

1 BEFORE THE ARIZONA POWER PLANT LS-513
2 AND TRANSMISSION LINE SITING COMMITTEE
3

4 IN THE MATTER OF THE APPLICATION OF) DOCKET NO.
WILD STALLION ENERGY STORAGE) L-21411A-26-0260-
5 LLC IN CONFORMANCE WITH THE) 00264
REQUIREMENTS OF ARIZONA REVISED)
6 STATUTES, SECTIONS 40-360, ET.)
SEQ., FOR A CERTIFICATE OF)
7 ENVIRONMENTAL COMPATIBILITY)
AUTHORIZING THE WILD STALLION)
8 ENERGY STORAGE SYSTEM GEN-TIE)
PROJECT LOCATED IN MARICOPA COUNTY,) EVIDENTIARY
9 ARIZONA.) HEARING
)

10

11 At: Phoenix, Arizona

12 Date: August 10, 2026

13 Filed: August 13, 2026
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16 REPORTER'S TRANSCRIPT OF PROCEEDINGS
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1 BE IT REMEMBERED that the above-entitled
2 and numbered matter came on regularly to be heard before
3 the Arizona Power Plant and Transmission Line Siting
4 Committee at Surprise, Arizona, commencing at 1:00 p.m.
5 on August 10, 2026.

6

7

8 BEFORE: ADAM STAFFORD, Chairman

9 SAL DiCICCIO, Incorporated Cities and Towns
10 LEONARD C. DRAGO, Department of Environmental
Quality
11 DOUGLAS FANT, General Public
ROMAN FONTES, Counties
(Videoconference appearance.)
12 NICOLE HILL, Governor's Office of Energy Policy
MARGARET "TOBY" LITTLE, General Public
13 (Videoconference appearance.)
GABRIELA SAUCEDO MERCER, General Public
14

15

APPEARANCES:

16

For the Applicant:

17

18 COURT RICH
ERIC HILL
The Rose Law Group
19 7144 East Stetson Drive, Suite 300
Scottsdale, Arizona 85251
20

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

2 Now's the time set for the hearing in the
3 application of Wild Stallion Energy Storage, LLC, for a
4 Certificate of Environmental Compatibility, Docket Number
5 L-21411A-26-0260-00264, or Line Siting Case 264.

6 Let's take roll call of the members.

7 Member DiCiccio?

8 MEMBER DICICCIO: Here.

9 CHMN STAFFORD: Member Mercer?

10 MEMBER MERCER: Present.

11 CHMN STAFFORD: Member Fant?

12 MEMBER FANT: Here.

13 CHMN STAFFORD: Member Hill?

14 MEMBER HILL: Present.

15 CHMN STAFFORD: Member Drago?

16 MEMBER DRAGO: Here.

17 CHMN STAFFORD: And online we have Member
18 Little?

19 MEMBER LITTLE: Present.

20 CHMN STAFFORD: I admonish the public and
21 the parties that the ex parte rule is in effect.

22 Let's take -- start with appearances of the
23 applicant, Mr. Rich.

24 MR. RICH: Good afternoon, Chairman,
25 Members of the Committee. Court Rich from the Rose Law

1 Group, on behalf of the applicant. With me here today is
2 also Eric Hill from my office.

3 CHMN STAFFORD: Okay. There have been no
4 requests to intervene or notices of intent to be a party
5 for this matter?

6 MR. RICH: That's correct.

7 CHMN STAFFORD: Would you like to make an
8 opening statement?

9 MR. RICH: Just briefly, Mr. Chairman, I
10 would. Thank you.

11 And I want to start out by thanking you all
12 for your time this week. I know how -- how much time you
13 all put into this committee, traveling all around the
14 state of Arizona. I know you were in Parker last week,
15 and I appreciate you all making time for -- for this --
16 this proceeding. I'm -- you know, I'm always relieved
17 when I have something that I believe is straightforward
18 that we can, you know, hopefully be very efficient with
19 our time and use your time efficiently and bring you
20 something that you are generally familiar with, cases
21 like this. And I don't think there's going to be a lot
22 of question, but we're here to answer all of them and
23 make sure that everything you -- you want to know you get
24 to know.

25 And so I briefly just want to introduce you

1 to the project, and then we'll let the great team take
2 you through the evidence and testify.

3 But you have in front of you the placemats,
4 and that is the exhibit that's also up on the screen
5 right now. And just to introduce you to the Wild
6 Stallion Project, this is a -- it originates at a
7 200-megawatt, 800-megawatt-hour BESS project located in
8 the City of Surprise, Arizona. This transmission line
9 then travels just about due east for roughly 2 miles,
10 where it goes into the Trilby Wash Substation. Pretty
11 straightforward.

12 It follows existing transmission lines, in
13 fact, there are five existing transmission lines along
14 the way, which we think makes a great case for this being
15 the right spot. We're not going to have visual
16 implications from the project, because there's already a
17 lot of similar infrastructure there. And there's also a
18 landfill right in the area as well. So you'll get to see
19 all that with the virtual tour we have. And we'll take
20 you through all of that as we move forward.

21 So we think that environmentally this is
22 compatible and we certainly ask at the end of the day
23 that you approve a CEC, and we look forward to going
24 through and making sure that CEC has all the right
25 conditions that make you all comfortable.

1 You're going to hear from the team at the
2 other side of the table here. Jeremy Akin, who is the
3 lead developer on the project for BayWa. And BayWa,
4 you'll hear from Mr. Akin about their experience in this
5 industry, not just in Arizona, but around the country.
6 They do things, they do them well. They've done a lot of
7 them, they've got a lot of experience, and they're a
8 great partner in the community here.

9 Natalie Aiello, who is the permitting
10 manager for the project will take you through and
11 introduce you to the need for the project, why we're
12 here, the design, and those types of things, including
13 the public outreach that we've done for the project as
14 well.

15 And then you all know Victoria Casteel, who
16 has been before you before from SWCA, and she'll take you
17 through the environmental and cultural meat of the
18 application.

19 And so I don't have much more to say right
20 out of the shoot here. Oh, one -- one thing just to keep
21 on your radar, you may see at the east end of that route
22 there are options for you, which is about the only thing
23 that might be interesting about this, you know, at least
24 out of the ordinary. We have three options. We have a
25 preferred option, which you'll see in the red which would

1 go into the north side of the substation. There's a blue
2 option which goes right into the west side of the
3 substation. And there's a yellow option which goes into
4 the south side of the substation. You can see we've
5 assigned letters, option A, B, and C, to each of those.

6 And the team here will take you through
7 that and why those options are there and why we hope that
8 you'll give us the flexibility to work with the utility
9 and through the interconnection process to choose the
10 right one.

11 So with that, I think I am done now. And I
12 would like to call the three witnesses.

13 CHMN STAFFORD: Well, let's swear them in.

14 (Victoria Casteel, Natalie Aiello, and
15 Jeremy Akin were duly sworn/affirmed by
16 the Chairman.)

17 CHMN STAFFORD: Thank you.

18 Please proceed.

19 MR. RICH: Great. Thank you, Mr. Chairman,
20 Committee Members.

21 //

22 //

23 //

24 //

25 //

1 VICTORIA CASTEEL, NATALIE AIELLO, and JEREMY AKIN,
2 called as witnesses as a panel on behalf of Applicant,
3 having been previously affirmed or sworn by the Chairman
4 to speak the truth and nothing but the truth, were
5 examined and testified as follows:

6

7 D I R E C T E X A M I N A T I O N

8 BY MR. RICH:

9 Q. I'm going to -- these are pros over there and
10 they know what they're doing, so I'm not going to try to
11 do question and answer on everything. I'm going to turn
12 it over to them to first introduce themselves and then
13 start talking to you about the project. I'll encourage
14 you all to break in, as I know you will if you have any
15 questions along the way.

16 So go ahead.

17 A. (MS. AIELLO) Great. And we have before you just
18 a brief agenda of our planned presentation, to include
19 witness introduction, applicant overview, and overview of
20 the project and design, virtual tour, which we're really
21 excited about. Of course, the environmental
22 compatibility criteria, as well as a summary of our
23 public outreach.

24 CHMN STAFFORD: All right. The slide show,
25 that is Exhibit Number 7?

1 MS. CASTEEL: Yes, that is correct.

2 CHMN STAFFORD: Yeah, thank you.

3 MS. AIELLO: Good afternoon, everyone.

4 Thank you again for being with us here today to discuss
5 the Wild Stallion Energy Storage Project. My name is
6 Natalie Aiello. I'm a permitting manager with BayWa
7 r.e., here today on behalf of the applicant, Wild
8 Stallion Energy Storage, LLC, to discuss our CEC
9 application.

10 I have 12 years of experience permitting
11 and conducting environmental surveys for energy projects
12 and BESS projects. I have currently been employed at
13 BayWa for about a year and a half and prior to that
14 worked at NextEra Energy Resources for seven years and
15 was in environmental consulting roles prior to that. I
16 have a master's of business administration from
17 University of Florida, as well as a bachelor's in
18 environmental studies from Villanova University.

19 My testimony today will go over the
20 project, its current design, route, siting, purpose and
21 need, and also our public outreach. I'll also present on
22 the planned approvals and permits that we need outside of
23 this process. And my business address, for the record,
24 is 5901 Priestly Drive, Suite 300, Carlsbad, California
25 92008.

1 MR. AKIN: Jeremy Akin, a development
2 manager at BayWa. Mr. Chairman, Committee Members, thank
3 you for being here today. We're incredibly grateful for
4 your time. My business address is 840 Apollo Street,
5 Suite 100, El Segundo, California 90245. I have a B.A.
6 in economics from Haverford College with an environmental
7 studies minor.

8 I've been working in the renewable energy
9 industry for my entire career, roughly six years, and
10 I've had the pleasure of working at BayWa and previously
11 for a subsidiary of Shell called Savion, with a fairly
12 strict focus in the Southwestern United States and the
13 Mountain West.

14 I'm currently managing and supporting a
15 portfolio of projects across Nevada, Arizona, and
16 California, mostly batteries, with some solar. And I'm
17 very pleased to be working alongside Natalie and our
18 incredible team of consultants on this Wild Stallion
19 Battery Project. I'll be here to provide testimony
20 outlining BayWa's background and just chime in whenever
21 need be on specific questions.

22 MS. CASTEEL: My name is Victoria Casteel.
23 My business address is 2929 North Central Avenue,
24 Suite 1800, Phoenix, Arizona 85012. I am the Arizona
25 natural resources director for SWCA Environmental

1 Consultants. My role on this project is the
2 environmental project manager and CEC task lead.

3 A little bit about the company. SWCA is an
4 environmental consulting company that does natural and
5 cultural resource analyses, planning and permitting
6 support, and similar services throughout Arizona and
7 across the U.S. The applicant retained us to help with
8 the environmental analyses for the project, as well as
9 help preparing the application. A little bit on my
10 background, I have a degree in environmental and water
11 resource economics from the University of Arizona. I
12 have just about 20 years of experience in the industry
13 doing planning and permitting, including for
14 infrastructure and transportation projects. I have
15 testified before in case numbers 209, 240, and 250.

16 I will be providing testimony on SWCA's
17 environmental review, as well as the compatibility
18 conclusions for the project.

19 MR. AKIN: We wanted to provide some
20 background on the company, BayWa. BayWa is a large
21 multinational organization headquartered in Germany
22 originally. In the 20th century, BayWa was heavily
23 focused in the agricultural space, predominantly
24 fertilizers, farming implements, other items to support
25 crop production in Europe.

1 In the 21st century BayWa's made a strong
2 entry into the energy industry. They acquired a number
3 of smaller development organizations and formed what is
4 today BayWa r.e. which is the division that we work for.
5 BayWa r.e. develops largely energy storage and solar
6 projects at the utility scale. And also assists with the
7 operations and maintenance of large-scale projects.

8 We would be classified as an independent
9 power producer, so we also operate and manage existing
10 assets, some that are ours, some that are owned by other
11 companies. We're one of a relatively small number of
12 organizations in the U.S., with capability spanning this
13 many aspects of our industry. You can see on the right
14 slide is a snapshot of assets that we've had the
15 privilege of working on, many of which have reached
16 either construction or are currently operating.

17 You can see our Wild Stallion project
18 pictured here, just to give some context on its general
19 regionality. Without a doubt, the Desert Southwest is a
20 key market for BayWa, and we have a strong track record
21 of execution in this part of the country.

22 I wanted to briefly highlight one of our
23 flagship assets, JVR Energy Park. It is a 90-megawatt
24 solar, 70-megawatt battery energy storage facility
25 outside of San Diego with utility offtake. We've been

1 working on the project for a while now. It entered
2 construction last year, and it's set to come online by
3 the end of this year. If anything, we believe this
4 exemplifies that BayWa has the capability and the
5 expertise to deliver successfully on a large
6 utility-scale battery in a somewhat similar climate and
7 region. You can see on the right side are some pictures
8 of our installed battery components confluence at the
9 project today.

10 MS. AIELLO: Thank you, Jeremy.

11 So, obviously, we're here to talk to you
12 today about the transmission line, but also wanted to
13 provide you with an overview of the battery energy
14 storage system facility, BESS, that's associated with the
15 project.

16 So it's proposed as a stand-alone facility
17 i.e., it's not connected to a solar or other
18 power-generating project, so it will be stand-alone and
19 will distribute power to and from the regional electrical
20 grid. In terms of its size, we're proposing a project up
21 to 200 megawatts or 800-megawatt hours. It is located --
22 the BESS portion of the project is located entirely
23 within the municipal limits of the City of Surprise on
24 about 20 acres of privately owned land.

25 As we get closer to construction, we'll

1 finalize the exact modules proposed for the project, but
2 they can be similar in nature to what Jeremy just
3 recently showed you about our JVR project, so they'll be
4 largely steel enclosures that will house the battery
5 units, collection lines associated with that, inverters,
6 transformers, cooling systems, and of course, fire
7 detection systems. We'll ensure that the project is
8 constructed and will comply with all National Fire
9 Protection Association standards.

10 And then on the right side of the screen,
11 I'm sure you all are familiar with this, but just
12 providing an overview of battery technology, so within --
13 let me get the laser working -- okay, so within the steel
14 containers, that's what houses the battery units, and
15 then they'll connect through the project substation to
16 the regional grid.

17 All right. And then the project substation
18 itself -- and if you do take a moment just to look at
19 your placemats to help orient you, because I do think
20 this figure's helpful to walk through -- so the battery
21 project itself is going to be located within the gray
22 rectangle on the west side of the project, and the
23 substation itself will be on the southeast portion of
24 that gray rectangle. We anticipate that the substation
25 footprint will be approximately 2 acres and, of course,

1 the purpose of that project substation, is to step up the
2 voltage from 34.5-kV to 230-kV.

3 And the substation will have major
4 equipment associated with it, including transformers,
5 busses, circuit breakers, disconnect switches, and all
6 the other electrical components.

7 Another note that I wanted to make about
8 the substation and the BESS is that it will be housed or
9 encircled entirely by a perimeter wall. And so you'll
10 see that in the flyover and the visual simulations that
11 we have before you today. The BESS portion of the
12 project will also have lighting associated with it, that
13 will be Dark Sky compliant.

