

BEFORE THE THE OHIO POWER SITING BOARD

- - -

In the Matter of the :  
Application of Clean :  
Energy Future-Oregon, LLC :  
for a Certificate of :  
Environmental :  
Compatibility and Public : Case No. 17-530-EL-BGN  
Need for an Electric :  
Generating Facility in the:  
City of Oregon, Lucas :  
County, Ohio. :

- - -

PROCEEDINGS

before Nicholas Walstra, Administrative Law Judge, at  
the The Ohio Power Siting Board, 180 East Broad  
Street, Room C, Columbus, Ohio, called at 10:00 a.m.  
on Thursday, September 28, 2017.

- - -

ARMSTRONG & OKEY, INC.  
222 East Town Street, Second Floor  
Columbus, Ohio 43215-5201  
(614) 224-9481 - (800) 223-9481

- - -

APPEARANCES:

Bricker & Eckler, LLP  
By Sally W. Bloomfield  
Devin D. Parram  
100 South Third Street  
Columbus, Ohio 43215-4291

On behalf of the Applicant, Clean Energy  
Future-Oregon, LLC.

Barth E. Royer, LLC  
By Barth E. Royer  
2740 East Main Street  
Bexley, Ohio 43209

On behalf of the Intervenor Oregon Clean  
Energy, LLC

Mike Dewine, Attorney General of Ohio  
By John Jones  
Assistant Attorney General  
Public Utilities Section  
30 East Broad Street  
Columbus, Ohio 43215

On behalf of the Staff of the Ohio Power  
Siting Board.

- - -

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

INDEX

- - -

Witness	Page
William Siderewicz, P.E.	
Direct Examination by Ms. Bloomfield	6
Cross-Examination by Mr. Royer	8
Grant T. Zeto	
Direct Examination by Mr. Jones	35
Cross-Examination by Mr. Royer	38

- - -

Applicant Exhibit	Identified	Admitted
1 Application (Prefiled)	6	34
2 Proof of Service 6-19-17	6	34
3 Proof of Publication for First Legal Notice 7-7-17	6	34
4 Proof of Publication for Second Legal Notice 9-12-17	6	34
5 Direct Testimony of William Siderewicz	6	34

OCE Exhibit	Identified	Admitted
1 Figures-Section 4906-13-04	11	35

Staff Exhibit	Identified	Admitted
1 Prefiled Testimony of Grant T. Zeto	36	41
2 Staff Report of Investigation	36	41

- - -

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

Thursday Morning Session,  
September 28, 2017.

- - -

ADMINISTRATIVE LAW JUDGE: The Ohio Power  
Siting Board has called for hearing at this time and  
place Case No. 17-530-EL-BGN, being In the Matter of  
the Application of Clean Energy Future-Oregon for a  
Certificate of Environmental Compatability and Public  
Need for an Electric Generating Facility in Oregon,  
Lucas County, Ohio.

My name is Nick Walstra. I am the  
Administrative Law Judge assigned by the Board to  
hear this case. We'll begin by taking appearances of  
the parties, and we'll start with the company.

MS. BLOOMFIELD: Your Honor, on behalf of  
the Applicant, Sally W. Bloomfield and Devin Parram  
with the law firm of Bricker and Eckler, 100 South  
Third Street, Columbus, Ohio, 43215.

ADMINISTRATIVE LAW JUDGE: Thank you.

MR. ROYER: Thank you, your Honor, on  
behalf of the Intervener Oregon Clean Energy, LLC,  
Barth Royer, Barth E. Royer, LLC, 2740 East Main  
Street, Bexley, Ohio.

ADMINISTRATIVE LAW JUDGE: Thank you. On  
behalf of Staff.

1 MR. JONES: Yes, good morning, your  
2 Honor. On behalf of the Staff of the Ohio Power  
3 Siting Board, Ohio Attorney General Mike DeWine, by  
4 Assistant Attorney General John Jones, 30 East Broad  
5 Street, Columbus, Ohio, 43215.

6 ADMINISTRATIVE LAW JUDGE: Thank you.  
7 Miss Bloomfield.

8 MS. BLOOMFIELD: Yes, your Honor, I have  
9 previously distributed to the parties and the  
10 stenographer and to you the exhibits that we plan to  
11 introduce this morning, and they include, first of  
12 all, the Applicant Exhibit 1 which is always the  
13 Application which we usually don't actually put in  
14 but it's already filed.

15 And the Exhibit 2 is a copy of the Proof  
16 of Service of the Application on the Local Public  
17 Officials, and that was filed on June 22 of 2017.

18 Applicant's Exhibit 3 is the Proof of  
19 Publication filed on July 17, 2017.

20 And Applicant's Exhibit 4 is the Proof of  
21 Publication -- the Second Proof of Publication filed  
22 on September 25th, 2017.

23 And finally, the Prefiled Testimony of  
24 William Siderewicz as Applicant's Exhibit 5 which was  
25 filed on September 22, 2017.

1 ADMINISTRATIVE LAW JUDGE: Okay. They  
2 will be marked accordingly.

3 (EXHIBITS MARKED FOR IDENTIFICATION.)

4 ADMINISTRATIVE LAW JUDGE: If you'd like  
5 to call your first witness.

6 MS. BLOOMFIELD: Again?

7 ADMINISTRATIVE LAW JUDGE: What's that?

8 MS. BLOOMFIELD: I'm sorry.

9 ADMINISTRATIVE LAW JUDGE: Would you like  
10 to call your first witness.

11 MS. BLOOMFIELD: Yes, I will. I would  
12 like to call Bill Siderewicz, William Siderewicz.

13 ADMINISTRATIVE LAW JUDGE: Raise your  
14 right hand.

15 (Witness placed under oath.)

