

ORIGINAL



0000017221

57

JOHN F. MUNGER
MARK E. CHADWICK *
MICHAEL S. GREEN
EVELYN PATRICK RICK **
LAURA P. CHIASSON
* Also Admitted in Colorado
** Also Admitted in Washington State

MUNGER CHADWICK, P.L.C.

ATTORNEYS AT LAW
A PROFESSIONAL LIMITED LIABILITY COMPANY
NATIONAL BANK PLAZA
333 NORTH WILMOT, SUITE 300
TUCSON, ARIZONA 85711
(520) 721-1900
FAX (520) 747-1550
MungerChadwick.com

LAWRENCE V. ROBERTSON, JR.
ADMITTED TO PRACTICE IN:
ARIZONA, COLORADO, MONTANA,
NEVADA, TEXAS, WYOMING,
DISTRICT OF COLUMBIA

MICHAEL M. RACY (NON-LAWYER)
GOVERNMENT RELATIONS DIRECTOR
DIRECT LINE: (520) 906-4646

OF COUNSEL
LIZÁRRAGA, ROBLES, TAPIA Y CABRERA S.C.
HERMOSILLO, SONORA, MEXICO
(LICENSED SOLELY IN MEXICO)

LINDA WELTER COHEN, APR (NON-LAWYER)
MEREDITH LEYVA (NON-LAWYER)
PUBLIC RELATIONS CONSULTANTS

TUBAC APPOINTMENT OFFICE
2247 East Frontage Road, #1
P.O. Box 1448
Tubac, Arizona 85646
(520) 398-0411

May 4, 2005

Colleen Ryan, Supervisor
Document Control
Arizona Corporation Commission
1200 W. Washington
Phoenix, AZ 85007

RECEIVED
2005 MAY -4 P 2: 16
AZ CORP COMMISSION
DOCUMENT CONTROL

Re: In the matter of Salt River Project *et al.*
Docket No. L-00000B-04-0126
(Case No. 126)

Dear Ms. Ryan:

Pursuant to the procedure and timetable established by Chairman Woodall during the hearing in the above-referenced matter on April 15, 2005 [See Tr. 3934, 1.6 – Tr. 3935, 1.22], enclosed for filing are forty (40) copies of (i) a three-page summary, in an outline format, of the Closing Statement of Walker Butte *et al.*, that will be presented during the May 10, 2005 hearing, and (ii) a Power Point slide that will be used in connection with that presentation.

Copies of the enclosed materials are being electronically transmitted today to Chairman Woodall and all parties of record.

Please let me know if you have any questions. Thank you for your assistance.

Sincerely,

Lawrence V. Robertson, Jr. SES

LVR:cl

cc: Laurie A. Woodall, w/ encl.
All Parties of Record, w/encl.

enclosures

Arizona Corporation Commission
DOCKETED

MAY 04 2005

DOCKETED BY

Reasons that the Cornman Road/Eastern/Railroad Alternative Presents the Best Siting Opportunity

- Superior from a system opportunities standpoint when compared with Blue/Preferred Alignment due to possible construction of Pinal South
 - See testimony of Jerry Smith
- Superior from an electrical reliability standpoint when compared with Blue/Preferred Alignment
 - See testimony of Jerry Smith and Robert Walther
- Superior from a cost standpoint when compared with the Blue/Preferred Alignment
 - See testimony of Dan Hawkins and Rob Kondziolka
- Less impacts on existing residential development when compared with the Blue/Preferred Alignment
 - Avoids impacts to both Sun Valley Farms and Oasis/Mirage at Magic Ranch.

Reasons that the “Backwards C/287 Cutback” Is a Poor Alternative Even for a Compromise Route

- Fails in its stated goal, which is to provide an acceptable compromise between the City of Coolidge and the Town of Florence
 - Unacceptable to Coolidge per testimony of Dan Hawkins
- Inferior due to its increased visual impact and cost related to additional line length
 - Additional 4.6 miles of lines, with additional \$6-7 million in cost per Dan Hawkins testimony
- Inferior due to its impact on existing residential development
 - Impacts homes along HWY 287 as well as Oasis/Mirage at Magic Ranch per testimony of Scott Lenz. Railroad alternative avoids these communities
- Does not avoid impact to Town of Florence master-plan communities
 - There is no segment option that completely avoids impacting Florence future master-plan communities

**OUTLINE OF WALKER BUTTE *ET AL*, CLOSING STATEMENT
IN SUPPORT OF CORNMAN ROAD/EASTERN/RAILROAD ALTERNATIVE**

- I.** There should be an understanding that none of the Area "C" routes under consideration are perfect.
- A.** Each alignment has some form of impact upon existing and/or proposed land uses, and/or
 - B.** Some other aspect that is undesirable from an environmental and/or electrical perspective

However, when properly analyzed and evaluated, the Cornman Road/Eastern/Railroad alternative represents the best choice under the circumstances.

