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BEFORE THE ARIZONA POWER PLANT
AND TRANSMISSION LINE SITING COMMITTEE

IN THE MATTER OF THE APPLICATION OF) DOCKET NO. TBA
ARIZONA PUBLIC SERVICE COMPANY IN RE)
TS-15 AND TS-18 DATA CENTERS.) PREFILING
_____) CONFERENCE

At: Phoenix, Arizona
Date: August 6, 2019

REPORTER'S TRANSCRIPT OF PROCEEDINGS

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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 the Attorney General's Office, 15 South 15th Avenue,
5 Third Floor, Phoenix, Arizona, commencing at 3:15 p.m.
6 on the 6th of August, 2019.

7
8 BEFORE: THOMAS K. CHENAL, Chairman

9 APPEARANCES:

10 For the Applicant:

11 SNELL & WILMER, L.L.P.
12 By Mr. Matthew Derstine
13 One Arizona Center
14 400 East Van Buren, Suite 1900
15 Phoenix, Arizona 85004

16 and

17 PINNACLE WEST CAPITAL CORPORATION
18 Law Department
19 By Ms. Linda Benally, Senior Attorney
20 400 North Fifth Street
21 Phoenix, Arizona 85004

22 ALSO PRESENT:

23 Mr. Jason Spitzkoff, APS, Manager, Transmission
24 Planning, Interconnections & Siting

25 Mr. Brad Larsen, PE, APS, Senior Siting Consultant,
Transmission & Facility Siting

Mr. Rodney Ross, APS, Manager of State Regulatory
Affairs

Mr. Devin Petry, EPG, Project Manager

Ms. Marie Cobb, Assistant to Chairman Chenal

1 CHMN. CHENAL: This is the time set for the
2 prefiling conference for the APS -- I will just call it
3 the data center project right now, and we can define it
4 as we go along.

5 My name is Tom Chenal. I am the Chairman of the
6 Line Siting Committee. Marie Cobb is my extremely able
7 assistant.

8 And may we have appearances, please.

9 MR. DERSTINE: Good afternoon. Matt Derstine
10 with Snell & Wilmer, outside counsel for APS.

11 MR. SPITZKOFF: Jason Spitzkoff, manager for
12 APS.

13 MS. BENALLY: Linda Benally, attorney for APS.

14 MR. ROSS: Rod Ross, manager of state regulatory
15 affairs for APS.

16 MR. PETRY: Devin Petry with Environmental
17 Planning Group.

18 MR. LARSEN: And Brad Larsen, transmission
19 facilities siting consultant, APS.

20 CHMN. CHENAL: Very good.

21 All right. Before we get into the project
22 description, Mr. Derstine, what is the public interest
23 so far on the project and what is the possibility of
24 intervenors?

25 MR. DERSTINE: So I think the likelihood of

1 intervenors at this stage -- we are not aware of any
2 likely intervenors in the case.

3 We have been in communication with Commission
4 Staff. I don't know if this would be the kind of case
5 where they want to participate. We alerted Maureen
6 Scott of this conference today. Prior to that, and I
7 think it was prior to the early informal meeting we had
8 with you just to talk about west valley projects in
9 general, APS had a similar meeting with Staff, informed
10 them about this and the other west valley data center
11 projects that are coming on line.

12 So Staff has some knowledge or understanding of
13 this project and the projects that are behind it. So
14 whether Staff will intervene or simply file a letter to
15 the docket in response to your typical request for their
16 position, I think that that's the only party that we
17 think, you know, could possibly be an intervenor.

18 There is a landowner that owns the parcels. And
19 Jason or Brad can walk you through kind of the project
20 area, et cetera. But that landowner the company has
21 been working with, and we seem to be pretty far along in
22 terms of negotiating a right-of-way or easement. It
23 doesn't appear that we will have any adverse positions
24 or likely intervention from that landowner.

25 And the other affected jurisdictions, based on

1 the outreach that we have had to date from EPG,
2 circulators or the Exhibit H letters, we are not seeing
3 anything that is, would likely result in intervention or
4 litigated issues in the case.

5 CHMN. CHENAL: Okay. All right. Very good.

6 Let's talk about the project. If you could have
7 you or one of your --

8 MR. DERSTINE: I will give you a little bit of
9 an overview, and then I will turn it over to Jason to
10 actually talk about the routes and the alternatives.

11 CHMN. CHENAL: Okay.

12 MR. DERSTINE: As I mentioned, this is the first
13 in the series of these west valley data center cases.
14 APS will have a series of these where it is building
15 facilities to interconnect the data centers, which are
16 acquiring land and building facilities in Goodyear and
17 other west valley areas.

18 This particular project will serve two data
19 centers. And you may recall that when we were here we
20 talked generally about these are two different
21 customers, two different data centers, and at the time,
22 or early on, we thought there was a possibility we would
23 file two separate applications --

24 CHMN. CHENAL: Right.

25 MR. DERSTINE: -- and seek the CECs for these

1 adjoining projects. What we have done now is gotten to
2 the point, based on the routing, the preferred and the
3 alternative routes, that we are going to present one
4 application asking for one CEC for the entire project.
5 So it will be pretty simple.

6 It's 230kV facilities. You know, as we
7 mentioned, these are -- both of these data centers
8 require a lot of load. So the facilities are a little
9 bit different than you might see for a normal, you know,
10 line extension. But, you know, these are kind unique
11 customers with unique needs. So that drives, in some
12 ways, the requirements of facilities.

13 If we can, Devin, why don't we mark the map of
14 the routes. And, Jason, can talk through that, what
15 they are and why they are.

16 (Exhibit A was marked for identification.)

17 MR. DERSTINE: Jason, I guess using what has
18 been marked as Exhibit A, why don't you walk the
19 Chairman through what we are proposing, what he will see
20 in the application, and the routes that will be
21 presented that will serve the need for these two data
22 center projects.

23 MR. SPITZKOFF: Yes. Okay.

24 So, as Matt alluded to, we have two different
25 data center customers. What you see on the map in the

1 orange site, that's the project that was originally code
2 named The Wildcat Project. I think it is widely known
3 now as Microsoft's location. In our 10-year plan and on
4 the map, you will see the orange hashed box inside.
5 That's what we have labeled as the TS-15 substation.
6 That that's what will serve the Wildcat load.

7 In the blue, which is just to the east of the
8 orange, is the Cyclone site. That's a different
9 company. I am pretty sure they are public but I will
10 refrain from that, their actual name. And then inside
11 the bigger blue area you will see the hashed box also.
12 That's the substation site that will serve that customer
13 that we have called TS-18 substation.

14 So those substations will serve each of the
15 customers. And the application for this project are the
16 230 lines that will connect those substations to our
17 existing 230 lines here. And what I will do is walk
18 through the different routes to get the 230 lines to
19 each of these substations and back.

20 So the top page is what we are calling the
21 preferred route. Along the bottom, traversing east to
22 west, you will see a series of two blue lines, then a
23 red and a purple, and another red. Those are existing
24 transmission lines. The one on top, it is, you will see
25 the label WAPA Liberty - Westwing and SRP Liberty - Rudd

1 line. Where you see the light blue connect into them,
2 if you notice, the line that is more in the middle has
3 crossed over and that's now on the north side. So the
4 blue part of that is our existing 230 line. That's a --

5 CHMN. CHENAL: Which one? I am a little
6 confused. Is there a number associated with it?

7 MR. SPITZKOFF: No. So it is -- Segment No. 1
8 where you see that terminate down, down --

9 CHMN. CHENAL: South.

10 MR. SPITZKOFF: -- down here on the south --

11 MR. DERSTINE: In the blue.

12 MR. SPITZKOFF: So this dark blue is our
13 existing 230 line.

14 CHMN. CHENAL: Right.

15 MR. SPITZKOFF: That's where the project is
16 basically going to start.

17 CHMN. CHENAL: Right.

18 MR. SPITZKOFF: And that's our Palm Valley-Rudd
19 230kV line. And then Segment 1 will take us north into
20 the TS-15 substation. And then from that TS-15
21 substation, the preferred routes will stay on the
22 Microsoft property, as you see labeled by route
23 Segment 14, and traverse to the east over to the TS-18
24 substation site, and then will come back to the existing
25 line via Segment 8 and Segment 7. And that will bring

1 us back to our original Palm Valley to Rudd 230 line.

2 CHMN. CHENAL: What is the significance of the
3 numbers that are in the circle?

4 MR. SPITZKOFF: Sure. So the numbers, when we
5 first start siting projects we have many different route
6 options and segments, so we number each of those
7 segments when we go to public comment so the public can
8 comment on their preference or what they feel for each
9 segment. So the numbers that are here are the remaining
10 segments.