16 ADMINISTRATIVE LAW JUDGE: Please take a  
17 seat.

18 - - -

19 WILLIAM SIDEREWICZ

20 being first duly sworn, as prescribed by law, was  
21 examined and testified as follows:

22 DIRECT EXAMINATION

23 By Ms. Bloomfield:

24 Q. Mr. Siderewicz, would you state your  
25 name and spell your last name, please.

1           A.     Sure. My name is William Siderewicz, and  
2           that's spelled S-I-D-E-R-E-W-I-C-Z, and I'm President  
3           of Clean Energy Future, the proponent of the new  
4           project in Oregon, Ohio.

5           Q.     You anticipated my next question which is  
6           your position with the Applicant is President?

7           A.     Yes, I am President of Clean Energy  
8           Future, as well as Clean Energy Future-Oregon which  
9           is the LLC responsible for the development of the  
10          Oregon Energy Center.

11          Q.     And do you have before you a copy of the  
12          Prefiled Testimony that was filed with the Board on  
13          September 22, 2017 which has now been marked as  
14          Applicant's Exhibit 5?

15          A.     Yes, I do.

16          Q.     And was this testimony prepared at your  
17          direction and supervision?

18          A.     It was.

19          Q.     And if I ask you the same questions today  
20          as are in the Prefiled Testimony, would your answers  
21          be the same?

22          A.     My answers would be the same, yes.

23          Q.     Do you have any additions, corrections or  
24          deletions to your testimony?

25          A.     I do not.

MS. BLOOMFIELD: Your Honor, I have no further questions of the Applicant.

ADMINISTRATIVE LAW JUDGE: Thank you.  
Mr. Royer.

- - -

CROSS-EXAMINATION

By Mr. Royer:

Q. I'm Barth Royer. I'm going to be asking you some questions on behalf of Oregon Clean Energy, LLC. And we have a lot of names here that are similar, so maybe we can agree that if I talk about Oregon Clean Energy, LLC, I'll call that OCE, and when I'm referring to your company, I'll call it CEF-O or Clean Energy Future-Oregon.

When I'm referring to the Oregon Clean Energy Center, which is owned by OCE, I will call that the Oregon Clean Energy Center, and when I'm referring to your facility that we're proposing for certification in this case, I'll just refer to it as the project so we're all on the same page there.

A. All right.

Q. So you are, of course, familiar with OCE; are you not?

A. I am familiar with OCE.

Q. And you indicate in your testimony that



1 you were a co-founder and the original manager of  
2 OCE, correct?

3 A. That is correct.

4 Q. And were you involved with OCE's  
5 application to the Ohio Power Siting Board for  
6 certification of the Oregon Clean Energy Center in  
7 Case No. 12-2959-GA-BGN (sic)?

8 A. Yes, I was.

9 Q. Now, do you have a copy of CEF-O's  
10 application in this case before you?

11 A. CEF-O's application? I don't believe,  
12 unless, Sally, you have that. I didn't bring that  
13 personally, but I'm familiar with it.

14 MS. BLOOMFIELD: This is the entire  
15 application with all the exhibits to it.

16 Q. I'm just interested in the first set or  
17 the first part --

18 A. The primary document.

19 Q. -- that was filed separately I suppose to  
20 the exhibits.

21 A. I'm looking at your cover page. Are we  
22 looking at the same document?

23 Q. Yes, we are. And I'm just looking at the  
24 first 60 pages of it that was filed as part 1,  
25 docketed as part 1, I don't know how actually broken

1 up.

2 A. I have just for the record an application  
3 that was dated April 2017.

4 Q. Correct, we're on the same page there.

5 A. Okay, good.

6 Q. Would you turn to figure 03-2, and I  
7 think you'll find that behind numbered Page 22,  
8 there's a series of figures there.

9 A. Yes, I do have figure 03-2 entitled  
10 Proposed Project and Vicinity.

11 Q. Correct, okay. And this is an aerial map  
12 showing the vicinity of the site where the project  
13 will be located, the various construction laydown  
14 areas and the electrical connection property,  
15 correct?

16 A. That is correct.

17 Q. And I believe this document accurately  
18 depicts the location of the designated areas shown on  
19 the legend?

20 A. The rectangular space, it's almost a  
21 square located south of the railroad, is where the  
22 primary power plant would be located. As I look at  
23 the semi-triangular space north to it, to me it  
24 appears to be slightly in error because the land that  
25 is owned by Buckeye Industrial Developers is a

1 rectangle, and this looks to be a triangle.

2 So I would look at this and say there  
3 seems to be an error because it looks like somehow  
4 the project's property is overlapping into land that  
5 would be owned by Oregon Clean Energy which is not  
6 correct.

7 Q. And that's where we were going with the  
8 line of questions, so let me see if we can do it this  
9 way. I would like to have marked for purposes of  
10 identification a multi-page document, the first page  
11 of which indicates that it's Figures, Section  
12 4906-13-04. I'll have it marked as OCE Exhibit 1.

13 ADMINISTRATIVE LAW JUDGE: So marked.

14 (EXHIBIT MARKED FOR IDENTIFICATION.)

