, but Mr. Casteel, I think your virtual flyover takes longer than 10 minutes; correct?

MR. CASTEEL: Yeah. I would suggest we

take that break and come back and then I'll go through the flyover.

CHMN STAFFORD: All right. Well, then I guess we can begin our recess now. We'll come back at 3:30. We stand in recess.

(Recess from 2:47 p.m. to 3:36 p.m.)

CHMN STAFFORD: Let's go back on the record.

Mr. Derstine, I believe when we left off you were about to commence the virtual tour.

BY MR. DERSTINE:

Q. Well, I'm going to commence it by asking Mr. Casteel to get us started on the virtual tour. Give us maybe a lay of the land using the slides that you have or the maps that you have up here. And then you'll narrate the flyover, the virtual tour for the committee?

A. (Mr. Casteel) Sure will.

Q. Okay.

A. (Mr. Casteel) Is everybody ready?

Before we get started, I just wanted to get back to Member Comstock and with the -- you wanted an elevation difference between -- for the canyon for Little Colorado River and we have that for you.

MEMBER COMSTOCK: Yes, sir.

MR. CASTEEL: So the line is always going

to be approximately 25 feet above the ground, but the canyon that we're crossing is about 100 feet deep, so the line will be approximately 125 feet from the bottom of the canyon.

MEMBER COMSTOCK: Thank you.

MR. PATTON: Member Kryder, I also have a clarification to your inquiry that you posed to me earlier about the miles of the line that span across the lava field. We ran that to ground, and we are running across about 16 and a half miles across the lava field.

So apologies for speaking out of turn. I think I mentioned one-third. It's roughly two-thirds.

MEMBER KRYDER: Pretty close.

CHMN STAFFORD: Thank you.

MR. CASTEEL: Okay. We can begin.

So we're going to start here with an overview of the interconnection project, the CEC corridor.

MR. DERSTINE: Can you hear him okay? Do you want him to pull that mic up a little bit?

MR. CASTEEL: The map we have on the screen here shows prominent features in the area, and we've shown that the applicants' proposed wind and solar facilities are also identified. In purple you'll see the wind facility to the left of the image, and on the right

side in the black outline you see the solar facility.

We've also identified the Little Colorado River and the highways in the area, including US 60 and 180 substations are shown as well. You can turn it.

Oh, just one more thing. Can you pause for a second. Just one more thing, this fly-through does include simulations of the applicants' transmission towers. So we've also included the simulations from the preliminary wind turbines, so you'll see those as well.

And the KOPs that we're showing are on the placemat that you have on the backside, the KOP locations. And Ms. Casteel will review those in detail in her testimony.

So there will be a total of eight stops, six of those is KOPs and two more, one is the crossing of Little Colorado River and a view of the TEP generating station.

All right. Please play.

So we'll start the tour at what we've identified as KOP 6. This is located at south of the interconnection CEC -- interconnection project CEC corridor. This is on US 60. It's at approximately milepost 373.5.

So this is the view from US 60. You'll see the transmission towers in the background with the

preliminary wind turbines in the background as well.

CHMN STAFFORD: What's the height of those wind turbines in this shot?

MR. CASTEEL: Just a second, I'll confirm that.

CHMN STAFFORD: Because transmission towers are 180 feet; correct?

MR. CASTEEL: Correct. Max 180, yes.

MEMBER HILL: Mr. Chair.

CHMN STAFFORD: Yes, Member Hill.

MEMBER HILL: You mentioned two potential finishes in the transmission lines. What's the finish represented in this illustration?

MR. CASTEEL: I'm sorry, can you repeat that again?

MEMBER HILL: The finish on the poles.

MR. CASTEEL: The poles?

MEMBER HILL: Uh-huh.

MR. CASTEEL: We anticipate them to be weathered. We've modeled weathered and galvanized, but I think the applicant is leaning towards weathered.

MEMBER HILL: Okay. And this is the weathered look rather --

MR. CASTEEL: The weathered look of the poles, yes, are in the simulations.

MEMBER HILL: Okay. Thank you.

MR. CASTEEL: And the height of the turbines would be up to 654 feet. That's the blade. But the turbine itself would be 387 feet.

CHMN STAFFORD: Thank you.

MR. CASTEEL: You can unpause.

From here, we'll travel around what is substation number 1 to KOP 3. KOP 3 is located on the northern side of the CEC corridor. This is going to be located -- oh, actually, on US 60 as well. This will be at milepost 371.7. Again, the transmission towers are here in the foreground with the turbines in the background. It's the similar height to the previous KOP.

You can play. From here we'll travel east along the CEC corridor to location at KOP 5. The terrain you see there is Cienega Draw. And the purple outline is the applicant's project area for the wind facility. So we'll be leaving that and continuing east along the CEC corridor.

This is KOP 5. And this is going to be located on County Road 4365. The transmission towers are right there in the foreground heading east.

BY MR. DERSTINE:

Q. So just to clarify what we're seeing here is the simulated condition that would be shown in the

simulations that Ms. Casteel will present. When she presents them, you'll have the existing condition and then the simulated condition, but you're simply using the simulated condition here for -- to show the committee what they would be seeing at this point on the -- along the gen-tie route?

A. (Mr. Casteel) Yeah. That's correct. These images are the simulated conditions. Ms. Casteel will cover the existing conditions and the simulated conditions in the -- that exhibit in her part of the testimony.

Q. Thank you.

A. (Mr. Casteel) You can play.

So keep traveling east to KOP 2. KOP 2 is going to be on US 180 at approximately milepost 390.

At this location you'll see the simulated condition of the proposed interconnection project. This would be the crossing of US 180.

On the left-hand side of the image you'll see a lava feature that will be spanned by the project.

You can play.

We'll take a short trip to the Little Colorado River and the crossing of the proposed project. So this is -- this is the location where the project will cross the Little Colorado River. It's a moderately incised

canyon as we discussed. It's about 100 foot deep. And the vegetation along the Little Colorado River is dense, dense shrubs. And the river is perennial, which means it -- that -- I'm sorry, which means that it's flowing year round.

MEMBER KRYDER: Mr. Chairman.

CHMN STAFFORD: Yes, Member Kryder.

MEMBER KRYDER: A question, Mr. Casteel.

You say it flows year round in approximately this level or does it run on a lot of water certain times of the year?

MR. CASTEEL: I would have to get back to you on that. My understanding of that is that is normal conditions, but I'll confirm for you.

MEMBER KRYDER: Okay. So it's your understanding that this is more or less a year-round picture.

MR. CASTEEL: Yeah. Our understanding is that there is water in it year round.

MEMBER KRYDER: Okay. I was just interested if -- if at some point we flood up, you know, 20 feet higher and something and it's a flash food situation or not.

MR. CASTEEL: That's certainly possible given the system.

MEMBER KRYDER: Thanks.

CHMN STAFFORD: I have a question. What's the width of the gorge that the canyon -- whatever the correct term is where the river's located?

MR. CASTEEL: That I'll also have to get an exact dimension for you.

CHMN STAFFORD: Okay. Because what I'm getting to is how far back from the edge of the gorge will the structures be? I seem to recall testimony that 1200 feet would be the maximum span. I'm curious as to what the width of this gorge is. And so how far back from the edge of the feature will the structures be?

MS. CASTEEL: I'm not sure exactly how far back the structures will be.

The Little Colorado River corridor from canyon wall to canyon wall is approximately 300 feet wide, and so it will span -- I don't know exactly where it will be placed, but, you know, far enough away from the edge that it would not compromise, you know, soil erosion.

CHMN STAFFORD: Okay. Good. So the structures should be at least several hundred feet back from the edge of the gorge I'm calling it?

MEMBER KRYDER: Kind of a follow-up to that question, Mr. Chairman.

CHMN STAFFORD: Yes, Member Kryder.

MEMBER KRYDER: As you look at that and you go back 3 or 400 feet -- well, I'm going to stop there. I need to rephrase my question. Sorry. I'll get back to you later.

CHMN STAFFORD: Thank you.

MEMBER COMSTOCK: Mr. Chairman.

CHMN STAFFORD: Member Comstock.

MEMBER COMSTOCK: Do we know if there's any recreational use in this part of the river: Kayaking, anything that goes along here?

MR. CASTEEL: Our understanding is, no, nothing of that nature. Certainly the area is used for hunting and just general recreation.

MEMBER COMSTOCK: Thank you.

MEMBER KRYDER: Mr. Chairman.

CHMN STAFFORD: Yes, Member Kryder.

MEMBER KRYDER: The question I had was directed toward the service roads and the roads to be used during the construction.

Could you build on that for us a little bit, Mr. Casteel.

MR. CASTEEL: If you're asking whether or not the road will cross the canyon, no, that is not -- that is not anticipated. But there will be access roads,

and they will come up to a distance from the canyon, but we will not cross it.

MEMBER KRYDER: There's --

CHMN STAFFORD: I seem to recall somewhere in the application the mention that they would be using helicopters to place the structures near the canyon so they wouldn't have to get the road out so far.

MR. CASTEEL: It's always an option to use that kind of equipment to -- to move that type of equipment to a location, yeah.

CHMN STAFFORD: Was that a recommendation or was that a -- something that the applicant had committed to doing? I don't recall.

MR. CASTEEL: Well, it's -- I'd have to look and see if we committed to it. But I would say that the options are open just to be able to use different types of equipment to move -- to move the structures.

CHMN STAFFORD: Thank you.

MEMBER KRYDER: Mr. Chairman, there are a couple of issues there. One is are these precast forms? And we established before with Mr. Perry [sic] that we don't know how long they're going to be whether they're 15 feet deep or 250 feet deep. So bringing in material by helicopter means bringing in fresh concrete the way a transmit truck would in my backyard or will it be trucked

in?

I mean, somehow we're going to get a big block of concrete in; right?

MR. CASTEEL: I mean, I would defer to Mr. Patton for constructability.

MEMBER KRYDER: Okay. And then in addition to the actual concrete, we're bringing in a number of workers, and they have to come in in pickup trucks. We're not going to pack them in on mules, I don't imagine.

So is there a bridge across the Little Colorado River at any point or are we going to have to come in from opposite ends?

MR. PATTON: Member Kryder, if I may, we're erring more towards the latter. We will not cross the Little Colorado River. We would approach it from --

MEMBER KRYDER: I'm sorry, say that again.

MR. PATTON: We will not cross the Little Colorado River. And so in terms of erecting those structures, we would build access routes from either end.

MEMBER KRYDER: Okay. And the fact that there are so few premade roads, I mean, Macadam roads or any sort of road really looks like a major issue to me. 30 miles you have of this to construct and very few paved roads to get to them. I don't know.

Get back to me if you could on whatever information you have. Maybe it's the same surveyors that are going to get that as -- are going to get the size of the holes, but whatever -- get whatever information you could, if you could, Mr. Perry, or -- Mr. Casteel. Let me get your name. Thanks.

MR. CASTEEL: Understood.

MR. PATTON: Yes, sir.

MR. CASTEEL: Okay. I think we'll continue on, then. You can play.

So we'll continue east along the CEC corridor to KOP 1. KOP 1 is near Lower Coyote Road just north of the CEC corridor.

So in this view, the simulated view, the interconnection project's in the background. The foreground here is the 69kV -- the existing 69kV Navopache line.

You can play.

We will continue east along the CEC corridor for a little bit here until we turn north. We're going to come up on that angular area where the design has been altered to avoid the cultural resource site.

The black line you're seeing is now the applicant's solar facility.

MEMBER KRYDER: Mr. Chairman.

CHMN STAFFORD: Yes, Member Kryder.

MEMBER KRYDER: Could we back up a little bit to that jig jog there? Right.

Tell us again what that is for.

MR. CASTEEL: So that -- the angle there, the deviation in the line, the applicant has done cultural resources surveys on a approximately 300-foot corridor which would be centered on the proposed right-of-way. So it's part of that effort they identified eligible cultural resource sites, and knowing that information they revised the line there to avoid that known site.

MEMBER KRYDER: Will Ms. Casteel be talking about that tomorrow or something?

Is somebody going to tell us what you found?

MS. CASTEEL: I'll be providing information on the cultural sites -- or the cultural studies. We don't talk about specific sites --

MEMBER KRYDER: Sure.

MS. CASTEEL: -- because there's some confidentiality concerns with that.

MEMBER KRYDER: But you found something important enough that I mean that's a serious jig jag.

