

INTRODUCTION

APS is developing a plan to build new electrical facilities to better serve the rapidly growing population in the north-central metropolitan Phoenix area. The facilities proposed by APS are expected to be needed within the next 15 years, some of which will be needed within the next few years.

Environmental Planning Group (EPG), an environmental consulting firm, has been retained by APS to assist with siting the facilities by conducting environmental planning studies and public participation activities. This newsletter is the first in a series of project information materials designed to inform and involve the community throughout the project.

DESCRIPTION OF PROJECT

APS needs to supplement its electrical system in the north-central metropolitan Phoenix area due to continued growth. There also is a need to enhance the reliability of the existing system. The study area is bounded generally by Photo View Road to the north,

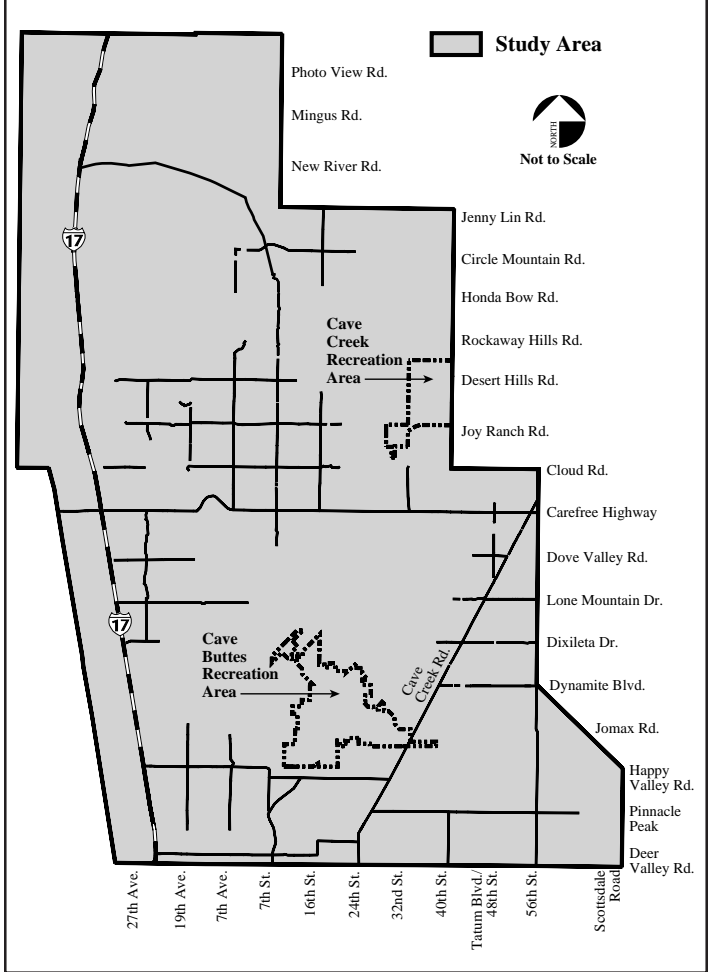
Please attend one of the upcoming
**PUBLIC INFORMATION
 OPEN HOUSES**
 to introduce the
**NORTH CENTRAL
 FACILITIES SITING PROJECT**

Tuesday, October 26, 1999 6:00 pm – 8:00 pm
 New River Elementary School
 48827 N. Black Canyon Hwy.
 (I-17 New River exit, north on frontage road)
 and
 Wednesday, October 27, 1999 7:00 pm – 9:00 pm
 Esperanza Elementary School Cafeteria
 251 W. Mohawk Lane • Phoenix
 (Take 7th Avenue, south of Deer Valley Road)

City of Phoenix boundaries and portions of Cave Creek and Carefree to the east, Deer Valley Road to the south, and Interstate 17 to the west (refer to map).

APS will study options for locating the following proposed facilities:

- 230 kilovolt (kV) transmission lines (see diagram on pg. 2)
- 69kV subtransmission lines (see diagram on page 2)
- 230kV substations
- 69kV substations



APS

APS is the state's largest energy services provider, meeting the electricity needs of more than 805,000 residential, commercial, and industrial customers in 11 of Arizona's 15 counties. APS has long been involved with the communities it serves. Last year APS shared more than \$5.3 million with community-based agencies and organizations in communities throughout Arizona and the Southwest, offering its large employee volunteer task force to help boost local charities.