15 Q. (By Mr. Royer) Have you seen this  
16 document before?

17 A. Which document?

18 Q. Oh, didn't I hand you one?

19 A. Have I seen this one before?

20 Q. Yes.

21 A. I'm not sure that I have. This looks  
22 like it was associated with the Oregon Clean Energy  
23 Center project based on the names and titles.

24 Q. That's correct. I'll represent to you  
25 this is an excerpt from an OCE application.

1           A.    It appears that way, yes.

2           Q.    If you turn to the final page of that  
3 document, I know it's Figure 04-2, it's indicated to  
4 be a Soil and Floodplain Map.

5           A.    Yes.

6           Q.    But I selected this one because it more  
7 clearly showed the boundaries of the project site for  
8 the OCE application.

9           A.    I do recognize Figure 04-2.

10          Q.    Okay, very good. So on this document, on  
11 this map, it shows that the OCE or the Oregon Clean  
12 Energy Center property extends beyond to the east  
13 beyond what's designated as the Johlin, J-O-H-L-I-N,  
14 Ditch?

15          A.    Uh-huh.

16          Q.    And that's the issue we were just  
17 discussing?

18          A.    Yes.

19          Q.    So you would agree that this more  
20 accurately reflects the layout?

21          A.    Yes, that is correct. We have  
22 intentionally not put any of our facilities onto  
23 OCE's property. We realize that's something you  
24 can't do without someone's permission.

25          Q.    Right, and I understand. I'm more

1 interested in just making sure that we're all on the  
2 same page with respect to where the facilities are  
3 located at this point.

4 A. Yes.

5 Q. So then if we compare Figure -- I covered  
6 it up, if I compare figure 03.2 from your application  
7 with this document, the project or the area  
8 designated project site in the OCE document would be  
9 located to the north and west of the project site for  
10 this case; is that correct?

11 A. Correct.

12 Q. And it's bordered on the south by the  
13 railroad tracks?

14 A. That is correct, yes.

15 Q. And that railroad track, of course,  
16 extends all the way from Lallendorf Road around the  
17 area of the -- around the Buckeye property; is that  
18 right?

19 A. That is correct. It eventually turns  
20 north and goes to the Bay Shore Coal Plant.

21 Q. Okay. And so now, how does CEF-O propose  
22 to access the electrical interconnection property  
23 from the project site?

24 A. We've made a proposal to FirstEnergy to  
25 put in an access road from Lallendorf Road eastward

1 across the northern boundary of the current  
2 switchyard, and then they would go over their own  
3 property to access the new switchyard on Buckeye  
4 property.

5 Q. So looking at your Figure 03-2, the  
6 switch, the existing switchyard is immediately north  
7 of where we've indicated the Oregon Clean Energy  
8 Center is located?

9 A. That's correct.

10 Q. This line would run along the north edge  
11 or north of that property?

12 A. Correct.

13 Q. Then come down through the property owned  
14 by FE to the property where the Oregon Clean Energy  
15 Center will be.

16 A. The logic by FirstEnergy is there's an  
17 existing road from Lallendorf eastward to the current  
18 switchyard, and by simply extending that road along  
19 their northern boundary, it does not affect OCE and  
20 it does not access any of their land or boundaries  
21 and goes directly into Buckeye land, so there's no  
22 need to interfere in any way, shape or form with  
23 OCE's property.

24 Q. Just so we're clear here, the legend on  
25 figure 03.2 lists access, various access options, do

1 you see that?

2 A. Access Option 1, 2 and 3 are noted on  
3 Figure 03-2.

4 Q. But as I understand it from the -- as I  
5 understand the permanent access to the project site  
6 will be on Parkway Road; is that correct?

7 A. That is correct.

8 Q. But that's not shown as an access option  
9 on this map; is that correct?

10 A. Access for the purpose of the switchyard  
11 or access for purpose of the power plant?

12 Q. For the purpose of the plant.

13 A. I believe those access options were  
14 identified to describe options to get to the  
15 switchyard because it's an unusual location north of  
16 the railroad. So I don't know if we've identified as  
17 part of this diagram access roads for the plant  
18 because it's sort of intuitively obvious that you can  
19 either come in off Blue Herring or Parkway, so it  
20 really didn't need a description of an option. It  
21 sort of is what it is.

22 Q. That's where I was going with this. So  
23 once the plan, switchyards are operational, there  
24 will still be the railroad tracks between the two  
25 properties, correct?

1           A.     That's correct, that will be a dividing  
2 line between OCE and this new facility.

3           Q.     Right, as well as a divide between the  
4 new facility and the Buckeye property, correct?

5           A.     That is correct.

6           Q.     And you won't be able to gain access to  
7 the Buckeye property from that direction because of  
8 the railroad track, correct?

9           A.     That's correct. In order to access the  
10 Buckeye property, which we really don't need to  
11 access because it's accessed by FirstEnergy, our plan  
12 is to divide -- subdivide that Buckeye property and  
13 give the western portion and deed it for zero cost to  
14 FirstEnergy so they will have access, and we really  
15 don't need access. It's something owned by  
16 FirstEnergy.

17                     Then the other portion of the land will  
18 basically be vacant land, that if Buckeye wanted to  
19 access it from Cedar Point Road, they could get a  
20 curb cut permit and access it in that direction, but  
21 it's not mandatory or part of the overall project, so  
22 it's in essence a nonissue for us.

23           Q.     Thanks for clarifying that.

24           A.     You bet.

25           Q.     Now, at Page 14 of the Application, back



1 up. It states the gas will be supplied to the  
2 project by one of four possible local gas  
3 transporters. Who are the four potential  
4 transporters?

