

Virtual Public Scoping Meeting Transcript February 4, 2025

Slide 1:

Bryan Palacio (DOE): Welcome to the Project Hostos Public Scoping Meeting. We will begin the meeting shortly. Bienvenidos. Vamos a empezar en unos momentos.

Slide 2:

Bryan Palacio (DOE): A bit of housekeeping before we start our meeting. If you would like to listen to this presentation in Spanish, please follow the directions on screen to hear the Spanish audio.

Si deseas escuchar esta presentación en español, siga las instrucciones en pantalla para escuchar el audio en español.

From the bottom menu bar select the “Interpretation/Spanish or ES” button and under “Listen in:” select “Spanish”. *En la barra de menú inferior seleccione el botón “Interpretación /Spanish o ES” y debajo de “Listen in:” seleccione “Spanish”.*

To submit a question during the webinar, please use the Zoom Q&A tool. If you're experiencing technical difficulties, please send a message to the Host using the chat.

Si deseas hacer una pregunta o comentario durante la presentación, utilice la función de "Q&A" en Zoom. Si estás teniendo problemas técnicos, envíe un mensaje al anfitrión usando el chat.

I will now pause for a moment so attendees can continue joining and switch to the Spanish audio, if they chose to.

Ahora haré una pausa para que los participantes puedan continuar uniéndose y cambiar el audio a español, si lo desean.

Bryan Palacio (DOE): We will now begin the meeting. Good evening everyone and thank you for joining tonight's public scoping meeting for Project Hostos. Bienvenidos.

If you would like to listen to this presentation in Spanish, please follow the instructions on screen now. If you would like to ask a question or leave a comment during the presentation, please use the Q&A tool at the bottom of your Zoom screen. We will also host a brief Q&A session at the end of the presentation, answering a few questions we received during the registration process.

Bryan Palacio (DOE): Although we won't be able to answer all of the questions we received in the today's Q&A, we will consider your comments and questions as we prepare our Environmental Assessment. Additional information is also available on our website which we will share in the meeting chat.

Bryan Palacio (DOE): Due to the large audience, everyone is on listen-only mode, and you will not be able to turn on your cameras. If you can't hear anything from your device, check your audio settings. If you are having trouble with your audio and video quality, try disconnecting from your company's VPN, if applicable. If you are still having connectivity issues you can chat

with the webinar host to troubleshoot by entering your issue into the chat window that is located on your tool bar.

Slide 3:

Bryan Palacio (DOE): Please be advised that this webinar is being recorded. The content included in this presentation is intended for informational purposes only relating to Caribbean Transmission Development Co., LLC/Project Hostos Presidential Permit Application, Docket No. PP-502. This webinar will be posted to DOE's website in the near future for your convenience.

Slide 4:

Bryan Palacio (DOE): Tonight, we'll be discussing the Department of Energy's Presidential Permits program, how DOE evaluates a Presidential permit application, and how it assesses the potential environmental impacts of a proposed project under the National Environmental Policy Act, or NEPA. We'll also share more about the Caribbean Transmission Development Company's proposed transmission project, Project Hostos, and we'll ultimately ask you to submit comments that will help inform DOE's environmental review of the proposed project.

For tonight's meeting, we'll start with brief introductions, followed by an overview of the presidential permit application process, and an overview of the NEPA review process. We'll then turn it over to Caribbean Transmission Development Company to provide an overview of their proposed transmission project, Project Hostos. We'll finish with a brief Q&A session, responding to a few of the questions we received during the registration process.

Slide 5:

Bryan Palacio (DOE): My name is Bryan Palacio, and I am DOE's NEPA document manager for Project Hostos. Also with me today is Brett Thompson, project manager for the DOE's Presidential Permit process. Later on, you will hear from Tirso Selman Rivera, Project Director for the Caribbean Transmission Development Company, otherwise known as CTDC.

