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Arizona State Legislature

1700 West Washington
Phoenix, Arizona 85007
April 17, 2001

2001 APR 24 P 2: 28

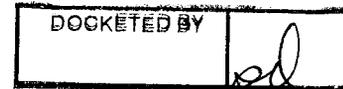
AZ CORP COMMISSION
DOCUMENT CONTROL

Chairman William A. Mundell
Commissioner Jim Irvin
Commissioner Marc Spitzer
Arizona Corporation Commission
1200 West Washington
Phoenix, AZ 85007

Arizona Corporation Commission
DOCKETED

APR 24 2001

Re: Docket No. L-00000B-00-0105
Case No. 105



Dear Commissioners:

We understand that you will be considering The Salt River Project's (SRP) application to expand its existing Santan facility.

We the undersigned legislators are concerned about providing Arizona consumers with a stable and reliable supply of domestically generated electricity. Given the recent power supply shortages in California, coupled with the 49% increase in that state's electric rates, we are concerned about the affordability and reliability of Arizona's electrical energy supplies.

In order to ensure stable rates and a reliable supply of electricity, it is of the utmost importance that Arizona utilities be authorized to expand and develop new generating capacity. In the case of Santan, the community grew up around the facility, necessitating new power supplies in the area. Additional capital and natural resource investments generally will be minimized with the expansion of an existing facility, rather than construction of a new facility at an entirely new site. This results in lower costs to consumers and reduces emissions within the non-attainment area.

As elected officials representing a majority of Arizona consumers, we urge you to approve the Salt River Project's request to expand their Santan facility.

Sincerely,



recycled paper

Cecily S. Allen

Alan Cooley

Lamin Velazquez

Artie Lee

Jack D. Brown

Jan E. Lopez

Jackie C. Jackson

Marilyn Jarrett

Paula

Cheryl Chase

Linda J. Jorgensen

John Huppenthal

Ken Chesser

James Kraft

Edward Polstra

John

Dean

Herbert R. Luntzer

Mark Anders

Deb Gullett

Richard Smith

Mark

Jandy Jorgensen

Daniel Peterson

Kandace Smith

Ruth Bluhm

Rep. Carolyn Allen	Dist 28	Scottsdale	Rep. James Kraft	Dist 18	Phoenix
Rep. Dean Cooley	Dist 21	Mesa	Rep. Edward Poelstra	Dist 14	Tucson
Sen. Ramon Valadez	Dist 10	Tucson	Sen. Scott Bundgaard	Dist 19	Glendale
Sen. Pete Rios	Dist 7	Hayden	Sen. Dean Martin	Dist 24	Phoenix
Sen. Jack Brown	Dist 4	St Johns	Sen. Herb Guenther	Dist 5	Tacna
Sen Joe Eddie Lopez	Dist 22	Phoenix	Rep. Mark Anderson	Dist 29	Mesa
Sen. Jack Jackson	Dist 3	Window Rock	Rep. Deb Gullett	Dist 18	Phoenix
Rep. Marilyn Jarrett	Dist 21	Mesa	Rep. Richard Miranda	Dist 22	Phoenix
Rep. Jim Carruthers	Dist 5	Yuma	Rep. Mark Clark	Dist 7	Mammoth
Rep. Cheryl Chase	Dist 7	Kearny	Rep. Randy Graf	Dist 9	Green Valley
Rep. Linda Lopez	Dist 10	Tucson	Sen. David Petersen	Dist 29	Mesa
Rep. John Huppenthal	Dist 6	Chandler	Sen. Randall Gnant	Dist 28	Scottsdale
Rep. Ken Chevront	Dist 25	Phoenix	Rep. Robert Blendu	Dist 15	Litchfield Park