5 A. We have been in discussions for quite  
6 some time with four different gas companies and each  
7 have made proposals on bringing natural gas to our  
8 site. And we at this stage have not identified who  
9 those firms are because we're in the final  
10 competitive process.

11 And to the extent one party knows who the  
12 other party is, it basically gives one party  
13 potentially an advantage over the other to know who  
14 the competitor is, so we have confidentiality  
15 agreements with these parties and are working  
16 diligently to come up with a finalist probably in the  
17 next month or so.

18 Q. Just so we're clear, you say you're in  
19 negotiations with gas companies. Now, by that, you  
20 mean retail, suppliers of retail, retail commodity as  
21 opposed to suppliers of transportation service?

22 A. No, I'll clarify that. We're working  
23 with companies whose capability is to provide  
24 transportation service for the gas, not necessarily  
25 the party that would supply the gas.

1           Q.    So although you've indicated these were  
2 confidential, you go on to state -- the application  
3 goes on to state at Page 20, it does seem to appear  
4 to identify North Coast's Gas Transmission is one of  
5 the parties you're in discussion with; is that  
6 correct?

7           A.    That's correct.

8           Q.    And similarly, another possibility is the  
9 new Nexus, N-E-X-U-S, gas line that is being proposed  
10 to be constructed south of Oregon?

11          A.    That's correct.

12          Q.    And I guess that leads us to, one, we  
13 don't know who it is?

14          A.    Right, yes.

15          Q.    But, again, these negotiations have to do  
16 with the transportation service that would be  
17 provided to the facility and not with the source of  
18 the commodity, correct?

19          A.    That is correct. In the gas world as it  
20 relates to a power plant, there's a supplier and  
21 resource which supplies the BTUs and then there's  
22 another company who actually delivers it in this case  
23 from I'll just say the great Toledo area to the plant  
24 site. So it's two different legs that when together  
25 make up the entire project.

1           Q.     Just another thing, when you refer to  
2 North Coast Gas Transmission as a possible  
3 transporter, are you referring to the route that's  
4 approximately a 22-mile line from Maumee to Oregon  
5 that was approved by the Board in Case No.  
6 14-1754-GA-BLN?

7           A.     That's correct. There's a new 24-inch  
8 diameter lateral that was built from the Maumee hub  
9 to the OCE project, and we are in discussions with  
10 North Coast as one option. One option would be for  
11 them to supply gas possibly through that pipe or get  
12 a brand new pipe, so they have multiple options that  
13 they're evaluating as well.

14          Q.     So when you're referring to this in the  
15 Application in your testimony as the North Coast  
16 line, I'm correct, am I not, that subsequent to the  
17 issuance of the certificate, North Coast actually  
18 transferred the certificate in the line to a  
19 subsidiary known as Generation Pipeline, LLC?

20          A.     I'm not familiar with the transfer, but  
21 if you say that's correct, I'll assume that's  
22 correct.

23               MR. ROYER: Just for your Honor's  
24 benefit, there's a Board entry dated March 24th, 2016  
25 that memorializes the transfer of the certificate and

1 indicates that -- would indicate that Generation  
2 Pipeline, LLC, which is a subsidiary of North Coast,  
3 is the actual owner of that line and is bound by the  
4 terms of the certificate.

5 MS. BLOOMFIELD: Your Honor, may we get a  
6 clarification here? He's referring to a  
7 particular... Is the Applicant not North Coast?

8 MR. ROYER: It was North Coast, but in  
9 the same docket --

10 MS. BLOOMFIELD: And it was transferred.  
11 And we just want to make clear that this was neither  
12 OCE nor -- because we're getting confused. I was  
13 getting confused with the number of Applicants we  
14 have here, but this is an Applicant apart from any  
15 Applicant that we're talking about in this case,  
16 correct?

17 MR. ROYER: Yes, that's right.

18 ADMINISTRATIVE LAW JUDGE: In the 14-1754  
19 case?

20 MR. ROYER: I'm sorry?

21 ADMINISTRATIVE LAW JUDGE: In the  
22 14-1754?

23 MR. ROYER: Yes, where the original  
24 Applicant was North Coast after the certificate was  
25 issued, then it was transferred to a newly created

1 subsidiary, Generation Pipeline, LLC. I just didn't  
2 want any confusion if we're talking about -- we're  
3 all talking about the same thing here.

4 THE WITNESS: Yes.

5 Q. (By Mr. Royer) So on Page 15 of the  
6 Application, do you have that? Are you with me?

7 A. I do have Page 15, yes.

8 Q. Now I've lost it. In the final paragraph  
9 on that page, you indicate that CEF-O has multiple  
10 options for delivery of natural gas to the project,  
11 and then you go on, the Application goes on to state  
12 that the primary option is to utilize the existing  
13 North Coast Gas Transmission line that currently  
14 serves the nearby Oregon Clean Energy Center; is that  
15 correct?

16 A. That's correct.

17 Q. Is that still the primary option?

18 A. It is not.

19 Q. What led to it not being the primary  
20 option?

21 A. We had communicated with the owners of  
22 the Oregon Clean Energy Center, OCE, and we asked  
23 them if they would be interested in releasing  
24 capacity that they have on that pipeline that they do  
25 not utilize. It seemed like an obvious solution to,

1 in essence, utilize a pipeline that's already been  
2 permitted, financed and built and which is basically  
3 only being used at half its capacity or even less.

