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BEFORE THE ARIZONA CORPORATION COMMISSION

Arizona Corporation Commission

DOCKETED

JUN 27 2013

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COMMISSIONERS

- BOB STUMP  
Chairman
- GARY PIERCE  
Commissioner
- BRENDA BURNS  
Commissioner
- BOB BURNS  
Commissioner
- SUSAN BITTER SMITH  
Commissioner

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. 66646

DOCKET NO. L-00000D-03-0122-00000  
CASE NO. 122  
ORDER MODIFYING DECISION NO. 66646

DECISION NO. 73937

ORDER

Open Meeting  
June 11 and 12, 2013  
Phoenix, Arizona

**BY THE COMMISSION:**

FINDINGS OF FACT

1. On April 2, 2013, Arizona Public Service Company ("APS" or "Applicant") filed a request for an extension of Certificate of Environmental Compatibility ("CEC") term in Decision No. 66646 (Case No. 122), ("Application") with the Arizona Corporation Commission ("ACC" or "Commission").

2. Decision No. 66646 (December 23, 2003) approved a CEC for APS to construct approximately 18 miles of double circuit 230kV transmission line, three 230kV substations, and related facilities in the West Valley of metropolitan Phoenix. The transmission line would interconnect several 230kV to 69kV substations to APS's 230kV system, which would allow further development of APS's 69kV system to support the growth and associated infrastructure in the West Valley.

DECISION NO. \_\_\_\_\_

1           3.       The approved 230kV transmission line would originate at an existing line beginning  
2 south of Broadway Road at its intersection with Perryville Road and parallel Perryville Road to the  
3 northeast corner of Indian School Road and Perryville Road. The line would then extend east along  
4 Indian School Road toward Cotton Lane, and then angle to the northeast along the Luke Air Force  
5 Base accident potential zone, following this angle until it reaches Cotton Lane. The line would then  
6 extend north on Cotton Lane to the Palm Valley substation (formerly named TS3 Substation). The  
7 line would then travel north from the Palm Valley substation to Bethany Home Road, and then extend  
8 east on Bethany Home Road to Loop 303. It would then extend north along the Loop 303 to Olive  
9 Avenue to the TS2 substation on the Northwest corner of the Loop 303 and Olive Avenue. The TS4  
10 substation will be located south of the existing Liberty Substation.

11           4.       APS has constructed a segment of the 230kV transmission line approved in CEC 122  
12 and has energized the first circuit of that segment. The segment that has been constructed starts at  
13 Perryville Road and continues up to, and including, the Palm Valley substation, which amounts to  
14 approximately two thirds of the authorized line and one of three approved substations. The line and  
15 substation began commercial operation in June 2007. In 2014, APS intends to begin construction on  
16 the remainder of the line and anticipates that the entire first circuit of the line will be in-service in the  
17 summer of 2015.

18           5.       APS states that its existing electric system is sufficient to meet current customer load;  
19 however, APS believes the remaining electrical facilities approved in CEC 122 will be necessary to  
20 accommodate load growth in the West Valley as well as to enhance the reliability of the existing  
21 electrical system in the future. Although development and the associated electrical load growth in  
22 the area have not developed as expected when Commission Decision No. 66646 was issued, APS  
23 anticipates that it will need the second circuit of the 230kV line and remaining facilities when the  
24 economy improves and growth resumes in the area.

25           6.       APS requests in its Application that the time period to construct facilities authorized  
26 by CEC 122 be extended for five years (to December 23, 2018) for the first circuit of the 230kV  
27 transmission line and for ten years (to December 2028) for the second circuit and all remaining  
28

1 giving them another option of returning to the Commission to request a further time extension if  
2 needed.

3 **Staff Analysis**

4 7. APS filed a Ten-Year Transmission Plan with the ACC in January 2013 as well as its  
5 2012 Resource Plan in April of 2012. Both plans include the facilities authorized in CEC 122 as  
6 modified in the Application. Current load forecasts given in the 2012 Resource Plan show the need  
7 for the not yet constructed facilities within the next ten to fifteen years, and all technical studies  
8 provided in the Ten-Year Transmission Plan (and analyzed in the Seventh Biennial Transmission  
9 Assessment) include the facilities consistent with the Application. The results show no negative  
10 impact to the interconnected transmission system from extending the expected construction dates of  
11 the facilities as proposed in the Application.

12 8. Staff, therefore, recommends that the Commission approve APS' time extension  
13 request as filed.

14 **CONCLUSIONS OF LAW**

15 1. The Commission has jurisdiction over Arizona Public Service Company and over the  
16 subject matter herein pursuant to Article XV of the Arizona Constitution and A.R.S. § 40-252 and §  
17 40-360 et seq.

18 2. Notice of the proceeding has been given in the manner prescribed by law.

19 3. The Commission, having reviewed the request and considered the matter, finds that it  
20 is in the public interest to amend Decision No. 66646 to grant the extension of time to construct the  
21 project as discussed in Findings of Fact 7 and 8.

22 **ORDER**

23 IT IS THEREFORE ORDERED that Decision No. 66646 is modified to revise Condition No.  
24 3 of the Certificate of Environmental Compatibility to state the following:

25 The authorization to construct the Project shall expire on December 23, 2018 unless  
26 construction is completed to the point that the Project is capable of operating by that  
27 time; provided, however, that the authorization to construct the second circuit of the  
28 Project and other facilities shall expire on December 23, 2028. Prior to either such  
expiration the Applicant or its assignees may request that the Commission extend this  
time limitation.

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IT IS FURTHER ORDERED that all other conditions of the Certificate of Environmental Compatibility approved by Decision No. 66646 shall remain in effect.

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

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

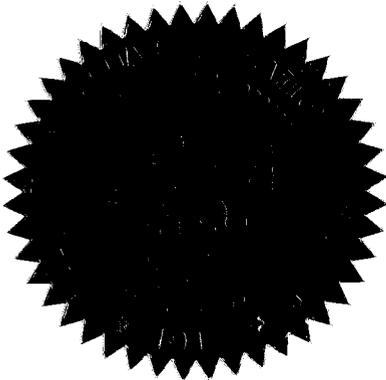
CHAIRMAN

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 21<sup>st</sup> day of June, 2013.

JODI JERICH  
EXECUTIVE DIRECTOR

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

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

SMO:ML:sms\CHH

1 SERVICE LIST FOR: Arizona Public Service Company  
2 DOCKET NO. L-00000D-03-0122-00000

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