Jake Flake

Barbara Jeff

Tom Smith

Ken Amel

Edward Gribb

Tom Skilton

Jack A. Brown

Timothy S. Bee

Brenda Burns

David C. Hammit

Ruth Solomon

Joe Marshall

Vic Goller

Bruce

Jack Ayers

Paul Kelly

Carol Somers

Marian D. McGuire

Christine Wass

Robert G. Voss

Tom O'Halloran

Robert L. Carroll

Ken Bennett

Marsha Ryberger

Mark ~~Marshall~~

Sybil Laughter

Rep. Jake Flake	Dist 4	Snowflake	Sen. Rusty Bowers	Dist 21	Mesa
Rep. Barbara Leff	Dist 24	Paradise Valley	Sen. Linda Aguirre	Dist 23	Phoenix
Sen. Tom Smith	Dist 26	Phoenix	Rep. Carlos Avelar	Dist 23	Phoenix
Sen. Lori Daniels	Dist 6	Chandler	Rep. Carol Somers	Dist 13	Tucson
Sen. Ed Cirillo	Dist 15	Sun City West	Rep. Marian McClure	Dist 9	Tucson
Sen. Toni Hellon	Dist 12	Tucson	Rep. Christine Weason	Dist 25	Phoenix
Sen. Tim Bee	Dist 9	Tucson	Rep. Roberta Voss	Dist 19	Glendale
Sen. Brenda Burns	Dist 17	Glendale	Rep. Tom O'Halleran	Dist 2	Sedona
Sen. Darden Hamilton	Dist 16	Glendale	Rep. Robert Cannell	Dist 5	Yuma
Sen. Ruth Solomon	Dist 14	Tucson	Sen. Ken Bennett	Dist 1	Prescott
Rep. Wes Marsh	Dist 28	Scottsdale	Sen. Marsha Arzberger	Dist 8	Willcox
Rep. Victor Soltero	Dist 10	Tucson	Rep. Sylvia Laughter	Dist 3	Kayenta

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From: "Billy Butler" <bbilly2@uswest.net>
To: " " <robert.nelson@newtimes.com>, " " <davec@ci.gilbert.az.us>, " "
<maggiec@ci.gilbert.az.us>, " " <mikee@ci.gilbert.az.us>, " " <larrym@ci.gilbert.az.us>, " " 2001 APR 24 P 2: 32
<lesp@ci.gilbert.az.us>, " " <steveu@ci.gilbert.az.us>, " " <kentc@ci.gilbert.az.us>, " mailto"
<ubquiet2@qwest.net>, " " <paul.bullis@ag.state.az.us>, " " <solea@cc.state.az.us>, " "
<tobin.richard@ev.state.az.us>, " " <markm@azcommerce.com>, " " <dwsundie@adwr.state.az.us>
<wmundell@cc.state.az.us>, " " <jirvin@cc.state.az.us>, " " <mspitzer@cc.state.az.us>, " " AZ CORP COMMISSION
<investigators@knxv.com>, " " <programmingdirector@knxv.com> DOCUMENT CONTROL
Date: 04/24/2001 12:26:27 AM
Subject: San Tan Expansion

Hello,

I wanted to voice my concern about the San Tan Power Plant expansion proposed by SRP. I am against the plan to build this plan in Gilbert. After reading many articles in recent media, and hearing concerns of fellow residents, I don't want our town to be involved in selling power to California. SRP should not be looking to build the largest power plant in history in the middle of a suburban neighborhood. SRP states that they are continuing to meet the need for expansion in the East Valley, but according to current Arizona State proposals, 20 power plants are looking to be built in this state in the next few years. This would be more than enough power to all of Arizona including the East Valley, Gilbert and California. Which I might add the power companies proposing these plants would be making enormous profits. Why would the city of Gilbert have to pay for California's power? If Arizona approves these plants, it has to face the fact that serious issues will be our responsibility in the future. According to SRP, they say it will be too expensive to transmit power from a location other than Gilbert, but why is this the issue if they are willing to transmit the power to California without any objections whatsoever. SRP has even discussed plans to sell its power to Dynegy and NRG, two of California's most profiting companies selling power in their crisis. It seems to me that the energy companies are just going to take us for a ride right now and in the future. So there's my say, and I believe many people feel the same way.