14 CHMN STAFFORD: And the placemat, that's
15 Hearing Exhibit 8, correct?

16 MR. RICH: That's correct.

17 And, just if I may briefly, just to clarify
18 for the record, the BESS and the on-site substation are
19 nonjurisdictional for the purposes of this proceeding.
20 So we're not seeking approval for those, just the
21 transmission line portion. Thank you.

22 MS. AIELLO: And then on to the project
23 gen-tie itself. So it's proposed as an above-ground
24 230-kV AC line. The purpose of the gen-tie is to connect
25 to the BESS project that we just discussed to the

1 existing APS Trilby Wash Substation.

2 So within the corridor itself, the final
3 route of the gen-tie may be up to 2 miles long. The
4 majority of the corridor that we have in front of you
5 today is sited in unincorporated Maricopa County, largely
6 on Arizona State Trust Land that's managed by Arizona
7 State Land Department. There is a small portion, about 4
8 percent of the CEC corridor, that is within City of
9 Surprise limits.

10 And then on the placemats, you can see our
11 different route options that we currently have under
12 consideration. So they all follow generally the same
13 route headed from west to east towards the APS Trilby
14 Wash Substation, and really where the route options start
15 to differ is as you get closer to the substation.

16 And so option A is presented in blue and
17 will enter the substation directly from the west. Option
18 B, which is our preferred alternative, will enter the
19 substation from the north. And then option C will enter
20 the substation from the south.

21 MR. AKIN: To give some further detail on
22 the purpose and need of the gen-tie project, as Natalie
23 mentioned, it will allow the Wild Stallion BESS to
24 connect to APS's high-voltage power system, and the
25 battery will generally contribute to the needs of the

1 grid in Arizona.

2 I think, as committee members are aware,
3 solar power and other variable resources have grown
4 significantly in the Southwest, and certainly in the
5 state of Arizona over the last 10 years. Technologies
6 like BESS can help stabilize the power system amid higher
7 concentrations of those variable resources, you know, I
8 think the classic example is taking solar power from the
9 middle of the day and bringing it to the evening hours
10 when Arizonans need it most and tend to use it most.

11 So we believe the Wild Stallion battery and
12 the subsequent gen-tie project that we're discussing
13 today will support those reliability needs of the grid in
14 Arizona. On top of that batteries can provide backup
15 power, they can also help regulate the frequency of the
16 grid and provide other grid services, thus being quite
17 valuable to a large utility like APS. Ultimately, we
18 think this kind of full package of traits will help
19 bolster security and resiliency for the Arizona grid.

20 MS. AIELLO: All right. And we briefly
21 touched on this earlier, but just wanted to provide
22 additional information about the corridor itself and the
23 routes that we have in front of you today. So, as noted
24 earlier -- hold on. Nope, we're okay.

25 So, as noted earlier, the -- the route

1 will -- oh, am I doing that? The route will originate in
2 the -- sort of connecting to the southeast portion of the
3 battery energy area, head eastward, and then south and
4 then east again for the longest stretch, until we get
5 closer to the substation in which we will consider one of
6 those three entry points, as noted earlier.

7 And I think I get into -- no, let me go
8 back, one thing that I did just want to note is the width
9 of the route. So for the majority of the line, the
10 approximate width of the corridor itself is 330 feet, but
11 it does go up to 433 feet as a max width and 165 as the
12 minimum width. And then the final route itself within
13 the corridor is expected to be 165 feet.

14 BY MR. RICH:

15 Q. And that's the -- you're referring to the final
16 right-of-way that you'll select within the corridor?

17 A. (MS. AIELLO) Oh, yes, yes. The final
18 right-of-way. Thank you, Court. Yes.

19 So I believe this is all the information that we
20 just went over. Being that the right-of-way is on
21 Arizona State Trust Land, we are, of course, coordinating
22 with Arizona State Land Department. We filed for our
23 right-of-way in 2024 and coordination with ASLD is
24 ongoing. The final route for the project will be fully
25 within the confines of the corridor that we have in front

1 of you today.

2 All right. So just a little bit on the siting
3 history of this project and why it's located where it is.
4 So we wanted to find a project in the general Surprise
5 region just due to growing -- the growing nature of the
6 region and associated increase in demand. We think that
7 it's a suitable location for projects such as this, and
8 we did look at some other options within the general
9 vicinity of what we have in front of you today. We did
10 at one point consider a project on the east of the
11 landfill that you can see on the right-hand side of the
12 screen. So our -- a potential project was considered
13 somewhere up in here, but ultimately, the BESS facility
14 itself was sited at its current location due to landowner
15 interest.

16 MEMBER HILL: Mr. Chair?

17 CHMN STAFFORD: Member Hill.

18 MEMBER HILL: The battery storage project,
19 is it completely permitted and already approved --

20 MS. AIELLO: No.

21 MEMBER HILL: -- or still need permits?

22 MS. AIELLO: No, it is --

23 MEMBER HILL: Okay.

24 MS. AIELLO: -- it will still need permits.

25 MEMBER HILL: Okay.

1 MS. AIELLO: Yes, and I'm happy to go over
2 those in further detail.

3 MEMBER HILL: Okay.

4 MS. AIELLO: Thank you for the question.

5 So the -- with the final BESS location
6 being in the current location that it is proposed, the
7 route that we have in front of you today is sort of the
8 most efficient route to the APS Trilby Wash Substation
9 that we're interconnecting into, and we wanted to site
10 the project alongside existing transmission
11 infrastructure as much as possible. And you can see on
12 your placemats the various existing lines that Court
13 mentioned in the introduction of our hearing today.

14 And really just by co-locating the project
15 itself alongside those existing infrastructures, that
16 allows us to minimize our environmental impact and also
17 visual impact associated with the project.

18 And then on to local permits and approvals.
19 So we will need permits both for the BESS portion of the
20 project, as well as the gen-tie itself, both from City of
21 Surprise and Maricopa County. And that will include
22 building permits, dust permits, and stormwater permits.
23 We will also need the final right-of-way from ASLD, as we
24 noted is in progress, and we will secure all of those
25 approvals prior to construction of the BESS and the

1 project. We've also filed Ten-Year Plans beginning in
2 January of 2025, and we also filed one earlier this year
3 in 2026.

4 Construction of the project is expected to
5 begin in 2029, and will continue for approximately a year
6 and a half. And we'll complete construction in 2030.

7 So in regards to the different structure
8 types that we're anticipating and needed to be used for
9 this project, and there are -- in Exhibit G there are
10 additional diagrams and typicals of projects -- project
11 structures that we anticipate needing. They will be
12 largely tangent angle and dead-end steel monopoles that
13 we'll be using for the project. Those will be made of
14 galvanized steel. The locations of those will be
15 determined with the final -- final route in engineering.

16 And then just a brief overview of key specs
17 for the project, it is a 230 AC -- 230-kV AC line that
18 can be up to 2 miles in length. Again, it would be fully
19 within the corridor that is in front of you today, and
20 would be connecting into the APS Trilby Wash Substation
21 via one of the routes that we have in front of you. We
22 are anticipating approximately 17 to 20 structures, just
23 depending on final route and micro-siting within the
24 corridor itself.

25 The max structure height that we're

1 currently anticipating is 120 feet with max spans of up
2 to 650 feet. And then in addition to the structures
3 themselves, to support construction we will also need new
4 access roads and staging areas for equipment, and we will
5 endeavor to site those in disturbed areas as much as
6 possible, and will be avoiding the washes that you can
7 note with the darker green vegetation that's on the
8 aerial --

9 CHMN STAFFORD: Member Hill.

10 MEMBER HILL: Thank you, Mr. Chair.

11 Are -- where are you in the queue here?

12 Are there other applicants in the queue for this
13 substation? Where are you guys in that?

14 MS. AIELLO: Yes, I'll have Jeremy answer
15 that question.

16 MR. AKIN: We are aware of other projects
17 that are looking to tap into the Trilby Wash Substation.
18 I think I can give you some context on where we are in
19 the interconnection process. We have completed both the
20 System Impact Study with APS and a Facility Study. And
21 we are currently hoping to execute a Large Generator
22 Interconnection Agreement in Q3 of this year. So we're
23 quite late in the interconnection process, and in a
24 favorable position from that perspective.

25 MEMBER HILL: Okay. Great. Thanks.

1 MS. AIELLO: All right. And I'll hand it
2 over to Vicki for the virtual tour.

3 MS. CASTEEL: Thanks. So we'll pause here
4 just a minute to give you an introduction to this virtual
5 tour. This tour will provide an aerial view of the
6 project, followed by views from the four key observation
7 points. The locations of those KOPs are on side two of
8 your placemats.

9 The general location of the project is
10 south of Deer Valley Road near 211th Avenue. You can see
11 Luke Air Force Auxiliary Airfield to the north, as well
12 as the Arizona Proving Grounds and the Northwest Regional
13 Landfill to the east. Trilby Wash Substation to the
14 east, near our interconnection options. And the existing
15 transmission line corridor, just to the south. And then
16 we will start our tour on the eastern side.

17 As we come in, you can see the corridor
18 highlighted in blue, and the three interconnection
19 options shown here again, with the preferred being B
20 coming in from the north. The purple lines you see along
21 the south are the existing transmission lines. So with
22 the exception of the interconnection location, the width
23 variables, the line would otherwise follow this red
24 alignment to come into the project substation, shown
25 here. The yellow shaded area is the BESS facility site,

1 the --- with the project substation located on the
2 southeast corner there. The BESS and the substation
3 would be within a perimeter wall also modeled there.

4 We will back up to the southwest, where we
5 will see our first Key Observation Point, KOP-2. This
6 KOP is along 219th Avenue, near Beardsley Road
7 intersection. And we'll pause here for just a minute. I
8 wanted to point out the vegetation. This photo is
9 representative of the vegetation within the CEC corridor
10 and surrounding study area, desert scrub vegetation
11 dominated by creosote. You can see the existing
12 transmission line along the horizon, with the
13 Hieroglyphic Mountains in the distant background.
14 They're about 7 1/2 miles away.

15 And then, as you can see in the proposed
16 conditions in just a second. All right. So these are
17 the proposed conditions, you can see the proposed poles
18 here and here, along the way. They -- from this
19 location, they are behind the existing transmission
20 corridor, so partially obscured by existing structures,
21 as well as the vegetation in the area. And then from
22 here we will head north to our next KOP.

23 KOP-1 is also on 219th Avenue, but further
24 north. If we can pause here for just a second. I wanted
25 to point out this property right here is one of the two

1 closest residences to the line, both of those residences
2 are just over a mile away from the corridor, but this
3 is -- there's one here and there's one further to the
4 south. But this KOP is representative of residential
5 views as well.

6 All right. We can go ahead and dive into
7 KOP-1. With the existing conditions, you can see again
8 dominated by creosote with the existing transmission line
9 along the horizon. From this view, there is not the
10 mountain backdrop, but you can see the unvegetated mound
11 of the landfill off to the left there.

12 And then with the proposed condition, from
13 this KOP, the proposed project is in front of the
14 existing transmission corridor, but you can see that the
15 structures are visually similar to the existing
16 transmission structures in the area.

17 CHMN STAFFORD: Is the BESS facility
18 modeled in this simulation?

19 MS. CASTEEL: Yes. So this one you -- it's
20 not easy to see from this location, but there will be
21 another KOP that you will definitely see the -- the
22 proposed BESS facility wall and substation.

23 CHMN STAFFORD: Okay. Thank you.

24 MS. CASTEEL: It's just not easy to see
25 from this KOP.

1 This next KOP is KOP-3. It is along Deer
2 Valley Road, just east of the proposed BESS facility.
3 Again, similar vegetation, dominated by creosotes. You
4 can see the existing line along the horizon, backdropped
5 by the White Tank Mountains in the background. They're
6 about 1.2 miles away.

7 And then in the simulated condition, here
8 you can see the substation structures on the left-hand
9 side, as well as the perimeter wall that surrounds or
10 will surround the BESS facility here. Partially obscured
11 by vegetation, the applicant will also be revegetating
12 around the facility once it's done with construction, so
13 there will be some screening vegetation as well.

14 We will reach our fourth and final key
15 observation point, this one is also located along Deer
16 Valley Road, near the landfill. So it will be
17 representative of travelers that are visiting the
18 landfill. You can see here in the existing conditions a
19 little bit more variety in the vegetation. This is
20 predominantly creosote and Indian wheat. You can see the
21 Trilby Wash Substation over here on the left-hand side
22 and the existing transmission structures, as well as the
23 backdrop of the White Tank Mountains.

24 In the proposed condition, you can see the
25 proposed interconnection poles here to the north of the

1 substation.

2 And we will zoom back out to a wide view of
3 the corridor and study area. And I will pause right
4 there, and if there's any questions.

5 CHMN STAFFORD: Member Hill?

6 MEMBER HILL: Are there any other
7 subdivisions that are permitted in and around? We see a
8 limited number of roads, right, and little subdivisions,
9 but are there other permitted developments in the area?

10 MS. CASTEEL: Not that we know about based
11 on our studies.

12 MEMBER HILL: Okay. Thanks.

13 MS. CASTEEL: There are -- there are some
14 definitely in the City of Surprise and the surrounding
15 areas, but not within our 1-mile study area.

16 CHMN STAFFORD: So the nearest residence to
17 the BESS and the transmission line is at least a mile,
18 correct?

19 MS. CASTEEL: Correct.

20 CHMN STAFFORD: Okay. And then it looks
21 like existing transmission lines that go past the project
22 are -- which ones tie into the Trilby Wash Substation?
23 It looks like the 69 and the 230-kV do, but the 500-kV
24 lines just go past it or do they also tie in?

25 MS. CASTEEL: Based on the information that

1 we have, it looks like the 500-kVs just pass by it.

2 CHMN STAFFORD: Okay. Thank you.

3 MEMBER HILL: And, lastly, to your
4 knowledge, there aren't any other transmission lines that
5 have been permitted in this corridor?

6 MS. CASTEEL: Not to my knowledge.

7 MEMBER HILL: Okay.

8 MS. CASTEEL: I can take this opportunity
9 to note a small error in the application. At that time
10 we thought that the northernmost line was a 500-kV, it's
11 actually a 230-kV, and so we've corrected that in the
12 maps in this presentation. Just wanted to point that
13 out.

14 MEMBER HILL: Thank you.

15 MS. CASTEEL: Then if there aren't any
16 other questions, we can move back to the presentation.

17 CHMN STAFFORD: Seeing none, please
18 proceed.

19 MS. CASTEEL: I will be presenting on the
20 environmental analyses that we did for this CEC
21 application, including exhibits A through I. Those
22 include land use, biological, visual, and cultural
23 resources, recreation, and noise and interference. The
24 study area that we used for these analyses -- there we
25 are -- you can see in the dark black outline is our

1 corridor and the dashed line is the study area boundary,
2 which is 1 mile out in all directions from the corridor.

3 As Natalie mentioned, our CEC corridor is
4 primarily on State Trust Land, within unincorporated
5 Maricopa County, but a small portion on the west side is
6 on private land and a portion of that extends into the
7 City of Surprise. We blew up a little inset here to make
8 it a little easier to see, but as you can tell, it is a
9 small area that extends into the city boundaries and
10 private land that's depicted by that purple side of
11 those -- the dividing line.