11 CHMN. CHENAL: Okay.

12 MR. SPITZKOFF: That's why the numbers skip
13 around.

14 MR. DERSTINE: And, Jason, just to stop you
15 there...

16 I mean, in general, Chairman, these projects,
17 the preferred route and the two alternatives that we
18 will see that Jason will describe in a minute, are
19 really how to get a line from the APS Palm Valley-Rudd
20 230 circuit into each one of these customers' dedicated
21 substations and back out. And so that was the task.
22 That's the technical piece of it, how do we get from
23 Palm Valley-Rudd into these customers and back out with
24 a 230 circuit and connecting these two substations.

25 So through the public process, and then the

1 engineering piece of it, it was coming up with what is
2 the best route to do that that has the least impact.
3 And we think we have done a reasonably good job with the
4 alternatives that we have got, so...

5 CHMN. CHENAL: Great. Thank you.

6 MR. SPITZKOFF: And for perspective, the lengths
7 from our existing 230 line up to the substation are
8 three-tenths of a mile to half a mile.

9 CHMN. CHENAL: Okay.

10 MR. SPITZKOFF: I got that right?

11 MR. PETRY: Yes.

12 MR. SPITZKOFF: Making sure.

13 Other features that are worth mentioning on
14 this, as you see on the southern boundary of each of the
15 highlighted areas, the Wildcat and the Cyclone, there is
16 another dark blue line that traverses across the page.
17 That's an existing set of 230kV lines. Those are owned
18 and operated by WAPA, Western Area Power Administration.
19 So we will be crossing over their set of lines.

20 CHMN. CHENAL: And their lines are 230s as well?

21 MR. SPITZKOFF: 230kV -- well, yes. And there
22 are two of them, and then APS on the south side of
23 Broadway Road, which you can see in the green line
24 that's right there has an existing 69kV line.

25 CHMN. CHENAL: I am sorry. Where is that?

1 MR. DERSTINE: This line here that follows on.

2 CHMN. CHENAL: The green?

3 MR. DERSTINE: Yes. That's a 69.

4 CHMN. CHENAL: Got it. Got it.

5 MR. SPITZKOFF: So I think that's the highlights
6 of the preferred route that we have.

7 And then if we want to flip one page to
8 Alternative Route 1, what I will talk about are the
9 differences really between Alternative Route 1 and the
10 preferred route. And that's on the eastern side of the
11 project, as we come out of the TS-18 substation.

12 CHMN. CHENAL: Right, right.

13 MR. SPITZKOFF: Instead of heading down sort of
14 the middle area there, we come down to Broadway Road
15 further east and then come back to our existing line on
16 Segment 10 which follows Litchfield Road. So that's
17 really the difference between Alternative 1 and the
18 preferred route.

19 CHMN. CHENAL: Just out of curiosity, since I am
20 thinking of it, why is the first alternate not the
21 primary?

22 It seems like it, it almost, I don't know the
23 land ownership under your preferred route, but almost
24 seems as though the line will go across or in a field,
25 that whereas Alternative 1 looks like it is at the edge

1 of the field --

2 MR. SPITZKOFF: Yes.

3 CHMN. CHENAL: -- if I am saying that correctly.

4 MR. SPITZKOFF: That's correct. And really, in
5 this area, the underlying landowner, this is still all
6 the one landowner, so we are going to work with the
7 landowner on his preference on there. But one of the
8 biggest differences also, as you go further east, you
9 get into the industrial, closer to the industrial and
10 the residential development that's on the east side of
11 Litchfield Road. So --

12 CHMN. CHENAL: Proposed? I am not seeing much
13 here.

14 MR. DERSTINE: Yeah.

15 CHMN. CHENAL: So there is a few there. I got
16 it.

17 MR. SPITZKOFF: Yeah, there is a few there.

18 CHMN. CHENAL: All right. Okay. I am just
19 curious. I mean in a lot of the cases we have seen the
20 preference is to move to the perimeter, the boundaries
21 of the lots, of the properties versus splitting --

22 MR. SPITZKOFF: Yes.

23 CHMN. CHENAL: Okay. Then let's look at
24 Alternative No. 2.

25 MR. SPITZKOFF: Now, Alternative No. 2 --

1 CHMN. CHENAL: A lot of lines on Alternative
2 No. 2.

3 MR. SPITZKOFF: It does have a lot of line
4 segments on here. Maybe the easiest way to start
5 looking at Alternative No. 2 is in the middle section
6 there you see Segment 6. And it is a yellow-black kind
7 of hashed line there. If you kind of picture that, and
8 not being there for the moment, what you will see is
9 Segment 1 connect to Segment 2 up and to the TS-15 sub,
10 and then back down via Segment 18 and down to Segment 4.
11 And that gets the TS-15 substation connected into the
12 existing 230 line. So that's an up and back really.
13 And then sort of a similar --

14 CHMN. CHENAL: Similar for the other substation.

15 MR. SPITZKOFF: Yes, similar for the TS-18
16 substation.

17 (Cell phone rings.)

18 CHMN. CHENAL: Sorry about that, not too sorry.

19 (An off-the-record discussion ensued.)

20 MR. SPITZKOFF: Alternative 6 is in there as a
21 connection, and instead of going all the way back down
22 to the existing line and then back up via 4 and 7, if
23 there is a preference among the landowners and the
24 resident over there, just stay along Broadway Road and
25 then traverse from one side to the other up there. So

1 that's right now a sub alternative within Route 2,
2 within Alternative Route 2.

3 MR. DERSTINE: So if that Link 6 of Alternative
4 Route 2 were built, it would eliminate the need for
5 Link 4 and 7, correct?

6 MR. SPITZKOFF: 4 and 7, that's correct.

7 MR. DERSTINE: But at the same time, Link 6 also
8 has -- it is on the frontage area and maybe, yeah,
9 closer to the road, and it is on the south side the
10 road?

11 MR. SPITZKOFF: Yes, it is on the south side of
12 Broadway. So we would be building that on the south
13 side of Broadway. We would put our existing 69 line
14 underbuilt on that structure to consolidate those
15 structures. But there are some sensitivities between,
16 you know, option 6 and then, you know, 4 and 7.

17 MR. DERSTINE: And the key difference with
18 Alternative Route No. 2 is that much of the line and the
19 structures are being placed on a third party, that is
20 Wagner, or in the right-of-way along Broadway, as
21 opposed to our preferred route or the first alternative
22 puts much more of the project onto Microsoft and the
23 Cyclone property.

24 MR. SPITZKOFF: Yes.

25 MR. DERSTINE: Is that right?

1 MR. SPITZKOFF: That is correct.

2 CHMN. CHENAL: The other question I had for you,
3 under your second, your Alternative Route No. 2, if you
4 exclude line 6, that line there --

5 MR. SPITZKOFF: Sure.

6 CHMN. CHENAL: -- it seems as though the
7 substations are not connected to each other directly
8 because there is kind of an up and down to the first
9 substation. There is again another connection in and
10 connection out to the other substation. But the
11 preferred route has connector line 14 which connects the
12 two substations directly, well, actually, both your
13 preferred route and your Alternative Route No. 1.

14 MR. SPITZKOFF: So electrically they are
15 connected the same way. So if we look at Alternative
16 Route 2, you go up via 1 and 2 and then back down via 18
17 and then 4. Then you are using the existing line that's
18 there to just come to the east a thousand feet or so and
19 then back up via 7 and 8, and then back down.

20 So it does go, if we start at the original, the
21 original line is Palm Valley to Rudd, so we would still
22 go from Palm Valley to TS-15, TS-15 to TS-18, and then
23 TS-18 to Rudd. So they are all connected electrically
24 the same way. It is just where are you putting sort of
25 that middle run.

