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BEFORE THE ARIZONA POWER PLANT AND TRANSMISSION LINE SITING COMMITTEE

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ARIZONA CORPORATION COMMISSION
DOCKET OFFICE

IN THE MATTER OF THE APPLICATION OF ARIZONA PUBLIC SERVICE COMPANY, IN CONFORMANCE WITH THE REQUIREMENTS OF ARIZONA REVISED STATUTES §§ 40-360, et seq., FOR A CERTIFICATE OF ENVIRONMENTAL COMPATIBILITY AUTHORIZING THE TS-5 TO TS-9 500/230kV TRANSMISSION LINE PROJECT, WHICH ORIGINATES AT THE FUTURE TS-5 SUBSTATION, LOCATED IN THE WEST HALF OF SECTION 29, TOWNSHIP 4 NORTH, RANGE 4 WEST AND TERMINATES AT THE FUTURE TS-9 SUBSTATION, LOCATED IN SECTION 33, TOWNSHIP 6 NORTH, RANGE 1 EAST, IN MARICOPA COUNTY, ARIZONA

Docket No. L-00000D-08-0330-00138

Case No. 138

NOTICE OF FILING PROPOSED CERTIFICATE OF ENVIRONMENTAL COMPATIBILITY AND WITNESS SUMMARIES

Pursuant to Chairman Foreman's July 2, 2008 Procedural Order, Arizona Public Service Company ("APS") files the attached witness summaries for Mike DeWitt, Jennifer Frownfelter and John Lucas. APS is also filing with this Notice a proposed form of Certificate of Environmental Compability.

RESPECTFULLY submitted this 8th day of August, 2008.

Arizona Corporation Commission
DOCKETED

AUG - 8 2008

DOCKETED BY []

LEWIS AND ROCA LLP

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Attorneys for Arizona Public Service Company

1 **ORIGINAL** and twenty-five (25) copies
2 of the foregoing filed this 8th day
3 of August, 2008, with:

4 The Arizona Corporation Commission
5 Utilities Division – Docket Control
6 1200 W. Washington Street
7 Phoenix, Arizona 85007

8 **COPY** of the foregoing hand-delivered
9 and served electronically
10 this 8th day of August, 2008, to:

11 John Foreman, Chairman
12 Arizona Power Plant and Transmission Line Siting Committee
13 Office of the Attorney General
14 PAD/CPA
15 1275 W. Washington Street
16 Phoenix, Arizona 85007

17 Charles H. Hains
18 Legal Division
19 Arizona Corporation Commission
20 1200 W. Washington Street
21 Phoenix, Arizona 85007

22 **COPY** of the foregoing served electronically
23 this 8th day of August, 2008, to:

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29 Attorneys for 10,000 West, L.L.C.

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APS TS-5 TO TS-9 500/230kV TRANSMISSION LINE PROJECT
Docket No. L-00000D-08-0330-00138

WITNESS SUMMARY
of
MIKE DEWITT

August 8, 2008

Mr. DeWitt is the APS TS5 to TS9 Project Manager. His testimony will include a description of the project, a discussion of the project need and benefits and a review of the outreach and public participation process. With respect to project description, he will discuss the preferred and alternative routes, the selection process and decision factors used, corridor widths, jurisdiction and surface management, project cost and facility descriptions. With respect to project need and benefits, he will explain how the 500kV circuit improves system reliability and transfer capability and increases access to remote generation, including renewable generation. With respect to the 230kV circuit, he will discuss the need for additional 230kV backbone in a growing area in which over 60 developments are planned as well as the benefits of consolidating the 230kV circuit with the 500kV circuit. With respect to outreach and public participation, Mr. DeWitt will present a DVD summarizing the public process and will identify stakeholder meetings, legal notices, signs and similar public outreach. He will also discuss the positions of the major stakeholders, including jurisdictions and agencies. More details with respect to Mr. DeWitt's testimony are contained in the presentation slides which have been provided to the Siting Committee and the intervenors.