4 So the first logical communications with  
5 OCE, we asked if they would be interested, in  
6 essence, releasing that capacity and relieving  
7 themselves of paying for use of a pipeline that they  
8 don't use. So they would basically be saving  
9 millions of dollars a year by doing so. They never  
10 responded.

11 So that suggests to us they're not  
12 interested. So what appeared to be a logical and  
13 simple solution for everyone turned out to be a  
14 nonsolution, so that is no longer our primary focus.

15 Q. When did those discussions take place?

16 A. It was not a discussion. I sent one  
17 e-mail to Lucas Missong who is head of Aries Capital  
18 which is one of the two owners of OCE and they never  
19 responded.

20 Q. While you were still considering North  
21 Coast as an option, did you conduct any study or  
22 investigation to determine that if Generation  
23 Pipeline was the selected supplier, service to the  
24 project would adversely affect the pressure in which  
25 gas is delivered to the Oregon Clean Air Center?

1           A.    No, we never conducted such a study.

2           Q.    Another thing, before I forget, so am I  
3   correct that at Page 14 of the Application, in the  
4   second sentence or the third sentence from the top,  
5   you indicate that all the potential -- or the  
6   Application indicates that all the potential  
7   suppliers with the exception of the yet to be built  
8   Nexus gasline are expected to have sufficient  
9   pressure available without the need for an on-site  
10  natural gas compressor. Is that statement accurate?

11          A.    No, we noted as part of our submittal  
12  most recently that there was an error in that  
13  write-up. In fact, the opposite is true. That if we  
14  used the existing I'll call it North Coast Pipeline,  
15  that there would be a need for compression, but if we  
16  used the Nexus pipeline directly, there would be no  
17  need for compression at the Oregon Energy Center. So  
18  that was an error that we have since I believe  
19  corrected as part of our submittal.

20          Q.    And do you mean you corrected it in  
21  response to a discovery request OCE served on you or  
22  is there a filing in the docket that makes that  
23  correction?

24          A.    I believe we communicated maybe to one of  
25  your questions on this topic. Maybe Sally can

1 clarify more clearly whether we actually submitted  
2 something to the record indicating the error.

3 MS. BLOOMFIELD: I believe that was in  
4 the discovery that was presented to you, Mr. Royer,  
5 and, therefore, it wasn't filed before the Power  
6 Siting Board. So you've clarified what we told you  
7 in discovery by asking Mr. Siderewicz these  
8 questions.

9 Q. (By Mr. Royer) So you didn't actually  
10 communicate directly with the Board Staff to indicate  
11 that this was a typo in this paragraph that indicated  
12 that no additional compression would be required if  
13 North Coast was the selected pipeline?

14 A. I did not communicate that to the Ohio  
15 Power Siting Board.

16 Q. Going back to what we were talking about  
17 before, Page 15 of the application, you state that  
18 there is sufficient excess capacity on the North  
19 Coast or Generation Pipeline to also serve the  
20 project's needs. Do you know what the maximum daily  
21 delivery capability of the Generation Pipeline is?

22 A. When I was involved in the development of  
23 the Oregon Clean Energy Center, we were involved in  
24 discussions with North Coast back then, and the  
25 version of the gas agreement that was negotiated had



1 a capability for delivery to the Oregon Clean Energy  
2 Center of 280,000 MBqs per day of gas. Whether that  
3 contract has been amended, I'm not familiar with that  
4 because I don't have privy information to the  
5 company, and it's not to say that that pipeline isn't  
6 capable of even more delivery. That's a mechanical  
7 engineering question really, can gas at a particular  
8 pressure deliver above 280,000 a day. I suspect  
9 North Coast knows the answer to that better than I,  
10 but if I had to guess, in excess of 300,000.

11 Q. So when the Board Staff states in its  
12 report at Page 29 that the approximate total capacity  
13 of that line is 272 MMCFD, would you dispute that?

14 A. That's pretty close. I thought the  
15 number was 280,000 that was allocated to OCE which  
16 they have since paid for. So, again, I'm not privy  
17 to modifications to the agreement. There could have  
18 been amendments to that agreement that I'm not quite  
19 familiar with.

20 Q. So let's make sure we're talking about  
21 the same thing here. So when you're referring to  
22 this 280,000 number, you're talking about the  
23 capacity entitlement of OCE on that line?

24 A. That is correct.

25 Q. And there's actually some capacity above

1 that on the line; is there not?

2 A. I would guess there probably is because  
3 you can change the pressure of a pipeline and push  
4 more volume through.

5 Q. Well, okay, but there is a -- okay. Do  
6 you know if North Coast or Generation Pipeline is  
7 attempting to market the capacity above the amount to  
8 which OCE is contractually entitled?

9 A. They've never discussed their marketing  
10 plans with me, so I can't really speak to it for the  
11 company.

12 Q. Well, they tried to sell it to you,  
13 didn't they, or part of it?

14 A. Well, they believe that they -- I thought  
15 you meant to another third party other than me.  
16 Obviously they're talking to us, so that's the sort  
17 of obvious answer. I thought you were trying to get  
18 at do I know who they're trying to sell that to.

19 Q. No.

20 A. I had a misunderstanding of what you're  
21 trying to get to.

22 Q. No. And are you aware that the Board  
23 determined in the North Coast certification Case  
24 14-1754, that the North Coast line was eligible for  
25 the letter of notification process based on the

1 representation that the project was primarily needed  
2 to meet the requirements of a single customer?

3 A. I can say that I'm not familiar with the  
4 filing of North Coast. Those are details that I was  
5 not familiar with because we weren't party to it.