APS' core business and commitment is to deliver energy and superior customer service. To this end, APS is committed to working with, and involving the community in planning the location of its major electrical facilities.

ENVIRONMENTAL PLANNING GROUP (EPG)

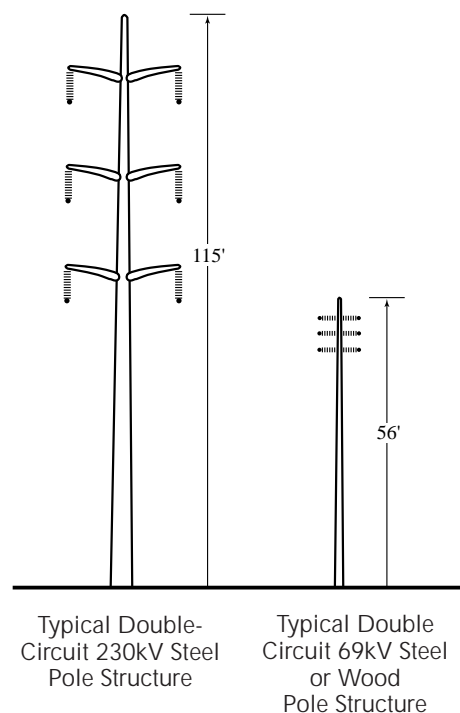
EPG staff has provided environmental consulting services in the Phoenix area for more than 25 years. In the western United States, their professional staff has participated in siting and licensing more than 100 transmission lines. An important objective of their approach is to integrate community input with the environmental planning process.

NEED FOR PROJECT

The north-central metropolitan Phoenix area continues to expand rapidly in population. APS expects residential, commercial, and industrial development to continue in Phoenix, New River, and in the Cave Creek area.

Increased development translates into increased demand for electricity, and soon demand in the north-central metropolitan communities will exceed APS' ability to deliver reliable power. If unaddressed, existing and future customers could be faced with difficulty in obtaining reliable and quality power, potentially resulting in outages, surges, and "brown-outs." In addition, customers could have problems in the operation of sensitive electronic equipment (computers, medical equipment, etc.) and other applications requiring quality power or precise voltage controls.

In summary, APS is planning today for tomorrow's electrical needs. The APS North Central Facilities Siting Project is needed to accommodate APS customers' increasing electrical power demand and to ensure a reliable, high-quality power source to this area in the future.



