

### **BEFORE THE ARIZONA CORPORATION CORPORATIO**

COMMISSIONERS

Gary Pierce, Chairman

Bob Stump

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Sandra D. Kennedy

Paul Newman

5 Brenda Burns

Arizona Corporation Commission

DOCKETED

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6 IN THE MATTER OF THE APPLICATION OF ARIZONA PUBLIC SERVICE COMPANY, IN

CONFORMANCE WITH THE

REQUIREMENTS OF ARIZONA REVISED

8 STATUTES 40-360, ET SEQ., FOR A CERTIFICATE OF ENVIRONMENTAL

COMPATIBILITY AUTHORIZING THE NORTH GILA TO TS-8 TO YUCCA 230KV

0 TRANSMISSION LINE PROJECT, WHICH INCLUDES THE CONSTRUCTION OF A

11 DOUBLE-CIRCUIT 230KV TRANSMISSION LINE BETWEEN THE EXISTING NORTH

12 GILA SUBSTATION, 5 MILES NORTHEAST OF THE CITY OF YUMA, YUMA COUNTY,

13 ARIZONA, AT SECTION 11, TOWNSHIP 8 SOUTH, RANGE 22 WEST, GILA AND SALT

14 RIVER BASELINE AND MERIDIAN (G&SRB&M) AND NEW 230KV

15 SUBSTATION (TS-8), 4 MILES SOUTHEAST OF THE CITY OF YUMA, YUMA COUNTY,

16 ARIZONA, AT SECTION 16,20, OR 21, TOWNSHIP 9 SOUTH, RANGE 22 WEST,

17 G&SRB&M AND CONTINUING TO THE EXISTING YUCCA POWER PLANT, 2 MILES

18 WEST OF THE CITY OF YUMA, YUMA COUNTY, ARIZONA, AT SECTION 36,

19 TOWNSHIP 16 SOUTH, RANGE 21 EAST, SAN BERNARDINO BASELINE AND

20 MERIDIAN (SBB&M).

Open Meeting January 26, 2012

22 | Phoenix, Arizona

### BY THE COMMISSION:

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

**CASE NO. 163** 

Docket No. L-00000D-11-0389-00163

**DECISION NO.** \_\_\_\_\_**72801** 

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The Commission, in reaching its decision, has balanced all relevant matters in the broad public interest, including the need for an adequate, economical and reliable supply of electric power with the desire to minimize the effect thereof on the environment and ecology of this state, and finds that the CEC for the above-captioned application for siting approval is in the public interest as modified by this Order.

The Commission modifies the CEC to delete Condition No. 7 and replace it with a new Condition No. 7 as follows:

7. This authorization to construct Phase 1 of this Project shall expire ten (10) years from the date the CEC is approved by the Arizona Corporation Commission (the "Commission"). This authorization to construct Phase 2 of this Project shall expire fifteen (15) years from the date the CEC is approved by the Commission. However, prior to such expiration, Applicant may request that the Commission extend this time limitation. If construction of Phase 2 of the Project is not completed within fifteen (15) years from the date the CEC is approved by the Commission and Applicant requests an extension of the term of this CEC for Phase 2, Applicant shall provide to the Commission an additional showing of need for the Phase 2 route approved in the CEC.

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

- 1. The Project is in the public interest because it aids the state in meeting the need for an adequate, economical and reliable supply of electric power.
- 2. In balancing the need for the Project with its effect on the environment and ecology of the state, the conditions placed on the CEC as modified by the Commission effectively minimize its impact on the environment and ecology of the state.

DISSENT:

3. The conditions placed on the CEC as modified by the Commission resolve matters concerning the need for the Project and its impact on the environment and ecology of the state raised during the course of proceedings, and as such, serve as the findings on the matters raised.

In light of these conditions, the balancing in the broad public interest results in favor 4. of granting the CEC as modified by the Commission.

## THE CEC ISSUED BY THE SITING COMMITTEE IS

INCORPORATED HEREIN AN	D IS APPROVED AS MODIFIED BY ORDER OF THE			
ARIZONA CORPORATION COMMISSION				
Gard Dun	21/35			
CHAIRMAN	COMMISSIONER			
Jandra A. Fan elec	Raul Men Bound Prom			
OMMISSIONER	OMMISSIONER COMMISSIONER			
] ]	N WITNESS WHEREOF, I, ERNEST G. JOHNSON, Executive Director of the Arizona Corporation Commission, have hereunto, set my hand and caused the official seal of this Commission to be affixed at the Capital, in the City of Phoenix, his 2nd day of FB CACC 2012.			
	ERNEST G. JOHNSON Executive Director			

DISSENT:				
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Decision No.

