

BEFORE THE ARIZONA POWER PLA! AND TRANSMISSION LINE SITING COMMITTEE

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IN THE MATTER OF THE APPLICATION OF 3 ARIZONA PUBLIC SERVICE COMPANY, IN CONFORMANCE WITH THE REQUIREMENTS OF A.R.S. § 40-360 ET SEQ., FOR A CERTIFICATE OF ENVIRONMENTAL COMPATIBILITY AUTHORIZING THE WILDCAT AND CYCLONE TRANSMISSION LINE PROJECT, WHICH INCLUDES THE CONSTRUCTION OF NEW 230-KILOVOLT SINGLE CIRCUIT TRANSMISSION LINES,

WITH THE INTERCONNECTION

ORIGINATING AT THE EXISTING APS PALM VALLEY-RUDD 230-KV TRANSMISSION LINE

(RUDD TRANSMISSION LINE), PROCEEDING TO THE TS15 SUBSTATION, NE QUARTER OF

10 THE SW QUARTER OF SECTION 21 OF

TOWNSHIP 1 NORTH, RANGE 1 WEST, AND 11 CONTINUING SOUTH TERMINATING AT THE

RUDD TRANSMISSION LINE LOCATED 12 WITHIN MARICOPA COUNTY, ARIZONA.

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14 Open Meeting

November 5 and 6, 2019 Phoenix, Arizona

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BY THE COMMISSION:

DOCKET NO. L-00000D-19-0196-00183

CASE NO. 183

DECISION NO. 77469

ORDER

Arizona Corporation Commission

DOCKETED

NOV 0 7 2019

DOCKETED BY

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 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.

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Decision No. 77469

The Commission further finds and concludes that in balancing the broad public interest in this matter:

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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.

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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.

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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.

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 In light of these conditions, the balancing in the broad public interest results in favor of granting the CEC.

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Decision No. 77469

THE CEC ISSUED BY THE SITING COMMITTEE IS INCORPORATED HEREIN AND IS APPROVED BY ORDER OF

THE ARIZONA CORPORATION COMMISSION

AMARIAN BORGEN	COMMISSIONER DUNN	COMMISSIONER KENNEDY
COMMISSIONER OLSON	COMMIS	ESIONER MARQUEZ PETERSON



IN WITNESS WHEREOF, I, MATTHEW J. NEUBERT, 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 ________, 2019.

MATTHEW J. NEVBERT EXECUTIVE DIRECTOR

DISSENT:		
DISSENT:		

BEFORE THE ARIZONA POWER PLANT AND TRANSMISSION LINE SITING COMMITTEE

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IN THE MATTER OF THE 4 APPLICATION OF ARIZONA PUBLIC

SERVICE COMPANY, IN CONFORMANCE WITH THE

REQUIREMENTS OF A.R.S. § 40-360 ET

6 SEO., FOR A CERTIFICATE OF

ENVIRONMENTAL COMPATIBILITY AUTHORIZING THE WILDCAT AND

CYCLONE TRANSMISSION LINE

PROJECT. WHICH INCLUDES THE

CONSTRUCTION OF NEW 230-KILOVOLT SINGLE CIRCUIT

TRANSMISSION LINES. WITH THE

INTERCONNECTION ORIGINATING AT

THE EXISTING APS PALM VALLEY-11 **RUDD 230-KV TRANSMISSION LINE**

(RUDD TRANSMISSION LINE). 12

PROCEEDING TO THE TS15

SUBSTATION, NE QUARTER OF THE

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TOWNSHIP 1 NORTH, RANGE 1 WEST.

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SUBSTATION, SE QUARTER OF THE

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TOWNSHIP 1 NORTH, RANGE 1 WEST.

16 AND CONTINUING SOUTH

TERMINATING AT THE RUDD 17

TRANSMISSION LINE LOCATED

WITHIN MARICOPA COUNTY,

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DOCKET NO. L-00000D-19-0196-00183 Case No. 183



CERTIFICATE OF ENVIRONMENTAL COMPATIBILITY

Introduction

Pursuant to notice given as provided by law, the Arizona Power Plant and Transmission Line Siting Committee (Committee) held public hearings on September 24 through September 26, 2019, in Goodyear, Arizona, in conformance with the requirements of the Arizona Revised Statutes (A.R.S.) § 40-360, et seq., for the purpose of receiving evidence and deliberating on the August 14, 2019 Application of Arizona Public Service Company (Applicant) for a Certificate of Environmental Compatibility (Certificate) in the above-captioned case (Wildcat and Cyclone 230kV Transmission

Line Project or Project).