Billy Butler
275 W JUNIPER AVE APT 2089
GILBERT, AZ 85233
480-926-6169

Santan Expansion Project, ACC Case No. 105, Docket Control No. L00000B-00-0105

From: "Olaf and Tanya Jorgenson" <tojorg@qwest.net>
To: ACC.UTIL(mailmaster)
Date: 04/22/2001 10:12:29 AM
Subject: Attn: Mr. Marc Spitzer, Arizona Corporation Commission

Dear Mr. Spitzer:

Thank you for your evenhanded questions at last week's San Tan expansion hearing. I listened on the phone line and hope to be in the crowd for next week's vote. My family and I are among the "moderate" Gilbert residents who don't want an expansion of this size, with its air pollution or unknown safety risks or the three 150-foot smokestacks--but who would accept a sized-down version if SRP would only be willing to compromise. I've been following the meetings and used to respect SRP for its community outreach programs. No longer. They are calling me "NIMBY" and "banana" or whatever, in the name of their profit and at the expense of my wife and baby's health. They have options; I don't. But I won't breathe their diesel fumes and toxic emissions or sit in the shadow of those smokestacks without a legal fight. It's just not right.

Again, on behalf of a lot of people, thank you for considering the impacts--known and unknown--of putting an industrial-strength power plant in the middle of a neighborhood.

Ole & Tanya Jorgenson
Gilbert, Arizona

From: "Olaf and Tanya Jorgenson" <tojorg@qwest.net>
To: ACC.UTIL(mailmaster)
Date: 04/22/2001 10:12:29 AM
Subject: Attn: Mr. Bill Mundell, Chairman, Arizona Corporation Commission

Dear Mr. Mundell:

Thank you for stating your concerns during last week's hearing with regard to the use of diesel fuel at the proposed San Tan expansion. I listened on the phone line and hope to be in the crowd for next week's vote. My family and I are among the "moderate" Gilbert residents who don't want an expansion of this size, with its air pollution or unknown safety risks or the three 150-foot smokestacks--but who would accept a sized-down version if SRP would only be willing to compromise. I've been following the meetings and used to respect SRP for its community outreach programs. No longer. They are calling me "NIMBY" and "banana" or whatever, in the name of their profit and at the expense of my wife and baby's health. They have options; I don't. But I won't breathe their diesel fumes and toxic emissions or sit in the shadow of those smokestacks without a legal fight. It's just not right.

Again, on behalf of a lot of people, thank you for considering the impacts--known and unknown--of putting an industrial-strength power plant in the middle of a neighborhood.

Ole & Tanya Jorgenson
Gilbert, Arizona

From: "Olaf and Tanya Jorgenson" <tojorg@qwest.net>
To: ACC.UTIL(mailmaster)
Date: 04/22/2001 10:11:49 AM
Subject: Attn: Mr. Jim Irvin, Arizona Corporation Commission

Dear Mr. Irvin:

Thank you for stating your concerns during last week's hearing with regard to whether the power generated at the proposed San Tan expansion is really "needed." As you know from your study of the transcripts, SRP has been very evasive about "hard facts" in answering this question. Seems to me their motive is profit, and they admit that San Tan will generate power on the grid to be sold to other states.

I listened on the phone line and hope to be in the crowd for next week's vote. My family and I are among the "moderate" Gilbert residents who don't want an expansion of this size, with its air pollution or unknown safety risks or the three 150-foot smokestacks--but who would accept a sized-down version if SRP would only be willing to compromise. I've been following the meetings and used to respect SRP for its community outreach programs. No longer. They are calling me "NIMBY" and "banana" or whatever, in the name of their profit and at the expense of my wife and baby's health. They have options; I don't. But I won't breathe their diesel fumes and toxic emissions or sit in the shadow of those smokestacks without a legal fight. It's just not right.

Again, on behalf of a lot of people, thank you for considering the impacts--known and unknown--of putting an industrial-strength power plant in the middle of a neighborhood.

Ole & Tanya Jorgenson
Gilbert, Arizona

From: Jason Hanks <js_hanks@yahoo.com>
To: ACC.UTIL(mailmaster)
Date: 04/23/2001 10:02:39 AM
Subject: Gilbert

POWER PLANTS AND RESIDENTIAL NEIGHBORHOODS DON'T MIX.

Please do all that you can to stop our small town from becoming a small town with the nations largest power plant in a residential area.

