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1 BE IT REMEMBERED that the above-entitled and
2 numbered matter came on to be heard before the Arizona
3 Power Plant and Transmission Line Siting Committee, at
4 Comfort Suites Goodyear, 15575 West Roosevelt, Goodyear,
5 Arizona, commencing at 9:09 a.m. on the 26th of
6 September, 2019.

7

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BEFORE: THOMAS K. CHENAL, Chairman

9

10 LAURIE A. WOODALL, Arizona Corporation
Commission
11 LEONARD C. DRAGO, Department of Environmental
Quality
12 JOHN R. RIGGINS, Arizona Department of Water
Resources
13 MARY HAMWAY, Incorporated Cities and Towns
JIM PALMER, Agricultural Interests
14 PATRICIA NOLAND, General Public
JACK HAENICHEN, General Public
15 KARL GENTLES, General Public

16

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1 CHMN. CHENAL: Good morning, everyone. This is
2 the time set to resume and, I suspect, complete the
3 testimony today.

4 I want to thank Colette for getting us a
5 transcript. I think that's very helpful to have that.
6 It does clear up cobwebs of recollection and makes it
7 very clear what the positions were of the public comment
8 speakers.

9 So does the Committee have anything that we
10 should discuss before we hand it over to the applicant?

11 (No response.)

12 CHMN. CHENAL: Ms. Benally or Mr. Derstine,
13 anything we should discuss procedurally before we begin?

14 MS. BENALLY: Good morning, Chairman Chenal,
15 Committee members. No, there isn't anything procedural
16 to discuss before we start.

17 CHMN. CHENAL: Okay. Let's begin then.

18

19 FURTHER DIRECT EXAMINATION

20 BY MS. BENALLY:

21 Q. Good morning, Mr. Petry.

22 A. (BY MR. PETRY) Good morning.

23 Q. So you were sworn in a couple of days ago. So
24 you are still under oath this morning as you proceed
25 with your testimony, just a reminder.

1 I would like to start with a review of the
2 environmental studies that were performed by EPG in
3 support of APS's application. Would you please do that.

4 A. (BY MR. PETRY) Certainly. So we at EPG
5 completed the existing and planned use inventory, which
6 are described in application Exhibits A, B, and also in
7 F, with regard to recreation.

8 We also completed a biological resources study,
9 which is described in application Exhibit C and D; a
10 visual resources and cultural resources inventory and
11 analysis, which was included in Exhibit E within the
12 application; and review and coordination with
13 jurisdictions and other entities with regard to existing
14 or future plans were covered in Exhibit H of the CEC
15 application.

16 Q. Thank you, Mr. Petry.

17 The regulations relative to line siting require
18 that certain exhibits be completed. And you walked
19 through several of those exhibits, but I would like to
20 take just a moment and kind of tick down the list and
21 confirm that these are the studies that you did perform.

22 So the factors that the Siting Committee is
23 directed to consider in a case such as this, a line
24 siting case, they include factors including fish and
25 wildlife and plant life, and associated forms of

1 noise -- pardon me, forms of life -- pardon me, noise
2 emissions, proposed availability of the site to public
3 for recreational purposes, existing scenic areas,
4 historic sites, structures, archeological sites, and
5 then sort of the catch-all of the total environment of
6 the area.

7 Is that what you are referring to in the
8 exhibits that are listed up on the slide?

9 A. (BY MR. PETRY) Yes. For all of those resources
10 you described other than noise, those analyses were
11 completed by APS.

12 Q. And those are the factors that you will be
13 testifying to today as we move forward, is that correct?

14 A. (BY MR. PETRY) Yes.

15 Q. And those same exhibits that are listed up on
16 the screen, on the right-hand side of the screen, are
17 all included in APS's application?

18 A. (BY MR. PETRY) Yes.

19 Q. Thank you.

20 So now let's move into the area that EPG studied
21 in preparing its evaluation. Would you describe the
22 land ownership within the study area.

23 A. (BY MR. PETRY) Certainly. So displayed on the
24 left screen you see Exhibit A-1, which is included in
25 the application. This displays the land ownership

1 within two miles of all project links which we refer to
2 as our study area. And as you can see within this
3 Exhibit A-1, most of the study area is privately owned.
4 There are portions in the southern part of the study
5 area that are under BLM, Maricopa County Parks, and/or
6 state ownership as well.

7 Q. So just to orient us and the Committee, you are
8 referring to Exhibit A-1, land ownership, that's
9 depicted on the left-hand side of the screen, is that
10 correct?

11 A. (BY MR. PETRY) Yes.

12 Q. And would you please describe the area that EPG
13 studied. I moved you directly into the land ownership
14 discussion, but I think if we could go back, talk a
15 little bit about the study, that would be helpful.

16 A. (BY MR. PETRY) Certainly. The study area,
17 again, was lands within two miles of project
18 alternatives. As Mr. Larsen noted previously, at the
19 outset of our study we were looking at an inventory area
20 within two miles of within those preliminary links, but
21 as we refined those links down, we did reduce our study
22 area size to two miles within those links that were
23 still under analysis.

24 Q. Would you now discuss or describe the
25 jurisdiction within the study area.

1 A. (BY MR. PETRY) So as shown on the left side of
2 the screen, which is Exhibit A-2, jurisdiction map, this
3 includes the jurisdictions within that two-mile study
4 area.

5 And what you can see on this map is, on the
6 left, or western side of the study area, containing
7 alternatives, the project alternatives, the jurisdiction
8 is under the City of Goodyear. There are other portions
9 of the study area, primarily to the southeast or bottom
10 right corner of the study area that are under the
11 jurisdiction of Maricopa County. A small portion north
12 of the study area is also under the -- north of the
13 project sites, excuse me, is also under the jurisdiction
14 of Maricopa County. And that includes Maricopa County
15 Road 85.

16 CHMN. CHENAL: Let me just ask one question. It
17 is important when we get later into the deliberations.
18 The entirety of the project is located only in the City
19 of Goodyear, is that correct?

20 MR. PETRY: Yes, Mr. Chairman. All project
21 alternatives are within the City of Goodyear's
22 jurisdiction.

23 CHMN. CHENAL: Thank you.

24 MR. PETRY: There is a portion in the
25 northeastern part of the study area that is under the

1 jurisdiction of Avondale.

2 BY MS. BENALLY:

3 Q. Yesterday, in Mr. Larsen's testimony, he
4 indicated that there were letters sent to affected
5 jurisdictions. Would you describe briefly the affected
6 jurisdictions that exist within the two-mile radius of
7 the study area as compared to the affected jurisdictions
8 in the preliminary study area that you started with.

9 A. (BY MR. PETRY) Certainly. So those affected
10 jurisdictions that we have identified within the current
11 study area primarily include the three jurisdictions I
12 just described. That would be Maricopa County, the City
13 of Goodyear, and the City of Avondale.

14 Along with that, when we had the preliminary
15 study area, which extended further to the east, we also
16 included portions of Litchfield Park, I believe a
17 portion of City of Phoenix as well.

18 Q. And I am looking at the document that's listed
19 as notice of filing that the Committee took judicial
20 notice of yesterday. And in that list I see Arizona
21 State Land Department as one of the affected
22 jurisdictions, in addition to the Bureau of Land
23 Management. Are those two jurisdictions within the
24 two-mile study area that you have up on the screen?

25 A. (BY MR. PETRY) We included those two agencies

1 as land owning entities, which are shown on the previous
2 map on Exhibit A-1. Both Arizona State Land Department
3 and the Bureau of Land Management were included within
4 the study area, are included within the study area.

5 Q. Within the two-mile study area?

6 A. (BY MR. PETRY) Yes.

7 Q. So you would include them as affected
8 jurisdictions in the current two-mile study area that
9 you have on the screen, is that correct?

10 A. (BY MR. PETRY) Within the two-mile study area,
11 yes. They are not identified on the current screen
12 because they were listed in Exhibit A-1, which is the
13 land ownership map, and we were considering those as
14 land owning agencies as opposed to jurisdictional
15 entities.

16 Q. Thank you.

17 Now, let's move to the factors that you referred
18 to earlier. Would you summarize the studies that were
19 performed that addressed the factors we just walked
20 through, starting with EPG's findings regarding existing
21 land use and recreation.

22 A. (BY MR. PETRY) Yes. So we at EPG completed a
23 secondary data land use inventory to identify and map
24 those land uses within the study area. As part of our
25 analysis, we conducted a detailed field review in

1 June of this year to verify and/or update that land use
2 data.

3 Overall, the project is located in a
4 semideveloped rural area with existing utility
5 infrastructure. We saw much of that infrastructure in
6 yesterday's route tour.

7 I can describe that on the map now. This would
8 be Exhibit A-3, the existing land use map. And I will
9 use the laser pointer to indicate the location of those
10 existing transmission lines, which run through the
11 central portion of the study area from east to west.

12 You see these traveling here south of the
13 project alternatives, as well as those transmission
14 lines that run along the north and south side of
15 Broadway Road, including the Western Area Power
16 Administration 230 line, and APS's 69kV on the south
17 side of Broadway Road. There is also a Tucson Electric
18 Power transmission line, a 345 kilovolt transmission
19 line, that runs through the corridor and also extends up
20 to the northeast of the project study area.

21 Other land uses within the project study area
22 include large sections of agricultural land, as
23 indicated in the olive green color. We have scattered
24 industrial areas primarily to the east of the project
25 area.

1 We saw some of the Buckeye Water Conservation
2 District parcels and other industrial uses on the east
3 side of Litchfield Road, which are indicated right here.
4 There are also the isolated or scattered residences
5 which are located along the south side of Broadway Road,
6 and the cluster of residences north of the industrial
7 area on the east side of Litchfield Road as well.

8 A prominent feature within the project study
9 area as well is the Phoenix Goodyear Airport, located to
10 the north of the data center parcels.

11 Q. Using the map that's depicted up on the -- or
12 shown on the left-hand screen, Exhibit A-3, would you
13 describe the existing utility infrastructure in the
14 immediate vicinity of the project.

15 A. (BY MR. PETRY) Yes. The utility infrastructure
16 in the immediate vicinity of the project are, again,
17 those transmission lines that we saw yesterday in our
18 route tour, primarily those running along east to west
19 on Broadway Road, as well as the multitude of
20 transmission lines located approximately a half a mile,
21 or within a half of mile south of the data center sites
22 as well running through the central portion of the study
23 area.

24 Q. Would you now please describe your findings
25 regarding future land use.

1 A. So as shown on Exhibit A-4, the planned land use
2 map which is in the CEC application and now shown on the
3 left side the screen, we can see that much of those
4 areas that are currently used for agriculture are slated
5 for future developments, including those mixed use and
6 commercial and industrial uses into the future.

7 We can also see the proposed ADOT SR 30 freeway
8 conceptual alignment which runs through the central
9 portion of the study area. It is this speckled swath
10 that extends east to west across the central portion of
11 the study area.

12 We can see also planned industrial uses to the
13 east within the City of Avondale, as well as those
14 future industrial uses, some of which are under
15 construction now on the data center sites as well.

16 One thing I would like to point out, I would
17 like to correct the record regarding something I stated
18 in response to Member Woodall's question yesterday.
19 Member Woodall asked specifically about the City of
20 Goodyear general plan and what planning horizon that
21 that plan contemplates. I incorrectly stated that that
22 was a 20-year plan.

23 It is in fact a 10-year plan. It was adopted in
24 2014, and would extend through 2025, meaning that these
25 future mixed use, commercial, industrial uses that that

1 plan contemplates are on a shorter planning horizon.
2 And the intention or supposition there is that those
3 uses would be in place by 2025, so shorter time frame
4 than what I had indicated yesterday.

5 CHMN. CHENAL: Mr. Petry, a question. The
6 project itself, as we are looking at the planned land
7 use Exhibit A-4, the project itself seems to be located
8 on a red zone, which is commercial, is that correct?

9 MR. PETRY: That red zone is commercial, yes,
10 planned commercial use through the City of Goodyear
11 general plan.

12 CHMN. CHENAL: And you had indicated, I thought,
13 that it was a combination, the project would be located
14 on a combination of commercial and mixed uses.

15 MR. PETRY: That is correct. The purple area
16 south of the red is that mixed use.

17 CHMN. CHENAL: I see. And if I am saying this
18 correctly, that mixed use part is where the freeway is
19 contemplated to go conceptually, is that correct?

20 MR. PETRY: It is both through the commercial
21 and mixed use, yes.

22 CHMN. CHENAL: Right, it is through the
23 commercial, but the part of the project that's in the
24 mixed use area is also the area where the freeway is
25 planned to be constructed?

1 MR. PETRY: That is correct. You can see here
2 in the central portion of the study area where we see
3 what would be Link 1, in particular, extending through
4 that red area or the commercial area and further down
5 south into that mixed use area as well, traveling
6 through that conceptual corridor identified by ADOT.

7 CHMN. CHENAL: And just one last question. What
8 is the difference in Goodyear between commercial and
9 mixed uses?

10 MR. PETRY: So mixed use future land use would
11 describe a multitude of uses which could be industrial,
12 a more industrial setting as opposed to just true
13 commercial. The commercial use can also include some of
14 those higher intensity uses as well. It is a
15 distinction, I think, that within the mixed use would
16 allow for slightly more industrial uses as with the
17 commercial.

18 CHMN. CHENAL: Thank you.

19 Member Noland.

20 MEMBER NOLAND: Mr. Chairman, Mr. Petry, on the
21 parcel that is between, well, it is to the east of
22 section No. 1 and in the southern portion, right here,
23 is that mixed use overlaid on a commercial, the darker
24 color right there?

25 MR. PETRY: I see what you are pointing at. The

1 darker color is there as a result of the farming that's
2 occurring now. This is, these land use colors are
3 overlaid on aerial imagery. And because that portion of
4 that agricultural field was actively farmed at that
5 point, it has a slightly darker hue to it. And so it
6 does look like a little bit of a contrast from the
7 surrounding red areas. But the intention is all that is
8 consistently commercial planned use in that area.

9 MEMBER NOLAND: Okay. Does commercial also
10 include apartments?

11 MR. PETRY: I would have to verify that. I
12 believe that it could include some of those uses, but to
13 answer your question with authority, I would like to
14 look back at the plan to verify that.

15 MEMBER NOLAND: I would like to know that. And
16 I believe it does vary from jurisdiction to
17 jurisdiction. Even mixed use would vary and sometimes
18 allow apartment projects.

19 MR. PETRY: I will get back to you on that,
20 Member Noland.

21 MEMBER NOLAND: Thank you.

22 Thank you, Mr. Chairman.

23 CHMN. CHENAL: You are welcome.

24 Member Hamway.

25 MEMBER HAMWAY: So I see current use is

1 agriculture. Planned is commercial and mixed use. So I
2 know you have got that from the Goodyear general plan.
3 Is there going to be a public hearing, whatever, to
4 switch the zoning from agriculture, or does the process
5 of the general plan and the fact that they have already
6 printed these maps, does that take place of any kind of
7 zoning hearing to change from agriculture to mixed use
8 and commercial?

9 MR. PETRY: Sorry to interrupt you there.

10 So as part of the adoption of the general plan
11 there is a process that the City of Goodyear would
12 complete. With regard to the zoning of those parcels
13 separate from the overall, the overlaying land use,
14 there would be a public process for any of those zoning
15 changes as well, as was done for those data center
16 parcels.

17 MEMBER HAMWAY: Okay. All right. Thank you.

18 BY MS. BENALLY:

19 Q. To wrap up the land use discussion, would you
20 share with the Committee your conclusion regarding
21 whether the project is compatible with planned land
22 uses.

23 A. (BY MR. PETRY) Based on our review of the
24 planned land uses within the study area, any of the
25 project alternatives would be compatible with future

1 land uses at and surrounding the project site, with the
2 preferred route placing the bulk of the project on data
3 center properties and minimizing any impacts to those
4 future land uses.

5 Q. Let's now move to the biological resources
6 factor. Would you walk us through the biological
7 studies that were performed, including special status
8 species and then species of concern which are included
9 as a part of this Exhibit C and D in APS's application.

10 A. (BY MR. PETRY) Yes. So the application
11 Exhibit C addresses those species which are protected by
12 federal or state laws and policies because of their
13 conservation status. And it also addresses whether any
14 areas that are protected for conservation purposes are
15 present in or near the vicinity of the project.

16 Application Exhibit D identifies the fish,
17 wildlife, plant life, and associated forms of life in or
18 near the vicinity of the project, and describes the
19 effect the project would have thereon.

20 As part of our inventory and analysis, EPG
21 biologists conducted a reconnaissance level survey in
22 July of this year to document the existing conditions on
23 the site and to note whether any habitat features
24 important to any special status species, including
25 threatened or endangered species, were present.

1 Information was also provided to us by the
2 Arizona Game & Fish Department, and we collected
3 information from the United States Fish & Wildlife
4 Service in order to identify those species and any
5 critical habitat or protected areas that may be present.

6 Our inventory found that no Endangered Species
7 Act listed species are present, and none would be
8 affected by the proposed project. As well, no areas, no
9 protected areas or any areas of biological wealth are
10 within the project area.

11 During our field reconnaissance our biologist
12 did see burrowing owls, which is a special status
13 species. Impacts to burrowing owls and any other
14 special status species that may be incidentally present
15 would be similar among all alternatives, but
16 proportional in the extent to the length of the
17 alternatives.

18 In addition, as part of our Exhibit H mailings,
19 Arizona Game & Fish Department representatives provided
20 us with a comment on the project, which is identified in
21 application Exhibit H-2B, and the Game & Fish Department
22 provided us with standard mitigation measures with no
23 additional noted comments or concerns.

24 CHMN. CHENAL: Let me -- and I am going to
25 apologize for this one. I wasn't quite caught up with

1 you when we moved from the master planned use. But I
2 noticed in a previous slide that the reference to the
3 project alternatives will conform with the City of
4 Goodyear general plan and zoning code and the Phoenix
5 Goodyear Airport master plan. It is going to get into
6 our deliberations. So I wanted to ask one quick
7 follow-up question.

8 Is the project and the alternatives, are they
9 located within the Phoenix Goodyear Airport master plan
10 area?

11 MR. PETRY: They are adjacent to it. The
12 Phoenix Goodyear Airport master plan really encompasses
13 the airport facility itself. It is a very large area.
14 Not all of it is developed at this point. There are
15 large swaths of vacant land within the Goodyear Airport,
16 and because of that large area of land, they do plan
17 future uses, you know, obviously air related uses within
18 their parcel there. But the project alternatives are
19 not within that area. We wanted to include that because
20 it is an adjacent area and we wanted to ensure
21 compliance with any of their planning documents.

22 CHMN. CHENAL: Okay. Thank you very much.
23 Nothing like a question to interrupt the flow.

24 So back to biology and culture resources.

25 MS. BENALLY: That is totally fine, Chairman

1 Chenal.

2 BY MS. BENALLY:

3 Q. I would like to direct Mr. Petry to APS-14 in
4 our supplemental filing. And I would like for you to
5 speak to that. It appears to be the same letter that's
6 referenced in H-2B in the application, is that correct?

7 A. (BY MR. PETRY) That is correct, with some
8 additional information contained in APS-14.

9 Q. Would you describe that additional information.

10 A. (BY MR. PETRY) Certainly. So we initially
11 reached out to the Arizona Game & Fish Department as
12 part of our Exhibit H mailings, as I mentioned
13 previously. As well, once we completed the application
14 for a certificate of environmental compatibility, we
15 provided a courtesy copy to Arizona Game & Fish
16 Department for review and comment.

17 And what is included in APS-14 is the email we
18 received back from Mr. Cavalcant at Arizona Game & Fish
19 Department noting that he had reviewed the certificate
20 of environmental compatibility application and has no
21 further comments or concerns. He has attached also a
22 letter that they had provided to us back on August 1st,
23 and noted that their recommendations from that date
24 still stand.

25 CHMN. CHENAL: Member Woodall.

1 MEMBER WOODALL: Speaking hypothetically, if we
2 decide to issue a CEC, would the applicant be acceptable
3 to a condition that would require it to comply with the
4 recommendations in that letter from Game & Fish dated
5 August 1st?

6 MR. PETRY: Yes.

7 MEMBER WOODALL: Thank you.

8 BY MS. BENALLY:

9 Q. What mitigation measures would apply to reduce
10 the impact of the project on wildlife and plant species?

11 A. Those mitigation measures would include
12 preconstruction surveys and, if necessary, relocations
13 for western burrowing owls, watching construction
14 equipment to minimize any introductions of invasive or
15 exotic species, and the minimization of construction
16 trenching left open for extended periods of time or
17 overnight in order to limit any fall-ins from animal
18 species that might incidentally be crawling the area.

19 CHMN. CHENAL: Member Noland.

20 MEMBER NOLAND: Mr. Chairman, Mr. Petry, I am
21 just curious. How do you have burrowing owls within an
22 agricultural farmed area? Are they in the rows? How
23 did they not get disturbed by the farm machinery?

24 MR. PETRY: So typically where we would see
25 them -- and I am surprised we didn't see any in our tour

1 yesterday, actually -- but where we often see burrowing
2 owls would be, like you say, Member Noland, on the edges
3 of those fields in locations where dirt has been piled
4 up or pushed to the side and where rodents have burrowed
5 and created homes.

6 Burrowing owls don't dig their own burrows.
7 They inhabit burrows that are created by rodents or
8 other species. So those are the types of locations,
9 often in disturbed environments, where we do see those.

10 MEMBER NOLAND: Thank you.

11 MR. PETRY: One additional mitigation measure
12 that would be employed here would be just to ensure
13 compliance with the Avian/Power Line Interaction
14 Committee, or APLIC, guidance, which would help to
15 minimize the risk for electrocution to large bird
16 species.

17 BY MS. BENALLY:

18 Q. Would you please share with the Committee your
19 conclusions regarding whether the project is compatible
20 with wildlife and plant species as well as any affected
21 habitat.

22 A. (BY MR. PETRY) Yes. Based on our evaluation,
23 the project would be compatible with wildlife and plant
24 species, as well as the affected habitat.

25 Q. I would like now to transition to visual

1 resources, which is Exhibit E in the applicant's
2 application. Would you please describe EPG's findings
3 regarding visual resources.

4 A. (BY MR. PETRY) Yes. We at EPG completed a
5 visual resource study to identify and characterize the
6 existing scenery, scenic quality, as well as the
7 sensitive viewers within the project area, in order to
8 identify the level of visual modification that would
9 result from the project.

10 What our study showed was that the existing
11 scenery within the project study area includes a variety
12 of urban and suburban land uses, but land near
13 residences to the project is dominated by agricultural,
14 industrial, and electrical infrastructure and
15 development.

16 The scenic quality per our review within the
17 central and northern portions of the study area is
18 considered relatively low based on the general lack of
19 what we would refer to as interesting land forms and
20 vegetation, and the prominence of the built
21 infrastructure.

22 In the southern portion of the study area, as
23 again we saw yesterday, the scenic quality is higher
24 based on the more interesting land forms, vegetation,
25 distant mountain views, but it also does include those

1 very prominent utility features.

2 We identified several sensitive viewer types
3 within the study area. And when we talk about sensitive
4 viewers, we typically look at three different types of
5 viewers. We would consider those residential viewers,
6 recreational viewers, and what would be referred to as
7 travel route viewers.

8 Within this particular study area, most of the
9 sensitive viewers would be residential viewers, which we
10 saw near on the south side of Broadway Road. The
11 nearest residential viewer was near one of our stops.
12 And it is a home that was located on Mr. Beckham's
13 property, and it is within approximately 100 feet of
14 Link 1, which is common to all project alternatives.

15 We saw as well that the existing transmission
16 infrastructure within the study area is highly visible
17 from that residence, as well as all the other residences
18 we identified within our study area.