### BEFORE THE ARIZONA POWER PLANT AND TRANSMISSION LINE SITING COMMITTEE

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IN THE MATTER OF THE 3 APPLICATION OF ARIZONA PUBLIC

SERVICE COMPANY, IN

CONFORMANCE WITH THE REQUIREMENTS OF ARIZONA

5 REVISED STATUTES 40-360, ET SEO... FOR A CERTIFICATE OF

ENVIRONMENTAL COMPATIBILITY AUTHORIZING THE NORTH GILA TO 7

TS-8 TO YUCCA 230KV TRANSMISSION LINE PROJECT,

WHICH INCLUDES THE

CONSTRUCTION OF A DOUBLE-

CIRCUIT 230KV TRANSMISSION LINE BETWEEN THE EXISTING NORTH

10 GILA SUBSTATION, 5 MILES

NORTHEAST OF THE CITY OF YUMA, YUMA COUNTY, ARIZONA, AT

11 SECTION 11, TOWNSHIP 8 SOUTH,

12 RANGE 22 WEST, GILA AND SALT RIVER BASELINE AND MERIDIAN

13 (G&SRB&M) AND A NEW 230KV SUBSTATION (TS-8), 4 MILES

SOUTHEAST OF THÉ CITY OF YUMA, YUMA COUNTY, ARIZONA, 14

15 AT SECTION 16, 20, OR 21, TOWNSHIP 9 SOUTH, RANGE 22 WEST

16 G&SRB&M. AND CONTINUING TO THE EXISTING YUCCA POWER

17 PLANT, 2 MILES WEST OF THE CITY OF YUMA, YUMA COUNTY,

18 ARIZONA, AT SECTION 36,

TOWNSHIP 16 SOUTH, RANGE 21

19 EAST, SAN BERNARDINO BASELINE AND MERIDIAN (SBB&M).

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DOCKET NO. L-00000D-11-0389-00163

Case No. 163

**CERTIFICATE OF ENVIRONMENTAL** COMPATIBILITY

Pursuant to notice given as provided by law, the Arizona Power Plant and Transmission Line Siting Committee (the "Committee") held public hearings on November 29 and 30, 2011, in Yuma, Arizona, all in conformance with the requirements of Arizona Revised Statutes ("A.R.S.") §§ 40-360, et seq., for the purpose of receiving evidence and deliberating on the Application of Arizona Public Service Company ("Applicant" or "APS") for a Certificate of Environmental Compatibility ("CEC") in the above-captioned case (the "Project").

Michael Palmer

Paul Walker

The following members and designees of members of the Committee were present at one or more of the hearings for the evidentiary presentations and/or for the deliberations:

John Foreman	Chairman, Designee for Arizona Attorney General Thomas C. Horne				
Bret Parke	Designee for Director, Arizona Department of Environmental Quality				
Jack Haenichen	Designee for Director, Arizona Governor's Office of Energy Policy				
Jeff McGuire	Appointed Member				
Patricia A. Noland	Appointed Member				

Appointed Member

Appointed Member

David Richins Appointed Member

Applicant was represented by Thomas H. Campbell of Lewis & Roca LLP and Linda J. Arnold of Arizona Public Service Company. At the conclusion of the hearing, the Committee, after considering the Application, the evidence, testimony and exhibits presented at the hearing, and being advised of the legal requirements of A.R.S. §§ 40-360 to 40-360.13, and upon motion duly made and seconded, voted § to 0 to grant Applicant this CEC.