Thanks,
Jason Hanks
Gilbert, AZ

Do You Yahoo!?
Yahoo! Auctions - buy the things you want at great prices
<http://auctions.yahoo.com/>

From: <MKrepitch@aol.com>
To: ACC.UTIL(mailmaster)
Date: 04/21/2001 7:25:24 AM
Subject: (no subject)

Commissioner,

The citizen of Gilbert believing in the integrity of the governments and an electrical utility company, especially with the admirable reputation of a state chartered entity, would not adversely effect the health, well being and property value, pursued their dream.

The citizens of Gilbert, believing that all the laws and ordinances had been discharged with due diligence, legally purchased property next to a noninvasive "peaking plant."

You have heard all the arguments repeatedly placed before members of line siting committee, the media, and the Gilbert Town council for some time now. All the arguments have merit for the moment as they come from both sides. The only real and true concern is that the expansion would adversely affect the existing property value (already a drop of 1.3% with no action), the health and safety of the extended radius residents.

The Republic has editorialized every printed word; SRP has produced a full-blown media blitz and now has reversed its position and threatened imminent blackouts for the East Valley.

The voice of the people has been heard with the removal of the incumbent mayor and supporting council member. Two members of the council have reversed their stance since seeing the will of the people. This is the American way and once again has proved that it works.

Had a problem been perceived in the past, any injured party could have sought remediation through legal channels. Neither one did! Dirty and underhanded dealings, along with mismanagement have caused and continue to exacerbate this problem.

The reality of the situation is now! There are homes, with families adjacent to this proposed expansion project. There are schools within the immediate area! In a town, without the infrastructure to support the project, in a timely and economically feasible manner to protect its citizens.

I think it is about time that you realize these tactics and rule in favor of the neighborhood. You too are in a position of public trust; follow the lead of the voters of Gilbert.

Save the health, safety and property values of the citizens of Gilbert.

Sincerely,

Mike Krepitch
958 South Silverado Street
Gilbert, AZ 85296

DRAFT LETTER

The Hon. Bill Mundell,
The Hon. Jim Irvin
The Hon. Marc Spitzer
Arizona Corporation Commission
1200 W. Washington Street
Phoenix, AZ 85007

Re: SRP's proposed Santan Expansion Project, ACC Case No. 105,
(Docket No. L-00000B-00-0105)

Dear Commissioners:

On behalf of AL Ruiz [or as a resident of MESA], I am writing to urge your approval of SRP's proposed Santan Generating Station in the Town of Gilbert. It is imperative that native utilities like SRP be allowed to build environmentally clean local generation facilities to meet the Valley's rapid growth and to avoid buying imported power at high costs. The Arizona Transmission Line and Power Plant Siting Committee's recommendation to approve the Santan Expansion Project deserves your endorsement for the following reasons:

- The 825-megawatt Santan Project will be needed by early 2005 to meet the East Valley's soaring energy demands, including needs of industry, schools, hospitals and municipalities. Without the expansion, the region will risk rolling blackouts and negative impacts to public safety and the economy;
- Alternatives to building the Santan Project appear poor, would entail unacceptable delays and would subject SRP and its customers to costs set by California's volatile energy market.
- Extensive hearings by the Line Siting Committee concluded that the Santan project would balance important environmental concerns and energy needs.

The California crisis shows what happens when policy makers and utility regulators fail to promote the siting of energy resources needed to meet consumer demands. California's mistakes must not be repeated in the East Valley or anywhere in Arizona.

Albert G. Ruiz
Sincerely,

*2626 N. Salt Circle
Mesa, AZ 85203*

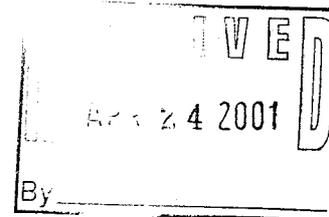
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April 20, 2001

The Honorable William Mundell
Arizona Corporation Commission
1200 W. Washington Street
Phoenix, Arizona 85007

2001 APR 24 P 3:30

AZ CORP COMMISSION
DOCUMENT CONTROL

Dear Bill:

L-00000B-00-0105

After spending six years on the Gilbert Town Council as both a councilman and Mayor I have been involved in countless meetings where residents had just discovered that the dairy down the road was full of cows that weren't potty trained, that someone was landing airplanes at that airport/air base a few miles away and a proposed Circle K was going to be selling cigarettes and must be stopped.

