

BEFORE THE ARIZONA CORPORATION CONTINUES IN

2 **COMMISSIONERS** 3 JIM O'CONNOR – CHAIRMAN Arizona Corporation Commission LEA MÁRQUEZ PETERSON DOCKETED ANNA TOVAR KEVIN THOMPSON DEC 3 1 2024 5 NICK MYERS DOCKETED BY 6 W) 7 DOCKET NO. IN THE MATTER OF THE APPLICATION OF L-00000D-24-0218-00238 ARIZONA PUBLIC SERVICE COMPANY, IN **CASE NO. 238** CONFORMANCE WITH THE REQUIREMENTS OF ARIZONA REVISED STATUES 40-360, ET SEQ., FOR A CERTIFICATE OF 79645 DECISION NO. ENVIRONMENTAL COMPATIBILITY 10 **AUTHORIZING THE BAGDAD 230 KILOVOLT** (KV) TRANSMISSION LINE PROJECT, APS 11 PLANS TO CONSTRUCT A SINGLE CIRCUIT 230KV TRANSMISSION LINE WHICH WILL **ORDER** 12 CONNECT A NEW SUBSTATION ADJACENT TO THE EXISTING WILLOW LAKE 115KV 13 POWERLINE APPROXIMATELY ONE MILE EAST OF THE TOWN OF BAGDAD, ARIZONA. 14 15 December 17, 2024 Open Meeting 16 17 BY THE COMMISSION:

Pursuant to A.R.S. § 40-360 et seq., after due consideration of all relevant matters, the Arizona Corporation Commission ("Commission") finds and concludes that the Certificate of Environmental Compatibility ("CEC") issued by the Arizona Power Plant and Transmission Line Siting Committee ("Siting Committee") is hereby approved as granted by this Order.

The Commission, in reaching its decision, has balanced all relevant matters in the broad public interest, including the need for an adequate, economical, and reliable supply of electric power

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with the desire to minimize the effect thereof on the environment and ecology of this state, and finds that granting the Project a CEC is in the public interest. The Commission further finds and concludes that in balancing the broad public interest in this matter: 1. The Project is in the public interest because it aids the state in meeting the need for an adequate, economical, and reliable supply of electric power. 2. In balancing the need for the Project with its effect on the environment and ecology of the state, the conditions placed on the CEC effectively minimize its impact on the environment and ecology of the state. 3. The conditions placed on the CEC resolve matters concerning the need for the Project and its impact on the environment and ecology of the state raised during the course of proceedings and, as such, serve as the findings on the matters raised. 4. In light of these conditions, the balancing in the broad public interest results in favor of granting the CEC.

THE CEC ISSUED BY THE SITING COMMITTEE IS INCORPORATED

HEREIN AND IS APPROVED BY ORDER OF THE

ARIZONA CORPORATION COMMISSION

COMMISSIONER MARQUEZ PETERSON

COMMISSIONER THOMPSON



IN WITNESS WHEREOF, I, DOUGLAS R. CLARK, Executive Director of the Arizona Corporation Commission, have hereunto, set my hand and caused the official seal of this Commission to be affixed at the Capitol, in the City of Phoenix, this 31st day of December, 2024.

Executive Director

DISSENT:

DISSENT:

BEFORE THE ARIZONA POWER PLANT AND TRANSMISSION LINE SITING COMMITTEE

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DOCKET NO. L-00000D-24-0218-00238

Case No. 238

CERTIFICATE OF ENVIRONMENTAL COMPATIBILITY

A. INTRODUCTION

ARIZONA.