19 Another sensitive viewer type that we identified
20 within the study area would be those recreation areas.
21 Those recreation areas are a further distance away from
22 the proposed project facilities than the residences are,
23 but would mainly include Maricopa County Estrella
24 Regional Park, as well as municipal parks such as the
25 City of Avondale's Festival Fields Park, which is

1 located approximately a mile away from project
2 facilities.

3 The travel route sensitive viewer that we
4 identified within the study area is primarily that on
5 Maricopa County Road 85, which is to the northwest of
6 the project site running along the southeastern boundary
7 of the Phoenix Goodyear Airport.

8 Q. Are you able to depict MC 85 on the map?

9 A. (BY MR. PETRY) Not on this map. If we could go
10 back to one of the study area maps, ownership or
11 jurisdictions, land line -- here we go.

12 On Exhibit A-4 with the planned use plan, we can
13 see the Wildcat and Cyclone data center sites in the
14 center of the area. Maricopa County 85 is this roadway
15 indicating gray running from the southwest to the
16 northeast, south of the Phoenix Goodyear Airport.

17 Q. Thank you.

18 A. (BY MR. PETRY) Yeah. As well I think it would
19 be worth noting some of the recreation facilities that
20 we identified as sensitive viewers as well, primarily
21 down in the south. There is the golf course we drove
22 past on the route tour south of Vineyard Avenue, and
23 Maricopa County Estrella Mountain Regional Park is
24 located down in this area as well. The nearest park
25 facility within the City of Avondale that I mentioned is

1 over a mile away and over in this area in the
2 northwestern -- excuse me, northeastern portion of the
3 project study area.

4 Q. Thank you for that additional information.

5 Did you create visual simulations depicting the
6 project?

7 A. (BY MR. PETRY) Yes. EPG, in order to
8 illustrate the project's visual characteristics, created
9 five visual simulations from four key observation
10 points, or KOPs, within the study area. These
11 simulations are based on the project and existing site
12 data, and were developed using 3-D modeling software for
13 accuracy.

14 These simulations are included in the
15 supplemental filing Exhibit APS-7, as part of my
16 testimony, but have also been provided to you in packet
17 form, and one of which is also included on the placemat
18 that you have been provided. That particular simulation
19 is from KOP-1, which is shown here. And we wanted to
20 provide that on your placemat because we identified that
21 as the highest visual impact for all project
22 alternatives.

23 Q. Mr. Petry, the packet of visual simulations that
24 you referenced are labeled APS-21, is that correct?

25 A. (BY MR. PETRY) Yes.

1 Q. Thank you.

2 And those were provided to the Committee
3 yesterday morning before we went out to the route tour
4 as a means of providing an additional source to look at
5 when they were out on the tour, is that correct?

6 A. (BY MR. PENTRY) Yes.

7 CHMN. CHENAL: Member Hamway has a question.

8 MEMBER HAMWAY: You just a minute ago referenced
9 a resident that was 100 feet from --
10 Is it feet or yards?

11 MR. PENTRY: Feet.

12 MEMBER HAMWAY: -- feet from the point of, you
13 know, view that you are doing. On this one, on L16 you
14 have 300 feet.

15 So is there another residence that's closer than
16 this one, or is this one depicted with the -- where you
17 have the house and the H-frame, is that the closest
18 resident to any of this? And that you have labeled 300
19 feet. So that's my question.

20 MR. PENTRY: Yes. So that labeled as 300 feet,
21 so I think -- oh, yes. So that 300 feet is from the
22 location of the viewpoint, where the photo was taken for
23 that KOP, or key observation point.

24 MEMBER HAMWAY: Okay.

25 MR. PENTRY: The 100-foot distance is the

1 distance from the actual residential structure from the
2 proposed alignment there.

3 MEMBER HAMWAY: So that is the closest
4 resident --

5 MR. PETRY: Yes.

6 MEMBER HAMWAY: -- in the photo?

7 MR. PETRY: Yes.

8 MEMBER HAMWAY: Thank you.

9 BY MS. BENALLY:

10 Q. So before you move into the visual simulations
11 that you have prepared, would you describe to the
12 Committee how you determined the locations from which
13 visual simulations were developed.

14 A. (BY MR. PETRY) Yes. We determined these
15 locations based on identifying those locations where we
16 could represent the sensitive viewers closest to the
17 project facilities, again, primarily residential
18 viewers. KOP-1, or key observation point, which again
19 is the simulation that's included on your placemat, it
20 is located near the westernmost residence relative to
21 project facilities on the south side of Broadway Road
22 near our second route tour stop.

23 KOP-2, shown right here, south of the Wildcat
24 data center site, is located to the west of the two
25 adjacent residences, which is south of Broadway Road

1 near our third route tour stop.

2 KOP-3, shown right here, again, is south of the
3 Wildcat data center site and is located to the east of
4 those two adjacent residences and roughly in between our
5 third and fourth route tour stops yesterday.

6 KOP-4 is located up here on Litchfield Road, and
7 that's near our final stop from the route tour
8 yesterday. And that represents those residences, those
9 residents that were located on the east side of
10 Litchfield Road.

11 Q. Would you now orient the Committee with the
12 layout of the visual simulations that you will use to
13 present the five simulations.

14 A. (BY MR. PETRY) Yes. So each simulation does
15 depict two images. The top image shows the existing
16 condition -- it is the photograph that was taken from
17 that key observation point -- while the lower image
18 displayed the same image but with the simulated
19 conditions, you know, illustrating those simulated
20 components from a particular project alternative from
21 that location.

22 In the upper right-hand corner of the map you
23 can see this inset here. And this depicts the data
24 center sites, again in the orange and blue color, the
25 project alternatives being simulated.

1 In this particular instance this would be
2 another preferred route, and in the green cone, or
3 viewshed, you can see the portion of the landscape and
4 the extent of the view of the existing conditions, as
5 well as the proposed project facilities that are within
6 each of these images to the left.

7 In the center right margin of the simulation are
8 diagrams which represent the proposed transmission
9 structures which would be within the view of each of
10 these simulated condition photographs.

11 We have also included the date and time at which
12 these photos were taken. The lower right-hand corner of
13 the simulation, here, indicates the project name, of
14 course, as well as the KOP. In this example it is
15 KOP-1, or key observation point 1, as well as the
16 project alternative that is being simulated in the
17 simulated condition photo. So for this example what you
18 can see is the preferred route and a portion of the
19 TS-15 substation.

20 CHMN. CHENAL: Member Noland.

21 MEMBER NOLAND: Thank you, Mr. Chairman.

22 You have also on the bottom photograph, have you
23 also included what the substation would look like?

24 MR. PETRY: Yes.

25 MEMBER NOLAND: Thank you.

1 CHMN. CHENAL: Member Woodall.

2 MEMBER WOODALL: I can understand there might be
3 several answers to my question. But the views that you
4 are depicting for the first simulation shows towards the
5 residence. Do you have any photographs that would be
6 from the point of view of the occupants of that home?

7 And I can understand there might be practical
8 reasons why not, you don't want to get up on their front
9 porch and set up your camera and do your measurements or
10 whatever. But how does this really help us understand
11 what the views are going to be of the residents of that
12 facility, or do they?

13 MR. PETRY: I think that they do. And the
14 reason we choose this particular photo point, or KOP,
15 key observation point, is to provide context in the
16 photo as well. We feel, and have attempted to do what
17 you suggest or mention there as well in terms of trying
18 to get a view from, for example, the front porch of a
19 residence. And oftentimes what we see is that you don't
20 get the context of what that residence really feels or
21 truly sees what the viewer would be experiencing.

22 What we have done here is, you know, we set that
23 key observation point some distance south of the
24 residence in order to capture the landscape, the views
25 that could be experienced from the residence, as well as

1 the context of that residence.

2 And, in fact, I would say that from this
3 particular KOP you are experiencing a higher impact view
4 than the residence itself would be, because you have
5 this H-frame structure which would be located some
6 distance south of that residence, while their primary
7 views from the front and eastern side of their residence
8 would be looking more to the north and to the northeast.
9 This structure would be behind that view.

10 So what we have simulated here I think actually
11 shows a higher impact than what a photo from say their
12 front porch would.

13 MEMBER WOODALL: I am assuming -- well, let me
14 ask you. How many photographs did you take in
15 connection with your visual analysis before it was
16 winnowed down do what you presented to us?

17 MR. PETRY: Many.

18 MEMBER WOODALL: And I understand. There is a
19 bulk of information; you have to make choices. But
20 having this photo would not preclude having one that
21 more directly depicted the view from the residence, is
22 that right?

23 MR. PETRY: That is right.

24 MEMBER WOODALL: So you might be able to do that
25 in the future?

1 MR. PETRY: Yes.

2 MEMBER WOODALL: Okay. Thank you.

3 I had one more question. When you went through
4 your visual inventory and measured that, did you use any
5 particular methodology? I know federal land management
6 agencies, there is a couple of different ones. I also
7 understand that there aren't any federal land management
8 agencies that have jurisdiction over the lands that we
9 are talking about in this application. But sometimes an
10 environmental firm will use one or the other, and I just
11 want to know what methodology did you use. Was it your
12 own?

13 MR. PETRY: So we use that methodology which is
14 employed by the Bureau of Land Management. It is a
15 commonly accepted methodology that takes into account
16 some of those conditions that I described previously,
17 the scenery, scenic quality, viewer types, et cetera.
18 And our visual resource team has completed many studies
19 for the Bureau of Land Management using that
20 methodology. That is the methodology we apply to most
21 of our studies regardless of whether or not federal
22 lands are involved.

23 MEMBER WOODALL: Thank you very much.

24 CHMN. CHENAL: Member Hamway.

25 MEMBER HAMWAY: When Mr. Beckham seeks to change

1 the zoning from agriculture to commercial, mixed use,
2 what is likely to happen to this resident?

3 MR. PETRY: I can't answer with certainty. What
4 I can say is that when we complete our planned land use
5 inventory, we assume that land use changes would occur
6 in areas where there are agricultural lands and vacant
7 lands.

8 So if you were to look at our planned land use
9 map on Exhibit A-4, you can see that the residential
10 land uses which are there today are expected to continue
11 into the future. That is the base assumption that we
12 make in order to complete these inventories and mapping
13 products.

14 As to whether or not that residence would
15 continue to remain when mixed use and commercial
16 development comes in, I can't answer with certainty.

17 MEMBER HAMWAY: Okay. Thank you.

18 CHMN. CHENAL: I just would add I appreciate
19 Member Woodall's comment about the perspective of the
20 picture, but also appreciate why you did it this way.
21 And I would not exclude this perspective in the context
22 of, you know, that you mentioned in future presentations
23 either.

24 Member Gentles.

25 MEMBER GENTLES: Mr. Petry, good morning.

1 MR. PETRY: Good morning.

2 MEMBER GENTLES: Did the landowner or the
3 resident, have they expressed any challenges or issues
4 with the view, with the potential of these going up
5 there?

6 MR. PETRY: So Mr. Beckham, who is the landowner
7 of that particular parcel, to my knowledge has not
8 expressed concerns about the view. During his public
9 comment during the course of this hearing what I
10 remember hearing was a concern about potential impacts
11 related to EMF.

12 MEMBER GENTLES: I am sorry. To what?

13 MR. PETRY: Potential impacts related to EMF.

14 MEMBER GENTLES: Okay.

15 MEMBER WOODALL: Could you explain a little what
16 EMF is.

17 MR. PETRY: I am certainly not an expert on
18 that.

19 MEMBER WOODALL: I see two intelligent
20 engineers.

21 MEMBER GENTLES: Electromagnetic fields.

22 MR. SPITZKOFF: That is correct. There is
23 actually two fields. There is an electric field and a
24 magnetic field, and commonly referred collectively as
25 EMF. And I provided testimony of our

1 Exhibit I, I believe is the right one, on that
2 yesterday.

3 MEMBER GENTLES: That was Member Haenichen
4 whispering in my ear; that wasn't my knowledge. I want
5 the record to reflect that. I am not that smart, so...

6 MEMBER HAMWAY: You will be.

7 BY MS. BENALLY:

8 Q. Now that you have oriented the Committee to how
9 you selected your KOPs, and then also described the
10 viewshed and other items that are noted on L16, I would
11 like for you to walk through each one of the simulations
12 in detail, please.

13 A. (BY MR. PETRY) Certainly. So again, with the
14 simulation displayed currently, this is a photo taken
15 from KOP-1 near the residence we saw near our second
16 route tour stop. It is a view looking north. And
17 within this view, the proposed facilities you can see
18 would be two H-frame structures, one here on the south
19 side of Broadway Road, another on the north side of
20 Broadway Road, which would allow for the crossing of the
21 existing 69kV lines, as well as the existing Western
22 Area Power Administration's 230kV lines on the north
23 side of Broadway Road.

24 We can also see in the existing condition
25 photograph components of the existing 69kV, components

1 of the TS-15 substation. On the south side, pardon me,
2 on the lower portion of the map in the simulated
3 condition, we can see the added 230kV components with
4 the TS-15 substation as well.

5 You can also see a portion of, I believe it
6 would be, link 14, which would extend to the east from
7 the TS-15 substation, crossing to the east again, the
8 Wildcat data center site. And that's where this
9 monopole structure that you can see here is located.

10 Q. Mr. Petry, before you move to your next
11 simulation, these simulations were taken on what date?
12 And were they all taken on the same date for the five
13 simulations?

14 A. (BY MR. PETRY) The photos were all taken on the
15 same date. And I believe that date is August 7th, yes,
16 August 7th.

17 If we could progress to the next set.

18 So this view is the first simulation we
19 completed with KOP-2. And this represents a view
20 looking east from near one of the two residences located
21 on the south side of Broadway Road. I say one of the
22 two adjacent residences located on the south side of
23 Broadway Road. And this particular view simulates the
24 preferred route. This is located near our third route
25 tour stop.

1 In the existing condition photograph you can see
2 the private residence as well as the existing 69kV lines
3 traveling on the south side of Broadway Road. We can
4 also see the existing Western Area Power Administration
5 230kV line on the north side of Broadway Road, as well
6 as the data center, the Wildcat, or Microsoft, project
7 under construction at that point in time.

8 In the simulated condition photograph we can see
9 those same features, but with the addition of the
10 preferred route. That, again, would be Link 14, which
11 extends east to west across the Wildcat data center site
12 here.

13 And in the distance from there you can see the
14 simulated components of the TS-18 substation. To the
15 right, or south, of that TS-18 substation, you can see
16 the portions of the preferred route where they would
17 cross the existing WAPA lines, the existing 69kV lines,
18 as well as Broadway Road and extend south on Link 7.

19 The structures that are visible there include
20 some monopole structures as well as some of the H-frame
21 structures that would be used for those crossings.

22 Can we move forward one more.

23 Q. Mr. Petry, I am sorry to interrupt you. I think
24 it is helpful to point out where the photo point is in
25 the right-hand corner, just to orient which direction we

1 are looking relative to the viewshed.

2 A. (BY MR. PETRY) Certainly. So this is, again,
3 the previous photo that was shown, as well as that which
4 is that on the screen now, they are both simulations and
5 photos that were taken from KOP-2, which is on the south
6 side of Broadway Road and near those two residences
7 located adjacent to each other, and both of these views
8 are facing east.

9 Again, in the upper right-hand corner of the
10 visual simulation you can see the green cone which
11 illustrates the angle of the view, the portion of the
12 landscape and project facilities within that view, as
13 well as the direction of the view.

14 In this particular simulation we are showing a
15 simulated condition again from KOP-2, but of Alternative
16 Route No. 2. And what you can see from this location is
17 the components entering and exiting the proposed TS-18
18 substation on the Cyclone data center site, as well as
19 that TS-18 future condition indicated here. You can see
20 the structures again crossing over Broadway Road, WAPA's
21 230kV line, as well as APS's 69kV line.

22 If we can move forward.

23 What we now show on the screen is a simulation
24 completed from KOP-3 which illustrates the preferred
25 route. This KOP, again as shown in the upper right-hand

1 corner of the screen, is located to the east of those
2 two adjacent residences on the south side of Broadway
3 Road. And this was near, I think it is in between our
4 third and fourth route tour stops, actually.

5 And what we can see in the existing condition
6 photograph again would be the residence as we are
7 looking west here. We can see the residence on the
8 south side of Broadway Road. We can see the existing
9 69kV lines on the south side of Broadway Road, as well
10 as the existing Western Area Power Administration 230kV
11 line. We can also, in the right side of the existing
12 condition photograph, see those components of the
13 Wildcat or Microsoft data center which were under
14 construction at that point in time.

15 In the simulated condition photograph, what we
16 can see would be both H-frame and monopole structures
17 associated with the preferred route. They are a little
18 bit difficult to see here, but they are right to the
19 right of the existing WAPA transmission line structure
20 right here.

21 And on the far right within those simulated
22 conditions you can see the monopole structure that would
23 be used to drop the line down into the TS-15 substation,
24 and then extend to the east. So that would be --
25 actually, that's the TS-15 substation here, but the line

1 would extend to the east into the TS-18 substation along
2 this alignment.

3 We can also see right in between the existing
4 structure and that monopole proposed, or simulated
5 monopole structure, an angled view of the H-frame
6 structure that would be used to cross over Broadway
7 Road. You can see that right here, and then the
8 conductors that would be crossing over those existing
9 transmission lines.

10 Q. Mr. Petry, the route tour map that you have been
11 referring to earlier through your testimony, that's
12 marked as APS-8, is that correct?

13 A. (BY MR. PETRY) Yes.

14 Q. Thank you.

15 A. (BY MR. PETRY) So the simulation we are showing
16 now is a simulation that we completed from KOP-4. And
17 again, this KOP, or key observation point, was located
18 near the residences that we saw on Litchfield Road.
19 They are located on the east side of Litchfield Road.
20 Our route tour stop, our final route tour stop was
21 approximately -- well, very close to this location, some
22 distance north.

23 You can see the roadway here and the existing
24 condition photograph that we traveled slightly north of
25 and stopped. And we had a view from that route tour to

1 the west looking across the Cyclone data center parcel,
2 which would be this area here.

3 What we see in this existing condition
4 photograph would be the existing residences here, the
5 view of Litchfield Road looking south, as well as
6 existing distribution lines and WAPA 230kV transmission
7 line, and the 69kV facilities and the transmission line
8 corridor further to the south. You can see some of
9 those existing lattice structures right here.

10 What is simulated in this particular simulation
11 would be Alternative Route 1. And what we can see in
12 that simulated condition photograph would be the portion
13 of route -- excuse me, Alternative Route 1 that would
14 include Links 9 and 10, those pieces that would extend
15 along the south side of Broadway Road and then further
16 south along the alignment, or to the west of the
17 alignment of Litchfield Road.

18 It's somewhat difficult to make out the
19 differences here, but what you would see would be the
20 turning structure right here at the corner of Litchfield
21 and Broadway Road, where Link 9 would extend east to
22 west, and then Link 10 would extend south and ultimately
23 connect into the Palm Valley to Rudd transmission line.

24 Q. Is there anything further you would like to
25 cover on the simulations?

1 A. (BY MR. PETRY) No.

2 Q. Would you state what your conclusion is
3 regarding the visual impact associated with the project.

4 A. (BY MR. PETRY) Yes. Overall the project's
5 visual impacts would be minimal, because the project
6 components would be similar to the existing transmission
7 lines and energy infrastructure that dominate the
8 landscape, and would therefore be compatible with the
9 existing visual setting.

10 The preferred route would result in the least
11 amount of visual impacts with a high impact to one
12 residence, which, again, is common to all project
13 alternatives.

14 Q. Okay. Thank you, Mr. Petry.

15 Let's now move to the cultural resources
16 summary. Would you describe EPG's inventory and
17 findings regarding cultural resources that are included
18 in Exhibit E of APS's application.

19 A. (BY MR. PETRY) Yes. So EPG archeologists
20 completed an inventory of those previously identified
21 historic sites, structures, or archeological sites
22 within the project study area. The inventory was
23 completed by consulting the Arizona State Historic
24 Preservation Office, or SHPO, the Arizona State Museum,
25 the Arizona State Register of Historic Places, General

1 Land Office survey plats, the Maricopa County historic
2 aerial photos, the National Register of Historic Places,
3 as well as USGS historical topographic maps. Our
4 inventory revealed that there are no known historic
5 sites, structures, or archeological sites at the
6 preferred route or any of the route alternatives.

7 The inventory also revealed that there are 20
8 known historic sites, structures, or archeological sites
9 that were identified within the study area, the nearest
10 of which is the historic alignment of Bullard Avenue is
11 approximately three-tenths of a mile from any project
12 alternatives. The remaining 19 sites that we found in
13 our inventory within the study area are over a half a
14 mile or further away from any project alternatives.

15 Again, because no historic sites, structures, or
16 archeological sites have been identified, no direct
17 impacts to cultural resources are anticipated for any of
18 the project alternatives.

19 Another component we looked at, or we look at
20 when it comes to cultural impacts, would be those
21 indirect impacts. Those are typically experienced
22 through any visual intrusions associated or near those
23 identified sites. And we found that, you know, the
24 project would not represent a significant change to the
25 visual landscape relative to those sites, and as a

1 result, any of the project alternatives would have no
2 indirect effects to those historic, prehistoric
3 archeological sites.

4 CHMN. CHENAL: Member Drago.

5 MEMBER DRAGO: Yes. Mr. Petry, on this subject
6 now, can you remind me in the context of engaging with
7 the Gila River Indian Community whether there were any
8 discussions about your findings, if there was some
9 relevance to talk to them? If you could, just brief me
10 on that.

11 MR. PETRY: Certainly. So again, as I mentioned
12 previously, the reason we engaged with the Gila River
13 Indian Community was because they did have Tribal lands
14 within the preliminary study area some distance away,
15 over two miles away from any of the project alternatives
16 now. We received no response to those mailings sent to
17 the Gila River Indian Community.

18 MEMBER DRAGO: Okay, thank you.

19 MR. PETRY: You are welcome.

20 BY MS. BENALLY:

21 Q. Mr. Petry, I am going to -- do you have the
22 supplemental binder in front of you?

23 A. (BY MR. PETRY) I do.

24 Q. APS-16 is a letter or communication that you had
25 with the Arizona State Historic Preservation Office. Is

1 now the appropriate time to discuss that communication?

2 A. (BY MR. PETRY) Yes. As with the Arizona Game &
3 Fish Department, once we completed our application for a
4 CEC, we did provide a courtesy copy to the Arizona State
5 Historic Preservation Office, or SHPO, for their review.
6 And the response, included as APS-16, is from a
7 representative of Arizona SHPO indicating that their
8 officed reviewed the materials and concur with the
9 assessment of the impacts to historic properties.

10 CHMN. CHENAL: Member Haenichen.

11 MEMBER HAENICHEN: Mr. Petry, in connection with
12 the work you did which you have just described, did you
13 by any chance review the earlier CECs that must have
14 been held -- hearings that must have been held for the
15 existing large scale infrastructure in the area?

16 MR. PETRY: As part of our archeological review
17 I don't believe so, no.

18 MEMBER HAENICHEN: Okay. I was just curious to
19 see before any of this infrastructure was in place
20 whether there was violent objection to it. And you
21 would have to look at those hearings. Thank you.

22 MR. PETRY: Mr. Haenichen, to respond to your
23 question, they are a little further -- what we often see
24 in areas where there is agricultural development is that
25 agricultural development would limit the preservation of

1 any of those archeological or historical sites such that
2 those areas would no longer exist based on that active
3 use of the land.

4 MEMBER HAENICHEN: Thank you.

5 BY MS. BENALLY:

6 Q. Could you please conclude, make some -- pardon
7 me, share with the Committee your conclusions regarding
8 the project's compatibility regarding cultural
9 resources.