12 Existing land use in the study area
13 includes primarily vacant undeveloped land, but also
14 includes commercial here with the Arizona Proving Ground;
15 industrial, associated with the Northwest Regional
16 Landfill; utility, associated with the existing Trilby
17 Wash Substation and the existing transmission corridor.
18 There's also transportation uses with paved and unpaved
19 roads. Within the CEC corridor itself, it's primarily
20 vacant undeveloped with a few unpaved roads.

21 Hunting is allowed on State Trust Lands
22 within unincorporated Maricopa County, but is prohibited
23 within the City of Surprise limits. With a Special Use
24 Permit the public may obtain from ASLD in order to hunt
25 or do other recreation on that State Trust Land. There

1 are two grazing allotments present within the study area,
2 and coordination with those lessees will occur prior to
3 construction as part of the coordination with ASLD.
4 Grazing may, and hunting, may be impacted during
5 construction, but that impact would be temporary. And
6 following construction during operation, the line would
7 not be fenced and so would allow continued use of that
8 area.

9 Planned land uses in the study area are
10 primarily residential neighborhood with some employment
11 and floodway open space areas. So you can see the yellow
12 here is single family rural, as indicated by Maricopa
13 County. The orange here is the neighborhood, indicated
14 by the City of Surprise. The green and light green is
15 this open space floodway that's associated with Trilby
16 Wash and its ephemeral tributaries. And then the purple
17 employment areas that are associated with the landfill,
18 and there's a little patch here as well indicated as
19 employment for -- from the City of Surprise.

20 CHMN STAFFORD: All right. I have a
21 question.

22 MS. CASTEEL: Uh-huh.

23 CHMN STAFFORD: Looking at this, this is
24 the planned land use, I see the area that's where the
25 proving grounds is, it looks like it's zoned for single

1 family rural, but there's a -- its existing use is
2 commercial.

3 MS. CASTEEL: This -- the planned land use
4 is represented by the County and City information, and so
5 this is reflective of that. When we do the existing,
6 that is reflective of information we've received on the
7 ground as well. So we have made our own adjustments. So
8 it's not that it was zoned, necessarily, it's just that's
9 the existing use. And here it's -- it shows up -- it's
10 mapped as residential.

11 CHMN STAFFORD: Member Hill?

12 MEMBER HILL: Just clarifying. It's not
13 zoned residential?

14 MS. CASTEEL: There is a zone associated
15 with it as well that will be on the next slide, but yes,
16 it's zoned as residential.

17 MEMBER HILL: Okay.

18 MS. CASTEEL: There's also overlays here
19 for -- there's this military compatible blue swath, and
20 this blue striped area or dashed area for the Luke
21 Compatibility District. That is the area that surrounds
22 the Luke Air Force Auxiliary Airfield. There is also a
23 scenic lands development with this hatched area to the
24 south, that is surrounding the White Tanks Regional Park.
25 Neither of those overlays -- overlay into the CEC

1 corridor, just the study area.

2 So the corridor itself is either a single
3 family rural within the unincorporated Maricopa County or
4 neighborhood with the City of Surprise. It is located
5 within the territory in the vicinity, the designation,
6 and that actually is seen on this figure. It's a little
7 hard to see, but there's this kind of green dash hatched
8 area. That's the territory in the vicinity, but does not
9 overlap any of the accident potential zone for that
10 airstrip.

11 CHMN STAFFORD: And that's the map on slide
12 60 of hearing Exhibit 7, correct?

13 MS. CASTEEL: Correct.

14 So for zoning, the area, hold on, this
15 previous map might be a little bit easier to see for
16 zoning, but the area that is identified as single family
17 is -- or is zoned as RU-43 or RU-190, mostly 43, 190
18 being on the very western end within the CEC corridor.
19 The study area has other designations as well, but within
20 the corridor itself is just the residential. And all the
21 zoning districts, including the planned area development
22 and the industrial include utility uses as permitted.

23 For existing plans for development, we did
24 reach out to local jurisdictions and other stakeholders.
25 The letter that was sent out, a copy of that is shown

1 here on the right-hand side and the list of entities
2 contacted next to that. We received three responses:
3 Arizona Game & Fish responded with information about
4 species that may be present in the area, and provided
5 some recommendations that were then incorporated into
6 exhibits C and D.

7 The Arizona Department of Transportation
8 responded, and noted that the project would not have any
9 impact on ADOT right-of-way, but noted that there was
10 State Trust Land and asked that we coordinate with ASLD,
11 which coordination is ongoing.

12 And then, given the proximity to the Luke
13 Air Force Auxiliary Airfield, we reached out to the
14 Department of War Military Aviation and Installation
15 Assurance Siting Clearinghouse, and they responded. They
16 appreciated being contacted, would like to continue
17 receiving information about the project, and so we will
18 keep that coordination ongoing.

19 CHMN STAFFORD: But you're not going to
20 require a designation of no hazard from FAA, from DOD,
21 are you?

22 MS. AIELLO: I can -- I can take that
23 question. Correct, at this location we do not have to
24 file for the determination of no hazard.

25 CHMN STAFFORD: Okay. Thank you.

1 It seems like those are kind of on pause
2 right now.

3 MS. CASTEEL: In summary, the responses
4 that we got from stakeholders did not identify any new or
5 planned developments in the area. So overall, the CEC
6 corridor is on vacant, undeveloped land with a few
7 unpaved roads, primarily on State Trust Land with just a
8 very small portion that goes onto private land on the
9 west side. There are no known planned developments
10 within the study area, and the project will parallel
11 existing transmission, including five different lines.

12 And, therefore, we determined that the
13 project is compatible with existing and planned land
14 uses. Also wanted to note that it supports local
15 planning goals from -- for the County and for the City
16 for the energy expansion, for supporting the planned
17 developments that they have in the area, and will help
18 with the growth and sustainability for energy management
19 in the area.

20 CHMN STAFFORD: I'm having a little trouble
21 telling where the City of Surprise ends on this map.

22 MS. CASTEEL: So I will try to point that
23 out here. Let me go to a bigger map.

24 CHMN STAFFORD: Because the entire BESS is
25 inside the city limits, correct?

1 MS. CASTEEL: Correct.

2 CHMN STAFFORD: Okay.

3 MS. CASTEEL: So the city/county boundary
4 generally follows this ASLD State Land parcel.

5 CHMN STAFFORD: Okay.

6 MS. CASTEEL: And then this little
7 rectangle to the south is a county island there,
8 otherwise, it's mostly city of Surprise surrounding, but
9 the state land is within the unincorporated Maricopa
10 County.

11 CHMN STAFFORD: Okay. Okay. That makes
12 sense. Thanks.

13 MS. CASTEEL: So exhibits C and D of the
14 application summarize the biological resources in the
15 corridor and surrounding study area. That includes
16 ecological setting, general vegetation wildlife, as well
17 as areas of biological wealth and special status species.

18 So to evaluate these resources, SWCA
19 conducted a desktop review, as well as a field survey.
20 The study area is in the Arizona Upland Eastern Sonoran
21 Basins Ecoregion. It's characterized by broad alluvial
22 planes, fans, and bajadas between mountain ranges. The
23 vegetation in the area is primarily desert scrub and is
24 traversed by ephemeral washes and unpaved roads, where
25 adjacent to the washes there is more denser vegetation,

1 including palo verde trees, mesquite trees, and ragweed.

2 Wildlife varies includes birds, mammals,
3 amphibians, and reptiles that are adapted to desert
4 conditions. And there are -- the washes within the study
5 area are all ephemeral, including Trilby Wash, which is
6 the largest wash in the area, and therefore, no fish are
7 expected to be in the study area.

8 There are three areas of biological wealth
9 that we identified within the study area. The first is a
10 little bit of a mouthful, but it is the White Tank
11 Mountains to Trilby Wash to Beardsley Canal Wildlife
12 Movement Area. This wildlife movement area serves to
13 connect distinct habitat blocks where wildlife will use
14 as a corridor to get from one area to the next. Part of
15 what supports that corridor is the Trilby Wash alignment
16 and its tributaries, that's the second area of biological
17 wealth we identified. So there is a xeroriparian
18 vegetation along that wash corridor.

19 And then there are also three cattle tanks,
20 they're identified on the map here on the right, with
21 these little hexagons. They can provide seasonal water
22 sources for wildlife, because they hold water longer than
23 the ephemeral washes do.

24 CHMN STAFFORD: And that's the map on slide
25 72?

1 MS. CASTEEL: Correct.

2 The potential impacts to areas of
3 biological wealth include the human presence and noise
4 that will occur during construction. It will be
5 temporary. During operation the human presence and noise
6 would go back to existing conditions. So the same
7 general level of visiting for operation, maintenance-type
8 activities that is similar to the existing transmission
9 corridor.

10 The gen-tie would not be fenced, so
11 wildlife movement could continue across that corridor.
12 And that was a big part of siting, so that we would
13 minimize those impacts. And then vehicle speeds would be
14 limited to 25 miles per hour for construction in order to
15 reduce the noise and dust and potential collisions with
16 wildlife.

17 CHMN STAFFORD: But you'll have to get a
18 dust control permit from the County anyway, won't you?

19 MS. CASTEEL: Yes.

20 The vegetation, including the xeroriparian
21 areas, may be impacted by clearing and grading
22 activities, but the disturbance within wash crossings
23 will be minimized, if at all possible. Structures will
24 be located outside of washes, and vegetation removal, in
25 general, would only be in places that were necessary for

1 the construction -- areas of temporary disturbance would
2 be revegetated, and that will be dictated by the
3 revegetation plan that will be part of the stormwater
4 pollution prevention plan. So long-term impacts are
5 anticipated to be limited to just the footprint of the
6 transmission structures and the access road.

7 For special status species of wildlife in
8 the area, there were two species that were identified,
9 yellow-billed cuckoo, which is listed as threatened, and
10 the Monarch butterfly, which is proposed for listing.
11 The cuckoo may use the area for travel moving through the
12 area, may also stop over or forage in the area, but there
13 is no breeding habitat in -- within the study area. The
14 butterfly may also be transient during their migration
15 path, or individuals may occasionally use the area for
16 foraging and dispersal movements.

17 CHMN STAFFORD: But there's not a presence
18 of milkweed in the study area, is there?

19 MS. CASTEEL: There is not known, but there
20 is some nearby. And so there's potential for milkweed to
21 be in the corridor, because we have not done a full study
22 of the corridor. But within the right-of-way, we have
23 done a study, and did not find any milkweed.

24 CHMN STAFFORD: Okay. Thank you.

25 MS. CASTEEL: Other birds that may occur

1 include eagles, which are protected by the Bald and
2 Golden Eagle Protection Act. They may forage, perch, or
3 move through the corridor, but there is no breeding,
4 roosting, or nesting habitat in the area for those birds.

5 Birds of conservation concern, there were
6 six known to occur and seven which may occur in the study
7 area, based on habitat. And they may use the study area
8 for nesting, roosting, or just foraging. Species of
9 greatest conservation need, there are nine known species
10 and 17 that may occur. Based on the study area being
11 within their range and containing suitable habitat for
12 those species. That includes terrestrial species, like
13 amphibians, reptiles, and mammals, as well as various
14 birds and bats. There are no known bat maternity
15 colonies or migration corridors, though, within that
16 study area.

17 Potential impacts to wildlife, general
18 wildlife and special status species, include impacts to
19 birds and their nests, eggs, or nestlings. They may be
20 disturbed during construction by the presence of humans
21 vehicles, and other equipment. To minimize those
22 impacts, vehicle speeds will be limited to 25 miles per
23 hour, again, to reduce dust and noise and potential for
24 collisions.

25 Any roadkill that is found on site will be

1 removed to avoid attracting wildlife or scavenging birds.
2 And a preconstruction survey for migratory bird nests
3 will be conducted if construction occurs during the bird
4 breeding season, which is generally, I believe -- hold
5 on, I have this -- I believe March through September.
6 Yes. Raptors, a little bit different, between January
7 and June. But, again, no breeding habitat for the
8 eagles.

9 For -- after construction, during
10 operations, potential threats to birds may include
11 collisions or electrocutions with the transmission lines.
12 These risks would be similar to the existing transmission
13 lines, but our project would comply with all applicable
14 APLIC guidelines. That's the Avian Power Line
15 Interaction Committee, APLIC, guidelines, which is the
16 standard for transmission lines.

17 CHMN STAFFORD: Now, if there's going to
18 be, like, six transmission lines, as opposed to five, is
19 the -- what's the incremental effect of adding an
20 additional line next to the other ones, is that going to
21 make bird collisions more or less likely or have no
22 effect?

23 MS. CASTEEL: It may incrementally
24 increase, because it's another structure there, but
25 shouldn't significantly impact or significantly raise

1 that risk, especially given that there's five and we're
2 the sixth, it would just be an incremental increase.

3 CHMN STAFFORD: But this is isn't a, like,
4 a main flight path for the birds to traverse to get to --
5 to go back and forth between roosting and feeding, is it?

6 MS. CASTEEL: Other than it being a
7 wildlife movement corridor, it's an area that birds may
8 use because of Trilby Wash, particularly. It's a
9 heavy -- heavier vegetated area that animals may use, but
10 is not a known migratory corridor for any special status
11 species or endangered species.

12 CHMN STAFFORD: All right. Thank you.

13 MS. CASTEEL: Monarch butterflies may be
14 impacted by removal of vegetation. That includes nectar
15 resources, any flowering plants, and potentially
16 milkweed, if any occur on site before construction. But
17 best management practices would be used in order to
18 minimize that disturbance. That means only removing
19 vegetation in areas absolutely necessary to construct the
20 project, using dust suppression, and then revegetating
21 temporarily disturbed areas.

22 And the disturbance would be limited to
23 the -- based on the amount of suitable habitat in the
24 area, and the project being -- project disturbance being
25 relatively low, the disturbance to the Monarch would be

1 relatively low and would not be expected to affect the
2 species at a population level, only individuals.

3 Disturbance or displacement of wildlife due
4 to noise, vibration, and human presence, again, would be
5 temporary during construction. And construction
6 activities would be limited to daylight hours to the
7 extent feasible, in order to reduce impacts on nocturnal
8 wildlife. And all trash and debris would be removed each
9 day to reduce the likelihood of -- of wildlife coming
10 into the construction site. There may be direct
11 mortality or injury due to vehicles and other
12 construction equipment.

13 But, again, the vehicle speeds being
14 limited in speed will reduce the risk of collisions,
15 trenches, if any, will be filled within a reasonable time
16 and include escape ramps for any incidentally entrapped
17 wildlife, and would be inspected before being filled in
18 order to prevent injury or death to wildlife. Any
19 burrows that are found on site would be avoided or
20 excavated according to species-specific requirements.

21 Habitat, similarly, would be affected by
22 the vegetation clearing, but that disturbance would be
23 minimized as much as possible, and after construction
24 being revegetated. The habitat fragmentation would be
25 minimal, given that it's along an existing corridor, and

1 would be unfenced following construction.