I had a number of reservations when I agreed to attend my first COST meeting. I expected to tell them the obvious "the plant was here when you bought-live with it" To my surprise no one was complaining about the power plant that is already there, although they should have been. The current plant does not have proper zoning (I-3), it regularly violates the towns noise ordinance and the children in the area surrounding this plant seem to have an exceptionally high incidence of respiratory problems.

What the COST members are concerned about is not what is there, but what SRP wants to build, a facility that is four times as big (a lot of the size increase being straight up), that will introduce some significant safety hazards into the neighborhood and most certainly reduce the resale value of their property.

My concerns are primarily safety related. The large smoke stacks anticipated for this plant will need to be cleaned with an aqueous ammonia. At the line sighting committee hearing SRP testified the ammonia would be brought in Rail Cars. According to the Gilbert Fire Dept. if we have a major ammonia spill we will need to evacuate one mile in the direction of the wind. Unfortunately we have an elementary school with 1,050 children within 1/2 mile, two day care centers with approximately 620 children 3/4 of a mile away. SRP's rhetoric not with standing, we both know accidents happen. I know you don't want to have to explain to Arizona why we have a power shortage in three or four years, how would you like to explain to a bunch of parents what happened to their kids in a botched evacuation. There is also a large high pressure gas line on the edge of the property with plans to bring in a second one. Arizona grants zoning rights to towns so they can keep incompatible lands uses apart. There is no city in Arizona that would allow a power plant like this to be built in a residential neighborhood.

The morning after my election I was contacted by a surrogate of SRP to arrange a meeting. I went to the meeting, expressed my concerns and was told another meeting would follow. I told SRP I could spend an hour and a half with them to discuss issues. What I got was one hour and twenty five minutes corporate presentation and five minutes to present my concerns. At that meeting I explained that a power plant like that simply did not belong in a residential neighborhood, however if they would find another location in an industrial area I would (1) Help broker a land swap so there would be no out of pocket cost of land. (2) provide proper zoning (3) let SRP keep the 22 million dollars of mitigation they were going to give Gilbert and (4) Let them build a plant three or four times as large as the one proposed. SRP wasn't interested I this alternative.

I wrote a letter asking for a meeting with the President or Chairman of the Board of SRP, to discuss other options. I was told Dick Silverman would not meet with me because he was insulted by something is said in a newspaper article. Had I been given an opportunity to speak to someone in a position to negotiate I would have a offered a compromise similar to the one Tempe worked out for the Kyrene Plant. SRP isn't interested in negotiating, because they feel they don't have to.

I am not trying to be unreasonable with SRP. I certainly recognize the need for electricity for Gilbert. I believe it would be cost effective and convenient for SRP to expand the San Tan Power Plant, but it isn't their only option. You know it isn't true that if plant isn't built we will have a huge energy shortage in the east valley. You know there are more than enough power plants in various stages of construction and approval to meet Arizona's needs in our life time, without ever having to put one in a residential neighborhood. SRP wants to ignore our zoning authority to build this plant and I don't plan to let that happen. If you support allowing SRP to build this power plant in a Gilbert neighborhood, what is to stop them from building all their power plants in residential neighborhoods?

Please do what you would ask me to do if the situations were reversed, deny SRP's application to expand their existing power plant.



Steve Berman
Mayor-Elect
Gilbert, Arizona

cc: Jim Irvin
cc: Marc Spitzer

**SRP GOVERNMENT RELATIONS**

P. O. Box 52025 - PAB211
Phoenix, AZ 85072-2025
(602) 236-2467
Fax (602) 236-5950
kplec@srpnet.com

KATHIE LEE
SR. GOVERNMENT REPRESENTATIVE

April 12, 2001

Steve Berman, Mayor-Elect
Town of Gilbert
700 E Encinas
Gilbert AZ 85296

Dear Steve:

I am replying to your recent letter related to concerns about the Santan Expansion Project.