10 A. (BY MR. PETRY) Yes. Again, because the project
11 will not directly or indirectly affect historic or
12 archeological resources, we consider the project to be
13 compatible with cultural resources.

14 Q. You have already previously in your testimony
15 discussed recreational resources. I would like to touch
16 on that just one final time in your testimony. Would
17 you describe EPG's inventory and finding regarding
18 recreational resources which were included as Exhibit F
19 in APS's application.

20 A. (BY MR. PETRY) Yes. As we have shown
21 previously on our existing land use map, Exhibit A-3, as
22 part of our land use inventory we did identify both
23 existing and planned recreational resources within the
24 project study area.

25 And what we found is that there are numerous

1 recreation sites or opportunities which do exist within
2 the study area, and those include local parks, sports
3 facilities, such as what we can see to the west of the
4 Phoenix Goodyear Airport. We drove past some of those
5 spring training facilities on our route tour yesterday.

6 We also saw that the Maricopa County Estrella
7 Mountain Regional Park is located to the south of the
8 project site, as well as some of those municipal parks
9 located further to the east of the project.

10 We found that no existing developed recreational
11 resources are crossed by any of the project
12 alternatives. We also found that there are planned
13 recreational facilities within the study area, primarily
14 planned multi-use pathways which are contemplated by
15 both Maricopa County and the City of Goodyear, primarily
16 traveling along the existing utility corridor.

17 The City of Goodyear has identified that
18 existing utility corridor as an opportunity for a
19 conceptual future trail corridor. Maricopa County also
20 has identified the river corridors which are in the
21 project study area, including the Agua Fria River, and
22 Gila River further to the south, as opportunities for
23 future multi-use trail corridors.

24 Q. What do you conclude regarding the project's
25 compatibility with recreational resources?

1 A. (BY MR. PETRY) No existing developed
2 recreational resources would be impacted by the project.
3 And through coordination with the City of Goodyear
4 and/or Maricopa County, any potential impacts to the
5 planned trail corridors, multi-use pathways within those
6 existing utility corridors or within the river corridors
7 would be avoided. The project would therefore be
8 compatible with both existing and planned recreational
9 facilities within the project study area.

10 Q. Thank you, Mr. Petry.

11 So let's now transition to the last factor that
12 you will be testifying to that were included in APS's
13 application, which are existing plans. Would you
14 identify the relevant planning jurisdictions for
15 entities within the project study area.

16 A. (BY MR. PETRY) Yes. So as shown again on
17 Exhibit A-2, the project and project alternatives are
18 all within the City of Goodyear's jurisdiction. To the
19 east on the east side of Litchfield Road, begins the
20 jurisdiction of the City of Avondale, as well as that of
21 Maricopa County.

22 And again, Maricopa County Road 85 south of the
23 Phoenix Goodyear Airport and north of the data center
24 properties is also under the jurisdiction of Maricopa
25 County.

1 Q. Did EPG mail out letters in support of APS's
2 application?

3 A. (BY MR. PETRY) Yes. In support of Exhibit H of
4 the application for a CEC, we did send out letters to 26
5 different entities. We sent those on July 18th. And
6 along with those letters we included maps describing the
7 three route alternatives. We requested information on
8 any existing or planned developments within the project
9 study area. And a sample copy of that letter is
10 included in application Exhibit H.

11 CHMN. CHENAL: Member Gentles.

12 MEMBER GENTLES: Just a general question. So
13 when you send these letters to stakeholders and others,
14 like you just mentioned, Gila River Indian Community,
15 and they didn't respond, is that where it ends? So I
16 guess you fulfilled your obligation by notifying.
17 Whether or not they respond is a different subject, or
18 choose to engage.

19 MR. PETRY: Member Gentles, it depends. For
20 example, with the Gila River Indian Community we didn't
21 follow up further when not receiving a response, and
22 that's primarily because of their distance from the
23 project area.

24 The reason they were included was because we had
25 communicated with them early on. They were included

1 early on as an identified stakeholder. Lacking a
2 response in that instance, we did not follow up further.
3 But with a jurisdiction such as the City of Goodyear,
4 had we been lacking a response, we certainly would have
5 followed up further.

6 MEMBER GENTLES: Okay. Thank you.

7 MR. PETRY: You are welcome.

8 BY MS. BENALLY:

9 Q. Were there any responses to the application
10 Exhibit H mailings that were received by your office,
11 EPG?

12 A. (BY MR. PETRY) Yes. We received a response
13 from the Arizona Game & Fish Department. That response
14 was dated August 1st, 2019, and is included in Exhibit H
15 of the application. Within that response Game & Fish
16 provided general mitigation recommendations, which I
17 mentioned previously, specifically with regard to
18 burrowing owl and invasive species.

19 Along with that letter, the Game & Fish provided
20 what they refer to as their online environmental review
21 tool report, which provides a listing of species that
22 have a potential to occur within the project area.

23 Again, as I mentioned earlier, following the
24 completion and filing of the CEC application, we sent a
25 courtesy copy to the Game & Fish Department which

1 elicited a response indicating that their previous
2 recommendation still stood, they had no further comments
3 or concerns. And that is also included in the
4 supplemental filing.

5 We also received a response from the Arizona
6 State Historic Preservation Office, or SHPO. That
7 response was dated August 2nd, and is also included in
8 application Exhibit H. Mr. Jacobs, David Jacobs, is a
9 representative of the Arizona State Historic
10 Preservation Office, and he indicated -- actually, he
11 inquired, first of all, as to whether EPG had conducted
12 a Class I or secondary data records review within the
13 project area. I responded to Mr. Jacobs and gave him an
14 overview of the inventory and findings that our firm had
15 completed.

16 And again, following that filing of the CEC,
17 Mr. Jacobs provided a follow-up letter which indicated
18 that his office had reviewed those CEC application
19 materials and had concurred with the assessment of no
20 impacts to historic properties.

21 Q. Mr. Petry, the letter that you are referring to
22 from the State Historic Preservation Office is marked as
23 APS-17. And it is an email communication. Is that what
24 you are referring to?

25 A. (BY MR. PETRY) I believe that's APS-16.

1 Q. Pardon me, APS-16.

2 A. (BY MR. PETRY) Yes.

3 We received another response as well from the
4 Buckeye Water Conservation District. And just as a
5 reminder, I think we mentioned on the route tour
6 yesterday the water conservation district owns the
7 property immediately to the east of Mr. Wagner's
8 property.

9 The alignment of Litchfield Road is essentially
10 the dividing line between Mr. Wagner's property and
11 Buckeye Water Conservation District property. And given
12 their proximity to the project, and the fact that they
13 are a water conservation district, we did send Exhibit H
14 mailings to them as well.

15 And we did receive a response from their
16 president, Mr. Noel Carter. And that response is dated
17 August 26, and is included as Exhibit APS-17. And
18 Mr. Carter indicated support for the preferred route and
19 a lack of support for all other project alternatives.
20 Mr. Carter noted in that email that he felt that the
21 preferred route has minimal impacts on his and
22 neighboring properties.

23 Because of the Western Area Power Administration
24 230kV transmission line which is located on the north
25 side of Broadway Road, we sent out Exhibit H mailings to

1 WAPA as well, and received a response from their
2 electrical engineer, Mr. Eduardo Uribe.

3 And Mr. Uribe's response, dated August 2nd,
4 indicated that the preferred route, APS's preferred
5 route is also Western Area Power Administration's
6 preferred route, and that Western had no further
7 comments, concerns, or plans to upgrade either of the
8 electrical circuits on the adjacent Liberty to Lone
9 Butte and Liberty to Phoenix 230kV transmission line.

10 A copy of that letter from Western Area Power
11 Administration is included in the application Exhibit H.

12 CHMN. CHENAL: Member Woodall.

13 MEMBER WOODALL: Sorry, I didn't jump in quick
14 enough. Back on Exhibit 17 you indicated that you were
15 communicating with the Buckeye Water Conservation
16 District.

17 MR. PETRY: Yes.

18 MEMBER WOODALL: And I see that's referenced in
19 Mr. Carter's email. But within the body of the email he
20 referred that he is responding on behalf of Pioneer
21 2005, LLC. Could you -- what relationship does that
22 entity have with the conservation district, if you know?

23 MR. PETRY: I believe I can represent this
24 correctly. Mr. Carter is representative or general
25 manager of both Pioneer 2005, LLC and Buckeye Water

1 Conservation District.

2 The difference between the two is, based on my
3 understanding, Pioneer 2005 is a separate entity under
4 the umbrella organization which primarily handles
5 properties that don't convey water. Their primary
6 purpose, again, is the conveyance of water to their
7 users. But they also have parcels or holdings that
8 aren't directly related to that use, and those are the
9 types of parcels that Pioneer 2005 would hold.

10 MEMBER WOODALL: And so it is an affiliate of
11 the Buckeye Water Conservation District, and it owns the
12 canals that we were referring to that went around
13 Broadway Road, or -- just go ahead.

14 MR. PETRY: I believe that it is Buckeye Water
15 Conservation District that owns the canals. But as far
16 as the details of that ownership structure, I would have
17 to look further to provide you with, again, an
18 authoritative response.

19 MEMBER WOODALL: Well, I do see in the signature
20 blocks it does indicate that he is the general manager
21 of the Buckeye Water Conservation and Drainage District.
22 So thank you. That's helpful.

23 MR. PETRY: In response to our Exhibit H
24 mailings, we did also receive a response from the City
25 of Phoenix Aviation Department. We reached out to the

1 City of Phoenix Aviation Department, again, because the
2 Phoenix Goodyear Airport is managed by the City of
3 Phoenix.

4 And the response received from that department
5 came from their deputy aviation director of planning and
6 environmental, Mr. Jordan Feld. And Mr. Feld provided a
7 response dated July 31st, indicating that the Phoenix
8 Goodyear Airport master plan anticipates aircraft
9 operations will nearly double over the next 20 years.
10 And he included a copy of the Phoenix Goodyear Airport
11 land use plan map.

12 Mr. Feld noted that the Federal Aviation
13 Administration may require compatibility mitigation for
14 the project, and provided a hyperlink to the FAA project
15 review website. A copy of the letter is also included
16 in application Exhibit H. No other written responses to
17 application Exhibit H mailings were received.

18 BY MS. BENALLY:

19 Q. Thank you, Mr. Petry.

20 Now let's move to your environmental
21 conclusions. Have you formed an opinion regarding the
22 environmental compatibility of the project as described
23 in APS's application?

24 A. (BY MR. PETRY) Yes. The project conforms with
25 applicable management plans, including the Maricopa

1 County comprehensive plan, City of Goodyear general
2 plan, the Phoenix Goodyear Airport master plan. And the
3 route is located in proximity to existing utility
4 infrastructure, including 500, 345, 230, and 69kV
5 transmission lines.

6 When looking at the total environment of the
7 area, the project would have minimal effects to the
8 existing and planned land uses, recreation, visual,
9 cultural, and biological resources.

10 In my professional opinion, based on our
11 analysis, any of the proposed project alternatives are
12 environmentally compatible with the factors set forth in
13 Arizona Revised Statute 40-360.06 and consistent with
14 previous projects approved by the Siting Committee.

15 CHMN. CHENAL: Member Woodall.

16 MEMBER WOODALL: Here is a fun question. If you
17 had to rank the three different alternatives, the
18 preferred, Alternative 1, and Alternative 2, would you
19 have a different ranking in terms of how environmentally
20 compatible each of those are?

21 MR. PETRY: I would.

22 MEMBER WOODALL: And would you tell us what that
23 is, please.

24 MR. PETRY: Yes. I would start with Alternative
25 Route 2 and say that would be at the very bottom of the

1 list. We would consider that to have far greater land
2 use impacts than any of the other alternatives. As
3 well, it would result in higher visual impacts because
4 some of those alternatives would be adjacent to multiple
5 residences.

6 I would consider the preferred route at the top
7 of the list with the least impacts. And that's
8 primarily related to the fact that it is the shortest
9 route and places the bulk of those facilities on the
10 data center properties.

11 Alternative Route 1 is very close, slightly
12 longer and, therefore, would result in slightly higher
13 land use impacts to agriculture. By virtue of Links 9
14 and 10 as well, we would consider Links 9 and 10 to have
15 slightly higher visual impacts to those residences
16 located on Litchfield Road.

17 But again, all project alternatives would be
18 compatible.

19 MEMBER WOODALL: Thank you very much for your
20 answer, sir.

21 MR. PETRY: You are welcome.

22 BY MS. BENALLY:

23 Q. Mr. Petry, there was a question asked earlier by
24 Committee Member Hamway when we were looking at Exhibit
25 A-4, planned land uses, and it was a question relative

1 to whether the areas designated as commercial would
2 include apartment complexes. Is that something you can
3 check into and respond to later today?

4 A. (BY MR. PETRY) Yes. I am happy to look further
5 into Member Noland's question about the apartment uses
6 being included in commercial or mixed use developments
7 there, and can follow up with an answer there.

8 Q. And that can be done today?

9 A. (BY MR. PETRY) Yes.

10 Q. Okay. All right. Thank you.

11 And does that conclude your testimony?

12 A. (BY MR. PETRY) Yes.

13 CHMN. CHENAL: I am wondering if this is a time
14 for a break before we finish with Mr. Larsen. Looks
15 like the next chapter in the book, Chapter 11, why the
16 preferred, is going to be based on testimony of
17 Mr. Larsen. So unless anyone has an objection, maybe we
18 take our 15-minute morning break now.

19 Is that okay, Ms. Benally and Mr. Derstine?

20 MS. BENALLY: Yes, that's fine. Thank you,
21 Chairman.

22 CHMN. CHENAL: All right. So resume in 15
23 minutes.

24 (A recess ensued from 10:29 a.m. to 10:58 a.m.)

25 CHMN. CHENAL: All right. Thanks for the break.

1 Let's get back on the record and conclude the testimony.

2 So I will turn it over to Ms. Benally to
3 complete the testimony of Mr. Larsen.

4 MS. BENALLY: Chairman Chenal, before we move to
5 Mr. Larsen, I would like to come back to the question
6 that was asked of Mr. Petry regarding whether apartments
7 are included in the commercial classification --

8 CHMN. CHENAL: Sure.

9 MS. BENALLY: -- to respond to the Committee.

10 MR. PETRY: Thank you.

11 Member Noland, in response to your earlier
12 question, doing some quick research here we see that in
13 review of the Goodyear land use plan, master plan,
14 excuse me, general plan, as well as zoning code, it
15 looks as though those areas that were described as
16 commercial would, in fact, allow for higher density
17 residential development. Those mixed use industrial
18 areas would not.

19 As well, the zoning that's in place on these
20 locations, which are both agricultural and industrial
21 zonings, don't seem to allow for those types of
22 developments, particularly the industrial would not.
23 The agricultural zoning is oftentimes used as sort of a
24 placeholder until specific projects or developments come
25 in, at which time a rezone or planned area developed,

1 something of that sort, would need to occur in order to
2 allow those sorts of residential developments.

3 MEMBER NOLAND: Thank you.

4 MR. PETRY: You are welcome.

5 MS. BENALLY: Chairman Chenal, with that
6 response, if you deem it appropriate, now I would like
7 to move the exhibits that Mr. Petry is sponsoring.

8 CHMN. CHENAL: All right. Give me a moment,
9 please.

10 All right. Please proceed.

11 MS. BENALLY: I would like to move for admission
12 of APS-14, the Arizona Game & Fish Department email
13 dated August 21st, 2019. I would like to move for
14 admission of APS-16, the Arizona State Historic
15 Preservation Office email dated August 27, 2019. I
16 would like to move for admission of APS-17, Buckeye
17 Water Conservation District email dated August 26 of
18 2019.

19 CHMN. CHENAL: I believe 17 is already admitted.

20 MS. BENALLY: You are correct. Strike that.

21 And then I would like to move for the admission
22 of APS-21, which is the packet of visual simulations.

23 CHMN. CHENAL: Anything further at this time?

24 MS. BENALLY: Yes, that's it. Thank you.

25 CHMN. CHENAL: Okay. So applicant requests

1 admission of APS-14, 16, and 21. Any objections?

2 (No response.)

3 CHMN. CHENAL: Being no objections, APS-14,
4 APS-16, and APS-21 are admitted.

5 (Exhibits APS-14, APS-16, and APS-21 were
6 admitted into evidence.)

7 MS. BENALLY: Thank you.

8

9 FURTHER DIRECT EXAMINATION

10 BY MR. DERSTINE:

11 Q. Good morning, Mr. Larsen.

12 A. (BY MR. LARSEN) Good morning.

13 Q. This is where we have brought you in to drive
14 the case home.

15 A. (BY MR. LARSEN) I am here to do it. I hope I
16 am up to it.

17 Q. Sorry. I am sure you are.

18 I think the evidence that the Committee has
19 heard over the past couple days, maybe it feels longer
20 than that for many, I think it has brought us down to
21 the preferred route and Alternative Route 1.

22 I think the overwhelming testimony is, although
23 Mr. Petry has indicated that even Alternative Route 2 is
24 compatible, it is not necessarily a good route. It has
25 the most impacts. The testimony has been that that was

1 our early view of how this project was going to look
2 like and how we would serve these customers, but we have
3 over time, and through the public process, come up with
4 better routes. And those better routes are the
5 preferred and Alternative Route 1.

6 You know, we met, you know, last night and we
7 talked about, you know, circling back with the two
8 primary land -- well, the primary landowner and the
9 agricultural interests, Mr. Rayner, who farms that land,
10 about what route do they want, what route is the best
11 route from their perspective.

12 It doesn't mean necessarily that the Committee
13 will -- you know, I think the Committee wants to hear
14 from them and hear their views about those two routes,
15 but ultimately the Committee will decide. But our job
16 is to give the Committee as much information and the
17 best information we have on those routes.

18 And so my understanding is you have had some
19 phone conversations with both Mr. Wagner and Mr. Rayner.
20 And unless Mr. Emedi is going to start making hearsay
21 objections, I would ask you to give the Committee an
22 understanding of those recent phone conversations.

23 A. (BY MR. LARSEN) Yes, I will be glad to do that.

24 I have talked with both Mr. Wagner, the
25 landowner, as well as Mr. Rayner, the one that actually

1 works the property and was here to provide public
2 comment.

3 CHMN. CHENAL: When were these conversations,
4 Mr. Larsen?

5 MR. LARSEN: These were this morning. I had
6 called Mr. Rayner, didn't get him, left a message. I
7 called Mr. Wagner, had a good discussion with him. And
8 then Mr. Rayner called me back. And I apologize, that's
9 when I had to step out of the room, but I felt it was
10 important that I talk to him. So I did have a good
11 conversation with him as well.

12 BY MR. DERSTINE:

13 Q. And Mr. Larsen, what was the reason for you
14 calling them? What prompted those calls?

15 A. The reason I called was per our discussions
16 yesterday and per our field visit, and when we realized
17 that we could not put the 230kV in the same alignment
18 that the 69 line was currently, that it would have to be
19 moved further south into their property, I wanted to
20 make sure that they were aware of that, and that,
21 although we had discussions and thought possibly we
22 could rebuild it in the existing location, that we have
23 since discovered that we can't. So we would have to
24 move that Link 9 further south beyond that lateral canal
25 and probably south of the pump so we didn't interfere

1 with that.

2 Mr. Wagner said no, that absolutely doesn't work
3 for them. I took him back. We discussed the preferred
4 alternative, how our opinion, being APS, felt that was
5 the least impactful on their land; we would be more than
6 willing to work with them on placement of the
7 structures, we could likely use that farm road for
8 access, especially for future maintenance --
9 construction we may have to have other disturbance --
10 for long-term maintenance they could likely use that
11 farm road, and would, again, work with them to minimize
12 the impacts. And he did agree that, yes, he would be
13 okay with that preferred alternative route.

14 I had suggested that I felt maybe on the east
15 side of that road might be best, but, again, we would
16 work with him. I was assuming that the lateral canal on
17 the west side of that road, maybe that was the reason to
18 put it on the east.

19 When Mr. Rayner called back, again, I discussed
20 the fact that I was initially wrong in the discussions
21 about building it in -- or the 230 where the existing 69
22 is, that we have now found out that we can't do that,
23 and it would have to be south onto their property.

24 And again he said no, that absolutely does not
25 work. He was still wanting us to go more of straight

1 north, crossing Broadway, just going north and then
2 crossing over the WAPA line and into the Cyclone
3 property.

4 I had discussed that we had eliminated those
5 alternatives earlier on. We did not carry forward a
6 route that included that to these proceedings. And then
7 I went back and we talked through the preferred route --

8 BY MR. DERSTINE:

9 Q. Mr. Larsen.

10 A. (BY MR. LARSEN) -- again saying we would work
11 with him, we would minimize impacts, we would locate
12 structures to the best ability we could to meet their
13 needs, minimize their impacts.

14 He was reluctant, but he did say yes. He did
15 agree that that would be less impactful than having the
16 route 9 move south.

17 CHMN. CHENAL: So just so I understand, he said
18 the preferred was better than Alternate 1?

19 MR. LARSEN: That's correct.

20 CHMN. CHENAL: All right.

21 MR. LARSEN: And he did say he preferred, when
22 we did do the preferred route, he would like it located
23 just to the west side of that road rather than the east,
24 because he already had to deal with the lateral canal,
25 and that it would be easier to have both issues to deal

1 with, I guess, on the same side of the road rather than
2 on both sides.

3 CHMN. CHENAL: Member Noland.

4 MEMBER NOLAND: Mr. Chairman, to be sure that I
5 have got this clear in my mind, segments -- I have two
6 questions. Segment 7, you do have a corridor to the
7 west of 250 feet. So that's where you are saying he
8 would prefer that it be located, is that correct?

9 MR. LARSEN: Yes, that's correct.

10 MEMBER NOLAND: Now, refresh my memory. It was
11 either you or Mr. Spitzkoff that explained how many
12 structures there would have to be along that segment 7.
13 I may have misunderstood, but I thought you could fairly
14 well limit the number of structures within that
15 segment 7 and keep them to the north and south,
16 basically. Can you refresh my memory, please?

17 MR. SPITZKOFF: Yes. I can do that.

18 So the previous testimony, it was we would
19 require one, possibly two structures. And I will point
20 those out.

21 So as we come across Broadway Road over the WAPA
22 lines, over the 69 line to the south side of Broadway,
23 we would need a structure, an H-frame structure to land
24 that crossing. And then it is possible to do a single
25 span from a structure here to the existing location, the

1 location of the existing 230 lines. If it is not
2 possible, then it would be one structure here, one
3 structure in the middle, and then in.

4 It is my belief, and, again, I am not a
5 professional line design engineer, but if it is on the
6 west side of the road, which would be on this side,
7 given the -- we would again need that structure on the
8 south side of Broadway Road, but then, given the angle
9 we would have to have to come back into the structure, I
10 believe we would definitely need two structures in that
11 instance.

12 That's why it is on the east, east side, one or
13 two structures unknown, you know, pending final design.
14 The west side, I don't believe one structure would be
15 sufficient.

16 MEMBER NOLAND: Thank you.

17 Mr. Chairman, I have been concerned about the
18 segment 9 on the south side of Broadway and the impact
19 to the residents there, and also the view impact when
20 you are looking towards the east along Broadway Road.

21 So I would assume also -- let me just say that
22 Mr. Spitzkoff, I would assume, or Mr. Larsen, someone
23 would work with Mr. Wagner or Mr. Rayner and say, if we
24 go on this side, for sure we are going to probably have
25 to have two structures; if we are over on the other

1 side, it may be one, it may be two in the final design,
2 but, you know, which is really when you give them the
3 options which is really going to be the best. So I
4 would hope that you would have that conversation with
5 them if, in fact, this is the route we approve.