COMMUNITY INVOLVEMENT

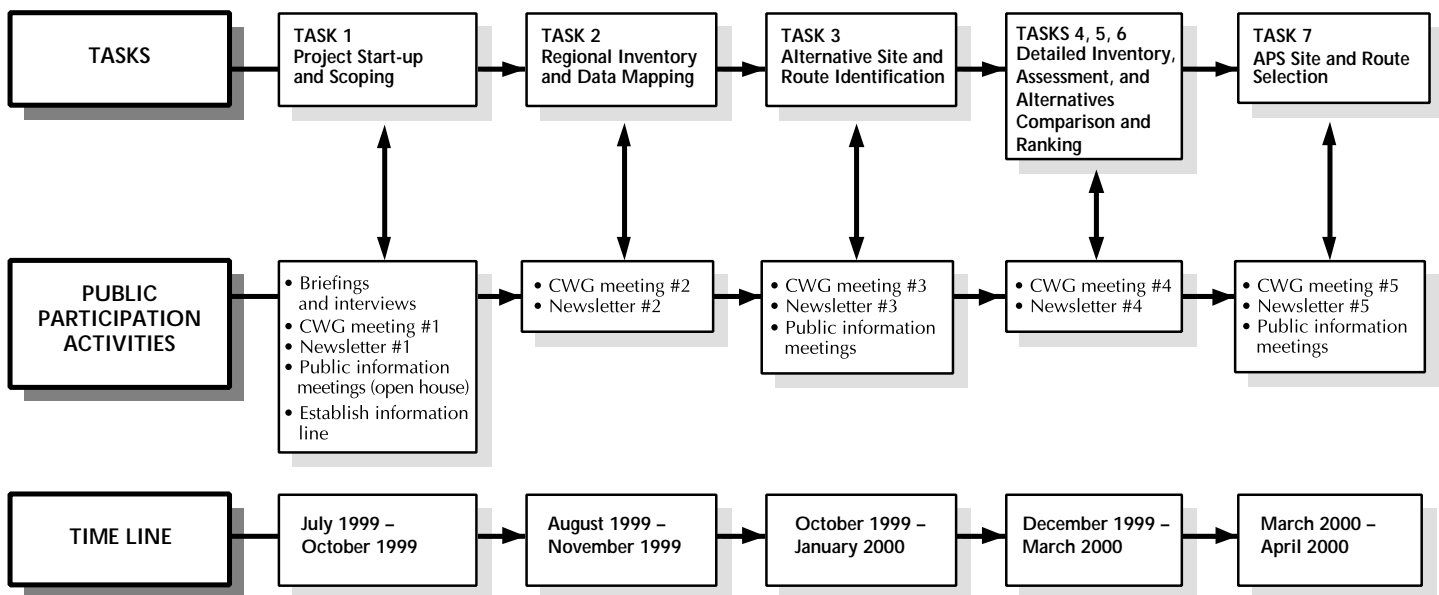
APS and EPG have created a Community Working Group (CWG) by conducting interviews with the public and other interested parties. The CWG represents a cross-section of people who are familiar with issues in the community and who represent a wide range of views. Members include a broad base of interested residents, property owners, developers, relevant agencies, and local officials. The CWG will meet with EPG and APS five times to provide feedback at key milestones of the planning process. Public information open houses also will be held to review the CWG recommendations. The CWG will eventually recommend power line routes and substation locations to APS, with the help of EPG's expertise.

The CWG is an important element of the planning process and public participation program and serves as a "sounding board" throughout the facility siting process. The group will provide information and comment on the environmental planning process that will be used in the decision making.

PLANNING PROCESS

There are seven primary tasks to be conducted during the environmental planning process. A general sequence of the tasks is shown on the flow diagram on the next page.

The process of identifying issues associated with the study area and the proposed facilities has begun (Task 1). Initial data gathering has also begun in order to compile a regional environmental inventory representing the natural resources,



land uses, visual/aesthetics, biological, and cultural resources (Task 2). The project team will then analyze the issues and data to identify the constraints and opportunities for locating the substation sites and transmission line routes. Based on this analysis, alternative routes and locations for facilities will be identified (Task 3). Following that effort, the project team will conduct a more detailed analysis resulting in a comparison and environmental ranking of the alternative sites and routes (Task 4, 5, 6). Selection criteria will then be finalized, including engineering and system data, environmental ranking of alternatives, and public input. Combined, this information will be the basis for APS to select the preferred and alternative routes and sites (Task 7).

As shown in the flow diagram, each task includes public participation by either the CWG and/or through newsletters and public open houses.

SCHEDULE

The planning process began in July 1999 and is tentatively scheduled

for completion in 10–12 months. APS plans to construct facilities in phases—facilities will be built first where they are needed most. Currently, APS expects that the first of the facilities will need to be in service by the end of year 2001.

PUBLIC PARTICIPATION

Besides the close coordination with the CWG previously mentioned, there will be several opportunities for the public to be informed and/or participate in this project including the following:

- **Public Information Open Houses**

There will be three sets of informative public meetings throughout the course of the project. These meetings will follow an informal open house format to allow individual discussion with project team members. Details for the open houses will be announced through paid advertisements, news releases, direct mail, and updates on the APS web site.

- **Voice Message Line**

A telephone voice message line has also been established for the public to ask questions, request information, or to be added to the mailing list. Please call (602) 381-1769.

- **Project Mailing List and Newsletters**

A mailing list will be updated throughout the project. Newsletters will be distributed to those on the mailing list at key milestones of the project. Comment forms will be included in the newsletters to allow opportunities for the public to comment on the project.

- **Web Site –**

<http://siting.apsc.com>

An internet web site has been established that will provide updated project information and the opportunity to provide comments by e-mail. The public also may request to be added to the project mailing list by registering on the web site.