



NORTHEAST VALLEY

POWER LINE AND SUBSTATION PROJECT

August 2004 – Volume 1

Introduction

APS is in the early stages of planning additional electrical facilities to serve the northeast Scottsdale area. These new facilities are needed to respond to increased demand for power and to provide customers with reliable electric service. The maps included in this newsletter illustrate the general area that APS is studying for this project. It is important to note that APS is in the beginning stages of this study process and there are no specifically proposed alternatives or suggested locations for these facilities at this time.

Community Involvement

APS is dedicated to meeting the needs of its customers and is committed to involving the community in the process of planning for these new facilities. APS will host public open house meetings for residents, provide updates on a project website, and provide opportunities for the public to ask questions and to give input throughout the process via written comment forms, the Internet, and a telephone information line.

A Community Working Group (CWG) also has been assembled by APS to review technical studies, project information, proposed criteria, and study findings. The CWG includes officials from jurisdictions and agencies, and members of the general public that live in and/or represent organizations within the study area.

The community at-large will have several opportunities to learn about the need for more APS facilities in the northeast valley, understand APS' facility siting process, and provide input regarding alternative facility locations. Information will be distributed to the public through project newsletters and open house public meetings. Additional opportunities to learn more about the project will include:

- A telephone information line to ask questions, leave comments, or request additional information, (602) 648-2370
- A project website (<http://siting.apsc.com>)

Community member participation is essential to the planning process. The first public open house is planned for September 30, 2004 from 5:30 to 7:30 p.m. at the Desert Canyon Elementary and Middle School Cafeteria, located at 10203 E. McDowell Mountain Ranch Road, Scottsdale, Arizona.

Why Here? Why Now?

APS is constantly monitoring their electrical system and demand for power in the communities it serves. The number of residential customers in this area, as well as each household's demand for electricity, has increased dramatically, driving the need for additional electrical facilities. Between 1999 and 2003, the annual electricity use by each household increased by an average of 19 percent. Meanwhile, the number of homes continues to increase, as does the amount of electricity needed to power new and existing homes.

To further illustrate the need for the project, APS has compiled data for existing facilities presently serving the general area. The existing capacity at Dale Substation, located near Dynamite Boulevard and Pima Road, is 82 megawatts (MW). The projected 2004 summer peak load served by this substation is 56 MW. Based on current development trends and the amount of land remaining for development in this portion of the northeast valley, peak demand for electricity from the Dale Substation will reach and exceed the substation's capacity in 2008.

What types of facilities are needed?

- One – 345/69kV substation – 20 acre site
- Two – 69/12kV substations – 2 acre sites
- 69kV overhead power lines

A substation is an electrical facility where power is reduced from a higher voltage to a lower voltage. A power line transports electricity between substations and ultimately into homes and businesses to serve customers. These new substations (NE1, NE2, and NE3) will provide power to new and existing customers as well as increased reliability for the APS electrical system

within the area. Example diagrams of the existing 345kV lattice and proposed 69kV single-pole structures are shown on the opposite page of this newsletter. No new 345kV lattice structures are needed for this project.

Where are the facilities needed?