1 MR. DERSTINE: He had to spend a half hour with
2 me going back and forth using my significant expertise
3 and transmission and electrical engineering. But the
4 way I have landed on thinking about it is Jason has
5 convinced me that they are connected, and reliably they
6 are connected, in the same manner. But in terms of the
7 direct connection between the substations, they are
8 connected differently, but that from a --

9 CHMN. CHENAL: I see that.

10 MR. DERSTINE: -- reliability standpoint --

11 CHMN. CHENAL: I see that. But that connection
12 is via an existing line versus --

13 MR. DERSTINE: The direct.

14 CHMN. CHENAL: -- the Segment 14, which would be
15 a direct connector to the substations. Okay. Okay.

16 MR. DERSTINE: You grasped that much more
17 quickly than I did.

18 CHMN. CHENAL: Well, luck.

19 MR. SPITZKOFF: So that's really the gist of our
20 descriptions for our preferred and two alternative
21 routes.

22 CHMN. CHENAL: Okay. All right. Anything
23 further on the project description?

24 MR. DERSTINE: I don't think so.

25 You see the two substations. The substations

1 are not going to be -- they are included and described
2 in the applications. We are not asking for siting
3 authority for the two substations. They are being
4 constructed on private land owned by these two
5 landowners dedicated to each customer's operations;
6 although, APS will continue to own them. And they are
7 going through a City of Goodyear siting process, or
8 zoning admin process for their approval. So what we are
9 looking under the application is to site the structures
10 as we have done in other cases, but we are not going to
11 call out and ask for specific CEC authorities for the
12 substations because they are covered under those
13 separate processes.

14 CHMN. CHENAL: Do they, Microsoft in the one
15 case and the other company, do they own the property
16 that's picked up on Exhibit A now?

17 MR. SPITZKOFF: Yes.

18 MR. LARSEN: Yes.

19 MR. SPITZKOFF: I know for sure Microsoft.

20 MR. LARSEN: The other one as well.

21 MR. SPITZKOFF: I am pretty sure as well. Brad
22 is confirming.

23 CHMN. CHENAL: Okay, all right.

24 MR. DERSTINE: But that's the project. It is
25 the 230 line and the structures and getting from the

1 500kV, patching them into these two substations.

2 MR. SPITZKOFF: 230kV.

3 MR. DERSTINE: This says 500.

4 MR. SPITZKOFF: That's the double circuit. The
5 south circuit is the 500. The north circuit is the 230.

6 MR. DERSTINE: So Palm Valley-Rudd has two
7 circuits. One is hung with 230; one is hung with 500.

8 And we are going to connect with the 230.

9 MR. SPITZKOFF: The 230.

10 MR. DERSTINE: Got it.

11 CHMN. CHENAL: Okay. Let's talk about the
12 evidentiary hearing first and then go to the Notice of
13 Hearing, talk about that.

14 So where are you proposing?

15 MR. DERSTINE: In terms of the hearing location?

16 CHMN. CHENAL: Hearing location, yeah.

17 MR. DERSTINE: Devin, do you want to talk about
18 where we are going to be and what facilities we have?

19 MR. PETRY: So we are proposing we go the
20 Comfort Suites in Goodyear. And that's located at 15575
21 West Roosevelt Road. It is right west of Estrella
22 Parkway, not far from the project area. And the
23 facilities there are enough to accommodate the hearing
24 size. We have coordinated with an audiovisual
25 coordinator as well in the hotel to accommodate dual

1 screens for use during the hearing as well as all the
2 other audiovisual needs within the facility.

3 We have two separate closed rooms reserved as
4 well for breakout rooms, assuming one would be for, I
5 think, APS use and then the other for Committee use as
6 well. We have coordinated at this point 20 guest rooms
7 as well, along with those meeting spaces, to
8 accommodate, at the Committee's pleasure, to accommodate
9 any Committee members or team members, et cetera.

10 CHMN. CHENAL: Yeah, this is a little different
11 situation. I think we have taken advantage in the sense
12 of how many people are going to need rooms. I mean when
13 we have had hearings in Chandler, that was far enough
14 that I think even people in Phoenix like myself took
15 advantage of it.

16 I don't know. How far away is this facility,
17 the Comfort Suites, from, say, here, downtown Phoenix,
18 just a rough idea.

19 MR. PETRY: 40 minutes, 45 minutes, depending on
20 time of day.

21 CHMN. CHENAL: Yeah.

22 MR. DERSTINE: At rush hour --

23 CHMN. CHENAL: That is still a lot.

24 MR. SPITZKOFF: That's depending on if you are
25 going directly east or west or if you are going north.

1 MR. DERSTINE: Yeah. I mean, if you live in the
2 west valley, you are fine, where living in Chandler,
3 south valley, Chandler area, or living up north, or even
4 out in Scottsdale, where you have got to get across town
5 to the 101 and loop all the way around, it can take
6 easily an hour or more.

7 CHMN. CHENAL: Okay, yeah. Okay. Comfort
8 Suites, good. That's out in Litchfield or Goodyear?

9 MR. PETRY: It is in Goodyear.

10 MR. DERSTINE: We have AEPCO Men in Black who
11 are reserved to handle all the AV coordination.

12 CHMN. CHENAL: Perfect.

13 MR. PETRY: It is just south, the Comfort
14 Suites, it's just south of the Interstate 10.

15 CHMN. CHENAL: Okay, okay. Now, how is the
16 lodging, how is that going to be -- are you going to
17 cover the rooms, and then just incidentals are paid by
18 the Committee members? Is that --

19 MR. DERSTINE: It seems to be the way we have
20 handled it with the last few cases, if that's
21 preferable. It is easier, I think, for everyone.

22 CHMN. CHENAL: It is preferable, absolutely
23 preferable.

24 MR. DERSTINE: My understanding is we coordinate
25 with Marie, we will get a final count on rooms, and then

1 APS will cover and reserve those rooms for whatever
2 period of time.

3 CHMN. CHENAL: Yeah, that will make life easier
4 for the Committee members, I promise you.

5 Okay. How long do you think the hearing will
6 take?

7 MR. DERSTINE: Well, I think we have set aside
8 and reserved four days, starting Tuesday at, I think it
9 was, 10:00 a.m.

10 CHMN. CHENAL: I think that's what we talked
11 about.

12 MR. SPITZKOFF: 1:00.

13 MR. DERSTINE: Oh, is it 1:00?

14 MR. SPITZKOFF: On the first day start in the
15 afternoon.

16 MR. DERSTINE: Afternoon start. I wasn't sure
17 if we moved it up since it's here in Phoenix. But there
18 may still be Committee members coming up from Tucson or
19 other places.

20 So we have set aside four days. I think we are
21 optimistic, given how we have packaged it all in one
22 application, one CEC, that the, you know, the process of
23 drafting the application at the end of the case, which
24 can take a long time depending on the issues in the
25 case, if we are not doing two CECs, we are doing one, so

1 I am optimistic we will get done before Friday, but
2 that's what we have blocked out and set aside and have
3 the facilities reserved for, again, you know, building
4 in time for the route tour.

5 CHMN. CHENAL: So we are looking September 25th,
6 26th, 27th, and then, if we need it, September 30th.

7 MR. DERSTINE: No. I think we have the 24th --

8 MR. SPITZKOFF: Here are the dates.

9 MR. DERSTINE: Right here, 24th through the 27th
10 is --

11 CHMN. CHENAL: Okay.

12 MR. DERSTINE: -- what we have it blocked off.

13 CHMN. CHENAL: All right.

14 MR. DERSTINE: This may be a good time, Devin,
15 if you have copies of the notice --

16 CHMN. CHENAL: Let's talk about the Notice of
17 Hearing.

18 MR. DERSTINE: -- mark that.

19 (Exhibit B was marked for identification.)

20 MR. DERSTINE: If you want, here is the actual
21 draft Notice of Hearing.

22 CHMN. CHENAL: All right. Let's make this
23 Exhibit C then.

24 (Exhibit C was marked for identification.)

25 CHMN. CHENAL: All right. How confident are we

1 that four days will be enough for this case?

2 MR. DERSTINE: Confident.

3 CHMN. CHENAL: Okay. Confident enough not to
4 reserve the 30th?

5 MR. DERSTINE: I think so.

6 CHMN. CHENAL: Okay. I don't see anything that
7 would -- I mean this may be done in three.

8 MR. DERSTINE: Well, and --

9 CHMN. CHENAL: But --

10 MR. DERSTINE: -- the only real issue I was
11 concerned with was whether or not you were going to feel
12 the need to intervene because of the impact of your
13 ability to fly in and out of the Goodyear airport.

14 CHMN. CHENAL: I have done that a few times.

15 MS. COBB: Has there been any outreach to the
16 Goodyear airport?

17 MR. DERSTINE: Yes. Devin can speak to it, or
18 Brad. But my understanding is we have submitted the
19 information to the FAA for the -- to get the clearance.
20 We have advised them of the projected height of the
21 transmission facilities. And the preliminary indication
22 is that we are below whatever height limits, ceiling,
23 whichever term I guess they use, in terms of structure
24 height, so certainly for the preferred or either of the
25 alternative routes, that both of those should be well

1 under whatever the height limit is to impact the takeoff
2 and landing from the airport.