MR. CASTEEL: Well, there's an effort to avoid cultural resources, so they've made the effort to do so. I'm actually not -- I don't know what exactly I can say about what that site is, but regardless, it is eligible under the historic preservation. So we -- and then the applicant has went ahead and just avoided to go around it.

MEMBER KRYDER: If you could give us some information when you make your presentation.

MR. CASTEEL: Sure. Ms. Casteel will go through that.

MEMBER KRYDER: Okay. Great.

CHMN STAFFORD: One at a time, please.

MR. CASTEEL: So we'll continue east here. Again, the black outline is the applicant's solar facility. We're going to come up on proposed Substation 3, and we're going to land at not a simulated view but more of an existing view of the TEP's generating station.

And you'll notice the existing 345kV on the right side of the image on the horizon with the substation and the generating station in the background.

CHMN STAFFORD: And this is not one of the KOPs listed on the placement; correct?

MR. CASTEEL: No, this is not a KOP.

CHMN STAFFORD: Okay.

MR. CASTEEL: You can play.

So when we move down the line here, just a note that this is the double-circuit portion of the line leading towards the generating station. Here's proposed Substation 4. We'll head east. And then this will be an overview of the existing conditions at the substation, a point of interconnection.

We're going to move slightly to the east KOP 4. This is just outside our study area, but provides a view of the applicant's solar facility, and we've actually simulated a portion of that solar facility. You'll see the black on the left-hand side of the image that is the simulated view of the solar facility.

The poles in this view are existing. This is not the interconnection project. The interconnection project poles are much farther back on the horizon on the right side of the image.

CHMN STAFFORD: So what line is that in this picture?

MR. CASTEEL: That's a 345kV. I'm not sure the exact ownership. I believe it's shared.

CHMN STAFFORD: But it's connected to the Springerville Generating Station?

MR. CASTEEL: Right. And it runs

north-south to the US 60.

CHMN STAFFORD: All right. Thank you.

MEMBER HILL: Mr. Chair.

CHMN STAFFORD: Member Hill.

MEMBER HILL: So to the discussion of roads because it does seem like there's a lot of roads out here that maybe aren't even labeled or we don't completely understand, my thought was nearly every transmission line requires a maintenance road adjacent to it. If you have to do something different for this line -- and maybe this isn't the place to have the conversation, but when we get to environmental impacts or other things, there are a lot of discussion about roads in the public comments.

Can you talk about how this road may or may not be different than any other transmission line road necessary for maintaining the facilities?

That would be helpful.

MR. CASTEEL: Sure. We can do so. I'll talk to Mr. Patton about that. But at this point I don't think there's anything that's unique about the roads that are necessary.

MEMBER HILL: Yeah. At KOP 1, like, I could see a road in the foreground, but I don't know what's really roads and what's really --

MR. CASTEEL: Remember that there are

grazing, so there are a lot of --

MEMBER HILL: There's maintenance roads.

MR. CASTEEL: -- there's a lot of two-track roads around, correct.

MEMBER HILL: Okay. Okay.

MR. CASTEEL: There are a few county roads, but then there are some two-track roads, and that's primarily on state land.

MEMBER HILL: I suppose the tour will actually give me a better sense of all the roads.

MR. CASTEEL: If we choose to do the tour, yes.

MEMBER HILL: Yes.

CHMN STAFFORD: We will do a tour.

MEMBER HILL: We'll do the tour.

MR. CASTEEL: Okay. Thank you for confirming.

CHMN STAFFORD: These two-track roads you mentioned, those are formed by, what, ranchers driving their trucks through the area, or what?

MR. PATTON: Chairman, if I may speak to that. Yes, they are typically placed in by the ranchers who are currently grazing on there. And this side dovetails into the construction impact agreements that we have with our grazing lessees. It's not uncommon for us

to build a road and for them to grant access or -- for the use of that road by our grazing lessee. They see it as a net positive.

So that way when it comes to hauling their equipment in and out they have an improved road that is accounting for any potential washout, better aggregate, et cetera.

CHMN STAFFORD: And that is maintained by somebody else; correct?

MR. PATTON: Yes, sir.

CHMN STAFFORD: All right. Thank you.

MR. CASTEEL: You can play.

That generally concludes the flyover. This is going to end with an overview of the eastern end of the CEC corridor showing the applicant's solar facility and the generating station substation. And then it will zoom out a little farther to show the total area, the total CEC corridor, and the prominent features we've labeled beginning on the beginning slide.

And that concludes the flyover.

MEMBER KRYDER: Mr. Chairman.

CHMN STAFFORD: Yes, Member Kryder.

MEMBER KRYDER: This is not directly related to the jurisdictional area of the committee, so you guys don't need to answer, but if you could give me a

little help on this, is the Springerville plant still fully operational?

MR. PATTON: I'll take that. Yes, sir.

MEMBER KRYDER: It is.

And is there a proposed deadline when it's closing or is there anything about that?

MR. PATTON: TEP has recently announced that they intend to do a natural gas refurb of that plant, so a fuel switch converting it from coal to natural gas. To my understanding nothing has been filed with the ACC that indicates their timing as such. They made that public position but haven't seen any subsequent filings.

MEMBER KRYDER: And have they given any time indication on that?

MR. PATTON: No, sir.

MEMBER KRYDER: Okay. And how do they get their coal in now?

MR. PATTON: My understanding is there is a rail line that comes from the north.

MEMBER KRYDER: So no highway needed, it's just bring it from the mine and you're home?

MR. PATTON: Member Kryder, I can't really speak to the logistics of their operation, so I'd be --

MEMBER KRYDER: Fine. I know it's out of

our jurisdiction, so, okay, thanks.

MR. DERSTINE: I'll note, Member Kryder, my understanding -- and I can go back and subject to confirming that I think TEP has announced that they anticipate having their conversion from coal to natural gas for Springerville units 1 and 2 was the two units that TEP owns outright as I understand it by in or around 2009 to have the conversion in place.

CHMN STAFFORD: 2009?

MR. DERSTINE: 2029. 2029. Sorry, we're going way back in time. It's my Wayback time machine. 2029 to have the conversion and the new technology.

So, yeah, I think that's what's being planned for Springerville Generating Station and is also I think what SRP has announced for the Coronado Generation Station that they'll also convert their two units to natural under some similar time line, and so you'll have those two generating stations here in Apache County that were slated to be closed just because of increasing coal fuel costs and other environmental considerations, and now the decision is being made to fuel swap and convert them to natural gas generation and keep those units operating.

MEMBER KRYDER: Thank you very much.

Is there a gas main that runs through there

now?

MR. DERSTINE: I don't know whether or not -- my understanding is they will have to develop and construct a gas supply for both of those plants. But I'm sure that those plans are underway, and there have been announced different projects to expand natural gas delivery within the state of Arizona.

MEMBER KRYDER: Thank you.

MR. CASTEEL: You can go back to the slide, those slides.

BY MR. DERSTINE:

Q. We touched on the route tour. I guess before we get into your discussion of environmental compatibility, do you -- does it make sense to preview the route tour and what the committee will see?

Do you want to -- does that make sense to do that now or do we want to save time at the end closer to five to do that?

I just don't know what we have to pull up to show -- give the committee a preview of the route tour.

A. (Mr. Casteel) Would you like to show the map, our exhibit of the map?

Q. I think so, yes. And then you can kind of just narrate in general kind of where we'll start and what we'll be able to see at the different stops along the

way.

CHMN STAFFORD: That will be hearing Exhibit 18 from the applicant; correct?

MR. DERSTINE: That's right.

MR. CASTEEL: If we can use the binder, that's fine. But if not then we need to pull up on the screen -- then we do need to load the exhibits on the screen.

MR. DERSTINE: It sounds like we have it ready.

MR. CASTEEL: We will leave here at nine a.m. And we'll travel on US 60 through -- we'll go through Show Low and then along US 60. We'll end up hitting route Stop 1 which is near KOPs 3 and 6.

We'll -- Route Stop 2 is just down about a mile. It's a location -- let me use the pointer. Sorry, it's not working.

The route tour stop is just about a mile down the road. That it is location of the nearest residence to the CEC corridor. From there, we'll head down to the interchange of US 60 and 180. We'll go north on 180, and we'll hit Route Stop 3 which is on US 180 near the proposed crossing. It's KOP 2. It will be near the proposed crossing of the interconnection project.

At that point, I think we have a decision

whether or not we want to keep going. We do have a Route Stop 4 which is a few miles north of the study area. It's on the road that takes you back to the TEP generating station, but we can only go down a mile or so on the road. It's restricted for obvious reasons.

It does provide some context for the next nearest residences, and it does give us a crossing of the Little Colorado River at that location. So we can decide if we want to do that. But that's the reason that that one's been planned.

From there, we would travel back south back to 260, and we would head home first with a route tour stop Number 5. We've designated the Safeway there because it provides facilities for bathroom breaks and snacks and things like that.

And then we would just home on 260 back to the hotel or the casino where we are now.

BY MR. DERSTINE:

Q. And in general, can you give a sense of, I mean, will we will be able to see much from the various tour stops or, you know, can you preview what we're likely to see from these various stops in terms of the -- how far away the gen-tie line will be from any given stop?

A. (Mr. Casteel) It will be relatively close to where the -- excuse me, relatively close to where the

crossing would be on the those highways. We're sort of precluded from going in a lot of areas along the line just simply because we don't have adequate pulloffs for the vehicle that we're using. And the eastern half of the line is somewhat inaccessible for the type of vehicle that we have as well.

Q. Okay. And the time it will take, you're estimating it will be roughly five hours, four and a half to five hours?

A. (Mr. Casteel) Anywhere between four and five hours, correct.

MR. DERSTINE: Okay. All right. Any questions from the committee?

CHMN STAFFORD: Yes. From Stop 4 that road where you go east and turn around and come back, does that road actually -- that road actually crosses the Little Colorado -- the Little Colorado?

MR. CASTEEL: Yeah. Just past where our Route Stop 4 symbol is it's just to the east of that. So we'd basically stop there as a review, and then we could drive east, turn around and come back so we could cross it that way. I don't think we can get out near it, but we can certainly cross it in the bus turnaround and come back.

CHMN STAFFORD: So we'll actually -- the

tour will actually cross the Little Colorado?

MR. CASTEEL: Yeah. We can do so, yeah.

CHMN STAFFORD: Okay. Now, looking at the map, it looks like there's another river beyond where we turn around. What is that? I don't see that labeled. Am I missing it?

MS. CASTEEL: The dark line that you see there is actually just a ridge line as opposed to a water feature.

CHMN STAFFORD: Okay. All right. That makes sense why it's not labeled as a water feature if it's a ridge line. Thank you.

Any other questions from members about the tour?

MEMBER HILL: Just a comment, Mr. Chair.

We got a lot of public comments about the terrain, and I think there was some good comments about the maps and the topo maps being -- you know, you couldn't really appreciate the topographic changes, so I'm looking forward to the tour so that I can actually get a much better sense of the topographic change and how this landscape and this project all fit together, so --

MEMBER COMSTOCK: Mr. Chairman.

CHMN STAFFORD: Yes, Member Comstock.

MEMBER COMSTOCK: Is 60 moving -- I take it

that's south and east. Is it forested in there, or is it wide open where we can actually see something besides trees?

MR. CASTEEL: It's mostly grassland with juniper. So good views. There is -- you know, there is some elevation changes. It's hilly. But there's -- won't be obstructed.

MEMBER COMSTOCK: Thank you.

CHMN STAFFORD: Any other comments or questions from members about the tour?

(No audible response.)

CHMN STAFFORD: So we meet first in this room about nine a.m., and then, Mr. Derstine, where would the bus pick us up?

MR. DERSTINE: Mr. Casteel.

MR. CASTEEL: I'm asking the bus to come out the door that we've entered here that this door outside the conference center out in the parking lot to pick us up.

MR. DERSTINE: And then I assume there will be breakfast served ahead of our departure time at 9?

MR. CASTEEL: Yes. So breakfast is outside here in the hallway at 7:30. And then we could eat and then leave.

CHMN STAFFORD: All right. Excellent.

Any other questions from members about the tour?

(No audible response.)

CHMN STAFFORD: All right.

MR. DERSTINE: Thank you for that, Mr. Casteel. It seemed like it would be the right time to preview it since we had talked about it.