**APS TS-5 TO TS-9 555/230kV TRANSMISSION LINE PROJECT
Docket No. L-00000D-08-0330-00138**

**WITNESS SUMMARY
of
Jennifer Frownfelter**

August 8, 2008

Ms. Frownfelter is the Project Manager for URS, APS' environmental consultant for the TS-5 to TS-9 500/230kV Transmission Line Project ("Project"). Her testimony will include a discussion of the environmental study process, a video tour of the preferred route and alternatives, and a summary of the environmental analysis results. With respect to the environmental study process, she will explain the data collection and data evaluation processes undertaken for the Project. For the video tour, Ms. Frownfelter will present a video showing the preferred route and alternatives using aerial photography. In her discussion of the environmental analysis results, Ms. Frownfelter will present findings and conclusions with respect to land use, visual resources (including simulations from key observation points), cultural resources, and biological resources, and will provide her expert opinion concerning the environmental compatibility of the Project. More details with respect to Ms. Frownfelter's testimony are contained in the presentation slides which have been provided to the Siting Committee and the intervenors.

**APS TS-5 TO TS-9 500/230kV TRANSMISSION LINE PROJECT
Docket No. L-00000D-08-0330-00138**

**WITNESS SUMMARY
of
JOHN LUCAS**

August 8, 2008

Mr. Lucas is the APS Transmission Planning and Engineering Manager for APS. His testimony will relate to the need for this project. Specifically, he will discuss the increased reliability and transfer capability resulting from this project. Mr. Lucas' testimony is described in more detail in his slide presentation provided to the Siting Committee and intervenors.

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

3
4 IN THE MATTER OF THE)
5 APPLICATION OF ARIZONA PUBLIC)
6 SERVICE COMPANY, IN)
7 CONFORMANCE WITH THE)
8 REQUIREMENTS OF ARIZONA)
9 REVISED STATUTES §§ 40-360, *et seq.*,)
10 FOR A CERTIFICATE OF)
11 ENVIRONMENTAL COMPATIBILITY)
12 AUTHORIZING THE TS-5 TO TS-9)
13 500/230kV TRANSMISSION LINE)
14 PROJECT, WHICH ORIGINATES AT)
15 THE FUTURE TS-5 SUBSTATION,)
16 LOCATED IN THE WEST HALF OF)
17 SECTION 29, TOWNSHIP 4 NORTH,)
18 RANGE 4 WEST AND TERMINATES AT)
19 THE FUTURE TS-9 SUBSTATION,)
20 LOCATED IN SECTION 33, TOWNSHIP)
21 6 NORTH, RANGE 1 EAST, IN)
22 MARICOPA COUNTY, ARIZONA)

Docket No. L-00000D-08-0330-00138

Case No. 138

23 **CERTIFICATE OF ENVIRONMENTAL COMPATIBILITY**

24 Pursuant to notice given as provided by law, the Arizona Power Plant and
25 Transmission Line Siting Committee (the "Committee") held public hearings on
26 August 18 and 19, 2008, and September 8 and 9, 2008, all in conformance with the
requirements of Arizona Revised Statutes ("A.R.S.") §§ 40-360, *et seq.*, for the purpose of
receiving evidence and deliberating on the Application of Arizona Public Service
Company ("Applicant") for a Certificate of Environmental Compatibility ("Certificate") in
the above-captioned case (the "Project").

The following members and designees of members of the Committee were present
at one or more of the hearings for the evidentiary presentations and/or for the
deliberations:

- 1 John Foreman Chairman, Designee for Arizona Attorney General,
2 Terry Goddard
- 3 Paul Rasmussen Designee for Director, Arizona Department of
4 Environmental Quality
- 5 Gregg Houtz Designee for Director, Arizona Department of Water
6 Resources
- 7 Jack Haenichen Designee for Director, Energy Office, Arizona
8 Department of Commerce
- 9 David Eberhart Designee for Chairman, Arizona Corporation
10 Commission
- 11 Michael Biesemeyer Appointed Member
- 12 Jeff McGuire Appointed Member
- 13 Michael Palmer Appointed Member
- 14 Joy Rich Appointed Member
- 15 Michael Whalen Appointed Member
- 16 Barry Wong Appointed Member