Slide 6:

Bryan Palacio (DOE): DOE is currently evaluating whether to issue a Presidential permit for CTDC to build an electrical transmission line across the international border between the western coast of Puerto Rico and the eastern side of the Dominican Republic. A Presidential Permit is required to allow for the construction, connection, operation, and maintenance of electric transmission facilities at the U.S. border. A Presidential permit does not supersede or replace any other relevant Federal, state, and local permits and authorizations that may be required.

For Project Hostos, DOE is preparing an Environmental Assessment, also known as an EA, pursuant to NEPA to help determine whether to issue a Finding of No Significant Impact or prepare an Environmental Impact Statement, also known as an EIS. As part of that effort, DOE is seeking input from the public to help determine the issues and alternatives that should be addressed and whether an EA is the appropriate level of analysis or whether an EIS is required. If DOE determines that an EIS is needed, DOE will issue a notice of intent to prepare an EIS but may not conduct additional scoping meetings.

The purpose of tonight's meeting is to educate you on the environmental review process, provide more information about the proposed project, and give you instructions on submitting your comments and input.

Slide 7:

Bryan Palacio (DOE): Now, I'll pass it over to my colleague, Brett Thompson, to discuss the presidential permit process. Take it away, Brett. Make sure to unmute!

Brett Thompson (DOE): Thank you, Bryan. To start off, what is a Presidential permit? A Presidential permit is a permit that allows the construction, maintenance, and operation of electric transmission facilities – like a substation or transmission line – at the U.S.'s international borders. As Bryan said, DOE does not have authority to issue all of the required permits for proposed projects, just the permit concerning electric transmission facilities at the international border.

A little history on Presidential Permits: In 1939, President Roosevelt prohibited anyone from constructing or operating electric transmission facilities at the U.S. international border without first receiving a permit from the President. All permits were signed by the President until 1953, when an executive order transferred the responsibility for Presidential permits to DOE, which may only issue a Presidential permit if we find it to be consistent with the public interest.

Part of our analysis includes a review of the potential impacts of the applicant's proposed project on the environment. We'll also examine the potential project's impact on reliability and resilience of the U.S. electric grid. Lastly, we must receive favorable recommendations from the U.S. Department of State and the U.S. Department of Defense before issuing any Presidential permit.

Slide 8:

Brett Thompson (DOE): Before DOE can issue a Presidential permit, DOE typically looks at two key areas to determine if a proposed project is in the public's interest:

- First, impact on electric reliability: DOE considers the effect that the proposed project would have on the operating reliability of the U.S. electric power supply system. Some examples are the ability of the existing generation and transmission system to remain within acceptable voltage, loading, and stability limits during normal and emergency conditions.
- Second, environmental impact: DOE analyzes and considers the potential environmental impacts associated with issuing or denying a Presidential permit for a proposed international border crossing location. This public scoping period is meant to solicit comments and feedback from you to help focus and inform our analysis of the potential environmental impacts.

Slide 9:

Brett Thompson (DOE): To give you insight into the Presidential Permit process for Project Hostos thus far:

On September 14, 2023, CTDC applied for a Presidential permit to construct and operate an electric transmission facility at the border between Puerto Rico and the Dominican Republic. On December 22, 2023, DOE accepted CTDC's Application and assigned it docket number PP-502.

On March 14, 2024, DOE published a Federal Register Notice (FRN) of an application, which notified the public that DOE had received and accepted for review the Presidential permit application. The Notice of Application does not signify that DOE has issued a permit.

DOE is actively evaluating CTDC's application and is now accepting public comments to further refine our environmental analysis and identify any alternatives that DOE should consider.

Slide 10:

Bryan Palacio (DOE): So, what is NEPA? NEPA stands for the National Environmental Policy Act, which is a law passed in 1970 that governs how the federal government considers the potential environmental impacts of its actions, like issuing federal permits. NEPA is meant to inform federal agencies about the potential environmental effects of their decisions and encourage and facilitate public engagement for any major Federal action that would significantly affect the quality of the human environment. DOE conducts environmental reviews, consistent with NEPA, for Presidential permit applications.