And, Member Kryder, I pulled up the Tucson Electric Power's announcement on their conversion of the units 1 and 2 at Springerville, and according to the announcement, it says that the Tucson Electric Power plans to convert units 1 and 2 to coal fired Springerville Generating Station to operate on natural gas by 2030. So I was off by a year. Pretty good for me.

Okay. We're ready to talk about all the environmental studies that were performed in support of the application. Mr. Casteel, you're going to start us off with that testimony.

Why don't you start us by giving an overview of the various resource studies that were performed and where they can be found in the application.

CHMN STAFFORD: Before you answer that real quick, I just want to clarify something for the record, Mr. Derstine.

You've been referring to the placemat. The placemat is not itself a separate exhibit?

MR. DERSTINE: No.

CHMN STAFFORD: It's just larger representations of other things that otherwise appear in the record.

I just wanted to get it in the transcript of what the pictures in the placemat actually are and where they are actually featured in either the application or the applicants' exhibits.

MR. DERSTINE: Yeah. So the placemat which, Chairman, to your point is not marked as a separate exhibit. On one side it has the map of the CEC corridor. And can someone tell me where that page is located or what it -- if it's a figure within the application?

MR. CASTEEL: Yeah, just a moment. I'll make sure I get this accurate.

MR. DERSTINE: That's Figure 2, Mr. Chairman, of the application which is Applicants' Exhibit 1.

And then the other side of the placemat is the map of the KOP locations that Ms. Casteel will cover that are included in Exhibit E.

MR. CASTEEL: That's -- that exhibit

doesn't occur in our application, but is more just for information for our tour. But it provides all the KOP locations that are on the individual exhibits in Exhibit E.

CHMN STAFFORD: So the back of the placemat with the KOPs is kind of a compilation of showing where all the different KOPs are which are features individually on the pictures that are in Exhibit E to the application?

MR. CASTEEL: Correct.

CHMN STAFFORD: All right. Thank you.

MR. DERSTINE: Thank you for that, Mr. Chairman.

BY MR. DERSTINE:

Q. Okay. Overview of the environmental studies that were performed.

A. (Mr. Casteel) Yeah. SWCA completed environmental studies in support of Exhibits A through I in the CEC application. Those include land use recreation and existing plans. Exhibits A, B, F, and H we did biological, visual, and cultural resources as well as the noise and interference exhibits.

The study area associated with the CEC application is a one-mile corridor centered on the proposed route.

Q. And is that what's shown on Slide 72 which is part of the Applicants' Exhibit 7?

A. (Mr. Casteel) Yes. It would be the dotted line surrounding the CEC corridor.

Q. So the very resource studies that you're going to take us through analyzed, for example, land use or biological resources all within that dotted line buffer that surrounds the gen-tie route that's shown on Slide 72 here in the hearing room which is part of our witness testimony slides which have been marked as Applicants' Exhibit 7?

A. (Mr. Casteel) Correct.

Q. Okay. It looks like you're going to start us out of with a discussion of land use?

A. (Mr. Casteel) Yes. So the land use within the study area is entirely within unincorporated Apache County. The land ownership within the study area is primarily state land and a portion being private. 90 percent of the CEC corridor is state trust land with that 10 percent being privately held land that's TEP parcels. Those areas of -- those areas are located -- the private parcels associated with TEP are located around the generating station.

Q. Now I think you're going to take us through your studies and findings regarding land use that are shown

and detailed in Exhibit B to the application, which is Applicants' Exhibit 1 and also as mapped in the Application Exhibit A-2?

A. (Mr. Casteel) Correct. SWCA completed a desktop land use inventory to identify maps and existing sources, including mapping and other sources of information to identify the existing use.

We also completed a site visit in May of 2025 to confirm that data and to update our studies.

Overall, as we mentioned, the existing land use in the study area is undeveloped. We've called it vacant on our map, but as we discussed, the study area is primarily used for grazing, cattle ranching, but other land uses within the CEC corridor include utilities, there's highway transportation or highway right-of-ways for transportation as well as the TEP generating station.

There's other pink areas shown on the map. Those are smaller little mining areas that have happened. But the TEP generating station up here identified in pink.

CHMN STAFFORD: But those purple areas on the southern -- I guess in the middle and in the eastern end of the route, those are mining areas you said?

MR. CASTEEL: We've -- we saw that some of the hillsides have been excavated for mining purposes,

but they're minor in terms of the study area.

CHMN STAFFORD: Are they active mines? Are they just -- are they --

MR. CASTEEL: Not to -- I'm sorry. Not to our understanding, no.

CHMN STAFFORD: Okay.

MEMBER HILL: Mr. Chair.

CHMN STAFFORD: Yes, Member Hill.

MEMBER HILL: But I do want to confirm that the existing land use designations are ones that the county has identified or --

MR. CASTEEL: I'll get into that in the planned land use.

MEMBER HILL: Normally I'm one step behind.

MR. CASTEEL: No, no.

MEMBER HILL: But today I'm one step ahead.

MR. CASTEEL: No, you're one step ahead. No, we'll get into that. But these are what we've identified them as, but I'll get into planned land use --

MEMBER HILL: Great.

MR. CASTEEL: -- with the comprehensive plan.

MEMBER HILL: Great.

MR. CASTEEL: As we touched on it a little bit ago, there's grazing occurring within the study area

as more specifically along the CEC corridor. This is a map of the -- as Mr. Derstine and Mr. Patton identified -- the nine individual grazing leases held by the eight distinct grazing lessees, which the construction impact agreements will be executed and -- to make sure that construction impacts are avoided or mitigated during that time.

MEMBER KRYDER: Mr. Chairman.

CHMN STAFFORD: Yes, Member Kryder.

MEMBER KRYDER: Help me understand. So the grazing leases are the ones along your corridor. Certainly the grazing area -- the grazing lease covers a much broader section than just as shown on that map what is that on page 75 there?

CHMN STAFFORD: Slide 80.

MEMBER KRYDER: 80, yeah, sorry.

I was looking at that and comparing it with the application map on A-3 in the application, and that hit my eye first. It talks about existing land use on A-3, which is on an unnumbered page than under the tab A in the application that we were sent.

And the question I had was there's color coding existing land use, agricultural, industrial. You pointed out the industrial were some mineheads. The Little Colorado River, transportation, utility, and

underdeveloped.

But I don't see anything on the map that is painted green as though it was ag.

MR. CASTEEL: We did not identify the grazing use as an existing use, but we wanted to make sure that we provided this content right here to sort of make sure you're aware that the project corridor is certainly used for grazing and cattle ranching and agricultural uses.

MEMBER KRYDER: That was the direction I was looking at to try to get compatibility between the that map and the one A-3 in the application.

So you're saying that because this is kind of grassland, pretty good graze actually, that the grazing leases probably go both above and below your corridor; is that correct?

MR. PATTON: Yes, sir.

MEMBER KRYDER: Okay. That makes sense. I just wanted to clarify that they weren't those little bitty pieces 200 to 500 feet wide.

MR. CASTEEL: No, what is shown on the map is just a subject to the CEC corridor, but there's certainly grazing leases that expand north and south and in all directions.

MEMBER KRYDER: Thank you.

CHMN STAFFORD: Speaking of agricultural existing uses, back on Slide 78 I do see a tiny little splotch of green toward the eastern end on the south edge of the corridor.

MR. CASTEEL: We've identified those as existing cattle tanks and stockyards, places where, you know, clearly it's used for ag, agricultural purposes.

CHMN STAFFORD: Okay. Thank you.

MEMBER KRYDER: Mr. Chairman.

CHMN STAFFORD: Yes, Member Kryder.

MEMBER KRYDER: To follow up on that, the term cattle tank means a lot of different things. This is a metal tank or this is a land pond.

MR. CASTEEL: Yes, this would be the, you know, excavated outlay pond to catch --

MEMBER KRYDER: Okay.

MR. CASTEEL: -- catch rain, yes.

MEMBER KRYDER: Thank you.

BY MR. DERSTINE:

Q. Do you want to, I guess, state your conclusions regarding the existing land uses and whether or not the interconnection project is compatible with that use?

A. (Mr. Casteel) Yes. The interconnection project is compatible with existing uses.

Q. And as you've identified, those -- those

existing uses are largely grazing activities under ASLD grazing leases with some of these more minor, you know, activities you've identified in the prior map.

A. (Mr. Casteel) Yes. It would be compatible with existing uses because we would not restrict -- those existing uses, whether they be transportation right-of-ways or existing grazing uses and/or existing uses for utility lines, they would continue to function as currently they are currently functioning.

MEMBER KRYDER: Mr. Chairman.

CHMN STAFFORD: Yes, Member Kryder.

MEMBER KRYDER: Just in following that up, your corridor will not be fenced, will it?

MR. CASTEEL: No. No, it's typically we do not fence a transportation corridor -- or transmission --

MEMBER KRYDER: So you've obtained through the proper authorities and from the lessees right to build on that portion of their leases, but after you're gone the cattle are going to graze right up to the bottom of the pole; right?

MR. PATTON: I'll take this. Yes, sir. So the right-of-way is granted through ASLD. We work with the grazing lessees to understand their cattle operations to where we sequence and stage around their operations if they have certainly considerations where they want us to

put in a fence or typically what we're going to see is cattle guards.

MEMBER KRYDER: Sure.

MR. PATTON: And we negotiate that as part of a construction impact agreement. That is there's no threshold for that, there's no test for that. It's just us making that commitment to the grazing lessees.

MEMBER KRYDER: Very good. I just wanted to clarify it. Thank you.

MR. PATTON: Yes, sir.

BY MR. DERSTINE:

Q. All right. We've covered existing land use.

Do you want to talk about the analysis that you performed on planned land uses?

A. (Mr. Casteel) I do. And Member Hill just stepped away.

Q. Oh.

A. (Mr. Casteel) But I can continue.

CHMN STAFFORD: Go ahead.

BY MR. DERSTINE:

Q. I think you're free to proceed.

A. (Mr. Casteel) Okay. The planned land uses were identified using the Apache County comprehensive plan. The planned land uses for the study area are mapped on the right screen on the image, and there's defined

character areas established by the county's comprehensive plan.

CHMN STAFFORD: That's Slide 82 of Exhibit 7, the presentation?

MR. CASTEEL: Correct.

BY MR. DERSTINE:

Q. And I was going to -- I'm not familiar with the term character use. What does that mean?

A. (Mr. Casteel) They would be called character areas.

Q. Character areas.

A. (Mr. Casteel) So character areas are defined by the comprehensive plan which established the general areas for planned land use. And I'll get into that in a minute.

Q. All right.

A. (Mr. Casteel) But planned land use in a study area it can be characterized as continued grazing, cattle ranching, but there are provisions for lower and higher density developments including residential, industrial, commercial, institutional.

The majority of the CEC corridor is located within what is defined as the range land character area, and that purpose is to continue to allow cattle ranching, farming, and other ag uses.

The other character areas are -- provide a larger -- more ability for development, including density requirements for residential areas, but also make provisions for higher density in certain areas.

I want to also note that on the western end of the interconnection project around -- a little farther east but certainly within the orange, which is the community village character area, which provides a higher density development planned land use, there is something called the Vernon area community plan, and that's a local community plan. And it is advisory. It does not establish character areas, but they have their own local -- local suggestions that they would ask that the county please consider when making permitting requirements.

CHMN STAFFORD: Now, that's the one at the eastern end where the Substation 1 is? Is that characterized as community village? Is that the one you're talking about?

MR. CASTEEL: Yeah, that is defined community village. I'm sorry. I'm sorry. The western edge.

CHMN STAFFORD: I don't see it on the --

MR. CASTEEL: We do not have it on the map. It's a large -- it's a fairly large area that would

encompass the -- some of the wind facility, but also that community village, but it is -- it's generally set up for basically, like, a ZIP Code or that size of an area.

CHMN STAFFORD: And that's outside the study area, so the community village doesn't appear on Slide 82?

MR. CASTEEL: Community village is this orange area right here.

CHMN STAFFORD: That's what I was just asking about. I thought you said something to the west of one -- there's another one to the west? Is that what --

MR. CASTEEL: There is a -- there's another local community plan that's called the Vernon area community plan that is local in nature and provides general goals for considering development in that area that they asked the county to please consider when making larger planned land use decisions.