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:

Thomas Chenal	Chairman, Designee for Arizona Attorney General
Leonard Drago	Designee for Director, Arizona Department of Environmental Quality
John R. Riggins	Designee for Director, Arizona Department of Water Resources
Laurie A. Woodall	Designee of the Chairman, Arizona Corporation Commission
Jack Haenichen	Appointed Member, representing the general public
Patricia A. Noland	Appointed Member, representing the general public
Karl Gentles	Appointed Member, representing the general public
Mary Hamway	Appointed Member, representing the cities and towns
James A. Palmer	Appointed Member, representing agriculture

The Applicant was represented by J. Matthew Derstine of Snell & Wilmer and Linda J. Benally of APS. The following parties were granted intervention pursuant to A.R.S. § 40-360.05: Arizona Corporation Commission Utilities Division Staff.

At the conclusion of the hearing, the Committee, after considering the (i) Application, (ii) evidence, testimony, and exhibits presented by the Applicant, and (iii) comments of the public, and being advised of the legal requirements of the A.R.S. §§ 40-360 through 40-360.13, upon motion duly made and seconded, voted 9 to 0 to grant Applicant, its successors and assigns, this Certificate for construction of the Project as described below.

Overview of the Project

The Project is being developed to serve two separate but adjacent data center projects located northwest of the intersection of W. Broadway Road and S. Litchfield Road in Goodyear, and referred to as the Wildcat Data Center and the Cyclone Data

Center. The Project will consist of new single-circuit 230kV transmission lines of approximately 1.45 miles of total length designed to deliver power to the data center projects, from the nearby existing Palm Valley to Rudd 230kV transmission line located approximately 0.30 to 0.35 miles to the south of the Wildcat Data Center and Cyclone Data Center sites. Applicant plans to use steel double-circuit capable monopoles and H-frame structures for the Project.

A map and corridor description of the Project is attached as "Exhibit A".

CONDITIONS

This Certificate is granted upon the following conditions:

- 1. This authorization to construct the Project shall expire ten (10) years from the date this Certificate is approved by the Arizona Corporation 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, Applicant may request that the Commission extend the time limitation.
- 2. In the event that the Project requires an extension of the term(s) of this Certificate prior to completion of construction, Applicant shall file such time extension request at least one hundred eighty (180) days prior to the expiration date of the Certificate. Applicant shall use reasonable means to promptly notify all cities and towns within a five (5)-mile radius of the centerline of the Project and all landowners and residents within a one (1)-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 meeting during which the Commission will consider the request for extension. Notification shall be no more than three (3) business days after 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, 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, Maricopa County, the City of Goodyear, and their agencies or subdivisions, including but not limited to the following:

- 3.1 All applicable land use regulations;
- 3.2 All applicable zoning stipulations and conditions, including but not limited to landscaping and dust control requirements;
- 3.3 All applicable water use, discharge and/or disposal requirements of the Arizona Department of Water Resources and the Arizona Department of Environmental Quality;
- 3.4 All applicable noise control standards; and
- 3.5 All applicable regulations governing storage and handling of hazardous chemicals and petroleum products.
- 4. 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, Maricopa County, and the City of Goodyear, and their agencies and subdivisions.
- 5. Applicant shall comply with the Arizona Game and Fish Department (AGFD) guidelines for handling protected animal species, should any be encountered during construction and operation of the Project, and shall consult with AGFD as necessary on other issues concerning wildlife.
- 6. Applicant shall design the Project to incorporate reasonable measures to minimize impacts to avian species. Such measures will be accomplished through compliance with the 2006 standards of the Avian Power Line Interaction Committee, and include the application of recommended measures to minimize the risk of collision, as described in the 2012 guidelines of the Avian Power Line Interaction Committee. To the extent applicable to the Project, Applicant will comply with the recommendations of

the AGFD set forth in its August 1, 2019 letter which is Exhibit APS-14 of the Supplemental Packet filed on September 12, 2019.