The Project as approved consists of a new double-circuit 230kV transmission line between the existing North Gila Substation and the TS-8 Substation, and then continuing to the Yucca Power Plant, and a new 230kV Substation (TS-8 Substation). The new double-circuit 230kV transmission line will be constructed in two phases: (1) North Gila Substation to TS-8 Substation, and (2) TS-8 Substation to Yucca Power Plant. The North Gila Substation to TS-8 Substation (Phase 1) begins at the existing North Gila Substation, 5 miles northeast of the city center of Yuma, Yuma County, Arizona and

County, Arizona. The TS-8 Substation to Yucca Power Plant transmission line (Phase 2) begins at the TS-8 Substation and extends to the existing Yucca Power Plant, 2 miles west of the city center of Yuma, Yuma County, Arizona. The 230kV transmission line will be constructed primarily with monopole structures. The TS-8 Substation site will require approximately 20 acres, and will be located approximately 4 miles southeast of the city center of Yuma, at Section 16, 20, or 21, Gila and Salt River Baseline and Meridian (G&SRB&M).

extends to the TS-8 Substation, 4 miles southeast of the city center of Yuma, Yuma

The right-of-way width for the 230kV transmission line will be up to 100 feet within a general corridor that is 500 to 2,320 feet in total width for the route (described below) to provide for necessary flexibility during final design and engineering of the Project. A map of the general location of the Project is set forth in Exhibit A, attached hereto. The Project route will be as follows:

# 1. North Gila to TS-8 Route (Phase 1)

The North Gila to TS-8 Route will originate at the existing southwest corner of the North Gila Substation located in Section 11, Township 8 South, Range 22 West G&SRB&M, proceeding southwest approximately 0.2 mile to the intersection of Avenue 8E and County 6<sup>th</sup> Street in a 2,000-foot corridor (1,000 feet on either side of the centerline). Then the route will proceed south along Avenue 8E approximately 0.5 mile to the alignment of County 6½ Street in a 2,000-foot corridor (1,000 feet on either side of the centerline of Avenue 8E). Then the route will proceed east along County 6½ Street approximately 1 mile to the existing Western Area Power Administration ("WAPA") utility right-of-way in a 1,000-foot corridor (1,000 feet on the south side of the centerline of County 6½ Street).

The route will proceed southeast in a 1,200-foot corridor consisting of the 200-foot WAPA right-of-way and a 1,000-foot corridor adjacent to the eastern edge of the WAPA right-of-way for approximately 0.6 mile to the point where the WAPA right-of-way proceeds south. The route will proceed south in a 700-foot corridor consisting of

the 200-foot WAPA right-of-way and a 500-foot corridor adjacent to the eastern edge of the WAPA right-of-way for approximately 2.6 miles to the alignment of County 9½ Street.

At this point the corridor continues south in a 200-foot corridor within the existing 200-foot WAPA right-of-way for approximately 0.6 mile, and also proceeds east along County 9½ Street for approximately 0.3 mile, where the route will proceed southeast to the Avenue 10E alignment in a 1,000-foot corridor (500 feet on either side of the centerline of the County 9½ Street, and the southeast segment centerline). Then the route will proceed south along the Avenue 10E alignment for approximately 0.3 mile to the alignment of the UPRR in a 1,000-foot corridor (500 feet on either side of the centerline of Avenue 10E). Then the route will proceed southwest adjacent to the UPRR for approximately 0.6 mile until reaching the crossing of the A Canal in a 2,000-foot corridor (1,000 feet on either side of the UPRR right-of-way centerline).

The route will continue southwest adjacent to the A Canal approximately 3.7 miles to the Yuma Area Service Highway (ASH) alignment in a 2,000-foot corridor (1,000 feet on either side of the centerline of the A Canal). The route will proceed south along the Yuma ASH alignment approximately 1.2 miles to the County 13½ Street alignment in a 2,000-foot corridor (500 feet west of the centerline of the Yuma ASH, and 1,500 feet east of the centerline of the Yuma ASH).

Then the route will proceed west along the County 13½ Street alignment approximately 1 mile to Avenue 5½ E in a 2,320-foot corridor (1,000 feet on the south side and 1,320 feet on the north side of the centerline of County 13½ Street alignment). The route will proceed south approximately 0.5 mile to the TS-8 termination point at County 14<sup>th</sup> Street in a 2,000-foot corridor (1,000 feet on either side of the centerline of Avenue 5½ E).

# 2. TS-8 to Yucca Route (Phase 2)

The TS-8 to Yucca Route will proceed west from the western edge of the TS-8 Substation siting area along County 14<sup>th</sup> Street approximately 1.2 miles to the A Canal

in a 1,000-foot corridor (500 feet on either side of the centerline of County 14<sup>th</sup> Street). Then the route will proceed southwest along the A Canal approximately 0.6 mile to Avenue 4E in a 500-foot corridor (500 feet on the southeast side of the centerline of the A Canal). Then the route will proceed west along County 14½ Street approximately 5 miles to US 95 in a 1,500-foot corridor (1,500 feet on the south side of the centerline of County 14½ Street). Then the route will proceed north along US 95 approximately 1 mile to the County 13½ Street alignment in a 1,000-foot corridor (500 feet on either side of the centerline of US 95).