- II.** The Cornman Road/Eastern/Railroad alternative represents the least known impact on biological and cultural resources
- A.** All alternatives under consideration will require further investigation and analysis of the potential impact upon biological and cultural resources. In all likelihood, recognized and accepted mitigation measures exist to adequately deal with any situations that may be encountered.
 - B.** However, the Cornman Road/Eastern/Railroad alternative does not result in any potential impact on the Casa Grande Ruins National Monument or the Grewe site. Whereas, use of the Preferred Alignment route south of Highway 287 potentially, if not actually, impacts both.
 - C.** In addition, use of the Cornman Road/Backwards C alternate could potentially impact more of the Adamsville site than would the Cornman Road/Eastern/Railroad alternative
 - 1. Furthermore, use of the Cornman Road/ Backwards C alternative would impact more acres of habitat and cultural sites than would the Cornman Road/Eastern/Railroad alternative

- III.** The Cornman Road/Eastern/Railroad alternative is acceptable to the Applicants, and is favored by the ACC's staff from an electrical reliability perspective for both Area "C" and the state of Arizona as a whole.
- A.** Both the Eastern Alignment and the Railroad Segment Option were originally proposed by the Applicants as an acceptable alternative, and they continue to be acceptable

- B. The Eastern Alignment was recommended by the ACC Staff as the desired route for Area "C" for electrical reliability purposes; and this alignment also facilitates construction of Pinal south
 - 1. The ACC Staff has no objection to the Railroad Segment Option, which also would not impact the residents at Sun Valley Farms, Unit 5
 - C. The Preferred Alignment has electrical reliability problems at several locations in Area "C," as testified to by
 - 1. Miller Holdings witness Robert Walther, and
 - 2. ACC Staff witness Jerry Smith
 - D. The Cornman Road/Backwards C alternative is opposed for electric reliability, operational and/or aesthetic reasons by
 - 1. The Applicants
 - 2. The ACC Staff
 - 3. The City of Coolidge
 - 4. The Mayor of Florence
- IV. The Cornman Road/Eastern/Railroad alternative has less adverse impact on existing land uses in Area "C" than any of the other alternatives under consideration
- A. The Cornman Road/Eastern/Railroad alternative impacts fewer dwelling units than any other alternative when the units within ½ mile of the proposed routes are considered.
 - B. The Cornman Road/Eastern/Railroad alternative avoids any impact on the Sun Valley Farms, Unit 5 Residential Community
 - C. The Preferred Alignment adversely impacts the existing residential communities of Oasis at Magic Ranch and Mirage at Magic Ranch
 - 1. The Cornman Road/Backwards C alternative would have the same adverse impact on these communities, plus existing dwellings on Highway 287
 - D. The Preferred Alignment substantially and adversely impacts the Skousen Sand and Gravel operations and the Christensen Road Sand and Gravel operations
- V. All proposed/planned residential communities and development projects in Area "C" have an acknowledged ability to adapt and adjust to accommodate the presence of the proposed electric transmission facilities

- A. However, the Walker Butte project's ability to accommodate a 500 kV line on the boundary with the Gila River Indian Reservation is severely limited, due to the hilly topography, and –that alignment would result in a “skylining” visual effect which would impact the entire valley, not just a single development or master planned community
- B. Strict adherence to the western boundary of the Walker Butte property also could necessitate a new public notice, since an alignment along that boundary would be more than ½ mile from the Preferred Alignment which was publicly noticed

VI. An overwhelming majority of the parties in Case No. 126 support the Cornman Road/Eastern/Railroad alternative, are not opposed to it or would not be impacted by it:

- | | |
|---|---|
| <p>A. <u>Parties Supporting</u></p> <ol style="list-style-type: none"> 1. ACC Staff 2. City of Coolidge 3. McRae Group of Companies 4. Skousen Family | <p>C. <u>Parties Not Impacted</u></p> <ol style="list-style-type: none"> 1. Langley Properties 2. Dobson Family Farms 3. Centex Homes 4. Aspen Farms 5. Sun Valley Farms, Unit 5 |
| <p>B. <u>Parties Not Opposed</u></p> <ol style="list-style-type: none"> 1. Miller Holdings 2. Pivotal Group 3. David Daley 4. Joanne Muscarello | <p>D. <u>Parties Opposed</u></p> <ol style="list-style-type: none"> 1. Town of Florence 2. Pulte Homes 3. Vanguard Properties |

VII. With the exception of the Northern Alternative/Pipeline and the ACC Staff Proposal, all alternatives under consideration are in the same range of costs; and those two exceptions have significant adverse impacts on existing land uses which offset any cost advantages

VIII. For all of the reasons discussed above, the Siting Committee should select the Cornman Road/Eastern/ Railroad alternative as the recommended alignment for Area “C”