3 MS. COBB: What height are we looking at for the
4 structures?

5 MR. LARSEN: The tallest structures, as we noted
6 in our application, is 190 feet. But we believe
7 probably 180 is probably going to be the tallest, to
8 cross over the WAPA line.

9 CHMN. CHENAL: Okay. We will get into that in a
10 minute.

11 Back to the Notice of Hearing, so we are going
12 to start on the 24th at 1:00. I think 1:00 is -- if you
13 think we are going to run out of time, then we can move
14 that up to 10:00. If not, I would rather keep it at
15 1:00 just because there could be some people coming in
16 from out of town that don't want to come in the night
17 before coming from like Yuma and other places. And I
18 just think 1:00 would be appropriate.

19 MR. DERSTINE: 1:00 is fine.

20 CHMN. CHENAL: So keep it at the 1:00. We will
21 go the rest of the week. We will talk about a tour in a
22 minute.

23 Okay. So I will look at the Notice of Hearing.

24 MR. DERSTINE: I will get an emailed --

25 CHMN. CHENAL: Emailed Word version.

1 MR. DERSTINE: -- Word version.

2 CHMN. CHENAL: What about publishing? What is
3 your intent for that?

4 MR. DERSTINE: So our anticipated that we had
5 initially indicated to Marie we are shooting for,
6 Mr. Chairman, the 13th, that's going to slip by one or
7 two days, but no later than the 15th for filing, which
8 still puts us in good shape in terms of the 30-day. We
9 just want to make sure we give enough time to get --

10 CHMN. CHENAL: August.

11 MR. DERSTINE: Yes, August. We had projected
12 August 13th as our filing date. It looks like it will
13 be the 14th or 15th, but that shouldn't impact the
14 hearing date or anything else.

15 My biggest concern was if you were going to
16 leave town on the 13th and not be around to sign the
17 Notice of Hearing. That would be the only issue. So in
18 terms of whatever your schedule is --

19 CHMN. CHENAL: I have a pretty crazy schedule.

20 MR. DERSTINE: So if the filing on the 14th or
21 the 15th is okay with you, that would be our current
22 plan.

23 CHMN. CHENAL: Yeah, I am good.

24 So which -- Republic?

25 MR. DERSTINE: And then the publication dates we

1 penciled out based on the 14th or the 15th application
2 filing date are what, Brad? What would work out?

3 MR. LARSEN: Well, we have worked out with two
4 papers that we plan to deliver the formal notice of the
5 hearing to the papers on the 15th, if possible. It
6 could possibly be the 16th if we don't file until the
7 15th. I believe we will make it by the 15th.

8 We are going to publish in two papers. One is
9 the Arizona Republic West Valley edition. And it is
10 actually Zone 5, which covers the area, the whole study
11 area we have been looking at. And we plan for them to
12 publish on Wednesday, the 21st, August 21st, and
13 Saturday, the 24th. And then we are also going to have
14 the West Valley View newspaper. They are also going to
15 publish on Wednesday, the 21st, and then Wednesday,
16 August 28. They only publish once a week, on
17 Wednesdays.

18 MR. DERSTINE: So both of our first publications
19 are well within the 10 days, and then the follow-on
20 second publication date shortly thereafter.

21 CHMN. CHENAL: Good.

22 MS. BENALLY: I think an important point here is
23 that, based on the information in the newspaper provided
24 us, we have to have the publication to the newspaper by
25 the 15th, by either at noon or 4:00. So we will have to

1 have a docket number and so forth assigned to get to the
2 paper --

3 MR. LARSEN: Yeah.

4 MS. BENALLY: -- by that time to make the
5 publication date on the first Wednesday the following
6 week.

7 MR. DERSTINE: So that means it is incumbent
8 upon us to get this filed first, crack of dawn on the
9 15th and/or late on the 14th.

10 MR. LARSEN: Yes. My preference is on the 14th.

11 MS. COBB: Mine, too.

12 MR. LARSEN: That's what we are pushing on.

13 CHMN. CHENAL: Someone will need to remind us,
14 Marie and me, with an email or telephone call to both of
15 us when you absolutely need the Notice of Hearing signed
16 by me.

17 MR. DERSTINE: It will be our job to get it over
18 to you well in advance.

19 CHMN. CHENAL: Because -- I mean signed and
20 ready to go. I would rather do that than wait to the
21 last minute.

22 MR. LARSEN: If I might add something to that, I
23 think as soon as we can get kind of the final version,
24 even though we wouldn't have the docket number, it would
25 be nice to have that so we can get it to our people to

1 get it in a format for the newspaper, to try and make
2 that all go smoothly. Because if we have it all
3 together, and then at the last minute we can add the
4 docket number and just get it to them, that would be
5 helpful. So, anyway, the sooner the better, just so --

6 MR. DERSTINE: We will give Marie an electronic
7 version of our draft notice of hearing and so we can
8 probably land on, you will have an opportunity to look
9 at it between now and --

10 CHMN. CHENAL: Oh, yeah.

11 MR. DERSTINE: -- then --

12 CHMN. CHENAL: It should have a docket number.

13 MR. DERSTINE: -- so you can sign.

14 CHMN. CHENAL: So I can sign it. And it sounds
15 like this is going to have to be done immediately if you
16 are -- late the 14th, or the 15th, you need it by noon
17 on the 15th --

18 MR. DERSTINE: Right.

19 CHMN. CHENAL: -- I mean, you know, I may have
20 an hour to sign the thing, to get the docket number in
21 and sign it and get it back, which we can do, but...

22 MR. LARSEN: We will try to do better.

23 MR. DERSTINE: We will do our best to get a
24 docket number.

25 CHMN. CHENAL: In most cases we don't have that

1 time crunch. So I don't want to let you down. So you
2 have got to remind me.

3 MR. DERSTINE: We will do our best to reduce the
4 crunch.

5 CHMN. CHENAL: Okay. I wanted to go back to the
6 height of the towers because it is something I wanted to
7 spend a minute talking about. Because one of your
8 alternatives actually goes along -- your second
9 alternative, Alternative Route 2, is that another one
10 you are going to go over the existing 230 lines there?

11 MR. SPITZKOFF: Are you referencing the yellow
12 Alternative Route 2?

13 CHMN. CHENAL: Yes, yeah.

14 MR. SPITZKOFF: Yes. So on those alternatives,
15 we would actually be crossing WAPA's lines four times,
16 once on the way in and then once on the way out into
17 what is TS-15, and then same thing, once on the way in
18 and then once on the way out, from TS-18.

19 CHMN. CHENAL: And those will pass over in all
20 cases?

21 MR. SPITZKOFF: Over in all cases, yes. And
22 then for the preferred and Alternative 1, we only cross
23 twice, basically once on the east side, once on the west
24 side. And then the middle section, Segment 14, will
25 remain north.

1 CHMN. CHENAL: Okay.

2 MR. DERSTINE: But, Jason, the biggest issue in
3 terms of crossing of the WAPA line is it is the WAPA
4 line that parallels Broadway in front of the two project
5 sites where we are going to have the highest structure
6 height in order to get over that line and get into the
7 substations?

8 MR. SPITZKOFF: Yes.

9 MR. DERSTINE: Okay.

10 CHMN. CHENAL: And the height of the towers,
11 again, is going to be 180 to 190?

12 MR. LARSEN: 180 feet is what we expect.
13 Potentially it might be slightly higher than that. But
14 they looked pretty close, our engineers have, and they
15 believe 180 feet they can cross.

16 It will probably be a flat like H-frame type
17 structures in order to get it, all three phases there,
18 for 180 feet to cross over. And that allows plenty of
19 clearance between our line and the WAPA line and meeting
20 all those requirements as well.

21 CHMN. CHENAL: And how high is the WAPA line?

22 MR. LARSEN: Do we know?

23 MR. SPITZKOFF: I don't recall that offhand. We
24 have been working with them pretty closely. I just
25 don't know that right now. We can get that from our

1 overhead engineers. I am sure that will be part of our
2 information. I mean it is in the range of 100 to 140
3 feet, is what I would say.

4 CHMN. CHENAL: Yeah. I guess I am pleasantly
5 surprised that FAA doesn't view this project as being
6 within its, I forget the technical term, but its cone,
7 its --

8 MR. DERSTINE: It is in --

9 MR. SPITZKOFF: It is in there.

10 CHMN. CHENAL: Just below.

11 MR. SPITZKOFF: It is under their limits.

12 CHMN. CHENAL: Their limits, that's the way I
13 should put it.

14 MR. SPITZKOFF: From their initial review, it is
15 under their limits.

16 MR. LARSEN: We have had them look at locations
17 here. And in particular, because that ceiling is based
18 on their highest point of the runway, which on the --
19 which is on the north side, and there is actually quite
20 a bit of elevation change down here where we are looking
21 at, and so it gives us a little bit more room, if you
22 will, instead of -- you know, I think it is like a 150
23 foot ceiling up here. Down here, because of the
24 elevation change, it gives us a little more room.

