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BEFORE THE ARIZONA CORPORATIO.

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Arizona Corporation Commission

DOCKETED

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**COMMISSIONERS**

SUSAN BITTER SMITH, Chairman  
BOB STUMP  
BOB BURNS  
DOUG LITTLE  
TOM FORESE

IN THE MATTER OF THE APPLICATION  
OF ARIZONA PUBLIC SERVICE  
COMPANY, PURSUANT TO ARIZONA  
REVISED STATUTE § 40-252, FOR AN  
AMENDMENT OF ARIZONA  
CORPORATION COMMISSION DECISION  
NO. 67828

DOCKET NO. L-00000D-04-0127-00000

CASE NO. 127

ORDER MODIFYING DECISION NO. 67828

DECISION NO. 75045

**ORDER**

Open Meeting  
April 14 and 15, 2015  
Phoenix, Arizona

**BY THE COMMISSION:**

**FINDINGS OF FACT**

1. Arizona Public Service Company ("APS" or "Company") is a public service corporation providing electric utility service to eleven counties in the State of Arizona.
2. On November 23, 2004, APS filed an application for a Certificate of Environmental Compatibility ("CEC") before the Arizona Power Plant and Transmission Line Siting Committee ("Siting Committee") for authorization to site a transmission line and related facilities in Maricopa County. The project was referred to as the APS West Valley—North Power Line and Substation Project. APS proposed to construct the line in an area west of the Phoenix metropolitan area.
3. Six additional parties intervened in the proceeding.
4. After a full hearing, the Siting Committee issued APS a CEC for the line and related facilities. The Siting Committee's CEC sets forth the specific route that the line is intended to follow.

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1           5.       On May 5, 2005, the Commission issued Decision No. 67828, which approved the CEC  
2 issued by the Siting Committee. That decision specifically approves and adopts the Siting Committee's  
3 description of the approved route.

4           6.       The APS West Valley—North Power Line and Substation Project is necessary to  
5 accommodate load growth in the west valley.

6           7.       On November 3, 2014, APS filed a request for an extension of CEC term and notice of  
7 Trilby Wash/TS1 Substation located on a 15-acre parcel ("Application"). APS requests that the  
8 Commission extend the time period to construct the transmission facilities authorized by CEC 127 from  
9 May 5, 2015 to May 5, 2020 for the first circuit of the 230 kV transmission line, and from May 5, 2025 to  
10 May 5, 2030 for the second circuit. Additionally, APS gives the Commission notice that Trilby Wash  
11 Substation is built on a 15-acre parcel of land, rather than the 10 acres originally noted in the CEC.

#### 12 **Time Extension Request**

13           8.       Condition 3 in CEC 127 authorized a ten-year term for constructing the first circuit,  
14 unless construction was completed to the point that the project was capable of operating by that time,  
15 and a twenty-year term for constructing the second circuit of the line. Development and associated  
16 electrical load growth in the West Valley have not progressed as expected due to the economic decline  
17 experienced in recent years; however, APS anticipates that it will need the full first circuit of this Project  
18 within a few years. It anticipates the need for the second circuit and related facilities as the economy  
19 continues to improve and growth resumes in the area.

20           9.       The Application states that while the existing electric system is sufficient to meet current  
21 customer load, the electrical facilities approved in CEC 127 will be necessary to accommodate load  
22 growth in the West Valley, as well as to enhance the reliability of the existing electrical system in the  
23 future. On February 11, 2015, APS filed supplemental information ("Supplemental Filing") clarifying the  
24 need for portions of the first circuit of Case 127.

25           10.      The Supplemental Filing outlines the schedule for completion of the first circuit in two  
26 segments staggered over time. The first segment begins at the corner of Olive Avenue and Loop 303,  
27 and continues to the Trilby Wash substation, located at 195th Avenue and Deer Valley Road ("Segment  
28 1"). Segment 1 is currently planned to be in-service by June of 2015 and is needed for reliability reasons.

1 The second segment begins at the Trilby Wash substation and terminates at the Sun Valley substation,  
2 located near 290th Avenue and Beardsley Road ("Segment 2"). Segment 2 is currently planned to be in-  
3 service in 2016.

4 12. Information about the results of reliability studies performed by APS for anticipated 2015  
5 peak summer loads in the West Valley was also provided in the Supplemental Filing. The studies have  
6 shown that completion of Segment 1 is necessary to prevent local outages in the event of disruption of  
7 the 69 kV system in the area. APS's most recent Ten Year Plans, have included the proposed  
8 transmission additions as outlined in the Supplemental Filing; that is, that Segment 1 of the first circuit  
9 will be in service for the summer 2015 peak, and Segment 2 of circuit one will be in service for the  
10 summer 2016 peak. The conclusions reached in the Eighth Biennial Transmission Assessment as well as  
11 other regional reliability studies have included the Project transmission lines with the in-service dates  
12 provided by APS in the Application and Supplemental Filing.

13 13. Staff agrees that while the need for the transmission lines was delayed by the recession,  
14 there is a need for the first circuit within the next few years and that the second circuit will be needed as  
15 new growth appears. Staff believes that the delayed construction times requested in the Application will  
16 not compromise transmission grid reliability.

