

Proving Ground Solar+Storage Interconnection Transmission Line Project

Overview Presentation



June 2022

Purpose

- Learn about Strata Clean Energy and Arizona Public Service Company (APS)
- Learn about the proposed Proving Ground Solar+Storage Project and its interconnection transmission line
- Learn about the project's permitting requirements and progress
- Learn how to submit comments on the proposed project

Strata Clean Energy & APS

- In recent years, Strata has worked to develop the Proving Ground Solar+Storage Project (project). In Q2, 2022, Arizona Public Service Company (APS) entered into an agreement to acquire the Project from Strata. Strata will continue to pursue permit approvals necessary for construction on behalf of APS.
- Strata Clean Energy is a leading U.S.-based renewable energy company, headquartered in Durham, North Carolina:
 - 250+ projects constructed
 - 2+ GW installed capacity
 - 3.5+ GW solar PV currently in development
 - 4.7+ GW battery storage currently in development
- APS is the largest electric utility in Arizona; in keeping with their Clean Energy Commitment, APS is working to incorporate more carbon-free electricity into their resource mix.

For reference, 1 GW of electricity could power roughly 100 million LED bulbs¹

Interconnection Transmission Line Project

Project Description

- Solar PV facility: 250 MW
 - ~2,050 acres of privately owned land
- Battery Energy Storage System
- Interconnection facilities:
 - 6-mile-long 69 kV generation intertie
 - Step-up substation
 - 3,000-foot-long 500 kV interconnection line
 - Rights-of-way from the Arizona State Land Department and Bureau of Land Management
- Interconnection point: Hoodoo Wash Switchyard
(jointly owned by APS, San Diego Gas & Electric, and Imperial Irrigation District)

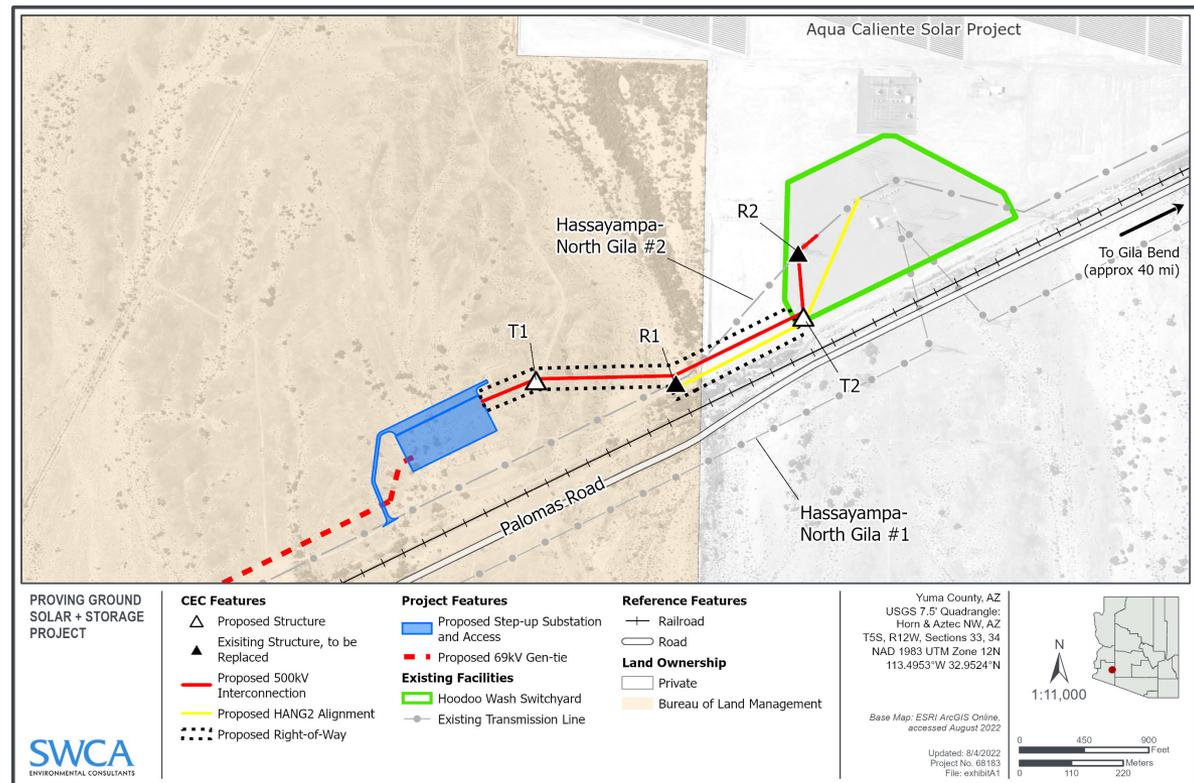
Project Benefits

- Total project investment: \$350+ million
- Property tax revenue: ~\$24 million over 20 years
- Sales tax revenue: ~\$3 million
- Construction jobs: 300+ at peak activity
- Long-term jobs: 4 regional positions

Interconnection Transmission Line Project

Project Substation and Interconnecting Line

- Requires approximately four new transmission structures, including two within the Hoodoo Wash Switchyard; two of the four new structures (R1, R2) will replace existing structures.
- A portion of the interconnection line would be co-located on double circuit towers with the existing HANG#2 transmission line.
- Tallest transmission structure would be approximately 200 feet above ground surface.



