

ORIGINAL



0000091051

DOCKET NO.

L-00 000 B-00- 0105

602 S. San Marcos Circle  
Gilbert, AZ 85296  
January 3, 2001

Dear Power Plant and Line Siting Committee Members,

Thank you for the time spent hearing the residents of Gilbert's concerns. The San Tan plant has until this year, operated mainly in summer months when the pollution disperses into the air better than in the winter. With the California situation, SRP has found it profitable to operate the plant year round this year. This is the first year I have seen thick haze hanging around in the air of Gilbert. Usually, you can look towards downtown Phoenix and notice the hazy air in the distance. Now we have many days where it surrounds us like a thick fog.

This last Tuesday, we had an especially bad air inversion day. The plant was putting out a huge cloud of vapor and the haze was so thick you could cut it with a knife. Although they have used diesel this year, that day they were using natural gas. At my daughter's elementary school, 3/4 of a mile from the plant, children were out on the playground playing in this hazy polluted air with a huge cloud of vapor in the background. I can only imagine it was worse at Finley Farms Elementary which is only 1/2 mile from the plant.

These inversions usually disappear in the late afternoon when air near the ground warms up and our children are out of school. But our children are in Gilbert all day. They don't leave town to go to work or school. (Even after the haze disappeared I could still see brown stuff hanging in the air over the plant.)

If this expansion gets built, this haze will become a permanent phenomenon in Gilbert on our stagnant air days. SRP is not taking into consideration the fact that they are going from summertime operations to a year round plant operating at approximately 80% capacity. Wintertime pollution will increase almost 100% from past years. Winter is the worst time for asthmatics in the valley!

As more plants are built and electricity prices go down, I am confident that SRP will not find it cost effective to operate their older plant year round as they have done this year. It has always been cost effective to only operate this older plant on peak demand days for SRP in the past. Please don't let SRP build a base load plant designed to operate year round in our neighborhood. This will be a very unhealthy place to live if this is approved. We have lived here 12 1/2 years and don't want to be driven out of our home to protect our children's health!

Thank you for taking the time to read this letter.

Sincerely,

*Suzanne Payer*  
Suzanne Payer

Arizona Corporation Commission

**DOCKETED**

FEB 08 2001

DOCKETED BY *CLP*

BY ED BAKER  
TRIBUNE

PORTLAND, Ore. — Arizona could play a significant role in long-term solutions to California's power crisis — mainly by supplying excess power from a slew of proposed power plants in

the Valley's outskirts, said California Gov. Gray Davis.

About 17,000 megawatts of new generating capacity are proposed in Arizona, enough to power 17 million homes and potentially exceed the state's power needs. Davis spoke Friday at the

Western Governors' Association Energy Roundtable, a meeting of 10 Western governors and top federal energy officials. He urged leaders to work together in building an improved regional power transmission system to help states share power and ease future woes.

"(Transmission) is sufficient between California and Oregon and Washington. On the other

hand, we could definitely use some to Arizona," Davis said in a later interview with the Tribune. Such a linkage would allow California to tap into that proposed new supply during heavy demand time, if the power plants are built, increasing energy supply and potentially helping to bring costs under control in the West.

Please see **POWER**, Page A7

# POWER: 'Not in my back yard,' Hull warns

From Page A1

Arizona has traditionally exported power to California during winter and imported power from the state in the summer — when Valley demand soars beyond what local providers can produce. New transmission capacity would boost the amount that could be traded.

Davis said Friday he was grateful for assistance Arizona and Northwestern states have given during the crisis. While California will keep moving to solve its problems, including approving new power plants, it also will continue to look to Arizona, Nevada, Oregon and Washington for help during seasonal peaks.

"We rise and fall together," Davis said.

Gov. Jane Hull told energy officials at the conference that, indeed, additional power transmission was an important part of a regional solution to solve an electricity crisis that many experts at the roundtable warned Friday may spread nationally.

But Hull remained insistent that Arizona not become the West's dumping ground for power plants other states do not want.

"That's not going to happen. We're not going to become an energy farm," Hull said.

Speaking before a national audience, Hull told the story of Gilbert residents' fight with East Valley utility giant Salt River Project's plan to expand a neighboring power plant, stating her constituents are wary of using Arizona resources to bail out the

West.  
"There's kind of been a change from 'Not in my back yard,' to 'Not in my back yard for California,'" Hull said.

Still, Hull said, there is a need for additional transmission lines to be built to Arizona's western border.

Constructing additional power transmission remains one of the greatest obstacles for Western leaders.

There currently is little financial incentive for power providers to build regional transmission lines, said Bill Post, chairman and CEO of Arizona Public Service.

Davis said it's possible governments may be able to provide some incentives.

"Government has an interest in ensuring adequate supply," he said.

Hull, on the other hand, said she is not a big supporter of government incentives and said she believes market-based solutions to the problem can be found.

Western governors announced Friday that they would work to create policies to streamline new plant and transmission-line approvals. Other long-term solutions the governors endorsed included implementing research to find cleaner-burning sources of coal and renewable energy.

They also plan to lobby for increased access to public land to explore for oil, gas, coal and other resources and for the construction of a pipeline to move natural gas from Alaska's Prudhoe Bay to the lower 48 mainland states.

Such a move is necessary, energy officials argued, because 98 percent of the country's new power plants will run on natural gas. Prices for natural gas have soared 200 percent to 300 percent this year as demand for the cleaner fuel has soared.

Governors warned Friday that the Western power problems are likely to get worse before they get better as the summer months approach and businesses and residents crank up air conditioners.

"My impression is: This is just the beginning," Idaho Gov. Dirk Kempthorne said.

Washington Gov. Gary Locke urged federal officials to consider a temporary price cap Friday to help out Northwest consumers who have seen electricity bills rise 70 percent.

"These prices we're seeing are completely unjustified," Locke said.

Curtis Hebert, chairman of the Federal Energy Regulatory Committee, balked at the suggestion.

"We have empirical evidence that price caps cause short-term damage. They are completely contrary to everything FERC wants to accomplish," Hebert said. "They strangle competition in the retail and wholesale market and will not bring a new supply of energy."

Locke said that without price caps Western power consumers are likely to see rates continue to increase, as a permanent solution to the Western power problem is likely years off.

Tribune writer Ed Baker can be reached by e-mail at ebaker@aztrib.com or by calling (480) 898-4907



JOHN KLICKER/THE ASSOCIATED PRESS

**Power summit:** Gov. Jane Hull speaks Friday at a news conference in Portland, Ore. Behind her is Idaho Gov. Dirk Kempthorne, left, and California Gov. Gray Davis.