25 Again, they did take our, we gave them a

1 location, pole heights, and they did take a look at it
2 and said they didn't see any reason to, but obviously it
3 still has to go through the full FAA, whatever --

4 MR. PETRY: The Part 47 process.

5 MR. LARSEN: -- to get the final answer. Of
6 course all these poles, anything even in that area, has
7 to be approved through that process.

8 CHMN. CHENAL: Sure. Okay. Well, that will
9 make your life easier.

10 MR. DERSTINE: One of the alternatives we looked
11 at was stringing this line along the back side of the
12 project. And I think one of the issues there, not only
13 did it not coincide with Microsoft's development plans,
14 but it also pushed our structures closer into the
15 airport. So that's another reason to push them a little
16 bit further at this time.

17 CHMN. CHENAL: We have learned in a previous
18 case it doesn't take much. It is once they do their
19 analysis and come up with their floor, if there is
20 anything that penetrates through, it is a problem. And
21 I, I am --

22 MR. LARSEN: We don't foresee that now.

23 CHMN. CHENAL: Good for you.

24 MR. LARSEN: We are working closely with them.

25 CHMN. CHENAL: All right. So we have to be

1 quick about getting the Notice of Hearing back to you,
2 which we will.

3 What about signs and locations?

4 MR. DERSTINE: Devin has a map that shows where
5 we are proposing to be the locations for the hearing
6 signs.

7 CHMN. CHENAL: Very good. We will mark this
8 Exhibit D.

9 (Exhibit D was marked for identification.)

10 MR. DERSTINE: And we have marked C as kind of a
11 pro forma hearing sign, this --

12 CHMN. CHENAL: B.

13 MR. DERSTINE: B, okay, is the pro forma.

14 CHMN. CHENAL: All right. So looking at
15 Exhibit B is your Notice of Public Hearing. This is the
16 sign that you would propose. It has the dates we talked
17 about. We will get to a site tour in a moment. 5:30
18 for the hearing the first day is good.

19 If there is going to be a lot of public comment
20 or intervenors and we expected an opposition, you know,
21 opposition to the project, I think we would push it back
22 to 6:00 to give people an opportunity to, you know, get
23 back out there, given what we discussed about the, you
24 know, traffic and, you know, getting out of the downtown
25 Phoenix area. But maybe we start at 5:30 and we hold it

1 for a half hour. Even if, if there is just a few people
2 there, we hold it open just a little longer just to
3 accommodate the traffic mess that we know will exist.
4 But I think if we take it to 6:00, that should be plenty
5 of time, I mean assuming that, you know, there aren't
6 people there already that do want to speak. But if
7 that's not the case, maybe that's what we do, keep it to
8 6:00, and that should give people an opportunity to get
9 out there.

10 So I mean the Exhibit B, the sign looks fine, I
11 mean we will talk about a tour in a moment, about the
12 first night's hearing.

13 But then on Exhibit D, for the locations --

14 MR. DERSTINE: Yeah. So the difficulty in terms
15 of trying to find an independent intersection or where
16 you are going to have traffic, it just really isn't
17 anything because -- does Broadway dead end at Estrella?

18 MR. SPITZKOFF: At Bullard.

19 MR. DERSTINE: Or at Bullard, which is earlier,
20 right here.

21 MR. SPITZKOFF: Yeah, I think this is Bullard.

22 CHMN. CHENAL: So --

23 MR. DERSTINE: Bullard dead ends here.

24 CHMN. CHENAL: Okay.

25 MR. DERSTINE: So trying to give notice to folks

1 who would be within the area and be impacted by
2 viewsheds and structures, you know, we tried to look for
3 some other, do we put something out somewhere else, but
4 it seemed like that was the logical placement of the
5 signs. We are certainly open to any suggestions or
6 direction, more or different places.

7 CHMN. CHENAL: I mean it seems to me there is
8 not much traffic out here.

9 MR. SPITZKOFF: No.

10 MR. LARSEN: No.

11 CHMN. CHENAL: You have got a dead end street
12 and the north-south Litchfield. I mean that sign will
13 pick up the traffic there. But other than that, I mean
14 you would have to be pretty far away from the project to
15 pick up traffic.

16 I mean Buckeye Road, maybe that would be a
17 place, East Lower Buckeye Road.

18 MS. COBB: At the intersection of Litchfield.

19 CHMN. CHENAL: Litchfield and Lower Buckeye
20 Road, that does pick up some traffic there and is the
21 north end of the property site.

22 MR. DERSTINE: Are there any issues with putting
23 signs there based on the city's right-of-way,
24 regulations, et cetera?

25 MR. PETRY: So Litchfield Road is the dividing

1 point between City of Avondale on the east side and City
2 of Goodyear on the west side. So assuming we can place
3 that on the west side within Goodyear jurisdiction, I
4 think that would work as long as it is on the customer
5 property. We have to look to make sure that there is
6 ample room on that location on the customer's property.

7 Conversations with the City of Goodyear
8 regarding sign placement on the right-of-way along
9 Broadway indicated they wanted that outside of their
10 right-of-way and on the customer property. And we did
11 identify locations there that would allow for that. I
12 would have to check further for that northeastern point
13 there to see if that would work, Chairman.

14 CHMN. CHENAL: Let's do that, just because I see
15 there is neighborhoods up there, and I think there would
16 be more eyes on a sign at that location.

17 MR. DERSTINE: So anywhere at that
18 intersection --

19 CHMN. CHENAL: Correct.

20 MR. DERSTINE: -- if we can get it?

21 CHMN. CHENAL: Yes.

22 MR. DERSTINE: All right.

23 CHMN. CHENAL: Make sense?

24 MR. DERSTINE: Yes. And the other locations
25 seem fine for me.

1 CHMN. CHENAL: You don't have much to work with.
2 So that would be four locations, and just use your best
3 efforts to see if you can get one up at that
4 intersection, Lower Buckeye and Litchfield, East Lower
5 Buckeye.

6 Hearing the first evening start at 5:30, we
7 talked about that, the evening of the hearing,
8 September 24th, 5:30. We will take it to 6:00 and then
9 we can break. I think that would be fine, unless there
10 is more people that want to speak.

11 MS. BENALLY: Did you say on September 24th, the
12 first day of the hearing, for the public comment?

13 CHMN. CHENAL: That's generally when we do. It
14 is the evening of the first hearing.

15 MR. DERSTINE: Oh, because we have it on the
16 25th.

17 MS. BENALLY: Yes, we have it the second day.

18 CHMN. CHENAL: Yeah, good catch. I mean that's
19 how we have traditionally done it. If you want to
20 consider doing it on the 25th, but I mean we have, we
21 have always in every case that I have handled, the
22 public comment section was officially taken the first
23 evening. And that kind of works out well since usually
24 that's a shorter day. We start a little later. And
25 then I think that's what we would prefer.

1 MS. BENALLY: That works fine.

2 MR. DERSTINE: I think the notice, you know,
3 indicates that the public comment will be taken at the
4 hearing as well as this formal time, 5:30 on the 24th.
5 And you are always good about letting public comment.

6 CHMN. CHENAL: So does the notice -- yeah, the
7 Notice of Hearing says September 24th.

8 MR. LARSEN: I think that was our intent but we
9 just made a typo.

10 CHMN. CHENAL: Yeah, okay. Very good.

11 I will go back to my checklist here. Let's talk
12 about a tour. What do you have in mind for that?

13 MR. DERSTINE: Yeah. I mean we haven't worked
14 out a formal proposed route tour, but I mean, in
15 general, it would be working its way from the Comfort
16 Suites to the project area and then come up with a route
17 that allows -- it's pretty easy to see, you know, right
18 in front of the two project sites, the two customer
19 sites, and see the, you know, this band or corridor of
20 existing transmission lines, the agricultural land that
21 sits on the boundary of Broadway, and then where
22 Microsoft, or the Wildcat, and the Cyclone project sites
23 are. So maybe we will follow what roads we can in terms
24 of coming around and looking at the back side. But
25 certainly all the impacts are there on the, on that

1 south side.

2 CHMN. CHENAL: Is there a way to go south on
3 Bullard Avenue to go under or near the existing lines
4 that will be, that will be -- you will be connecting
5 into it?