6 MR. SPITZKOFF: Yes. If this is the route that
7 is approved, we would absolutely have those
8 conversations, and specifically with our overhead line
9 engineers, to get as detailed as we can so they
10 understand exactly what those specific impacts would be.

11 MEMBER NOLAND: Thank you.

12 MR. LARSEN: And if I could just add a little
13 bit there, I did make it very clear in the conversation
14 I had that there could be two structures, we would look
15 at possibly one, and, again, that we would definitely
16 sit down with Mr. Wagner and Mr. Rayner and our
17 engineers and figure out the best configuration to
18 minimize the impact to their operations.

19 CHMN. CHENAL: Member Haenichen.

20 MEMBER HAENICHEN: Mr. Larsen, could you go into
21 a little bit more detail on the two structure
22 configuration and why it wouldn't work. I am not quite
23 clear what the problem is.

24 MR. DERSTINE: Mr. Spitzkoff.

25 MR. SPITZKOFF: I am sorry. Did you say why it

1 would or would not work?

2 MEMBER HAENICHEN: No. In other words, we were
3 talking about whether you have to have two or three
4 structures total, correct? Give me more detail on the
5 two structure configuration and why you think it would
6 be problematic.

7 MR. SPITZKOFF: I believe two structures would
8 work. One structure would be problematic.

9 MEMBER HAENICHEN: Okay, I am sorry. I had that
10 wrong.

11 MR. SPITZKOFF: And the one structure
12 specifically, if we are on the west side of the
13 lateral -- and I will point you to the screen here.

14 So you need that initial H-frame when you cross
15 over Broadway Road and the 230 and 69 lines. It cannot
16 be too far south of there. So from wherever that
17 structure ends up being, the span down to the existing
18 line is a couple of hundred feet. If there was no
19 angle, if it was possibly a direct or a 90 degree angle
20 to the existing -- where the location of the existing
21 monopole is in the 500 to the existing 500/230 line, you
22 may, you possibly could do a single span.

23 However, if you are on the west side and that
24 existing monopole is further to the east, then we would
25 have to make another turn. So you would need a

1 structure further south before you get to the existing
2 line to make that turn back to the existing structure.

3 And this shows a little bit. Like this little
4 jog at the bottom right where that turn happens, you
5 would need a second structure right there.

6 MEMBER HAENICHEN: A turning structure?

7 MR. SPITZKOFF: A turning structure.

8 MEMBER HAENICHEN: Thank you.

9 CHMN. CHENAL: Just a quick follow-up question.
10 If the APS engineers determine that along the east
11 corridor only one structure would be required, along the
12 west corridor two structures would be required, and the
13 landowner, Mr. Wagner, ultimately preferred the west
14 corridor, it would add cost to the project. It would
15 add the cost of an additional structure.

16 What would be the position of the applicant at
17 that point? How -- obviously, you are not going to give
18 the landowner veto power, but it would cost quite a bit
19 more, I would assume, to have that second structure. So
20 how would that request of the landowner affect the final
21 decision?

22 MR. SPITZKOFF: Yes, Chairman. The one
23 additional structure, I wouldn't consider that or
24 characterize that as a significant increased expense in
25 the overall cost. And I believe the preference of the

1 landowner would be a significant factor in that
2 decision.

3 CHMN. CHENAL: And just best guess, what would
4 be the cost of that additional structure?

5 MR. LARSEN: I would guess it is in the 50- to
6 \$100,000. I don't think the overall cost is
7 significant. I do believe the cost that we quoted in
8 the application, we had two structures in there. And
9 again, I think it is just more important to work with
10 the landowner to minimize the impact. The cost is not
11 going to be a major factor.

12 CHMN. CHENAL: Thank you.

13 BY MR. DERSTINE:

14 Q. I guess just for clarity of the record, what I
15 think I heard you and Mr. Spitzkoff say, Mr. Larsen, is
16 that we will put it where Mr. Wagner and Mr. Rayner want
17 it, and we will let them know that, if their preference
18 is for the west side of the road, it will likely end up
19 being an additional structure; if they want it on the
20 east side of the road, it can probably be done with one
21 less structure, but we will do what they want.

22 A. (BY MR. LARSEN) Absolutely, we will do what
23 they prefer. And I hate to say that there is -- we are
24 speculating again on whether there will be one or two.
25 And I think we just have to sit down with them, with our

1 engineers, and actually see, you know, how tall the
2 structures would have to be to make one work or two
3 work.

4 It may be possible even on the west side just to
5 have a structure and just a gradual overhead easement
6 that comes over and connects in there. It doesn't
7 necessarily have to go straight down there. It is the
8 structures that they actually have to work around. The
9 overhead clearance I do not believe is a major issue for
10 them.

11 But I am speculating on that as well I guess.

12 Q. And to Member Noland's point --

13 I assume she can hear me now?

14 MEMBER NOLAND: I can.

15 BY MR. DERSTINE:

16 Q. The corridor, the 500-foot corridor we are
17 asking for for Link 7 allows us the flexibility to work
18 with the landowner and bring forward our final project
19 design and make a decision about which design is best
20 for that landowner?

21 A. (BY MR. LARSEN) That's correct. And I would
22 ask that we keep the corridor as shown, 250 on each
23 side, since we don't know exactly where it may end up.

24 CHMN. CHENAL: Member Haenichen.

25 MEMBER HAENICHEN: So then are you confident,

1 given that flexibility, that you can come up with a
2 configuration that is suitable for the landowner?

3 MR. LARSEN: Yes, absolutely confident in that.

4 BY MR. DERSTINE:

5 Q. Mr. Larsen, anything else you think is important
6 to relay about the most recent communications with
7 Mr. Wagner and Mr. Rayner?

8 A. (BY MR. LARSEN) No. I think that pretty much
9 covers it. Again, as I had testified to earlier, I had
10 believed they would work with us on either alternative
11 in the end, whatever the Committee had selected.
12 However, now, in light that the Alternative 1 would have
13 fairly significant impacts on the operations, I just
14 feel very confident, and they seem to be in agreement,
15 that in light of that, the preferred route probably is
16 less impactful to their operation.

17 CHMN. CHENAL: Let me make just a comment for
18 the record. As Mr. Derstine said, unless Mr. Emedi
19 objects to what is classic hearsay, one could not find a
20 better example of hearsay than what we just heard.

21 But I want to just make a clear statement for
22 the record, because whoever is reading the transcript,
23 the Commission, cannot really see the credibility of the
24 witness, Mr. Larsen. And I just want to say that
25 Mr. Larsen presents himself as an extremely credible

1 person. And I think the hearsay exception would apply
2 and that the things we heard I think we can accept as a
3 valid, you know, explanation of the statements that were
4 made. So I think we can, I can take certainly, complete
5 confidence that what Mr. Larsen said is the truth of
6 those conversations.

7 MR. LARSEN: Thank you very much.

8 And I just will add that that is a value that,
9 as an employee of APS, long-term employee, that we
10 always want to be honest, forthright, and ethical in
11 everything that we do. That is very important to us.

12 BY MR. DERSTINE:

13 Q. So we have covered why the preferred. And I
14 think at this point, "why the preferred" is ultimately
15 Mr. Wagner, the landowner, and Mr. Rayner, the gentleman
16 who farms that land and has, as he mentioned in comment,
17 farmed it for a long time, both support the preferred,
18 in light of understanding what the Alternative Route 1
19 would look like and what impact that route would have on
20 their land and their land use.

21 A. (BY MR. LARSEN) That's correct. And I would
22 just like to reiterate that, again, the benefits of the
23 preferred route are the fewer line crossings, which is
24 important, although both Alternative 1 and the preferred
25 did limit those crossings, but it is the shortest route,

1 and, two, what Mr. Petry testified, I believe the
2 preferred route has less visual impact to those people
3 along Litchfield Road as well.

4 CHMN. CHENAL: Yes, Member Haenichen.

5 MEMBER HAENICHEN: I think this discussion we
6 have just witnessed illustrates the true value of
7 getting input, whether it be in the beginning or at the
8 very end, from people who will be impacted by these
9 projects, and how it can affect our thinking and result
10 in a better decision.

11 Thank you.

12 MR. DERSTINE: And the applicant would agree.

13 I think I want to address a couple exhibit
14 issues before we, I think, rest our case.

15 Throughout the hearings we have used what we
16 referred to as the hearing presentation, which is the
17 reshuffled PowerPoint decks. The court reporter has
18 marked that as APS Exhibit 20, and we have that, we have
19 used that throughout the hearing.

20 I think we distributed or made available paper
21 copies. I think most of the members of the Committee
22 have relied on the version of what we refer to as the
23 hearing presentation, APS-20, on their iPads.

24 But I think at this point I would move the
25 admission of APS-20, the hearing presentation.

1 CHMN. CHENAL: All right. APS-20 has been
2 offered for admission. Any objections?

3 (No response.)

4 CHMN. CHENAL: Hearing none, APS-20 is admitted.
5 (Exhibit APS-20 was admitted into evidence.)

6 MR. DERSTINE: All right. And Ms. Benally is
7 always good and has a much better memory than I do.
8 Before we rest completely I think there were two cleanup
9 items. One was -- well, we covered Mr. Petry's promise
10 to answer Member Noland's question on the mixed use.

11 I think at the end of yesterday there was --
12 Mr. Spitzkoff had presented some testimony on the extra
13 high load factor rate that these data centers -- or that
14 covers these data centers, and we want to just make
15 clear for the record, I think, the history and the
16 genesis of that rate.

17 BY MR. DERSTINE:

18 Q. So Mr. Spitzkoff, can you address that?

19 A. (BY MR. SPITZKOFF) Yes, I can. So this is just
20 to add some more detail so we are not relying upon my
21 memory or --

22 The extra high load factor rate was part of the
23 2016 rate case, and the initial rate went into effect
24 August 19th, 2017. And then it was further amended by
25 Decision 76828 to include economic development and

1 sustainability factors, and those amendments became
2 effective August 22nd, 2018.

3 CHMN. CHENAL: Mr. Spitzkoff, do you have a
4 decision number with regard to that case?

5 MR. SPITZKOFF: I believe that is 76828.

6 CHMN. CHENAL: Thank you.

7 MR. DERSTINE: Members of our witness panel, are
8 there any other issues that you think we ought to get
9 into the record?

10 Or Ms. Benally, are there things we need to
11 address before we rest our case?

12 MR. LARSEN: No, nothing from me.

13 CHMN. CHENAL: Nothing makes a lawyer more
14 nervous than to say we rest.

15 MR. DERSTINE: We are done. Well --

16 CHMN. CHENAL: Let's take a little pressure off
17 of the attorneys here. You know how we operate. We
18 will continue to put matters into the record even when
19 you rest.

20 MR. DERSTINE: Okay. Before I rest, I will just
21 preview -- and maybe this is the time to also do it. In
22 looking at and making sure we have accurate and right
23 exhibits for the description of whatever route, if you
24 grant us a route, whatever route you select, we
25 determined that there is a change in these parcel

1 numbers. And I have a new APS-27, which is a revised or
2 updated Exhibit A that makes a minor change simply to
3 the parcel descriptions for the Microsoft parcel.

4 So what -- I need my glasses for this, I think.

5 What we have on the screen is the map that went
6 with our original corridor description for the preferred
7 route, and that was marked as APS-22. In going back to
8 the assessor's website, just making sure that our
9 narrative description and our map was accurate, we
10 discovered that there was a change or an addition of a
11 parcel number simply on the Microsoft parcel.

12 And what is described there on the screen in our
13 original map as Parcel No. 500-07-983 is now 500-07-984
14 in that same orange or yellow -- depending how your eyes
15 work -- colored-in parcel, but that the substation area
16 shown in the hatch marked in light blue now has its own
17 parcel number, which is identified as 500-07-985.

18 CHMN. CHENAL: Member Woodall.

19 MEMBER WOODALL: So who is the owner of the
20 parcel that is for the substation site? Who is the
21 listed owner?

22 MR. DERSTINE: I think it is still currently
23 Microsoft.

24 MEMBER WOODALL: Okay.

25 MR. DERSTINE: But there will be what I

1 understand is a point in time in which that land is
2 dedicated, because it is the site of the substation,
3 will be dedicated to APS.

4 MEMBER WOODALL: Thank you.

5 MR. DERSTINE: That is, as I understand it, the
6 only change, although there were corresponding -- the
7 change that I just referred to on the record in terms of
8 those parcel numbers for the Microsoft parcel are
9 carried forward in the narrative description on what we
10 have handed out and was newly marked as APS-27.

11 And we would propose that, depending on how the
12 Committee votes and decides, that if you were to grant
13 us a CEC for the preferred route, that APS-27 would be
14 the Exhibit A and would provide the description of the
15 route and the corridors for that route.

16 CHMN. CHENAL: Well, to be safe, why don't we
17 admit that into evidence.

18 MR. DERSTINE: Okay. I would move APS-27 into
19 evidence.

20 CHMN. CHENAL: APS-27 has been moved into
21 evidence. Any objection?

22 (No response.)

23 CHMN. CHENAL: Hearing none, APS-27 is admitted.
24 (Exhibit APS-27 was admitted into evidence.)

25 CHMN. CHENAL: And Mr. Derstine, what is APS-26?

1 Because I don't have that marked as admitted.

2 MEMBER NOLAND: That's the CEC.

3 MR. DERSTINE: Mr. Chairman, APS-26 is what we
4 have marked as Chairman's redlined CEC draft.

5 CHMN. CHENAL: Okay. Thank you very much.

6 MEMBER NOLAND: Mr. Chairman.

7 CHMN. CHENAL: Member Noland.

8 MEMBER NOLAND: I know we are getting close to
9 the closing and all of that, but I just wanted to
10 compliment Mr. Larsen, Mr. Spitzkoff, and Mr. Petry on
11 their presentations, their responses to our questions.

12 You gave excellent presentations. You
13 acknowledged our questions. And you were very clear and
14 concise, sometimes a little too concise, but it didn't
15 leave any question areas. And I just personally wanted
16 to thank you for that.

17 CHMN. CHENAL: Too concise, Member Noland?

18 MEMBER NOLAND: You can be too concise
19 sometimes.

20 CHMN. CHENAL: Well, we are not quite finished,
21 because I know I have a few follow-up questions and
22 suspect that other members of the Committee may as well.

23 So before the applicant rests, maybe we can --
24 unless there is anything else that the applicant wanted
25 to present or discuss, and not a closing statement or

1 anything, just as part of your case, you know, you could
2 do it now, or maybe you will think of something as we go
3 through. Because I have a few questions.

4 MR. DERSTINE: The applicant has nothing further
5 to present. But we are certainly happy to answer any
6 additional questions from the Committee.

7 CHMN. CHENAL: Okay. Unless anyone has
8 something they would like to ask, I have a couple.

9 So on the screen on the left, if we could,
10 blow -- reduce that back to its normal size. I have as
11 a proposed Condition 26 that the applicant will provide
12 Commission Staff with copies of transmission
13 interconnection agreements that it ultimately enters
14 with any transmission provider in Arizona with whom it
15 is interconnecting within 30 days of the execution of
16 such agreements, with a summary thereof filed at Docket
17 Control prior to construction of the facilities.

18 This has been, I think, a pretty standard
19 clause, condition in our CECs where applicable. But I
20 have had some discussions with Member Woodall, and I
21 want to make sure that -- let me ask a couple questions.

22 First of all, APS will own the transmission line
23 which is depicted as Link 7, correct?

24 MR. SPITZKOFF: Correct.

25 CHMN. CHENAL: Okay. The transmission line

1 Link 7 will tie into a 500 and 235kV line, is that
2 correct?

3 MR. SPITZKOFF: Correct.

4 CHMN. CHENAL: And who owns that 500/230kV line?

5 MR. SPITZKOFF: Sure. So I can provide some
6 color, additional color to that. The 500kV line, which
7 in that area is on the southern circuit of the double
8 circuit towers, is a joint owned line. That's the Palo
9 Verde to Rudd 500kV line, 50 percent ownership of APS,
10 50 percent of SRP.

11 The 230kV line, which in this area is on the
12 north circuit, is 100 percent APS. So naturally the
13 structures themselves are jointly owned in a ratio
14 share. But the 230 circuit is 100 percent APS.

15 CHMN. CHENAL: Okay. So, question, will there
16 be an interconnection agreement with respect to the
17 tie-in of the 230 line, Link 7, with the existing
18 Cholla-Rudd line?

19 MR. SPITZKOFF: I do not believe there will be
20 an interconnection agreement. There is a joint
21 participation agreement which discusses the ownership
22 responsibilities of the facilities that would likely
23 have to be redefined, you know, just because it will
24 likely need to point out the new connection points. And
25 if we have to change the structure where Link 7 comes

1 back in, that will just have to be added in. But I
2 would not consider that an interconnection agreement
3 since the interconnection will be to APS a 230kV line.

4 CHMN. CHENAL: Okay. What -- and this is not
5 necessarily for this project, but just for future
6 reference, because it has always been sort of a little
7 mystery to me, is the interconnection agreement, and the
8 reason for it. What generally are the main elements of
9 an interconnection agreement?

10 MR. SPITZKOFF: Well, generally you would need
11 an interconnection agreement when you have facilities
12 from different ownership entities connecting to each
13 other. I will provide an example of that.

14 So generators that connect into the transmission
15 system actually, regardless of ownership -- so if, for
16 instance, APS is building a generator and we connect to
17 an APS line, that actually still needs an
18 interconnection agreement. But wires-to-wires
19 interconnection would be for facilities of different
20 ownerships.

21 So, for instance, if the 230 circuit was joint
22 owned, say that was also 50 percent APS, 50 percent SRP,
23 but the new lines would be 100 percent APS, that
24 ownership is different. So it is 100 percent to a
25 50/50. So that would be considered, or that would be a

1 factor in requiring an interconnection agreement.

2 CHMN. CHENAL: All right. And what kind of --
3 and what is an interconnection agreement? What are the
4 main topics that are covered in an interconnection
5 agreement?

6 MR. SPITZKOFF: So there are a lot of topics, a
7 lot of them boring legal stuff, indemnity, tax --

8 CHMN. CHENAL: That's pretty exciting stuff
9 there, Mr. Spitzkoff.

10 MR. SPITZKOFF: -- tax information.

11 CHMN. CHENAL: I didn't besmirch the exciting
12 transmission line interconnection, so let's not attack
13 the agreement.

14 MR. SPITZKOFF: Apologies to the attorneys in
15 the room.

16 But then there is also the description of what
17 the interconnection looks like, the specific point where
18 that ownership changes or where that jurisdiction point
19 changes, and then also different requirements of
20 operation, you know. So if you have different
21 ownership, you know, the one ownership would want to
22 make sure the other ownership operates it in, you know,
23 a reliable manner, so forth and so on.

24 CHMN. CHENAL: Sharing of cost as well, capital
25 cost as well?

1 MR. SPITZKOFF: Yes.

2 CHMN. CHENAL: And does some of that bear then
3 on the rate process? Well, in terms of the cost that is
4 ultimately borne by a utility, that share of the cost,
5 does that somehow work its way into the ratemaking
6 process?

7 MR. SPITZKOFF: I think that is more based off
8 of the ownership. So again, for instance, if another
9 entity was building the, say, Link 7, and they were
10 interconnecting to APS's 230kV line, the cost for their
11 facilities would not become part of APS's network. It
12 is their ownership, their facilities.

13 And generally the person interconnecting into
14 the existing facility would be responsible for initial
15 capital cost. If a structure is -- needs to be changed
16 or some reconfiguration, it is, it generally would be to
17 the entity interconnecting. I don't know if that is --

18 CHMN. CHENAL: That answers the question.

19 So just to kind of summarize, a gen-tie line,
20 from a generation to transmission line, always requires
21 an interconnection agreement.

22 MR. SPITZKOFF: Correct.

23 CHMN. CHENAL: A line-to-line interconnection
24 where there are different ownership interests requires
25 an interconnection agreement?

1 MR. SPITZKOFF: Correct.

2 CHMN. CHENAL: And based upon the preferred
3 route of this project, because it is APS line to APS
4 line, in your view no interconnection agreement would be
5 required, is that correct?

6 MR. SPITZKOFF: That's correct.

7 CHMN. CHENAL: Member Woodall, do you have any
8 questions?

9 MEMBER WOODALL: Yes. When you say line to line
10 requires an interconnection agreement, what is the
11 regulations that require that? FERC?

12 MR. SPITZKOFF: I hesitate to say FERC requires
13 it. A generation interconnection agreement is included
14 in the standard OATT, open access transmission tariff;
15 however, wires-to-wires is not. But interconnection
16 agreements under wires-to-wires, I believe, I am not
17 100 percent sure, I believe those are also filed with
18 FERC. There is a possibility they may not be, but I
19 believe they are. But they are modeled generally after
20 generator interconnection agreements.

21 MEMBER WOODALL: Okay. And the reason the
22 Chairman has done such an excellent job laying this out
23 is because I said I don't think that an interconnection
24 agreement includes connecting one line to another. And
25 you have just proven me wrong. For that you will pay.

1 And the other -- do you have a response?

2 Obviously I was being facetious when I said you will
3 pay.

4 MR. SPITZKOFF: Well, you are not wrong in this
5 scenario.

6 MEMBER WOODALL: Ha, personal victory.

7 And then my next question was, I know that it
8 has been cited that this particular condition had been
9 put into CECs at the behest of Staff, and since we have
10 no witness here today, I was wondering if it would be
11 possible for Mr. Emedi to contact a member of Staff to
12 get Staff's position on the need for this particular
13 condition to be in this particular CEC.

14 MR. EMEDI: Member Woodall, I can certainly do
15 that.

16 MEMBER WOODALL: Thank you so much.

17 CHMN. CHENAL: Yes, Member Noland.

18 MEMBER NOLAND: Mr. Chairman, I am trying to
19 remember back to when we did start putting this item in
20 various CECs. And I think it was not with APS or SRP;
21 it was with privately owned providers that were
22 connecting to an APS, SRP, or TEP line.

23 And so it doesn't make sense -- I am glad you
24 brought it up. It doesn't make sense to just leave it
25 in there because we have put it in other CECs if this is

1 a wholly owned line going to a wholly owned line of APS.

2 CHMN. CHENAL: Right. And when we get to this,
3 this condition, I am going to withdraw it. It doesn't
4 seem appropriate for this case.

5 But I think it was helpful to have the
6 explanation, you know, as background to kind of guide us
7 in the future when they are appropriate and when they
8 aren't appropriate. But based on what Mr. Spitzkoff has
9 said, I don't see the need to have it in this case.
10 So...

11 MEMBER WOODALL: But Mr. Emedi, so what I would
12 like to know from Staff is, in general, was this
13 condition promulgated with respect to generation
14 facilities, or was Staff also seeking to get this
15 information for wire-to-wire connections, and, number
16 two, does Staff believe that this condition should be in
17 this CEC. I understand that it will be withdrawn, but
18 that would be helpful to me.

19 MR. EMEDI: Member Woodall, I will plan on
20 following up on those two questions that you just posed.

21 MEMBER WOODALL: Thank you.

22 MR. EMEDI: And Staff can make the appropriate
23 filing to answer that question, if that's how the
24 Committee would prefer to.

25 MEMBER WOODALL: Personally I would like to hear

1 your oral representation. And if you deem it
2 appropriate, if you want to file a late-filed exhibit,
3 if the Chairman allows it, then that would be dandy to
4 have it on the record. But I want to know if Staff
5 wants this condition in future line-to-line connections
6 or only on generation, and also do they want it in this
7 case.

