

GILA BEND POWER PARTNERS, LLC

5949 Sherry Lane, Suite1900

Dallas, Texas 75225-6553

Telephone: (214) 210-5000

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0000087132

ORIGINAL

July 30, 2007

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Arizona Corporation Commission
Utilities Division
1200 West Washington Street
Phoenix, AZ 85007
Attention: Ernest Johnson, Director

Arizona Corporation Commission
VIA OVERNIGHT DELIVERY
DOCKETED

JUL 31 2008

DOCKETED BY *mn*

Re: Self-Certification Letter
Arizona Corporation Commission – Decision #63552, as amended by Decision #69177;
Docket Control #L-00000V-00-0106; and
Self-Certification Letter
Arizona Corporation Commission – Decision#63762, as amended by Decision #69177;
Docket Control #L-00000V-01-0109

Dear Mr. Johnson:

Gila Bend Power Partners, LLC (“GBPP” or “Applicant”) submits this self-certification letter pursuant to the above Decision Number for the Certificate of Environmental Compatibility (“CEC”) for GBPP’s project in Gila Bend, AZ.

On or about December 5, 2006, the Arizona Corporation Commission issued Decision Number 69177 extending the expiration date of this CEC until February 7, 2011 (the “Extension Order”). The Extension Order added four additional conditions to the existing CEC, including among them the requirement that GBPP file a self-certification letter on or before August 1, 2007 and each August 1st thereafter. The Extension Order did not specifically state whether the new August self-certification letter was *in addition to* or *in lieu of* the annual certification letter GBPP has filed each February, nor did it indicate which of the CEC conditions were to be addressed in each letter.

Out of an abundance of caution, and consistent direction from the Arizona Corporation Commission staff prior to the original filing of the additional self-certification, GBPP elected to file a self-certification letter dated February 28, 2008 addressing the original CEC conditions and this letter representing self-certification with respect to the additional CEC conditions contained in the Extension Order. Should your office interpret the Extension Order differently, please advise at your earliest convenience and GBPP will remedy any deficiencies created by the uncertainty of the Extension Order. Further, should your office desire a single, consolidated self-certification letter instead of two self-certifications each year, GBPP would be obliged to provide same.

The activities relating to the conditions established by the Extension Order are as follows and the reference numbers correspond to the conditions as numbered in the Extension Order:

- 19. GBPP is filing this self-certification letter prior to August 1st, describing conditions that have been met as of June 30. Enclosed herewith are documents explaining or demonstrating compliance efforts for those conditions fulfilled or in the process of being fulfilled.

20. GBPP reports the status of its continuing actions to comply with Condition Numbers 1, 3, 4, 14 and 17 from Decision # 63552:

Condition 1. The construction of the power generation station has been delayed due to market conditions; however, its construction and operation will comply with applicable air and water pollution control standards and regulations, and with all applicable ordinances, master plans, and regulations of the State of Arizona, the County of Maricopa, the United States, and any other governmental entity having jurisdiction.

Condition 3. Not applicable at this time. GBPP is still in the planning phase and has not yet commenced construction of the plant and therefore a technical study regarding the sufficiency of the transmission capacity to the plant is premature and study results would be uncertain. GBPP will provide the Commission with such a study 12 months prior to the commercial operation of the plant.

Condition 4. GBPP has not yet entered into an interconnection agreement with a transmission provider. The Interconnect Agreement with the transmission provider will be submitted to the Arizona Corporation Commission when completed and signed.

Condition 14. GBPP has identified multiple higher education institutions in Arizona as potential partners for research on salt cedar-resistant vegetation. As GBPP has not yet begun construction of its facilities, it has not yet established new vegetation to be subject to such study.

Condition 17. In March 2008, GBPP participated in the Western Electricity Coordinating Council's Market Interface Committee and Planning Coordinating Committee meetings in Albuquerque, New Mexico. GBPP continues to monitor the energy needs in the area and recognizes the importance of the transmission line being completed in accordance with the needs of the integrated transmission grid.

21. GBPP has annually filed all required ten-year plans with the Commission in accordance with A.R.S. §40-360-2.A., a copy of the most recent of which is enclosed. Historical copies of ten year plans are available on request. GBPP participated in the Western Electricity Coordinating Council meetings in March 2008 in Albuquerque, New Mexico.
22. GBPP has not entered into a contract for capacity and energy production out of its plant.
23. Since the Extension Order, GBPP has not had an opportunity to participate in an appropriate workshop or other assessment of the natural gas infrastructure apart from the correspondence with El Paso Natural Gas Company, discussed further herein. GBPP will participate in any upcoming Commission-sponsored natural gas infrastructure workshops and requests the Staff advise of those that would be appropriate for GBPP to attend.
24. GBPP will pursue all necessary steps to ensure a reliable supply and delivery of natural gas for its plant.

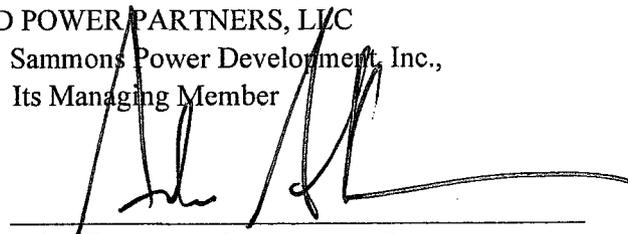
25. GBPP made the required request to El Paso Natural Gas Company and filed its letter and El Paso's response with the Commission on or about March 12, 2007. A copy of the self-certification letter regarding the communication with El Paso is enclosed.
26. Once operational, GBPP will offer as Ancillary Services, a total of 10% of its total plant capacity to: (a) the local control area with which it is interconnected, and (b) Arizona's regional ancillary services market (i) once a Regional Transmission Organization (RTO) is declared operational by FERC order, and (ii) until such time that an RTO is so declared, to a regional reserve sharing pool.
27. GBPP has not initiated or pursued a legal challenge to any of the conditions contained in the Extension Order.

Should you need any additional information, please do not hesitate to contact the undersigned.

Regards,

GILA BEND POWER PARTNERS, LLC

By: Sammons Power Development, Inc.,
Its: Its Managing Member

By: 
Adam H. Alexander, Assistant Secretary

Enclosures

cc: Arizona Attorney General (w/encls.)
Department of Commerce Energy Office (w/encls.)
Arizona Department of Water Resources (w/encls.)

GILA BEND POWER PARTNERS, LLC

5949 Sherry Lane, Suite1900

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March 12, 2007

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

VIA FEDERAL EXPRESS

Re: Gila Bend Power Partners, LLC
Docket Control #L-00000V-02-0106; Decision #69177

Dear Sir or Madam:

Gila Bend Power Partners, LLC ("GBPP" or "Applicant") files this self-certification letter regarding the above Decision Number for the Certificate of Environmental Compatibility ("CEC") for a project in Gila Bend, AZ.