2 For vegetation, State-protected native
3 plant species, we did conduct a native plant inventory
4 for the -- sorry -- the right-of-way. We have not
5 studied the entire study area, but we did do the
6 right-of-way, and it's representative of the full study
7 area. We did find six different protected plant species,
8 and removal of those species will require notice of
9 intent to clear land to be submitted to the Arizona
10 Department of Agriculture. That will be done prior to
11 construction. There are no federally listed plant
12 species or designated critical habitat in the study area.

13 During our inventory we have did identify
14 some noxious weeds as well, but construction and
15 operation BMPs will include weed management practices.

16 MEMBER HILL: Mr. Chair?

17 CHMN STAFFORD: Yes, Member Hill.

18 MEMBER HILL: I'm looking at the Arizona
19 Game & Fish letter, dated April 29th, 2026. There's a
20 list of best management practices, recommendations that
21 they have.

22 CHMN STAFFORD: That's found in the
23 application?

24 MEMBER HILL: In the application, tab H --

25 CHMN STAFFORD: And the application is

1 Hearing Exhibit 1.

2 MEMBER HILL: And it's on page H-6, it
3 starts. I noticed in your draft CEC, you didn't
4 reference this letter or the best management practices
5 associated with this letter. Are you planning on
6 following all of the guidelines that have been provided
7 by Game & Fish in this letter?

8 MS. CASTEEL: Yes, the Game & Fish letter
9 is actually included in Exhibit H, as opposed to the -- I
10 guess we didn't reference it in C and D, but it is in H,
11 so a copy of that letter should be included.

12 MEMBER HILL: Okay.

13 MS. CASTEEL: But yes, the recommendations
14 have been incorporated into C and D, and we have
15 minimization measures that should cover all of those
16 concerns.

17 MEMBER HILL: So no problem referencing
18 this letter in the CEC as the standard?

19 MS. CASTEEL: As far as being able to
20 follow those recommendations?

21 MEMBER HILL: Uh-huh.

22 MS. CASTEEL: Correct.

23 MEMBER HILL: Okay. Thanks.

24 MS. CASTEEL: Impacts to vegetation,
25 similarly, when discussing wildlife habitat, impacts may

1 occur due to vegetation removal or crushing by heavy
2 equipment and other vehicles. That impact would be
3 minimized by avoiding washes whenever possible and
4 minimizing the amount of vegetation to be removed to just
5 the areas required to construct the project.

6 Designated areas will be established for
7 staging and stockpiling and parking in order to minimize
8 that disturbance and will be located in places of
9 previous disturbance whenever possible. And then areas
10 that are temporarily disturbed will be revegetated
11 following construction.

12 To minimize the spread of noxious weeds,
13 best management practices would be followed, including
14 training for on-site staff, soil stabilization, and
15 revegetating as soon as possible following disturbance.

16 So in conclusion, biological resources are
17 present, including special status species, but impacts to
18 wildlife, vegetation, and special status species would be
19 minor and localized to the project site and minimized
20 through the identified measures. Noxious weeds are
21 present, but would be managed through best management
22 practices, and therefore, we determined that the project
23 is environmentally compatible with the biological
24 resources.

25 Any other questions on biological resources

1 before I move into visual?

2 CHMN STAFFORD: I see Member Fontes has
3 joined.

4 Do you have any questions, Member Fontes?

5 MEMBER FONTES: I do not, Mr. Chairman.
6 Thank you.

7 CHMN STAFFORD: Thank you.

8 Please proceed.

9 MS. CASTEEL: So the general landscape
10 character of the study area includes desert scrub or
11 thorn scrub vegetation, dominated by creosote and Indian
12 wheat. There is no standing or flowing waters, as the
13 washes within the study area are ephemeral. And the
14 color does not vary much between soil and the vegetation,
15 but the nearby mountain ranges do provide a moderate
16 variation in the adjacent scenery.

17 The scenic quality was determined to be low
18 based on the limited vegetation variety and the extent of
19 the existing cultural modifications in the area, which
20 include a landfill, a proving range, and existing
21 transmission lines. So our project would be visually
22 consistent with the existing cultural modifications.

23 Sensitive viewers in the area include road
24 travelers on existing roads, which the main roads in this
25 area are 219th Avenue, which lead to these residential

1 areas off to the west, as well as Deer Valley Road, which
2 provides access to the landfill. There are also -- so
3 the nearest residences are starred here in yellow and
4 green. We do distinguish between the two only because
5 the green one we could confirm as residential, but the
6 yellow, while we saw the structure during our site visit,
7 it appeared to be residential, but is not listed as such
8 by the County assessor, and so we weren't sure, but
9 assuming -- for the purposes of our assessment, we
10 assumed it was a residence. But both are just over a
11 mile from the corridor. And then these low-density
12 residential areas are also present just west of 219th.

13 CHMN STAFFORD: And this is a map on slide
14 96 of Hearing Exhibit 7, correct?

15 MS. CASTEEL: Correct. And there's
16 additional residential outside the study area to the
17 northeast as well.

18 CHMN STAFFORD: And that area, the orange
19 and yellow, that's the danger zone for the auxiliary Luke
20 Air Force Base Airfield?

21 MS. CASTEEL: Correct.

22 CHMN STAFFORD: Those little pads you see
23 at the top that's red, I'm assuming that's, like, the
24 crash danger zone?

25 MS. CASTEEL: Yeah, that's -- the colors go

1 up in risk as it gets closer to the airstrip.

2 CHMN STAFFORD: Okay. So nothing's getting
3 built in that red, orange, and yellow?

4 MS. CASTEEL: Presumably, no.

5 CHMN STAFFORD: Okay.

6 MS. CASTEEL: Okay. And then --

7 CHMN STAFFORD: Certainly not houses
8 anyway.

9 MEMBER HILL: Maybe a data center.

10 MS. CASTEEL: There are also potentially
11 recreation viewers, so not necessarily the most scenic
12 area, but there are trails that go through. Nothing that
13 we saw during our site visit or on aerials, but there is
14 a general trail alignment that follows the Trilby Wash
15 that is mapped by the County or the City, but, like
16 mentioned, didn't see anything physically there, but
17 people could follow the wash if they wanted to. And then
18 the State Trust Land is also open to recreation with a
19 Special Use Permit, so assuming that there may be
20 recreation in the area.

21 I will go through the key observation
22 points. So these will be the same as what we saw in the
23 virtual tour, but we do have an additional version that
24 highlights the structures to make them a little easier to
25 see. So I will go through each key observation point and

1 show what they look like at each location with the
2 structures highlighted.

3 This figure with the KOPs shows the
4 viewshed from each of these locations, the general
5 direction that the photo is facing, so of the project
6 site. The first KOP is the northern one on 219th Avenue,
7 so this would have been the second one we saw in the
8 tour, but is KOP-1. It faces southeast towards the BESS
9 site and the corridor. From this location, the project
10 would be subordinate to the existing transmission
11 structures, and there would be a weak degree of contrast
12 and low visual impacts. The existing topography and
13 structures would be partially obscuring our proposed
14 project.

15 So the image on the right-hand side, this
16 is the existing conditions. And then here we have on the
17 left side is the simulated condition, but as it's a
18 little hard to see the scale, we also highlight them in
19 magenta here just for illustrative purposes, so you can
20 better see what structures are ours. It makes it a
21 little easier.

22 CHMN STAFFORD: Highlight the needles in
23 the haystack for us. Thank you.

24 MS. CASTEEL: Yeah.

25 KOP-2, this KOP is also along 219th near

1 the intersection with Beardsley Road. This one is facing
2 northeast and would also see the BESS facility and
3 project substation, as well as the corridor, but those
4 facilities, proposed project facilities would be north of
5 the existing transmission corridor and would be,
6 therefore, visually obscured by that existing structures.
7 The project would, therefore, have a weak degree of
8 contrast and low visual impact.

9 And here it would also be backdropped by
10 the Hieroglyphic Mountains, which further obscures the
11 ability to see those proposed structures. The image on
12 the right is the existing condition, and then as I flip
13 the slides, the image on the left is the simulated
14 condition. And, again, the one on the right is
15 highlighted in magenta to better highlight the proposed
16 structures.

17 KOP-3, from West Deer Valley Road, this is,
18 I believe, the closest KOP or one of the two, KOP-3 and
19 KOP-4 are both about a third of a mile away from the
20 corridor. This one is facing southwest, and you can see
21 the existing transmission line structures here
22 backdropped by the White Tank Mountains.

23 In the simulated condition, this is the one
24 where you can see the proposed substation and walled BESS
25 facility. And so on the right-hand side, where it's

1 highlighted in magenta, you can much better see where
2 that wall and structures would be. But as you can tell,
3 they would be partially obscured by existing vegetation,
4 as well as vegetation that would be planted by the
5 applicant.

6 KOP-4, also along Deer Valley Road, closer
7 to the landfill, this -- from this KOP, the project would
8 be visible, but consistent with the existing structures,
9 including the Trilby Wash Substation, and the existing
10 transmission lines. Therefore, there would be a weak
11 degree of contrast and low visual impacts.

12 Again, the project would be partially
13 obscured by existing vegetation, the existing
14 transmission infrastructure, and also backdropped by the
15 White Tank Mountains, which makes it a little bit harder
16 to discern. And you can see the left side right now is
17 the simulated condition, and the right is the simulated
18 with color overlay.

19 So, in conclusion, project structures would
20 be visually subordinate to the existing landscape
21 features and existing transmission infrastructure. It
22 would be consistent with the existing development in the
23 area, and there is no visual resource management
24 objectives or scenic areas that apply to our corridor.

25 MEMBER LITTLE: Mr. Chairman?

1 CHMN STAFFORD: Member Little.

2 MEMBER LITTLE: I'm sorry, I didn't mean to
3 interrupt. I thought you were finished.

4 MS. CASTEEL: No, you're good.

5 MEMBER LITTLE: You mentioned that KOP-1 is
6 representative of what the -- one of the two closest
7 residences would see, can you show us where the second
8 closest residence is located on one of these maps?

9 MS. CASTEEL: Yes. So I can go back. I
10 might have to go back a few. I want to make sure I'm
11 showing the right location, but it is here. So we have
12 two stars, this is on slide 96. There's a green star to
13 the north, that is the approximate location of our KOP.
14 Our KOP is actually about 500 feet away from that
15 residence, and is slightly closer to the study area than
16 the residence is. The other one that we think is a
17 residence, but couldn't quite confirm it, is located
18 equally far away, but just a little bit further to the
19 south. And then there are also these developments here,
20 with additional, these are just the two closest
21 properties.

22 MEMBER LITTLE: Okay. Thank you.

23 MS. CASTEEL: Any other questions on visual
24 resources?

25 CHMN STAFFORD: It appears no.

1 MS. CASTEEL: Okay. Then we will continue
2 on to cultural resources. Based on a review of existing
3 studies in the study area, 41.7 percent of the corridor
4 has been previously surveyed. That includes the survey
5 of the right-of-way that SWCA conducted. Any remaining
6 portions of the final right-of-way would be surveyed
7 prior to construction, but most of it has already been
8 surveyed. Based on the previous surveys, the study area,
9 the larger study area does include six historic era
10 sites, two historic era in-use structures, and two
11 archaeological sites; however, only one of those is
12 located within the CEC corridor itself and the one that
13 is located in the CEC corridor was recommended
14 ineligible. So there are no known historic properties
15 that are listed or eligible for listing within the CEC
16 corridor that are currently known, and only a small
17 portion has -- of the right-of-way has not been surveyed
18 but since anywhere in the corridor might be used, any
19 areas that end up being part of the final right-of-way
20 would be surveyed.

21 We conducted consultation with the State
22 Historic Preservation Office, and we sent a letter in
23 April to SHPO, and they responded back that they
24 concurred that 41.7 percent of the project area or CEC
25 corridor has been surveyed, and they asked that the rest

1 of it be surveyed prior to construction, which we would
2 survey the full right-of-way, the final project
3 footprint.

4 So the consultation that we sent to SHPO
5 was aligned with the ACC SHPO consultation checklist
6 requirements, and cultural resource compliance would
7 continue through project planning and construction.

8 MEMBER LITTLE: Mr. Chairman?

9 CHMN STAFFORD: Yes, Member Little.

10 MEMBER LITTLE: Just to clarify here, I
11 heard you say that the entire right-of-way would
12 be -- would be surveyed, but the intent -- you intend to
13 survey the entire corridor; is that correct?

14 MS. CASTEEL: No. The entire corridor
15 would not need to be surveyed since we wouldn't be
16 impacting the entire corridor but because we don't know
17 yet where the right-of-way is or the final right-of-way
18 will be because it's still subject to change, there
19 are -- there is potential for areas, additional areas to
20 need survey, but we don't know exactly where yet.

21 The bulk of the right-of-way has been
22 surveyed where we know it's going to be or likely to be,
23 but the entire corridor would not be disturbed. And so
24 only disturbed or potentially disturbed areas would be
25 subject to survey.

1 MEMBER LITTLE: Is that consistent with
2 what the SHPO said, which is that 41.7 of the project
3 area has been adequately surveyed, and that the remaining
4 58.3 percent requires survey? I read that as the project
5 is the corridor, so I read it -- the way I read it or the
6 way I interpreted it is that SHPO requests that you do
7 the entire corridor. Is there a disconnect there?

8 MS. CASTEEL: I wouldn't say necessarily a
9 disconnect. Just at this stage, as far as SHPO knows,
10 the entire corridor could be impacted. So for them
11 they're saying make sure you're surveying and know what
12 sites are present within all areas that may be impacted,
13 which at this point may be the entire corridor, but if we
14 can minimize that to a smaller area, presumably the
15 right-of-way that the corridor -- the gen-tie would be
16 in, that the disturbance area would be much smaller and
17 so the entire area would not need to be surveyed.

18 Additional coordination with SHPO would
19 go -- would occur, so if there is concern that enough
20 area has not been surveyed, we would coordinate that with
21 SHPO.

22 MEMBER LITTLE: What about the roads
23 necessary for construction and maintenance? Those are
24 not necessarily all in the right-of-way.

25 MS. CASTEEL: Any areas that would be

1 disturbed would need to be surveyed. So if there are
2 access roads outside of the right-of-way, they would need
3 to be surveyed prior to construction. So any ground
4 disturbance would require survey.

5 MEMBER LITTLE: Okay. We just need to make
6 sure that the conditions that are standard conditions
7 for -- that SHPO has provided with us to use in the past
8 are consistent with what you're telling us here, as
9 opposed to the entire corridor.

10 MS. CASTEEL: Okay.

11 MEMBER LITTLE: Thank you.

12 CHMN STAFFORD: You'll have to get a
13 right-of-way from the State Land Department for the
14 transmission line, correct?

15 MS. CASTEEL: Correct.

16 CHMN STAFFORD: And how far are you in
17 negotiating that right-of-way?

18 MR. AKIN: Give you a little color there,
19 we've been working with ASLD since last year, maybe a bit
20 earlier --

21 MS. AIELLO: 2024.

22 MR. AKIN: 2024. So we've had an
23 application in place for a while. The ASLD Board of
24 Appeals heard our application and approved it in March of
25 this year, and we are working with ASLD to wrap up and

1 finalize our right-of-way contract. So that agreement we
2 expect to be signed in probably the next month or two.