6 Q. Okay. Now, you indicated that you had  
7 reached out via e-mail to one of the principals of  
8 Oregon Clean Energy to discuss a possibility of  
9 acquiring capacity from OCE on the Generation  
10 Pipeline in excess of that that OCE requires to meet  
11 the needs of Oregon Clean Energy Center; is that  
12 correct?

13 A. That's correct.

14 Q. That was a single e-mail?

15 A. It was and there was never a response.

16 Q. Would there be any other representative  
17 of CEF-O that might have reached out to Oregon Clean  
18 Energy Center along these same lines?

19 A. I don't believe there was, no. I was the  
20 only one because I know these individuals personally.

21 Q. And you indicated you expect to make a  
22 decision with respect to gas transportation for the  
23 project within the next two months did you say?

24 A. Yes, I did.

25 Q. And if there is -- if additional or if in

1 light of the correction you made earlier today  
2 regarding the need for compression, if the North  
3 Coast Pipeline had been chosen as an option, need for  
4 on-site compression to produce the required pressure  
5 can add significantly to the cost of the product; is  
6 that right?

7 A. Yes, on many levels, yes.

8 Q. And so if the North Coast -- if you were  
9 to use a North Coast Pipeline, that could result in a  
10 drop of pressure that would, in turn, cause OCE to  
11 incur similar compression costs?

12 A. I think you asked me before did I do a  
13 pressure study, and I have not. So I can only talk  
14 conceptually which is if we were working with North  
15 Coast and they pushed more gas through that pipe that  
16 exists today, I believe they actually would have to  
17 increase the pressure to create that kind of flow  
18 volume, would actually be a free benefit to OCE  
19 because their pressure would probably go up.

20 Q. But if it were to happen that the  
21 pressure became inadequate, then OCE would -- well,  
22 first of all, do you know if OCE has compression on  
23 site?

24 A. I do know they do.

25 Q. And do you know if it's ever been

1 operated?

2 A. I haven't heard any reports or seen any,  
3 but my understanding of the project would suggest it  
4 has to have been running because the pressure's  
5 inadequate for the technology they're using.

6 Q. So were you -- well....

7 MR. ROYER: I'm going to move to strike  
8 as speculative.

9 ADMINISTRATIVE LAW JUDGE: Miss  
10 Bloomfield, any response?

11 MS. BLOOMFIELD: I didn't hear. Your  
12 Honor, I think the question was asked, and I believe  
13 Mr. Siderewicz answered the question that was asked,  
14 so I don't understand the basis for a motion to  
15 strike.

16 MR. ROYER: I'll withdraw it.

17 Q. (By Mr. Royer) So if North Coast was the  
18 selected supplier and if operation of the OCE, Oregon  
19 Clean Energy Center, was adversely affected in terms  
20 of pressure, would it be reasonable to have an  
21 agreement with OCE that would hold them harmless for  
22 costs that resulted from inadequate pressure?

23 A. I'd like to comment on the contract that  
24 I believe I have seen in the past -- whether, again,  
25 it's been amended, I don't know -- but most gas

1 contracts, and I haven't seen the details if there  
2 are any amendments, but typically a gas contract has  
3 a minimum pressure delivery requirement, so that  
4 North Coast is obligated under contract to provide  
5 gas at a specific pressure.

6 If it should ever fall below that  
7 pressure, they have the obligation to correct the  
8 problem, not Oregon Energy Center. So to the extent  
9 there's an issue of contract dispute between the  
10 project company and North Coast, North Coast has the  
11 obligation to meet its terms and conditions.

12 So I believe the correct answer  
13 commercially is if OCE were somehow harmed due to us  
14 being in business using the same pipeline, North  
15 Coast has the obligation to meet their contract with  
16 the OCE facility to make a correction and compensate  
17 them for any damages.

18 Q. That's my understanding, too. Thank you.  
19 When you do make the decision with respect to the  
20 pipeline to be selected, are you anticipating filing  
21 anything in this docket to memorialize that?

22 A. Whenever that decision is made as to  
23 which pipeline company we'll utilize, I believe it  
24 will be their responsibility to approach the Ohio  
25 Power Siting Board with its own application because

1 it's a totally separate functional part of what we're  
2 speaking of here today.

3 So I don't envision us doing that work  
4 because it will be a third party company who knows  
5 and understands gas pipelines, understands the Ohio  
6 Power Siting Board process and will prepare and  
7 submit their own application that can be commented  
8 upon by anyone who seeks to do so.

9 Q. I understand that these potential  
10 suppliers would have to come to the Ohio Power Siting  
11 Board for approval of that project. I'm just asking  
12 if CEF-O has any intention of notifying the Board  
13 when the decision is made?

14 A. I would have to ask our counsel whether  
15 that's an obligation for us to do. If it's an  
16 obligation for us to do that, we'd certainly be happy  
17 to do it. There's no mystery behind what we're  
18 trying to accomplish. It's a very public process  
19 that this party will be coming forward with an  
20 application. There will be no mystery as to who this  
21 company is and what their intention is and what their  
22 pathway for putting in the pipeline is.

23 I believe we already stated that we know  
24 for a fact that our pipeline, whether it be with  
25 Company A, B or C, will not go under, over or through

1 the property of OCE. So we're comfortable that that  
2 will never happen.

3 Q. So if North Coast or Generation Pipeline  
4 were the selected option, the line we're talking  
5 about that would require Board approval would be a  
6 line from the existing Generation Pipeline or be a  
7 lateral off the existing Generation Pipeline to the  
8 project; is that correct?