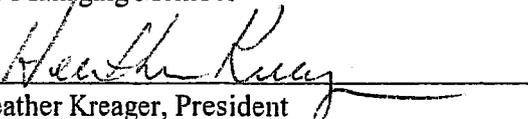
On or about December 5, 2006, the Arizona Corporation Commission issued Decision Number 69177 extending the expiration date of this CEC until April 12, 2011 (the "Extension Order"). The Extension Order added nine additional conditions to the existing CEC, including among them the requirement that GBPP make a request of El Paso Corporation regarding the operational integrity of certain of its Southern System facilities. See Extension Order, Exhibit A, Item 25 (hereafter the "El Paso Inquiry").

In compliance with the El Paso Inquiry, enclosed please find (a) GBPP's inquiry letter to El Paso Corporation, and; (b) El Paso Corporation's response. GBPP understands that in providing El Paso's response to the Commission, that GBPP's responsibilities with regard to the El Paso Inquiry are deemed fulfilled.

Regards,

GILA BEND POWER PARTNERS, LLC

By: Sammons Power Development, Inc.,
Its Managing Member

By: 
Heather Kreager, President

Enclosures

cc: El Paso Corporation

Gila Bend 17/003-ACC Dec 69177 self cert ltr re El Paso 3-07.doc

WRITER'S DIRECT DIAL NUMBER

(214) 210-5029

FAX: (214) 210-5087

E-MAIL: aalexander@sammonscorp.com

February 19, 2007

Via Federal Express

Thomas D. Hutchins, Director
EH&S, Pipelines
El Paso Corporation
1001 Louisiana Street
Houston, TX 77002

Re: Arizona Corporation Commission Docket No. L-00000V-00-0106; Decision No. 69177
Pipeline from Casa Grande Compressor Station to Wenden Compressor Station

Dear Mr. Hutchins:

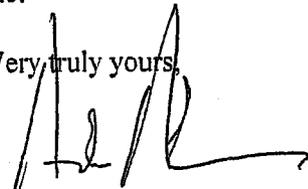
This office is corporate counsel to Sammons Power Development, Inc., the Managing Member of Gila Bend Power Partners, L.L.C. ("GBPP"). GBPP is a merchant electricity producer holding a Certificate of Environmental Compatibility ("CEC") issued by the Arizona Corporation Commission ("Commission") under the above-referenced docket and decision numbers.

In an Order docketed December 5, 2006, the Commission required GBPP to request that El Paso provide GBPP with

"a written report describing the operational integrity of El Paso's Southern System facilities from the Casa Grande Compressor Station to the Wenden Compressor Station," including "information regarding inspection, replacement and/or repairs performed in this segment of El Paso's pipeline facilities since 1996 and those planned through 2006" as well as "an assessment of subsidence impacts on the integrity of this segment of pipeline over its full cycle, together with any mitigation steps taken to date or planned in the future."

Please send the report containing the above-information to my attention at your earliest convenience. GBPP is obligated to notify the Commission if El Paso fails to respond to this request within 30 days. Should you need additional information or if this request should be directed to someone else, please do not hesitate to contact me.

Very truly yours,



ADAM H. ALEXANDER
Corporate Counsel

cc: Heather Kreager
Bob Innamorati



RECEIVED

MAR - 8 2007

SC - LEGAL

February 28, 2007

Sammons Corporation
5949 Sherry Lane, Suite 1900
Dallas, TX 75225

Attn: Mr. Adam H. Alexander

Re: Arizona Corporation Commission ("ACC") Docket No. L-00000V-00-0106; Decision No. 69177. Pipeline from Casa Grande Compressor Station to Wenden Compressor Station

Dear Mr. Alexander:

The El Paso Natural Gas Company ("EPNG") is in receipt of your letter dated February 19, 2007, requesting we provide your office with operational integrity information for our facilities located between Wenden and Casa Grande Compressor Stations. We understand this request was initiated by the ACC to Gila Bend Power Partners, L.L.C. ("GBPP") as a condition for obtaining a Certificate of Environmental Compatibility ("CEC")

EPNG operates multiple pipelines between these compressor stations. These pipelines are identified as the: 1100, 1103, 1110, 1600, and 2000. EPNG currently monitors these pipelines with monthly aerial patrols and we drive the rights of way at least once a year as part of our annual survey. These patrols and surveys serve to identify encroachment activity, subsidence or erosion conditions, and aid in determining whether any leaks in the pipelines are present. In addition to these patrols we have conducted or plan to conduct In-Line Inspections ("ILI") on each pipeline which can identify certain imperfections or deficient conditions that may exist. When the ILI tool detects anomalies that meet certain integrity related thresholds, we expose the pipe at the point of the detected anomaly and visually inspect the outside of the pipe and/or apply other sensing equipment to determine the nature of the detected anomaly. Where necessary, we repair or replace portions of the pipeline as appropriate according to our company policies and procedures.

The following table identifies each pipeline, the date of the ILI, the number of inspections made on the pipeline made as a result of the ILI data, and the number of repairs or pipe replacements made as a result of the inspections:

Line No.	Date of ILI	No. of Visual Inspections	Repairs/Replacements
1100	10/20/2004	34	6
1103	10/14/2004	28	3

1110	10/12/2004	18	3
1600	Scheduled for 2009	NA	NA
2000	12/11/2002	30	7

EPNG has not noted any occurrences of subsidence associated with these pipelines within the geographic limits identified in your request.

If we can provide you with additional information, please do not hesitate to contact us.

Sincerely,



Paul A. Lopez
Supervisor, DOT Compliance Services

cc: Thomas P. Morgan
Phil Baca
Pat Carey
Tom Hutchins
Daniel Schnee
Peter Jaskoski
Bennie Barnes

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January 28, 2008

VIA OVERNIGHT DELIVERY

Arizona Corporation Commission
Utilities Division
1200 West Washington Street
Phoenix, Arizona 85007

Re: 10-YEAR TRANSMISSION PLAN-2008

Gentlemen:

Enclosed please find 13 copies of the 10-Year Transmission Plan-2008 for Gila Bend Power Partners, LLC. The project is on hold due to current market conditions, so the plan has not been revised since Gila Bend's prior submission.

If you need anything further, please let me know.

Yours truly,



HEATHER KREAGER

HK:ags

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January 28, 2008

Arizona Corporation Commission
Utilities Division
1200 West Washington Street
Phoenix, Arizona 85007

Re: Transmission Line 10-year Plan – 2008

Gentlemen:

Gila Bend Power Partners, LLC is planning to build a 500KV Transmission line and related switchyard as part of the Gila Bend Power Project (GBPP) CEC Case 106, (approved 4/12/2001-extended 4/11/2011).

The following, as per A.R.S. 40-360.02, outlines the 10-year plan for a 500KV transmission line and related switchyard (CEC Case 109, approved 6/12/2001-extended 4/11/2011):

The 500KV transmission line will run from the GBPP site, in the northwest corner of Gila Bend along Watermelon Road to a new switchyard approximately one quarter mile east of Arizona State Highway, Route 85. (See attached interconnection diagram, Exhibit 2 and route map, Exhibit 3). At the new Switchyard, referred to as Watermelon Switchyard, the 500KV transmission line will interconnect with the Arizona Public Service Gila River Line, which connects the Watermelon Switchyard to the Jojoba Switchyard.

The GBPP and related transmission system was included in the Report on the "Preliminary Study for the Palo Verde Interconnection", dated 3/2/01, version (i) as well as the Report on Phase I Study of the Central Arizona Transmission System (CATS), dated 7/20/01.