- 7. Applicant shall consult with the State Historical Preservation Office (SHPO) and the City of Goodyear with respect to cultural resources. If any archeological, paleontological, or historical site, or a significant object is discovered on state, county or municipal land during the construction or operation of the Project, Applicant or its representative in charge 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.
- 8. 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.
- 9. 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. 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 notations on the corrective action taken. Complaints not leading to a 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. 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.
 - 10. If human remains and/or funerary objects are encountered on private land

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during the course of any ground-disturbing activities related to the construction or maintenance of the Project, Applicant shall cease work on the affected area of the Project and notify the Director of the Arizona State Museum as required by A.R.S. § 41-865.

- 11. Within one hundred twenty (120) days of the Commission's decision approving this Certificate, Applicant shall post signs in or near public rights-of-way, to the extent authorized by law, along the route of the Project giving notice of the Project. Such signage shall be no smaller than a roadway sign. The signs shall advise:
 - Future site of a APS power line; and a.
 - b. A phone number and website for public information regarding the Project.

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

- 12. At least ninety (90) days before construction commences on the Project, Applicant shall provide governmental entities within five (5) miles of the Project, and known builders and developers who are building upon or developing land within one (1) mile of the centerline of the Project with a written description, including 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. Applicant shall also encourage the developers and builders to include this information in their disclosure statements.
- Applicant shall use non-specular conductors and non-reflective surfaces 13. for the transmission line structures on the Project.
- 14. 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 protocol for environmentally-sensitive areas and activities. Contractors employing such field personnel shall maintain records documenting that the personnel have received such training.

- 15. 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), and National Electrical Safety Code (NESC) standards and Federal Aviation Administration (FAA) regulations.
- 16. 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.
- 17. When Project facilities are located parallel to and within one hundred (100) feet of any existing natural gas or hazardous liquid pipeline, 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. Applicant shall take appropriate steps to ensure that any material adverse impacts are mitigated. Applicant shall provide the Commission Staff and file with Docket Control a copy of the studies performed and additional mitigation, if any, that were 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. Applicant shall provide a copy of the study results to the Commission Staff and file them with Docket Control as part of

Applicant's annual compliance certification letter.

- 18. 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 Commission's Docket Control commencing on December 1, 2020. Attached to each certification letter shall be documentation explaining how compliance with each condition was achieved. Copies of the 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 the Board of Supervisors for Maricopa County, the City of Goodyear, and all parties to this Docket.
- 19. Applicant shall provide a copy of this Certificate to the Board of Supervisors for Maricopa County, the Cities of Goodyear, Avondale and Phoenix, Arizona State Land Department, Bureau of Land Management and Phoenix Goodyear Airport.
- 20. Any transfer or assignment of this Certificate shall require the assignee or successor to assume, in writing, all responsibilities of Applicant listed in this Certificate and its conditions as required by A.R.S. § 40-360.08(A) and R14-3-213(F) of the Arizona Administrative Code.
- 21. In the event Applicant, its assignee, or successor, seeks to modify the Certificate terms at the Commission, it shall provide copies of such request to the Board of Supervisors for County, the Cities of Goodyear, Avondale and Phoenix, Arizona State Land Department, Bureau of Land Management, Phoenix Goodyear Airport and all parties to this Docket.
- 22. The Certificate Conditions shall be binding on Applicant, its successors, assignee(s) and transferees and any affiliates, agents, or lessees of Applicant who have a contractual relationship with Applicant concerning the construction, operation,

maintenance or reclamation of the Project. 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 Applicant's responsibilities with respect to compliance with such Conditions shall not cease or be abated by reason of the fact that Applicant is not in control of or responsible for operation and maintenance of the Project facilities.

- 23. Applicant shall continue to make good faith efforts to discuss, with private landowners on whose property the Project is located, the specific location of the right-of-way and alternatives for placement of poles. A copy of this Certificate shall be provided to private landowners, and a description of the good faith efforts and discussions shall be included in the annual compliance certification letter.
- 24. Applicant shall pursue reasonable efforts to work with private landowners on whose property the Project will be located to mitigate the impacts of the location, construction, and operation of the Project on private land and negotiate such right-of-way agreements in good faith.
- 25. Any such right-of-way agreement shall, where practicable and after consultation with the landowner, require Applicant, at a minimum to (a) use existing roads for construction and access; (b) minimize impacts to wildlife; (c) minimize vegetation disturbance outside of the Project right-of-way, particularly in drainage channels and along stream banks; and (d) revegetate native areas following construction disturbance unless revegetation is waived by the landowner.