Concerning your comments related to the safety of using natural gas, SRP generating stations comply with all applicable safety standards. We are proud of our safety record, and we put a strong emphasis on safety for our employees and the general public. The Kyrene incident of which you speak was related to a failure of a section of boiler tubes and had nothing to do with the natural gas supply to the generating unit.

The questions that you raised about the ammonia used in the pollution control technology for the Santan Expansion Project concern the type of detail that has not yet been determined. The ammonia will be delivered and stored in a diluted form. There are no reasonable safety concerns regarding this activity. The details you requested, along with many other issues, would normally be developed later, during the equipment design and procurement phase for the plant. Nevertheless, we recognize your concerns for the safety of the community. We believe there may be other steps that can be taken, and we plan to conduct additional dialogue with Town officials at a later date, after we have concluded more research on this topic.

You also raised the issue of zoning. Please provide us with the town ordinance and other action that applies town zoning to the site, and we will respond on this point.

Regarding the meeting you requested, you and I have since discussed this issue and I have passed along your comments.

Please let me know if you have more questions about the expansion project.

Sincerely,

A handwritten signature in cursive script that reads "Kathie".

Kathie Lee

Steven M. Berman

700 E. Encinas Avenue
Gilbert, Arizona 85234

Telephone 480.892.0145

Fax 602.503.1789

Kathie Lee
SRP Government Relations
Phoenix, AZ 85072-2025

Dear Kathie:

Thank you for getting back to me so promptly . If we can resolve this issue before the ACC meeting no one has to lose. I appreciate your optimism regarding the "extremely remote chance of a natural gas related accident", considering the "natural gas related accident" at your Kyrene facility and the El Paso Natural Gas "natural gas related accident" in New Mexico recently. I am also inclined to see the Maricopa County Assessor as more impartial in determining property value than firms hired and paid by Salt River Project.

As we discussed my largest safety concern centers around your use of ammonia in a residential area. I was surprised you stated that the ammonia would be delivered by truck not railroad. I believe SRP testified at the line sighting hearing that the ammonia would be brought in by rail. Has something changed? I would like to know:

1. Will the ammonia be delivered diluted or will it be diluted on site?
2. What is the maximum quantity that will be stored on site at one time?
3. How much will be delivered to the site at one time?
4. I would like my Fire Chief to discuss the exact specifications of the ammonia being used. Who should he talk to?

I am having a great deal of difficulty finding any one at the Town of Gilbert that can provide me with anything showing that Salt River Project has the proper zoning (I-3) to operate the existing plant, much less any expansions. If SRP is in possession of such documentation could you please forward it to me?

Would it be possible for you to schedule a meeting between Messrs. Silverman and Schrader and Representatives Farnsworth, Johnson, Senator Blanchard, County Assessor Ross, Councilman Evans and myself.

Sincerely:



Steven M. Berman

**SRP GOVERNMENT RELATIONS**

P. O. Box 52025 • PAB211
Phoenix, AZ 85072-2025
(602) 236-2467
Fax (602) 236-5950
kplee@srpnet.com

KATHIE LEE
SR. GOVERNMENT REPRESENTATIVE

March 23, 2001

Mayor-elect Steve Berman
700 E. Encinas Avenue
Gilbert, AZ 85234-3463

Dear Steve:

Thank you for meeting with SRP yesterday. We appreciate the time you spent with us and for your candid comments. You raised several points about which we have spent several months researching and drawing conclusions.

Regarding safety, at SRP the safety of our employees and our customers is our first and most important corporate goal. In addition to compliance of all national safety standards, SRP has committed to the following, specifically to address safety concerns voiced by the community:

- Concerning the issue of natural gas, I would again confirm that the chance of a natural gas-related accident is extremely remote. SRP has committed to relocate the gas delivery station or build a protective wall around the station. The location of the generating units (both existing and proposed) on the interior of the SRP property implies that any natural gas related problem at the units would not have any effect on people or property off the SRP site. In addition, last fall SRP moved natural gas pressure reducing valves and control valves from the gas metering station along Warner Road to the vicinity of the existing generating units on the property.
- Concerning the use of ammonia, SRP will use a dilute form of ammonia for pollution control purposes in the new generating units. At this concentration level, the product is NOT considered a hazardous substance. As we mentioned to you, we do not plan to have it brought in by railroad. It will be delivered to the site by truck. SRP will continue to monitor changing technology for the NOx removal process.

