

# From the ground up

## Dishing the dirt with Land Services

**P**ower lines. Substations. Power plants. They share a common denominator. Before you can build any of them, you have to have land. “You’ve heard people talk about building a project from the ground up?” Jim Looney, Section Leader, Land Services, asked. “Well, that’s us. We’re the ground.”

And, being the guardian of the ground — keeping an eye on the project throughout its lifetime of company use — is no small job.

For example, APS estimates it will need to acquire the right to use approximately 14,475 acres of land through either permit or easement within the next five years to accommodate an additional 1,250 miles of transmission lines and related substations. And, that does not include the permits needed for an additional 3,500 to 4,000 miles of distribution lines that will be placed in public rights of way.

### Getting rights of way on public land

To acquire these land rights, Land Services has to do more than show up at the property owners’ home or place of business with corporate checkbook in hand. For one thing, government entities own or manage more than 80 percent of Arizona’s land. They include federal agencies, Native American tribes and the State Land Department. There also are the counties, municipalities and quasi-governmental agencies like irrigation and electric districts.

In other words, the odds of a new power line crossing governmental property somewhere along the way are good. And, the team must secure rights of way, leases and/or permits from each entity long before construction starts.

The land agents specializing in these acquisitions navigate through multiple layers of bureaucratic procedure. They deal with several agencies at once, each with its own set of jurisdictions, priorities and regulatory requirements.

They also deal with increasingly complex environmental and historical preservation regulations, such as the National Environmental Policy Act (NEPA). It requires the company to study and carefully manage any effect its actions might have on a property’s protected species of plants and animals, and/or archaeological and other culturally important sites.

“NEPA requirements are ever-evolving, which means they can change in mid-project,” Looney said. “If that happens, we have to go back and re-survey the area because there is no grandfathering on NEPA requirements.”

Even without re-surveying an area, getting rights of way from multiple government entities is not a speedy process. A seemingly simple project can take three months to two years to complete.

Cultivating long-term working relationships with agency personnel is essential for efficiently working through their procedures, Looney noted.

On the other hand, municipalities often grant the company broad approval to use their streets and alleys for distribution lines as long as APS obtains a permit for each project.

### Acquiring privately owned land

Meanwhile, land agents handling private property acquisitions also are adept at negotiating with diverse groups. In their case, the groups range from ranchers to developers, individual homeowners to mega-corporations.

Some individual homeowners, however, quickly sign an easement if the line is going to power their home. Since this happens more often in the customer construction departments of the various operating divisions, the divisions’ survey/right of way representatives usually handle those occurrences. The Land Services team is available, though, if the transaction involves more complex public lands acquisition.

Handling private property acquisitions also means the land agents must pay close attention to the local real estate market.

“In the land business, they used to say location is everything,” Looney said, “but in Arizona, timing is just as important.”

To illustrate that point, Wayne Darby, Senior Land Agent, tells a story involving six downtown Phoenix land parcels the company needed for a new substation.

“Less than two years ago, we bought the first parcel for \$1.96 million per acre,” Darby said. “By the time we concluded negotiations on the remaining five parcels — a little more than a year later — the land’s value was up to \$3.12 million per acre. Our timing was good, though. An adjacent property recently sold for \$5.79 million per acre.”



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 Land Services

### After the acquisition

From a project’s beginning, Land Services’ 18-member team is there. Team members assist planners, analyze viable alternatives and budgetary requirements, and formulate negotiation strategies. Once the acquisition is done, though, they don’t brush off the dirt and move on to the next project. No, they stay with the project.

During a substation’s or transmission line’s lifetime, for example, questions can come up. What is the company’s obligation to care for and manage the land? What are the company’s rights regarding land access for routine maintenance or in an emergency? Is the company required to repair or rehabilitate the land if it suffered damage because of company activity?

According to Bob Bott, Senior Land Agent, the answers to these and other questions often are found in more than 250,000 legal documents — some dating back to 1911 — the department preserves.

“I call our department ‘the keeper of the past,’” Bott said. “Besides protecting the company’s investment, this massive collection also forms an invaluable company history.”

As equipment and facilities reach the end of their useful life and are removed from service, Land Services is there. Team members field questions about whether to sell the land, abandon an easement or retain it for future projects.

“We view our role as being a project’s steward,” Looney said. “We’re with the land throughout its lifetime of company use.”

— Colleen Hawk