CHMN STAFFORD: Local --

MR. DERSTINE: I think the Chairman -- Mr. Chairman, if I -- you're noting that the Vernon community -- this Vernon area plan is at the western edge near the starting point for the gen-tie line, and then I think the Chairman was asking about another area plan to the west?

CHMN STAFFORD: Right. To the east, I think.

MR. DERSTINE: Or to the east. I'm sorry. Yes.

CHMN STAFFORD: Because, like, where the Substation 1 is it seems that's right in the middle of a community village.

MR. CASTEEL: So the character area where Substation 1 is is the community village character area designated by Apache County comprehensive plan. So there's three character areas within our study area.

MR. DERSTINE: Can you just use your laser pointer and point to them.

CHMN STAFFORD: Yes.

MR. CASTEEL: This is -- this is community village, a character area defined by the comp land. This is rural edge along 180, and then the rest is range land.

CHMN STAFFORD: And then you said there's an additional community village to the west?

MR. CASTEEL: It's not a community village. It's a -- the Vernon area community. They -- it's called the Vernon area community plan.

MR. DERSTINE: And where is that on the map?

MR. CASTEEL: It's -- it's going to be

fairly large, and it's going to cover the area of Vernon, which is several miles to the west. But it does extend into the very western edge of our CEC corridor.

CHMN STAFFORD: Okay. So is that -- is that what the community village is that's notated around Substation 1? Is that part of that Vernon --

MR. CASTEEL: No. No it's a separate --

CHMN STAFFORD: It's a separate one.

Okay. And so that was established by the county in their comprehensive plan?

MR. CASTEEL: The character areas are established by the county. These local community plans are developed and adopted by Apache County.

And the Vernon area plan, it's my understanding is adopted by the comprehensive plan.

CHMN STAFFORD: Okay. And what do they plan to do in that community village area?

It seems like you're going to have to modify that because a substation in a wind farm don't seem like a good place to build a house.

MR. CASTEEL: With -- within the community village that's associated with the Apache County comprehensive plan it does provide for high-density development, institutional and industrial development. But, yes, the Vernon area community plan is suggesting

that it is maintaining its residential character and its open space aesthetics or its environment.

So there is -- the Apache County community plan does note that there are conflicts in some cases between what is existing and what is planned even between the character areas and other -- these smaller local community plans.

CHMN STAFFORD: Okay. Is that -- but that's still all on state trust land, though, isn't it? It's like a little block of private land I think.

MR. CASTEEL: In that area, our study area is entirely state trust land, yes.

CHMN STAFFORD: There's a block of private land just to the west of that; correct?

MR. CASTEEL: That would be private, yeah.

CHMN STAFFORD: Okay. And then you talked about the rural edge character area along the 180.

MR. CASTEEL: Yeah, rural edge is planned for lower residential development, lower density residential development, which suggests that they would like to see that development along highways. So it would be -- it has specific density requirements per acre -- per acre density, but it is proposed for development -- planned for development.

CHMN STAFFORD: Okay. But it's not along

the 180. But they're not going to build houses along the Little Colorado River, though, obviously.

MR. CASTEEL: The character area is set -- that is the defined character area, but that would be up to the county to issue those permits if --

CHMN STAFFORD: Well, it's on state trust land. Wouldn't they have to --

MR. CASTEEL: Well, that -- that is a good question. It would be difficult to develop a residential development on state trust land, correct.

CHMN STAFFORD: Yeah. Okay. Thank you.

BY MR. DERSTINE:

Q. So I guess the first step in looking at planned land use was to look at the county's comprehensive plan and then these various character area and/or community plans, and you've already acknowledged that there's some --

MEMBER KRYDER: Matt.

MR. DERSTINE: I'm sorry?

MEMBER KRYDER: Get into your microphone over there.

MR. DERSTINE: Yeah.

BY MR. DERSTINE:

Q. You've acknowledged there's some conflict between the comprehensive plan and some of these other

community plans; correct?

A. (Mr. Casteel) Yeah. In some cases there would be some conflict.

Q. Okay. I guess to the point of it's hard to reconcile a residential plan with low density with industrial uses. Those don't seem to go together, but so you have those overlapping plans that at least that you considered and understand them?

A. (Mr. Casteel) Yes. They considered the planned land use, yes.

Q. Okay. So in addition to looking at the -- these various plans, comprehensive plan, et cetera, you then also sent out some letters to various landowners and jurisdictions inquiring about future planned or planned land uses; is that right?

A. (Mr. Casteel) Correct. As part of the Exhibit H in the CEC application we sent out letters requesting information on existing and planned land uses to 24 different jurisdictions and stakeholders to include local, county, and state and federal agencies.

Q. And what did you hear back?

A. (Mr. Casteel) We received one letter back from Arizona Game and Fish Department.

Q. So that didn't really go to a planned land use, but it was more to Arizona Game and Fish Department's, I

guess, various areas of concern regarding impact to fish and wildlife?

A. (Mr. Casteel) Correct. The letter was extremely helpful, and Ms. Casteel will reflect on that in her testimony related to biological resources.

Q. But it didn't really identify any sort of planned land use that, you know, Game and Fish was considering? It was more in terms of biological resources?

A. (Mr. Casteel) Correct. No, it did not -- did not aid in the planned land use discussion.

Q. Okay. So based on all the things that you reviewed, what were your conclusions regarding whether the project is compatible with planned land uses within the project area?

A. (Mr. Casteel) Our findings that the interconnection project is consistent with existing and planned land uses. It does not conflict with planned land uses related to grazing or utilities or transportation. It is consistent with the Apache County land use zoning.

Again, it does not preclude any of these existing or planned land uses that are currently or would be initiated in the study area or the CEC corridor.

Q. And in general, the interconnection project is

compatible with the Apache County comprehensive plan?

A. (Mr. Casteel) Correct.

CHMN STAFFORD: And then -- but these -- the planned land uses by the county like the community village, range land, and rural edge, those -- unless they purchase or lease the land from the State Land Department, nothing could happen along those lines in any of these places, could they not?

MR. CASTEEL: There would I suppose be scenarios where an individual would need to either -- yes, purchase the land or initiate a lease or easement with State Land for a commercial facility or some other type of facility. But, yes, there would have to be a process with State Land first before some of the uses would -- planned land uses could be completed.

CHMN STAFFORD: Okay. Thank you.

MEMBER MERCER: Mr. Chairman.

CHMN STAFFORD: Yes, Member Mercer.

MEMBER MERCER: Okay. On this planned land use, help me understand on the character areas.

MR. PATTON: The rural edge and the community village, since both are under state land trust, how can the county plan land use for these areas? I understand that they could get a -- purchase it or what you just described. But how can they go ahead and make

plans when they don't have the land?

MR. CASTEEL: Well, it's a good point. I would just say that the comprehensive plan does cover unincorporated Apache County. So they have suggested a planned land use within their county. How that would come about, yeah, there would certainly be some more processes that would have to happen to initiate certain types of development on state trust land.

MEMBER MERCER: Thank you.

It sounds to me like -- you know, like we're still waiting for the big earthquake in California so we can have oceanfront property in Arizona. This is what it sounds like to me.

MEMBER COMSTOCK: Mr. Chairman.

CHMN STAFFORD: Yes, Member Comstock.

MEMBER COMSTOCK: I'm curious, what was the date that was -- that you looked at for the Apache County comprehensive plan? When was the last time that was updated?

MR. CASTEEL: 2019 is what is available.

MEMBER COMSTOCK: So it's six -- six years old? Do you know when they're going to update it next?

MR. CASTEEL: I'm not sure, but I would anticipate that they would do so. But I'm not aware of any date that it would be -- a new version would be

available.

MEMBER COMSTOCK: But that's not -- you don't know -- you don't think that'll happen within your construct time, the applicants' construct time.

MR. CASTEEL: I can't say, no.

MEMBER COMSTOCK: Thank you.

BY MR. DERSTINE:

Q. Anything else you wanted to add on the planned land use and your analysis whether or not the project is compatible with planned land uses within our project area?

A. (Mr. Casteel) No, I do not.

Q. So Mr. Casteel covered land use.

Ms. Casteel, you're going to cover the biological resources that were analyzed and included in our application under Exhibits C and D.

Do I have that right?

A. (Ms. Casteel) Yes.

Q. Okay.

A. (Ms. Casteel) So the biological resources, like you mentioned, were covered in Exhibits C and D for the application.

Exhibit C being the areas of biological wealth and special status species. And Exhibit D being the general wildlife and vegetation. So I'll go through each

of those categories in the following slides.

In order to do the assessments for both the special status and general wildlife, we start with a review of data during a desktop review. And that includes sources from Fish and Wildlife and Game and Fish.

And then if there are any prior studies that are done in the area, we review those as well to provide some background information on species that may be present and what the general ecological setting is for the area.

And then after the desktop review, we will -- we conducted a field survey. We went out specifically for this project for the study area and reviewed that in November 2024 and begin in May 2025.

Q. And what do you do on that field survey?

A. (Ms. Casteel) We view the local vegetation and get better a understanding of the ecological setting and whether there is habitat that is appropriate for special status species.

MEMBER KRYDER: Mr. Chairman.

CHMN STAFFORD: Yes, Member Kryder.

MEMBER KRYDER: A question, Ms. Casteel. I was looking in the application on page C-2, and it talks about the avian use surveys. It reads -- one sentence let me read to you, "Two years of avian use surveys

conducted monthly at fixed points distributed throughout the wind facility from January 2021 through December 2022."

And I was wondering what is an avian use survey that would be done monthly?

MS. CASTEEL: I would have to get details, I guess, from my biologist on what exactly that entails. But so I'll have to follow up exactly on what that is. But that was specific to the wind facility, not for the interconnection project.

MEMBER KRYDER: Was it -- do you know if it was -- you set a monitor or a game monitor of some sort out or was it human sightings or do you know any of that?

MS. CASTEEL: Let me -- let me confer --

MEMBER KRYDER: Talk with the --

MS. CASTEEL: -- and I'll get back to you.

MEMBER KRYDER: Sure. Okay. That will be good.

While I have you there, may I ask another question, Mr. Chairman?

CHMN STAFFORD: Certainly.

MEMBER KRYDER: Going down page C-2, it talked about native plant inventories for the interconnection project in November 2024.

Again, how many surveyors went out? Or, I

mean, that's a big area. You have 30 miles. And did you -- did you walk all 30 miles or how did you do this?

MS. CASTEEL: I can speak a little bit about that.

So we follow Arizona state trust land department protocol for the native plant inventory, and that allows for sample plots and then extrapolation to the full area, so we go out there and we sample specific plots and do our vegetation counts and then extrapolate for the full area.

MEMBER KRYDER: So it said that this was done during one month. Back of the envelope how many native plants species are out there? Are we talking about 10 or 100,000?

MS. CASTEEL: I can't speak to a specific number right now. I can let you know the native plant inventory is still in development. So because of some -- it covers the wind as well, and there's some project area changes. And so the report itself is not finalized, but there's some information I can get from it and I can get back to you.

MEMBER KRYDER: Okay. There are 244 native plant species noted in Apache County.

I didn't know if all 244 of those would show up in your survey? If so, that sounds to me, like,

more than a month to find out. And I was wondering, so, yeah, I'd be looking forward to some understanding about native plants. We farmers look at the plants before the cows eat them.

MS. CASTEEL: Yeah, I can find you some information and get back to you on that.

MEMBER KRYDER: Thank you.

CHMN STAFFORD: And then for -- you wouldn't be able to construct anything on state trust land until those surveys are complete, would you not?

MS. CASTEEL: That's correct.

CHMN STAFFORD: Okay. A quick question looking at Slide 89, it says you consulted the United States Forest and Wildlife Service information for planning and consultation system.

Are you able to access that?

MS. CASTEEL: For -- sorry. The -- so for the -- you mean the fish and wildlife system?

CHMN STAFFORD: Yeah. Fish and wildlife.

MS. CASTEEL: Yes.

CHMN STAFFORD: I think I said forest and wildlife.

MS. CASTEEL: Yeah. Yes, so we were able to access that at the time of the study, and so I know right now it's restricted for wind projects, but it was

something we were able to access previously. And so we did get a -- the IPaC results, and that -- I believe I show that in a couple slides. So we'll see that.

But that resulted in the identification of nine species that Fish and Wildlife recommended additional evaluation. And based on our evaluations, six of those species may be present or may occur. And I'll go through each of those species.

