

ORIGINAL

OPEN MEETING ITEM



0000084304

BEFORE THE ARIZONA CORPORATION COMMISSION

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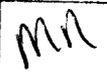
2 COMMISSIONERS

3 MIKE GLEASON, Chairman 2008 APR 23 A 10:34
4 WILLIAM A. MUNDELL
5 JEFF HATCH-MILLER AZ CORP COMMISSION
6 KRISTIN K. MAYES DOCKET CONTROL
7 GARY PIERCE

Arizona Corporation Commission

DOCKETED

APR 23 2008

DOCKETED BY 

7 IN THE MATTER OF THE APPLICATION OF
8 AJO IMPROVEMENT COMPANY IN
9 CONFORMANCE WITH THE REQUIREMENTS
10 OF ARIZONA REVISED STATUTES, 40-360.03
11 AND 40-360.06, FOR A CERTIFICATE OF
12 ENVIRONMENTAL COMPATIBILITY
13 AUTHORIZING THE CONSTRUCTION OF A
14 230KV TRANSMISSION LINE AND
15 SUBSTATION IN MARICOPA AND PIMA
16 COUNTIES, ARIZONA BETWEEN GILA BEND
17 SUBSTATION WEST OF GILA BEND TO THE
18 PROPOSED SUBSTATION NEAR THE PHELPS
19 DODGE AJO INCORPORATED MINE A
20 DISTANCE OF APPROXIMATELY 47 MILES.

DOCKET NO. L-00000G-97-0089

CASE NO. 89

STAFF'S NOTICE OF FILING

15 On April 16, 2008, Ajo Improvement Company filed with the Arizona Corporation
16 Commission ("Commission") an Application for Extension of Certificate of Environmental
17 Compatibility ("CEC") granted by Decision No. 60841 (April 30, 1998). Staff hereby provides
18 notice of filing the attached proposed order granting an interim extension of CEC for the
19 Commission's consideration. This is only a Staff recommendation to the Commission; it has not yet
20 become an order of the Commission. The Commission can decide to accept, amend or reject Staff's
21 proposed order. This matter is scheduled for Commission deliberation at its Securities Open Meeting
22 scheduled April 24, 2008.

23 RESPECTFULLY SUBMITTED this 23rd day of April, 2008.

24 
25 Charles H. Hains
26 Attorney, Legal Division
27 1200 West Washington Street
28 Phoenix, Arizona 85007
(602) 542-3402

1 Original and twenty-eight (28) copies
of the foregoing were filed this
2 23rd day of April, 2008 with:

3 Docket Control
Arizona Corporation Commission
4 1200 West Washington Street
Phoenix, Arizona 85007

5
6 Copy of the foregoing mailed
this 23rd day of April, 2008 to:

7 C. Webb Crockett
Patrick J. Black
8 Fennemore Craig
3003 North Central Avenue, Suite 2600
9 Phoenix, Arizona 85012
Attorney for Ajo Improvement Company

10
11 Jennifer Boucek, Chairman
Arizona Power Plant and Transmission
12 Line Sitting Committee
Office of Attorney General
13 1275 West Washington Street
Phoenix, Arizona 85007

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BEFORE THE ARIZONA CORPORATION COMMISSION

- MIKE GLEASON
Chairman
- WILLIAM A. MUNDELL
Commissioner
- JEFF HATCH-MILLER
Commissioner
- KRISTIN K. MAYES
Commissioner
- GARY PIERCE
Commissioner

IN THE MATTER OF THE
 APPLICATION OF AJO
 IMPROVEMENT COMPANY IN
 CONFORMANCE WITH THE
 REQUIREMENTS OF ARIZONA
 REVISED STATUES, 40-360.03 AND
 40-360.06, FOR A CERTIFICATE OF
 ENVIRONMENTAL COMPATIBILITY
 AUTHORIZING THE
 CONSTRUCTION OF A 230KV
 TRANSMISSION LINE AND
 SUBSTATION IN MARICOPA AND
 PIMA COUNTIES, ARIZONA
 BETWEEN GILA BEND SUBSTATION
 WEST OF GILA BEND TO THE
 PROPOSED SUBSTATION NEAR THE
 PHELPS DODGE AJO
 INCORPORATED MINE A DISTANCE
 OF APPROXIMATELY 47 MILES.