3 CHMN STAFFORD: And as a condition of that
4 right-of-way, they're going to require you to survey that
5 right-of-way in its entirety, if it has not been already
6 adequately surveyed, correct?

7 MS. CASTEEL: Yes, that is correct. The
8 City of Surprise also has cultural resource survey
9 requirements, so even if portions are outside of the
10 State Land, which would require those surveys, it would
11 be in the City of Surprise, which would also require
12 those surveys.

13 CHMN STAFFORD: And then, so, for example,
14 you're going to survey the right-of-way. So, for
15 example, you survey your option B, the red line, but it
16 turns out that is not viable, and you had to go with
17 option C, if you hadn't already surveyed that portion of
18 the corridor, you'd have to survey that area for that
19 right-of-way if you're actually going to connect it a
20 different way than you intended?

21 MS. CASTEEL: Yes, that is correct.

22 CHMN STAFFORD: Okay. Thank you.

23 Is that helpful, Member Little?

24 MEMBER LITTLE: Yes. Thank you.

25 CHMN STAFFORD: Well, it looks like we're

1 coming up on 90 minutes. I think the court reporter is
2 due a break. Let's take a 15-minute recess.

3 (Recessed from 2:28 p.m. until 2:45 p.m.)

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

6 Please continue.

7 MS. CASTEEL: Just to conclude on the
8 cultural resources, I wanted to also mention that an
9 unanticipated discovery plan would be prepared, so if
10 there were any sites that were discovered during
11 construction, we would have a plan to record or mitigate
12 those. Therefore, we determined that the project is
13 compatible with cultural and historic resources.

14 Recreation. I mentioned previously that
15 some recreation does occur within the study area. There
16 may be walking, biking, and general driving around in the
17 area, possibly some offroad vehicle use, particularly
18 within the State Trust Land portion, which with a Special
19 Use Permit you could also camp or horseback ride or use
20 the offroad vehicles. The -- there are no designated
21 recreation areas, though, within the study area. The
22 closest ones being the White Tank Mountain Regional Park
23 which is .6 miles -- the boundary of the designated area
24 is .6 miles to the southwest of the corridor. The
25 mountains themselves are a little further, a little over

1 a mile. And then there are private homeowner or
2 community association parks, that are about .9 miles away
3 from the study area. So 1.9 miles away from the
4 corridor.

5 So access, as well as no developed
6 recreation facilities in the study area, any recreation
7 facilities outside of the study area would not be
8 impacted because of construction or operation access
9 would continue for any existing recreation facilities.
10 So the project would have minimal impact on any existing
11 recreational use. The only impact might be during
12 construction, where the disturbance area would be blocked
13 from public use during construction, but then during
14 operations, the gen-tie would be unfenced and activities
15 could continue and would be limited to the footprint of
16 the structures and access road.

17 Access to recreation areas in the vicinity
18 would continue to be available following construction,
19 therefore, the project is compatible with recreation
20 resources.

21 Any questions on recreation?

22 (No response.)

23 MS. CASTEEL: Noise and interference.

24 Existing noise levels in the study area include the
25 Arizona Proving Grounds, which does automotive testing.

1 There's a regional landfill with equipment associated
2 with that. Transportation corridors, both the smaller
3 roadways, like 219th and Deer Valley Road, but also the
4 larger Sun Valley Parkway a little bit further outside of
5 the study area. And then the existing electrical
6 transmission and distribution infrastructure. There's
7 also a natural gas pipeline present and some ranching
8 infrastructure, but that not causing much noise.

9 The average existing sound level during
10 daylight hours was measured at 52.2, it's decibels, but
11 dBA -- I'd have to look up exactly dBA -- I will come
12 back to that. Noise sensitive receptors include just the
13 residences that are just over a mile away from the
14 corridor outside of the study area. There were no noise
15 sensitive receptors identified within the study area.

16 CHMN STAFFORD: Member Little?

17 MEMBER LITTLE: Mr. Chairman, thank you.

18 I'm curious, I realize that this is not
19 where -- we do not have jurisdiction over the BESS, but
20 I'm wondering what the noise is like from the battery
21 storage facility itself?

22 MS. CASTEEL: Could BayWa --

23 MR. AKIN: Yeah, I'm happy to address that.
24 We will, as part of the local permitting process with
25 City of Surprise, be required to conduct noise studies,

1 and we expect that at the property line there should be
2 no noticeable difference from ambient noise levels. BESS
3 facilities are not very loud.

4 MEMBER LITTLE: Well, that's good news, and
5 I'm glad that reassuring that the City will be looking at
6 that also. Thank you.

7 MR. AKIN: Of course.

8 CHMN STAFFORD: Member Fant?

9 MEMBER FANT: Thank you, Mr. Chair.

10 Just one question out of curiosity, with
11 all those transmission lines side by side, has anybody
12 taken a decimeter and measured the electric currents
13 under the transmission lines?

14 MS. CASTEEL: I'm not sure. We did do the
15 noise study, but not with the electrical currents, it
16 would have just been the noise.

17 MEMBER FANT: Okay.

18 MS. CASTEEL: And I did look up, because I
19 wanted to be clear, dBA is A-weighted decibels. The
20 A-weighting scale adjusts the sound measurement to
21 reflect the sensitivity of the human ear to different
22 frequencies. So it provides a metric that more closely
23 represents perceived loudness, as opposed to just
24 decibels.

25 So the -- during construction, the project

1 may cause or is expected to cause some noise from
2 equipment, cranes, dozers, haul trucks, would temporarily
3 elevate noise within the CEC corridor, but as measured,
4 the closest noise receptor would perceive that noise at
5 44.5 dBA, which is lower than the current ambient noise.

6 So the construction noise would be
7 temporary and intermittent, and would be masked by
8 existing sounds, and therefore, would not be perceived by
9 the nearest receptor. Operational noise, similarly,
10 would not be perceptible at the nearest receptor, the -
11 during operation, the transmission line noise would be
12 primarily associated with corona discharge. And modeling
13 of that predicts up to 27 dBA directly below the
14 conductors, and during wet weather slightly higher, with
15 its highest being 52 dBA, and the ambient being 52.2 dBA.

16 So at the nearest receptor, more than a
17 mile away, corona noise is not expected to be detectable.
18 And then for signal interference due to the modern design
19 and maintenance practices, no signal interference is
20 anticipated. Therefore, we determined the project would
21 be compatible with the existing soundscape of the area.

22 So, to summarize, for land use, the project
23 would be compatible with existing and planned land uses
24 and zoning designations, and would also support the
25 County and City planning goals that include efficient

1 infrastructure expansion, coordinated developments,
2 resiliency, and energy supply management.

3 For biological resources, impacts to areas
4 of biological wealth, special status species, and general
5 wildlife and vegetation would be minor and localized and
6 would be minimized through the identified measures.

7 For visual resources, given the siting next
8 to existing transmission infrastructure, the project
9 would be consistent with the built environment and would
10 have a low visual impact. And there is no applicable
11 resource management objectives or guidelines or
12 designated scenic areas in the study area.

13 Prior to construction, for cultural
14 resources, a Class III cultural resources inventory will
15 be conducted for the portions of the final route
16 right-of-way that have not been previously adequately
17 surveyed. If any historic properties are encountered,
18 the inventory report would provide recommendations on how
19 to mitigate any adverse effects and an unanticipated
20 discovery plan would be prepared prior to construction.
21 The inventory report that would be prepared would be sent
22 to SHPO for review and we would get their input on our
23 findings.

24 For recreation, minimal to no impact on
25 recreation. The project would not block access to any

1 existing recreation areas and no designated -- no
2 designated recreation areas are within the study area.

3 For noise and interference, perceptible
4 noise increases are not expected, and no signal
5 interference is anticipated. Therefore, we have
6 concluded that the project is environmentally compatible.

7 MS. AIELLO: All right. And I'll go ahead
8 and give a summary of our public outreach to date.

9 MEMBER LITTLE: Mr. Chairman?

10 CHMN STAFFORD: Yes, Member Little.

11 MEMBER LITTLE: Before we get started on
12 that, I apologize if this was discussed, but for the
13 record, you guys did pedestrian surveys for the
14 biological work and for the archaeological work, right?

15 MS. CASTEEL: Correct. Yes.

16 MEMBER LITTLE: Thank you.

17 MS. CASTEEL: So pedestrian surveys were
18 done for the biological and a native plant inventory as
19 well. So general, bio, and specific to native plants.
20 And then for cultural, we have done a pedestrian survey
21 of most of it, but like I mentioned, there are portions
22 that haven't been, but will be done prior to
23 construction.

24 MEMBER LITTLE: Thank you very much.

25 Thank you, Mr. Chairman.

1 CHMN STAFFORD: Thank you.

2 MS. AIELLO: Okay. If no further
3 questions, I'll proceed with the public outreach summary.

4 Okay. All right. So first, just a little
5 bit on who we reached out to. So we included 41
6 landowners. Those are the landowners that are within the
7 study area, the 1 mile around our proposed corridor. We
8 also included 31 agencies and stakeholder groups that
9 either had an -- either local authorities having
10 jurisdiction or had regulatory interest in the project.
11 We also included utility and infrastructure owners within
12 the study area and community stakeholder groups that may
13 also have interest in the project, such as the White Tank
14 Mountains Conservancy, Grand Hikers, and Friends of White
15 Tank Park.

16 We also included 30 tribal contacts, and
17 those contacts were determined based off of SHPO's
18 government-to-government toolkit. And we used this list
19 of contacts, the landowners, agencies, and stakeholders,
20 and tribal -- tribal contacts consistently for all of our
21 public outreach for the project to date.

22 And the goal of our outreach is to provide
23 just an overview of the project, give those stakeholders
24 an opportunity to ask us questions and submit any
25 comments on the project.

1 In terms of how we conducted our outreach,
2 we have a project website that's dedicated specifically
3 to Wild Stallion, and is intended to be used as like a
4 living website to support the project and will contain
5 all information about our application and ongoing project
6 updates.

7 We also have a project-specific email and
8 phone number that the public can use to contact the
9 project team for any questions or comments that they may
10 have. We also mailed out letters to that group of
11 contacts that I mentioned earlier. We also did direct
12 phone outreach to agencies and also the tribal contacts.

13 We also advertised on social media, via
14 Facebook posts. We had an in-person open house. And we
15 also are continuing to coordinate with the affected
16 jurisdictions at ASLD, City of Surprise, and Maricopa
17 County.

18 So this is an overview of our project
19 website. The link is provided there. And all of our
20 public outreach to date we have included the link for the
21 project website just to provide a source of additional
22 information. The website provides a summary of the
23 project itself and also the associated BESS facility, and
24 includes all available information about the project.
25 The information for both the open house and the public

1 hearing and, of course, the link for tonight's public
2 comment session. And the website also includes all
3 public notices and letters that were mailed and we'll
4 continue to update this website as the project advances.

5 So the letters that we sent out for the
6 project were mailed in April of 2026. They're intended
7 to provide an introduction to the project, provide
8 contact information for the project team, and also invite
9 comments on the project. We also included information
10 about the in-person open house that we hosted on
11 April 22nd of 2026, at the Surprise Regional Library. In
12 addition to the mailer, we also posted a Facebook
13 advertisement for the open house, so on the right-hand
14 side of the screen you can see -- oop, sorry, I might
15 need some technical assistance there.

16 All right. So on the right-hand side of
17 the screen, you can see this L shape that's similar to
18 our corridor. So these dots are the outermost extent of
19 our corridor, intended to provide a radius for
20 notification for the Facebook posts, which you can see a
21 screen grab on the right-hand side of this slide. So
22 anybody living in this area, driving through this area,
23 may have seen this Facebook post.

24 For the open house, we posted this social
25 media post from April 13th through April 22nd, which was

1 the evening of our open house to provide additional
2 notice of the open house. And, like I mentioned, we
3 targeted this 3-mile radius around the CEC corridor.

4 In terms of impressions, that was 2,000 --
5 24 -- 24,584 -- 548 impressions. We reached over 19,000
6 unique accounts. 486 people clicked on the links. There
7 were 38 reactions on the open house post, one share, and
8 five comments.

9 CHMN STAFFORD: Remind us, what's an
10 impression again?

11 MS. AIELLO: I'll defer to Vicki to explain
12 the nuances of that.

13 MS. CASTEEL: The impressions are where it
14 would be seen by somebody -- so if you want to go back to
15 that.

16 So you can see, it had been seen by
17 somebody 24 -- more than 24,000 times. Of those, there
18 were over 19,000 unique accounts. So some of those
19 accounts -- some of those impressions were by the same
20 person seeing it more than once, but there was over
21 19,000 unique accounts that were reached. And then the
22 486 are people that clicked on the link to the project
23 website to find out more.

24 CHMN STAFFORD: Okay.

25 Member Little?

1 MEMBER LITTLE: I just have a clarification
2 about that. I'm not familiar with how all of this works.
3 I know when I go on Facebook when I'm scrolling through
4 looking for -- through all the advertisements and stuff
5 that's on Facebook these days, to look for anything that
6 might interest me from my friends, sometimes I just
7 scroll through something. Is that an impression if it --
8 if it actually shows up on my screen, but I don't stop
9 and look at it?

10 MS. CASTEEL: I would have to ask the woman
11 at my firm that handles that, but I believe that's
12 correct.

13 MEMBER LITTLE: Okay.

14 MS. CASTEEL: So we tried to estimate the
15 kind of interaction with these ads based on the clicks
16 more so than the impressions, but we do present that
17 information here.

18 MEMBER LITTLE: Okay. Thanks.

19 MS. CASTEEL: Thank you.

20 MEMBER HILL: Mr. Chair?

21 CHMN STAFFORD: Yes, Member Hill.

22 MEMBER HILL: You mentioned in section J of
23 the application you got a few comments, some snarky, the
24 reactions are 38, like that's a -- that's a -- I feel
25 like that's a lot. Can you tell us the scope of the

1 emojis related to the reactions? Were there lots of
2 hearts or were there lots of thumbs up or were
3 there -- you know.

4 CHMN STAFFORD: Lots of "meh."

5 MEMBER HILL: Angry ones?

6 MS. CASTEEL: I'm saying this based on
7 memory, I'd have to double-check, but as is typical with
8 the Facebook ads, they're primarily angry face emoticons,
9 but also some thumbs up. I will check on that, though,
10 to make sure.

11 MEMBER HILL: Okay. Thank you.

12 CHMN STAFFORD: There were no "meh" icons?

13 MS. CASTEEL: Not that I remember.

14 CHMN STAFFORD: All right.

15 MS. AIELLO: Thank you. We will follow up
16 on the breadth and scope of the emoticons that we
17 received.

18 MEMBER HILL: For better or for worse, that
19 is what our society ranks things --

20 MS. AIELLO: Of course, yes.

21 MEMBER HILL: -- around, so --

22 MS. AIELLO: Yes.

23 All right. And then we also held an
24 in-person open house on April 22nd, 2026. It was held
25 from 6:00 to 7:00 p.m. at the Surprise Regional Library.

1 We intended for the open house to be an informal open
2 house format, i.e., we didn't give a formal presentation.
3 And that just allows for informal conversations for
4 people to ask questions and learn more about the project.
5 And we had posters that, you know, describe the project
6 timeline. We included visual sims as well, just to give
7 them a general sense of the project.