CHMN STAFFORD: Okay. And then the Arizona Game and Fish, their online tool, did it reveal the same species as the IPaC, the information for planning and consultation system?

MS. CASTEEL: The Arizona Game and Fish database provides different species. Those are the state listed species, including species of greatest conservation need, SGCNs, and that I will also detail.

CHMN STAFFORD: Thank you.

MEMBER HILL: Mr. Chair.

CHMN STAFFORD: Member Hill.

MEMBER HILL: Ms. Casteel, I came back as quickly as I could.

And I'm just --

MEMBER KRYDER: A little closer to your microphone, please, Nicole.

MEMBER HILL: So are you -- have you walked

us through the Arizona Game and Fish pieces that are applicable to this project yet?

MS. CASTEEL: Not yet, no.

MEMBER HILL: Okay. Perfect. I came back in perfect time.

MS. CASTEEL: Yeah. I will go through the various areas of biological wealth, the various Endangered Species Act species as well the Arizona state listed species of greatest conservation need.

And we'll talk about what's out there, what the impacts might be and then what minimization measures would be implemented including ones that were recommended by Game and Fish.

MEMBER HILL: Super. Thank you.

CHMN STAFFORD: Thank you. Mr. Derstine, about how much more testimony can you get through in the next nine minutes?

I intend to take a recess from 5 to 5:30 to prepare for the public comment that will start at 5:30.

Or is this a good spot to stop and then come back to after the tour?

MR. DERSTINE: Well, Ms. Casteel, you tell us. Are you able to -- do you want to take us through Exhibit C in the next nine minutes or is there too much to cover within that time?

MS. CASTEEL: Definitely too much to do the full C. But I can speak a little bit about the areas of biological wealth. I think I can get through the discussion of at least the Little Colorado River, so that'll give some context for tomorrow.

BY MR. DERSTINE:

Q. So you covered the field studies that were performed in support of your analysis for Exhibits C and D. And I think you were going to turn to the -- I guess the stakeholder outreach you did with U.S. Fish and Wildlife and Arizona Game and Fish.

Have you covered that yet?

A. (Ms. Casteel) A little bit. So we did include Fish and Wildlife and Game and Fish during our stakeholder outreach. Game and Fish has coordinated with us since 2022, so there's been a few years of coordination back and forth both with the interconnection project as well as the wind and solar facilities.

The Game and Fish has recommended a series of things including following construction best practices for wildlife construction, preconstruction surveys, following the avian power line interaction committee or APLIC guidelines, and then also preparing conservation and preconstruction plans.

Those were the recommendations that applied to

the interconnection project, and I'll be speaking more to those as they apply to specific areas of biological wealth and/or species as the presentation goes on.

Q. So do you want to at least start us off or get as far as you can concerning your findings regarding areas of --

MEMBER KRYDER: I can't hear you, Matt.

BY MR. DERSTINE:

Q. Oh, do you want to start us off with your findings on areas of biological wealth as detailed in Exhibit C?

A. (Ms. Casteel) Yes. So areas of biological wealth are any habitat, feature, or location that might serve to provide important, unique, or concentrated resources for wildlife or plants.

Within the study area, we identified five areas of biological wealth. That includes the Little Colorado River corridor, the Coyote-Mamie terrestrial -- it's a conservation opportunity area, COA -- two diffuse movement areas, and one landscape movement area.

The Little Colorado River includes three different designated areas. The areas overlap the river corridor, and they're all mapped here in different shades of blue and turquoise. And they include a riparian wildlife movement area and two conservation opportunity

areas. They all generally provide goals for enabling or improving movement of terrestrial and aquatic species. So it's similar goals for the three different areas.

CHMN STAFFORD: And all five of these are displayed on the map on Slide 96 of Exhibit 7; correct?

MS. CASTEEL: That is correct.

CHMN STAFFORD: Okay.

MS. CASTEEL: So the three that follow the Little Colorado River overlap each other. And then it looks like tomorrow I'll be talking about the Coyote-Mamie conservation opportunity area as well as the diffuse movement areas and the landscape movement area.

So I think I'm going to leave it there, but open to questions so far.

CHMN STAFFORD: Do members have any questions for the next four minutes?

MEMBER KRYDER: Is this where you -- Mr. Chairman.

CHMN STAFFORD: Yes, Member Kryder.

MEMBER KRYDER: Is this where you were going to talk about that little jig jag up there in the right-hand corner?

CHMN STAFFORD: Oh for the -- no, that's going to up in the cultural resources section.

MEMBER KRYDER: Okay. I'm sitting on the

edge of my chair waiting.

CHMN STAFFORD: Member Fant.

MEMBER FANT: Mr. Chair, if I may.

Is this a flyway or byway?

MS. CASTEEL: The Little Colorado River is important for migratory birds and various special status species birds. And that will be covered in additional slides tomorrow. And there will be measures taken to try to minimize the impact on birds using that as a migration corridor.

CHMN STAFFORD: I believe there are multiple spots in the application that mention the word "bird diverters."

All right, well, it's almost five o'clock. Let's take a recess and come back at 5:30 to start taking public comment.

I can get with the AV team and make sure they have the signup sheets ready and the -- we're all set to go for public comment.

So with that we stand in recess till 5:30.

MR. DERSTINE: Thank you.

(Recess from 4:57 p.m. to 5:31 p.m.)

CHMN STAFFORD: All right. Let's go back on the record. Now is the time set for public comment on the line siting case 250.

This is public comment. This is not the opportunity for public commenters to ask questions of the committee or the applicant. It's just for you to voice your concerns and have them be on the record before the court reporter.

I'll remind everyone the ex parte rule is in effect. The members can't discuss the merits of the case with the parties or the public. However, the applicant is free to answer any questions posed to it from the public.

With that, let's begin with Monica Boehning. And I'm not sure I'm pronouncing your last name correctly, but it's spelled B-o-e-h-n-i-n-g.

MS. BOEHNING: Yes, sir, that is correct.

CHMN STAFFORD: Thank you. So please come to the podium, and then once you -- everyone will have three minutes to make their comments. Once you start speaking they will start the timer, and then I will let you know when your time is up.

MS. BOEHNING: Good evening, Mr. Chair and Committee. I'm Monica Boehning, a 43-year resident of Springerville-Eagar. I submitted one of the limited appearances for this hearing.

I speak with graduate education and 38 years' professional experience in natural resources

management, mostly here in these local forest, woodland and grassland ecosystems. I know Arizona law grants you no authority over wind farms, only over this transmission line.

But intent of the CEC statute is to protect the full environment of a project area. Because this interconnection line is proposed through the middle of the wind farm, these two projects cannot be ecologically viewed separately as each one is tied to the other within the same environment.

In each of my six written submissions to your docket, I've addressed the gen-tie application with scientific facts, followed by points made from those facts pertinent to the CEC factors for this gen-tie line.

I see some of you have been able to read them, plus hopefully all supporting info. I made geology, volcanology the focus of my limited appearance.

Key attachments to it are four letters with two color maps by the scientists who have studied the Springerville volcanic field for decades.

It's critical for you to read their letters, as they express serious concerns against damage and permanent destruction to those lava flows. Drilling multiple test holes only causes more irreparable damage.

Very important research needs to continue

there. The applicant failed to address the geology of this area's quite unstable bedrock, which these letters explain in detail.

This volcanic field is uniquely different from others that have similar projects built on them. In my water paper, I stress the applicant neglected to disclose how much additional groundwater depletion will occur to build their gen-tie line.

In my soils paper I stressed their application is totally lacking any soils survey info, so I point out how very shallow and fragile the soils are in the volcanic field, only six to 30 inches deep, but took thousands of years to form and are very easily eroded by wind and water.

In my vegetation paper I explain why maintaining plant cover is crucial for keeping the soil in place and that their plant survey done only in November of '24 was very flawed.

For example, on October 18 of that year, last year we had our first hard frost. Then we got 3.5 inches of snow overnight on November 3 and another four inches of snow on November 6, and they did field surveys on November 13th and 14th. Most of those plants had disappeared by then.

In my eagle take permits paper, I show why

it's premature for the company to assume there's no federal NEPA nexus. They showed nothing written by Fish and Wildlife Service to that effect.

In my applicants experience paper, I show why this gen-tie project cannot likely meet the stated objective.

I also highlight this company's efforts to look like they'll meet the letter of the law without effort actually meet the content -- comply with the intent of the law.

CHMN STAFFORD: That's your time, Ms. Boehning. Thank you.

MS. BOEHNING: Thank you.

CHMN STAFFORD: Up next we have Mark Seipke, Mark with a K, S-e-i-p-k-e.

Please let me know if I'm pronouncing that correctly or not.

MR. SEIPKE: Oh, you've done better than most people in my life.

CHMN STAFFORD: Thank you.

MR. SEIPKE: Commission, we thank you for taking your time to listen to us. You know, at first I got to apologize to you. I got to apologize to you because you don't, I think most of you, maybe all of you do not have the opportunity to live in Apache County.

It's a great county.

And I got to apologize to you for the applicant. They're going to take you on a route tomorrow to see it where they should have took you just the opposite way for you to get the best view. That's okay.

I am a little bit nervous. I'm not usually speaking. I've been doing it in one form or another for 40 years. But I've never represented approximately 1800 people. This is the signatures of 1800 -- approximately 1800 people from our community who do not want this gen-tie done.

And why don't they want it done? We just live in the dark ages up here. We don't understand the need for data centers. Or we just don't care. And it's none of it. It has nothing to do with any of that.

And I understand that you have to make decisions based upon facts, surveys, statements, truth that is presented to you concerning this project.

But these people when they look at it, they don't see this simulation. They don't see what it might look like. They don't see the factors that are being presented. They see their ground. They see one of the most beautiful parts of this county being destroyed visually. And for what?

There's lots of places this could go. Not

in the corridor of what our county gets most of its funding from, tourism. Please vote against this. I'm going to leave my county here.

CHMN STAFFORD: Thank you, Mr. Seipke. Up next we have Mark Ostermann. Another Mark with a K, O-s-t-e-r-m-a-n-n. And, again, if I mispronounce anyone's name, please correct me.

MR. OSTERMANN: My name is Mark Ostermann, I'm a property owner and a resident of Apache County. First, I'd like to say that if this power line is approved it will be the heart and lifeline of one of the most controversial issues that ever hit Apache County.

Apache County is a pretty rural area, and a lot of people don't like to go to government meetings and a lot of them can't even afford to drive to them. So myself along with about half a dozen other people have talked with thousands of residents up here in the last year and a half.

We did so so we could relay their opinions to the agencies that are responsible for permitting this project.

The thing is, these people that we have found the overwhelming majority of them, they do not want these renewable energy farms in this area for many good reasons.

To be fair, though, there has been a few people that do want them and they're mostly in two small groups, the so-called Greenies for lack of a better term, who hope this will lead to the shutdown of the power plants, which we know that won't happen.

And then there's a few large landowners and several businesses that want them so they can make money off of them. Now tourism, including hunting, is for a lot of residents how they make their living up here. And in case you didn't know, Apache County has the lowest median household income in the state, and they are one of the lowest in the country.

If these things go in, their income will drop, the property values will drop, and that's going to hurt the public out here. And I know Repsol has surveys that show this won't happen, but the thing about surveys is if I had their money, I could do the same surveys and the surveys would be just the opposite. So the surveys are kind of a null point.

The people that are here, they live here because they love this area, and they're not the only ones. This is a destination point for many Arizonans to come and enjoy the beauty of this area. But before I run out of time there's one thing I'd like to do, and I'd like to paint a picture of a different perspective of

what is going on right now.

There's a large multiple billion dollar global corporation standing out there and it's got a gun pointed at Apache County. Why? They want to make their money here and they don't care what the public thinks. But the thing is that corporation doesn't have any bullets for that gun yet.

But one of those bullets is in this room right now in this committee's hands. So the question is what are you going to do with that bullet? They need that bullet. Are you going to keep it and let this county, the environment and the public stay like it is?

Or are you going to give it to them and let them make their money and damage this area for decades to come even though Chairman Thompson wrote in his September '25 letter that the power grid needs reliable and dependable energy for the future, which renewables aren't.

And also the power plants are not obligated to take these. They meet all their standards right now so they don't have to do it.

CHMN STAFFORD: That's your time, Mr. Ostermann.