IN THE MATTER OF THE APPLICATION

REVISED STATUTES §§ 40-360, ET SEQ.,

TRANSMISSION LINE PROJECT, WHICH

INCLUDES THE CONSTRUCTION OF AN

APPROXIMATELY 14-MILE LONG 230KV

POWER ADMINISTRATION'S MEAD-TO-

PERKINS TRANSMISSION LINE VIA A

COMPANY, IN CONFORMANCE WITH THE REQUIREMENTS OF ARIZONA

ENVIRONMENTAL COMPATIBILITY AUTHORIZING THE BAGDAD 230KV

TRANSMISSION LINE THAT WILL

CONNECT FROM WESTERN AREA

SUBSTATION NEAR THE TOWN OF BAGDAD AND ADJACENT TO THE

WILLOW LAKE-TO-BAGDAD 115KV LINE, ALL WITHIN YAVAPAI COUNTY,

NEW SUBSTATION TO A NEW

OF ARIZONA PUBLIC SERVICE

FOR A CERTIFICATE OF

Pursuant to notice given as provided by law, the Arizona Power Plant and Transmission Line Siting Committee ("Committee") held public hearings on October 28 through October 30, 2024, in Wickenburg, Arizona, in conformance with the requirements of Arizona Revised Statutes ("A.R.S.") §§ 40-360, et seq., for the purpose of receiving evidence and deliberating on the Application of Arizona Public Service Company ("APS" or "Applicant") for a Certificate of Environmental Compatibility ("Certificate") in the above-captioned case.

The following members and designees of members of the Committee were present at one or more of the hearing days for the evidentiary presentations, public comment, and/or for the deliberations:

Adam Stafford

Chairman, Designee for Arizona Attorney General Kris Mayes

	Leonard Drago	Designee for Director, Arizona Department of Environmental Quality
	David French	Designee for Director, Arizona Department of Water Resources
	Nicole Hill	Designee for Director, Governor's Energy Office
	Gabby Saucedo Mercer	Designee of the Chairman, Arizona Corporation Commission ("Commission")
	Dave Richins	Appointed Member, representing General Public
	Jon Gold	Appointed Member, representing the General Public
	Margaret "Toby" Little	Appointed Member, representing the General Public
	David Kryder	Appointed Member, representing Agricultural Interests
	Roman Fontes	Appointed Member, representing Counties
	Applicant was represented by Linc	da J. Benally and Farris Gillman of Pinnacle West
it	Corporation and I Matthew I	Persting of Small & Wilmer LLD No portion

Applicant was represented by Linda J. Benally and Farris Gillman of Pinnacle West Capital Corporation and J. Matthew Derstine of Snell & Wilmer, LLP. No parties requested intervention pursuant to A.R.S. § 40-360.05. Freeport Minerals Corporation ("Freeport"), represented by Patrick J. Black and Kaitlyn E. Smith of Fennemore Craig, P.C., made a limited appearance pursuant to A.R.S. § 40-360.05(B).

At the conclusion of the hearing, the Committee, after considering the (i) Application, (ii) appearances of the Applicant, (iii) evidence, testimony, and exhibits presented by the Applicant, (iv) the limited appearance of Freeport, and (v) comments of the public, and being advised of the legal requirements of A.R.S. §§ 40-360 through 40-360.13, upon motion duly made and seconded, voted 10 to 0 to grant the Applicant, its successors and assigns, this Certificate for construction of the Bagdad 230kV Transmission Line Project ("Project") as described below.

B. PROJECT DESCRIPTION

The Project consists of a new, approximately 14-mile, single-circuit 230kV transmission line. The Project will be located on State Trust Land, managed by the Arizona State Land Department, and private land. A map showing the route of the Project is shown in **Exhibit A**.

The final right-of-way width for the Project will be 100 feet within the 300-foot-wide corridor. The maximum height of the structures will be 199 feet.

CONDITIONS

- 1. This authorization to construct the Project shall expire ten (10) years from the date this Certificate is approved by the Commission, with or without modification. Construction of the Project shall be complete, such that the Project is in service within this ten-year timeframe. However, prior to the expiration of the time period, the Applicant may request that the Commission extend the time limitation.
- 2. In the event the Project requires an extension of the term(s) of this Certificate prior to completion of construction, the Applicant shall file such time extension request at least one hundred and eighty (180) days prior to the expiration of the Certificate. The Applicant shall use reasonable means to promptly notify Yavapai County, Arizona State Land Department ("ASLD"), and all landowners and residents within a three (3) mile radius of the centerline of the Project, all persons who made public comment at this proceeding who provided a mailing or email address, and all parties to this proceeding. The notification provided will include the request and the date, time, and place of the hearing or open meetings during which the Commission will consider the request for the extension. Notification shall be no more than three (3) business days after the Applicant is made aware of the hearing date or the open meeting date.
- 3. During the development, construction, operation, maintenance, and reclamation of the Project, the Applicant shall comply with all existing applicable air and water pollution control standards and regulations, and with all existing applicable statutes,

ordinances, master plans and regulations of any governmental entity having jurisdiction including, but not limited to, the United States of America, the State of Arizona, Yavapai County, ASLD, and their agencies and subdivisions including, but not limited to, the following:

- a. All applicable land use regulations;
- b. All applicable zoning stipulations and conditions including but not limited to landscaping and dust control requirements;
- c. All applicable water use, discharge and/or disposal requirements of the Arizona Department of Water Resources and the Arizona Department of Environmental Quality;
- d. All applicable noise and lighting control standards; and
- e. All applicable regulations governing storage and handling of hazardous chemicals and petroleum products.
- 4. The Applicant shall obtain all approvals and permits necessary to construct, operate and maintain the Project required by any governmental entity having jurisdiction including, but not limited to, the United States of America, the State of Arizona, Yavapai County, ASLD, and their agencies and subdivisions.
- 5. The Applicant shall comply with the Arizona Game and Fish Department ("AGFD") guidelines and recommendations for handling protected animal species, should any be encountered during construction and operation of the Project, and shall consult with AGFD or U.S. Fish and Wildlife Service, as appropriate, on other issues concerning wildlife.
- 6. The Applicant shall design the Project's facilities to incorporate reasonable measures to minimize electrocution of and impacts to avian species in accordance with the Applicant's avian protection program. Such measures will be accomplished through incorporation of Avian Power Line Interaction Committee guidelines set forth in the current versions of Suggested Practices for Avian Protection on Power Lines and Reducing Avian Collisions with Power Lines manuals.

7. The issuance of a Certificate by the Commission is a state action pursuant to A.R.S. §§ 41-861 through 41-864, also known as the State Historic Preservation Act ("State Act") and is subject to review by the Arizona State Historic Preservation Office ("SHPO"). As a state agency, the Commission remains the responsible entity for compliance with the State Act.

A. The Applicant, on behalf of the Commission, shall consult with SHPO regarding the Project and its impacts on historic properties and construction shall not commence until SHPO has had an opportunity to review and comment.

B. If a Project involves federal funding, permitting, licensing, or approval pursuant to 36 CFR § 800.16(y), it may be a federal undertaking pursuant to Section 106 of the National Historic Preservation Act ("NHPA") (36 CFR Part 800). Section 106 of the NHPA requires SHPO concurrence on the adequacy of the federal agency's efforts to identify historic properties and establish an area of potential effects. If any part of the Project is a federal undertaking, the federal agency shall consult with SHPO directly. The Applicant will provide SHPO with notice of federal agency involvement if not known prior to issuance of this Certificate.

- 8. If any archaeological, paleontological, or historical site or a significant cultural object is discovered on state, county, or municipal land during the construction or operation of the Project, the Applicant or its authorized representative shall promptly report the discovery to the Director of the Arizona State Museum ("ASM"), and in consultation with the Director, shall immediately take all reasonable steps to secure and maintain the preservation of the discovery as required by A.R.S. § 41-844.
- 9. The Applicant shall comply with the notice and salvage requirements of the Arizona Native Plant Law (A.R.S. § 3-901 *et seq.*) and shall, to the extent feasible, minimize the destruction of native plants during the construction and operation of the Project.
 - 10. The Applicant shall make every reasonable effort to promptly investigate,

identify, and correct, on a case-specific basis, all complaints of interference with radio or television signals from operation of the Project addressed in this Certificate and where such interference is caused by the Project, take reasonable measures to mitigate such interference. The Applicant shall maintain written records for a period of five (5) years of all complaints of radio or television interference attributable to operations, together with the corrective action taken in response to each complaint. All complaints shall be recorded to include notation on the corrective action taken. Complaints not leading to specific action or for which there was no resolution shall be noted and explained. Upon request, the written records shall be provided to the Staff of the Commission. The Applicant shall respond to complaints and implement appropriate mitigation measures. In addition, the Project shall be evaluated on a regular basis so that damaged insulators or other line materials that could cause interference are repaired or replaced in a timely manner.

Encounters of Human Remains. 11.

If human remains and/or funerary objects are encountered during the course A. of any ground-disturbing activities related to the construction or operation of the Project, the Applicant shall cease work on the affected area of the Project and notify the Director of the ASM as required by A.R.S. § 41-865 for private land, or as required by A.R.S. § 41-844 for state, county, or municipal lands.