8 MR. EMEDI: Understood.

9 MEMBER WOODALL: Thank you, sir.

10 CHMN. CHENAL: And line to line meaning line to
11 line with different ownership.

12 All right. Next question I had, the
13 jurisdiction of the Committee extends over transmission
14 lines and switchyards. I would like you, Mr. Spitzkoff,
15 maybe you are the best person to answer this, maybe
16 Mr. Larsen, the difference between a -- what is a
17 switchyard and how is a switchyard different than a
18 substation.

19 MR. SPITZKOFF: So the general definition and
20 difference between switchyard and substation, a
21 switchyard is a single voltage. Substation will
22 transform between multiple voltages. Basically that's
23 the difference between the facilities.

24 CHMN. CHENAL: So what is a switchyard?

25 MR. SPITZKOFF: So a switchyard, we have a

1 prominent switchyard in our system. It is Moenkopi
2 switchyard. It connects four 500kV lines together. And
3 it only is at 500kV voltage.

4 Other switchyards such as like Westwing or
5 Pinnacle, which are large switchyards, substations, we
6 have there, is 500kV, 230kV, 345kV all within there.
7 And they have transformers that transform the voltage
8 from -- between each of those voltages.

9 CHMN. CHENAL: But what does a switchyard do?
10 What is the purpose of it?

11 MR. SPITZKOFF: So it provides a connection. So
12 that's how you would connect two different lines
13 together.

14 I will go back to the Moenkopi example I used.
15 The one line -- so the original line that was
16 constructed went from Four Corners power plant all the
17 way across to the California border of the Four
18 Corners-El Dorado 500kV line. Then coming from north to
19 south, there is a Navajo-to-Westwing 500kV line.

20 And there is advantages to connecting those two
21 lines together. That's how you create a network system.
22 So if one piece goes out, you still have three legs in
23 service. Instead of two individual lines, you now have
24 more like four segments. So there is advantages to
25 making those connections. And a switchyard allows you,

1 that's where you make those connections.

2 CHMN. CHENAL: So you would -- but you don't
3 need a switchyard with respect to your project, tying
4 the line on Link 7 to the 230kV line it is tying into,
5 do you?

6 MR. SPITZKOFF: No, because that is really what
7 you are -- what you are doing is your routing of power
8 is coming from the Rudd substation. It hits that new
9 interconnection point, comes up and comes to the
10 substation here, and then over.

11 This, the piece that would continue in between
12 these two points, would no longer be utilized. So you
13 are not making a connection where you would have three
14 different legs. You are really just rerouting the
15 existing line up here, over, and then back down. And
16 then the substations allow you to then transform that at
17 the locations down to the lower voltages.

18 If we wanted to leave this line in service and
19 have a leg here, a leg here, and a leg here, you would
20 put a switchyard here. And that's a more reliable
21 interconnection. Theoretically you could just have this
22 line connected electrically, but then you have problems
23 with system protection of that facility. So the
24 substation, the switchyard allows you to have breakers
25 and relays that allow you to operate and protect the

1 connections there.

2 CHMN. CHENAL: All right. That's helpful.

3 Yeah, Member Woodall.

4 MEMBER WOODALL: Long ago when dinosaurs walked
5 the earth and I was an early member of the Siting
6 Committee, I seem to remember that we got many
7 applications requesting our approval for substation
8 sites. Would that be accurate, Mr. Larsen? Not when
9 the dinosaurs ruled the earth, but in the past did APS
10 request approval for substation sites?

11 MR. LARSEN: Yeah, I think you are correct. And
12 I remember some dinosaurs, too. I have been around for
13 quite awhile.

14 But yes, we have in the past permitted some
15 substations as part of our transmission line projects.

16 MEMBER WOODALL: And I know that TEP, or my
17 belief is that TEP has long been emphatic that
18 substations do not need to be approved as part of the
19 Line Siting Committee, and they have educated Committee
20 members on why they think so.

21 Is it your anticipation that APS will be
22 continuing not to request approval for substations? And
23 if it is a pay grade higher than yours, I will accept
24 that as a response.

25 MR. LARSEN: I believe there are going to still

1 continue to be some cases where we will be including
2 those. But I believe one of the differences here is
3 because we weren't actually looking at different
4 locations for substations necessarily, or siting the
5 substation, because they were site selected on customer
6 property. If we were looking at multiple possible sites
7 for a substation, I think that's where it comes into
8 play a little bit more.

9 MEMBER WOODALL: Okay. And I would anticipate
10 if we are going to see more applications for approval of
11 substation sites that we would see some legal argument
12 about why we have jurisdiction over those. So...

13 MR. LARSEN: Yeah. And I think the other part
14 of that is in this situation, and in many situations,
15 they are permitted through the City of Goodyear or the
16 jurisdictional areas as well.

17 MEMBER WOODALL: Thank you, Mr. Larsen.

18 CHMN. CHENAL: All right. Does the Committee
19 have any further questions?

20 MR. DERSTINE: Mr. Chairman.

21 CHMN. CHENAL: Mr. Derstine.

22 MR. DERSTINE: I would probably be remiss if I
23 didn't raise my hand and want to give some sort of legal
24 color to that issue of substations and whether they are
25 included or not included.

1 Member Woodall I think said it most concisely in
2 terms of the reading of the siting statute. The siting
3 statute has a definition of a transmission line. That
4 includes associated switchyards. It does not reference
5 or include substations.

6 Member Woodall is also correct that, I think, in
7 the past the practice of many applicants looking to
8 build a transmission line is that they have included the
9 substation, and the Committee has heard those and has
10 issued CECs that not only include the transmission line
11 but also cover the substations.

12 I think, as a legal matter, substations are not
13 part of the definition and that, putting aside the issue
14 of the Commission's jurisdiction or the Committee's
15 jurisdiction, to decide and consider an application
16 where the applicant has voluntarily asked you to
17 consider the substation as part of the project, I think,
18 as a legal matter, it is not required.

19 And I think that where a switchyard is --
20 switchyards are generally associated with the bulk
21 transmission system. Substations are generally
22 associated with, as Mr. Spitzkoff has indicated, the
23 transformation of power down to voltages for delivery at
24 the less than the bulk system level, unless you are
25 dealing with a customer like this case, which is dealing

1 with high voltage. But again, we are transforming that
2 230kV down several steps, 69 and below, to their service
3 level.

4 And I think going back, looking at cases in the
5 past, this Committee has considered this issue. And I
6 think, and specifically going back to the Rosemont
7 case -- I don't believe Member Woodall was a member of
8 the Committee at that time, but I think she was around.

9 MEMBER WOODALL: Actually I was a consultant for
10 one of the parties.

11 MR. DERSTINE: That's my recollection.

12 That application involved a line to serve the
13 Rosemont mine. That application included substations --
14 I mean switchyards, but excluded substations. And there
15 was a discussion by the Committee at that time, I
16 believe under Chairman Foreman, in which the Committee
17 recognized that there was a distinction between
18 switchyards and substations, and that it was appropriate
19 to exclude substations and substations did not need to
20 be included as part of a project application. So that
21 has been TEP's position. And I think APS that shares
22 same view.

23 Now, there may be good and sound reasons for an
24 applicant in the future to bring forward a substation as
25 part of a transmission line siting application, but for

1 this case, and for others you may see from APS, just as
2 you have from other utilities such as TEP, that the
3 substations are excluded.

4 It is certainly appropriate, and I think
5 important, for this Committee to understand where the
6 substations are going to be located along the line to
7 fully understand the project, as we have done in this
8 case, to describe the substations.

9 But again, the siting statute and the language
10 of the statute uses the term switchyards. And, you
11 know, going back to the kind of legal analysis that we
12 do as lawyers, we presume that the legislature
13 understands the words that it uses in drafting a
14 statute, and that there is a reason -- well, we hope.
15 And I think we -- what courts do is that they use rules
16 of construction that look at the language of the statute
17 and assume that the legislature, if they are drafting a
18 statute that involves siting of transmission lines,
19 recognizes that there is a distinction between
20 switchyards and substations, just as Mr. Spitzkoff has
21 identified. And they use the term switchyard and did
22 not use the term substation.

23 But putting aside the level of knowledge and
24 sophistication of the legislature, I think there are
25 good and sound reasons for that distinction. And again,

1 the point that Mr. Spitzkoff or Mr. Larsen made is that
2 oftentimes local governments, counties, cities have
3 statutes, land use statutes, zoning statutes, and
4 ordinances that specifically address substations.

5 But I haven't seen any in any county in this
6 state or city in this state that address switchyards.
7 They leave that to this Committee and this body. And I
8 believe they also do that for a reason, that those local
9 governments are concerned and interested in substations
10 because those oftentimes have impacts of residents and
11 land use impacts within their jurisdiction, but that
12 switchyards, again, are part of the bulk transmission
13 system. And that's addressed by the siting statute and
14 the jurisdiction of this Committee.

15 So that is my legal presentation on the
16 distinction and the reason for exclusion of substations
17 certainly from this application, and you may see
18 excluded from APS applications in the future.

19 MEMBER WOODALL: Mr. Derstine, the only reason I
20 asked the question was because I know that applicants
21 typically look at the transcripts of the prior cases.
22 And there has been -- it has been a long time since we
23 have had this discussion about switchyard/substations.
24 And that's the only reason that I brought it up. I
25 really didn't want to get a lot of details regarding it.

1 I just want people who follow in the footsteps to say,
2 oh, they talked about it then. Thank you.

3 CHMN. CHENAL: Question. Are switchyards ever
4 collocated with substations?

5 MR. SPITZKOFF: I am going to say no. You can
6 find them next to each other. You can find substations
7 next to each other. You can find two separate
8 switchyards next to each other. Collocated, when I am
9 answering that question in my mind, is covered under one
10 overall permit and sort of the same facility. Could it
11 happen, it probably could.

12 CHMN. CHENAL: Generally that's not the case, in
13 your experience?

14 MR. SPITZKOFF: Yes, generally. You are either
15 going to be a switchyard or a substation.

16 CHMN. CHENAL: Thank you.

17 Member Noland.

18 MEMBER NOLAND: Mr. Chairman, I think this
19 discussion has been good. And I also believe that this
20 Committee should be consistent with what we consider. I
21 mean we had a case last week where we were looking at
22 substations. And we were looking at the corridor around
23 substations. I feel that maybe we should have the
24 declarative decision by the Corporation Commission or
25 the Legal Staff that we really don't consider

1 substations, that we only would be looking at
2 switchyards. And then we are not getting confused doing
3 it on one case but not on another.

4 I mean we had kind of a controversial one in the
5 east valley several years ago. And we really got into
6 some things that we probably shouldn't have gotten into
7 with landscaping and walls and this and that. And I
8 really would like to have a consistent guideline that we
9 use. And it should start with the Chairman, as he is
10 having the pre-Committee meetings and all of that on
11 what we are going to consider and what we are not as far
12 as substations and switchyards.

13 CHMN. CHENAL: All right. Thank you. Thank
14 you.

15 Well, at least for this case substations are not
16 an issue.

17 MR. DERSTINE: Thank you.

18 CHMN. CHENAL: I just wanted to take the
19 opportunity to ask transmission engineers what a
20 switchyard was versus a substation. So that answered
21 the question. I appreciate that.

22 I see we are at about noon, a little after noon.
23 This might be the time to take our noon break. And when
24 we come back, we may have some procedural issues to deal
25 with, but I believe we would then have the closing

1 statement and then get into deliberations starting
2 around 1:00.

3 So unless someone has an objection, let's take
4 our noon break. We will come back at 1:00 and we should
5 be able to complete this this afternoon without any
6 difficulty. Thank you.

7 (A recess ensued from 12:05 p.m. to 1:02 p.m.)

8 CHMN. CHENAL: All right. Good afternoon,
9 everyone. This is the time set for resumption of the
10 hearing.

11 I believe we are just about to the point of the
12 final argument, but I don't believe the applicant has
13 quite rested its case yet.

14 I don't see any exhibits that would be admitted
15 that haven't been. We normally don't admit the version
16 offered by the applicant. I see the Chairman's exhibit
17 for discussion, CEC for discussion, Exhibit 26. We will
18 admit that after we complete our deliberations. And
19 that, I assume, will be on the left side of the screen,
20 and on the right side of the screen will be Exhibit 28.

21 MR. DERSTINE: Yes.

22 CHMN. CHENAL: Okay. So 26 will be the version
23 that I have, which accepts all your changes, has a few
24 edits for discussion.

25 And then 26 and 28 will be what will be the

1 working copy that we create as we go through the
2 process, and that will become Exhibit 28. When we
3 finish and vote, that will become the official version,
4 assuming we vote to approve it.

5 MR. DERSTINE: Mr. Chairman, so then in terms of
6 the final version, which will be Exhibit 28, do you want
7 that to start with a clean version, or just copy over to
8 the new document? How do you want mechanically to do
9 that?

10 CHMN. CHENAL: I think they can both be -- they
11 look like 26 at the beginning. And then 28 will evolve
12 into what it evolves into, and that will become an
13 exhibit.

14 MR. DERSTINE: Got it.

15 CHMN. CHENAL: I think if we refer to by Exhibit
16 No. 26 or 28, that will be helpful as someone reviews
17 the record to see the changes made and why we made them.

18 So does the Committee have any questions before
19 we turn it over to the applicant?

20 (No response.)

21 CHMN. CHENAL: I don't see any interest in that.

22 Mr. Derstine, Ms. Benally, I don't think you
23 have rested. If you have any additional comments you
24 want to make before you rest and begin closing
25 argument --

1 MEMBER WOODALL: Mr. Emedi.

2 CHMN. CHENAL: Oh, I am sorry. Mr. Emedi, yeah.

3 Mr. Emedi, I think we can take that when we get
4 to that provision, that particular condition. I think
5 it would make more sense to discuss it all at one place
6 than have it scattered throughout the record.

7 MR. EMEDI: That's fine with me, whatever you
8 guys --

9 CHMN. CHENAL: We will get there pretty quickly,
10 and then we can talk about that provision. I think
11 someone reviewing the record later, it will be easier to
12 find that discussion with that particular condition.

13 Mr. Emedi, do you have anything, other than that
14 which you will bring up later, to add at this point?

15 MR. EMEDI: No.

16 CHMN. CHENAL: Well, Mr. Derstine, Ms. Benally,
17 we will turn it back to you.

18 MR. DERSTINE: One housekeeping item I want to
19 just confirm, that is revised Exhibit A, which we marked
20 as APS-27. I don't know that I ever moved to admit it.
21 But it is the revised Exhibit A which is the route
22 corridor map for the preferred route. If that hasn't
23 been admitted, I would move to admit that.

24 CHMN. CHENAL: Okay. Revised Exhibit A, which
25 will show as Exhibit A, and that has the change to the

1 parcel number.

2 MR. DERSTINE: Yes, just as to the Microsoft or
3 the Wildcat parcel.

4 CHMN. CHENAL: Okay. Give it a number, but I
5 don't think it is that important as long as we make sure
6 the correct one is attached to the form of the CEC.

7 MR. DERSTINE: Well, we circulated that revised
8 corrected route for the preferred route, and we marked
9 it as APS-27. I just don't know if I ever moved to
10 admit it. So it is APS-27.

11 CHMN. CHENAL: Was there a previous 27? Okay.
12 I show it as admitted, but let's do it again to make
13 sure the record is clear.

14 So Exhibit 27, which is the revised preferred
15 route, has been moved for admission. No objection, it
16 is admitted.

17 MR. DERSTINE: Thank you. And I think with
18 that, the applicant will rest its case.

19 CHMN. CHENAL: All right. Thank you very much.

20 Mr. Emedi, to the extent you have presented a
21 case, you have done a brilliant job.

22 MR. EMEDI: I appreciate that.

23 CHMN. CHENAL: Anything that you wish to add at
24 this point?

25 MR. EMEDI: Thank you, Chairman. No, at this

1 point, Staff does not have any witnesses or additional
2 exhibits that it intends to present.

3 CHMN. CHENAL: Okay. Thank you very much.

4 Well, I don't know who is going to present the
5 final, the closing statement, Ms. Benally or
6 Mr. Derstine, to the extent you have one.

7 MR. DERSTINE: We were fighting over it and we
8 ended up with a flip of the coin in the hall, and I won
9 or lost, depending how you view it. So it is probably
10 your loss, but I will do it.

11 CHMN. CHENAL: Well, if it is short, you win; if
12 it is long, you lose.

13 MR. DERSTINE: I will keep that admonition in
14 mind.

15 Well, I want to start by just saying thank you.
16 I wanted to start just by saying thank you.
17 Mr. Chairman, I realize this isn't your only job with
18 the Attorney General's Office. And I will speak for the
19 applicant, but I know the other parties who build
20 transmission lines and facilities, you make it a good
21 process, a fair process to get these cases before the
22 Committee.

23 We take up your time and the time of your
24 assistant, Ms. Cobb, in terms of trying to get on your
25 calendar, indicating our best guess in terms of when we

1 are going to file a case, meeting with you on a
2 prefiling conference, then, once the application is
3 filed, having a prehearing conference, make sure that we
4 are following all the requirements and what you like to
5 see and you think the Committee wants to see in these
6 cases in terms of notice, route tours, et cetera.

7 And it is not -- it doesn't take a small amount
8 of your time, but we think it is -- we appreciate it and
9 you do a nice job.

10 Members of the Committee, I mentioned in my
11 opening you folks were up in Flagstaff just last week.
12 You also are busy and have things to do other than this.
13 But I think this thing, this process, the siting work is
14 important. It is important to the people of the State
15 of Arizona. It is important to the applicants who come
16 before you.

17 Some of you members have been on this Committee
18 for a very long time and some members are new. But you
19 all bring unique experience, and you take your job
20 seriously, and I think that's important to the process.
21 We always understand we are going to get tough
22 questions, but they are important questions for us to
23 answer. And we will do our best to do that. But we
24 appreciate your time serving on this Committee.

25 Staff, Mr. Emedi, you know, it isn't every case

1 that Staff actually intervenes. Sometimes Staff
2 indicates its position by a letter to the docket. But
3 whether or not it is through a written submission or by
4 a formal intervention, I think Staff plays an important
5 role. It is important for, I think, the Committee to
6 hear Staff's perspective, and we benefit from hearing
7 Staff's perspective. So thank you to Staff.

8 Madam Court Reporter I think about standing on
9 the side of Broadway Road in the dirt with semis racing
10 past, and you trying to listen to the question and get
11 the answer down. And you do an amazing job, on the side
12 of the road and here in the hearing room, keeping a
13 clear record. And the record is very important, because
14 this record then goes to the Commission, and the
15 Commission has to base its decision on this record and
16 whether or not to approve whatever decision this
17 Committee makes. And so we greatly appreciate your
18 efforts and your willingness to set up your equipment in
19 the dirt and get everything down.

20 And I would be remiss if I didn't say thank you
21 and acknowledge the AV team. I asked them before I
22 started what they are actually called, and they said the
23 Men in Black is fine. But, you know, we had some
24 trouble on the first day of the hearing. I think I
25 rammed my forehead into the microphone, and that set off

1 a cascade of loud noises that were damaging to eardrums
2 and probably dogs within a two-mile radius. But they
3 always do a great job, and we appreciate their efforts.

4 So this case is driven by or prompted by two new
5 data center customers. As I mentioned in my opening, in
6 2018 Microsoft announced that it had acquired 274 acres
7 next to the Goodyear Airport. And it wasn't long after
8 that that Stream announced that it had acquired the
9 parcel next door. What makes these customers unique, as
10 we have covered in the testimony, is that Microsoft's
11 planned load at full buildout is 270 megawatts, and
12 Stream's planned or anticipated load is 350 megawatts at
13 full buildout. The 69kV transmission system that serves
14 the Goodyear area cannot serve that load, and so we need
15 to come up with a way to get the appropriate level of
16 transmission capacity to these two new customers. And
17 that drives the purpose and need for this project.

18 The purpose and need, I think, is distilled down
19 to the sentence that is there on the screen: provide
20 reliable electrical service to new data center customers
21 from the Palm Valley to Rudd 230kV transmission line.
22 The Palm Valley-Rudd is the closest 230 transmission
23 line, and we have to get from those data center sites to
24 the Palm Valley-Rudd line in order to provide service.

25 You have heard the testimony from Mr. Petry and

1 others about the location of this project. It is near
2 the Phoenix Goodyear Airport. It is an area that's
3 planned for future commercial and mixed use development.
4 It is also in the area of a proposed ADOT freeway, State
5 Route 30, and it is currently used as agricultural land
6 that sits between the data centers to the north and the
7 230kV transmission line to the south.

8 In order to figure out what was the best way to
9 get from the Palm Valley-Rudd line to these new data
10 center customers, the company, APS, with the assistance
11 of Environmental Planning Group, used newsletters, an
12 open house, and an outreach program to communicate with
13 stakeholders, local jurisdictions, landowners,
14 et cetera.

15 And I think the testimony you heard -- and we
16 heard it at public comment and I think you heard it from
17 the witnesses -- is that that public outreach allowed
18 APS to get important feedback and input concerning this
19 project. We had feedback from the City of Avondale,
20 City of Goodyear. We had feedback from local residents
21 and the landowners. And I think the public outreach
22 worked.

23 And what was important about the public outreach
24 was that APS listened. APS, through the communications
25 with stakeholders and jurisdictions and the folks who

1 live along Broadway or own land along Broadway, we
2 listened to them, moved the project to the data center
3 campuses. One of the big takeaways from the public
4 process was, hey, shouldn't Microsoft and Stream bear as
5 much of the burden of this project as possible, you
6 shouldn't push it all on us, put as much of that line on
7 their land as possible. And we did that.

8 We also took the input from the stakeholders and
9 the public to develop routes that moved the lines off
10 Broadway Road. You heard Mr. Amator. He already has a
11 69kV line out in front of his house. He would prefer
12 not to have another line running down Broadway. And we
13 did that. We developed routes that accommodate that.

14 And what we brought forward were three final
15 routes that we thought sought to meet the concerns that
16 were raised by the folks who would be impacted by this
17 project. The three routes were the preferred route,
18 Alternative Route 1, and Alternative Route 2. And it is
19 no mystery, and no one sitting here is confused by the
20 fact that Alternative Route 2 is not a good route. It
21 is not a route that anyone wants to see built. But we
22 thought it was important to bring alternatives forward.

23 And that was, in fact, as we have mentioned
24 through testimony, that was the route that, in terms of
25 a design, that we initially thought was the way that

1 this project had to be served and would be served. But
2 as I said, we listened and came up with ways and new
3 designs in order to put the project on the Microsoft or
4 the data center campus sites, and to minimize its impact
5 as we move south.

6 So obviously the best routes are the preferred
7 route or Alternative Route 1. I think both routes
8 maximize the placement on data center land. Both routes
9 meet the need, and APS can build both routes. We made
10 that clear. We could build either one.

11 At the same time, I think the record is clear
12 and there is an overwhelming amount of evidence,
13 including what you heard from Mr. Larsen this afternoon,
14 that the preferred route is the best route. It still
15 keeps the line off Broadway. It is the shortest route.

16 And with a full understanding of the differences
17 between the preferred and Alternative Route 1,
18 Mr. Wagner, Mr. Rayner agree that the preferred route is
19 the best route. And what is key, too, is something that
20 APS is going to do in this case, but what it does in
21 every case, and that is to work with the landowner to
22 minimize the impacts. We are going to work with
23 Mr. Wagner and Mr. Rayner with regard to Link 7 to place
24 that line on either the east or the west side of that
25 existing farm road, and we will work with Mr. Wagner and

1 Mr. Rayner as to where to place those structures and try
2 to come up with the least amount of structures that
3 safely can connect the data centers to the Palm
4 Valley-Rudd line.