6 MR. DERSTINE: Does Estrella take us underneath?
7 I think Estrella does.

8 CHMN. CHENAL: Estrella?

9 MR. PETRY: Yes. Well, I think some of the
10 agricultural fields, the edge of the fields allow
11 passageway as well. So I think you can come down,
12 potentially travel down a couple of the proposed
13 pathways for a couple of the routes.

14 CHMN. CHENAL: Okay. Yeah, I think that will be
15 informative.

16 MR. DERSTINE: Yeah, Bullard and/or Estrella,
17 try and get down that way and, if we can, access there
18 to agricultural land to get in closer to the, those
19 lines.

20 Yeah, certainly I think for the prehearing
21 conference we will do our best to come up with a
22 proposed route tour or alternatives that would give you
23 and the Committee a good understanding of the project
24 and where the facilities will be and viewshed impacts
25 from any locations.

1 CHMN. CHENAL: Good, perfect. I don't think
2 this is a complicated tour. I mean this is a pretty
3 small, compact area, so...

4 MR. DERSTINE: Yeah.

5 CHMN. CHENAL: But I think, you know, seeing the
6 sites and having a concept of where the lines would tie
7 into the existing line, I think where the substation
8 would be, project site, the substations, maybe where the
9 lines tie into, you know, the existing lines, I think
10 just having a good picture of that, it would be very
11 helpful.

12 MR. DERSTINE: Okay.

13 CHMN. CHENAL: Now, where is the Comfort Suites
14 in relation to the airport here?

15 MR. PETRY: Right off the extent of the map you
16 have in front of you now, it is on the Estrella Parkway
17 on the far left side, or western side, of the map a
18 little bit north, right south, maybe a half mile south
19 of Interstate 10.

20 CHMN. CHENAL: So it is north of this map?

21 MR. PETRY: Yes.

22 CHMN. CHENAL: It is off the north edge but just
23 south of I-10?

24 MR. PETRY: Correct.

25 CHMN. CHENAL: Okay. And how far is, from

1 looking at Exhibit D, from the top edge of the photo
2 here, how far is it to I-10?

3 MR. PETRY: It is within, I think it is within
4 less than two miles.

5 CHMN. CHENAL: Okay, perfect. So a tour won't
6 be hard.

7 MR. DERSTINE: We won't have a lot of travel
8 time getting there and back. So to your point, I think
9 two hours, three hours, allocate three hours in the
10 morning. And if we have extra time, then the Committee
11 can have a break time, or we can start earlier. We are
12 open to whatever you want to do.

13 CHMN. CHENAL: Okay.

14 MR. DERSTINE: It seems like two hours is
15 probably enough.

16 CHMN. CHENAL: If it is two, we come back, have
17 a short break, maybe resume the hearing, then break for
18 lunch. Then we can go from there.

19 MR. DERSTINE: And I guess, with your
20 permission, I would anticipate that maybe that first day
21 of hearing would be short opening, emphasis on the
22 short, and then we will do our Google flyover
23 presentation --

24 CHMN. CHENAL: Sure.

25 MR. DERSTINE: -- allow the Committee to see the

1 project and the site, and then if you want to do the --
2 go right into testimony, or if we want to do the tour at
3 that time. I don't know what your preference is. It
4 depends how that first day unfolds.

5 CHMN. CHENAL: I think tour in the morning. The
6 reason I say that is it is still going to be hot in
7 September. If we do a tour late in the afternoon, it is
8 just --

9 MR. DERSTINE: Too much.

10 CHMN. CHENAL: I think a tour in the morning
11 would be better.

12 MR. DERSTINE: First thing on the 25th is a
13 tentative slot for the agenda we will do the tour.

14 CHMN. CHENAL: Got it.

15 MS. BENALLY: And first time in the morning
16 being at 9:00? That's currently what we have, but --

17 CHMN. CHENAL: 9:00 is fine.

18 MS. BENALLY: -- 7:00 --

19 CHMN. CHENAL: I think 9:00 is fine. I mean,
20 again, I am not sure everyone is going to be staying
21 there. And it just makes more pressure to have it
22 earlier, so... And it is not that hot at 9:00 end of
23 September. I think we are getting into better weather.

24 MS. BENALLY: Okay.

25 CHMN. CHENAL: What about meals and lunch or

1 breakfast, things like that? How do you -- do you have
2 any plans there?

3 I will tell you that I think the Committee
4 prefers just to have dinner on their own and not have
5 anything set up, because some people like to eat early
6 and some people don't. 5:00 is lunchtime. So, you
7 know, that's, that hasn't really worked in the past
8 because there is just -- people just seem like they are
9 much better off just going on their own.

10 MR. DERSTINE: You know, I think what we have
11 talked about, and I think we are still working through
12 the details on who the caterer -- or who will provide
13 the food, but essentially breakfast and lunch, and then
14 we will have kind of a late morning and midafternoon
15 snack table of things to keep people awake and
16 refreshed, with no dinner planned.

17 CHMN. CHENAL: I think that's perfect. Member
18 Haenichen, if you don't have cookies, it would be very
19 bad. It will go badly.

20 MR. LARSEN: We will take care of him.

21 CHMN. CHENAL: It will go very badly. For you
22 guys on the witness stand, it will go very badly for you
23 if there are no cookies for Member Haenichen. I am just
24 warning you.

25 Okay. That sounds good. So just pretty much as

1 usual, per the usual as we have done in hearings.

2 Let's find a time for a prehearing conference.

3 And I will tell you I am jammed, so we are going to have
4 to work at it. And I don't think it is going to take
5 long. This just doesn't strike me as a -- we will have
6 a lot of this worked out ahead of time. We won't need
7 more than an hour, I don't think, but we can set aside
8 an hour and a half or something. But I think this will
9 go pretty quickly, assuming it becomes essentially a
10 nonopposed project.

11 So the week before we actually have a line
12 siting hearing in Flagstaff.

13 MR. DERSTINE: That's starting on the 16th or
14 17th?

15 CHMN. CHENAL: 17th.

16 16th or 17th?

17 MS. COBB: 16th.

18 CHMN. CHENAL: 16th? Yeah, 16th.

19 So it would have to be the -- oh, boy.

20 MR. DERSTINE: We can do it telephonically.

21 CHMN. CHENAL: I think -- I tell you what. Is
22 the 13th okay?

23 MR. DERSTINE: Yes.

24 CHMN. CHENAL: I have a little medical thing I
25 scheduled for the 12th. And we could do it the 11th or

1 we could do it the 13th.

2 MR. DERSTINE: I think our preference would be
3 the 13th.

4 CHMN. CHENAL: Okay.

5 MR. DERSTINE: Since we are going to have to get
6 all of our testimony and exhibits, et cetera, filed by
7 5:00 p.m. on the 12th, the 13th is better than probably
8 the 11th for us. It gives us a little more time.

9 CHMN. CHENAL: Okay. 1:30, something like that,
10 does that work?

11 MR. DERSTINE: Sure.

12 CHMN. CHENAL: On September the 13th.

13 MR. DERSTINE: Right. We had that set aside for
14 witness prep, so we will be ready.

15 CHMN. CHENAL: All right. If you want to do it
16 11:00 a.m., I would be okay with that.

17 MR. DERSTINE: Do you prefer 11:00, keep our
18 witness prep time in the afternoon?

19 Yeah, if, 11:00, if that works for you.

20 CHMN. CHENAL: Yeah, we will make it 11:00.

21 MS. BENALLY: So on Friday the 13th.

22 CHMN. CHENAL: Friday the 13th.

23 MS. BENALLY: At 11:00?

24 CHMN. CHENAL: At 11:00.

25 MR. LARSEN: You could do it at 1:00 and it

1 would be the 13th hour.

2 MR. PETRY: There you go.

3 CHMN. CHENAL: Yes, it would. All right. So we
4 will do it then. I don't expect that we are going to
5 have much to do then. That will be pretty quick. And
6 let's make that very casual.

7 MR. DERSTINE: All right. No ties.

8 CHMN. CHENAL: No ties. Let's just -- okay?
9 Fridays are especially -- I mean we have pretty much a
10 low -- or a casual summer, but Fridays are especially
11 casual, so...

12 MR. DERSTINE: All right. Sounds good.

13 CHMN. CHENAL: And the hearing itself, again, it
14 is the summer, I mean I think business casual is what we
15 should do. If it makes you feel extremely
16 uncomfortable, you can wear a tie and a suit if you
17 want, or jacket, but...

18 MR. DERSTINE: No. You scolded me the last
19 time. You said I told you that. The procedural order
20 said business casual and I showed up with a tie, so...