Β. If human remains and/or funerary objects are encountered during the course of any ground-disturbing activities related to the construction or operation of the Project on federal land, the Applicant shall cease work on the affected area of the Project and notify the federal land manager as required by the Native American Graves Protection and Repatriation Act ("NAGPRA"; Public Law 101-601; 25 U.S.C. 3001-3013). The Project shall not proceed without federal agency approval. 12. Within hundred twenty (120) days of the Commission's decision approving this Certificate, the Applicant shall post signs in or near public rights-of-way, to the extent authorized by law, reasonably

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adjacent to the Project giving notice of the Project. Such signage shall be no smaller than a roadway sign. The sign shall advise:

- a. The future site of the Project;
- b. A phone number and website for public information regarding the Project; and
- c. Refer the public to the Docket;

Such signs shall be inspected at least once annually and, if necessary, be repaired or replaced, and removed at the completion of construction.

The Applicant shall make every reasonable effort to communicate the decision either approving or disapproving the Certificate in digital media.

- At least ninety (90) days before construction commences on the Project, the Applicant shall provide Yavapai County, ASLD, and known builders and developers who are building upon or developing land within three (3) miles of the centerline of the Project with a written description, including the approximate height and width measurements of all structure types of the Project. The written description shall identify the location of the Project and contain a pictorial depiction of the facilities being constructed. The Applicant shall also encourage the developers and builders to include this information in their disclosure statements. Upon approval of this Certificate by the Commission, the Applicant may commence construction of the Project.
- 14. The Applicant shall use non-specular conductor and non-reflective surfaces for the transmission line structures on the Project.
- 15. The Applicant shall be responsible for arranging that all field personnel involved in the Project receive training as to proper ingress, egress, and on-site working protocols for environmentally sensitive areas and activities. Contractors employing such field personnel shall maintain records documenting that the personnel have received such training.
 - 16. The Applicant shall follow the most current Western Electricity

Coordinating Council ("WECC") and North American Electric Reliability Corporation ("NERC") planning standards, as approved by the Federal Energy Regulatory Commission ("FERC"), National Electrical Safety Code ("NESC") standards, and Federal Aviation Administration ("FAA") regulations.

- 17. The Applicant shall participate in good faith in state and regional transmission study forums to coordinate transmission expansion plans related to the Project and to resolve transmission constraints in a timely manner. 18. When Project facilities are located parallel to and within one hundred (100) feet of any existing natural gas or hazardous pipeline, the Applicant shall:
 - a. Ensure grounding and cathodic protection studies are performed to show that the Project's location parallel to and within one hundred (100) feet of such pipeline results in no material adverse impacts to the pipeline or to public safety when both the pipeline and the Project are in operation. The Applicant shall take appropriate steps to ensure that any material adverse impacts are mitigated. The Applicant shall provide to Staff of the Commission, and file with Docket Control, a copy of the studies performed and additional mitigation, if any, that was implemented as part of its annual compliance-certification letter; and
 - b. Ensure that studies are performed simulating an outage of the Project that may be caused by the collocation of the Project parallel to and within one hundred (100) feet of the existing natural gas or hazardous liquid pipeline. The studies should either: (i) show that such simulated outage does not result in customer outages; or (ii) include operating plans to minimize any resulting customer outages. The Applicant shall provide a copy of the study results to Staff of the Commission and file them with Docket Control as part of the Applicant's annual compliance certification letter.
 - 19. The designation of the corridor in this Certificate, as shown in **Exhibit A**,

does not authorize a right-of-way greater than 100 feet wide for the transmission line, nor does it grant the Applicant exclusive rights within the corridor outside of the final designated transmission right-of-way.

- 20. The Applicant shall submit a compliance certification letter annually, identifying progress made with respect to each condition contained in this Certificate, including which conditions have been met. The letter shall be submitted to the Commission's Docket Control commencing on December 1, 2025. Attached to each certification letter shall be documentation explaining how compliance with each condition was achieved. Copies of each letter, along with the corresponding documentation, shall be submitted to the Arizona Attorney General's Office. With respect to the Project, the requirement for the compliance letter shall expire on the date the Project is placed into operation. Notification of such filing with Docket Control shall be made to Yavapai County, ASLD, all parties to this Docket, and all parties who made a limited appearance in this docket.
- 21. The Applicant shall provide a copy of this Certificate to Yavapai County and ASLD.
- 22. Any transfer or assignment of this Certificate shall require the assignee or successor to assume, in writing, all responsibilities of the Applicant listed in this Certificate and its conditions as required by A.R.S. § 40-360.08(A) and Rule R14-3-213(F) of the Arizona Administrative Code.
- 23. In the event the Applicant, its assignee, or successor seeks to modify the Certificate's terms at the Commission, it shall provide copies of such request to Yavapai County, ASLD, all parties to this Docket, and all parties who made a limited appearance.
- 24. The Certificate Conditions shall be binding on Applicant, its successors, assignee(s) and transferees, and any affiliates, agents, or lessees of the Applicant who have a contractual relationship with the Applicant concerning the construction, operation, maintenance, or reclamation of the Project. The Applicant shall provide in any

