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**FOR THE ARIZONA POWER PLANT AND  
TRANSMISSION LINE SITING COMMITTEE**

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10 YEAR PLAN

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SUBMITTED BY

AMBOS NOGALES GENERATING STATION L.L.C.

AZ CORP COMMISSION  
DOCUMENT CONTROL

AND

MAESTROS GROUP L.L.C.

In compliance with the requirements of Arizona Revised Statutes 40-360.02, the Ambos Nogales Generating Station L.L.C., an Arizona limited liability company, and the Maestros Group L.L.C., an Arizona limited liability company, provide the following information:

**INTRODUCTION:**

Ambos Nogales Generating Station L.L.C. (ANGSLLC) and Maestros Group L.L.C. (MGLLC) proposes to obtain all required state and federal permits and approvals to permit the construction a nominal 500 MW power plant (the "export facility") in the vicinity of Nogales, Arizona and a 2 x 230 kV transmission line from the power plant's switch yard south to the U.S.-Mexico border (collectively the "Ambos Nogales Generating Station" or "ANGS"). The sole purpose of the 500 MW power plant is for export of electricity to Mexico. The purpose of the associated transmission line is to deliver energy from the 500 MW facility to Mexico.

The sale of energy to Mexico is via a competitive bid process to the *Comision Federal de Electricidad* (CFE). ANGSLLC and MGLLC propose to obtain all required state and federal permits and approvals to enable a bid to be made to CFE from a site in Arizona. The purposes of bidding from a site in Arizona are (1) to have the facilities subject to United States and state of Arizona jurisdiction for environmental protection purposes; and (2) to obtain the economic benefits for Santa Cruz County associated with power generation to Mexico.

The project will be subject to winning the CFE bid. The 500 MW of generating capacity proposed for export to Mexico would not be connected to the U.S. grid.

Up to an additional 100 MW of generating capacity in 10 to 15 MW increments is proposed to be constructed at the same site, with this capacity dedicated solely for use within the Santa Cruz County, Arizona. Construction of the local generating capacity will be subject to (a) the export project winning the CFE bid; (b) an order by the Arizona Corporation Commission opening up the Citizens Utilities Company service area in Santa Cruz County to "open access" for sales of energy directly to customers; and (c) purchase contracts for the use of the local generating facility.

MGLLC filed for a Presidential Permit (Docket No. PP-242) for the Ambos Nogales Generating Station with the U.S. Department of Energy on May 10, 2001.

Arizona Corporation Commission

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**1. The size and proposed route of any transmission lines or location of each plant proposed to be constructed.**

**POWER PLANT:** The export facility is proposed to be a nominal 500 MW, combined cycle natural gas fired facility. In addition up to 100 MW of local generation capacity would also be provided. The export facility would be a similar configuration to the Griffith project in Kingman.

**TRANSMISSION LINE:** A double circuited 230 kV line would connect the export facility to CFE, and would not be simultaneously connected to the U.S. grid. An additional 115kV intertie would be established with Citizens at a mutually agreed upon interconnection point.

Two alternative sites are presently under consideration for the facility:

**SITE B POWER PLANT:** This site is located approximately 9 miles north of the border and adjacent to Ruby Road, east of the Coronado National Forest Boundary. The site is located in Section 23, Township 23 South, Range 13 East, G&SRB&M, Santa Cruz County, Arizona.

**SITE B TRANSMISSION LINE:** The export transmission line from Site B would be a double circuit 230 kV system running south from Site B, parallel to the Coronado National Forest Boundary, into Mexico. Approximately nine miles of transmission line would be required to reach the border, plus the 2 miles of transmission line to connect to the first CFE substation. The local transmission line would be a 115 kV interconnection to Citizens' system at a point to be designated by mutual agreement between ANGSLLC and Citizens.

**SITE C POWER PLANT** is located immediately adjacent to the U.S.-Mexico border in Section 24, Township 24 South, Range 13 East G&SRB&M, Santa Cruz County, Arizona.

**SITE C TRANSMISSION LINE:** The U.S. portion of the double circuit 230 kV transmission line would be less than 1,000 feet, exiting the Plant Site directly into Mexico. Approximately 2 miles of transmission line would be required from the plant site to the CFE substation site in Mexico. The local transmission line would be a 115 kV interconnection to Citizens' system at a point to be designated by mutual agreement between ANGSLLC and Citizens.

A map showing Sites B and C and transmission configurations is attached.

SITE A was eliminated from consideration.

Final site selection will be determined after engineering and environmental feasibility studies are completed.

**2. The purpose to be served by each proposed transmission line or plant.**

The Comision Federal de Electricidad ("CFE") has announced it is offering, through a competitive bid process, to purchase up to 470 MW of capacity and energy for 25 years. The bid process will determine who will construct, operate, and own the power plant and electric transmission line to CFE.

The purposes of bidding from a site in Arizona are (1) to have the facilities subject to United States and state of Arizona jurisdiction for environmental protection purposes; and (2) to obtain the economic benefits for Santa Cruz County associated with power generation to Mexico.

A separate, up to 100 MW of generating capacity, is also proposed to be commonly sited with the Ambos Nogales Generating Station and connected to the existing electrical system of Citizens Utilities ("Citizens") to supply power to their Santa Cruz County, Arizona, service area.

**3. The estimated date by which each transmission line or plant will be in operation.**

The Ambos Nogales Generating Station export facility is scheduled to begin construction by mid-2003 and be in operation by 2006, assuming it is the winning bidder to CFE. The actual date will be determined by terms of the CFE bid conditions.

The local generating capacity will only be developed in the event the export facility wins the CFE bid, and would be constructed simultaneously.

**4. The average and maximum power output measured in megawatts of each plant to be installed.**

Export Facility: nominal 500 MW, with peaking capacity up to 600MW (similar configuration to Griffith project in Kigman, Arizona).

Local generation: to be determined by customer demand

**5. The expected capacity factor for each proposed plant.**

80% for the export facility.

**6. The type of fuel to be used for each proposed plant.**

Natural gas.

**7. The plans for any new facilities shall include a power flow and stability analysis report showing the effect on the current Arizona electric transmission system. Transmission**

**owners shall provide the technical reports, analysis or basis for projects that are included for serving customer load growth in their service territories.**

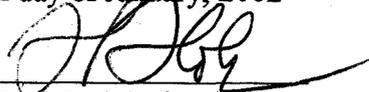
Not applicable to the export facility, which would not be connected to the US grid.

The local generating capacity would be connected to Citizens' local grid, at substation locations to be mutually agreed upon by the parties. No capacity is proposed to be exported out of Citizens' service area.

**RESPECTFULLY SUBMITTED**

This 30th day of January, 2002

By



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# TRANSMISSION LINE ALTERNATIVES