Then the route will proceed west along the County 13½ Street alignment approximately 3.5 miles to Somerton Avenue in a 500-foot corridor (500 feet on the north side of the centerline of the County 13½ Street alignment). Then the route will proceed north along Somerton Avenue approximately 0.5 mile to County 13<sup>th</sup> Street in a 500-foot corridor (500 feet on the east side of the centerline of Somerton Avenue). Then the route will proceed west along County 13<sup>th</sup> Street approximately 0.5 mile to Avenue F in a 500-foot corridor (500 feet on the north side of the centerline of County 13<sup>th</sup> Street). Then the route will proceed north along Avenue F approximately 5.2 miles to Levee Road in a 1,000-foot corridor (500 feet on either side of the centerline of the Avenue F alignment).

Then the route will proceed northeast along Levee Road approximately 0.2 miles to a point 1,700 feet north of the 8<sup>th</sup> Street alignment centerline in a 500-foot corridor (500 feet on the eastern side of the centerline of Levee Road). Then the route will proceed east along a centerline located 1,700 feet north of the 8<sup>th</sup> Street alignment centerline approximately 0.5 mile to Calle Agua Salada Road in a 1,000-foot corridor (500 feet on either side of the centerline located 1,700 feet north of the 8<sup>th</sup> Street alignment centerline). Then the route will proceed north along Calle Agua Salada Road approximately 0.1 mile until reaching the termination point at the Yucca Power Plant located in Section 36, Township 16 South, Range 21 East, SBB&M, in a 1,000-foot corridor (500 feet on either side of the centerline of Calle Agua Salada Road).

## 3. TS-8 Substation Siting Area

The TS-8 Substation siting area will be in a corridor that includes the eastern half of Section 16, south of the A Canal except for the southern half of the SE quarter of Section 16; the eastern half of Section 20 except for the northern half of the NE quarter of Section 20; and the southern half of the NW quarter of Section 21, the northern half of the SW quarter of Section 21, and the northern half of the NE quarter of Section 21, Township 9 South, Range 22 West, G&SRB&M.

### 4. Yucca Power Plant

There will be a corridor of 1,500 feet on all sides of the Yucca Power Plant located in Section 36, Township 16 South, Range 21 East, San Bernardino Baseline and Meridian (SBB&M).

### **CONDITIONS**

This CEC is granted upon the following conditions:

- 1. Any transfer or assignment of this CEC shall require the assignee or successor to assume all responsibilities of the Applicant listed in this CEC and its conditions in writing as required by A.R.S. § 40-360.08(A) and R14-3-213(F) of the Arizona Administrative Code.
- 2. During the construction of the Project, Applicant shall comply with all applicable statutes, ordinances, master plans and regulations of the United States, the State of Arizona, and any other governmental entities having jurisdiction, and their agencies or subdivisions, including but not limited to the following:
  - 2.1 all applicable land use regulations;
  - 2.2 all applicable zoning stipulations and conditions, including but not limited to landscaping and dust control requirements;

- 2.3 all applicable water use, discharge, and/or disposal requirements of the Arizona Department of Water Resources (the "ADWR") and the Arizona Department of Environmental Quality (the "ADEQ");
- 2.4 all applicable noise control standards; and
- 2.5 all applicable regulations governing storage and handling of hazardous chemicals and petroleum products.
- 3. Applicant shall obtain all approvals and permits required by the United States, the State of Arizona and any other governmental entities having jurisdiction necessary to construct the Project.
- 4. If any archaeological site, paleontological site, historical site or an object that is at least fifty years old is discovered on state, county or municipal land during construction of the Project, Applicant or its representative in charge shall promptly report the discovery to the Director of the Arizona State Museum, and in consultation with the Director, shall immediately take all reasonable steps to secure and maintain the preservation of the discovery as required by A.R.S. § 41-844.
- 5. If human remains and/or funerary objects are encountered on private land during the course of any ground-disturbing activities relating to the construction of the Project, Applicant shall cease work on the affected area of the Project and notify the Director of the Arizona State Museum as required by A.R.S. § 41-865.
- 6. Applicant shall comply with the notice and salvage requirements of the Arizona Native Plant Law (A.R.S. §§ 3-901, et seq.) and shall, to the extent feasible, minimize the destruction of native plants during Project construction.
- 7. This authorization to construct this Project shall expire ten (10) years from the date the CEC is approved by the Arizona Corporation Commission (the "Commission"). However, prior to such expiration, Applicant may