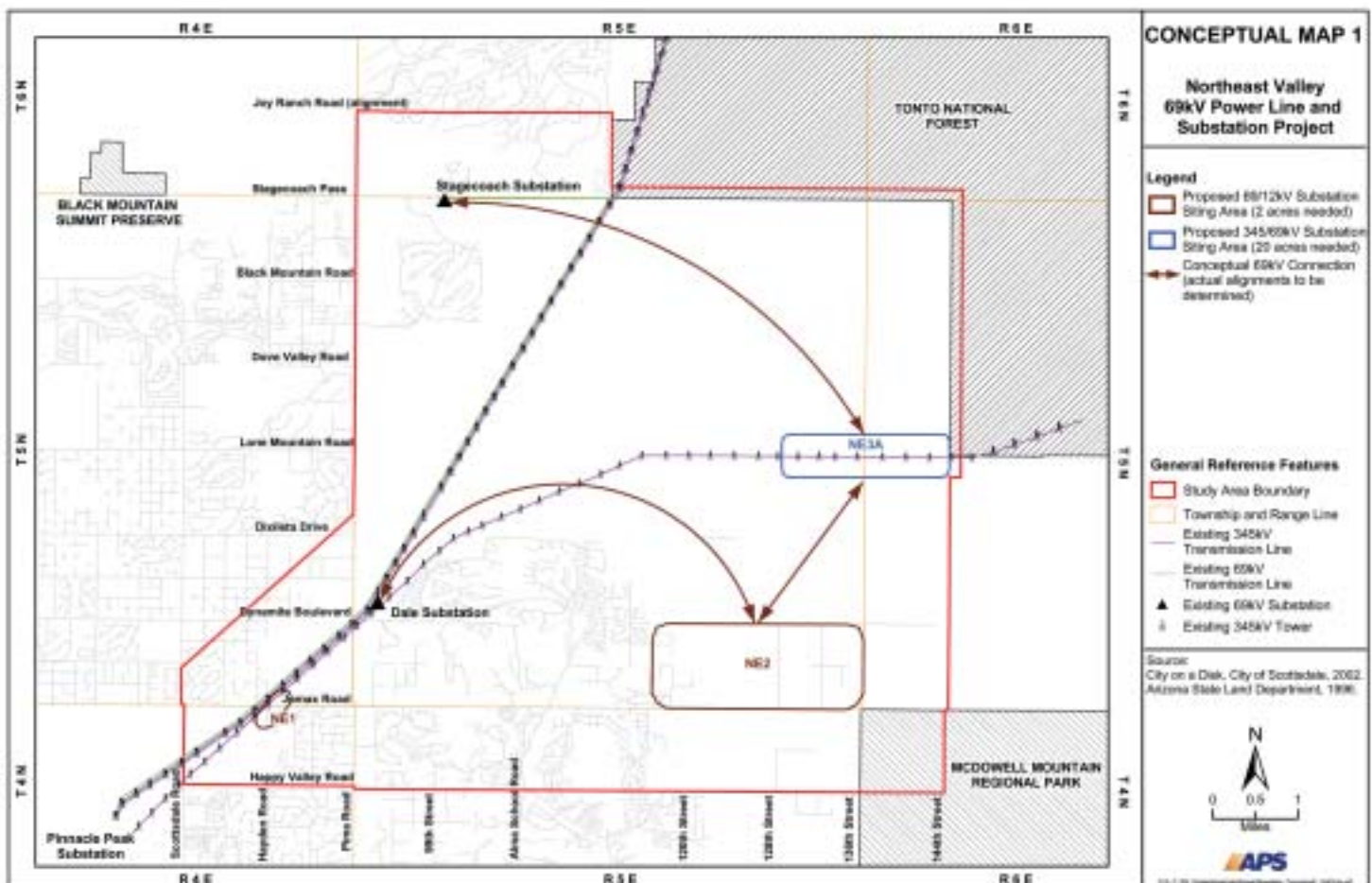
The approximate boundaries of the project study area are Stagecoach Pass to the north, Happy Valley Road to the south, 144th Street to the east, and Scottsdale Road to the west.

The maps in this newsletter show the general areas being studied for the placement of substations and the arrows indicate conceptually which substations need to be connected. Specific substation sites and power line alignments will be determined after public input is gathered and environmental studies are completed.

The Siting Process

APS is working with representatives from the City of Scottsdale, Maricopa County, Town of Carefree, McDowell Sonoran Preserve, Arizona State Land

Department, Arizona Game and Fish Department, and U.S. Forest Service, as well as residents and special interest organizations to gather information relevant to the project area. Presently, APS is conducting a preliminary review of existing and future land uses, scenic, visual, historical, archaeological, and biological resources to ensure that all of the alternatives are evaluated. Based on the initial input received from agencies and organizations, as well as the environmental data, APS will define preliminary alternatives. Once preliminary alternatives are identified for the proposed



Conceptual Map 1 shows an option to connect the existing Dale and Stagecoach substations to proposed facilities (NE1, NE2, and NE3A), as well as general areas for locating the proposed substations. **Note: Only connections and facilities shown on Conceptual Map 1 OR Conceptual Map 2 are needed, not both.**