5 Mr. Petry testified and spent this afternoon
6 talking about various environmental impacts and the
7 factors that go to the environment, land use, future
8 land use, biological impacts, watershed impacts. And his
9 conclusion was, and I think rightly so, that all the
10 route alternatives result in minimal impacts given the
11 total environment of the area.

12 And that language comes from the statute, taking
13 into account the total environment of this area. We
14 have got transmission lines on the south. We have got
15 agricultural land just to the north of that transmission
16 corridor. But it is in an area that's zoned for
17 commercial, mixed use. And the data centers are zoned
18 for industrial use. So given that total environment, I
19 think any of those routes are environmentally
20 compatible. But again, the preferred route has the
21 least impact and is the best route.

22 In my opening I had a map up that showed the APS
23 service territory. And what I talked about is that APS
24 serves much of the west valley and serves Goodyear and
25 serves the area of this project. And under the terms of

1 its CC&N it has an obligation to serve it. In most
2 cases anytime someone rents a new apartment or buys a
3 new home, or starts a small business and they want
4 service, they call up APS and they are connected. Most
5 customers don't have to go through a Line Siting
6 Committee in order to get service.

7 But these data centers, given their high load,
8 require 230kV line, and that puts us in the line siting
9 process and brings this case to you.

10 I don't need to tell you the factors and the
11 analysis, but as always, this Committee will consider
12 the factors, the various environmental considerations
13 and factors set forth in the siting statute 40-360.06.
14 And you will balance in the broad public interest the
15 need that is APS's duty to serve with the effect on the
16 environment, and you will employ that analysis in making
17 a decision about whether or not to grant or deny a CEC.

18 We think that on the record before you that we
19 made the case that you should award us a CEC for this
20 project. We are asking that you will approve the
21 construction of a single circuit 230kV transmission line
22 that will interconnect the two planned 230kV substations
23 that will be located at data center campuses; that you
24 approve the preferred route as the best route, as the
25 route with the least amount of impacts; that you grant

1 us a corridor of 500 feet to the south of the data
2 center campuses -- well, a corridor of 500 feet to the
3 south, and a broader corridor ranging up to 850 feet on
4 the data center campuses themselves.

5 Our proposal is to construct the project on the
6 steel monopoles where possible, but we are going to
7 require and need to use H-frame structures to cross over
8 the existing WAPA line. And the heights of those
9 structures will range from 130 to 190 feet.

10 In my opening, I twisted the phrase from the
11 movie the Field of Dreams from, "If you build it, they
12 will come," to, "If they come, you have to build it."
13 Data centers are coming to the west valley. They are
14 coming to other parts of the valley. APS isn't the only
15 public service corporation in Arizona that is going to
16 be facing requests for service from data centers, and
17 this won't be the only data center siting case that
18 comes before this Committee.

19 APS has an obligation to serve its customers,
20 but it has an obligation to serve in a way that
21 minimizes the impact of those projects. We think we
22 have done that here. We think on the record before you
23 we presented the case that entitles us to a CEC to
24 construct this project. And we pledge to do that in any
25 future cases we bring before the Committee.

1 Thank you for your time.

2 CHMN. CHENAL: Thank you, Mr. Derstine. Thanks
3 for the kind words. You and your -- and Ms. Benally
4 and, you know, team has put on a very good case, as
5 usual. Compliments to Mr. Larsen, Mr. Spitzkoff,
6 Mr. Petry, and the others that you, you know, thanked
7 for the process.

8 So now we begin the deliberations. I don't
9 think this process will take as long as we think. We
10 have become pretty practiced at this. We got a lot of
11 practice last week, and we are -- I think we are ready
12 to go.

13 I will ask the Committee a favor. When we get
14 to some of the conditions with comments by me, I think
15 in light of the testimony, I think a lot of them really
16 don't apply. I didn't know that before, but now we do.
17 So I don't think we have to spend too much time on a lot
18 of those.

19 I do think when we get to the summary or the
20 overview of the project, I do think there is one thing
21 we should include in there, and that is the length of
22 the line. We do that in about every CEC. We know what
23 the length of the line will be, depending on the
24 alternative. And I am reminded of the words of a very
25 wise man who actually is sitting at the table. And let

1 me know if I get this right, Member Haenichen. From
2 afar see the end from the beginning.

3 MEMBER HAENICHEN: Not quite.

4 CHMN. CHENAL: Let's hear.

5 MEMBER HAENICHEN: Look afar and see the end
6 from the beginning.

7 CHMN. CHENAL: Look afar and see the end from
8 the beginning.

9 So let's do that on this case and let's decide
10 which route we are going to take, because then we can
11 define the length of the line in the body. It is only
12 going to be a clause that we will add, but I don't know
13 how much discussion this is going to take. I don't
14 think it is going to take much.

15 The applicant is suggesting the preferred route.
16 The City of Avondale is suggesting the preferred route.
17 Affected landowners are suggesting the preferred route.
18 The Buckeye Conservation District is suggesting the
19 preferred route. I don't know of anyone that's pushing
20 Alternative A and -- Alternative 1. And Alternative 2
21 seems to be dead on arrival. So my personal thought is
22 that the preferred route is the one we should go with,
23 but that has to be done by the Committee. And I think we
24 have -- we are going to hear something right now from
25 Member Noland.

1 MEMBER NOLAND: Mr. Chairman, as far as the
2 length of the line, rather than putting it in the body
3 of the CEC, it is included in Exhibit A on the verbal
4 description of the preferred route, and it gives the
5 number of feet of line. So I don't know that we need
6 to, if you are saying include it in the wording in the
7 CEC, I don't know that we need to do that if Exhibit A
8 is attached to the CEC.

9 CHMN. CHENAL: Well, let's -- when we get to the
10 part of the narrative of the body of it, I don't know,
11 maybe it is just me, but I think in most CECs we have we
12 describe it with a line of a length of, you know, how
13 many miles. We can talk about it then.

14 Member Haenichen.

15 MEMBER HAENICHEN: I just suggest what does it
16 hurt to put it there, too.

17 CHMN. CHENAL: Yeah.

18 Member Palmer.

19 MEMBER PALMER: Just in the interest of getting
20 the discussion moving, I would make a motion that we
21 adopt the preferred route for consideration as we move
22 through the CEC.

23 MEMBER NOLAND: Second.

24 CHMN. CHENAL: We have a motion and second.

25 Any further discussion?

1 (No response.)

2 CHMN. CHENAL: All in favor say aye.

3 (A chorus of ayes.)

4 CHMN. CHENAL: Okay. Thank you very much.

5 And just so the record is clear and the
6 applicant knows, we move -- we go through this process
7 and we vote, if you will, on the form of the CEC. We
8 don't actually vote on a final approval until the
9 conclusion of it. So while we have a series of motions
10 and seconds and votes, we are just doing that as to the
11 form so we come up with a final product. All right.

12 So let's go on the left-hand side of the screen.
13 Just so we are clear, that will be referred to as
14 Exhibit 26, and then the right-hand side will be
15 Exhibit 28. Exhibit 28 will be a work in process.

16 Member Woodall.

17 MEMBER WOODALL: Mr. Chairman, in conformity
18 with past suggestions I have made, I propose, or I move
19 that the Chairman be authorized to make conforming
20 technical language changes as may be deemed necessary.

21 CHMN. CHENAL: Thank you.

22 We have a motion. May I have a second?

23 MEMBER HAENICHEN: Second.

24 CHMN. CHENAL: All in favor say aye.

25 (A chorus of ayes.)

1 CHMN. CHENAL: Thank you for that, Member
2 Woodall. Rarely happens, but every once in awhile we do
3 have to make a small change.

4 I don't know that we have to vote on the caption
5 that has been submitted by the applicant, but if anyone
6 sees any change that needs to be made to any typos in
7 the caption, maybe we should discuss it now. I can't
8 say I have reviewed this absolutely carefully against,
9 you know, maps, but I think we will just accept it for
10 now.

11 Let's move down to page 1, lines 21 through 28.
12 I think we will finish today. So today is the 26th, so
13 on line 24 on the right-hand side if we could add 26
14 after September. Are there any --

15 Is it possible to ask the applicant, I don't
16 know, on the right-hand screen the number, the numbers
17 on the left column are pretty light, if there is a way
18 to darken those. If not -- because we will be referring
19 to the numbers pretty frequently. Yeah, that's much
20 better. Thank you.

21 All right. On page 1 of Exhibit 26, lines 20
22 through 28, with the addition of adding September 26,
23 are there any changes?

24 (No response.)

25 CHMN. CHENAL: May I have a motion to approve?

1 MEMBER HAMWAY: So moved.

2 MEMBER GENTLES: Second.

3 CHMN. CHENAL: We have a motion and second.

4 All in favor say aye.

5 (A chorus of ayes.)

6 CHMN. CHENAL: All right. Then if we could move
7 to page 2.

8 MEMBER NOLAND: Mr. Chairman.

9 CHMN. CHENAL: Yes, Member Noland.

10 MEMBER NOLAND: Mr. Chairman, we should remove
11 Mr. Villegas' name from the list of members that were in
12 attendance.

13 CHMN. CHENAL: Yes.

14 MEMBER NOLAND: And I would move that we adopt
15 between line 2 and 16 as amended.

16 MEMBER WOODALL: Second.

17 CHMN. CHENAL: Okay. Can you scroll up. It
18 would be line 1 through 16. So we are approving the
19 form on Exhibit 28, lines 1 through 16.

20 Do we have a motion?

21 MEMBER NOLAND: I so move.

22 MEMBER WOODALL: And second.

23 CHMN. CHENAL: Motion and second.

24 All in favor say aye.

25 (A chorus of ayes.)

1 CHMN. CHENAL: And that excludes Mr. Villegas.

2 Okay. If we could, scroll down on both sides.

3 On the 28, you will have to, yes, remove Mr. Villegas'

4 name. Very good.

5 Now, on the right-hand side, if we could see the

6 rest of that page from line 17 to the end of the page.

7 All right. On line 19 --

8 MR. DERSTINE: Mr. Chairman.

9 CHMN. CHENAL: Yes, Mr. Derstine.

10 MR. DERSTINE: Were you going to address the

11 intervention of Staff?

12 CHMN. CHENAL: Yes. Bear with me one moment. I

13 was pulling out the notice of intervention so we have

14 the proper name. And it is the Arizona Corporation

15 Commission Utilities Division Staff. So if we could,

16 include that on line 19 again, on the right-hand side of

17 the screen, Exhibit 28, line 19, where it is blank. It

18 says, right after the statute, 40-360.05, after the

19 colon would be Arizona Corporation Commission Utilities

20 Division Staff.

21 All right. So we have included the intervenor

22 and we haven't yet voted. So with respect to page 2,

23 lines 24 and 25, we can't -- we will have to come back

24 to that. But with that addition, is there any further

25 discussion of page 2, line 17 through 26?

1 (No response.)

2 CHMN. CHENAL: If not, may I have a motion?

3 MEMBER HAENICHEN: I move we approve line 17
4 through 26.

5 CHMN. CHENAL: Second?

6 MEMBER HAMWAY: Second.

7 CHMN. CHENAL: Motion and second.

8 All in favor say aye.

9 (A chorus of ayes.)

10 CHMN. CHENAL: As happens, the pagination will
11 change as between Exhibits 28 and 26. So my preference
12 is however it will be on Exhibit 28 on the right-hand
13 side of the screen.

14 So if you could scroll down, include a little
15 more. All right.

16 So before we will just talk about the overview
17 of the project. Here is where I would propose we add,
18 we can talk about it, but probably after, on line 5
19 after it says the project will consist of two new single
20 circuit 230kV transmission lines, something like blank
21 miles in length.

22 And if I could ask, I don't know, one of the --
23 on the panel to provide the length of the preferred
24 route line.

25 MR. SPITZKOFF: The preferred route is 1.45

1 miles.

2 CHMN. CHENAL: Okay.

3 Member Noland.

4 MEMBER NOLAND: Mr. Chairman, on line now 11 on
5 the right-hand screen, I would add a map and legal,
6 legal description, or a map and description of the
7 general project area in there.

8 CHMN. CHENAL: I think that's a good addition.

9 MEMBER NOLAND: Because it isn't just a map.

10 CHMN. CHENAL: Correct.

11 MEMBER NOLAND: On line 11.

12 CHMN. CHENAL: I am not sure. We are down on
13 line 11. After the word map would be --

14 MEMBER NOLAND: Right.

15 CHMN. CHENAL: I don't know if it should be
16 legal as much as a description or narrative or some
17 word, Member Noland.

18 MEMBER NOLAND: Yeah, I was struggling with
19 legal description, too. A map and preferred route --

20 CHMN. CHENAL: Description.

21 MEMBER NOLAND: -- description.

22 CHMN. CHENAL: I think that's fine.

23 MS. BENALLY: Chairman Chenal, corridor
24 description might be another suggestion.

25 CHMN. CHENAL: Well, it is -- yes, sure. That's

1 okay with the Committee and Member Noland?

2 MEMBER NOLAND: Yeah.

3 CHMN. CHENAL: So let's remove legal description
4 and add what Ms. Benally said.

5 MEMBER HAENICHEN: Corridor.

6 MS. BENALLY: Bear with us.

7 MS. DE LOS ANGELES: It is moving by itself.

8 MS. BENALLY: Aileen, I think on line 10, I
9 think you can leave the word structure. I don't think
10 that was changed.

11 Chairman Chenal.

12 CHMN. CHENAL: Ms. Benally.

13 MS. BENALLY: The other question -- pardon me --
14 change that we would like to request be made is on
15 line 5, the second sentence that says the project will
16 consist of two new. We propose that the word two, of
17 and two be removed. So it would read the project will
18 consist of new single circuit 230kV transmission lines.

19 CHMN. CHENAL: Okay. Let's make that change.
20 Two stays.

21 MS. BENALLY: No, two is deleted.

22 CHMN. CHENAL: Both twos.

23 MEMBER HAMWAY: Why are we doing that?

24 CHMN. CHENAL: We have a question from Member
25 Hamway.

1 MEMBER HAMWAY: Why would you delete that?

2 MR. SPITZKOFF: Because it is not two lines.

3 If -- it is really a segment of what would be three
4 different lines. So you have -- the Link 1 adds a new
5 segment to what would become the Palm Valley to TS-15
6 line. Link 14 would be considered a separate line
7 breaker to breaker, which would be TS-15 to TS-18. And
8 then Link 7 would be a new link that would become part
9 of the Rudd to TS-18 line description.

10 MEMBER HAENICHEN: So Chairman.

11 CHMN. CHENAL: Member Haenichen.

12 MEMBER HAENICHEN: I think you need to put the
13 word a, a new single circuit line.

14 MEMBER HAMWAY: But it is multiple lines.

15 MS. BENALLY: The lines, I believe, based on how
16 Mr. Spitzkoff responded, is from the line to the
17 substation, from the substation to the second
18 substation, and then from the substation back to the
19 230. So it is essentially three segments, therefore the
20 use of the word lines in plural as opposed to one. But
21 they are not -- the "two" is what we are proposing be
22 deleted, because it is really not two lines. It is
23 three different segments of transmission line.

24 CHMN. CHENAL: It is becoming a theological
25 question. So if we leave it the way it reads now, which

1 consists of new single circuit, et cetera. Does that --
2 is that okay with the Committee?

3 Member Haenichen.

4 MEMBER HAENICHEN: Why don't you just say 1.4
5 miles of total length?

6 MS. BENALLY: Chairman Chenal, would the
7 Committee consider inserting the word, right before the
8 1.45, approximately?

9 CHMN. CHENAL: Sure.

10 MS. BENALLY: Thank you.

11 CHMN. CHENAL: Member Noland.

12 MEMBER NOLAND: I move that we accept the
13 language as modified for lines 1 through 11.

14 MEMBER HAENICHEN: Second.

15 CHMN. CHENAL: We have a motion and a second.
16 Any further discussion?

17 (No response.)

18 CHMN. CHENAL: All in favor say aye.

19 (A chorus of ayes.)

20 CHMN. CHENAL: Thank you.

21 Now, let's move now to the conditions. And we
22 will take the conditions one at a time. So we can get
23 away from talking about lines and pages. We will just
24 refer to the conditions. The conditions I will be
25 referring to will be with respect to Exhibit 28, which

1 will be on the right-hand side of the screen.

2 Member Noland.

3 MEMBER NOLAND: My question, Mr. Chairman, on
4 Condition 1 is: Do we need 10 years?

5 CHMN. CHENAL: Okay. Let's pull down the
6 right-hand screen. Let's give them a break for a
7 second. And let the record reflect that the word of was
8 inserted before approximately 1.45. And I assume that
9 that's acceptable to the Committee. I am not sure if it
10 was there when we voted, but I think that's a
11 scrivener's matter.

12 Okay. So let's -- if I could ask if we could
13 scroll down on the right-hand side so we can see all of
14 Condition 1. Thank you very much.

15 All right. First, before we get to Member
16 Noland's point, the matters that are in yellow, that are
17 underlined in yellow that refer to previous CECs,
18 obviously that will not be included within the final
19 product. Okay?

20 I mean, we can take those out as we move along.
21 Maybe we don't need to. It is just that the final
22 exhibit, what is presented to me will need to exclude
23 references to previous CECs that are, for the most part,
24 underlined in yellow. So let's proceed with that
25 understanding.

1 So then let's talk about Condition 1. Member
2 Noland's question is do we need it to be 10 years.

3 And I guess I would respond to that, Member
4 Noland, in Case 181 this Committee suggested in its CEC
5 or created a CEC with a five-year term. And
6 Commissioner Burns proposed an amendment which was
7 accepted by the Commission and was, and I think we
8 talked about this at the last hearing, his amendment,
9 and it was conveyed to me and I in turn conveyed that
10 amendment to the Committee and provided the transcript
11 of the testimony. Not to oversimplify Commissioner
12 Burns' rationale for that, but I think for the most part
13 it was to avoid having an applicant come back and
14 resources and the time it would take to extend it from
15 five to 10 years.

16 So kind of the request of the Commission was in
17 our cases can we have a 10-year as opposed to five- or
18 seven-year period. So I think the applicant -- I don't
19 know if this was the applicant's request, or I think it
20 was for 10 years and I think it was based on that
21 amendment, the Burns amendment in Case 181.

22 But that's the reason that we have it at 10
23 years, is based on the request of the Commission that we
24 have a 10-year period.

25 MEMBER NOLAND: Well, I understand that. But

1 this particular case they are looking at moving ahead
2 fairly rapidly. There is only one owner of the land.
3 It just -- we have always taken these time periods case
4 by case, and I think that's an appropriate thing to do.

5 Some people, you know, really don't like having
6 a 10-year period, and especially in a case where it is
7 going to be a much more -- or shorter period of time.
8 So that's all. I am not going to fall on my sword over
9 this. I appreciate Chairman Burns' comments and
10 feelings. I agree with him. But again, case by case,
11 there is some times you don't need 10 years.

12 CHMN. CHENAL: And let me ask the applicant. I
13 mean, I think your timeline for this project is less
14 than five years, is it not?

15 MS. BENALLY: Mr. Spitzkoff, would you respond?

16 MR. SPITZKOFF: Yes. Our timeline would be or
17 we hope to be less than five years. The only part of
18 the project that may be or would potentially be outside
19 of that would be if the development of Stream slowed
20 down, and that would just entail the actual construction
21 of the substation facilities and the drop, but the line
22 would be there ready for that.

23 CHMN. CHENAL: Well, let me ask a question. If
24 Microsoft is ready to go on the Wildcat side and needs
25 the full 230, and Stream falls behind in their

1 development process and decides not even to build the
2 project, you are still going to have to energize the
3 entire line, would you not?

4 MR. SPITZKOFF: That is correct.

5 CHMN. CHENAL: So whether or not Stream develops
6 or falls behind or not in its development really doesn't
7 affect the time frame for APS constructing the project,
8 isn't that correct?

9 MR. SPITZKOFF: That is correct. I would say my
10 previous comment falls under the category of maybe
11 providing too much information.

12 CHMN. CHENAL: I am sensitive to Member Noland's
13 comment. And I think in the appropriate case -- and I
14 don't know if this is that one or not -- where it is
15 obvious that the project is going to be built within a
16 few years, say, to go out 10 years I don't think
17 necessarily does violence to Commissioner Burns'
18 amendment and request.

19 Where we are not certain, then I kind of feel
20 like, you know, my view on it would be -- and I am not
21 speaking for the Committee -- my view is to kind of
22 respect that request. I don't know if this is that case
23 where we go five years or seven years or keep it at 10.
24 But the applicant has a 10-year request, and I guess
25 that's what we have to kind of consider at this point,

1 unless someone requests a shorter period.

2 MEMBER NOLAND: Mr. Chairman, I was just
3 basically asking why they want 10 when I thought it was
4 going to be built within two years. That's all. Like I
5 said, I just had it circled with that question. I have
6 got two other areas that I have circled. But that's
7 one, you know, if that's the feeling of the applicant
8 and the Chairman of the Commission, then I am fine with
9 it.

10 CHMN. CHENAL: Mr. Derstine, if you want -- you
11 look like you wanted to add something to that.

12 MR. DERSTINE: I did. I think the change to
13 the -- well, the term that we included in the proposed
14 or the draft CEC that the Committee is now considering,
15 that change reflected the Commission's decision in Case
16 181. And I think it has been awhile since I have gone
17 back and read that transcript. I was there for that
18 hearing; it happened to be my case. One of the
19 takeaways from the Commission's amendment, Chairman
20 Burns' amendment, was a view that it made sense to
21 standardize the term of these CECs rather than to have
22 them be all these different lengths of time.

23 MEMBER NOLAND: I am fine with that,
24 Mr. Chairman.

25 CHMN. CHENAL: All right. All right. With

1 respect to Condition 1, is there any further discussion?

2 (No response.)

3 CHMN. CHENAL: May I have a motion to approve
4 Condition 1.

5 MEMBER PALMER: Motion to approve Condition 1.

6 MEMBER HAMWAY: Second.

7 CHMN. CHENAL: Motion and a second.

8 All in favor say aye.

9 (A chorus of ayes.)

10 CHMN. CHENAL: All right. Let's move down to
11 Condition 2.

12 MEMBER NOLAND: Mr. Chairman.

13 CHMN. CHENAL: This is one where I am going to
14 remove the five year and put it back to one year,
15 because --

16 MEMBER NOLAND: You mean five mile.

17 CHMN. CHENAL: Five mile and put it back to one
18 mile.

19 MEMBER NOLAND: That was my question. Because I
20 think the notification area that they did with the
21 surrounding was really huge. And one mile should get
22 everybody that has any interest in this at all.

23 Mr. Chairman, I move that we adopt Condition 2
24 with the modification of one mile.

25 MEMBER HAENICHEN: Second.

1 CHMN. CHENAL: We have a motion and second.

2 Any further discussion?

3 (No response.)

4 CHMN. CHENAL: All in favor say aye.

5 (A chorus of ayes.)

6 CHMN. CHENAL: Thank you.

7 Let's look down at Condition No. 3. Now, let me
8 speak to this one as well. And this is the applicant's
9 version. I am not sure why it is shown on the left-hand
10 screen as accepted. I thought those should be what the
11 applicant requested with my changes as a track change.

12 And I will tell you the applicant only had the
13 City of Glendale as -- I am sorry, Goodyear, as the
14 applicable jurisdiction, United States of America, State
15 of Arizona, Maricopa County, and the City of Goodyear.

16 What I added was based on the affected
17 jurisdictions and the notice of affected jurisdiction
18 that was filed by the applicant. And prior to this
19 hearing I guess I wasn't sure what aspect of the project
20 it impacted or implicated those jurisdictions and what,
21 you know, statutes, ordinances, whatever would come into
22 play. But I think the testimony has been pretty clear
23 that Avondale, Phoenix, I don't know about the Arizona
24 State Land Department, the Bureau of Land Management,
25 and the Phoenix Goodyear Airport are not affected by

1 this project, which is situated solely in the City of
2 Goodyear.