8 We also had a sign-in sheet and comment
9 forms available for the public. Our open house was
10 attended by two members of the public, and one of those
11 signed in.

12 MEMBER LITTLE: Mr. Chairman?

13 CHMN STAFFORD: Member Little.

14 MEMBER LITTLE: We often see more than one
15 open house, a virtual and two in-persons or two virtuals
16 and an in-person, and I realize that this project is
17 significantly less impactful than some of the others that
18 we have seen. But I'm wondering whether you have an
19 intention -- any intention of doing further public
20 outreach as you get closer to construction and/or your
21 other permitting that you have to go through with the --

22 MS. AIELLO: Yes.

23 MEMBER LITTLE: -- City.

24 MS. AIELLO: Yes, thank you very much,
25 Member Little, for the question. Yes, we do intend to

1 have additional open houses that will follow our City of
2 Surprise permitting.

3 MEMBER LITTLE: Thank you.

4 MS. AIELLO: Uh-huh.

5 In addition to the open house, we also
6 provided public Notice of Hearing, so our application was
7 filed on June 26th of 2026. I won't read the docket
8 number. If I need to for the record, let me know.

9 CHMN STAFFORD: You can just call it Line
10 Siting Case 264.

11 MS. AIELLO: All right. Line Siting Case
12 264.

13 The methods that we used for communicating
14 the open house were similar to what we used -- or,
15 sorry -- to provide Notice of Hearing were similar to
16 what we used for the Notice of Open House. So that
17 included again the mailer that we sent out to that same
18 list of contacts that I described at the beginning of the
19 public outreach section. We also continue to update the
20 project website and social media updates, which I'll
21 address momentarily. We also noticed the hearing in the
22 Arizona Republic on June --

23 CHMN STAFFORD: I think that's a typo. It
24 should be July.

25 MS. AIELLO: Yes, July 8th and 9th of 2026.

1 We have public notice signs posted around the project,
2 and we also noticed the affected jurisdictions via
3 certified mail. The application itself is available for
4 public viewing at the Surprise Public Library, also on
5 the project website, and on Docket Control with the ACC.

6 And then on the right is just confirmation
7 from the library of the application being available for
8 public viewing, and then we also have affidavits and tear
9 sheets from the Arizona Republic posting, again, on
10 July 8th and 9th of 2026.

11 In addition to those notices, we also
12 mailed out mailers specific to the hearing that we're
13 having this week. That was mailed in mid-July against
14 that same list of agency stakeholders, landowners, and
15 tribes. And it included similar information as to what
16 we provided in previous public outreach material,
17 including the project description, as well as hearing
18 details and, of course, our link to the public website
19 for public comment and project map.

20 We have two public notice signs that were
21 installed by Mr. Akin himself on July 14th, 2026, and you
22 can see their locations on the right side. So we have
23 one along 219th, it's intended as, like, the closest more
24 heavily traveled road. So even though it's further away
25 from the project, that would be where most people driving

1 by would be able to view it, and then we also have a
2 public sign posting closer to the project on West Deer
3 Valley Road.

4 CHMN STAFFORD: Looking at slide 165, it
5 looks like something's missing there.

6 MS. CASTEEL: That should be the Notice of
7 Hearing sign, an image of that. It should be in your
8 public involvement summary. I will look up the exact
9 page number for that, but it is also seen in the
10 photographs. It's just a closer-up photo or image of
11 what the sign looks like, but the signs can also be seen
12 in the photographs.

13 CHMN STAFFORD: Okay. So in the summary of
14 the public outreach efforts is Hearing Exhibit 4. And
15 then we're looking at slide 166. That's an actual
16 picture of the actual sign, it looks like you just didn't
17 get the -- the content didn't make it to the slide show
18 for that one.

19 MS. CASTEEL: Yeah, it must not have loaded
20 into the PDF.

21 CHMN STAFFORD: But you certainly did not
22 put up blank signs?

23 MS. CASTEEL: We did not.

24 MS. AIELLO: As noted, we'll also continue
25 to update the website. We have all of the hearing

1 information available on the project website. And also,
2 of course, the CEC application, all the transcripts from
3 our prefiling. We'll also include the hearing
4 transcripts and the agenda.

5 And then similar to the open house, we also
6 advertised the hearing on Facebook as well. So same
7 methodology, selecting the outermost points of the
8 corridor for the notification radius for the Facebook
9 posts, which again, you can see on the right-hand side of
10 the screen, it's very similar to what we provided for the
11 open house, it's just this time advertising the public
12 hearing. And specifically including the public comments
13 this evening at 5:30 p.m. and the location and then it
14 also links to the project website where virtual
15 participation is available.

16 The advertisement for the hearing began on
17 July 27th of 2026 and goes through today, evening of our
18 public comment session. And that, as of time of this
19 presentation being filed, we have over 19,000 Facebook
20 impressions, almost 6,500 unique accounts reached, 237
21 links clicked, 21 reactions, 14 shares and one public
22 comment. Since the presentation there have been some
23 additional public comments, however, none require a
24 response.

25 And with that, I believe that concludes our

1 presentation.

2 CHMN STAFFORD: All right. There's a
3 number of exhibits still to cover.

4 Member Little, you have a question?

5 MEMBER LITTLE: Yes, I have one about the
6 public outreach. So the bottom line is you did not hear
7 much of anything from the public; is that correct?

8 MS. AIELLO: We did not get much public
9 interest on this particular project, that's correct.

10 MEMBER LITTLE: Nobody asked questions,
11 sent you emails, talked to you at the open house --

12 MS. AIELLO: We -- yes.

13 MEMBER LITTLE: -- from those two people?

14 MS. AIELLO: Yes. Jeremy did speak with
15 both of attendees of the public house [sic], and I'll ask
16 him to provide a summary of those conversations. We also
17 in our calls with some of the tribal contacts some of
18 them wanted more information about the project, and so we
19 walked them through those project details. But, yeah, we
20 haven't received much written correspondence from the
21 public on this project.

22 MEMBER LITTLE: Well, that leads me to my
23 second question, which is about the tribe -- tribes. Who
24 did you hear from and what did you hear and what kind of
25 information were they requesting?

1 MS. AIELLO: Yes. So I'm happy to list all
2 of the tribes, if that's of interest, where we did
3 not -- so we made -- at the end of July, we made phone
4 calls to each of the tribal representatives that are on
5 the government-to-government toolkit. And I would have
6 to, I apologize, the -- let me get this information.

7 So several of the representatives that we
8 spoke with were not interested in learning more about the
9 project after our brief conversations. Some provided
10 updates to contacts, and so we will continue to follow up
11 with those updated contacts. And then others were just
12 confirming that they had no interest in the project.
13 Where our phone calls were not answered, we left
14 messages, and also followed up via email in late July.

15 MEMBER LITTLE: I commend you for making
16 the phone calls, as opposed to just sending out the
17 letters.

18 MS. AIELLO: Uh-huh. Yes, we are committed
19 to using all forms of engagement that we have available
20 to us.

21 MEMBER LITTLE: I think those are all the
22 questions I have. Thank you.

23 MS. AIELLO: Thank you.

24 CHMN STAFFORD: Thank you, Member Little.

25 Member Fontes, you have a question?

1 MEMBER FONTES: Yes, sir.

2 I'm wondering do you guys have offtake
3 achieved or line of sight on it that you can describe?

4 MS. AIELLO: I'll defer that question to
5 Jeremy, and I'll also ask him to provide a summary of the
6 open house conversation that he had with the two members
7 of the public while he's speaking.

8 MR. AKIN: And just to confirm, did you ask
9 about a check-in sheet?

10 MR. RICH: The question was about --

11 MEMBER FONTES: I asked about commercial
12 offtake for the -- for the BESS.

13 MR. AKIN: Understood. Yeah, there was a
14 little bit of a lapse in the audio.

15 We do not currently have commercial offtake
16 and we are planning to bid into APS's next all-source
17 solicitation, which is currently expected in early 2027
18 to be released.

19 As far as conversations during the open
20 house, we again spoke with two members of the public. I
21 would characterize those conversations as neutral to
22 supportive. We answered a variety of questions regarding
23 the project's technology, physical characteristics,
24 location, and just answered some other various questions
25 from folks in attendance.

1 MEMBER FONTES: Follow-up, are you
2 anticipating that this would be operated under a tolling
3 agreement or an energy arbitrage or an energy service?
4 How will the BESS be operated? And the background on
5 that is we have to opine on the systems reliability of
6 the gen-tie, so we kind of need to know how you envision
7 that -- the energy storage being operated.

8 Do you have a view on that?

9 MR. AKIN: I think that would be an item
10 that we can circle back on.

11 MEMBER FONTES: Okay. Next question, with
12 respect to the interface with the City and/or this
13 project, we often look at the environmental impacts in
14 terms of the lifecycle of the asset. Do you have and can
15 you come back with how do you plan to look at
16 decommissioning of the gen-tie?

17 MR. AKIN: Yes. We will have to or we
18 expect to submit a decommissioning plan as part of our
19 City of Surprise permit. And so that will underpin our
20 general approach for decommissioning the project and the
21 related battery energy storage system. At this time we
22 don't have further granularity.

23 MEMBER FONTES: When you present it to the
24 City, will you have that, for the record?

25 MR. AKIN: We expect to.

1 MEMBER FONTES: Thank you. I don't have
2 any more questions at this time, but I'd appreciate if
3 you follow up on that, just so we can be informed and
4 then have our electric engineer know how that's
5 operationally going to work with respect to that gen-tie.

6 MR. AKIN: Absolutely.

7 CHMN STAFFORD: All right. And then also
8 with the gen-tie won't your right-of-way with the State
9 Land Department require some sort of retirement or
10 miti- -- restoration plan as part of that?

11 MR. AKIN: I do expect we'll have, as part
12 of our final agreement, restoration requirements and
13 obligations, and we do have to decommission the facility
14 by the time our right-of-way agreement expires with the
15 State.

16 CHMN STAFFORD: Right. But I'm assuming
17 like most -- like, you can keep extending that upon
18 agreement of both parties, correct?

19 MR. AKIN: Yes.

20 CHMN STAFFORD: All right. And then I
21 guess that's kind of a segue to -- you haven't addressed
22 Hearing Exhibit 9, the Commission Staff letter, which
23 witness is planning to speak to that?

24 MEMBER MERCER: Mr. Chairman?

25 CHMN STAFFORD: Yes, Member Mercer.

1 MEMBER MERCER: Before we move on, may I
2 ask a few questions?

3 CHMN STAFFORD: Certainly.

4 MEMBER MERCER: Mr. Akin, I understand that
5 the BESS system is out of our jurisdiction, but it's
6 still -- the questions that I have, they tie into the
7 gen-tie and the environment. So you mentioned that
8 Intelligent Fire Detection System, what do those systems
9 detect, you said smoke, heat, off-gassing, temperature
10 changes, or a combination?

11 MR. AKIN: I can speak to that in some
12 detail here. We would certainly expect the ability to
13 monitor temperature of the equipment, as well as state of
14 charge of the equipment and other characteristics like
15 that. And so we can use those datapoints to understand
16 the health of the battery at any given time. Maybe we
17 can circle back with a little bit more detail on that
18 front.

19 MEMBER MERCER: Okay. And --

20 MEMBER FONTES: Mr. --

21 CHMN STAFFORD: Member Fontes?

22 MEMBER FONTES: I was just going to follow
23 up on Member Mercer's question. Do you also include
24 lightning protection? Last night's storm in the area
25 recalls me that the Western Area Power Administration

1 test tack [phonetic] facility had a substation completely
2 burn down, and due to the high incidence of strikes in
3 this area, I'd be keen to get that information from
4 fellow members in particular, in light of Member Mercer's
5 question. So grounding and lightning protection as well.

6 CHMN STAFFORD: Thank you.

7 Member Mercer, you had additional
8 questions?

9 MEMBER MERCER: Yes.

10 So how early can the system detect a
11 developing thermal runaway event? That's another
12 question that I have.

13 MR. AKIN: I don't know the exact timing
14 parameters of how quickly, and so we can talk to our
15 engineering team and get an estimate for you.

16 MEMBER MERCER: Yeah, I'm just trying to
17 understand what this "Intelligent" system means. And
18 also in that same line, the battery chemistry for the
19 800-megawatt-hour system, is it lithium iron phosphate,
20 LFP, or another lithium iron chemistry?

21 MR. AKIN: We are currently contemplating
22 lithium iron phosphate.

23 MEMBER MERCER: Okay. And you also talked
24 about the NFPA safety standards, what specific standards
25 apply to this facility?

1 MS. AIELLO: I can answer that question.
2 It's NFPA 855 Standard.

3 MEMBER MERCER: And a couple of other
4 questions. Has the local fire authority reviewed the
5 proposed fire protection design for the 800-megawatt-hour
6 facility?

7 MS. AIELLO: That will be addressed as part
8 of the City of Surprise permitting process. We attempted
9 outreach to them and their -- their response at the time
10 was to wait until we had our formal permit application
11 filed. So we will, of course, conduct review and I
12 believe we are also required to submit a hazard
13 mitigation analysis to the local fire authorities, as
14 well as an emergency response plan as part of the
15 permitting with the City.

16 MEMBER MERCER: And I guess my final
17 question is cooling systems. What cooling technologies
18 will you be using?

19 MR. AKIN: I think we can follow up on that
20 one to give you the best specifics possible, the
21 batteries will have onboard effectively HVAC systems, but
22 give you more specificity here.

23 MEMBER MERCER: Okay. Thank you.

24 CHMN STAFFORD: And then the responding
25 fire agency would be, what, the Surprise Fire Department?

1 MS. AIELLO: That's our current
2 understanding, yes. But we'll continue to work with all
3 of the authorities having jurisdiction on that as we
4 proceed towards construction.

5 CHMN STAFFORD: Thank you.

6 Member Fant?

7 MEMBER FANT: Thank you, Mr. Chair.

8 Question about battery storage systems.
9 Data centers, let's say you have a four-facility data
10 center, by the time you construct the fourth center, the
11 internal workings of the fourth center, because evolution
12 of data centers will be radically different from the data
13 center design of the first data center, is that true in
14 battery storage systems too or are they a little more
15 consistent? Do they evolve?

16 MR. AKIN: Certainly the classic example
17 here would be the evolution from nickel manganese cobalt
18 to LFP, and that's been a pretty major leap for the
19 industry in terms of reliability, and lower cost and
20 safety. And so we've seen that advancement through the
21 course of my career. Now almost all utility-scope
22 batteries being installed are LFP.

23 And so is it possible that we could see
24 further technological advancements? Certainly. I think
25 by the time this battery is hopefully operational by the

1 end of 2030, likely we would still plan to install, you
2 know, what we're contemplating in today's discussion.

3 MEMBER FANT: So I assume these things can
4 be picked up by a truck; if you wanted to change one out,
5 you could just pick up the unit and deploy a new unit?

