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

IN THE MATTER OF THE APPLICATION)
OF SOUTHERN CALIFORNIA EDISON)
COMPANY AND ITS ASSIGNEES IN)
CONFORMANCE WITH THE)
REQUIREMENTS OF ARIZONA REVISED)
STATUTES SECTIONS 40-360.03 AND)
40-360.06 FOR A CERTIFICATE OF)
ENVIRONMENTAL COMPATIBILITY)
AUTHORIZING CONSTRUCTION OF A)
500kV ALTERNATING CURRENT)
TRANSMISSION LINE AND RELATED)
FACILITIES IN MARICOPA AND LA PAZ)
COUNTIES IN ARIZONA ORIGINATING)
AT THE HARQUAHALA GENERATING)
STATION SWITCHYARD IN WESTERN)
MARICOPA COUNTY AND)
TERMINATING AT THE DEVERS)
SUBSTATION IN RIVERSIDE COUNTY,)
CALIFORNIA)

Docket No. L-00000A-06-0295-00130

Case No. 130

**CAWCD'S CLOSING
ARGUMENT**

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The Central Arizona Water Conservation District (CAWCD) operates the Central Arizona Project (CAP), a 336-mile long aqueduct that delivers more than fifty percent of Arizona's annual entitlement to Colorado River water to central and southern Arizona. The fifteen pumping plants that move CAP water uphill from the Colorado River require about 460 megawatts of capacity at peak and typically use more than 2,800,000 megawatt-hours of electricity per year.

Arizona Corporation Commission

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Much of the energy to serve those loads comes from the Navajo Generating Station (NGS), 24.3 percent of which is held for the benefit of the CAP. Energy from NGS is delivered over the Navajo Project 500kV transmission facilities connecting NGS to the Westwing substation, in northwestern Phoenix, and the McCullough substation, in southern Nevada. The CAP has its own 230kV transmission system running from McCullough south along the Colorado River to Parker, Arizona, and then east to the Liberty substation, in southwestern Phoenix, as well as 115kV lines that serve CAP pumping plants south of Phoenix. Because the CAP transmission system currently does not connect to the Palo Verde Hub, CAWCD elected to participate in the Palo Verde-TS5 transmission project.

CAWCD's interest in the Applicant's proposed Devers to Palo Verde (DPV2) line is driven by CAWCD's participation in the Palo Verde-TS5 project and its desire to access the market at the Palo Verde Hub. CAWCD's position on the Certificate of Environmental Compatibility (CEC) for DPV2 reflects that interest:

- CAWCD supports termination of the DPV2 line at Harquahala Junction Switchyard, as provided in Staff's proposed conditions (Staff Ex. 24) and paragraph 25 of the Applicant's draft CEC. CAWCD does not support alternative termination points for DPV2 and urges the Committee to reject the second paragraph of paragraph 25 of Applicant's draft CEC, which could allow the Applicant to terminate the line at the Harquahala Generating Station Switchyard.
- CAWCD supports the shared use of the existing Harquahala Junction Switchyard to Hassayampa Switchyard 500kV line by the Applicant, the Palo

Verde-TS5 participants and the Harquahala Power Plant, and supports efforts to make that line tariff-free for those entities. We recognize that latter objective may not be obtainable in this proceeding. At a minimum, CAWCD does not want a situation where it must pay fees to the California Independent System Operator for using CAWCD's share of the Palo Verde-TS5 capacity on the Harquahala Junction Switchyard to Hassayampa Switchyard 500kV line. Paragraph 28 of Applicant's draft CEC, which would insure that Arizona Public Service Company has operational control over the Harquahala Junction Switchyard and the 500kV line from there to the Hassayampa Switchyard, is helpful in that regard.

RESPECTFULLY SUBMITTED this 27th day of November, 2006.



Thomas W. McCann

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