You said you do not believe the results of the property value studies.

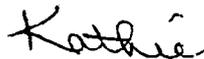
- SRP engaged Pricewaterhouse Cooper (PwC) to conduct the study at the request of the community. PwC has an established reputation in this field and has conducted the study within industry standards. SRP believes the study to be accurate and, in fact, has yet to see a decline in property values around Santan, even with the current controversy. We would be happy to review the report data and sources with you.

Potential relocation of the plant in Gilbert is unrealistic. We are expanding a current facility. This facility is served by infrastructure, especially transmission, necessary to operate the facility. More importantly, the impact to neighbors of expanding an existing site is much less than developing a "green field" site.

We have gone to great lengths to mitigate existing and future impact on the neighborhoods surrounding the Santan site. All things considered, the expansion of Santan is the only reasonable option for us.

As you stated, SRP has been a good corporate neighbor in Gilbert, and we plan to continue to be. I would like to hear from you with any more constructive suggestions you may have. I look forward to working with you in your position as mayor.

Sincerely,



Kathie Lee

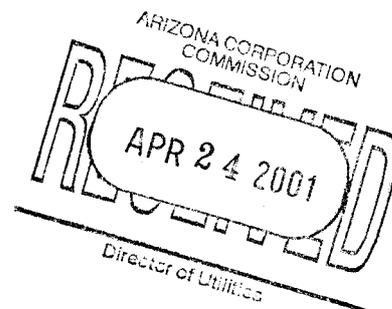
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James M. and Jane S. Horn
P.O. Pox 1944
111 Cerro Pelon
Tubac, Arizona 85646-1944



April 23, 2001

L-00000C-01-0111

L-00000F-01-0111

Ms. Deborah Scott
Director, Utilities Director
Arizona Corporation Commission
1200 W. Washington Avenue
Phoenix, AZ 85007

Dear Ms. Scott:

We shall keep this letter as brief as possible, it's brevity solely to relay our very strong feelings without having them lost in too many words.

We are strongly opposed to the plans by Tucson Electric Power (TEP) and Citizens Utilities (CU) to construct a 345 kV two-circuit transmission line from Sahuarita to Nogales. Our home at 111 Cerro Pelon would be devastatingly close to the "Preferred Alternative 345 kV Route" as shown on public maps of the proposed routing sites.

The Arizona Corporation Commission's decision 62011 mandated that CU build a new transmission line to supplement it's existing 115 kV line based upon the unreliability of power being delivered. Citizens Utilities has made strong improvements in correcting this problem, therefore, it would appear that the need for ACC mandate 62011 no longer exists.

ACC mandate 62011 does not mention a 345 kV line to carry power to Mexico, only a second power line of 115 kV. The sole reason for TEP and CU to construct a transmission line the size of 345 kV is to sell electricity to Mexico. The financial goals of TEP and CU are of no concern to us. If TEP and CU have the best interests of it's customers in mind then projections of electricity needs for this area show that an additional 115 kV line is all that is needed.

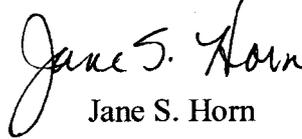
There is an existing route East of the Santa Cruz river where the already built 115 kV line runs. Another 115 kV line could run along this corridor.

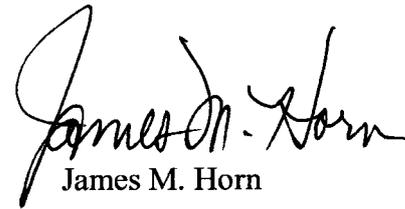
Building a 345 kV line through Santa Cruz County is going to have a major negative effect on property values and the tax base, obviously this includes our home.

Lastly let us say that we support the position taken by the **Santa Cruz Valley Citizens Council** as outline in their position paper on the TEP/CU 345 kV transmission line project.

Thank you for your time and consideration in this matter. We remain

Sincerely,


Jane S. Horn


James M. Horn

cc: Gary Brasher, Pres.
Santa Cruz Valley Citizens Council

file