Arizona Corporation Commission
Utilities Division
January 28, 2008
Page Two

The attached Exhibit I entitled Report on "The Gila Bend Power Partners, LLC's Generation Project System Impact Study" was prepared by James C. Hsu of Salt River Project to demonstrate flow and stability at the Watermelon Switchyard point of interconnection for the GBPP transmission line.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Heather Kreager", with a long horizontal flourish extending to the right.

HEATHER KREAGER

147100 – 10 year Plan

GILA BEND POWER PROJECT

2008 10-YEAR TRANSMISSION PLAN

Prepared for the:

**ARIZONA CORPORATION COMMISSION
UTILITY DIVISION**

BY: GILA BEND POWER PARTNERS, LLC

**Report on the Gila Bend Power Partners, LLC.'s
Generation Project System Impact Study**

**Prepared For the
Industrial Power Technology
And
Palo Verde E & O Committee**

**By
James C. Hsu
Salt River Project**

November 1, 2001

Version (C)

Gila Bend Power Partners Generation Project

System Impact Study Report

I. Introduction

Industrial Power Technology (IPT), on behalf of the Gila Bend Power Partners, LLC (GBPP) has requested Salt River Project (SRP) to perform a system impact study that will assist GBPP in the determination of the Palo Verde transmission system and the WSCC interconnected system impact of interconnecting the proposed GBPP Generation Project with the another proposed Panda Gila River Generation Project's planned Gila River-Jojoba 500 kV double circuit lines. These double circuit 500 kV lines will be tied to the existing Hassayampa-Kyrene 500 kV line. Currently, GBPP has proposed to build a combined cycle power plant of 833 MW in addition to the 2080 MW of new generation power plant proposed by the Gila River Panda Project (Panda) in the same vicinity. In response to this request, SRP has carried out the study work accordingly, and documented the study results in this brief report.

For this analysis, the proposed size of the GBPP project was assumed to be 833 MW. Coincident with the development of the GBPP project, a separate generation proposal called the Gila River Panda Project (2080 MW) is also being developed and it will be interconnected to the Palo Verde transmission system via a double circuit 500kV line from the Gila River generation site to Jojoba, a new switchyard that is being developed to interconnect the two 500kV lines with the existing Palo Verde – Kyrene 500kV line. The GBPP project will interconnect with the system via a new, single circuit 500kV line to Watermelon substation, a new switchyard the GBPP plans to build, located approximately 2 miles from the Gila River Power facility. The Gila River – Jojoba 500kV lines will be looped into the Watermelon switchyard. SRP's system analysis assessed the system impact of both the Gila River Panda and GBPP generation projects on the interconnected WSCC system.

SRP's analysis focused on the capability of the Palo Verde area transmission system to deliver a total of 2913 MW of new generation from both proposed projects (GBPP and Gila River Panda) into the interconnected system. The scope of the study was to identify any significant system impacts that may be caused by interconnecting the GBPP generation project with the Jojoba-Gila River double circuit 500 kV lines, the Hassayampa-Kyrene 500 kV line, and their associated switchyards. This study did not identify any mitigation measures that may be required as a result of system impacts attributable to the GBPP Generation Project. Therefore, neither a preliminary plan of service nor a cost estimate for interconnecting the Proposed Generation Project with the existing and planned 500 kV transmission system was provided.

The purpose of this System Study was to assess the impact of the GBPP project on the Palo Verde transmission and the integrated WSCC EHV transmission system. The study is comprised of limited power flow and stability studies, but does not include any short circuit, post-transient power flow or subsynchronous resonance studies. Any conclusions presented from this System Impact Study represent the opinion of SRP and not necessarily the opinion of the Palo Verde Transmission System Engineering and Operating Committee.

The following two transmission configurations were assessed in this analysis:

Configuration 1:

The GBPP Project will be interconnected to the planned Jojoba-Gila River 500 double circuit lines at a location approximately 2 miles from the Gila River 500 kV switchyard (Watermelon substation). This transmission configuration assumed that the Gila River Generating Project would install a 500/230 kV transformer at their Gila River substation to accommodate an interconnection of the existing Liberty-Gila Bend 230 kV line.

Configuration 2:

Configuration 2 represents the same 500 kV transmission configuration as Configuration 1, however, the 500/230 kV transformer at the Gila River 500kV substation was not modeled.

II. Review of Panda System Development and Pertinent Study Results

Included in the "Report on the Preliminary Study For the Palo Verde Interconnection" and "Report on the Panda Generation Project Sensitivity Study", some technical study results pertinent to the Panda Generation Project and the impact assessment of its system development were documented in a number of different sections throughout these reports. It should be pointed out that these study results varied depending upon the system conditions, system models and the Panda's transmission network used in those studies. The following table summarizes the study results, associated information, and specific references from these reports.

New Generation Accommodated	Panda Interconnection To Palo Verde	Panda 500/230 KV Transformer	Transmission Constraint	Reference
4,850 MW (Including Panda 1250 MW & PDE 550 MW GEN)	Panda Project Looping in & out of PV-KY line	No	Thermal and Stability	PV Interconnection Study Report Section.III.B2 (Pg.27) Exhibit.2
5,240 MW (Including Panda 1640 MW & PDE 550 MW GEN)	Building Jojoba-Panda 500 KV double circuit lines and Jojoba cutting into PV-Kyrene line	Yes (with 390 MW flow)	Thermal and Stability	Panda Project Sensitivity Study Report Section III.1&2 (Pg.4) Tables PF-7 & TS-15

These previous study results revealed the following observations:

1. For the 2003 heavy summer condition with the addition of Palo Verde-Estrella line, "New Generation" in the amount of 4,850 MW can be accommodated by the Palo Verde transmission system without installation of a Panda 500/230 kV transformer.
2. Approximately 390 MW increase in the Panda Gila River Generation Plant output can be dispatched if the Panda project is interconnected with the Arizona local 230 kV transmission system by installing a 500/230 kV transformer.
3. The Palo Verde transmission thermal limits were constrained by the respective continuous rating of either the Hassayampa-N. Gila 500 kV line or the Hassayampa-Kyrene 500 kV line.
4. The Palo Verde stability limit was determined by a three-phase fault on the Palo Verde 500 kV bus and a subsequent loss of both Palo Verde-Westwing 500 kV lines.

As mentioned in the summary table above, the Panda sensitivity studies were performed based on the following assumptions:

1. The Panda Gila River Generation Project (Panda Gen) was the only project to interconnect with the Hassayampa-Kyrene 500 kV line.
2. The GBPP Generation Project was interconnected to the Hassayampa 500 kV Switchyard via a single circuit 500 kV line.
3. The generation output for the Panda Gen and GBPP projects were not maximized. The Panda Gen Project was dispatched in the ranges of 1250 MW to 1640 MW and PDE Gen Project was dispatched at 550 MW.

The current plan, as proposed by GBPP, is to interconnect with the Jojoba-Gila River 500 kV double circuit lines at an intersection about 2 miles north of the Gila River 500 kV Switchyard (Watermelon). Given these modifications in system representation, it was necessary to perform additional study work to assess the impact of these system modifications on the Palo Verde and the interconnected WSCC system with an emphasis on dispatching the maximum generation for both Panda Gen Project (2080 MW) and GBPP Generation Project (833 MW).