Slide 11:

Bryan Palacio (DOE): Part of the environmental review process under NEPA is working closely with other federal agencies that have unique jurisdiction, responsibility, or expertise through a process called consultation. Consultation can take various forms, including formal written requests for comments, participation in interagency meetings, and informal discussions with agency representatives.

DOE is currently working in consultation with the US Fish and Wildlife Service, the National Oceanic and Atmospheric Administration's National Marine Fisheries Service, and Puerto Rico's State Historic Preservation Office, to evaluate potential impacts to terrestrial and marine species and identify any potential cultural or historical impacts from the proposed project.

Slide 12:

Bryan Palacio (DOE): NEPA is a multi-step process. We are currently in the public scoping period (emphasized by red oval on the slide) which ends on February 25th at 11:59PM AST.

Following the scoping period, DOE will collect and analyze submitted comments, then draft and publish an environmental document that analyzes and discloses the potential effects of the proposed project and the potential effects of any alternatives. At this time, DOE is preparing an EA. We will use the feedback we receive during the scoping comment period, in part, to inform and develop the EA. It is important to note that there are other required steps in the Presidential Permit process after the conclusion of the NEPA review and before a PP decision can be made.

Slide 13:

Bryan Palacio (DOE): And now, why we're here today: public scoping. The public scoping process is a vital part of the NEPA analysis. State, local, and tribal governments, federal agencies, and the general public are all invited to comment and help identify important environmental issues that require detailed analysis and to deemphasize unimportant ones. Public scoping helps to inform the consideration of the scope of the proposed action and the determination of the level of NEPA review. DOE encourages substantive comments. To be most useful to DOE these comments should be factual and specific; describe the significance of the potential impacts and how they affect you, others, places, and activities; and provide any new information that is relevant to the project. Additionally, we are seeking information on possible alternatives.

Slide 14:

Bryan Palacio (DOE): You can submit a comment during today's webinar using the Q&A tool. You can also email your comment to ctdc.nepa@hq.doe.gov; mail your comment to DOE's mailing address listed on the slide; or call and leave a voicemail at the number provided on screen.

Please be advised the comment period lasts until February 25th at 11:59PM AST. DOE will consider comments submitted after this deadline to the extent practicable. You should be aware that your entire comment—including your personal identifying information—may be made publicly available at any time. While you can ask us in your comment to withhold your personal identifying information – such as name and address - from public review, we cannot guarantee that we will be able to do so. DOE will also accept anonymous comments.

Slide 15:

Bryan Palacio (DOE): Now, I'll pass it over to CTDC to discuss more about their proposed project. Please note: Any information presented by CTDC does not represent the views or position of the DOE. Over to you, Tirso.

Slide 16:

Tirso Selman (CTDC): Thank you Bryan. Buenas tardes. My name is Tirso Selman Rivera. I am the project director for Caribbean Transmission Development Company. I will have the honor of introducing you to Project Hostos.

Project Hostos is being proposed and developed by CTDC. The company will own, operate, and maintain the cable and all associated facilities. CTDC will be responsible for securing all necessary financing for the construction and maintenance of Project Hostos through private investments. No government funding is anticipated.

Once a presidential permit is secured, CTDC will complete the engineering design, and immediately begin working on securing the local construction permits on both islands, as well as any other federal permit or study required. CTDC anticipates beginning equipment procurement in the first half of 2026. Due to current supply chain timelines, construction of Project Hostos is expected to begin in 2027, with completion in the first half of 2030. Testing would begin immediately after, and we have a planned start of operations on January 1st, 2031.

Project Hostos is a proposed 700MW bidirectional High Voltage Direct Current interconnector between Puerto Rico and Dominican Republic. The main goal of the project is to provide resiliency and reliability to the grid of both islands, as well as permit the sharing of resources including existing infrastructure like ports, gas pipelines and wind & sun. It will provide more energy diversification to both countries and allow for a quicker recovery following extreme weather events. Project Hostos is designed to be bidirectional, so power can flow from either island to the other. Although current modeling shows energy only flowing from Dominican Republic to Puerto Rico, when Puerto Rico's power generation and grid is fully capable, Puerto Rico will have the option to sell electricity to Dominican Republic if they so choose. Interconnectors are not something new. There are over 163 grid connections between Canada and Mexico providing power to the US.