3 So I don't see the need to have that
4 additional -- those additional jurisdictions as a
5 condition. And it would revert back to the form that
6 the applicant has requested. So it would remove
7 Avondale and the other jurisdictions in red on
8 Exhibit 28.

9 And city on line 13 would be singular.

10 I think we need another word somewhere, the word
11 and after county on line 13. I am sorry. Maybe -- I am
12 sorry. Forget what I just said. So basically we are
13 going back to the form that was, condition that was
14 requested by the applicant.

15 MS. BENALLY: We agree. Thank you.

16 CHMN. CHENAL: Okay. So is there any way to
17 scroll down on the left-hand screen so we can see the
18 rest of the language of Condition 3? Okay. Very good.
19 Thank you.

20 So any further discussion on Exhibit 3 and the
21 form submitted by the applicant?

22 (No response.)

23 CHMN. CHENAL: May I have a motion.

24 MEMBER PALMER: Motion to approve Condition 3 as
25 amended.

1 MEMBER NOLAND: Second.

2 CHMN. CHENAL: Motion and a second.

3 All in favor say aye.

4 (A chorus of ayes.)

5 MEMBER WOODALL: Pass.

6 CHMN. CHENAL: Okay. Let's go to Condition 4.

7 And I will make the same suggestion there, that we
8 remove the jurisdiction that's added and take it back to
9 the form of the condition in which the applicant
10 submitted. And I think we can keep the words and their
11 agencies and subdivisions.

12 Mr. Palmer, do you have any -- I think we had
13 this discussion on the last case and we added that and
14 kept it.

15 MEMBER PALMER: I think that's fine.

16 CHMN. CHENAL: Okay. So it would read as we
17 have it up on the screen. After the City of Goodyear we
18 would keep the words and their agencies and
19 subdivisions.

20 And so with that, is there any further
21 discussion regarding Condition 4?

22 (No response.)

23 CHMN. CHENAL: May I have a motion.

24 MEMBER PALMER: Motion to approve 4.

25 CHMN. CHENAL: A second, may I have a second.

1 MEMBER HAENICHEN: Second.

2 CHMN. CHENAL: We have a motion and a second.
3 Any further discussion?

4 (No response.)

5 CHMN. CHENAL: All in favor say aye.

6 (A chorus of ayes.)

7 MEMBER WOODALL: Pass.

8 CHMN. CHENAL: Thank you.

9 Now let's go down to Condition 5.

10 MEMBER HAENICHEN: I move Condition 5 as
11 written.

12 CHMN. CHENAL: Do we have a second?

13 MEMBER HAMWAY: Second.

14 CHMN. CHENAL: Any further discussion?

15 (No response.)

16 CHMN. CHENAL: All in favor say aye.

17 (A chorus of ayes.)

18 CHMN. CHENAL: Thank you.

19 Now, No. 6, Condition 6. I don't know in
20 line 10 if the word or its assignee is necessary. I
21 mean in a merchant project I think that's more important
22 to have that kind of a qualifier. But when we are
23 dealing with APS, I am not expecting that APS is going
24 to go out of existence. It has been here since horse
25 and wagon days, as we saw early on in the discussion.

1 There is certainly no evidence that this project
2 is going to be passed off to anybody else other than
3 APS. But I did have additional language as we did in
4 the last case to have the applicant comply, to the
5 extent applicable, with the request of Arizona Fish &
6 Game, which is in Exhibit 2 to their application.

7 And I think we had testimony about that
8 particular request from Arizona Fish & Game. And I
9 think the applicant, based on Member Woodall's question,
10 said it would have no objection to this and would comply
11 with the matters set forth in that. So I think it is
12 appropriate. But that's me.

13 So if we could have a motion, then we could have
14 further discussion if someone disagrees with it as
15 amended. But I would take out, on line 10, I would
16 remove the words or its assignee. I don't think it is
17 necessary here, unless anyone disagrees.

18 MEMBER WOODALL: So moved.

19 CHMN. CHENAL: So with the changes as now
20 reflected on Exhibit 28 on the screen, may I have a
21 motion.

22 Is that what you just did, Member Woodall?

23 MEMBER WOODALL: I think so.

24 MEMBER NOLAND: Second.

25 CHMN. CHENAL: Motion and second.

1 Any further discussion?

2 (No response.)

3 CHMN. CHENAL: All in favor say aye.

4 (A chorus of ayes.)

5 CHMN. CHENAL: Thank you.

6 Let's move to Condition 7. Now, here is another
7 one where, you know, it is nice to have the hearing and
8 then realize what is not necessary. But I will need a
9 little help with this. It seems as though the Cities of
10 Avondale and Phoenix, you know, are not applicable. I
11 don't think Arizona Land Department has any, you know,
12 involvement in land. So I think the State Land
13 Department can come out.

14 The State Historical Preservation Office, they
15 are implicated if there is some cultural resource found,
16 are they not.

17 Mr. Petry.

18 MR. PETRY: Yes.

19 CHMN. CHENAL: So that may, you know, if we take
20 out the State Land Department but leave in SHPO for now,
21 unless anyone has a problem with it, I think that's kind
22 of required, but --

23 Member Woodall.

24 MEMBER WOODALL: Yes. With respect to Condition
25 No. 7, as far as I am concerned, it could read in its

1 entirety applicant shall consult with the State Historic
2 Preservation Office and the City of Goodyear with
3 respect to cultural resources, period.

4 The rest of it relates to state, county, or
5 municipal land. Is there any involved in this project?
6 I thought it was all private land. So I would just
7 propose eliminating the rest of it. Is there some
8 state, county land?

9 MR. PETRY: Member Woodall, Broadway Road
10 alignment is the Goodyear land.

11 MEMBER WOODALL: Ah, thank you very much.

12 CHMN. CHENAL: So there is Goodyear land.

13 MR. PETRY: Yes.

14 CHMN. CHENAL: All right. So with the first
15 sentence as read by Member Woodall and the rest of the
16 language in Condition 7, may I have a motion to approve.

17 MEMBER HAMWAY: So moved.

18 MEMBER PALMER: Second.

19 CHMN. CHENAL: Second.

20 Any further discussion?

21 (No response.)

22 CHMN. CHENAL: All in favor stay aye.

23 (A chorus of ayes.)

24 MEMBER WOODALL: Pass.

25 CHMN. CHENAL: Okay. Let's look at Condition 8.

1 It is a standard provision.

2 MEMBER NOLAND: Mr. Chairman, I move Condition 8
3 as written.

4 MEMBER HAENICHEN: Second.

5 CHMN. CHENAL: We have a motion and a second.
6 All in favor say aye.

7 (A chorus of ayes.)

8 MEMBER WOODALL: Pass.

9 CHMN. CHENAL: Condition 9, we will pull it up
10 on the screen in its entirety. Dealing with
11 interference with radio and television signals, again,
12 this is as requested by the applicant. I think it is a
13 fairly standard provision.

14 MEMBER HAMWAY: I move we accept Condition 9 as
15 written.

16 MEMBER HAENICHEN: Second.

17 CHMN. CHENAL: We have a motion and a second.
18 Any further discussion?

19 (No response.)

20 CHMN. CHENAL: All in favor say aye.

21 (A chorus of ayes.)

22 CHMN. CHENAL: Let's move to Condition 10,
23 again, a standard provision.

24 MEMBER HAENICHEN: I move 10 as written.

25 MEMBER HAMWAY: Second.

1 CHMN. CHENAL: Motion and a second.

2 Any further discussion?

3 (No response.)

4 CHMN. CHENAL: All in favor say aye.

5 (A chorus of ayes.)

6 CHMN. CHENAL: Condition 11.

7 MEMBER GENTLES: Mr. Chair, I move approval of

8 No. 11.

9 MEMBER HAMWAY: Second.

10 CHMN. CHENAL: We have a motion and second.

11 Any further discussion?

12 MEMBER WOODALL: I have a question.

13 CHMN. CHENAL: Yes, Member Woodall.

14 MEMBER WOODALL: I see it says shall be no
15 smaller than a roadway sign. Could someone from the
16 applicant tell me how they would be interpreting that.
17 I mean, is it the size of the boards that you use to
18 provide notice of the hearing, or the size of a speeding
19 sign, or what?

20 MEMBER HAENICHEN: That's ambiguous.

21 MR. PETRY: Member Woodall, in the past we have
22 used signs of a similar size as those that were on
23 display yesterday providing notice of this hearing.

24 MEMBER WOODALL: And is that my understanding,
25 you are committed to doing that pursuant to this

1 condition?

2 MR. SPITZKOFF: Yes.

3 MEMBER WOODALL: Thank you.

4 CHMN. CHENAL: And what is that size?

5 MR. PETRY: That is roughly a four foot by eight
6 foot sign, excuse me, a four foot by four foot sign.

7 CHMN. CHENAL: Well, I will just throw it out.
8 Shall we put in there no smaller than? I mean a roadway
9 sign could be 10 inches by 10 inches without -- for some
10 people.

11 MEMBER WOODALL: I think it might be possible,
12 but the signs, the size might vary depending upon the
13 nature of the roadway and the right-of-way. So
14 personally, I am satisfied with the avowals that the
15 representatives of APS have made here, if we are using
16 these as a model in the future.

17 CHMN. CHENAL: Member Gentles.

18 MEMBER GENTLES: Why wouldn't you just produce a
19 similar sign that you posted and post it in the same
20 place?

21 MR. PETRY: I believe we would, Mr. Gentles.

22 MEMBER GENTLES: I think that would be
23 acceptable. I don't think it should be anything smaller
24 than that for sure. If you want to do a four foot by
25 eight foot, that's fantastic, and herald a power line

1 coming through, but I think that's fine.

2 CHMN. CHENAL: Does the Committee have a desire
3 to put a minimum size in?

4 MEMBER NOLAND: Mr. Chairman.

5 CHMN. CHENAL: Member Noland.

6 MEMBER NOLAND: I think if you read, shall post
7 signs in or near public rights-of-way to the extent
8 authorized by law, many cities have very specific sign
9 codes, and I think that's why we left it a little
10 ambiguous.

11 So I like four by four; that's a good size. But
12 you couldn't do it in Oro Valley. They wouldn't let
13 you. They would take them down. So I think we have to
14 be ambiguous to allow them to obey the laws of the
15 particular entities.

16 MEMBER GENTLES: Mr. Chair, I just suggest if
17 the initial sign that was posted was of a specific size,
18 then the size of the sign to announce the conclusion
19 should be the similar size as long as that's --

20 CHMN. CHENAL: Member Haenichen.

21 MEMBER HAENICHEN: But then you would have to
22 put in language that you just said, the original signs
23 posted. I think that's cumbersome.

24 CHMN. CHENAL: Member Riggins.

25 MEMBER RIGGINS: I agree with Member Noland. I

1 know it came up with a past case where there were
2 ordinances that didn't allow the sign to be over a
3 certain size. So I am fine with the language in the
4 condition as written.

5 CHMN. CHENAL: All right.

6 Yes, Mr. Larsen.

7 MR. LARSEN: Yeah, if I can just give an opinion
8 on this. And, of course, it is up to you guys. We will
9 do whatever.

10 I know that previously the requirement required
11 a lot more text, if you will. With only this much text,
12 I think a sign similar to what is out there now is kind
13 of overkill. And again, I do agree that -- I know City
14 of Goodyear does have some requirements on how big or
15 what you can place along the roadways. So that's all.
16 We will do whatever.

17 CHMN. CHENAL: Do you believe the signs that are
18 out there now are in violation of a Goodyear ordinance?

19 MR. LARSEN: No. They are on private land, so
20 they are okay.

21 CHMN. CHENAL: All right. Okay. I seem to
22 recall, based on what Member Noland said, that we had
23 this discussion once before, and we landed on the same
24 place. So let's -- may I have a motion to accept
25 Condition 11 as reflected on the screen.

1 MEMBER WOODALL: So moved.

2 MEMBER RIGGINS: Second.

3 CHMN. CHENAL: Motion and second.

4 Do we have any further discussion?

5 (No response.)

6 CHMN. CHENAL: All in favor say aye.

7 (A chorus of ayes.)

8 CHMN. CHENAL: Thank you.

9 All right. Now, let's look at 12 carefully.

10 Here is one where I am not so quick to withdraw on my
11 own these additional jurisdictions. We -- the applicant
12 did file a notice to affected jurisdictions of the
13 project and included all of these. And we heard the
14 reasons on the record why. So it doesn't offend me that
15 90 days before construction they provide a notice of the
16 construction. I don't think it is a -- it is not a
17 burden on the applicant to do that. But I will leave
18 it, obviously, up to the Committee.

19 Member Drago.

20 MEMBER DRAGO: Mr. Petry, we talked about -- was
21 it this condition that prompted you to notify the Gila
22 River Indian Community? And if that is the case, should
23 we add them in here?

24 MR. PETRY: It was not this condition that
25 prompted us to do that. It was because the Gila River

1 Indian Community was within two miles of our preliminary
2 links. And I believe that this condition as written, or
3 if we struck the added portions, would still include,
4 based on that five-mile distance, these and more
5 entities who would receive notifications.

6 MEMBER DRAGO: Thank you.

7 CHMN. CHENAL: Notification of construction, of
8 commencement of construction, Mr. Petry?

9 MR. PETRY: Based on this condition, yes,
10 Chairman.

11 CHMN. CHENAL: But, I mean, would you normally
12 provide notice of commencement of construction to these
13 jurisdictions that are in red but for the language in
14 this condition? Because they are within five miles?

15 MR. PETRY: Yes.

16 CHMN. CHENAL: Well, cities and towns, but that
17 would not include the Arizona State Land Department or
18 the Bureau of Land Management.

19 MEMBER NOLAND: Mr. Chairman.

20 CHMN. CHENAL: Member Noland.

21 MEMBER NOLAND: Maybe we should say governmental
22 entity, again, as we have in the previous conditions,
23 which then would include all of those.

24 CHMN. CHENAL: So you would suggest, Member
25 Noland, on line 8, after the word provide --

1 MEMBER NOLAND: Yes.

2 CHMN. CHENAL: -- you would say governmental
3 entities, comma, cities and towns?

4 MEMBER NOLAND: No, I would not do cities and
5 towns.

6 CHMN. CHENAL: Okay.

7 MEMBER NOLAND: They are a governmental entity.

8 CHMN. CHENAL: Right.

9 Yeah, Member Woodall.

10 MEMBER WOODALL: I will manifest more ignorance.
11 Are the irrigation districts governmental districts or
12 are they private?

13 MEMBER PALMER: Quasi-governmental.

14 MEMBER WOODALL: Okay. So could you repeat --
15 you nodded assent to a comment made by Member Palmer,
16 but could you --

17 MR. PETRY: I do agree with Mr. Palmer's answer,
18 quasi-governmental.

19 MEMBER WOODALL: So under this condition you
20 would be sending them that information, too.

21 MR. PETRY: That would be my interpretation.

22 MEMBER WOODALL: Okay. Thank you very much.

23 CHMN. CHENAL: So let's remove what is in red
24 there on lines 9, 10, and 11.

25 MR. SPITZKOFF: Mr. Chairman.

1 CHMN. CHENAL: Yes, Mr. Spitzkoff.

2 MR. SPITZKOFF: On line 9, Maricopa County is
3 still in there. Would that be removed?

4 CHMN. CHENAL: Yes. We could remove Maricopa
5 County.

6 Member Noland, you are okay with that?

7 MEMBER NOLAND: Yes.

8 CHMN. CHENAL: All right. So as revised, do we
9 have any further discussion with Condition 12? If not,
10 may I have a motion.

11 MEMBER HAMWAY: So moved.

12 MEMBER NOLAND: Second.

13 CHMN. CHENAL: We have a motion and second.

14 All in favor say aye.

15 (A chorus of ayes.)

16 CHMN. CHENAL: Thank you.

17 No. 13.

18 MEMBER NOLAND: Mr. Chairman, can we remove --
19 you say assignees; I say assignees. Potato/potato. Can
20 we remove that language, please?

21 CHMN. CHENAL: Yes, but it is more fun to say it
22 the way I say it.

23 MEMBER HAENICHEN: You're French.

24 CHMN. CHENAL: No one reading the record will
25 have any idea what just transpired, and that's just

1 fine.

2 So with that change, taking it back to the
3 manner, to the form in which the applicant submitted it,
4 may I have a motion to approve Condition 13.

5 MEMBER NOLAND: So moved.

6 MEMBER WOODALL: Second.

7 CHMN. CHENAL: We have a motion and second.

8 All in favor say aye.

9 (A chorus of ayes.)

10 CHMN. CHENAL: Thank you.

11 Condition 14, again, a standard provision. May
12 I have a motion.

13 MEMBER HAENICHEN: I move.

14 MEMBER HAMWAY: Second.

15 CHMN. CHENAL: Member Woodall, do you have a
16 question?

17 MEMBER WOODALL: Yes. I want to ask the
18 applicant. Are there any environmentally sensitive
19 areas and activities going on within the corridor?

20 MR. PETRY: I believe those areas would be any
21 areas where burrowing owls would be found. In addition
22 to burrowing owls, I would consider training on dust
23 control measures.

24 MEMBER WOODALL: Thank you very much.

25 CHMN. CHENAL: We have a motion and second.

1 Any further discussion?

2 (No response.)

3 CHMN. CHENAL: All in favor say aye.

4 (A chorus of ayes.)

5 CHMN. CHENAL: 15.

6 MEMBER HAENICHEN: I move 15.

7 CHMN. CHENAL: We have a motion to approve 15.

8 Any second?

9 MEMBER HAMWAY: Second.

10 CHMN. CHENAL: Any further discussion?

11 (No response.)

12 CHMN. CHENAL: All in favor say aye.

13 (A chorus of ayes.)

14 CHMN. CHENAL: Condition 16. Any further
15 discussion?

16 MEMBER NOLAND: Mr. Chairman, I move
17 Condition 16.

18 MEMBER HAENICHEN: Second.

19 CHMN. CHENAL: We have a motion and second.
20 All in favor say aye.

21 (A chorus of ayes.)

22 CHMN. CHENAL: Number -- Condition No. 17. This
23 is a standard request by the Committee, excuse me, by
24 the Commission Staff in every case.

25 MEMBER PALMER: Move approval of 17.

1 MEMBER HAMWAY: Second.

2 CHMN. CHENAL: Any further discussion?

3 (No response.)

4 CHMN. CHENAL: May I have a motion -- all in
5 favor say aye.

6 (A chorus of ayes.)

7 CHMN. CHENAL: 18.

8 MEMBER NOLAND: Mr. Chairman. I had a question
9 on this one. And it is the date. Do we mean
10 December 1st, 2020, for the first annual letter?

11 CHMN. CHENAL: This was the applicant's
12 requested condition, so maybe the applicant can answer.

13 MS. BENALLY: Mr. Chairman, we would like to
14 have that year changed to 2020, since the CEC is likely
15 to be approved so close to the end of 2019. Thank you.

16 MEMBER HAENICHEN: I move that provision as
17 modified.

18 MEMBER GENTLES: Second.

19 CHMN. CHENAL: Okay. We are fine with the rest
20 of the language. Okay. We have a motion and a second
21 for Condition --

22 MEMBER HAMWAY: Are we looking --

23 MEMBER NOLAND: No, we are not looking at the
24 whole thing, Mr. Chairman. It goes to the next page.
25 And we have got the same Avondale, Phoenix, Land

1 Department language that probably should be revised and
2 made to mirror what we had already done.

3 CHMN. CHENAL: Well, we are going to have to put
4 a distance in there, governmental entities within a -- I
5 forget how the language referred to in the previous
6 one -- within a five-mile...

7 Here is the question I have. I am now
8 rethinking this, well, with respect to the Committee.
9 The Towns of Goodyear, Avondale, and Phoenix are within
10 five miles of the project. But how do you say whether
11 or not the Arizona State Land Department, the Bureau of
12 Land Management is within five miles? I mean, how do
13 you define where the Arizona State Land Department and
14 Bureau of Land Management is?

15 Mr. Petry.

16 MR. PETRY: We would define based on the
17 distance of lands under their ownership from the project
18 facilities.

19 CHMN. CHENAL: I will just throw out to the
20 Committee, I think that's going to place a burden on
21 applicants in the future if we make a change where, you
22 know, we are having them -- it just seems like it is
23 easier to designate, whether we remove or keep the
24 entities we see up there, but in terms of sending a
25 letter, I just think it is easier to list the names of

1 who we want the letter to go to than say all
2 governmental entities or, you know, within a five-mile
3 radius. And while Mr. Petry may argue that five-mile
4 radius includes State Land Department, I could argue the
5 opposite of that and say, well, that that's really not
6 what it means, and if they want it, they should have
7 included it.

8 MEMBER NOLAND: Well, Mr. Chairman, you and
9 disagree on this, because I think we have to leave it up
10 to them. We have left it up to them with their
11 notification in other areas. Are we going to go and we
12 now have to say are we going to include Gila Indian
13 Reservation? What other areas are there? And if we
14 make it that they have to do any governmental entity
15 within five miles, then we know we are including the
16 ones that need to be notified.

17 CHMN. CHENAL: All right. I am going to make a
18 request that we just delete what is in red and leave it
19 the way the applicant had it. I think that's just
20 easier --

21 MEMBER NOLAND: Yeah.

22 CHMN. CHENAL: -- for this applicant and future
23 applicants to know what their obligations are. So I
24 would like it just to be -- let's just take it back to
25 the way they had it. Then they requested that they

1 would send it to the Board of Supervisors of Maricopa
2 County, Goodyear, and all parties to the docket and who
3 made a limited appearance, and I think that's easy to
4 understand for everyone to know exactly who that letter
5 should be sent to.

6 MEMBER HAMWAY: I agree.

7 CHMN. CHENAL: Okay. Yeah, Member Woodall.

8 MEMBER WOODALL: I am not sure, but when we had
9 public comment, the Chairman indicated it was important
10 to have their contact information for purposes of
11 further notifications. And as we had no persons who
12 made limited appearance, I am concerned that the people
13 who made public comment, of course, they would be
14 encompassed in the landowners, I assume, since they were
15 all landowners, I am just concerned that they might
16 think that they are supposed to be getting this type of
17 notice, too. But if it is encompassed in "landowners,"
18 then I don't care.

19 And, Mr. Petry, can you tell me?

20 MR. PETRY: I believe that all those who did
21 appear for public comment were landowners in close
22 proximity to the project.

23 MEMBER WOODALL: Okay. I don't have any further
24 comment on this.

25 MEMBER GENTLES: Mr. Chair, I have a question --

1 CHMN. CHENAL: Member Gentles.

2 MEMBER GENTLES: -- just for my understanding.

3 So when we talked about notification of the general
4 public and we went from five miles down to one mile, I
5 think that was back on page maybe 3 or so, but we are
6 here talking about the notification of public entities,
7 bodies within a five-mile radius. Is there a reason why
8 those should be different?

9 CHMN. CHENAL: Well, the --

10 MEMBER GENTLES: If there is, that's fine.
11 Again, learning curve here.

12 CHMN. CHENAL: I think, in my mind, there is --
13 well, go ahead. I'll let the applicant speak to that.
14 So far we have certain notifications going to property
15 owners within a mile, but government jurisdictions
16 within five.