III. Conclusions

Based on the results of this impact study, the following was concluded:

1. The maximum generation that can be scheduled out of the Gila River vicinity to the Arizona and California load centers is a function of the capability of some of the Palo Verde transmission system components. This transmission capability is based on a thermal limitations on either the Hassayampa- N. Gila line 500 kV line or the Hassayampa-Kyrene 500 kV line.

- a) The maximum GBPP generation that can be accommodated by the Configuration 1 transmission system (without Panda 500/230 kV transformer) is about 583 MW if the Panda Gila River generation is maximized at 2080 MW output.
 - b) The maximum new GBPP generation can be increased to 683 MW for the Configuration 2 transmission system (with Panda 500/230 kV transformer) if the Panda generation was still at its maximum output of 2080 MW.
2. The interconnection of the proposed GBPP Generation Project with the respective amount of power schedule noted in 1.a and 1.b above will not have any adverse impact on the Palo Verde Nuclear Plant, its associated transmission system, and the WSCC interconnected system.
 3. The common corridor outage for a simultaneous loss of both Jojoba-Gila River double circuit 500 kV lines and a subsequent trip of combined maximum generation output (a total of 2911 MW) will not cause a stability problem. The interconnected transmission system can withstand such critical outage without causing wide spread cascading outages. The consequence of this double circuit outage is comparable to the result of a simultaneous trip of two Palo Verde generators. Both double contingencies are acceptable and meet the WSCC Performance Criteria Level C.
 4. The stability performance resulting from a three-phase fault on the Palo Verde 500 kV bus and fault cleared by loss of both two Palo Verde-Westwing 500 kV lines became less severe due to power flow displacement for these two critical lines when more Panda and GBPP generation was dispatched at the Gila River location, which is further away from the Palo Verde vicinity.

IV. Discussion on Study Results

(A) Power Flow Impact

The following technical discussion is based on the various system conditions studied and demonstrate no adverse power flow impact on the Palo Verde and the Southwest interconnected transmission system due to the Gila River interconnection of the GBPP Generation Project.

1. Configuration 1 (Without Panda 500/230 kV Connection):

(See PF-TABLE 1)

Benchmark System (Without GBPP Project):

For base case conditions, that included accommodation of new generation of 4,650 MW by the Palo Verde transmission system, the heaviest loadings on both the Hassayampa-N. Gila and Jojoba-Kyrene 500 kV lines were occurred. They were reached at 100.5% and 100.4% of their continuous ratings, respectively. Neither N-1 contingency problems nor low system voltages were noted.

Post-GBPP System (With GBPP Project):

For base case conditions with 4,650 MW of new generation that included the power schedule of 833 MW of GBPP generation and 2080 MW of Panda Gila River generation to deliver to the Palo Verde transmission system, the heaviest loadings on both the Hassayampa-N. Gila and Jojoba-Kyrene 500 kV lines occurred. Flow on these lines reached 100.6% and 106.4% of their continuous ratings, respectively. A slight overload also occurred on the remaining Jojoba-Gila River Tap 500 kV line (101.1% of its emergency rating) for loss of one Jojoba-Gila River Tap 500 kV line.

Further studies indicated that these overloading problems could be overcome if the GBPP generation output was reduced to 583 MW. As a result, the loading on the Jojoba-Kyrene 500 kV line was reduced to 100.3% of its continuous rating. The remaining Gila River Tap-Jojoba 500 kV line loading was reduced to 91.5% of its emergency rating for a loss of one Gila River Tap-Jojoba 500 kV line.

1. Configuration 2 (With Panda 500/230 kV Connection):

(See PF-TABLE 2)

Benchmark System (Without GBPP Project):

For base case conditions, that included accommodation of new generation of 5,040 MW by the Palo Verde 500 kV and local 230 kV transmission systems, the heaviest loadings on both the Hassayampa-N. Gila and Jojoba-Kyrene 500 kV lines occurred. Flows on these lines reached 100.1% and 100.0% of their continuous ratings, respectively. No N-1 contingency problems or low system voltages were noted.

Post-GBPP System (With GBPP Project):

For base case conditions with 5,070 MW of new generation that included the power schedule of 833 MW of GBPP generation and 2080 MW of Panda Gila River generation to deliver to the Palo Verde 500 kV and local 230 kV transmission systems, the heaviest loadings on both the Hassayampa-N. Gila and Jojoba-Kyrene 500 kV lines occurred. They reached 100.2% and 104.6% of their continuous ratings, respectively. No overload occurred on the remaining Jojoba-Gila River Tap 500 kV line (84.1% of its emergency rating) for loss of one Jojoba-Gila River Tap 500 kV line. No voltage problems were detected for any N-1 contingencies.

Further studies indicated that this overloading problem could be overcome if the GBPP generation output was reduced to 683 MW. As a result, the loading on the Jojoba-Kyrene 500 kV line was reduced to 100.3% of its continuous rating. The remaining Gila River Tap-Jojoba 500 kV line loading was reduced to 79.0% of its emergency rating for a loss of one Gila River Tap-Jojoba 500 kV line.

(B) Transient Stability Impact

The stability analysis based on the following various system conditions indicated that no adverse impact on the Palo Verde plant stability and the integrated WSCC transmission system due to the interconnection of the GBPP Generation Project to the Palo Verde transmission system.

1. Configuration 1 (Without Panda 500/230 kV Connection):

(See TS-TABLE 1)

Benchmark System (Without GBPP Gen Project):

The following three N-2 contingency outages were established for stability benchmark performance using the pre-GBPP Project power flow limit case:

- (a) Three-phase fault at the Jojoba 500 kV bus with outage of two Jojoba-Gila River 500 kV lines and a subsequent trip Panda generation of 2080 MW
- (b) A simultaneous trip of two Palo Verde generators (loss of 2909 MW generation)
- (c) Three-phase fault at the Palo Verde 500 kV bus with outage of two Palo Verde-Westwing 500 kV lines

For the Pre-GBPP Project benchmark system, the stability results showed that all three N-2 contingency outages were stable and damped. The worst case was a simultaneous loss of two Palo Verde generators (loss of 2809 MW generation). This case resulted in a maximum transient voltage dip of 0.86 P.U. (22% deviation) at the Malin 500 kV bus. The next worst case was a three-phase fault at the Palo Verde 500 kV bus and fault cleared by the loss of two Palo Verde-Westwing 500 kV circuits. This case resulted in maximum voltage dips of 0.91 P.U. (15% deviation) and 0.92 P.U. (16% deviation) respectively, at the Palo Verde and Malin 500 kV buses. The least critical case was a three-phase fault at the Jojoba 500 kV bus with outage of two Jojoba-Gila River 500 kV circuits and a subsequent trip of 2080 MW of Panda generation. This case caused a maximum transient voltage dip of 0.95 P.U. (13% deviation) at the Malin 500 kV bus.