6 MR. AKIN: Yes.

7 MEMBER FANT: All right. And then the
8 final question that I have, and this comes from high
9 school chemistry, do you arrange these in series or
10 parallel? I think you arrange in parallel, right, for
11 the maximum --

12 MR. AKIN: We'll get back to you.

13 MEMBER FANT: Okay.

14 CHMN STAFFORD: Member Little?

15 MEMBER LITTLE: Thank you, Mr. Chairman.

16 Since we have been talking about the
17 permitting with the City of Surprise, I'm wondering if
18 you have some idea of what the timeline is for that. I
19 have heard rumblings that it's kind of -- that the City
20 of Surprise is a little difficult to deal with when it
21 comes to BESS permitting.

22 MS. AIELLO: I'll let Court address that,
23 but also happy to speak to it.

24 BY MR. RICH:

25 Q. Yeah, I can -- I guess I won't testify, but I

1 can phrase this as a question for you to confirm, but the
2 City of -- is it accurate to say that the City of
3 Surprise has been working on updating their zoning
4 ordinance to address battery energy storage, they've been
5 doing that over a long period of time, but your project
6 complies with all of the provisions of the updated
7 ordinance that -- is that correct?

8 A. (MS. AIELLO) Yes, that's correct.

9 MR. RICH: Leading question, I'm sorry.

10 MEMBER FANT: Cross-examination question.

11 BY MR. RICH:

12 Q. And then the City did just adopt -- the Planning
13 Commission voted on a version of that zoning ordinance
14 in -- just in the last week, correct?

15 A. (MS. AIELLO) That's correct.

16 Q. Okay. And so we're expecting that the zoning
17 ordinance is fully adopted within 30 days or so by the
18 City Council?

19 A. (MS. AIELLO) My understanding is that it is on
20 the City Council agenda for September 1st.

21 Q. And, again, your project complies, as planned,
22 complies with all of the provisions of that Code?

23 A. (MS. AIELLO) Correct. Based on the draft
24 ordinance that we have available to us for review.

25 MR. RICH: Hopefully that clarifies that

1 issue.

2 MEMBER LITTLE: It does. Thank you.

3 MR. RICH: So, Mr. Chairman, you asked
4 about, and rightly so, what we've marked as Exhibit 9,
5 and that is the letter that is from the Corporation
6 Commission Staff. I don't know if our team can get that
7 up there. Great. They read my mind. If we just go, and
8 maybe we can go to the very bottom of page 2 where it
9 says, there, that's all we need, "Conclusions and
10 recommendations," the Corporation Commission Staff
11 reviewed this project, issued discovery to the applicant,
12 reviewed what they provided them, and you can read the
13 pertinent part of the conclusion there, which is -- I'll
14 just read that out loud -- "Based on Staff's review of
15 the application and the applicant's responses to a
16 Staff-issued data request, as well as an SIS and FAS
17 provided, Staff believes the proposed project could
18 improve the reliability and safety of the grid, and the
19 delivery of the power in Arizona." That's the end of the
20 quote.

21 That's filed in the docket. We had -- we
22 had listed this as an exhibit in case there were
23 questions about it and you all wanted to look at that or
24 ask about it, just so we'd have it ready. And I think
25 that addresses some of the questions about the

1 interaction of the project with the grid, but I'm happy
2 to have the witnesses answer questions about that, if you
3 need.

4 CHMN STAFFORD: I'm looking at you, Member
5 Little.

6 MEMBER LITTLE: Thank you, Mr. Chairman.

7 I was pleased that we had the detail that
8 was provided by Staff, based on the detail of the
9 information that was provided by the applicant. It seems
10 very consistent with other -- the information that we
11 have heard about the studies as they are required to be
12 done now under the new FERC regulations. And I, believe
13 it or not, have no questions about it. Thank you.

14 CHMN STAFFORD: Thank you.

15 Member Fant?

16 MEMBER FANT: Any issues raised by Arizona
17 Public Service and their interconnection analyses? Any
18 major issues, not minor issues.

19 MR. AKIN: No. No, we expect this to be a
20 straightforward, economically competitive interconnection
21 at Trilby Wash.

22 MEMBER FANT: Okay. Thank you.

23 CHMN STAFFORD: I think this is the first
24 stand-alone BESS that we've seen a transmission line for.
25 We don't have jurisdiction over the BESS itself, but I'm

1 curious as to how it's going to be operated. Typically a
2 BESS is going to be charged by an adjacent solar field,
3 typically. I'm interested to hear what the -- I'm
4 assuming you're going to charge the BESS when power
5 prices are low and then discharge it during the peak when
6 scarcity of power and prices go up.

7 Are you just going to grid charge it? Do
8 you have something else in mind for that? Is there any
9 more you can share about how the system will be operated?

10 MR. AKIN: Absolutely.

11 This will all be taking power to -- it will
12 be taking power from the grid and putting power back onto
13 the grid. We will not have any form of on-site
14 generation outside of the battery energy storage system,
15 which when it's discharging acts like a generator. And
16 it can discharge for up to four hours back onto the
17 high-voltage power system. It's interesting to look at
18 how you then connect that to given generators, and
19 effectively, when we charge, we'll be pulling from the
20 overall energy mix that's on APS's system at the given
21 time that we're charging from the grid.

22 So we could be charging from 10, 20, 30,
23 maybe a lot more generators at any given time. Certainly
24 when we charge, as you indicated, a lot of those are
25 likely to be solar. Because middle of the day, there's

1 effectively no fuel cost for solar power, so that is when
2 you typically have an abundance of excess energy and
3 energy is very cheap.

4 And so we can, again, move that to higher
5 cost hours in the evening, and help provide a, frankly, a
6 more diverse energy mix for Arizona customers.

7 CHMN STAFFORD: And then I guess follow-up
8 to that, if, say, APS is taking energy through the EIM,
9 the Energy Imbalance Market, and they're getting free or
10 negatively priced energy, that -- they can move that to
11 store on this BESS, correct?

12 MR. AKIN: I believe so.

13 CHMN STAFFORD: Okay. And so how does that
14 work? Does APS decide what power to put into the BESS,
15 assuming, I guess, you have to -- assuming you bid into
16 their RFP and get the award, would that -- would they
17 determine when the BESS is charged or would that be up to
18 you to go ahead and snatch up the cheapest electrons and
19 store them and then discharge them when APS wants them?

20 MR. AKIN: Yeah, assuming that we do
21 contract via toll, APS would fully dictate when and how
22 the battery's operated.

23 CHMN STAFFORD: Okay. And that's probably
24 the first and best alternative, then.

25 MR. AKIN: I think, as things stand now,

1 that would probably be the most straightforward way to
2 contractualize the asset.

3 CHMN STAFFORD: But I guess theoretically
4 the BESS could be operated by some independent third
5 party to arbitrage power in the market?

6 MR. AKIN: Likely, but it would be more
7 difficult in this market. Of course, Arizona is a
8 regulated utility market, so there are more roadblocks
9 than, say, Texas to operating a battery in that capacity.

10 CHMN STAFFORD: Thank you.

11 Member Little?

12 MEMBER LITTLE: You asked and had answered
13 one of my questions, Mr. Chairman. Thank you.

14 The other one has to do with
15 interconnection options. That option A, B, and C. We've
16 not seen this before, to my knowledge. We generally see
17 a corridor that pretty much encircles a substation that a
18 project is -- intends to connect to. And with the
19 understanding that the owner of the substation will say,
20 "You need to come in this direction and connect with this
21 bus."

22 I'm curious as to why the applicant went
23 with the three options, as opposed to what we're
24 generally seeing, which is just a wide corridor that
25 would enable you to come in from any one of those three

1 directions?

2 MR. RICH: Member Little, if I could, just
3 briefly, Mr. Chairman. I think you're absolutely right,
4 this is essentially accomplishing the same goal. And
5 that's why, you know, we're hoping the committee would
6 see fit to approve that approach, which, you're right,
7 you're familiar with and done in a different way. But I
8 don't know that there's any reason, necessarily, why this
9 approach versus that approach, but I think it's the same
10 result.

11 MEMBER LITTLE: And, to confirm, it will be
12 the substation owner that dictates which of those options
13 is chosen in the end; is that correct?

14 MR. AKIN: Yes. I think that's a fair
15 characterization.

16 MEMBER LITTLE: Thank you.

17 CHMN STAFFORD: Member DiCiccio?

18 MEMBER DiCICCIO: Just want to make sure I
19 understood this correctly, and I'm fascinated by it more
20 than anything. So what I'm hearing is that you take the
21 same power off the grid, you store it, and then you sell
22 it back to the same grid for a higher rate because of,
23 you know, depending on the time of day and depending on
24 what the cost is; am I correct on that?

25 CHMN STAFFORD: Yeah, the way I see it is

1 storage operates almost like transmission through time
2 instead of across space, like the lines do.

3 MEMBER DiCICCIO: Well, I guess I don't
4 understand that. But am I correct in that analysis?

5 MR. AKIN: So I think fundamentally the
6 transmission through time is an excellent analogy. We're
7 bringing power from the middle of the day when there's
8 too much power from solar to actually use, and we're
9 bringing that power to later in the day when people can
10 actually use it, fundamentally. So instead of moving
11 power over distance, we're moving power through time.

12 MEMBER DiCICCIO: Well, that's kind of
13 Einstein-ish, but you're using the same power from that
14 grid, you're not creating any power, you're just
15 basically taking the power from that grid?

16 MR. AKIN: Yes.

17 MEMBER DiCICCIO: And then, talking on
18 behalf of what a ratepayer might think about on this,
19 then the ratepayers end up having to pay that arbitrage
20 or that difference. I'm just fascinated by it. I think
21 it's kind of genius on your end. I think there might be
22 a better way to do it that would be a lot more efficient
23 for taxpayers and ratepayers long term. But I'm just --
24 I'm fascinated by it. I think that's brilliant on your
25 end, quite frankly.

1 And then, on the other end of it, thinking
2 why didn't APS create their own way of storing their own?
3 I guess that's what they're doing contracting through
4 you, creating their own model. But then you have
5 multiple hands in it at that time too.

6 So either way I'm -- I think you've done a
7 really good job presenting this. You know, right off the
8 bat I can tell you I'm good with this project. I'm just
9 fascinated by the model that was created here that I
10 heard today. And wonder if there's just a better way for
11 ratepayers to be able to get the same thing at a, you
12 know, not at an inflated cost. And I get the storage, I
13 get all that. I understand it.

14 All right. Well, thank you. Just
15 fascinated by it. Thank you.

16 CHMN STAFFORD: I think this is actually
17 probably could be a really good deal for ratepayers
18 because if APS built the same project, the entire capital
19 cost of the battery would go into rate base and they'd
20 earn a return on it. Whereas with this, it's just going
21 to come down to the power cost. And so if it's operated
22 as a tolling agreement, which I hear what the intent is,
23 that means APS will decide when it has low-cost power to
24 put in there, and then they would pay for the
25 transmission through time under the contract with the

1 applicant, and then discharge that at a time that would
2 beat market prices.

3 So it would beat the cost of whatever their
4 next expensive price of power would be. Or -- because
5 they're not going to -- it's probably not going to be at
6 the very top of the peak, but if it was, for example,
7 they had some kind of problem and they had to go to
8 market, those peak prices could be thousands of dollars a
9 megawatt hour. And so depending on how they structured
10 the agreement with the battery company, the applicant
11 here, I'm sure APS is savvy enough to make sure this
12 makes economic sense for them.

13 So they can take the power that's basically
14 free that is going to go to waste, and then use it in the
15 evening when it's -- when the sun goes down and they need
16 that, and so they can use this instead of firing up gas,
17 which has -- and these things can pop up -- batteries can
18 respond very quickly. It also could be used for, you
19 know, voltage control and other things like that -- what
20 they call ancillary services?

21 MR. AKIN: Yes.

22 CHMN STAFFORD: Yeah, to pick up slack in
23 the system and improve reliability. So I think it's
24 probably good to have APS look at other people to build
25 it, so that way it doesn't go into rate base, and it's

1 just -- they don't earn a return on it. That piece is
2 eliminated. And then applicant, the developer, bears all
3 the risk.

4 MEMBER DiCICCI0: Would they not -- oh,
5 sorry.

6 CHMN STAFFORD: Go ahead.

7 MEMBER DiCICCI0: Would they not be able to
8 get back their, what is it, their 10 percent return on
9 capital or whatever percentage that they get, would that
10 not be considered to be part of that? I don't know. I
11 don't know how they do that.

12 CHMN STAFFORD: Well, the utility will not.
13 I mean, the price the applicant's going to earn during
14 its investment through its prices to the utility because
15 it's providing a service. It's transporting -- it's like
16 if APS wants to wield power from a generator across SRP's
17 system, it has to pay them a rate to use the transmission
18 line under the open -- what's it -- oh, it's the Open
19 Access Transmission Tariff. They have to pay whatever
20 that rate is to move the power across their system.

21 So this one instead of transmission system,
22 it's a battery storage system. So they're going to pay
23 for that capacity to get that power across time to when
24 they want it when it provides them the most value.

25 MEMBER DiCICCI0: May I ask one question

1 and then I'm done. I think this is a fairly
2 noncomplicated case. I think you've done a really good
3 job so far in doing your presentation. What is the total
4 cost of all of this, all in? You can give me an
5 approximate number.

6 MR. AKIN: Yeah, I would say approximately,
7 and this sounds like a pretty wide range, but I'd say
8 approximately between, certainly more than 300 million
9 CapEx for the battery and the gen-tie. And probably less
10 than half a million or half a billion CapEx. So probably
11 somewhere kind of in that.

12 MEMBER DiCICCIO: That includes the
13 transmission, battery, everything?

14 MR. AKIN: Yes. Fully bundled.

15 MEMBER DiCICCIO: All right. Thank you for
16 that.

17 MR. RICH: And, Mr. Chairman, if I could,
18 just to add onto that last conservation, just for what
19 it's worth, Member DiCiccio, but just remember that to
20 get selected by the utility, they'll be competing against
21 others in a RFP, and so if this project's selected, it
22 will mean that it was giving the ratepayers a better deal
23 than the alternative, which may have been a new gas plant
24 that only delivers at certain times of the day or a solar
25 facility, or whatever it is, in order for these projects

1 to move forward, the utility has determined that this is
2 the best deal for the ratepayers, so --

3 MEMBER DiCICCIO: Like I said, I was just
4 fascinated by the creativity of getting this done. Just
5 impressed by it, quite frankly.

6 MR. AKIN: And another just piece that I'd
7 add on the record, batteries like this can help displace
8 really expensive backup generators like single-cycle
9 natural gas plants and other diesel gen sets that frankly
10 are just very expensive to operate. And so, from an
11 economic perspective, that alone can it be quite
12 compelling for the utility.

13 MEMBER DiCICCIO: Thank you.

14 CHMN STAFFORD: Member Fant?

15 MEMBER FANT: Thank you, Mr. Chair.

16 The state of Arizona has an unusual
17 electrical system because it has a really steep load
18 curve, so the power and usage increases and decreases a
19 lot, and with all the data centers we have, it makes the
20 intermediate load kind of jitter like a car with a bad
21 clutch. So this is like a mini hydro dam, but it's
22 sitting right in the Valley, and it can cover those sort
23 of peaky moments where it would be very expensive to just
24 have a single-cycle generator sitting there for 360 days
25 and not work and then work only for five days. So think

1 of it as a mini hydro dam is how it functions. It can be
2 flipped on and off --

3 MEMBER DiCICCIO: Creation of equalization.

4 MEMBER FANT: -- when you need it, yes.

5 CHMN STAFFORD: Member Fontes?

6 MEMBER FONTES: Thank you, Mr. Chairman.

7 I'd like to return to less speculative
8 conversation, with respect, because the applicant does
9 not have a tolling agreement, and it still may be an
10 energy arbitrage.