MR. OSTERMANN: Thank you.

CHMN STAFFORD: Thank you. Up next we have

Kristin Spillman, S-p-i-l-l-m-a-n. K-r-i-s-t-i-n.

MS. SPILLMAN: That's correct.

Thank you, Committee, for being here this evening and this week and taking the time to address our issues that we have up here with the line siting committee.

My name is Kristin Spillman, I'm a resident, registered voter and business owner in Springerville, Arizona. I have lived in the White Mountains for 19 years.

I brought with me today, on the back of Mark Seipke's petitions, a stack of over 900 letters signed by residents, homeowners, landowners, part-time residents and visitors of local communities in the White Mountains. These have been collected over the past 18 months.

Some are handwritten, some are form letters, and some are from a secure website collection page. Most had been sent to the Apache -- excuse me, to the Arizona Corporation Commission in late 2024, but we received no response or feedback, so I bring them to you today.

So I'm standing here with over 900 men, women and children who care deeply about their local communities that would greatly be affected by the Lava

Run wind and solar projects and the connective transmission lines. I made a promise to every one of these writers that I would deliver them to the right people at the right time, and I hope that's you.

Most folks could not commute the 100-plus miles to be here today. The letters express opposition to Lava Run and the connective gen-tie line in Apache County for many reasons, such as environmental devastation, wildlife sensitivity, including endangered species and migratory paths.

Economic repercussions to our tourist industry, visual impacts for hundreds of square miles as well as cultural and historical site destruction.

The transmission line stretching across the beautiful corridor coming into Springerville in no way fits with the breathtaking landscapes. Local residents including myself formed a grassroots organization and started collecting these letters with a small outreach group.

When Repsol, Apache Wind, Lava Run, first calling themselves ConnectGen, plans were publicly yet quietly coming to light in southern Apache County, we knew education on wind and solar projects in their names were courting the communities surrounding these projects.

Repsol's a global oil company, and we don't

really need to have them in their backyard. We do not need a 29-mile connective line going from a wind farm that is unnecessary with our coal plants and upcoming natural conversion, and we do not need to wreck our countrysides.

I respectfully ask that you deny the CEC application submitted by the GC Apache County Wind to preserved our open spaces, and I hope you enjoy the tour of the countryside tomorrow. Thank you very much for being here.

CHMN STAFFORD: Thank you. If you have documents that you're bringing in, you need to file those with the Commission. You can't introduce those as exhibits at the hearing because you're not parties.

So if you want to -- you're -- feel free to file those with the Commission. You could scan them in or you can mail them in.

MS. SPILLMAN: Absolutely.

CHMN STAFFORD: Whatever your preference would be. Thank you.

MR. SPILLMAN: And may I ask, should I also take Mr. Seipke's with me?

CHMN STAFFORD: I can't -- they have to be -- you can't introduce exhibits at the hearing, but I'm saying you, Mr. Seipke, are free to file them with

the Commission.

MS. SPILLMAN: Thank you, sir.

CHMN STAFFORD: All right. Up next we have Louisa Quintana. Q-u-i-n-t-a-n-a.

MS. QUINTANA: Good evening, Chairman, Arizona Corporation Commission, and Siting Committee.

I'm Louisa Quintana, a resident and teacher of Round Valley in Apache County. I would like to address the 29-mile transmission project with land ownership in many entities involved.

Affected by this project will be private landowners, ranchers, and residents of Apache County. Other entities are in and out to attend to their jobs on the field.

Some do not live here. The corporate companies such as Lava Run who want to bring this infrastructure to our area, they come in, they leave, they do their job and they go to their peaceful domains where they are not affected by large transmission lines, wind turbines or solar projects. This is not a state-of-the-art project. Can we please look at this? The guidelines for this project are requiring only a one-mile radius.

The land use and impacts range many miles outside of the study. This is not acceptable. By the

communities and the surrounding areas, it is not acceptable, as they will be impacted by this project.

Archaeological, historical, environmental and sacred native lands are of history and out of your one-mile study. Please do the right thing. This project is an exploitation of native tribal lands by corporate greed. Please do your part in protecting and studying this project, as your decisions can change the lives of many.

The Department of Interior must be brought to the table and involved with your scope of work, as there are many complex restrictions, obligations, statutes and regulations. The government maintains judiciary responsibilities to protect Native America assets and resources.

Tribes are sovereign. Tribes can only be diminished by Congress, not corporations who choose to platform, to come in and perform in and only have partial areas studied.

These are sacred lands, waters, and so on. The views of these tribes in our areas must be considered to the siting committee and Arizona Corporate Commission. We are named Apache County. The tribes from this area have a deep connection to their ancestral lands, which are rich in wildlife and natural resources.

The rights of Mother Earth, desecration of sacred sites. Destruction on lands and waters. The protection and nurturing tribal sovereignty is very important. The waters of the Little Colorado must be protected.

Please consider the people, the children, the future of many. The environment is what we leave.

CHMN STAFFORD: Thank you, Ms. Quintana.

MS. QUINTANA: Thank you.

CHMN STAFFORD: Your time is up. Up next we have Barbara Norton. N-o-r-t-o-n. Please correct me if I'm mispronouncing or misspelling your name.

MS. NORTON: Good evening, Chairman and Committee. I am Barbara Norton, a 25-year resident of Springerville, located in the heart of the beautiful White Mountains that which many are blessed to call home.

Environmental quality is heartfelt concern for residents in Apache County, especially District 3. Approval of these vast transmission lines spanning 29 miles of our open vistas requires a complete review of the compatibility with the environment in this area including the fragile Springerville volcanic bed where the foundations will be constructed.

The volcanic field has been studied by volcanologists from around the world. It will be

irreparably damaged by this project.

Full compliance with existing laws including the National Environmental Policy Act, the Endangered Species Act, the National Preservation Act and the Wilderness Act is an absolute must. It must comply or it would be unlawful and violate the protections these acts provide.

This area is rich with resources, wildlife and bird species, many of which use the proposed area for their migrations. This gen-tie project must be evaluated for the disputable impacts -- indisputable impacts to our delicate soil, limited water resources, air, plant, and wildlife. Including endangered and protected species, even the awe-inspiring bald eagle.

This transmission line along with the wind and solar projects will result in habitat fragmentation. An in-depth environmental assessment by an impartial and completely neutral party must be required.

Once the environment is disturbed it is virtually impossible to restore it to its naturally occurring integrity. The effects will be prolonged, lasting for decades and beyond.

The migration -- excuse me -- the mitigation measures proposed for this project are grossly inadequate. Committee Members, I respectfully point out

the true reason for this project. It is about the financial greed. No true heartfelt concern for our environment, our culture, our local economy or the people that call this mountain home.

Repsol and the associated companies will build, sell, and leave without concern for what they leave in their wake. Please represent us, the public.

Please use the utmost care as you review all aspects of this project. It will forever change our unparalleled landscape, having a detrimental impact on the environment in the White Mountains. Respectfully, I ask that you completely stop this project and deny their CEC for the Lava Run 29-mile transmission line.

CHMN STAFFORD: Thank you. Your time is up. Up next we have Roxanne Knight, K-n-i-g-h-t.

MS. KNIGHT: Good afternoon, Mr. Chairman and members of the Commission and all of you who are here.

Am I speaking loudly enough? Can you hear?

CHMN STAFFORD: Yes.

MS. KNIGHT: I'm getting old and my voice is going, so I'll try.

I'm Roxanne Knight. I'm the matriarch, I guess, of a four-generation ranching family here in Apache County in the exact area that you're talking about

these transmission lines and windmills for.

I represent our family and I think the opinions -- well, I know the opinions of many, many other ranchers in the area. If you want to know what the environment is, the environmental studies might include talking to some of the ranchers who are on the land. And I do want to go on record as saying I and most of the ranchers I know are vehemently opposed to this entire project, and we would ask your consideration of the many reasons you're hearing for that.

Ranchers don't just care for the land -- I mean, care for the cattle for a profit. We care for the land, too and, in fact, we are assigned to be steward of the land. We feel, by god, but also by the State Land Department.

We are to care for the land and we do. We monitor it constantly. We check the -- the variety of plant growth on it, the condition of plant growth, the rainfall, many, many things.

We provide water. The -- we take that very seriously, and we're constantly monitoring the condition of the land. We do various conservation projects, water developments, and protect it every way we can against vandalism and any kind of deterioration, and we believe that this transmission line and the wind farms will

deteriorate the land.

I don't care what kind of mitigation they talk about. Our land here is very special, very fragile, most of it is shallow volcanic soil, as you heard, there are fractures under many of the volcanic cones. And our land, I know from being on it for almost my entire life and my family for four generations on it, I know that that soil is very delicate.

If some errant hunter or somebody just goes out in a pickup and drives across where there's not already an established road, I can about guarantee that nine times out of ten we will see that road as a gully within just a few years. The soil is very fragile.

CHMN STAFFORD: Thank you, Ms. Knight.

MS. KNIGHT: Okay.

CHMN STAFFORD: Up next we have Heather Lee. I don't think I need to spell that. L-e-e.

MS. LEE: It was easy. All right. Good evening. My name is Heather Lee. I'm speaking on behalf of the Apache Natural Resource Conservation District Board of Supervisors. The Apache NRCD is a local subdivision of the State of Arizona, recognized for its expertise in conservation, responsible use of land, soil, water, and resources.

For over 80 years our district has worked

with landowners and agencies to ensure that projects in the region are developed in a way that maintains the health and productivity of our natural resources.

Our board would like to formally request that the Apache NRCD be included in the ongoing coordination and consultation throughout the Repsol project, and specifically in the line siting permit review process.

Including the local NRCD helps ensure that natural resource consideration such as soil health, erosion control, watershed projection, range land management are all part of the early decision-making and planning and not an afterthought.

We would also like to recommend that the transmission line be placed with the existing TEP Navopache power line easement, at least where it crosses the Little Colorado River.

Utilizing an existing corridor minimizes the new disturbance, reduces the fragmentation of range land and wildlife habitat, and it protects the watershed while maintaining the integrity of the landscape.

Our goal is to provide local technical insight in coordinating with the county, state and project partners to help ensure that all the development is compatible with long-term natural resource management.

The Apache NRCD Arizona operates under Arizona state statute to advise and assist in conservation planning and we are ready to serve that role here.

We appreciate the opportunity to provide input and look forward to continued collaboration to ensure that local conservation priorities are recognized and respected throughout the process. Thank you.

CHMN STAFFORD: Thank you.

Up next we have Denise Harris. H-a-r-r-i-s. Denise is D-e-n-i-s-e.

MS. HARRIS: Thank you for coming. And please listen. I'm up here with a paper that I haven't written anything down on, they just asked me to give my comments.

I'm a lifetime resident of Apache County. My mother's maiden name was Eagar. My maiden name was Willbank, they are both founding families from Apache County who were pioneers in the area.

As you know, the last few years we've been having a very severe drought, and I feel that this project they're putting through here will make matters much worse for us. Our ranchers are having a hard time even finding water for their cattle. And we depend on these ranchers. We depend on the recreation that we have

here.

We used to -- my father owned a ranch between Springerville and St. Johns, and we would drive the cattle up there every summer. We would have a cattle drive. Right through this area that you're proposing to put these windmills and these lines. What a beautiful site that was to go on that ride and drive those cattle up there in that beautiful mountain.

My heart is in Apache County. I love it. My father was in the Navy and he traveled around the world. And when he got out of the Navy he settled back in Apache County. And someone asked him, why do you choose to live here? And he said this is the most beautiful place on earth. And it is.

And I plead with you, please do your studies, do your work, listen to us citizens. We don't want a butte erased. We love our county. Thank you.

CHMN STAFFORD: Thank you.

Up next we have Howard Harris.

MR. HARRIS: I'm Howard Harris, resident of Apache County. Eagar, Arizona. I've been there 40 years. I'm married into the family that settled that town it's named after. All the cowboys and the cattle men and everything around there that made a living off of this land, and we don't want this eyesore to go across

our land.

It will affect our future because we have many, many people come up there and spend the summers. And they enjoy it. They don't want to come up and look at a bunch of windmills and power lines especially around the Little Colorado Valley. It's real precious to all of us that live there. Working for different companies and everybody always told me the same thing, they moved there, they love it and they're not going to be anywhere else except for the cemetery. Thank you.

CHMN STAFFORD: Thank you.