Proving Ground Solar+Storage

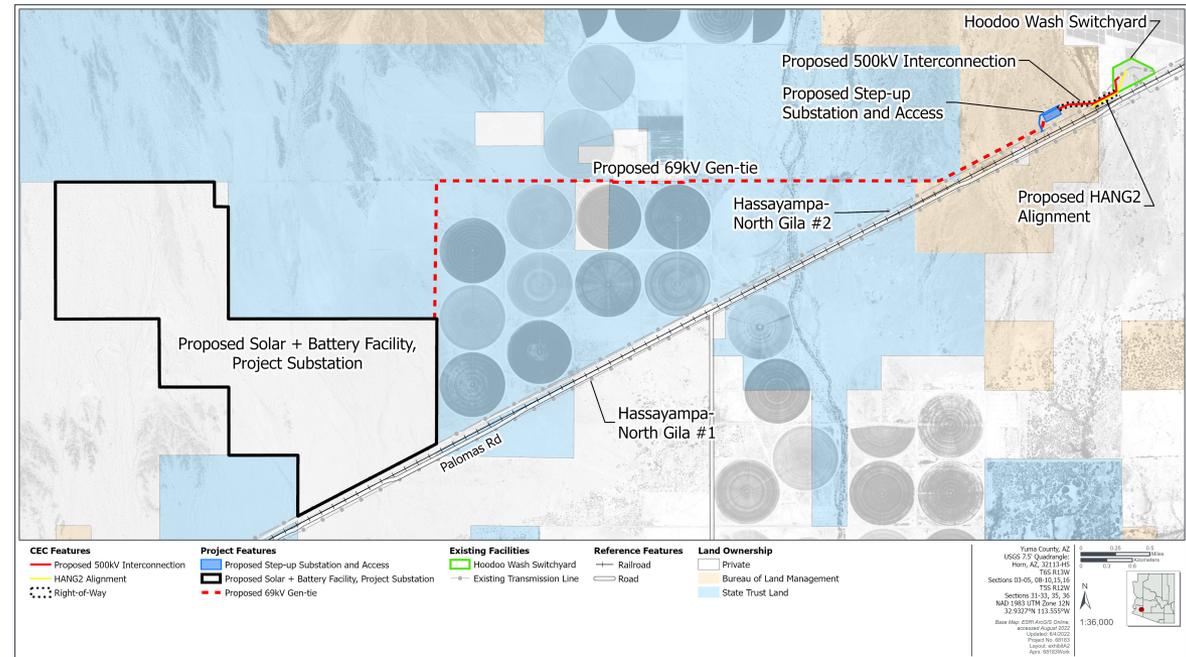


Interconnection Transmission Line Project

Project Permits

- Arizona State Trust land:
 - Right-of-way permit (complete)
- Yuma County:
 - Special Use permit (complete)
- Bureau of Land Management:
 - Right-of-way grant
 - Strata is currently working with the BLM to amend its existing ROW grant to match the final design of the 500kV interconnection line, step-up substation, and associated improvements on BLM-managed lands.