16 Applicant was represented by Thomas H. Campbell and Albert H. Acken of Lewis
17 and Roca LLP and Meghan H. Grabel of Applicant's Legal Department. The following
18 parties were granted intervention pursuant to A.R.S. § 40-360.05:

| COUNSEL: | INTERVENING PARTY: |
|---------------------------------------|--|
| Charles H. Hains | Arizona Corporation Commission Staff ("Staff") |
| Mark A. Nadeau Shane D. Gosdis | 10,000 West, L.L.C. |
| Stephen M. Kemp Stephen J. Burg | City of Peoria |
| Michelle De Blasi Roger K. Ferland | Vistancia, LLC |
| Michael D. Bailey | City of Surprise |
| Jay Moyes Steve Wene | Vistancia Associations |

| | | |
|---|----------------------------|---|
| 1 | COUNSEL: | INTERVENING PARTY: |
| 2 | Scott S. Wakefield | DLGC II, LLC and Lake Pleasant Group, LLP |
| 3 | Court S. Rich | Warrick 160, LLC and Lake Pleasant 5000, LLC |
| 4 | Lawrence V. Robertson, Jr. | Diamond Ventures, Inc. |
| 5 | Scott McCoy | Elliott Homes, Inc. |
| 6 | Andrew Moore | Woodside Homes of Arizona, Inc. |
| 7 | Garry D. Hays | Arizona State Land Department |
| 8 | James T. Braselton | Surprise Grand Vista JV I, LLC |
| 9 | Christopher S. Welker | LP 107, LLC |

10 At the conclusion of the hearings, the Committee, having received the Application,
11 the appearances of the parties, the evidence, testimony and exhibits presented at the
12 hearings, and being advised of the legal requirements of A.R.S. §§ 40-360 to 40-360.13,
13 upon motion duly made and seconded, voted __ to __ to grant Applicant this Certificate of
14 Environmental Compatibility (Case No. 138) for the Project.

15 The Project as approved consists of approximately 40 miles of 500/230kV
16 transmission line and ancillary facilities along the route described below. A general
17 location map of the Project, described herein, is set forth in **Exhibit A**.

18 The Project will begin at the TS-5 (Sun Valley) Substation (approved as part of the
19 West Valley North Project, ACC Decision No. 67828, Case No. 127), located in the west
20 half of Section 29, Township 4 North, Range 4 West. The Project will end at the TS-9
21 Substation (approved as part of the TS-9 to Pinnacle Peak Project, ACC Decision No.
22 69343, Case No. 131), located in Section 33, Township 6 North, Range 1 East. From the
23 TS-5 Substation, the Project's route will be as follows:

- 24 • A 3,000-foot-wide corridor that extends north for 0.5 miles, from TS-5 to the north
25 side of the existing Central Arizona Project ("CAP") canal. The corridor width
26

1 includes 2,500 feet west and 500 feet east of the half-section line in Section 29,
2 Township 4 North, Range 4 West.

- 3 • A 3,000-foot-wide corridor that extends northeast for 0.8 miles, paralleling the
4 existing CAP canal. The corridor width includes 3,000 feet northwest of the chain
5 link fence on the northwest side of the CAP, paralleling the certificated West
6 Valley North 230kV line (Line Siting Case No. 127).
- 7 • A 3,000-foot-wide corridor that extends east for 1.8 miles, paralleling the existing
8 CAP canal, to the junction with the existing 500kV Mead-Phoenix transmission
9 line. The corridor width includes 3,000 feet north of the chain link fence on the
10 north side of the CAP, paralleling the certificated West Valley North 230kV line
11 (Line Siting Case No. 127).
- 12 • A 3,000-foot-wide corridor that extends north-northwest for 2.0 miles, paralleling
13 the existing Mead-Phoenix transmission line, from the junction of the CAP and the
14 Mead-Phoenix transmission line, to approximately the 275th Avenue alignment (a
15 section line). The corridor width includes 1,500 feet west and 1,500 feet east of the
16 Mead-Phoenix transmission line.
- 17 • A 3,000-foot-wide corridor that extends north for 6.1 miles, from the junction of the
18 existing Mead-Phoenix transmission line and the 275th Avenue alignment (a section
19 line) to the Carefree Highway alignment (a section line). The corridor width
20 includes 1,500 feet west and 1,500 feet east of the 275th Avenue alignment.
- 21 • A 2,000-foot-wide corridor that extends east for 5.0 miles along the Carefree
22 Highway alignment from the 275th Avenue alignment until reaching the 235th
23 Avenue alignment (a section line). The corridor width includes 1,500 feet north
24 and 500 feet south of the Carefree Highway alignment.
- 25 • A 3,000-foot-wide corridor that extends north for 1.0 mile, from the junction of the
26 235th Avenue alignment and the Carefree Highway alignment to U.S. 60 (Grand