Up next we have Christine Saffell. S-a-f-f-e-l-l.

MS. SAFFELL: Good evening to each of you. I'm Chris Saffell from Eagar, Arizona, for over 43 years. And I'm here to give voice to those who are unable to speak for themselves against the proposed Lava Run interconnection project, and the CEC application on behalf of the birds and bats of this area.

As a resident landowner, I value the natural world that surrounds us as it is appreciated, respected, protected and preserved for us and future generations. Flying birds and bats don't stop at imaginary lines drawn in the sky. In flying through the wind farm they can easily also fly through the corridor

of the gen-tie line.

Studies suggest that power line birds and bat deaths range in the millions each year and that wind turbines kill four to 11 birds and 12 to 19 bats per megawatt capacity per year in the United States, so Lava Run's 500-megawatt wind farm can be expected to kill approximately 4,000 birds and 7,700 bats.

This is a rough estimate and actual mortality rates for birds and bats vary depending upon the location, species' migratory routes, breeding areas, habitat and design of the transmission lines and wind farms.

Please note that predators quite often consume carcasses of the dead birds and bats from power line and wind farm deaths before humans can find any remains to be counted.

Bird species with poor frontal vision or low maneuverability are at risk of collisions with power lines and towers that can be difficult to see even at 180 feet tall, as proposed in this project. Soaring predators are also visually searching the ground below for prey.

Fog and/or darkness also complicate the fields of vision for flyers. Studies confirm higher collision rates in the areas with overhead lines that

intersect historic migratory routes.

Electrical line mortality impact rates on bats have not been studied as much. Risks of electrocution increase when female bats are carrying their young as the altered balance can cause both to touch two wires while landing or taking off.

Bats can also be harmed by an electrical arc just when flying too close to a wire. Because native vegetation and nesting areas are disturbed in the construction of said transmission lines, this plays heavily on the displacement and deaths of many birds and bats.

Overhead power lines cover about 67 million miles of earth as reported in 2025. An estimated 12 to 64 million birds are killed by power lines in the United States each year. The big picture is that all the cumulative impacts are what matter most. Wind facilities are an additive danger that must be considered. Each bird and bat lost is a blow to some already collapsing low population. I respectfully address on behalf of those living and those who won't make it. Thank you.

CHMN STAFFORD: Thank you. Up next we have Michael Pfeiffer, P-f-e-i-f-f-e-r.

MR. PFEIFFER: Good afternoon. The volume okay?

CHMN STAFFORD: Excellent, thank you.

MR. PFEIFFER: Thanks for the opportunity. My name is Michael Pfeiffer. My wife Mary and I have property in what's known as Greens Peak Hideaway. We're 130 lots surrounded by national forest. Off the grid. And a stone throw from where this project -- stone's throw south of where this project is slated to begin.

We bought these properties for three primary reasons: Beauty, solitude, and climate. If this project is allowed to proceed, we're going to lose two of them. It's going to affect our quality of life.

Other concerns we have are the possible effect of those transmission lines and subsequent turbines may affect our communications. Currently our cell phone service up there is just a bit short of sensational, and we need that, frankly in the case of emergency. And we need emergency people to be able to find us. They said we're a little bit out there in the woods.

I'm not an MBA by any stretch of the imagination, so I'm probably going to make my ignorance public here, but I'm having a real hard time understanding Repsol's business plan.

What I'm understanding is if we build this, they will come. If we find the funding to build this

it's going to be great. If we can find out how to get that power from these turbines over to the station, oh, that would be good, too. If we can find customers to take this, boy, now we're real good. A lot of ifs in there.

We as a community invited Repsol out to express our concerns and have them look at the hideaway. They subsequently refused us. To give you an idea what the hideaway is, to enter our property you would take 3123 which is the road where the proposed substation and the terminus of that transmission line will be.

I would encourage you to when you're taking that tour tomorrow and you're at 3123 to scan that horizon from east to south to west.

Granted it's not the best it's ever been because of the drought, but it's still gorgeous country. I want you to scan that horizon and I want you to think about transmission lines and substations and 600-foot turbines and think about what that will do to our quality of life.

If any of you want to come into the hideaway we would entertain you coming, be glad to receive you. Thank you.

CHMN STAFFORD: Thank you. Up next we have Jerry Campeau, C-a-m-p-e-a-u. And please correct me if

that's not pronounced correctly.

MR. CAMPEAU: It's pronounced correctly.

CHMN STAFFORD: Thank you.

MR. CAMPEAU: Thank you. Good evening, Chairman and Committee. I'm a 33-year resident of Springerville, Arizona. I retired from White Mountains Regional Medical Center as the CEO in 2012.

And while I can't speak for the hospital, the ambulances, or emergency services, my background and experience tells me that we have a serious infrastructure problem. And that is that we have a highway that is almost nonfunctional. This construction project, I oppose.

The interconnection and the solar farm itself on the basis that the ambulances who have to use that highway for fixed land transport out of our area can be impacted negatively as that highway becomes congested over a two-year construction project.

We all know because we experience what happened when they hauled the blades and the turbines and the equipment across that same highway to get to New Mexico. And we all suffered the delays that ambulances can't -- cannot sustain.

As a result, I'm not opposed to the project itself, if it were sited elsewhere in a more rural area.

But I believe this project destroys our environment, our health and safety, which is part of our environment, and it will not add anything to the community of material value. Thank you.

CHMN STAFFORD: Thank you. Up next we have Don Fogle, F-o-g-l-e.

MR. FOGLE: Good evening. I'd like to thank you, the Committee, and all of you for allowing us to share our thoughts about this project and the renewable energy. And I really appreciate all the comments that have been shared up to this point.

My name is Don Fogle and my wife and I live in Show Low and we moved up here from Phoenix 24 years ago. I was born in Phoenix in 1942 when the population was around 100,000, and I remember blue skies and air was clear for many years. I've lived through dramatic changes and have seen Phoenix grow to over one and a half million people.

I've seen major climate change and increased pollution. Phoenix and all of Arizona including here have gotten much hotter as you who live up here know.

With this growth has come increased demand for power and also water. I support clean, renewable energy. To replace nonrenewable polluting energy sources

like coal we must look to the future and use new technologies.

Solar and wind energy are renewable and clean and the source is free. You don't have to mine for it, drill for it, or transport it. It's already here.

They don't contribute to climate warming and pollution. True, they have an impact on wildlife, but the impact can be reduced with designing the solar and wind farms.

With that in mind, like many of you I care a lot about wildlife, the impact on wildlife from climate change and coal-powered plants and the border wall are a much greater threat to wildlife than wind and solar farms.

And one of the most common criticisms of renewable energy source like wind and solar is that they harm birds. This is a valid concern and shouldn't be taken lightly, but the truth is that the number of birds killed by renewable energy sources is a small fraction of the number killed by coal plant emissions actually and even windows and cats. And I can attest to that because we have a cat who goes after birds.

Of course, wind and solar can't provide for all the power needs and has to exist along with other methods. Power generation, but those should be clean

energy sources. Apache and Navajo Counties have existing facilities to distribute the power generated here. It makes sense to continue to use these for new wind and solar and other clean energy developments.

It's true that this project isn't where I live, but honestly, even if it was, I would much rather have clean air and clear skies with wind and solar farms nearby than something like a coal-powered plant with pollution and hazy skies. We need to go forward, not backward.

Thank you for listening respectfully, and it's good that we all have this opportunity to share our thoughts.

CHMN STAFFORD: Thank you. Up next we have Donna Shurwin, S-h-u-r-w-i-n.

MS. SHURWIN: Good evening. Thank you for listening to us this evening. I live in Pine South Lakeside. I've been coming to the White Mountains for 55 years, I've lived in Pinetop for 30 years, and I do appreciate that you're here to hear everybody's views.

There's a project in Navaho County where I live, which is just right next door. And I have been against it myself for over a year and a half, and I know that there's people in the Springerville-Eagar area that are not happy to have the Lava Run come in.

To me, when I think that there would be contemplation to allow the building of facilities that only operate on average 25 percent of the time and whose supplies come from outside of America 75 percent of the what I've understood the wind turbines and solar panels are brought in from China, to me it's insulting that this would even be considered first of all for that and second of all just for the fact that it only operates 25 percent of the time to be able to gather wind and solar energy.

Right now, the coal plants, the technology has turned around, it's not as poisonous if you would like to say that as Mr. Fogle said just a second ago.

Personally I don't think having 600-foot wind turbines on the vista and the landscape that we have to look at here in the White Mountains is any better than having pollution, and I know again the coal plants are very clean anymore. And I know there's a lot of people who don't want coal mined either, so there's a big disconnect on that.

But this is our area. Tourism is our industry. We have the playground of Pinetop Lakeside and Show Low. Springerville-Eagar, the White Mountain Apache tribe, we're the playground for Tucson, we're the playground for the Phoenix area. And for you to come in here or the Lava Run project to come in here and build

these big monstrosities and then go away and leave us with the ramifications and our progeny, our children, our lives, those of you who are going to make these decisions and don't live here, it's -- I guess it's just something that I would say is to please consider empathetically, put yourselves in our shoes, we don't want to see these monstrosities, and especially when they don't even operate.

I wish the truth would come out on that one, because to me it's pretty embarrassing, it's as if you were to build a house and add electricity, and it only operated 25 percent of the time. I mean, how efficient would that be. So anyway, sorry to ramble, but I just wanted to make sure that you do put yourselves in our shoes and understand that this is really going to disrupt our area. Thank you.

CHMN STAFFORD: Thank you. Up next we have Lloyd Johnson.

MR. JOHNSON: Hello, I'm Lloyd Johnson, candidate for state senate, Legislative District 6, which covers this beautiful community of Apache County. I look forward to coming out here as part of my duties to see this beautiful area. I do not want to look through those nasty wind turbines or those power lines.

The rural economy is very fragile and it's

dependent upon tourism. Tourists come out here to see these beautiful elk. We get these turbines in, we'll lose the elk. The only elk we're going to see is this beautiful stuffed elk out here in the lobby. The vibration and the noises spook them away. And they -- it keeps them away from the areas that are crucial for grazing.

People come out here to watch the elk. Look at the open spaces. They're not going to want to come out here and see these giant wind turbines and these power lines. The power lines will vibrate and hum and that'll spook the animals and the birds also.

The danger of fires from wind turbines as well as these power lines is high. And the rural fire districts, there's no way they can address properly a fire from the giant wind turbines. All they can do is stand them, watch them burn until part of it hits the ground and then they can go put it out. That's on the ground. Otherwise, they're just standing there watching thick, black smoke rolling right through the local communities.

You guys probably don't live right here, so you probably won't be affected by that thick black smoke. These people here, they will be 100 percent directly affected by any black smoke from any of these wind

turbine fires. We don't need this mess.

That's take care of my notes right there. Still got a little bit of time. But I look forward to serving these people in this fantastically beautiful community. It's one of the most beautiful parts of the state. And don't just drive through. Enjoy. Relax. Stop and grab a burger at one of those mom-and-pops. Talk to the people, the locals. There are some fantastic people here.

While you're here, take advantage of that. Don't just rush through when you're looking at just going for a drive through. Take the time to really appreciate these fine folks. Care enough for their community to come out here on their own time. And I see these people all over the community, all over the region. They take time out of -- they can be doing other things.

CHMN STAFFORD: Thank you, Mr. Johnson. Time is up.

MR. JOHNSON: Thank you.

CHMN STAFFORD: All right. Up next we have Fred Moreira, M-o-r-e --

MR. MOREIRA: No, I'm not speaking.

CHMN STAFFORD: Oh, you don't wish to speak? Okay. Then we have David Whitley, W-h-i-t-l-e-y. Did you wish to speak?

MR. WHITLEY: No.

CHMN STAFFORD: No. And then I think it's Rhonda Whitley, but you also do not wish to speak?

Then we have Tim Grubbs, G-r-u-b-b-s, who does wish to speak.

MR. GRUBBS: Mr. Chair, Members of the Committee, thank you for being here today and giving me a little time to speak. Also thank you for everybody that's here obviously. I have a difference of opinion from a lot of people that spoke today. But I do -- I'm pleased that there are so many people participating in this civic process. Right? We're all here participating in that process and making our voices known.

Generally I'm a supporter of renewable energy. I'm here mostly to listen, learn more about this project. Some of the things that the local information has brought up. I'm interested in seeing y'all work through that stuff.