Post-GBPP(833 MW) Project System (With GBPP Project):

All three contingency outages simulated for the Pre-Project system were also tested in the Post-Project system. All stability results were stable and damped. The worst case was a three-phase fault at the Jojoba 500 kV bus with outage of two Jojoba-Gila River 500 kV circuits and a subsequent trip of about 2900 MW of combined Panda and GBPP generation. This case resulted in a maximum transient voltage dip of 0.81 P.U. (27% deviation) at the Malin 500 kV bus. The next worst case was a simultaneous loss of two Palo Verde generators (loss of 2809 MW generation). This case resulted in a maximum transient voltage dip of 0.86 P.U. (22% deviation) at the Malin 500 kV bus. The least critical case was a three-phase fault at the Palo Verde 500 kV bus with fault cleared by the loss of two Palo Verde-Westwing 500 kV circuits. This case resulted in maximum voltage dips of 0.95 P.U. (11% deviation) and 0.98 P.U. (10% deviation) respectively, at the Palo Verde and Malin 500 kV buses.

2. Configuration 2 (With Panda 500/230 kV Connection):

(See TS-TABLE 2)

Benchmark System (Without GBPP Project):

The following three N-2 contingency outages were established for stability benchmark performance using the pre-GBPP Project power flow limit case:

- (a) Three-phase fault at the Jojoba 500 kV bus with outage of two Jojoba-Gila River 500 kV lines and a subsequent trip Panda generation of 1560 MW
- (b) A simultaneous trip of two Palo Verde generators (loss of 2809 MW generation)
- (c) Three-phase fault at the Palo Verde 500 kV bus with outage of two Palo Verde-Westwing 500 kV lines

For the Pre-GBPP Project benchmark system, the stability results showed that all three N-2 contingency outages were stable and damped. The worst case was a simultaneous loss of two Palo Verde generators (loss of 2809 MW generation). This case resulted in a maximum transient voltage dip of 0.86 P.U. (22% deviation) at the Malin 500 kV bus. The next worst case was a three-phase fault at the Palo Verde 500 kV bus and fault cleared by the loss of two Palo Verde-Westwing 500 kV circuits. This case resulted in maximum voltage dips of 0.95 P.U. (11% deviation) and 0.98 P.U. (10% deviation) respectively, at the Palo Verde and Malin 500 kV buses. The least critical case was a three-phase fault at the Jojoba 500 kV bus with outage of two Jojoba-Gila River 500 kV circuits and a subsequent trip of 1560 MW of Panda generation. This case caused a maximum transient voltage dip of 0.98 P.U. (13% deviation) at the Malin 500 kV bus.

Post-GBPP(833 MW) Project System (With GBPP Project):

All three contingency outages simulated for the Pre-Project system were also tested in the Post-Project system. All stability results were stable and damped. The worst case was a simultaneous loss of two Palo Verde generators (loss of 2809 MW). This case resulted in a maximum transient voltage dip of 0.86 P.U. (22% deviation) at the Malin 500 kV bus. The next worst case was a three-phase fault at the Jojoba 500 kV bus with outage of two Jojoba-Gila River 500 kV circuits and a subsequent trip of about 2393 MW of combined Panda and GBPP generations. This case caused a maximum transient voltage dip of 0.90 P.U. (18% deviation) at the Malin 500 kV bus. The least critical case was a three-phase fault at the Palo Verde 500 kV bus with fault cleared by the loss of two Palo Verde-Westwing 500 kV circuits. This case resulted in maximum voltage dips of 0.95 P.U. (11% deviation) and 0.98 P.U. (10% deviation) respectively, at the Palo Verde and Malin 500 kV buses.

V. Exhibit

Exhibit 1 shows a one-line system diagram of transmission alternatives associated with the GBPP interconnection.

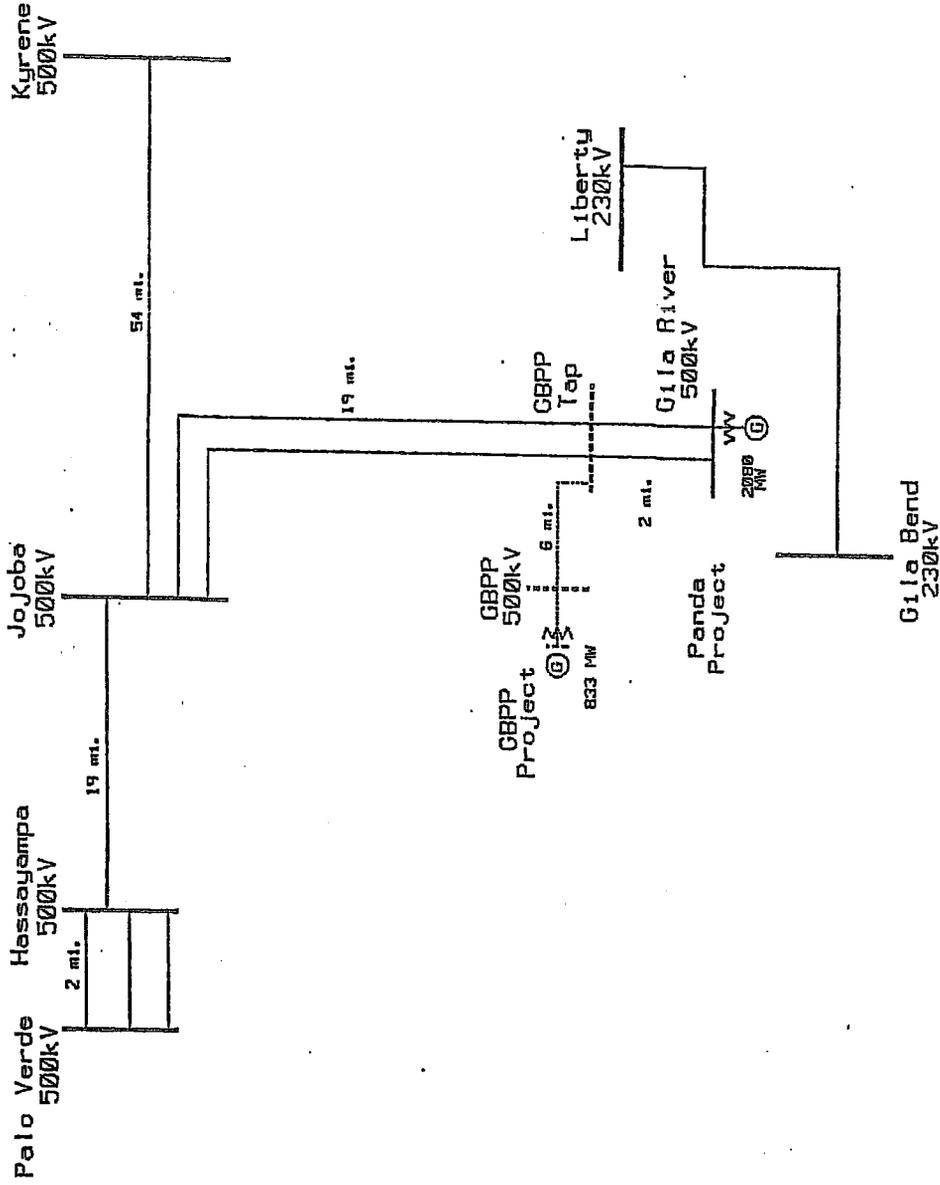
VI. Summary Tables of Study Results

(The attached tables summarize the study results)