1 Avenue). The corridor width includes 1,500 feet west and 1,500 feet east of the
2 235th Avenue alignment.

- 3 • A 2,000-foot-wide corridor that extends north for 1.5 miles, from U.S. 60 (Grand
4 Avenue) to the junction of 235th Avenue and the half-section line north of the Joy
5 Ranch Road alignment. The corridor width includes 500 feet west and 1,500 feet
6 east of 235th Avenue.
- 7 • A 3,000-foot-wide corridor that extends east along the half-section line north of the
8 Joy Ranch Road alignment for 7.0 miles, from 235th Avenue to approximately the
9 179th Avenue alignment (a section line), just south of State Route 74 (“SR 74”).
10 The corridor width includes 3,000 feet south of the half-section line.
- 11 • A 3,000-foot-wide corridor that extends south along the 179th Avenue alignment for
12 2.4 miles from the half-section line north of the Joy Ranch Road alignment (just
13 south of SR 74) to the Carefree Highway alignment (a section line). The corridor
14 width includes 3,000 feet west of 179th Avenue.
- 15 • A 4,000-foot-wide corridor that extends east along the Carefree Highway alignment
16 for 10.0 miles from 179th Avenue to approximately 99th Avenue (at the junction
17 with the existing transmission line corridor). The corridor width includes 2,000 feet
18 north and 2,000 feet south of the Carefree Highway alignment.
- 19 • A 5,000-foot-wide corridor that extends northwest for 1.2 miles along the existing
20 transmission line corridor to the termination point at the TS-9 Substation. The
21 corridor width includes 5,000 feet west of the westernmost existing transmission
22 line in the existing corridor.

23 CONDITIONS

24 This Certificate is granted upon the following conditions:

- 25 1. The Applicant shall obtain all required approvals and permits necessary to
26 construct the Project.

- 1 2. The Applicant shall comply with all existing applicable ordinances, master
2 plans and regulations of the State of Arizona, the County of Maricopa, the
3 United States, and any other governmental entities having jurisdiction.
- 4 3. This authorization to commence construction of the Project shall expire ten
5 years from the date the Certificate is approved by the Commission; provided,
6 however, that prior to such expiration the Applicant or its assignees may request
7 that the Commission extend this time limitation. This time limitation does not
8 apply to construction and installation of the conductors, tower arms, turning
9 structures, and other ancillary equipment needed to operate the 230kV circuit.
- 10 4. The Applicant shall make every reasonable effort to identify and correct, on a
11 case-specific basis, all complaints of interference with radio or television signals
12 from operation of the transmission lines and related facilities addressed in this
13 Certificate. The Applicant shall maintain written records for a period of five
14 years of all complaints of radio or television interference attributable to
15 operation, together with the corrective action taken in response to each
16 complaint. All complaints shall be recorded to include notations on the
17 corrective action taken. Complaints not leading to a specific action or for which
18 there was no resolution shall be noted and explained.
- 19 5. The Applicant shall comply with the notice and salvage requirements of the
20 Arizona Native Plant Law and shall, to the extent feasible, minimize the
21 destruction of native plants during Project construction.
- 22 6. Pursuant to A.R.S. § 41-844, if any archaeological, paleontological or historical
23 site or object that is at least fifty years old is discovered on state, county or
24 municipal land during plan-related activities, the person in charge shall
25 promptly report the discovery to the Director of the Arizona State Museum, and
26 in consultation with the Director, shall immediately take all reasonable steps to

1 secure and maintain the preservation of the discovery. If human remains and/or
2 funerary objects are encountered on private land during the course of any
3 ground-disturbing activities relating to the development of the subject property,
4 Applicant shall cease work on the affected area of the Project and notify the
5 Director of the Arizona State Museum pursuant to A.R.S. § 41-865.

6 7. Within 120 days of the Commission decision granting this Certificate, Applicant
7 will post signs in public rights-of-way giving notice of the Project corridor to
8 the extent authorized by law. The Applicant shall place signs in prominent
9 locations at reasonable intervals such that the public is notified along the full
10 length of the transmission line until the transmission structures are constructed.
11 To the extent practicable, within 45 days of securing easement or right-of-way
12 for the Project, the Applicant shall erect and maintain signs providing public
13 notice that the property is the site of a future transmission line. Such signage
14 shall be no smaller than a normal roadway sign. The signs shall advise:

- 15 (a) That the site has been approved for the construction of Project facilities;
- 16 (b) The expected date of completion of the Project facilities;
- 17 (c) A phone number for public information regarding the Project;
- 18 (d) The name of the Project;
- 19 (e) The name of the Applicant; and
- 20 (f) The Applicant's website.