request that the Commission extend this time limitation. If construction of Phase 2 of the Project does not commence before the term of this CEC expires, and Applicant requests an extension of the term of this CEC for Phase 2, Applicant shall provide to the Commission an additional showing of need for the Phase 2 route approved in the CEC.

- 8. In the event that the Project requires an extension of the term of this CEC prior to completion of construction, Applicant shall use reasonable means to notify all landowners and residents within one mile of the Project corridor, all persons who made public comment at this proceeding, and all parties to this proceeding of the request and the date, time and place of the hearing in which the Commission will consider the request for extension.
- 9. Applicant shall make every reasonable effort to identify and correct, on a case-specific basis, all complaints of interference with radio or television signals from operation of the transmission lines and related facilities addressed in this CEC. Applicant shall maintain written records for a period of five years of all complaints of radio or television interference attributable to operation, together with the corrective action taken in response to each complaint. All complaints shall be recorded to include notations on the corrective action taken. Complaints not leading to a specific action or for which there was no resolution shall be noted and explained. Upon request, the written records shall be provided to Staff of the Commission.
- 10. Within 120 days of the Commission decision granting this CEC, Applicant shall post signs in public rights-of-way giving notice of the Project corridor to the extent authorized by law. Applicant shall place signs in prominent locations at reasonable intervals such that the public is notified along the full length of the transmission line until the transmission structures are constructed. To the extent practicable, within 45 days of

securing easement or right-of-way for the Project, Applicant shall erect and maintain signs providing public notice that the property is the site of a future transmission line. Such signage shall be no smaller than a normal roadway sign. The signs shall advise:

- 10.1 that the site has been approved for the construction of Project facilities;
- 10.2 the expected date of completion of the Project facilities;
- 10.3 a phone number for public information regarding the Project;
- 10.4 the name of the Project;
- 10.5 the name of Applicant; and
- 10.6 the website of the Project.
- 11. Applicant, or its assignee(s), shall design the transmission line to incorporate reasonable measures to minimize impacts to raptors.
- 12. Applicant, or its assignee(s), shall use non-specular conductors and non-reflective surfaces for transmission line structures.
- 13. Before construction on this Project may commence, Applicant shall file a construction mitigation and restoration plan or a plan of development, hereinafter referred to as the "Plan", with the Arizona Corporation Commission Docket Control. Where practicable, the Plan shall specify that Applicant shall use existing roads for construction and access, minimize impacts to wildlife, minimize vegetation disturbance outside of the Project right-of-way, particularly in drainage channels and along stream banks, and shall re-vegetate, unless waived by the landowner, native areas of construction disturbance to its preconstruction state outside of the power line right-of-way after construction has been completed. The Plan shall specify the manner in which Applicant makes use of existing roads. The Plan shall specify Applicant's plans for coordination with

- Arizona Game and Fish Department ("AGFD") and the Arizona State Historic Preservation Office ("SHPO").
- 14. With respect to the Project, Applicant shall participate in good faith in state and regional transmission study forums to coordinate transmission expansion plans related to the Project and to resolve transmission constraints in a timely manner.
- 15. Applicant shall provide copies of this CEC to the City of Yuma and Yuma County Planning and Zoning.
- 16. Before construction commences on this Project, Applicant shall provide known homebuilders and developers who are building upon or developing land within one mile of the center line of the certificated route of the transmission line, a written description of the Project. The written description shall identify the location of the Project and contain a pictorial depiction of the type of transmission line being constructed. Applicant shall also encourage the developers and homebuilders to include this information in the developers' and homebuilders' homeowners' disclosure statements.
- 17. Applicant will follow the most current Western Electricity Coordinating Council/North American Electric Reliability Corporation planning standards, as approved by the Federal Energy Regulatory Commission, and National Electrical Safety Code construction standards.
- 18. Applicant shall submit a compliance-certification letter annually, identifying progress made with respect to each condition contained in the CEC, including which conditions have been met. Each letter shall be submitted to the Commission Docket Control commencing on December 1, 2012. Attached to each certification letter shall be documentation explaining how compliance with each condition was achieved. Copies of each letter, along with the corresponding

documentation, shall be submitted to the Arizona Attorney General and Arizona Governor's Office of Energy Policy. The requirement for the compliance-certification shall expire on the date the Project is placed into operation.

