



230kV Transmission Project

APS RESUMES YUMA-AREA TRANSMISSION LINE-SITING

As we announced in March 2010, APS has resumed the siting process for a new transmission project that will help ensure future reliability for our Yuma customers.

APS is proposing a new double-circuit 230kV (kilovolt) transmission line from APS's existing North Gila substation located at approximately County 6 ½ and Avenue 9 E to a new substation tentatively called TS-8 (Transmission Substation 8) in the southeast Yuma mesa area. APS is planning to meet an anticipated 2014 in-service date.

In addition to the segment described above, APS is planning for a future element of double-circuit 230kV transmission line continuing from the TS-8 Substation to the Yucca Power Plant located near Somerton Avenue and 8th Street. This new segment also will be included and evaluated in our current line siting process.

The 230kV project will help deliver bulk power to the Yuma area from a planned 500kV project connecting the Palo Verde Hub (transmission facilities around the Palo Verde Nuclear Generating Station) to the North Gila Substation. Additionally, the project will increase transmission capacity and reliability as area growth resumes. The new facilities also will potentially accommodate the development of renewable energy projects in the region.

A project map depicting the study area and potential transmission line routes is included in this newsletter. The proposed routes on the map evolved through a collaboration between APS and our environmental consultant that took into account the environmental and operational feasibility of potential routes. The proposed routes also reflect information and comments we obtained through our previous public outreach efforts.

CO-LOCATION OPPORTUNITIES EXPLORED

In November 2010, APS announced it was taking additional time to explore opportunities to co-locate facilities with existing or planned electric facilities in the area. At this time, APS plans to proceed with the siting process without a partner. However, the company will continue to explore opportunities to parallel other utility lines and corridors where feasible.

No final decisions have been made regarding routing options for this project. APS plans to present the potential routes for additional comment at a public open house scheduled for April 27 in Yuma.

ENVIRONMENTAL PROCESS

APS has retained EPG (Environmental Planning Group), an environmental consulting firm, to evaluate and expand upon the previous environmental analysis conducted for the North Gila to TS-8 to Yucca Project.

Resource specialists will assess the potential impacts of the project based on the route alternatives that are identified. EPG is responsible for conducting four primary tasks:

- 1 Regional study area characterization and review of previous/possible identification of new preliminary transmission line alternatives.
- 2 Detailed inventory of resources in the study area.
- 3 Impact assessment and mitigation planning.
- 4 Assistance in the preparation of the Certificate of Environmental Compatibility (CEC) application.

The results of the environmental studies, in conjunction with public input, will be key considerations APS will use in evaluating the alternative routes.

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Informational Open House

5:30 to 7:30 p.m.
Wednesday, April 27
Yuma Hampton Inn
1600 E. 16th St. in Yuma

STATE SITING PROCESS

In accordance with Arizona Revised Statute (ARS § 40-360), APS must obtain approval from the Arizona Corporation Commission (ACC) before constructing any new high-voltage power lines greater than 115kV. In compliance with those regulations, APS will prepare a CEC application for the project. The CEC application requires that several environmental factors are evaluated, including existing and planned land uses, landscape scenic quality and views, historic and archaeological features, and plant and wildlife species.

Once the siting process and public outreach has been completed, the application will be filed with the Arizona Power Plant and Transmission Line Siting Committee (Siting Committee). The CEC application includes information on the proposed project's purpose and need, description, cost, and federal and state permitting efforts. After the Siting Committee completes the public hearings for the project, the Committee will make a formal recommendation on the project to the ACC.

The ACC issues the final approval of the project, including the determination of the selected route for the transmission line and substation location.

OPPORTUNITIES FOR PUBLIC INFORMATION AND COMMENT

APS is committed to conducting an extensive public outreach program that actively seeks the community's involvement. The input APS receives is integral in evaluating alternative routes for the new transmission facilities necessary to ensure the safe and reliable delivery of electricity to our customers in the Yuma area. However, public input is not the single factor in determining the preferred and alternate routes. Other factors considered are, cost, engineering considerations, regulatory approvals, land acquisition considerations, and environmental considerations.

APS's initial outreach effort included a newsletter sent to property owners and APS customers in the area, newspaper advertisements, numerous stakeholder discussions and two public open house events in April 2010. In addition, in November 2010, APS sent a newsletter to its customers and property owners within the study area to provide an update on the project's status.

Moving forward, APS invites the public to participate in the public input process by reviewing information or submitting comments through one or more of the following methods:

- Project Web site, aps.com/siting (Select "Current Projects" and then click on the link for the "North Gila to TS-8 to Yucca 230kV Project")
- APS Transmission and Facility Siting Project Information Line, **866 472 4484** (Press 1 to be directly connected with the APS Siting Project Manager)
- Project newsletters mailed to APS customers and property owners in the project area
- Public open houses
- Arizona Power Plant and Transmission Line Siting Committee public hearings
- ACC Open Meeting

In addition, APS will continue to brief affected stakeholders, communities and agencies, and business and civic leaders throughout the line siting process, during which comments and questions are always welcome.

PROJECT SCHEDULE

The process and time required to site power lines varies from project to project. APS anticipates a CEC application submittal for this project in the third quarter of 2011. Line Siting Committee hearings typically occur within 60 days of the CEC application filing. A final decision on the project by the ACC is expected by early 2012.

Informational Open House

APS has scheduled an open house where members of the public will have the opportunity to speak with APS representatives about the project in an informal, one-on-one manner.

The open house is scheduled for 5:30 to 7:30 p.m., Wednesday, April 27, at the Yuma Hampton Inn, 1600 E. 16th St. in Yuma.

Questions or comments about this project can be submitted through the project website—where all previous project communications are located—at aps.com/siting or by calling APS Siting Project Manager toll-free at **866 472 4484**. (Press 1 to be directly connected with the APS Siting Project Manager.)