agreement(s) or lease(s) pertaining to the Project that the contracting parties and/or lessee(s) shall be responsible for compliance with the Conditions set forth herein, and the Applicant's responsibilities with respect to compliance with such Conditions shall not cease or be abated by reason of the fact that the Applicant is not in control of or responsible for the operation and maintenance of the Project facilities.

FINDINGS OF FACT AND CONCLUSIONS OF LAW

This Certificate incorporates the following Findings of Fact and Conclusions of Law:

- 1. The Project aids the State and the Southwest Region of the United States in meeting the need for an adequate, economical, and reliable supply of electric power.
- 2. When constructed in compliance with the conditions imposed in this Certificate, the Project aids the State, preserving a safe and reliable electric transmission system.
- 3. During the course of the hearing, the Committee considered evidence on the environmental compatibility of the Project as required by A.R.S. § 40-360 *et seq.*
- 4. The Project and the conditions placed on the Project in this Certificate effectively minimize the impact of the Project on the environment and ecology of the State.
- 5. The Conditions placed on the Project in this Certificate resolve matters concerning balancing the need for the Project with its impact on the environment and ecology of the State arising during the course of the proceedings and, as such, serve as findings and conclusions on such matters.
- 6. The Project is in the public interest because the Project's contribution to meeting the need for an adequate, economical, and reliable supply of electric power outweighs the minimized impact of the Project on the environment and ecology of the State.

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1	DATED this 8th day of November, 2024.
2	THE ADIZONA DOWED DI ANT AND
3	THE ARIZONA POWER PLANT AND TRANSMISSION LINE SITING COMMITTEE
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5	Australia
6	By:
7	Adam Stafford, Chairman
8	CEDTIFICATE OF MAILING
9	CERTIFICATE OF MAILING
	ORIGINAL of the foregoing was e-filed this 8th day of November, 2024, with:
10 11	Utilities Division – Docket Control ARIZONA CORPORATION COMMISSION
12	1200 West Washington Street Phoenix, AZ 85007
13	COPY of the foregoing emailed this 8th day of November, 2024, to:
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EXHIBIT A

BAGDAD 230kV TRANSMISSION LINE PROJECT CORRIDOR DESCRIPTION

Beginning at a point (A) 450 feet northeast of the WAPA Perkins-Mead 500kV transmission line, 1,076 feet south of the southern edge of the Santa Maria River North Fork, and 6,000 feet east of the centerline of U.S. 93, the route proceeds northwest approximately parallel to the WAPA Perkins-Mead 500kV transmission line for approximately 4,740 feet, where the route turns roughly north for a distance of approximately 2.93 miles to a point (B) that is approximately 4,170 feet west of Thorn Peak.

From this point, the route continues roughly north for another approximately 3,565 feet before turning and proceeding roughly north northeast for approximately 2,730 feet, to a point (C) approximately 1,425 feet northwest of Whitecap Peak. The route continues roughly northeast approximately 4 miles to a point (D) where it crosses State Route 97 approximately 3.1 miles west on State Route 97 from the State Route 97 and State Route 96 intersection.

From this point, the route continues roughly northeast for approximately 1.82 miles to a point (E) where it crosses Bridle Creek approximately 2,700 feet northwest of State Route 97.

From this point, the route continues roughly north 1.84 miles, crossing Bridle Creek two additional times to a point (F) where it crosses State Route 96 approximately 1.93 miles south of the intersection of State Route 96 and Community Drive in Bagdad.

From this point, the route proceeds roughly north northwest for approximately 1.13 miles to the termination of the transmission line (G), which is located approximately 536 feet south of the existing Willow Lake to Bagdad 115kV transmission line, and approximately 4,240 feet east of the point where the existing Willow Lake to Bagdad 115kV transmission line crosses over State Route 96.