I know a lot of it can be mitigated and is mitigated on a lot of these projects. We have several Midwestern states that are majority powered by wind energy right now. So it's a viable technology.

Let's see. The things I do know about the project, you know, I think you all are more aware than me that energy demand is just spiking after decades and

decades of flat growth. So we need more energy generation. And what are the implications of projects not being sited, you know, right now, it's, you know, it's potentially, what are the implications?

Brownouts, blackouts in Phoenix potentially, you know, losing that AI arms race to China. I don't see of any leadership slowing down on that. So we're kind of stuck in the situation. I prefer this technology.

Places with contiguous land that are close enough to transmission infrastructure are kind of in the demand context that we're in are kind of rare.

So, and we do have the conversation where in a lot of areas where people ask, you know, why can't you build this somewhere else. That does come up a lot. This is undoubtedly a beautiful area. Apache County has a lot of beautiful areas and I think that people are going to continue to come to Apache County whether there's a wind farm or not.

But it is -- they are rare, and so the impact of if one place says we can't site projects here, that's not a problem. But if we start to see it in Yavapai County, Mohave County, Pinal County, Cochise County, and all of a sudden we're in a serious bottleneck situation for energy demand.

So that's kind of the problem I see. I do empathize with a lot of the comments here, but it's all done in a context and there is a context of a lot of energy land, sited on state land I think, sometimes we think of public lands as just being there for, to look pretty.

This land happens to be -- you know, it's in the enabling act of the constitution. It's there for the state to benefit those 13 beneficiaries which are public schools, prisons, universities, so it is a different type of public land.

CHMN STAFFORD: Thank you, Mr. Grubbs.

MR. GRUBBS: Thank you, Mr. Chair.

CHMN STAFFORD: That concludes the public making comment in the room. Now let's move towards the Zoom. I believe we have Linda Weiland, W-e-i-l-a-n-d.

Can you please unmute? You have three minutes. You're still on mute. I can see you're still muted.

MS. WEILAND: Hi. I'm Linda Weiland from Eagar. I object to the draft certificate of environmental compatibility filed by the applicant. The CEC application does not include adequate information required by the Arizona Administrative Code to allow the

committee to make an informed finding of environmental compatibility, and the proposed conditions of approval are inadequate to support the proposed findings of fact.

The interconnection project actually begins at the Springerville Generating Station and runs two miles to serve the proposed 450-megawatt Lava Run solar and battery storage project resulting in 225 megawatts of transmission per project mile with minimal environmental impacts.

From there continues 27 additional miles to serve the Lava Run wind project, resulting in transmission of only 18.5 megawatts per project mile at significant construction costs that will be paid by ratepayers and multiple negative environmental impacts. Hmm. 225 megawatts per mile solar versus 18 megawatts per mile wind.

The 27 western miles to the project are to accommodate the wind project which is proposed in an inappropriate location. For over a year hundreds of local residents have attended meetings and written to Repsol detailing various environmental concerns with the proposed wind project location.

The application -- the applicant has not considered alternative locations to reduce project impacts, although ample state trust land is available in

locations with less habitat value closer to existing transmission infrastructure.

Nor has the applicant made significant effort to mitigate the project's locations impacts.

Minimization measures proposed in the application are minimal at best. And the proposed condition of approval for the CEC only commit to those measures listed on page C-15 and 16 and D-43, 44 of the application and only as applicable and feasible.

The CEC should be denied based on the factors to be considered in the Arizona Revised Statutes based on significant environmental impacts which are not mitigated and unique areas of biological wealth.

CHMN STAFFORD: Thank you, Ms. Weiland. That's your three minutes up.

I'm getting some overlap there on the audio. I'm sure I'm butchering your name. It's a little small for me to read on the screen here in front of me, too. With the AZ Technology Council.

Can you please state your name and spell your last name for the record.

MR. ALIZADEH: Yes. Absolutely, sir. My name is Cepand Alizadeh, A-l-i-z-a-d-e-h is my last name. And as you said, I am with the Arizona Technology.

Thank you to everyone who has spoken

tonight so far. Thank you to everyone for engaging in this important civic process.

So we at the Arizona Technology Council, we support the proposed interconnection project that will tie the Lava Run Wind and Solar project. It's a key and necessary addition to TEP and Arizona's electrical grid.

Once built, Lava Run will bring clean, reliable power and economic benefits to northern Arizona, which is an area of our state that is experiencing tremendous growth. It's an area of the state that needs energy from all types of sources.

From the Arizona Technology Council's standpoint, Lava Run is a win-win for everyone. It will boost local employment in the form of both construction jobs and long-term operational and maintenance positions for individuals of all different educational and technical backgrounds. This will then also boost the local economy in Apache County.

Let's also keep in mind that the developer will be generating property and sales taxes which can also unlock a multitude of local economic benefits.

So in conclusion let's not say no to jobs. Let's not turn our backs on the funding for community centers, senior centers and fire and medical rescue departments.

Let's not say stop Lava Run. Instead let's say we support Lava Run. Let's say we support progress in northern Arizona. Thank you all very much. I appreciate the time you have given me. Take care.

CHMN STAFFORD: Thank you.

Grace, do we have other commenters on the Zoom? I'm seeing first names. Do they wish to speak?

AV TEAM MEMBER: Mr. Chairman, I've had two more indicate that they wish to speak. The first is Susan Anable.

CHMN STAFFORD: All right. Ms. Anable, please spell your last name for the court reporter and commence your comments.

MS. ANABLE: Thank you, Chairman Stafford. My name is Susan Anable, my last name is spelled A-n-a-b-l-e.

Mr. Chairman and Members of the Committee, thank you so much for the opportunity for this public input this evening. My husband Mike and I have both submitted public comments online, so I won't repeat or delve back into any of that, but ask you to please take a look at those public comments.

We have been property and homeowners in Apache County for over 25 years and have been recreating, hunting, fishing, hiking in that area for more than

35 years.

And let me say we're not against green energy projects, we think there is a place for them. We think this proposed project is the wrong place for this wind energy project. And let's be clear. Even though this hearing is only about the line siting project, this project would not be necessary if it weren't for the construction of the Lava Run wind project. So I don't think those things can be unlinked.

I think the bigger concern that I have is that there's such a significant demand for energy in the state of Arizona right now, it's not for demand for energy in Apache County, this project is not going to benefit the residents of Apache County with energy.

Nor is it going to benefit them with significant job opportunities. And, in fact, to my knowledge there's been no power purchase agreement signed for where this power -- will go, but I think we all understand that there is a huge power need in the southwest, big cities, large data centers, and I think for Apache County there's very little to be gained by this project, very few jobs, significant destruction of the local community and resources, and maybe 15 long-term jobs.

I think the concern that we should all have

is the new mantra for energy production is all of the above, but worst at all costs. We may need energy from all resources, but with no consideration for the damage and costs that will be incurred by the people and the people who utilize and enjoy Apache County. From wildlife to water resources, to scenic vistas and to the cultural resources, there's nobody that's really balancing consideration of those lost resources.

If you take the governor's executive order at face value, the prioritization of all projects on state trust land would suggest that that is exactly what's going to happen. Projects on all state trust land are going to get approved because we need power. Power for who? Not for Apache County.

So I would suggest to you that this committee and the ACC are the parties responsible for striking this balance of considering this balance of considering the environmental impacts of this project.

And we want you to do your job, consider all of the facts, all of the data, and consider whether or not the benefits of this project that will profit a foreign company and generate power for those outside of Apache County and likely outside the state of Arizona, are worth the destruction of our beautiful resources and our precious resources.

Repsol has not evaluated wind projects anywhere else on state trust land in Apache County or elsewhere to our knowledge. We ask you to please ask them to do this before moving this project forward. Thank you, Mr. Chairman.

CHMN STAFFORD: Thank you, Ms. Anable.

Grace, do we have additional people online to make comment?

AV TEAM MEMBER: Mr. Chairman, the other member of the public who indicated they wished to speak is Leslie Bowdoin James.

CHMN STAFFORD: How do you spell that last name?

AV TEAM MEMBER: Bowdoin is B-o-w-d-o-i-n. Then separately James, J-a-m-e-s.

CHMN STAFFORD: All right. Is she unmuted and ready to make comment?

MS. BOWDOIN JAMES: Yes. I am. Can you hear me?

CHMN STAFFORD: Yes. Please proceed.

MS. BOWDOIN JAMES: Thank you so much. My name is Leslie Bowdoin James. I submitted comments in writing on October 14, so I'm not going to reiterate all of the comments that I submitted there. I wanted to reinforce and support some of the comments I heard this

evening.

In particular, a little bit of background. I'm a fourth-generation native. I was one of the granddaughters of William B. Eagar, namesake of Eagar. I'm a home and property owner of about five miles out of Springerville along the Little Colorado, and although I was born in Phoenix, my mother, my sister were all born in Eagar.

I also have 47 years of career experience with electric utilities in this state. So I do have a pretty workable understanding of what should be and shouldn't be considered during the potential siting of transmission and power project facilities in this state.

My views on this proposed interconnection and gen-tie is that it is not timely for the reasons I've cited in my comments. I have not heard or seen about much collaboration or consultation with particularly the Zuni tribe and maybe some of the other tribal nations in the region. The lands are sacred to them, the lands and the waters.

And I'm also concerned in large part about the economics that have been presented to the members of the community. I'm sure the members of the community do not have the ability to have their own independent analysis done.

But I also wanted to underscore the actions taken recently by the Springerville and the Eagar town councils opposing the project.

Thank you for the opportunity to speak. I planned to be there but I had a business meeting here in Phoenix and I couldn't get up there. I appreciate your time. Thank you.

CHMN STAFFORD: Thank you.

AV TEAM MEMBER: Mr. Chairman, we do have one more who indicated they wish to speak, and that is Amy Butcher, B-u-t-c-h-e-r.

CHMN STAFFORD: Ms. Butcher, please make your comments.

MS. BUTCHER: Yes. Okay. Thank you. I don't have something formally prepared, but after hearing the hearing -- the entire hearing today, and the speakers, I just wanted to make a couple things clear that weren't mentioned.

I am part of the White Mountain Save Open Spaces Group, and we have been studying wind farms for a couple years now and the impacts that they have. And the things that are not green about them.

But one other thing that we have studied is I want to make it clear when you guys do your tour tomorrow and when you're talking about state land being

used, it's a checkerboard of state land.

So a lot of these windmills would be on state land, but interspersed with that is ranch land and residences and people's lives. So keep that in mind when you're looking at the map. I didn't really see on the maps today the checkerboard pattern. I don't know if they really emphasized that.

I made a bunch of comments online as well so I won't reiterate that. And then there's also one other point I wanted to make that I didn't hear brought up today, and that is the fact about the airport that we have in Springerville. We have had several pilots and officials write to the FCC, I think I have that acronym right, that those wind farms would interfere with traffic patterns. There's a lot of heavy winds going across the area that's proposed, and it would really interfere and cause dangerous circumstances for a lot of pilots and the air traffic.

I don't see why we need 29 miles of power lines there when you could just do a few miles over near the Springerville power plant and just move the whole project over there.

So those are my comments, and I would urge you to vote no on putting up high power lines on Highway 60. Thank you for your time.

CHMN STAFFORD: Thank you.

AV TEAM MEMBER: Mr. Chairman, that is everyone who has indicated to us that they wish to make comment.

CHMN STAFFORD: All right. Well, thank everyone for coming out and participating in the process. We appreciate when the public comes to give us their two cents on projects that are before this committee.

I just want to remind everyone that the wind and the solar project are not before the committee, our jurisdiction extends only to the gen-tie line.

However, the relevance of the wind and solar project are tangential to what we're doing here with the gen-tie line because the purpose of that line is to connect those to the grid.

Thank you everyone for coming. We will recess until tomorrow morning at nine a.m. We will reconvene here at which point we will begin our tour.

That's it. We're in recess.

(Proceedings recessed at 6:44 p.m.)

STATE OF ARIZONA)
)
COUNTY OF MARICOPA)

BE IT KNOWN that the foregoing proceedings were taken before me; that the foregoing pages are a full, true, and accurate record of the proceedings, all done to the best of my skill and ability; that the proceedings were taken down by me in shorthand and thereafter reduced to print under my direction.

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Dated at Phoenix, Arizona, October 28, 2025.

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