9 A. That is correct. The alternative would  
10 be for us to somehow piggyback the existing metering  
11 system at OCE which would be from a property  
12 standpoint a contractual matter, kind of difficult.  
13 So I believe that the proponent of that pipeline  
14 would actually take, for lack of a better word, a T  
15 connection off of that pipeline to totally bypass the  
16 OCE facility and go to the current facility that's  
17 being spoken about today.

18 Q. So that was the other question or one of  
19 the questions I was going to ask. So in a matter of  
20 geography, the Oregon Clean Energy Center is now at  
21 the end of the existing line?

22 A. That is correct.

23 Q. And that line would have to be extended  
24 from that point to serve the project, correct?

25 A. That's correct. You just used the



1 analogy of the end of the line. That's in a  
2 northerly direction. The lateral that would serve  
3 the OEC project or the second project would be coming  
4 off south of there, so it would have no interference  
5 whatsoever with operations at OCE.

6 Q. Okay. And how long a lateral would be  
7 required; do you know?

8 A. I believe I can use one of the diagrams  
9 you referred to earlier. It was figure 03-2 from the  
10 Application. The current lateral that is in place  
11 runs parallel to North Lallendorf Road in a  
12 north/south direction and we would envision a T  
13 coming off somewhere around Parkway Road coming to  
14 the new facility in an easterly direction. So it  
15 appears as though based on scale, that's about  
16 two-tenths of a mile, so that would be two, four,  
17 six, eight-tenths of a mile of new pipeline.

18 Q. Okay.

19 MR. ROYER: That's all I have. Thank you  
20 very much.

21 THE WITNESS: My pleasure.

22 ADMINISTRATIVE LAW JUDGE: Thank you.  
23 Staff?

24 MR. JONES: No questions, your Honor.

25 ADMINISTRATIVE LAW JUDGE: Thank you.

1 Any redirect?

2 MS. BLOOMFIELD: No, your Honor.

3 ADMINISTRATIVE LAW JUDGE: Thank you.

4 THE WITNESS: Thank you.

5 ADMINISTRATIVE LAW JUDGE: Miss

6 Bloomfield, would you like to move on your exhibits?

7 Would you like to move on your exhibits?

8 MS. BLOOMFIELD: I have no further  
9 exhibits, and at this time, I would move Applicant's  
10 Exhibits 1 through 5, your Honor.

11 ADMINISTRATIVE LAW JUDGE: Any  
12 objections?

13 MR. ROYER: No objection.

14 MR. JONES: No objection.

15 ADMINISTRATIVE LAW JUDGE: They will be  
16 admitted.

17 (EXHIBITS ADMITTED INTO EVIDENCE.)

18 MR. ROYER: I'd like to move for the  
19 admission of OCE Exhibit 1.

20 ADMINISTRATIVE LAW JUDGE: Any  
21 objections?

22 MS. BLOOMFIELD: No, your Honor.

23 MR. JONES: No objections, your Honor.

24 ADMINISTRATIVE LAW JUDGE: That will be  
25 admitted as well.

1 (EXHIBIT ADMITTED INTO EVIDENCE.)

2 ADMINISTRATIVE LAW JUDGE: Any further  
3 witnesses?

4 MS. BLOOMFIELD: No, your Honor.

5 MR. JONES: Your Honor, Staff has a  
6 witness to call.

7 ADMINISTRATIVE LAW JUDGE: Okay.

8 MR. JONES: Grant Zeto.

9 ADMINISTRATIVE LAW JUDGE: Raise your  
10 right hand.

11 (Witness placed under oath.)

12 ADMINISTRATIVE LAW JUDGE: Please take a  
13 seat.

14 - - -

15 GRANT T. ZETO

16 being first duly sworn, as prescribed by law, was  
17 examined and testified as follows:

18 DIRECT EXAMINATION

19 By Mr. Jones:

20 Q. Could you please state your name for the  
21 record, please.

22 A. Grant Zeto.

23 Q. And where are you employed?

24 A. I'm employed at 180 East Broad Street,  
25 Columbus, Ohio, 43215 with the Public Utilities

1 Commission, Staff of the Power Siting Board.

2 Q. What is your job title and  
3 responsibilities?

4 A. I am a Utility Specialist 2. My  
5 responsibilities are reviewing Power Siting  
6 applications.

7 Q. And did you have a role in the  
8 investigation of the Application in this case?

9 A. I did, yes.

10 Q. And you should have before you what's  
11 marked as Staff Exhibit 1 and Staff Exhibit 2. Do  
12 you see those exhibits before you?

13 A. Yes.

14 Q. And I want to refer to Staff Exhibit 2  
15 first. Do you see that?

16 A. Yes.

17 Q. And could you identify that Exhibit for  
18 the record, please?

19 A. That is a Staff Board Investigation for  
20 this project.

21 Q. And was that report filed in this case?

22 A. Yes, it was.

23 Q. What date was that?

24 A. September 5th, 2017.

25 Q. And what role did you play in the

1 generation of this report?

2 A. I was the Staff lead for the project and  
3 author of sections of the Staff report.

4 Q. And also I want to refer to Staff Exhibit  
5 1. Can you please identify that document for the  
6 record, please?

7 A. This is my Prefiled Testimony.

8 Q. And was this testimony prepared by you or  
9 at your direction and supervision?

10 A. Yes.

11 Q. And do you have any corrections or  
12 changes to make to that testimony?

13 A. No.

14 Q. And if I were to ask you the questions  
15 contained in that testimony, would your answers be  
16 the same?

17 A. Yes.

18 MR. JONES: Your Honor, I would move for  
19 the admission of Staff Exhibits 1 and 2 subject to  
20 cross-examination, and I would offer Mr. Zeto for  
21 cross-examination at this time.