1. PF-Table 1: Power Flow Impact With And Without GBPP (833 MW) Project
(Without the Panda Gila River 500/230 KV Transformer)
2. TS-Table1: Stability Impact With And Without GBPP (833 MW) Project
(Without the Panda Gila River 500/230 KV Transformer)
3. PF-Table 2: Power Flow Impact With And Without GBPP (833 MW) Project
(With the Panda Gila River 500/230 KV Transformer)
2. TS-Table 2: Stability Impact With And Without GBPP (833 MW) Project
(With the Panda Gila River 500/230 KV Transformer)

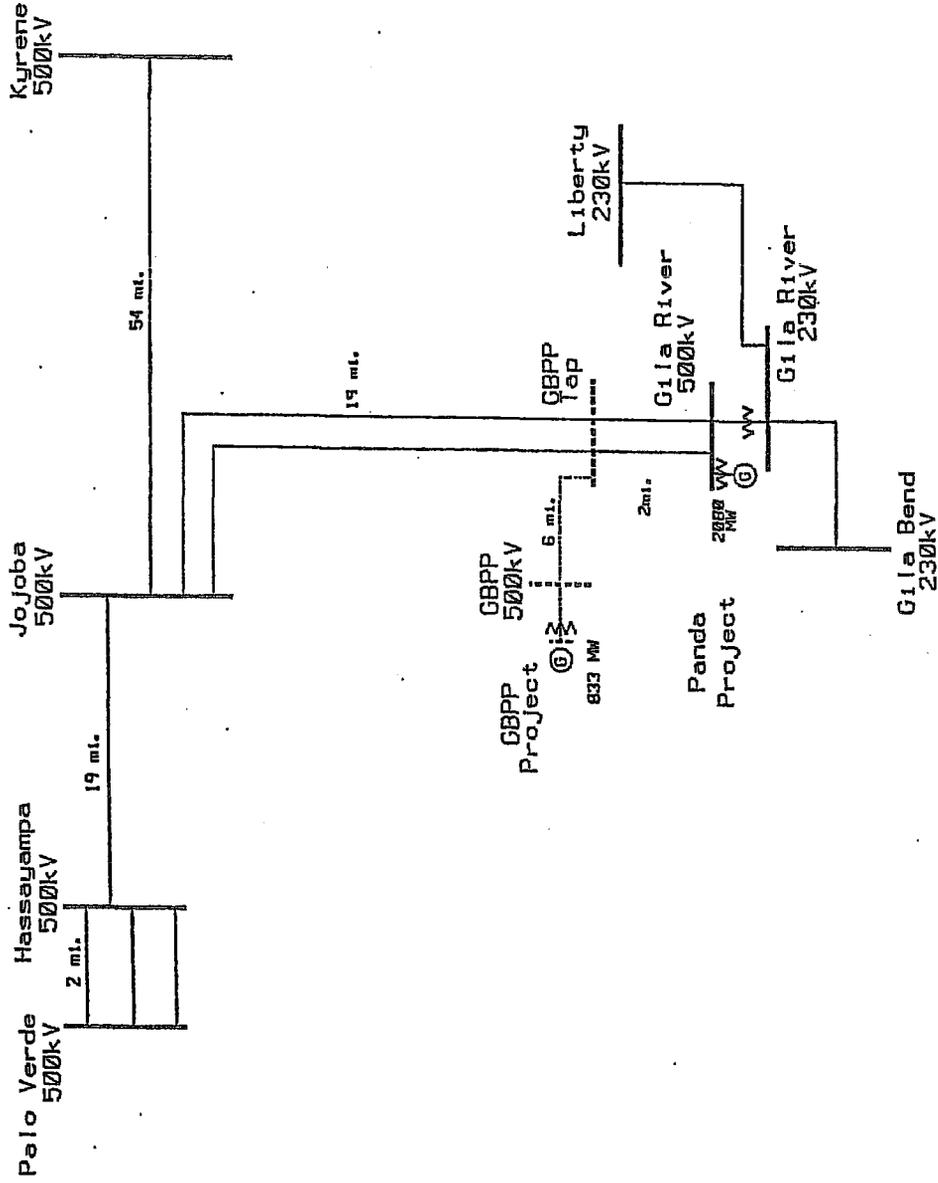
GILA BEND POWER PARTNERS (GBPP) GENERATION PROJECT TRANSMISSION ALTERNATIVE 1

Configuration 1: GBPP Project w/o Panda 500/230KV Transformer



GILA BEND POWER PARTNERS (GBPP) GENERATION PROJECT TRANSMISSION ALTERNATIVE 2

Configuration 2: GBPP Project w/ Panda 500/230KV Transformer



PF-TABLE 1
POWER FLOW IMPACT WITH AND WITHOUT THE GBPP(833MW) GEN PROJECT
(WITHOUT THE PANDA GILA RIVER 500/230 KV TRANSFORMER)

BENCH MARK	CASE DESCRIPTION	FOR GBPP PANDA RIVER NEW PANDA		PV- N.G. (MW)	PV- DV (MW)	PV- WWG#1 (MW)	PV- WWG#2 (MW)	JOJOBA KVR (MW)	GILA RIVER JOJOBA#1 (MW)	PV- EST (MW)	PPK 230KV (PU)	KYR 230KV (PU)	COMMENTS						
		(MW)	(MW)	(MW)	(MW)	(MW)	(MW)	(MW)	(MW)										
PDE-01	BASE CASE FLOW	1400	1400	1400	1400	1400	1400	1400	1400	1400	1400	1400	1400	1400	1400	1400	1.03	1.01	5% MAX 5% MAX
ALT A	FACILITY RATING	1483	1483	1483	1483	1483	1483	1483	1483	1483	1483	1483	1483	1483	1483	1483	1.02	1.00	NO PROBLEM
ALT B	ONE PALO VERDE-WWG OUT	1458	1458	1458	1458	1458	1458	1458	1458	1458	1458	1458	1458	1458	1458	1458	1.01	0.99	NO PROBLEM
ALT C	ONE PALO VERDE-ESTRELLA OUT	1496	1496	1496	1496	1496	1496	1496	1496	1496	1496	1496	1496	1496	1496	1496	1.00	0.98	NO PROBLEM
ALT D	ONE JOJOB-KYRENE OUT	1407	1407	1407	1407	1407	1407	1407	1407	1407	1407	1407	1407	1407	1407	1407	1.03	1.01	NO PROBLEM