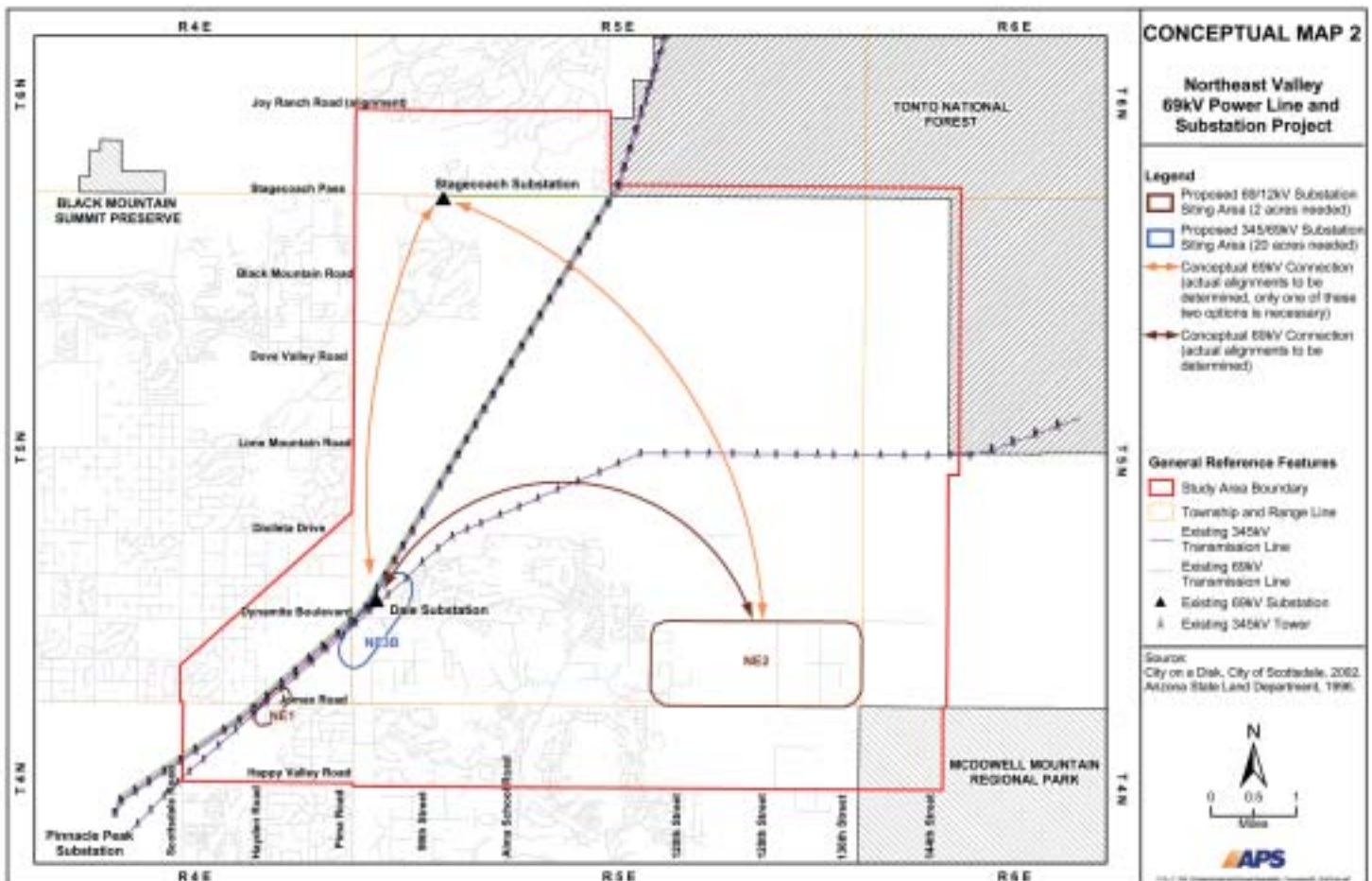
facilities, the public will have additional opportunities to review the alternatives, ask questions, and provide input. An ongoing process of gathering more site-specific information regarding alternatives and soliciting input from the public will occur before the siting is complete. APS anticipates determining the preferred locations for these facilities by early 2005. After locations are finalized, APS will secure necessary property and/or right-of-way. Final design and construction of the facilities is planned to occur between 2007 and 2014.



Existing 345kV
Lattice Structure
(Approximately 130 feet tall)



Proposed 69kV
Single-Pole Structure
(Approximately 60 feet tall)



Conceptual Map 2 shows a second potential option to connect the existing and proposed facilities.

Note: Only connections and facilities shown on Conceptual Map 1 OR Conceptual Map 2 are needed, not both.



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FOR PROPERTY OWNERS

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Public Open House

**Thursday, September 30
5:30-7:30 p.m.**

Desert Canyon Elementary and
Middle School Cafeteria
10203 E. McDowell Mountain
Ranch Road
Scottsdale, AZ