Our project would consist of a 145 km subsea cable specially designed for the specific depth, route and environment of the body of water between the two islands.

At each end of the cable would be a converter station to take the electricity from Alternating Current, which is what we use typically in our homes, to Direct Current (DC).

The project plans to transmit energy from a new power generation station in the Dominican Republic, which we will refer to as the Hostos power plant for the sake of this meeting. This powerplant would consist of 200MW of solar power, which would be the largest solar plant in all the Caribbean; and a combined cycle plant capable of burning green hydrogen. As we wait for this fuel to become available, it would initially start by using natural gas from the US through an existing liquified natural gas terminal and existing pipeline in the DR. The power plant would be constructed in parallel to the construction of Project Hostos to ensure the start of operations of both is aligned.

The Dominican power plant that would feed Project Hostos would solely be dedicated to Puerto Rico. One of the power plant manufacturers contacted by CTDC estimated that by the Hostos power plant would produce 3.8 MILLION TONS of CO2 less per year than current Puerto Rico plants.

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Tirso Selman (CTDC): Our cable would go from the south of Punta Cana to Mayaguez at an average water depth of 840 feet or 256 meters; with a maximum water depth of 1,568 feet or 478 meters.

The electricity exclusively generated for Puerto Rico would begin at 345 kilovolts AC, converted to 320 kilovolts Direct Current and transmitted via the submarine cable.

The 700-megawatt capacity was determined via a system modeling performed by an Italian engineering firm hired by CTDC. This capacity was selected based on the capacity of the substation where we would connect, but also considering a "single point of failure" scenario. In fact, if a blackout occurs on either island due to a failure not related to Project Hostos or natural disaster, our connection can black-start the Puerto Rico grid. This means the system can

restore power using the energy from the cable as a reference for the grid. Like using jumper cables on a car. Maintenance of the cable is similar to that of the 6 existing underwater fiber optic cables already connecting Puerto Rico to Dominican Republic. It is not very demanding.

As a matter of fact, our cable includes fiber optics to monitor its performance. Since the cable is reinforced with steel armor and laid securely on the seabed—not hanging in the ocean—the risk of failure is very low, as evidenced by similar connections worldwide, including those in US. To select the proposed route of the cable, our engineering and environmental teams considered information like sea floor topography, depth, anchoring points, important fish habitat, historical sites, marine currents, wildlife migration, wetlands and much more.

Once in Puerto Rico, we would convert back to 230 kilovolt AC and inject into the Mayaguez TC substation. By injecting into the 230kV existing transmission grid, CTDC believes electricity from Mayaguez TC can be transferred north-to-south and south-to-north without limitation. These capabilities will be studied by LUMA during its interconnection study.

Slide 18:

Tirso Selman (CTDC): The underwater cable would come onshore in Puerto Rico at the Sila Maria Calderón Port in Mayaguez. This area is already impacted and dredged. Once on land, we would go underneath the local roads with buried cable up to a site parallel to the Mayaguez TC substation where our converter station would be built, and the interconnection would occur. The submarine portion of the cable would have a conductor diameter of 800 millimeters (about the size of a postage stamp) with an XLPE insulation and a galvanized steel armor. Total weight would be about 35kg per meter. XLPE stands for Cross-Linked Polyethylene. In simple terms, it's a type of insulation that makes the cable stronger, more durable, and resistant to heat and high voltage. This means the cable can last longer and perform better, even in tough conditions.

According to the website of one of the manufacturers that CTDC is evaluating, XLPE is widely used in modern electrical systems because of its efficiency and safety. Its long lifespan means fewer replacements over time, which helps minimize environmental impact.