21 8. Before construction on this Project may commence, the Applicant must file a
22 construction mitigation and restoration plan ("Plan") with ACC Docket Control.
23 Where practicable, the Plan should specify the Applicant's plans for
24 construction access and methods to minimize impacts to wildlife and minimize
25 vegetation disturbance outside of the Project right-of-way.

26

- 1 9. With respect to the Project, Applicant shall participate in good faith in state and
2 regional transmission study forums to coordinate transmission expansion plans
3 related to the Project and to resolve transmission constraints in a timely manner.
- 4 10. The Applicant shall provide copies of this Certificate to the Town of Buckeye,
5 the City of Peoria, the City of Surprise, the Maricopa County Planning and
6 Development Department, the Arizona State Land Department, the State
7 Historic Preservation Office, and the Arizona Game and Fish Department.
- 8 11. Prior to the date this Project is put into commercial service, the Applicant shall
9 provide known homebuilders and developers within one mile of the center line
10 of the Certificated route the identity, location, and a pictorial depiction of the
11 type of power line being constructed, accompanied by a written description, and
12 encourage the developers and homebuilders to include this information in the
13 developers' and homebuilders' homeowners' disclosure statements.
- 14 12. Before commencing construction of Project facilities located parallel to and
15 within 100 feet of any existing natural gas or hazardous liquid pipeline, the
16 Applicant shall:
- 17 (a) Perform the appropriate grounding and cathodic protection studies to
18 show that the Project's location parallel to and within 100 feet of such
19 pipeline results in no material adverse impacts to the pipeline or to
20 public safety when both the pipeline and the Project are in operation. If
21 material adverse impacts are noted in the studies, Applicant shall take
22 appropriate steps to ensure that such material adverse impacts are
23 mitigated. Applicant shall provide to Commission Staff reports of
24 studies performed; and
- 25 (b) Perform a technical study simulating an outage of the Project that may be
26 caused by the collocation of the Project parallel to and within 100 feet of

1 the existing natural gas or hazardous liquid pipeline. This study should
2 either: i) show that such outage does not result in customer outages; or
3 ii) include operating plans to minimize any resulting customer outages.

4 Applicant shall provide a copy of this study to Commission Staff.

5 13. Applicant will follow the latest Western Electricity Coordinating Council/North
6 American Electric Reliability Corporation Planning standards as approved by
7 the Federal Energy Regulatory Commission, and National Electrical Safety
8 Code construction standards.

9 14. The Applicant shall submit a self-certification letter annually, identifying
10 progress made with respect to each condition contained in the Certificate,
11 including which conditions have been met. Each letter shall be submitted to the
12 Utilities Division Director on December 1 beginning in 2009. Attached to each
13 certification letter shall be documentation explaining how compliance with each
14 condition was achieved. Copies of each letter along with the corresponding
15 documentation shall be submitted to the Arizona Attorney General and
16 Department of Commerce Energy Office. The requirement for the self-
17 certification shall expire on the date the Project is placed into operation.

18 **FINDINGS OF FACT AND CONCLUSIONS OF LAW**

19 This Certificate incorporates the following findings of fact and conclusions of law:

- 20 1. The Project is in the public interest because it aids the state in meeting the need
21 for an adequate, economical and reliable supply of electric power.
- 22 2. In balancing the need for the Project with its effect on the environment and
23 ecology of the state, the conditions placed on the CEC by the Committee
24 effectively minimize its impact on the environment and ecology of the state.
- 25 3. The conditions placed on the CEC by the Committee resolve matters concerning
26 the need for the Project and its impact on the environment and ecology of the

1 state raised during the course of proceedings, and as such, serve as the findings
2 on the matters raised.

- 3 4. In light of these conditions, the balancing in the broad public interest results in
4 favor of granting the CEC.

5 THE ARIZONA POWER PLANT AND
6 TRANSMISSION LINE SITING COMMITTEE

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Hon. John Foreman, Chairman

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