Project Location



Transmission Line Approval: Certificate of Environmental Compatibility

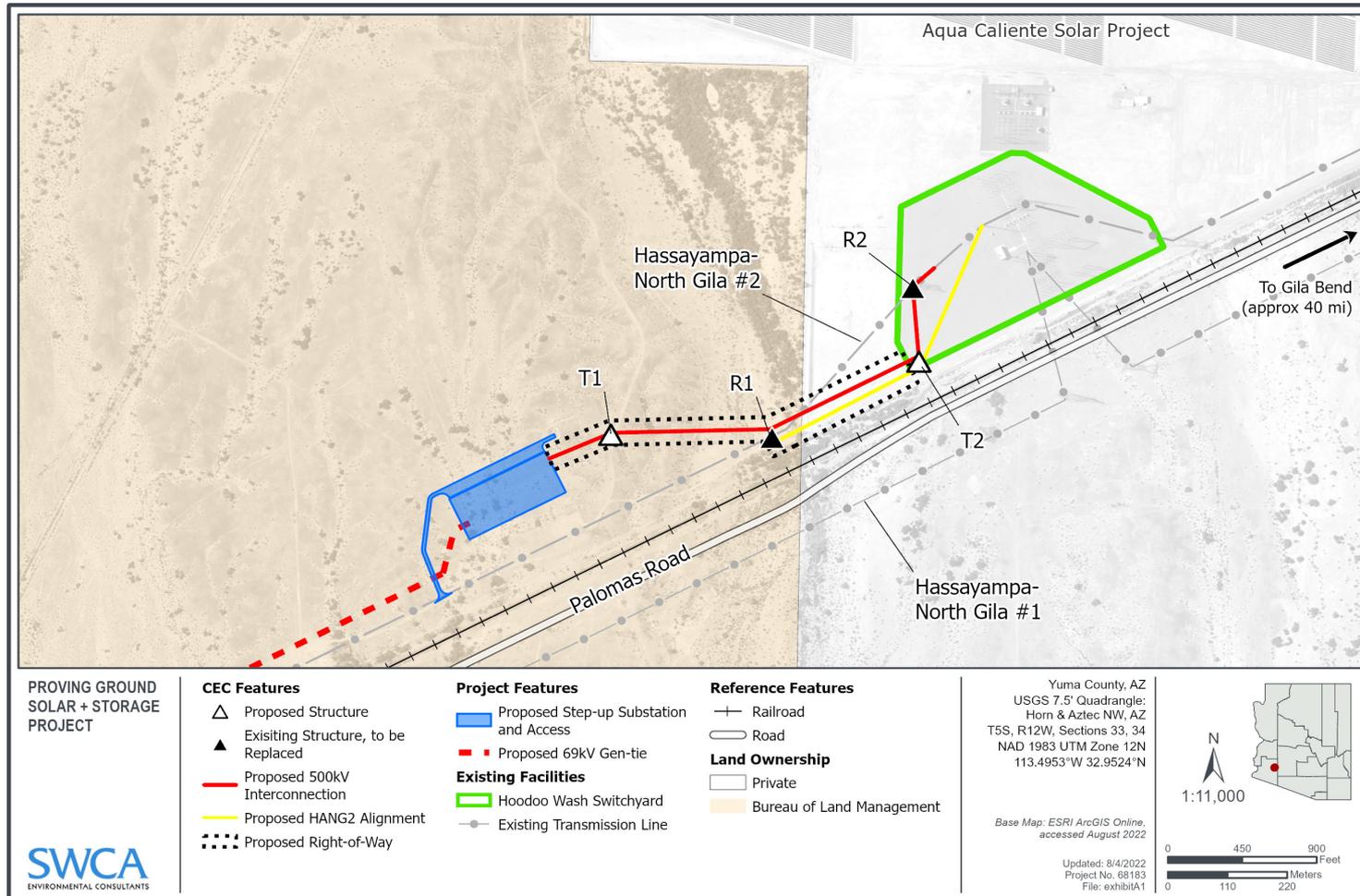
- *Certificate of Environmental Compatibility (CEC)*: approval from the ACC and Line Siting Committee necessary for constructing and operating a new transmission line (>115kV).
- *Power Plant and Transmission Line Siting Committee*: evaluates proposed transmission lines in a single proceeding; recommends to the ACC to approve/approve with conditions/deny proposed projects.
- *Arizona Corporation Commission (ACC)*: state agency with jurisdiction over new, high voltage transmission lines.
- Two project components require a CEC:
 - 3,000-foot-long 500kV interconnection line
- CEC applications require comprehensive environmental studies:
 - Air quality
 - Biological resources
 - Cultural and historical resources
 - Hydrology
 - Land use
 - Noise and interference
 - Recreation
 - Visual resources

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Interconnection Transmission Line Project

CEC: Project Components



CEC Status

- In Q2 2022, Arizona Public Service Company (APS) entered into an agreement to acquire the project from Strata.
- APS is the applicant for, and will be the owner of, the Certificate of Environmental Compatibility (CEC).
- Strata is siting the project on behalf of APS.

APS Background

- APS has a demonstrated track record of generating clean, reliable and affordable energy for 2.7 million Arizonans.
- As the state's largest and longest-serving energy provider, APS is working to increase the proportion of carbon-free electricity in their resource mix.

CEC: Approval Process and Anticipated Schedule

CEC Application

- APS plans to file a CEC application with the ACC and Line Siting Committee.
- Anticipated in December 2022/January 2023.

Line Siting Committee Public Hearing

- Held at a venue near the project.
- Hearings involve testimony from the applicant, questions from the Committee, and public comment (if desired by the Committee).
- Committee approves/approves with conditions/denies; forwards to ACC.
- Anticipated in February 2023.

ACC Open Meeting

- Final approval: ACC may approve, modify and approve, or deny the CEC.
- Commissioners may question the applicant and/or take public comments.
- Anticipated in March/April 2023.

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Interconnection Transmission Line Project

Submit Comments or Questions to:

Mail Comments

Collin Ramsey, Strata Clean Energy
800 Taylor Street
Suite 200
Durham, NC 27701

Email Comments

ProvingGroundSolar@swca.com

Project phone number

(928) 202-4621

Website Information

www.swcavirtualpublicinvolvement.com/proving-ground

www.aps.com/provingground

Project Manager

Collin Ramsey, Senior Development Manager

919-960-6015

cramsey@stratacleanenergy.com

Please submit comments by: September 6, 2022

Additional opportunities for public comment will be available during the Line Siting Committee CEC hearing, anticipated in February 2023



**Proving Ground Solar+Storage
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Thank you!