DOCKET NO. L-00000G-97-0089
 CASE NO. 89
 ORDER AMENDING DECISION NO. 60841
 DECISION NO. _____

ORDER

Open Meeting
 April 24, 2008
 Phoenix, Arizona

BY THE COMMISSION:

FINDINGS OF FACT

1. On April 30, 1998, the Arizona Corporation Commission ("Commission") issued Decision No. 60841 in Docket No. L-00000-97-0089 ("Case No. 89"). Decision No. 60841 granted Ajo Improvement Company ("AIC") a Certificate of Environmental Compatibility ("CEC") authorizing construction of a 230 kV transmission line originating at the Gila Bend Substation on the west side of Gila Bend, Arizona, to a proposed substation that would be located

1 near the Phelps Dodge Ajo Incorporated ("PDAI") Mine on the southeast side of Ajo, Arizona.
2 The CEC further authorized AIC to construct the proposed substation that would be located near
3 the PDAI Mine near Ajo, Arizona as well as necessary improvements to the Gila Bend substation.

4 2. The second condition of the CEC states:

5 "(2) [T]he authorization to construct the project will expire ten (10) years from
6 the date the Certificate is approved by the Arizona Corporation
7 Commission unless construction of the project is completed by that time;
8 provided, however, that the Applicant (or its transferee, assignee or
9 successor) shall have the right to apply to the Arizona Corporation
10 Commission for an extension of this time limitation."

11 3. The Arizona State Line Siting Committee ("Committee") approved the CEC on
12 April 8, 1998. The Commission affirmed and approved the Committee's grant of CEC to AIC on
13 April 30, 1998. Therefore, AIC was to complete construction of the facilities by April 30, 2008.

14 4. On April 16, 2008, AIC filed a request for a time extension to construct the
15 transmission facilities approved by the subject CEC. AIC requests an extension of the time
16 granted by the CEC to construct the approved transmission facilities to April 29, 2013. AIC
17 explains that the reason for requesting a time extension to the subject CEC is because AIC has not
18 initiated construction of the approved facilities due to economic factors related to the electric load
19 that would be served by the new transmission facilities.

20 5. Commission Utilities Division Staff ("Staff") has not had sufficient time to evaluate
21 AIC's time extension request.

22 CONCLUSIONS OF LAW

23 1. The Commission has jurisdiction over Ajo Improvement Company and the subject
24 matter contained herein pursuant to Article XV of the Arizona Constitution and A.R.S. § 40-252
25 and § 40-360 et seq.

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

27 3. The Commission having considered Ajo Improvement Company's filing for
28 expedited consideration of its request to extend the time for construction ordered by Decision No.

1 60841, finds that granting an extension until July 31, 2008 from the original date for compliance of
2 April 30, 2008 to provide an opportunity for the Commission's further consideration of this matter
3 is in the public interest in this matter.

4 ORDER

5 IT IS THEREFORE ORDERED that Decision No. 60841 is hereby amended to extend the
6 time for construction to July 31, 2008.

7 IT IS FURTHER ORDERED that Staff shall file a recommendation by June 30, 2008.

8 IT IS FURTHER ORDERED that Decision No. 60841 shall remain in effect in all other
9 respects.

10 IT IS FURTHER ORDERED that this decision shall be effective immediately.

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

12
13 _____
14 CHAIRMAN

COMMISSIONER

15
16 _____
17 COMMISSIONER

COMMISSIONER

COMMISSIONER

18 IN WITNESS WHEREOF, I, BRIAN C. McNEIL, Executive
19 Director of the Arizona Corporation Commission, have
20 hereunto, set my hand and caused the official seal of this
21 Commission to be affixed at the Capitol, in the City of
22 Phoenix, this _____ day of _____, 2008.

23 _____
24 BRIAN C. McNEIL
25 Executive Director

26 DISSENT: _____

27 DISSENT: _____

1 SERVICE LIST FOR: Ajo Improvement Company
DOCKET NO. L-00000G-97-0089

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3 C. Webb Crockett
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5 Fennemore Craig
3003 North Central Avenue, Suite 2600
6 Phoenix, Arizona 85012
Attorney for Ajo Improvement Company

7 Jennifer Boucek, Chairman
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