11 One question related to that is, can the
12 applicant characterize what the ranges are of the per
13 mile CapEx for the gen-tie? And what is the distance
14 from the gen-tie point of interconnection on the APS
15 system to that of the BESS?

16 CHMN STAFFORD: Well, looking at the
17 application, they said the preliminary estimate for the
18 project was \$2 and a half million, and that's just the
19 gen-tie line, I'm assuming. I'm looking at the applicant
20 for confirmation.

21 MR. AKIN: Yes.

22 CHMN STAFFORD: Okay. And then the blanket
23 that would be up to 2 miles, that's assuming that you do
24 the red route or the yellow route, I guess, those are
25 about approximately the same?

1 MS. CASTEEL: Yes. So I believe the direct
2 route is closer to 1.4, but because it may go up on,
3 like, northward on the west side, still potential to do
4 that because of the corridor and maybe further eastward
5 on the east side. So it's a max of 2 miles, but as it's
6 shown and proposed, closer to 1.4.

7 CHMN STAFFORD: Okay.

8 MEMBER FONTES: So how is that calculated
9 to a per mile CapEx for your engineering cost studies?

10 CHMN STAFFORD: It looks like they're doing
11 math in their head. They're not ignoring you, Member
12 Fontes.

13 MEMBER FONTES: No, I appreciate that.
14 What I'm trying to get at is, is this project even
15 competitive because most of the projects that I know of
16 record in the last three years, and I've been on the
17 bidding side for APS, have been at the fence line or
18 within feet of the BESS when they're stand-alone.

19 So as we look at this project, and we have
20 to go back to the Staff's letter on systems reliability,
21 is this project really competitive for a tolling
22 agreement or does it also got to be looked at for energy
23 arbitrage? Because, as you noted, Mr. Chairman, those do
24 operate differently. And if you have to look at those
25 operational differences, you should probably factor those

1 into how we look at it for the CEC.

2 MR. RICH: Member Fontes, I think at the
3 next break we'll have to look at -- look at that CapEx
4 question. From the CEC standpoint, with regard to the
5 transmission line, if you have specifics about how you
6 think it might impact or questions about how it might
7 impact the environmental compatibility as a result of how
8 it's operated, let us know and we can look at that as
9 well.

10 MEMBER FONTES: Court, what I'm looking at
11 is the systems reliability, because if you have an
12 owner-operated asset on an energy arbitrage, they're
13 going to do the NERC and the CIP compliance or on an
14 energy-type application, that's a lot different than if
15 you are doing a toll and APS is performing all the NERC
16 and CIP requirements, in terms of how we look at that
17 systems reliability viewpoint for the CEC.

18 And I'll defer to Member Little, but there
19 is some nuance there, and I just want to make sure we
20 understand what is the base case from the applicant? Are
21 they really competitive, rather than a Pollyannic, this
22 is a neat project look, so we can inform the public.

23 MR. RICH: I appreciate the further
24 explanation there and understand your question better.
25 I'll certainly -- at a break, we'll talk with the

1 applicant and be better able to answer that.

2 My understanding is that I don't know that
3 any stand-alone storage project in Arizona is operating
4 as a -- as an on-its-own energy arbitrage project. I
5 think they're all contracting through utilities. I'm not
6 aware that that's even a business model. You may be
7 aware of that; I'm not.

8 MEMBER FONTES: So on the APS contracts,
9 it's either a tolling or an energy, where the applicant
10 actually performs those services operationally. And I
11 just want to make sure that we know that this applicant
12 has reference projects that they are looking at -- or are
13 they really going to go for a tolling agreement, which I
14 think is probably the most likely case. So just trying
15 to suss that out a little bit more, Court.

16 MR. RICH: Got it. Thank you for the
17 additional explanation. And I think the testimony from
18 the witness earlier was that the energy arbi- -- or I'm
19 sorry, the tolling agreement is their intention, and he's
20 nodding his head -- is their intention and what their
21 expectation is as they move forward.

22 MEMBER FONTES: Yeah, because the previous
23 conversation by my fellow member was kind of diluting
24 that. I just wanted to bring that out a little more,
25 because we've got to bring it back to the systems

1 reliability, the neck [sic] and the -- the NERC
2 standards.

3 MEMBER DRAGO: Mr Chairman?

4 CHMN STAFFORD: Yes, Member Drago.

5 MEMBER FONTES: Thank you.

6 MR. RICH: Thank you.

7 MEMBER DRAGO: I was just thinking about it
8 from an environmental standpoint. Has -- have you had
9 discussions with APS whether or not there's a driver here
10 from a building their renewable portfolio? Because they
11 have requirements, and I'm not sure what that is, but
12 that's probably an incentive too.

13 MR. AKIN: We have not to date had specific
14 direct discussions with APS regarding this specific
15 project.

16 MEMBER LITTLE: Mr. Chairman?

17 CHMN STAFFORD: Yes, Member Little.

18 MEMBER LITTLE: I would think, in line with
19 the conversation that has been going on here, I would
20 think that in responding to it an APS RFP, they would be
21 needing the tolling agreement. That's what they would be
22 wanting in their RFP. If they were purchasing power from
23 a stand-alone operator, that would be a Purchase Power
24 Agreement, I would think. Just my thought. And
25 that's -- they would be two entirely different approaches

1 to the utility.

2 MR. RICH: Mr. Chairman, if I could, just
3 to try to clarify and -- maybe clarify this issue a
4 little bit further.

5 Q. Mr. Akin, you, just for the clarity of the
6 record, can you confirm your intent is to pursue a
7 tolling agreement with APS through the RFP process?

8 A. (MR. AKIN) Yes. Our base case expectation is
9 that we pursue a tolling agreement.

10 MR. RICH: Just wanted to make that clear.
11 Thank you.

12 CHMN STAFFORD: And then a few more
13 exhibits to cover. You had -- what about Hearing Exhibit
14 6, the revised visual simulations, were those already
15 included in the slide presentation or are they something
16 additional?

17 MS. CASTEEL: Yes. Those were presented in
18 the slide show and the virtual tour, and are just
19 included in the exhibit list so that you have a hard copy
20 of those as well, but same as the ones that were
21 presented today.

22 CHMN STAFFORD: Okay. So they were revised
23 from what was in the application, but they were what was
24 shown in Hearing Exhibit 7 and the virtual tour?

25 MS. CASTEEL: That is correct.

1 CHMN STAFFORD: Okay. Thank you. All
2 right. And then Hearing Exhibit 2 is the witness
3 summaries. We always have those as exhibits, I'm
4 wondering if they're even necessary to have as an exhibit
5 because it's just kind of a warm-up so we know what's
6 going to happen at the hearing before we start the
7 hearing. But once the hearing happens and they testify
8 consistent with that, it seems, I guess, it would only be
9 relevant if you had another party and you said, oh,
10 they're trying to testify outside the scope of what they
11 said they were going to testify to, but that's -- I've
12 yet to see that happen. I guess we can take note that
13 they did testify consistent with their witness summaries.

14 And then it brings us to 3, which is
15 proposed CEC, which we will talk about soon enough, but
16 before we get to that, let's talk about Hearing
17 Exhibit 5, the proposed tour.

18 MR. RICH: Mr. Chairman, Committee Members,
19 would you like us to go through the itinerary or do you
20 have an inkling right now or do you just want to discuss
21 amongst yourselves if you want to hear about what the
22 tour would look like if you want to go. You tell us, and
23 we can follow your lead.

24 CHMN STAFFORD: Well, it's got -- it's
25 about a three-hour tour, isn't it, with potentially three

1 stops?

2 MR. RICH: That's correct.

3 MEMBER HILL: Mr. Chair?

4 CHMN STAFFORD: Yes, Member Hill.

5 MEMBER HILL: As the person who always
6 requests a tour, almost always, I feel like this project
7 is straightforward enough. I'm already familiar with the
8 geography of this area. I don't feel like I need to go
9 on a tour.

10 CHMN STAFFORD: Nor do I. So hearing any
11 interest from any other members? I'm seeing a lot of
12 shaking heads. No.

13 All right. There will be no tour.

14 MR. RICH: Thank you.

15 MEMBER FANT: That's a rock group from the
16 '80s.

17 CHMN STAFFORD: Beg your pardon?

18 MEMBER FANT: That's a rock group from the
19 '80s, "Shaking Heads."

20 CHMN STAFFORD: All right. Is there any
21 other questions from members?

22 MEMBER FONTES: Mr. Chairman, it's Member
23 Fontes here. I apologize because I missed the first part
24 of this. Did the applicant cover what type of conductor
25 was going to be used on this gen-tie, given that it's a

1 stand-alone energy storage?

2 CHMN STAFFORD: I'm looking to the
3 witnesses.

4 MR. RICH: Give us one minute.

5 MS. AIELLO: I -- yeah.

6 No, I do not believe we included
7 information on that, but we can provide that in
8 follow-up.

9 MEMBER FONTES: And I'll ask the question
10 that Member Little usually asks, do you have a one-line
11 diagram for this?

12 MEMBER LITTLE: Thank you, Member Fontes.

13 MS. AIELLO: Not to my knowledge.

14 Jeremy, do you know if we have one?

15 MR. AKIN: I can go back and look and see
16 if we have one available to share.

17 MEMBER LITTLE: I'm not too concerned about
18 this one, the one-line diagram. It's pretty
19 straightforward.

20 Mr. Chairman, I do have one other question.

21 CHMN STAFFORD: Please.

22 MEMBER LITTLE: Since Member Comstock is
23 not here, I'm going to ask about the gas line. Do we
24 have an indication of where the gas line is on one of
25 these maps? How close it is to the transmission lines?

1 CHMN STAFFORD: Or is there a gas line?

2 MS. AIELLO: Yes, I don't believe we have
3 it on the maps, but to my knowledge, it's towards
4 the -- towards West Deer Valley Road, but we can prepare
5 a map and provide that in follow-up.

6 MEMBER LITTLE: I think -- I think that
7 would be good, because the gas line is referenced several
8 places in the application, so --

9 MS. AIELLO: Yeah, yes.

10 MEMBER LITTLE: -- that would be great.
11 Thank you.

12 MS. AIELLO: Uh-huh.

13 CHMN STAFFORD: Member Fant?

14 MEMBER FANT: Thank you, Mr. Chair.

15 How do the regional transmission
16 organizations categorize a stand-alone battery storage
17 system? Is it considered to be a generator, part of the
18 transmission system? I mean, how do they categorize in
19 terms of the studies that, say, a WestConnect does or a
20 WestConnect subgroup?

21 MEMBER LITTLE: Mr. Chairman?

22 CHMN STAFFORD: Yes, Member Little.

23 MEMBER LITTLE: It's modeled as both a load
24 and a generator, if you will, a power supplier, and so
25 it's -- it would have to be modeled as a load during

1 certain hours and as a generator during other hours.

2 MEMBER FONTES: Mr. Chairman?

3 CHMN STAFFORD: One second, Member -- wait,
4 one second, Member Fontes.

5 Were you finished, Member Little?

6 MEMBER LITTLE: Yes. Thank you.

7 CHMN STAFFORD: All right. Member Fontes.

8 MEMBER FONTES: I have heard it
9 characterized as neither fish nor fowl, neither
10 transmission nor storage, or generation, by those working
11 in a tongue-in-cheek manner.

12 MEMBER LITTLE: Neither fish nor fowl, huh?
13 I think it is both fish and fowl.

14 CHMN STAFFORD: All right. Any other
15 additional questions from members?

16 (No response.)

17 CHMN STAFFORD: Well, you are way ahead of
18 schedule, Mr. Rich.

19 MR. RICH: We are, indeed.

20 CHMN STAFFORD: I think you have some
21 homework to do, some follow-up stuff to get to, and then
22 we have public comment this evening. I'm looking
23 that -- I think we'll end up taking a break early today
24 and then coming back for public comment, and then in the
25 morning you can bat cleanup and finish answering any

1 questions that are still unanswered and then give your
2 closing and then we will begin deliberations on the
3 certificate. I see Ms. Casteel has one of these answers
4 for us already.

5 MS. CASTEEL: I have some more information
6 on the Facebook emoticons. So for the first posting,
7 which was ahead of the open house, there were 23 thumbs
8 up, 11 angry faces, 2 laughing faces, 1 heart, and 1 sad
9 face. In the most recent posting leading up to this
10 hearing, we had 23 thumbs up and 2 angry faces.

11 MEMBER HILL: The thumbs up have it.

12 CHMN STAFFORD: Member Fant?

13 MEMBER FANT: Thank you, Mr. Chairman.

14 That's actually pretty good because there
15 was a lot of reverberations off Line Siting Case 253
16 called Taconic with Surprise. So they actually gave you
17 pretty good ratings, I thought.

18 MS. CASTEEL: Yeah.

19 CHMN STAFFORD: Member Little, you had
20 another question?

21 MEMBER LITTLE: No, sorry. I didn't put my
22 hand down.

23 CHMN STAFFORD: Okay. All right. Any
24 other questions from members?

25 (No response.)

1 CHMN STAFFORD: All right. With that, we
2 will recess until 5:30, at which time we'll come back for
3 public comment. We will stay here until at least 6:00 to
4 allow the public the opportunity to comment, but it seems
5 that we will be sitting and waiting most of that time,
6 based -- if the testimony at this point is any
7 indication, so --

8 Anything further before we recess?

9 MR. RICH: Nothing right now, your Honor --

10 CHMN STAFFORD: Thank you.

11 MR. RICH: Your Honor -- Mr. Chairman,
12 sorry. You're worthy of it.

13 CHMN STAFFORD: Thank you. Thank you.

14 With that, we are in recess.

15 MR. RICH: Thank you. Thank you, all.

16 (Recessed from 3:59 p.m. until 5:30 p.m.)

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

19 Now's the time set for public comment for
20 Line Siting Case 264. There are no members of the public
21 in the room to make comment.

22 Do we have any online or on the phone?

23 AV TECHNICIAN: There are none online,
24 Mr. Chairman.

25 CHMN STAFFORD: All right. Well, we will

1 wait here until 6:00 to allow the public -- the
2 opportunity for the public to comment, but in the
3 meantime, we'll go off the record.

4 (Recessed from 5:30 p.m. until 6:00 p.m.)

5 CHMN STAFFORD: Let's go back on the
6 record. It is now 6:00. And no one from the public has
7 shown up to make public comment or called in. With that,
8 we will recess until 9:00 a.m. tomorrow morning.

9 (The hearing recessed at 6:00 p.m.)

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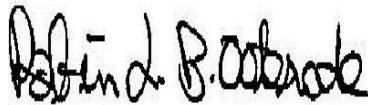
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2 COUNTY OF MARICOPA)

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11 (J)(1)(g)(1) and (2). Dated at Phoenix, Arizona, this
12 13th day of August, 2026.

13 

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16 CA CSR No. 7750
AZ CR No. 50695

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