Currently 6 telecommunication cables exist between Puerto Rico and Dominican Republic. The Hostos cable follows the same installation principles as these.

The land-based cable would have a conductor diameter of 1200 millimeters (about the size of a poker chip) with an XLPE insulation. Because this cable would be buried at a depth of 1 meter or approximately 3.2 feet underground, no steel armor is required, so the cable weight would be about 11 kg per meter.

Slide 19:

Tirso Selman (CTDC): As a safety measure, the transition from sea to land of the cable on both sides shall be via Horizontal Directional Drilling. A specialized drill machine shall bore a hole for approximately 0.9 km, some 3000 feet, underneath the sea floor. This would protect the cable from any damage from anchors, fishing boats or any other large vessel. It would also allow the cable to pass underneath the seafloor and nearshore resources, like fish habitats or coral. The cable will be buried via the horizontal drilling at a depth of 25 meters or 80 feet at landfall. On

the water side of the nearshore horizontal drilling, the cable will be buried 1 meter approximately 3.2 feet underneath the seafloor.

Once in open the ocean, the cable shall be laid using a specialized ship that would be led by a submarine remotely operated vehicle that would perform sonar analysis in 25-centimeters by 25-centimeter quadrants, relaying all information up to the cable carrying ship which would analyze the data and make any minor adjustments in real-time. Afterwards, another specialty submarine vehicle would lay the cable. The anticipated time to complete the crossing is about 3 weeks.

Slide 20:

Tirso Selman (CTDC): You can see the actual coordinates where the cable would cross the border into Puerto Rico.

A preliminary wetland survey has been performed, and CTDC is actively working to avoid any potential impacts to wetlands. Currently, our analysis does not show any impacts to wetlands, but if as design matures, wetlands cannot be avoided, CTDC would obtain the necessary wetland permits from the US Army Corps of Engineers and would perform any required wetland mitigations.

For the land portion, the cable would be placed underground using existing right of ways. We would exit the port area and go underneath the Desvio Oeste street (Route 64) heading south. We would turn on Route 102 and come back north on Avenida Eugenio Maria de Hostos, aka #2. Then we would turn on Route 104 and head east until we arrive at the Mayaguez TC substation.

Slide 21:

Tirso Selman (CTDC): As mentioned earlier, the cable landing site in Puerto Rico would be at north end of the port of Mayaguez. At this location all that would be needed would be a concrete pull box that would be flush in the ground. Once the cable is installed, the box area would be covered, and the area can be used for temporary occupancies like maritime related staging or as additional parking.

You can also see here that the trench that would be excavated to bury the on-land cable, very similar to the installation of other utilities like water pipes or telecommunication lines.

Finally, we wanted to give you all an idea of the actual size of one of these cables. As you can see in this image, there are 3 cables placed in one pipe conduit here. The diameter of each cable is about the size of a DVD. The entire conduit is about the size of a Long Play vinyl record or about the circumference of a 5-gallon bucket, for the younger listeners here.

Slide 22:

Tirso Selman (CTDC): I would like to thank you all for your time and for connecting with us today. I hope this presentation has been illustrative and has helped you better understand Project Hostos.

I also want to thank the DOE for its diligence. We appreciate your time, your connection, and participation in this process. I now turn it back to Bryan with DOE.

Slide 23:

Bryan Palacio (DOE): Thank you, Tirso. Please note: Any information presented by CTDC does not represent the views or position of the DOE. We will now move on to the Q&A session, answering a few of the questions we received during registration. Please note that if you sent questions via the Q&A tool today, we may not have the opportunity to answer right now, but these questions and comments will be given full consideration in our environmental review. DOE will also publish a recording of this meeting and share a document with Frequently Asked Questions about the topics discussed today.

Slide 24:

Bryan Palacio (DOE): The instructions to submit a question or comment are shown on the screen and will be pasted in the chat.

Bryan Palacio (DOE): I will now begin reading some of the questions we received previously.

Question 1: Is DOE in charge of issuing all permits for CTDC?