17 MR. PETRY: So Member Gentles, Mr. Chairman, are
18 we still referring to Condition 18 at this time?

19 MEMBER HAMWAY: Yes.

20 MR. PETRY: I am sorry. I am missing something.
21 I don't see a reference to five miles.

22 MEMBER HAMWAY: He was referring to Condition 2.

23 MR. PETRY: Okay.

24 MEMBER NOLAND: 2 and 12.

25 MEMBER HAMWAY: And 12.

1 MEMBER GENTLES: It is just a point of
2 information for me. So...

3 MR. PETRY: Member Gentles, I personally am not
4 advocating one way or the other. I generally prefer
5 maximum engagement wherever possible. In regards to
6 these notification distances, I would certainly leave it
7 up to the Committee.

8 MEMBER WOODALL: May I inquire? How many
9 thousand did you -- was in the two-mile study area? How
10 many thousand members of the general public?

11 MR. PETRY: Within the preliminary study area?

12 MEMBER WOODALL: Yes. And you continue to send
13 it to them, correct?

14 MR. PETRY: We have and we will.

15 Within that preliminary study area, that
16 two-mile buffer off all preliminary links, there were
17 approximately 13,000.

18 MEMBER WOODALL: Okay. All right.

19 CHMN. CHENAL: So Member Gentles, I think if
20 13,000, if we extend it out five miles, there is -- it
21 would be a burden on an applicant to provide.

22 MEMBER GENTLES: I am not advocating one way or
23 another. That was, again, learning curve here, just
24 trying to understand the rationale. I don't have a
25 recommendation at this point.

1 CHMN. CHENAL: When we were hearing the case
2 last week, five miles was a very sparsely populated
3 rural area and we are only talking a few people, but I
4 think, you know, here it is obviously a much more
5 intense development --

6 MEMBER GENTLES: Thank you for that.

7 CHMN. CHENAL: -- population center.

8 MR. LARSEN: May I make a comment?

9 CHMN. CHENAL: Yes.

10 MR. LARSEN: Again, I just want to clarify here
11 for myself as well. This condition is for the annual
12 compliance certification, self-certification filings,
13 which in most cases only goes to those specific
14 government entities or, like you say, to the primary
15 parties. It doesn't go to the general public --

16 MEMBER GENTLES: Okay.

17 MR. LARSEN: -- in the past, so, which would be
18 somewhat of a burden because those filings can be quite
19 long sometimes.

20 MEMBER WOODALL: Plus, they are deadly dull. No
21 offense to whoever writes them.

22 MEMBER GENTLES: Thank you, Mr. Chair.

23 MEMBER NOLAND: Mr. Chairman, do we have a
24 motion on this yet?

25 CHMN. CHENAL: We don't on Condition 18.

1 MEMBER NOLAND: I would move that we adopt it
2 with the modifications that have been made.

3 MEMBER HAENICHEN: I second.

4 CHMN. CHENAL: We have a motion and second.
5 Any further discussion?

6 MS. BENALLY: Mr. Chairman.

7 CHMN. CHENAL: Yes.

8 MS. BENALLY: I would like to refer you to
9 line 12 where it says all parties to this docket, and
10 then all parties who made a limited appearance in this
11 docket. Would the Committee consider striking and all
12 parties who made a limited appearance?

13 MEMBER WOODALL: Sure.

14 CHMN. CHENAL: I don't think we have a problem
15 since no one made a limited appearance. So we can
16 strike that in this case.

17 MEMBER WOODALL: Move to delete the reference to
18 parties who made a limited appearance.

19 MS. BENALLY: Thank you.

20 MEMBER NOLAND: And I modify my motion to
21 include that.

22 MEMBER HAENICHEN: And I second.

23 CHMN. CHENAL: All right. Any further
24 discussion?

25 (No response.)

1 CHMN. CHENAL: All in favor say aye.

2 (A chorus of ayes.)

3 CHMN. CHENAL: Ms. Benally, is there anything
4 you need to --

5 MS. BENALLY: Just a moment, Mr. Chairman.

6 We suggest the addition of the word and on
7 line 12, to continue, from the City of Goodyear and all
8 parties to this docket.

9 CHMN. CHENAL: Member Noland and Member
10 Haenichen, do your motions include the word and on line
11 12?

12 MEMBER NOLAND: Yes.

13 MEMBER HAENICHEN: I am okay.

14 CHMN. CHENAL: Okay. All in favor say aye.

15 (A chorus of ayes.)

16 CHMN. CHENAL: 13. So on -- excuse me, 19,
17 Condition 19. Again, so you are clear, the Committee is
18 clear, I included those governmental agencies because
19 those were the affected jurisdictions that the applicant
20 sent its notice to, notice to affected jurisdictions.

21 So they all received the notice of the filing in
22 these proceedings. So, to my way of thinking, you know,
23 they should be provided a copy of the certificate to
24 kind of close the loop. But I will leave it to the
25 Committee to decide how they want to handle that one.

1 MEMBER WOODALL: I would just as soon follow our
2 prior convention. In other words, I would propose just
3 sending these to Maricopa County and the City of
4 Goodyear.

5 CHMN. CHENAL: Whatever the Committee wants to
6 do is fine. We are talking about dropping three more in
7 the mailbox. But if it is the Committee's desire just
8 to do it to the two and not the remaining entities,
9 that's fine. I just -- my way of thinking, when you
10 include them in the notice of affected jurisdiction,
11 they should have the, be provided a copy of their
12 certificate.

13 MEMBER HAMWAY: I agree with you, Mr. Chairman.

14 MEMBER NOLAND: Mr. Chairman, on this one I
15 agree with you, too. I move that we adopt the language
16 as shown.

17 MEMBER WOODALL: Second.

18 CHMN. CHENAL: Motion and second.

19 Any further discussion?

20 MEMBER HAMWAY: Shown with Avondale, State Land
21 Department, Bureau of Land Management --

22 MEMBER WOODALL: Thank you.

23 MEMBER HAMWAY: -- in red. Sorry about that.

24 CHMN. CHENAL: No, that's good.

25 Any further discussion?

1 (No response.)

2 CHMN. CHENAL: All in favor say aye.

3 (A chorus of ayes.)

4 CHMN. CHENAL: Thank you.

5 No. 20, this is applicant's as written. It is
6 kind of a standard one.

7 MEMBER HAENICHEN: I move 20.

8 MEMBER HAMWAY: Second.

9 CHMN. CHENAL: We have a motion and second.
10 All in favor say aye.

11 (A chorus of ayes.)

12 MEMBER WOODALL: Pass.

13 CHMN. CHENAL: I don't have strong feelings on
14 this one either in terms, based on the discussion and
15 how we have handled it. If the Committee would like to
16 remove the jurisdictions listed in red and remove the
17 last clause, and all parties who made a limited
18 appearance in this docket, I would be fine with those
19 changes if that's okay with -- if the Committee has no
20 objection.

21 Member Hamway.

22 MEMBER HAMWAY: Why would you be okay or
23 supporting 19 but, if there is a change in the
24 certificate, you wouldn't want those same?

25 CHMN. CHENAL: You are right. You took the

1 words out of my mouth. I didn't read that carefully.

2 Strike everything I just said.

3 MEMBER WOODALL: Except for limited appearance.

4 CHMN. CHENAL: Except for limited appearance.

5 MEMBER HAMWAY: I move that we accept

6 Condition 21 with the verbiage in red, and strike all

7 parties of this docket and all parties who made --

8 not -- we want all parties to the docket or just those

9 who made a limited appearance?

10 CHMN. CHENAL: Just a limited appearance.

11 MEMBER HAMWAY: Okay. Sorry. I crossed you out
12 too much.

13 MS. BENALLY: I am sorry, Chairman. I am
14 proposing that we add on line 1, after airport, the word
15 and.

16 CHMN. CHENAL: Yes. No, line up. There you go.

17 MS. BENALLY: You would delete the comma or the
18 period, I can't see what that is, after airport.

19 MEMBER HAMWAY: It is a comma.

20 CHMN. CHENAL: Okay. With that change --

21 MEMBER HAMWAY: I move that we accept

22 Condition 21 as shown on the board.

23 CHMN. CHENAL: May I have a second.

24 MEMBER NOLAND: Second.

25 CHMN. CHENAL: Any further discussion?

1 (No response.)

2 CHMN. CHENAL: All in favor say aye.

3 (A chorus of ayes.)

4 CHMN. CHENAL: No. 22 is proposed by the
5 applicant. There were no changes to it. May I have a
6 motion.

7 MEMBER HAENICHEN: I will move.

8 MEMBER HAMWAY: Second.

9 CHMN. CHENAL: We have a motion and second.
10 Any further discussion?

11 (No response.)

12 CHMN. CHENAL: All in favor say aye.

13 (A chorus of ayes.)

14 MEMBER WOODALL: Pass.

15 CHMN. CHENAL: 23. I only made the change, just
16 as a point of suggestion, because the applicant is
17 already in discussions, good faith discussions with
18 landowners. And I think we made this change in the
19 hearing we had last week for the same reason, that they
20 were already in the process.

21 So I just throw that out for discussion. If we
22 want to delete within 120 days, that clause, and just
23 add the words shall continue to make good faith efforts.

24 MEMBER GENTLES: Mr. Chairman, I am fine with
25 the change --

1 MEMBER WOODALL: Me, too.

2 MEMBER GENTLES: -- striking lines 10 through
3 11.

4 CHMN. CHENAL: May I have a motion.

5 MEMBER GENTLES: So moved.

6 MEMBER WOODALL: Second.

7 CHMN. CHENAL: We have a motion and second.

8 Any further discussion?

9 (No response.)

10 CHMN. CHENAL: All in favor say aye.

11 (A chorus of ayes.)

12 CHMN. CHENAL: Condition 24 was proposed by the
13 applicant.

14 MEMBER PALMER: Move 24.

15 MEMBER HAMWAY: Second.

16 CHMN. CHENAL: We have a motion and a second.

17 Any further discussion?

18 (No response.)

19 CHMN. CHENAL: All in favor say aye.

20 (A chorus of ayes.)

21 MEMBER WOODALL: Pass.

22 CHMN. CHENAL: Condition No. 25 was proposed by
23 the applicant. I can't tell you why I struck the word
24 where practicable. And I don't know that that -- that
25 probably should be included.

1 MEMBER GENTLES: Well, Mr. Chair, we struck that
2 in the last hearing as well.

3 CHMN. CHENAL: I think we did. So let's talk
4 about it or have the Committee's thoughts on this. I
5 think that's probably why I did make the change, because
6 in the Chevelon Butte case we did change it.

7 MEMBER WOODALL: If the applicant doesn't object
8 to it, I would just as soon -- I mean, I have no
9 objection to it remaining. It doesn't really add much
10 one way or the other.

11 MEMBER GENTLES: I agree. It is hard to
12 pronounce anyway.

13 MS. BENALLY: Mr. Spitzkoff, did you have a
14 comment?

15 MR. SPITZKOFF: No. I think that's fine,
16 because on line 25 it already has where practicable.

17 CHMN. CHENAL: Yes. That's the reason.
18 Sometimes it takes awhile to get caught up with it. But
19 the reason we struck it is because it is redundant. It
20 is already where practical, and so it seems like it was
21 redundant.

22 So with that change, may I have a motion to
23 approve 25.

24 MEMBER WOODALL: So moved.

25 MEMBER GENTLES: Second.

1 CHMN. CHENAL: A motion and second.

2 Any further discussion?

3 MEMBER WOODALL: Yes. Continuing to waive my
4 sole small pennant, and understanding that the applicant
5 put it in its proposed form of CEC, I don't think that
6 the Committee should be telling applicants what to put
7 in their right-of-way agreements. I can understand us
8 requiring them to do existing roads to minimize impacts,
9 but I think it is problematic when we are telling
10 private entities what to put in their contractual
11 agreements.

12 And I recognize that the habit and custom has
13 been for people to use whatever was granted before as
14 the basis for their CECs. So I am not asking the
15 applicant if they object one way or the other. I am
16 just expressing a point of view of mine. And I
17 tiresomely state it every case.

18 CHMN. CHENAL: Any further discussion?

19 (No response.)

20 CHMN. CHENAL: We have a motion and a second,
21 right?

22 MEMBER HAMWAY: Second.

23 CHMN. CHENAL: Motion and a second.

24 All in favor say aye.

25 (A chorus of ayes.)

1 MEMBER WOODALL: Nay.

2 MEMBER NOLAND: Mr. Chairman.

3 CHMN. CHENAL: Yes, Member Noland.

4 MEMBER NOLAND: I move that we delete the
5 current No. 26 condition as shown on the screen.

6 CHMN. CHENAL: Yes. And I was going to do the
7 same. But I agree with it. That's not appropriate in
8 this case given the testimony we heard.

9 So do we have a motion?

10 MEMBER NOLAND: That was a motion, yes.

11 MEMBER HAENICHEN: I will second.

12 CHMN. CHENAL: We have a motion and second.

13 Any further discussion? Member Woodall, I think
14 you were waiting to hear from Mr. Emedi.

15 MEMBER WOODALL: I would just appreciate having
16 a better understanding of Staff's position with respect
17 to this condition. I understand it has been removed.
18 But for future reference purposes, this is probably the
19 only record that we are going to have regarding that.

20 MR. EMEDI: Member Woodall, I regret to inform
21 you that unfortunately, while I did attempt to reach out
22 to Staff about this particular condition, not only for
23 purposes of inclusion in this proposed CEC but in future
24 cases, I was unable to reach the primary Staff member
25 who reviewed that application, unfortunately. I know he

1 does have a hearing today that he perhaps is in.

2 I will, however, and I do intend to go back and
3 follow up on it.

4 MEMBER WOODALL: That's a tragic letdown. What
5 I might suggest is, if Staff is thinking about writing
6 another letter for another project, they may want to
7 consider addressing this issue. I don't make that
8 request. I don't -- I am just saying Staff may want to
9 consider that, and that's all I am saying.

10 MR. EMEDI: I definitely appreciate your
11 thoughts on that. And it is something that I will keep
12 in mind and share with my colleagues.

13 MEMBER WOODALL: Thank you.

14 MEMBER NOLAND: Mr. Chairman.

15 CHMN. CHENAL: Member Noland.

16 MEMBER NOLAND: And if it were an important
17 thing to Staff, they could recommend that the Commission
18 reinstate that particular condition.

19 CHMN. CHENAL: Okay. So Member Noland, you have
20 moved to delete 26 regarding the interconnection
21 agreement.

22 Is there a second?

23 MEMBER HAMWAY: Second.

24 CHMN. CHENAL: We have a motion and second.

25 Any further discussion?

1 (No response.)

2 CHMN. CHENAL: All in favor say aye.

3 (A chorus of ayes.)

4 CHMN. CHENAL: Maybe the applicant can help me
5 with what is 23, order of -- I am a little -- let's take
6 a -- you know what? Let's take a 10-minute break. I
7 think we have been going at this pretty long. We can
8 kind of clarify what 23 and 24 are and we could conclude
9 quickly. So let's take a 10-minute break.

10 (A recess ensued from 2:40 p.m. to 2:54 p.m.)

11 CHMN. CHENAL: All right. Let's go back on the
12 record.

13 When we were off the record, what we see on
14 Exhibit 26 struck out is Condition 23 and 24 were
15 actually conditions that the applicant had brought over
16 or brought from the previous CEC and suggested that they
17 be deleted. We accept those changes. So those
18 provisions were excluded; you don't see them on the
19 screen. But we left the history of where it came from.

20 So that's the reason. One was that condition,
21 the amendment from Commissioner Burns regarding the
22 corridor, and the other which -- 23, and then 24 that
23 you are looking at was site specific to the other case.
24 It wasn't even applicable. So those are the reasons why
25 those are not included in the CEC by the applicant, and

1 I did not make any suggested changes to what they
2 suggested.

3 So with that, we have concluded the discussion
4 on the conditions. I mean, unless there is anything
5 anyone on the Committee wants to raise. But if not, we
6 will go to the findings of fact and conclusions of law.
7 We will go through them one by one, and then at the end
8 we will vote on the document in its entirety. And
9 depending on the vote, we will go back to the first
10 page, first or second page of the CEC and include how
11 the vote went.

12 So certificate of -- or the lines 15 through 18,
13 the certificate incorporates the following Findings of
14 Fact and Conclusions of Law. No. 1, the project aids
15 the state and the southwest region in meeting the need
16 for an adequate, economical, and reliable supply of
17 electric power.

18 Any further discussion on Finding of Fact 1?

19 (No response.)

20 CHMN. CHENAL: May I have a motion.

21 MEMBER HAMWAY: So moved.

22 MEMBER PALMER: Second.

23 CHMN. CHENAL: We have a motion and second.

24 All in favor say aye.

25 (A chorus of ayes.)

1 CHMN. CHENAL: Next is Finding of Fact
2 Conclusion of Law No. 2 regarding the project aids the
3 state in preserving a safe and reliable electric
4 transmission system.

5 Any further discussion on No. 2?

6 MEMBER PALMER: Move Fact 2.

7 MEMBER HAMWAY: Second.

8 CHMN. CHENAL: We have a motion and second.

9 All in favor say aye.

10 (A chorus of ayes.)

11 CHMN. CHENAL: Next, No. 3, during the course of
12 the hearing the Committee considered evidence on the
13 environmental compatibility on the project as required
14 by A.R.S. Section 40-360, et seq.

15 Any further discussion on No. 3?

16 (No response.)

17 CHMN. CHENAL: May I have a motion?

18 MEMBER HAMWAY: So moved.

19 MEMBER WOODALL: Move approval.

20 CHMN. CHENAL: We have a motion and a second.

21 All in favor say aye.

22 (A chorus of ayes.)

23 CHMN. CHENAL: No. 4, the project and the
24 conditions placed on the project in this certificate
25 effectively minimize the impact of the project on the

1 environment and ecology of the state.

2 Any further discussion on No. 4?

3 (No response.)

4 CHMN. CHENAL: May I have a motion.

5 MEMBER WOODALL: Move adoption of Condition 4.

6 MEMBER HAMWAY: Second.

7 MEMBER HAENICHEN: Second.

8 CHMN. CHENAL: We have a motion and second.

9 All in favor say aye.

10 (A chorus of ayes.)

11 CHMN. CHENAL: And No. 5, the conditions placed
12 on the project in this certificate resolve matters
13 concerning balancing the need for the project with its
14 impact on the environment and ecology of the state
15 arising during the course of the proceedings, and, as
16 such, serve as findings and conclusions on such matters.

17 Any further discussion on No. 5?

18 MEMBER HAMWAY: So move No. 5.

19 MEMBER NOLAND: Second.

20 CHMN. CHENAL: Motion and second.

21 All in favor say aye.

22 (A chorus of ayes.)

23 CHMN. CHENAL: And finally, No. 6 is the project
24 is in the public interest because the project's
25 contribution to meeting the need for an adequate,

1 economical, and reliable supply of electric power
2 outweighs other minimized impacts of the project on the
3 environment and ecology of the state.

4 Any further discussion on No. 6?

5 MEMBER GENTLES: Mr. Chair, I move approval.

6 MEMBER NOLAND: Second.

7 CHMN. CHENAL: We have a motion and second.

8 All in favor say aye.

9 (A chorus of ayes.)

10 (Exhibit APS-26 and Exhibit APS-26 were admitted
11 into evidence as per the instruction on page 468.)

12 MEMBER NOLAND: Mr. Chairman.

13 CHMN. CHENAL: Member Noland.

14 MEMBER NOLAND: I move that we adopt the CEC as
15 modified, which includes the preferred route.

16 CHMN. CHENAL: And does your motion include the
17 attachment of the Exhibit A, which is Exhibit -- let me
18 make sure the number is right -- 27?

19 MS. BENALLY: That is correct.

20 MEMBER NOLAND: Yes, it does, and for Case
21 No. 183.

22 MEMBER HAMWAY: Second.

23 CHMN. CHENAL: We have a motion and a second.

24 Let's do a roll call vote.

25 Member Noland, you made the motion, so how about

1 if we start with you.

2 MEMBER NOLAND: Aye.

3 CHMN. CHENAL: Member Haenichen.

4 MEMBER HAENICHEN: Aye.

5 CHMN. CHENAL: Member Gentles.

6 MEMBER GENTLES: Aye.

7 CHMN. CHENAL: Member Woodall.

8 MEMBER WOODALL: Before I vote, I just want to
9 say this has been one of the most crisply and
10 efficiently presented hearings I have had the privilege
11 of attending. The lawyers did an outstanding job. The
12 witnesses were extraordinarily articulate and answered
13 our questions clearly, without any hesitation. And I
14 have been very impressed with the whole undertaking.

15 And with that, I vote aye.

16 CHMN. CHENAL: Member Hamway.

17 MEMBER HAMWAY: Aye.

18 CHMN. CHENAL: Member Palmer.

19 MEMBER PALMER: I echo Member Woodall's
20 comments. And with that, I vote aye.

21 CHMN. CHENAL: Member Drago.

22 MEMBER DRAGO: Aye.

23 CHMN. CHENAL: Member Riggins.

24 MEMBER RIGGINS: Aye.

25 CHMN. CHENAL: And I vote aye.

1 And I also want to compliment the attorneys, the
2 staff, the employees of APS, of course, Colette, the AV
3 gods of audiovisual, Men in Black, and just think it was
4 well presented.

5 So just to make sure that we are clear on what
6 happens next, what is on the screen, on the right-hand
7 screen, which is Exhibit 28, I would suggest be printed,
8 and that will be provided to the court reporter. That
9 will become an exhibit to the case for identification.

10 That will be taken and converted into a clean
11 version with the project narrative, accorded a narrative
12 description. And the map will be attached as Exhibit A,
13 be provided to my office tomorrow or Monday or when you
14 get it to me. And I will sign it and file it with
15 Docket Control. And I will --

16 Yes, Member Woodall, you know, reminded me let's
17 have it absolutely perfect.

18 MEMBER WOODALL: Actually that was your, you
19 know, instructions to the last applicant, and I didn't
20 want to leave APS out of the fun.

21 MS. BENALLY: Mr. Chairman, may I suggest that
22 we complete line 24 and 25.

23 CHMN. CHENAL: Oh, yes, very good. And Member
24 Noland, I forgot to second it, but their motions, I am
25 sure, include and our vote to include the final vote,

1 line 24, 9 to 0 to grant.

2 MEMBER NOLAND: Yes.

3 CHMN. CHENAL: Thank you for catching that.

4 MEMBER NOLAND: Well, Mr. Chairman, if we
5 hadn't, that's one of those things that you could fill
6 in and we would feel very comfortable with that.

7 CHMN. CHENAL: Thank you.

8 Is there anything further, Ms. Benally?

9 MS. BENALLY: I do not have anything further.

10 CHMN. CHENAL: Mr. Derstine.

11 MR. DERSTINE: No, Mr. Chairman.

12 CHMN. CHENAL: Anything from the Committee?

13 (No response.)

14 CHMN. CHENAL: All right. Thank you, everyone.

15 We are adjourned.

16 (The hearing concluded at 3:02 p.m.)

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1 STATE OF ARIZONA)
2 COUNTY OF MARICOPA)

3 BE IT KNOWN that the foregoing proceedings were
4 taken before me; that the foregoing pages are a full,
5 true, and accurate record of the proceedings all done to
6 the best of my skill and ability; that the proceedings
7 were taken down by me in shorthand and thereafter
8 reduced to print under my direction.

9 I CERTIFY that I am in no way related to any of
10 the parties hereto nor am I in any way interested in the
11 outcome hereof.

12 I CERTIFY that I have complied with the
13 ethical obligations set forth in ACJA 7-206(F)(3) and
14 ACJA 7-206 (J)(1)(g)(1) and (2). Dated at Phoenix,
15 Arizona, this 29th day of September, 2019.

16 

17 _____
18 COLETTE E. ROSS
19 Certified Reporter
20 Certificate No. 50658

21 I CERTIFY that Coash & Coash, Inc., has complied
22 with the ethical obligations set forth in ACJA 7-206
23 (J)(1)(g)(1) through (6).

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