BENCH MARK	CASE DESCRIPTION	FOR GBPP PANDA RIVER NEW PANDA		PV- N.G. (MW)	PV- DV (MW)	PV- WWG#1 (MW)	PV- WWG#2 (MW)	JOJOBA KVR (MW)	GILA RIVER JOJOBA#1 (MW)	PV- EST (MW)	PPK 230KV (PU)	KYR 230KV (PU)	COMMENTS						
		(MW)	(MW)	(MW)	(MW)	(MW)	(MW)	(MW)	(MW)										
PDE-02	BASE CASE FLOW	1400	1400	1400	1400	1400	1400	1400	1400	1400	1400	1400	1400	1400	1400	1400	1.03	1.01	EXCEEDS NO LIMITATION
ALT A	FACILITY RATING	1483	1483	1483	1483	1483	1483	1483	1483	1483	1483	1483	1483	1483	1483	1483	1.02	1.00	NO PROBLEM
ALT B	ONE PALO VERDE-WWG OUT	1458	1458	1458	1458	1458	1458	1458	1458	1458	1458	1458	1458	1458	1458	1458	1.01	0.99	NO PROBLEM
ALT C	ONE PALO VERDE-ESTRELLA OUT	1506	1506	1506	1506	1506	1506	1506	1506	1506	1506	1506	1506	1506	1506	1506	1.00	0.97	NO PROBLEM
ALT D	ONE JOJOB-KYRENE OUT	1409	1409	1409	1409	1409	1409	1409	1409	1409	1409	1409	1409	1409	1409	1409	1.03	1.00	EXCEEDS NO LIMITATION
PDE-02R	BASE CASE (IN MW)	1257	1257	1257	1257	1257	1257	1257	1257	1257	1257	1257	1257	1257	1257	1257	1.03	1.01	EXCEEDS NO LIMITATION
ALT D	ONE JOJOB- GILA RIVER OUT	1400	1400	1400	1400	1400	1400	1400	1400	1400	1400	1400	1400	1400	1400	1400	1.03	1.00	NO PROBLEM

TS-TABLE 1

STABILITY IMPACT WITH AND WITHOUT THE GBPP(833 MW) GENERATION PROJECT
(WITHOUT THE PANDA GILA RIVER 500/230 KV TRANSFORMER)

CASE NO.	CASE DESCRIPTION	POWER FLOW (MW)										STABILITY RESULTS				
		SCIT FLOW	EOR FLOW	COI FLOW	GBPP GEN	PANDA GEN	PVNG GEN	PVNG MARG	NEW GEN	PV/NEW TOT	PANDA 500/230	PV500 (P.U.)	MA500 (P.U.)	COMMENTS		
<p>2003HS-PDE-01 BASE CASE (2003HS-PDE-01)</p>																
STAB-1	3 PH FLT @ JOJOBA 500KV BUS L/O TWO JOJOBA-GILA RIVER (TRIP PANDA GENERATION OF 2080 MW)													1.03 3% Dip	0.95 13% Dip	STABLE & DAMPED
STAB-2	L/O TWO PALO VERDE UNITS (TRIP A TOTAL OF 2809 MW GEN)													1.04 2% DIP	0.86 22% DIP	STABLE & DAMPED
STAB-3	3 PH FLT @ PV 500 KV BUS L/O TWO PV-WWG													0.91 15% Dip	0.92 16% Dip	STABLE & DAMPED

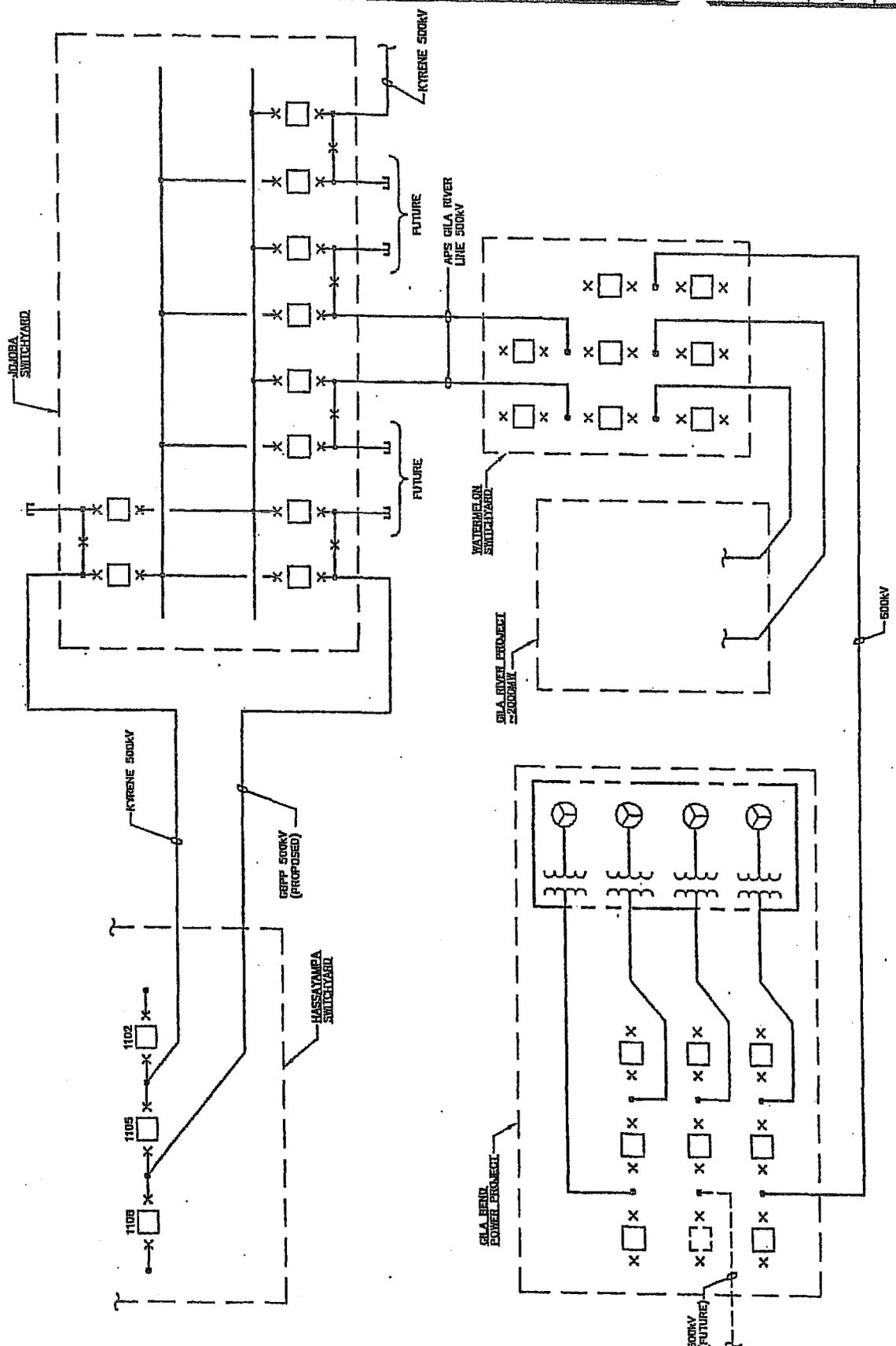
CASE NO.	CASE DESCRIPTION	POWER FLOW (MW)										STABILITY RESULTS				
		SCIT FLOW	EOR FLOW	COI FLOW	GBPP GEN	PANDA GEN	PVNG GEN	PVNG MARG	NEW GEN	PV/HSP TOT	PANDA 500/230	PV500 (P.U.)	MA500 (P.U.)	COMMENTS		
<p>2003HS-PDE-02 BASE CASE (2003HS-PDE-02)</p>																
STAB-1	3 PH FLT @ JOJOBA 500KV BUS L/O TWO JOJOBA-GILA RIVER (TRIP PDE & PANDA GENERATION A TOTAL OF 2811 MW)													1.03 3% Dip	0.81 27% Dip	STABLE & DAMPED
STAB-2	L/O TWO PALO VERDE UNITS (TRIP A TOTAL OF 2809 MW GEN)													1.04 2% Dip	0.66 22% Dip	STABLE & DAMPED
STAB-3	3 PH FLT @ PV 500 KV BUS L/O TWO PV-WWG													0.85 11% Dip	0.98 10% Dip	STABLE & DAMPED

ADDED NO ADDITIONAL NEW GEN.

