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2006 OCT 25 P 4: 39

AZ CORP COMMISSION  
DOCUMENT CONTROL

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

9 IN THE MATTER OF THE APPLICATION  
 10 OF SOUTHERN CALIFORNIA EDISON  
 11 COMPANY AND ITS ASSIGNEES IN  
 12 CONFORMANCE WITH THE  
 13 REQUIREMENTS OF ARIZONA REVISED  
 14 STATUTES SECTIONS 40-360.03 AND  
 15 40-360.06 FOR A CERTIFICATE OF  
 16 ENVIRONMENTAL COMPATIBILITY  
 17 AUTHORIZING CONSTRUCTION OF A  
 18 500kV ALTERNATING CURRENT  
 19 TRANSMISSION LINE AND RELATED  
 20 FACILITIES IN MARICOPA AND LA PAZ  
 21 COUNTIES IN ARIZONA ORIGINATING  
 22 AT THE HARQUAHALA GENERATING  
 23 STATION SWITCHYARD IN WESTERN  
 24 MARICOPA COUNTY AND  
 25 TERMINATING AT THE DEVERS  
 26 SUBSTATION IN RIVERSIDE COUNTY,  
 CALIFORNIA

DOCKET NO: L-00000A-06-0295-00130

CASE NO. 130

**GILA RIVER POWER, L.P.'S  
COMMENTS ON STAFF'S  
PROPOSED CONDITIONS**

Arizona Corporation Commission

**DOCKETED**

OCT 25 2006

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20 Gila River Power, L.P. ("GRP"), by and through its attorneys undersigned, hereby  
 21 files its Comments on Staff's Proposed Conditions in the above-captioned matter. These  
 22 Comments are limited to Staff Proposed Condition No. 4.

**Staff Proposed Condition No. 4**

24 Staff Proposed Condition No. 4 requires Southern California Edison Company  
 25 ("SCE") to file with the Federal Energy Regulatory Commission an application to expand  
 26 the transmission tariff free zone at the Palo Verde hub to include: a) the Harquahala

1 Generating Station switchyard; b) the future Harquahala Junction switchyard; c) the  
2 Arlington Valley power plant switchyard; d) the Mesquite power plant switchyard; e) the  
3 Redhawk generating station switchyard; and f) the Jojoba switchyard.<sup>1</sup>

4 This modification of the tariff free zone would significantly align the commercial  
5 interests of parties desiring to transact at the Palo Verde hub with the system reliability  
6 concerns that have been expressed by Staff. The new hub design would eliminate the  
7 commercial incentive for generating facilities to interconnect directly to the existing Palo  
8 Verde tariff free zone, and would promote future generation to be sited at locations that  
9 could improve the reliability of Arizona's high voltage transmission system. However, to  
10 ensure that the existing generators transacting at the Palo Verde hub (including but not  
11 limited to GRP's power plant) are not negatively impacted in the future by this re-  
12 designation of the tariff free zone, it is imperative that the Jojoba switching station be  
13 included in the definition of the Palo Verde hub expansion.

14 Excluding the Jojoba switchyard would put the Gila River Power project at a  
15 significant commercial disadvantage to future power plants sited in Arizona. Therefore,  
16 GRP's support of Staff Condition No. 4 is itself conditioned upon the inclusion of the  
17 Jojoba switchyard in the modified tariff free zone.

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26 <sup>1</sup> On cross-examination by GRP counsel, Staff Witness Jerry Smith confirmed that Staff Condition No. 4.a had been amended to include the Jojoba switchyard, and future Harquahala Junction switchyard.

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RESPECTFULLY SUBMITTED this 25th day of October, 2006.

FENNEMORE CRAIG, P.C.

By 

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25 copies of these Comments have been filed this 25th day of October, 2006 with:

Docket Control  
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Copy sent same date by e-mail to:

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