21 CHMN. CHENAL: Let's make sure it is in the
22 procedural order as well, business casual.

23 MS. COBB: Business casual.

24 MR. DERSTINE: I was violating an order.

25 CHMN. CHENAL: Okay. All right. Is this

1 project the subject of any litigation or dispute of any
2 nature at this time in terms of permitting or anything?

3 MR. DERSTINE: No.

4 CHMN. CHENAL: Okay. What is the date you
5 anticipate the application to be filed? August 15th?

6 MR. DERSTINE: 15th at the latest.

7 MR. LARSEN: 14th we are shooting for.

8 MR. DERSTINE: Now we are shooting for the 14th.

9 MS. BENALLY: But no later than August 15th.

10 CHMN. CHENAL: Yeah. And if your publication
11 date, seriously, has to have it by noon on the 15th --

12 MR. DERSTINE: And sometimes it is hard to get a
13 docket number right away. So we better --

14 MR. LARSEN: Yeah, the 14th is what we are --

15 MR. DERSTINE: Get it in before 3:00 on the
16 14th.

17 CHMN. CHENAL: Your life will be easier.
18 Because if I don't have the ability to sign it, you
19 don't get it until after the 15th, that throws the
20 publication schedule off.

21 MR. LARSEN: I think we can do it by the 15th.

22 MR. DERSTINE: 14th.

23 MR. LARSEN: 14th, yes. I have been driving
24 these guys pretty hard.

25 CHMN. CHENAL: I don't know. We don't need to

1 review the draft procedural order. It is going to be
2 the same procedural order that we have used in other
3 cases. If you are going to -- it will be the same
4 procedural order. And we will just include all the
5 dates in -- you know, the information we have in here.

6 Draft CEC, draft conditions, if you can, cite to
7 the most recent case and use track changes. You are not
8 guilty of it but we have seen a couple cases where they
9 are changed but the track -- but they are actually
10 modified to some extent. And so it is hard to see what
11 was left out if it's substantially similar to the
12 previous one but it is not exactly similar. And, you
13 know, we merge them anyway, but it just, I think it is a
14 lot easier to track changes.

15 MR. DERSTINE: We used the CEC from your very
16 last case.

17 CHMN. CHENAL: Or if there is some conditions
18 that are --

19 MR. DERSTINE: That we want to swap in.

20 CHMN. CHENAL: Swap in or swap out, or one that
21 is before it, because they are not all the same --

22 MR. DERSTINE: Right.

23 CHMN. CHENAL: -- just try to use the most
24 resent version of the CEC that you would like to use
25 that condition, but just, so track changes from what you

1 may have changed from that previous case.

2 MR. DERSTINE: Got it.

3 CHMN. CHENAL: In a lot of cases it is not going
4 to be anything, but there could be some changes. Okay?

5 MS. BENALLY: Yes.

6 CHMN. CHENAL: Public comment, same deal, we
7 have the first evening. And I am very, you know,
8 flexible about when to allow public comment.

9 Tell me again the permit status with respect to
10 these projects.

11 MR. DERSTINE: There really are no federal
12 permits. There is no formal permitting process.

13 We touched on the substations, which are going
14 through their own local zoning process. But short of
15 that, there is no -- we are not waiting for any EIA or
16 EIS or anything of that that has to come out. So it is
17 really the airport approval, and we will get a
18 certification from WAPA. And I think that's about it.

19 CHMN. CHENAL: This is in Goodyear?

20 MR. DERSTINE: Yes.

21 CHMN. CHENAL: Versus Avondale?

22 MR. DERSTINE: Yes.

23 CHMN. CHENAL: So any permitting process
24 required from the City of Avondale for this project?

25 MR. PETRY: No.

1 MR. LARSEN: No.

2 MR. DERSTINE: It will be a building permit for
3 the control house for the substation.

4 MR. SPITZKOFF: That's on Goodyear. None of the
5 alternative routes cross over Litchfield, Litchfield
6 Road. So they are all in Goodyear.

7 CHMN. CHENAL: And there is no, there is no
8 zoning requirement change for the substation. I mean
9 this is farming land. Maybe it is zoned industrial or
10 zoned --

11 MR. DERSTINE: We are going to drill down on
12 that to provide full testimony by the time of the
13 hearing. But, in general, we will say the zoning,
14 including the substations that was obtained by Microsoft
15 and the adjoining customer, has been their process and
16 that's essentially completed and allowed for the various
17 facilities, including the sub.

18 CHMN. CHENAL: Okay. Good.

19 MR. SPITZKOFF: I just want to mention there
20 is -- we don't go into the City of Avondale, but we have
21 talked to them. You know, we have a couple of projects.
22 So they are aware of these projects even though they are
23 not in their city.

24 CHMN. CHENAL: Okay.

25 MR. LARSEN: We did have some initial

1 alternatives that went into Avondale. And we did have
2 people from Avondale, the city, show up at the open
3 house. And they commented and didn't like the one that
4 was in Avondale. And it wasn't really a good one for us
5 either. So that's not one of our remaining routes. But
6 they have been involved and they know, you know, about
7 the project.

8 CHMN. CHENAL: And I was going to ask about
9 outreach. So can you describe just generally what kind
10 of outreach you have done on this.

11 MR. PETRY: So when we -- as Brad noted, we had
12 some preliminary alternatives that extended as far east
13 as the Rudd substation, so a couple miles to the east.
14 And we developed a two-mile study area off of all of the
15 preliminary alternatives that are reflected in the
16 routes that are before you today, as well as those that
17 extended further east.

18 And we developed a mailing list from the
19 Maricopa County Assessor's as well as implemented
20 marketing information to identify the landowners as well
21 as tenants, residents, et cetera, within that two-mile
22 buffered study area. And then we also reached out to
23 the local jurisdictions and other regional stakeholders,
24 including the airport -- within the study area there is
25 other land ownerships, such as State land, BLM land,

1 county parks, et cetera -- and reached out to all of
2 those entities with our initial scoping for the public
3 open house being held back in June, as well as for part
4 of our Exhibit H, the mailings that went out to some of
5 those other entities. We included, not the public, but
6 all of those governmental and NGO agencies as well.

7 CHMN. CHENAL: Okay. And you had an open house
8 in June?

9 MR. PETRY: We did, in the middle of June. We
10 had approximately a dozen people that came in. And we
11 presented the preliminary alternatives at that point and
12 elicited feedback from members of the public on those
13 individual links.

14 Your question earlier regarding the link number,
15 Jason indicated we wanted to identify those links
16 through the process so that, instead of describing them
17 as the westernmost link, we can give that a number. We
18 received comments from members of the public on specific
19 links, and then on the project as a whole.

20 And ultimately what we heard from the public was
21 they wanted to see as much of the project on the
22 customer, or the Wildcat and Cyclone customer property
23 as possible and wanted to limit impacts to those private
24 landowners or residents within the vicinity.

25 CHMN. CHENAL: Okay.

1 MR. DERSTINE: So in two mailings, one in
2 advance of the open house publicizing the open house and
3 then one after, is that right?

4 MR. PETRY: One mailing went out publicizing the
5 open house. And we intend to send out another mailing
6 prior to the hearing to provide notice to an extensive
7 group of residents as well of the hearing.

8 MR. DERSTINE: So it is to come.

9 MR. PETRY: That one is to come.

10 CHMN. CHENAL: Yep.

11 MR. PETRY: And following the decision by the
12 Committee and the Commission, we would send a newsletter
13 mailing to all of those individuals as well.

14 CHMN. CHENAL: All right. Very good.

15 So we talked about noticing, you know, the
16 publication, and the posting. And you have done
17 outreach and mailing. And I am sure you will have
18 testimony and all that at the hearing.

19 Just a question on something that was mentioned
20 earlier. You are negotiating, you know, easements with
21 the landowners right now for options, you know, your
22 preferred route and your alternative routes. And that's
23 predominantly on Exhibit A, the first page, that's just
24 Links 1 and 7?

25 MR. DERSTINE: One landowner that owns this

1 entire parcel between Link 1 and 7 all the way up to
2 where you see the existing transmission line.

3 CHMN. CHENAL: Right, right. Okay. That's just
4 a matter of negotiation, right?

5 MR. DERSTINE: Dollars.

6 CHMN. CHENAL: Dollars. Which you obviously
7 have condemnation authority. So you don't like to talk
8 about that, but that helps with the negotiations,
9 doesn't it? You don't have to answer.

10 Okay. We will want robust wi-fi. I always say
11 it, but everyone always asks me about it, robust wi-fi
12 at the hearing site. I don't know if you are planning
13 on having, you know, iPads --

14 MR. DERSTINE: We are.

15 CHMN. CHENAL: -- or some sort of tablets.
16 Okay. That's very helpful. The Committee just seems
17 to gravitate to those now more and more, so...