TS-TABLE 2

STABILITY IMPACT WITH AND WITHOUT THE GBPP(833 MW) GENERATION PROJECT
(WITH THE PANDA GILA RIVER 500/230 KV TRANSFORMER)

CASE NO.	CASE DESCRIPTION	POWER FLOW (MW)										STABILITY RESULTS									
		SCIT FLOW	EOR FLOW	COI FLOW	GBPP GEN	PANDA GEN	PVNG GEN	PVNG MARG	NEW GEN	PV/NEW TOT	PANDA 500/230	PV500 (P.U.)	MA500 (P.U.)	COMMENTS							
WITHOUT GBPP GENERATION																					
2003HS - BASE CASE																					
(2003HS-PDE-03)																					
STAB-1	3 PH FLT @ JOJOBA 500KV BUS L/O TWO JOJOBA-GILA RIVER (TRIP PANDA GENERATION OF 1560 MW; 3 UNITS OUT OF TOTAL4)												1.03	0.98	3% Dip	10% Dip	STABLE & DAMPED				
STAB-2	L/O TWO PALO VERDE UNITS (TRIP A TOTAL OF 2809 MW GEN)												1.04	0.86	2% Dip	22% Dip	STABLE & DAMPED				
STAB-3	3 PH FLT @ PV 500 KV BUS L/O TWO PV-WWG												0.95	0.98	11% Dip	10% Dip	STABLE & DAMPED				
WITH GBPP GENERATION																					
2003HS - BASE CASE																					
(2003HS-PDE-04)																					
STAB-1	3 PH FLT @ JOJOBA 500KV BUS L/O TWO JOJOBA-GILA RIVER (TRIP PDE=833MW & PANDA=1560 MW; A TOTAL OF 2393 MW GEN)																1.03	0.90	3% Dip	18% Dip	STABLE & DAMPED
STAB-2	L/O TWO PALO VERDE UNITS (TRIP A TOTAL OF 2809 MW GEN)																1.04	0.86	2% Dip	22% Dip	STABLE & DAMPED
STAB-3	3 PH FLT @ PV 500 KV BUS L/O TWO PV-WWG																0.95	0.98	11% Dip	10% Dip	STABLE & DAMPED



Comments

No.	Revisions	Date

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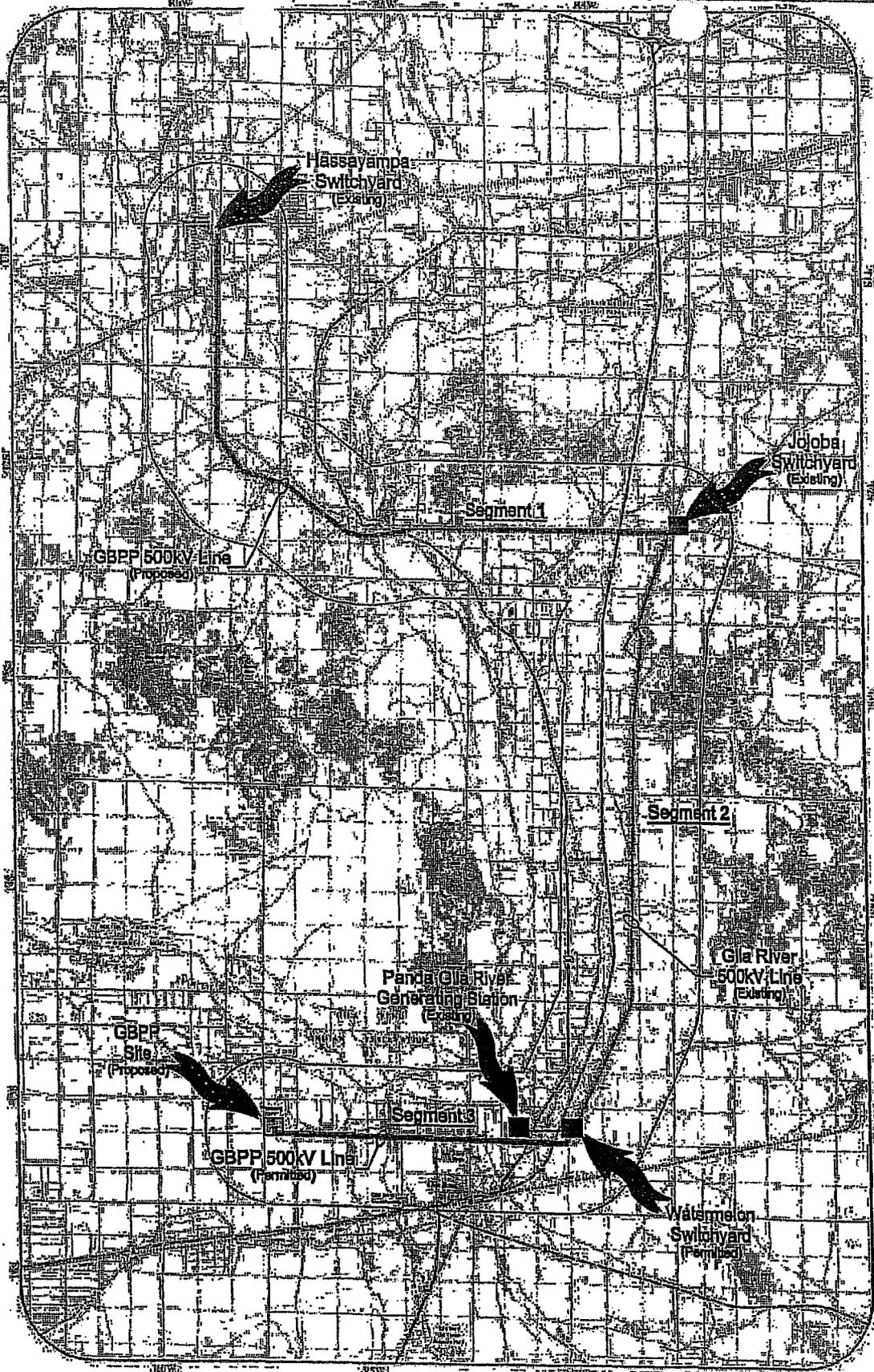
INTERCONNECTION
DIAGRAM

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BY	DATE
DESIGN	DRAWN
ENG.	ENG.
Job Number	Date
147100	8/8/03
Sheet Number	

Fig 1

1 of 2 sheets



Consultants

No.	Revisions	Date

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ROUTE
MAP

20030205.14123
DESIGN DRAWING
Job Number 147100 Date 2/4/03
Sheet Number

Fig 2

1 of 3 sheets