22 ADMINISTRATIVE LAW JUDGE: Thank you.

23 MS. BLOOMFIELD: No questions, your  
24 Honor.

25 ADMINISTRATIVE LAW JUDGE: OCE?

1 MR. ROYER: Yes, just a couple.

2 - - -

3 CROSS-EXAMINATION

4 By Mr. Royer:

5 Q. Mr. Zeto, would you turn to Page 29 of  
6 the Staff report.

7 A. Okay.

8 Q. Are you with me?

9 A. Yes.

10 Q. And at the bottom of that page, there's a  
11 paragraph headed Gas Supply, and you indicate that  
12 the Applicant is considering three options to supply  
13 the facility. What three options are you referring  
14 to?

15 A. This section identifies the North Coast  
16 Gas Pipeline, Nexus Gas Transmission Pipeline and  
17 connection from the Maumee hub.

18 Q. A new pipeline from Maumee?

19 A. Yes.

20 Q. And were you present when I asked  
21 Mr. Siderewicz if there was a fourth option?

22 A. Yes.

23 Q. And he declined to discuss that?

24 A. Yes.

25 Q. And the Applicant hasn't discussed that

1 with Staff either?

2 A. Not that I'm aware of.

3 Q. Now, in the last sentence of that  
4 paragraph, you indicate that these options would be  
5 subject to approval at a later date. By that, do you  
6 mean subject to approval in a separate proceeding  
7 initiated by the pipeline or are you referring to  
8 something that would happen in the context of this  
9 docket?

10 A. I believe it would be a separate filing,  
11 not in this docket.

12 Q. And did CEF-O ever report to Staff that  
13 the statement in the Staff report that no compression  
14 would be required if options other than Nexus were  
15 selected, that that was in error?

16 A. Could you please repeat that question?

17 Q. Sure. Were you present when I was  
18 cross-examining Mr. Siderewicz?

19 A. Yes.

20 Q. And do you recall that I discussed with  
21 him that on Page 14 of the -- at Page 14 of the  
22 Application, there was a representation that all the  
23 pipelines with the potential gas suppliers with the  
24 exception of the Nexus line are expected to have  
25 sufficient pressure available without the need for

1 on-site natural gas compression?

2 A. I was present when you asked.

3 Q. He indicated that statement was in error,  
4 correct?

5 A. Yes.

6 Q. And that it was just the opposite, that  
7 Nexus would not require it?

8 A. Yes.

9 Q. But the other options would?

10 A. Yes.

11 Q. Did anybody from CEF-O ever advise the  
12 Staff that was a typo in the Application?

13 A. Not that I'm aware of.

14 MR. ROYER: That's all I have. Thank  
15 you.

16 ADMINISTRATIVE LAW JUDGE: Thank you.  
17 Any redirect?

18 MR. JONES: No, your Honor.

19 ADMINISTRATIVE LAW JUDGE: Thank you.  
20 You're all set.

21 MR. JONES: Your Honor, Staff would move  
22 for the admission of Staff Exhibits 1 and 2.

23 ADMINISTRATIVE LAW JUDGE: Any  
24 objections?

25 MS. BLOOMFIELD: No objection, your



1 Honor.

2 MR. ROYER: No objection.

3 ADMINISTRATIVE LAW JUDGE: They will be  
4 admitted.

5 (EXHIBITS ADMITTED INTO EVIDENCE.)

6 ADMINISTRATIVE LAW JUDGE: Anything  
7 further from the Staff?

8 MR. JONES: Nothing further, your Honor.

9 ADMINISTRATIVE LAW JUDGE: Anything else  
10 to come before the Board?

11 MS. BLOOMFIELD: No.

12 MR. ROYER: Well, can we go off the  
13 record for a minute?

14 ADMINISTRATIVE LAW JUDGE: Yeah.

15 (Off the record.)

16 ADMINISTRATIVE LAW JUDGE: Back on the  
17 record. We had some discussion off the record about  
18 a short commenting period. So OCE will have until  
19 October 6th to file a comment or a letter indicating  
20 their position on the matter, and then CEF-O will  
21 have a week to respond to that if they desire.

22 Anything else to come before the Board?

23 MR. JONES: No, your Honor.

24 ADMINISTRATIVE LAW JUDGE: Thank you,  
25 all. We are adjourned.

CERTIFICATE

I do hereby certify that the foregoing is  
a true and correct transcript of the proceedings  
taken by me in this matter on Thursday, September 28,  
2017, and carefully compared with my original  
stenographic notes.

Cynthia L. Cunningham

- - -

**This foregoing document was electronically filed with the Public Utilities**

**Commission of Ohio Docketing Information System on**

**10/11/2017 2:20:59 PM**

**in**

**Case No(s). 17-0530-EL-BGN**

Summary: Transcript In the Matter of the Application of Clean Energy Future-Oregon, LLC for a Certificate of Environmental Compatibility and Public Need for an Electric Generating Facility in the City of Oregon, Lucas County, Ohio, hearing held on September 28, 2017. electronically filed by Mr. Ken Spencer on behalf of Armstrong & Okey, Inc. and Cunningham, Cindy