18 It was used in a hearing some time back, and
19 that just seems to be the norm now. I can't force you
20 to do it, but I just note, I can tell you it is very
21 much appreciated.

22 If we could have an electronic version of the
23 application provided to us, to Marie --

24 MR. DERSTINE: So --

25 CHMN. CHENAL: It is too much to email, I think,

1 but --

2 MR. DERSTINE: You know, what we typically have
3 done in the past, and if it works this time, we would
4 file the 25, or however many copies are required by
5 Docket, and then included with the print application
6 would be, we will include a thumb drive so that, when
7 you -- I guess Docket sends out the ones directly to the
8 members of the Committee, correct?

9 MS. COBB: Uh-huh.

10 MR. DERSTINE: Then they will include a thumb
11 drive of the electronic version of the application.

12 CHMN. CHENAL: That's very helpful.

13 I can't think of anything we haven't covered
14 that I have on my checklist.

15 Oh, one thing, you have a project website, is
16 that correct?

17 MR. LARSEN: Yes.

18 MR. SPITZKOFF: Yes.

19 CHMN. CHENAL: Will that be referenced in the
20 signage and the --

21 MS. BENALLY: Yes.

22 CHMN. CHENAL: -- Notice of Hearing that will be
23 published?

24 MR. LARSEN: Yes.

25 CHMN. CHENAL: Okay, good.

1 MS. COBB: The website that is listed on the
2 public hearing which has been marked as Exhibit B, is
3 that it?

4 MR. LARSEN: Yes, aps.com/siting.

5 CHMN. CHENAL: Very good.

6 Okay. Is there anything, Mr. Derstine, I
7 haven't covered?

8 MS. BENALLY: I am sorry, Matt.

9 Chair Chenal, we had just one item that we
10 wanted to mention relative to the jurisdictions. We
11 have identified six jurisdictions, and two of those
12 jurisdictions, the State Land Department and BLM, are
13 not directly affected by the routes that have made it
14 onto the maps that we have identified. They were in the
15 original, sort of like the two-mile study area -- is
16 that right -- and they are listed. And we didn't know
17 what your thought was about whether to include them in
18 the notices.

19 CHMN. CHENAL: You know, my thought is over
20 instead of under include. If there is any question
21 about it, there is no harm in putting it in there. It
22 just avoids any problem later. It doesn't sound like
23 they are going to object in any way to the project.
24 BLM -- and what was the other one?

25 MS. BENALLY: Arizona State Land Department.

1 CHMN. CHENAL: Arizona. It doesn't affect any
2 of their lands. They are not going to object. They
3 don't have jurisdiction. They may object, but they
4 really don't have standing. So why not include them.

5 MS. BENALLY: Okay. Thank you.

6 CHMN. CHENAL: If it has crossed your mind
7 should we or shouldn't we, I would say do it.

8 MS. BENALLY: Okay.

9 MR. DERSTINE: Anything else, Brad, Devin,
10 Jason?

11 MR. SPITZKOFF: No.

12 CHMN. CHENAL: It looks like the first day we
13 will actually be able to accomplish a few things, get
14 the overview, get the Google flyover, get into a little
15 of the testimony, have a public hearing. The next day
16 we will have a short tour, two hours let's say, maybe
17 finish the hearing then, maybe, could be. If not, go
18 into the next day. But it looks like maybe the third
19 day we would, you know, assuming there is no opposition,
20 real opposition, you know, we might, we might get done.

21 My preference, as I have come to do this now, is
22 I don't like to do the conditions of the CEC, that
23 drill, in the afternoon, or not far in the afternoon.
24 It just doesn't work as well. The Committee is fresher
25 the next morning. So if we are around 2:00, you know,

1 2:30, 3:00, expect me to adjourn in the afternoon and
2 start fresh in the morning with the CEC process. I
3 mean, if we have a whole afternoon, that's different.
4 But if we are into the afternoon and it is more than
5 opening statements, I think that's better. I just think
6 in the long run it makes for a better --

7 MR. DERSTINE: Better process.

8 CHMN. CHENAL: -- better process.

9 MR. DERSTINE: That gives us an opportunity to
10 get out and revise our proposed CEC that the Committee
11 can look at in advance of the start of the next morning.

12 CHMN. CHENAL: I think you, Mr. Derstine, you
13 are familiar with how we kind of like to have -- we will
14 go through the CEC with your changes, but we use a
15 kind -- an exhibit which will be the working copy, which
16 we will make an exhibit after we are complete, which
17 will have all the changes to it. You know, I think it
18 is just easier to keep the transcript straight when we
19 refer to it. We will have the one we start with and the
20 one we end up with as the two separate exhibits that we
21 will add to the record at the end.

22 MR. DERSTINE: Very good.

23 CHMN. CHENAL: Okay. Anything else?

24 This is a pretty interesting project. I mean it
25 doesn't seem like it is that long in terms of, you know,

1 the length of the -- in fact, what is the length, I
2 should ask that, the total length of your preferred
3 route?

4 MR. PETRY: I think it is approximately a mile
5 and a quarter to mile and a half.

6 MR. SPITZKOFF: Yeah. When you start adding up,
7 about three-tenths of a mile up, probably not even half
8 a mile across, and three-tenths of a mile back.

9 CHMN. CHENAL: And I should ask, about how many
10 towers will you have, or poles I should say --

11 MR. SPITZKOFF: Oh, we --

12 CHMN. CHENAL: -- if your preferred route were
13 to be adopted?

14 MR. SPITZKOFF: Didn't add those up.

15 MR. LARSEN: No. I know, just because we have
16 been working with Microsoft on the northern piece, that
17 there are three structures for our preferred route. And
18 one of those is into the Cyclone property. Those are
19 probably, what, seven, eight, maybe 100 feet at least
20 apart, I would guess.

21 MR. SPITZKOFF: Yeah. So a dozen to 20 towers
22 total --

23 MR. LARSEN: Yeah.

24 MR. SPITZKOFF: -- something like that.

25 MR. DERSTINE: Well, we will have those refined

1 numbers in the application.

2 MR. LARSEN: Oh, yeah, we can get that.

3 CHMN. CHENAL: All right. Well, good. I think
4 it is a sign of things to come, these big huge power,
5 guzzling isn't the right word, but power-hungry data
6 centers. So, all right, this will be good.

7 Oh, one more thing. I think a little background
8 on data centers, I think, would be good for the
9 Committee to hear. I just ask that more as a favor,
10 because I do think this is going to be something we are
11 going to be getting a lot more of going forward. And it
12 would just be good to have some testimony on --

13 MR. DERSTINE: Okay.

14 CHMN. CHENAL: -- what these data centers do.

15 MR. SPITZKOFF: We have some info, and we also
16 have a team going to visit Dominion Energy, which is the
17 number one data center site in the world right now, to
18 talk with them, get some of their perspectives, learn
19 some best practices. So we will have something
20 hopefully that we brought back from them.

21 MR. DERSTINE: What is the service area for
22 Dominion?

23 MR. SPITZKOFF: It is a wider area, but that's
24 where most of their, that cluster is, is northern
25 Virginia.

1 MR. DERSTINE: I see.

2 MR. SPITZKOFF: Like Ashburn.

3 MR. DERSTINE: I see.

4 MS. COBB: I see on Exhibit A that there is this
5 "link node." Is that something that's specific to data
6 centers or is that something that you need in terms of
7 transmission?

8 MR. PETRY: Those link nodes are intended to
9 differentiate between these link numbers.

10 MS. COBB: Okay.

11 MR. PETRY: So the link nodes are the black
12 dots. For example, on the preferred route on Exhibit A,
13 you can see Link 1. There is a black dot on the Palm
14 Valley line, and then a black dot essentially at
15 Broadway Road. And that just provides a point of start
16 and a point of end for that --

17 MS. COBB: So it is not actually a facility?

18 MR. PETRY: No.

19 MS. COBB: Okay.

20 CHMN. CHENAL: All right. Anything further?

21 MR. DERSTINE: Nothing.

22 CHMN. CHENAL: All right. I think we will go
23 off the record. Thanks for showing up. And we will see
24 you on the 13th, Friday, the 13th of September.

25 (The proceeding concluded at 4:31 p.m.)

1 STATE OF ARIZONA)
2 COUNTY OF MARICOPA)

3 BE IT KNOWN that the foregoing proceedings were
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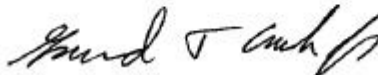
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