No. DOE has authority to issue a Presidential permit to allow for the construction, connection, operation, and maintenance of electric transmission facilities at the U.S. border, pursuant to Executive Order 10485. DOE also has authority to authorize exports of electric energy pursuant to the Federal Power Act. CTDC would need to receive all other applicable authorizations before their project could proceed, including federal, state, and local permits.

Question 2: Does issuing the Presidential permit mean the project is clear to proceed?

The Presidential permit only authorizes the construction, maintenance, and operation of electric transmission facilities at the U.S. border. Project applicants must still obtain all other requisite federal, state, and local authorizations and permits before commencing the project.

Question 3: Will this project result in any significant potential impacts to ecosystems?

Pursuant to NEPA and the Endangered Species Act, among other laws, DOE is working with NOAA Fisheries and U.S. Fish and Wildlife to make sure we understand the potential impacts to marine species including corals, fish, and marine mammals. At this time, DOE does not have sufficient information to judge whether significant potential impacts to any resources, including marine ecosystems, are likely. Therefore, DOE is proceeding with an Environmental Assessment. If DOE determines there likely would be any significant potential impact to resources, including marine ecosystems, an Environmental Impact Statement would be prepared instead.

Question 4: Will this project impact Puerto Rico's electrical grid?

A Presidential permit will only be issued if it is determined that granting the permit is in the public's interest. In making the public interest determination, DOE will consider, in addition to determining the potential environmental impacts of the project, the impact of the project on grid reliability. DOE will review the reliability impacts of the proposed project on electrical power supply by reviewing the Presidential Permit application and other relevant documents such as interconnection system reliability studies and other impact studies.

Question 5: Are other agencies involved in the environmental review of CTDC's Presidential Permit application?

DOE sent a letter to all other relevant federal agencies inviting them to be a cooperating agency in our review. The NOAA Fisheries, U.S. Army Corps of Engineers (USACE) Caribbean Division, and Environmental Protection Agency (EPA) Region 9 accepted our invitation to cooperate and will be involved in the preparation of the NEPA document.

Question 6: Did DOE decide where CTDC's proposed project, Project Hostos, would go?

No. DOE did not propose the location of the Project Hostos. DOE received a Presidential permit application from the CTDC to construct, connect, operate, and maintain electric transmission facilities along a route proposed by the CTDC crossing the international border between the Dominican Republic and Puerto Rico.

Question 7: What is the difference between an Environmental Assessment (EA) and an Environmental Impact Statement (EIS)?

Under NEPA, both documents provide analysis of the potential environmental impacts of a proposed action. An agency must issue an EIS with respect to proposed agency action requiring an environmental document that has a reasonably foreseeable significant effect on the quality of the human environment. An agency prepares an EA with respect to a proposed agency action that does not have a reasonably foreseeable significant effect on the quality of the human environment, or if the significance of such effect is unknown. An EA results in either a Finding of No Significant Impact (FONSI), a finding that the project will not result in any significant environmental impacts, or a determination that an EIS is required.

Question 8: What happens next?

DOE determined, based on review of the permit application and more detailed information gathered since the application submission, that there is currently insufficient information to determine the significance of the potential environmental impacts of Project Hostos. As a result, DOE is preparing an Environmental Assessment (EA) to help DOE determine whether to issue a Finding of No Significant Environmental Impact (FONSI) or prepare an Environmental Impact Statement (EIS) for Project Hostos. If DOE determines that an EIS is needed, DOE will issue a notice of intent to prepare an EIS but may not conduct additional scoping meetings.

Slide 25:

Bryan Palacio (DOE): That concludes our Q&A session and presentation. As a reminder, although we won't be able to answer all of the questions we received in the today's Q&A, we will consider your comments and questions as we prepare our Environmental Assessment. Additional information is also available on our website. This meeting will stay open until the top of the hour to accept comments and questions. Thank you to everyone who attended today's meeting.

We look forward to hearing from you. Buenas noches.