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 in meeting the need for an adequate, economical, and reliable supply of electric power.
- 2. The Project aids the state in preserving a safe and reliable electric transmission system.

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- 3. During the course of the hearing, the Committee considered evidence on the environmental compatibility on 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.

DATED this 30th day of September, 2019.

THE ARIZONA POWER PLANT AND TRANSMISSION LINE SITING

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COMMITTEE

Thomas K. Chenal, Chairman

EXHIBIT A

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Preferred Route Corridor

Beginning at the southwest corner of Parcel 500-07-984, the western boundary of the proposed corridor extends north along the parcel boundary approximately 1,750 feet to be aligned with the northern boundary of the (future) TS15 Substation. The corridor extends from the western parcel boundary 850 feet east.

From the same southwest corner of Parcel 500-07-984, the corridor extends east along the Broadway Rd right-of-way boundary for approximately 3,185 feet. The eastern most point is 500 feet east of the western boundary of Parcel 500-07-037G. The corridor then extends 750 feet north of the Broadway Rd right-of-way.

From the southwest corner of parcel 500-07-984, the western boundary of the corridor extends south along the western boundary of Parcels 500-80-015A and 500-80-012 approximately 2,065 feet, to the WAPA Liberty - Westwing and SRP Liberty - Rudd double-circuit 230kV transmission line right-of-way. From this western boundary, the corridor extends 500 feet to the east, with its southern border being defined by the WAPA Liberty - Westwing and SRP Liberty - Rudd double-circuit 230kV transmission line right-of-way, and the APS 230kV and APS/SRP Palo Verde - Rudd 500kV transmission line right-of-way.

The southeastern portion of the corridor will extend approximately 1,540 feet south from the intersection of the southeast corner of Parcel 500-01-984 and southwest corner of Parcel 500-07-037G, to the existing APS Palm Valley – Rudd 230kV transmission line right-of-way. The corridor will extend 250 feet to the west and east from this alignment, for a total width of 500 feet.

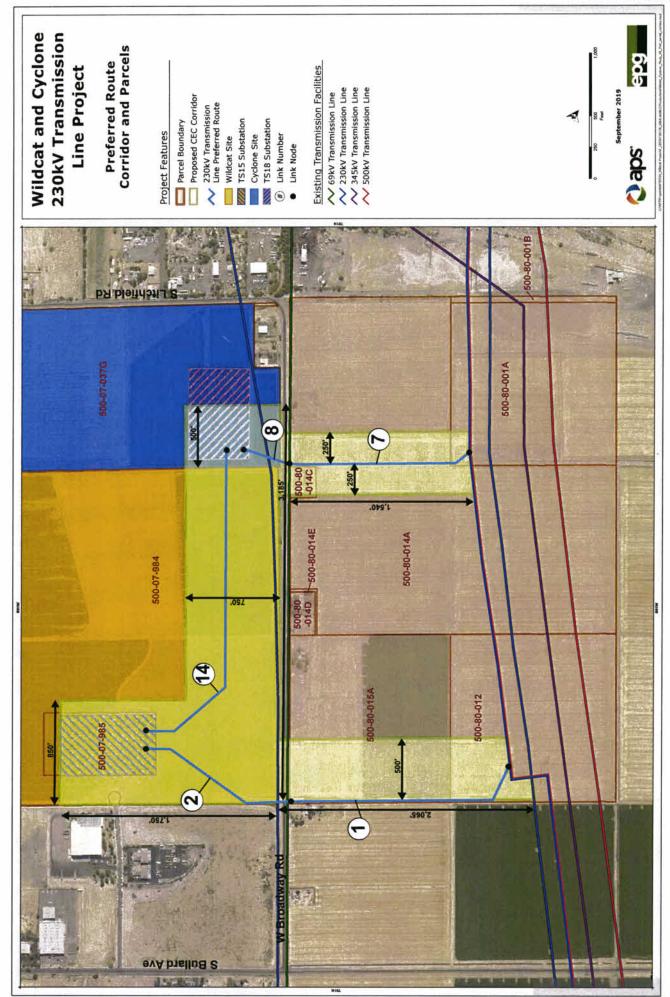


Exhibit A-2