#### 17 **Trilby Wash Notification**

18 14. APS has also given notice in the Application that the Company has built Trilby Wash  
19 Substation on 15 acres of land, rather than the ten acres originally noted in the CEC. CEC 127 described  
20 the Trilby Wash Substation as being built on "up to ten acres of land located in the SE ¼ of the NW ¼  
21 of Section 20, Township 4 North, Range 2 West, approximately at the half-section line north of  
22 Beardsley Road." Furthermore, in separate communications with Staff, APS indicated that it commenced  
23 construction of the Trilby Wash substation prior filing a construction mitigation and reclamation plan  
24 ("CMRP") with the Commission, as required by Condition 17 of the CEC. APS commenced  
25 construction on the Trilby Wash substation in February 2014 and filed its CMRP in September 26, 2014.  
26 Other than failing to file the CMRP in a timely manner, APS states that it adhered to all applicable  
27 conditions in CEC 127 relating to how construction activities should be conducted for the Trilby Wash  
28 Substation.



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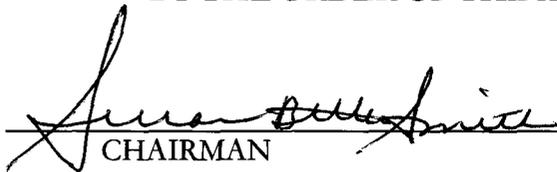
**ORDER**

IT IS THEREFORE ORDERED that Decision No. 67828 is modified to extend the time to construct the first circuit of the project to May 5, 2020 and the time to construct the second circuit of the project to May 5, 2030.

IT IS FURTHER ORDERED that all other conditions of the Certificate of Environmental Compatibility approved by Decision No. 67828 shall remain in effect.

IT IS FURTHER ORDERED that this decision shall become effective immediately.

**BY THE ORDER OF THE ARIZONA CORPORATION COMMISSION**

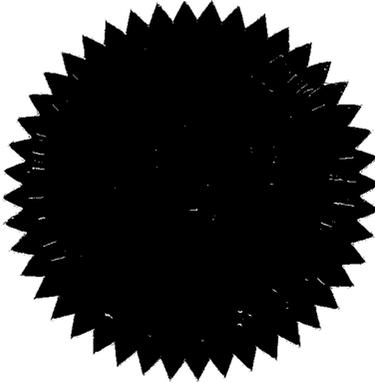
  
CHAIRMAN

  
COMMISSIONER

  
COMMISSIONER

  
COMMISSIONER

  
COMMISSIONER



IN WITNESS WHEREOF, I, JODI JERICH, 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 Capitol, in the City of Phoenix, this 23rd day of April, 2015.

  
JODI JERICH  
EXECUTIVE DIRECTOR

DISSENT: \_\_\_\_\_

DISSENT: \_\_\_\_\_

SMO:ML:sms\CHH

1 SERVICE LIST FOR: Arizona Public Service Company  
 2 DOCKET NO. L-00000D-04-0127-00000

3 Janice M. Alward, Chief Counsel  
 4 Legal Division  
 5 Arizona Corporation Commission  
 1200 West Washington Street  
 6 Phoenix, Arizona 85007

7 Steve M. Olea, Director  
 8 Utilities Division  
 9 Arizona Corporation Commission  
 1200 West Washington Street  
 10 Phoenix, Arizona 85007

11 Attorney General's Designee  
 12 Arizona Power Plant and  
 13 Transmission Line Siting Committee  
 14 Office of the Attorney General  
 15 PAD/CPA  
 1275 West Washington Street  
 16 Phoenix, Arizona 85007

17 Melissa M. Krueger  
 18 Linda J. Benally  
 19 Pinnacle West Capital Corporation  
 400 North 5<sup>th</sup> Street, MS 8695  
 20 Phoenix, Arizona 85004

21 C. Webb Crockett  
 22 Fennemore Craig, P.C.  
 23 2394 East Camelback Road, Suite 600  
 24 Phoenix, Arizona 85016-3429  
 25 Attorneys for Pulte Homes, Inc.

26 John R. Dacey  
 27 Gammage & Burnham, P.L.C.  
 28 Two North Central Avenue, Fifteenth Floor  
 Phoenix, Arizona 85004  
 Attorneys for Maricopa Water District

Jordan Rose  
 Court S. Rich  
 7144 East Stetson Drive, Suite 300  
 Scottsdale, Arizona 85251  
 Attorneys for South Side of Olive Avenue  
 Property

Owners

Lynne A. Lagarde  
 Earl, Curley & Lagarde, P.C.  
 3101 North Central Avenue, Suite 1000  
 Phoenix, Arizona 85012  
 Attorneys for Stardust Development, Inc.

Walter W. Meek, President  
 Arizona Utility Investors Association  
 2100 North Central Avenue, Suite 210  
 Phoenix, Arizona 85004

Paul E. Gilbert  
 Richard Thomas  
 Beus Gilbert, P.L.L.C.  
 4800 North Scottsdale Road, Suite 6000  
 Scottsdale, Arizona 85251-7630  
 Attorneys for SLR, Property Reserve and Fulton  
 Homes

Persons in addition to official service list:

Misty L. Leslie, City Attorney  
 City of Surprise  
 City Attorney Office  
 16000 North Civic Center Plaza  
 Surprise, Arizona 85374

Joe Mansour – Concerned Resident  
 17812 West Charter Oak Road  
 Surprise, Arizona 85388

Kristin Vehring – Concerned Resident  
 17533 West Charter Oak Road  
 Surprise, Arizona 85388

Lawrence V. Robertson, Jr.  
 Attorney at Law  
 P.O. Box 1448  
 Tubac, Arizona 85646  
 Attorney for Concerned Residents of  
 Sarah Ann Ranch