- 19. When Project facilities are located parallel to and within 100 feet of any existing natural gas or hazardous liquid pipeline, Applicant shall:
  - (a) Ensure grounding and cathodic protection measurements are performed to show that the Project's location parallel to and within 100 feet of such pipeline results in no material adverse impacts to the pipeline or to public safety when both the pipeline and the Project are in operation. Applicant shall take appropriate steps to ensure that any material adverse impacts are mitigated. Applicant shall provide to Commission Staff and file with Docket Control a copy of the measurements performed and additional mitigation, if any, that was implemented as part of its annual compliance-certification letter; and
  - (b) Ensure that measurements are taken during an outage simulation of the Project that may be caused by the collocation of the Project parallel to and within 100 feet of the existing natural gas or hazardous liquid pipeline. The measurements should either: i) show that such simulated outage does not result in customer outages; or ii) include operating plans to minimize any resulting customer outages. Applicant shall provide a copy of the measurement results to Commission Staff and file it with Docket Control as part of its annual compliance-certification letter.

### FINDINGS OF FACT AND CONCLUSIONS OF LAW

This CEC incorporates the following findings of fact and conclusions of law:

1. The Project aids the state in meeting the need for an adequate, economical and reliable supply of electric power.

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- 2. The conditions placed on the Project in the CEC by the Committee effectively minimize the impact of the Project on the environment and ecology of the state.
- 3. The Project is in the public interest because the Project's contribution to meeting the need for an adequate, economical and reliable supply of electric power outweighs the minimized impact of the Project on the environment and ecology of the state.

DATED this Aday of December, 2011.

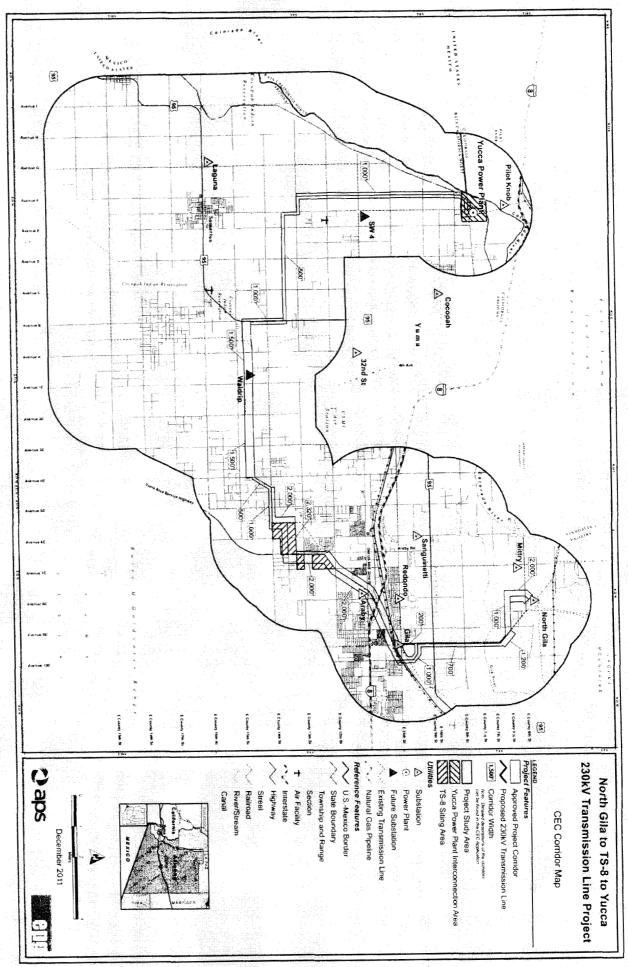
THE ARIZONA POWER PLANT AND TRANSMISSION LINE SITING COMMITTEE.

Hon John Foreman, Chairman

# EXHIBIT A

General Location Map of the Project

Decision No. **72801** 



Decision No. **72801**