



0000091787

BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

Mike Gleason, Chairman  
William A. Mundell  
Jeff Hatch-Miller  
Kristin K. Mayes  
Gary Pierce

Arizona Corporation Commission

DOCKETED

DEC 11 2008

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IN THE MATTER OF THE APPLICATION OF ARIZONA SOLAR ONE, LLC IN CONFORMANCE WITH THE REQUIREMENTS OF ARIZONA REVISED STATUTES §§ 40-360.03 AND 40-360.06, *et seq.* FOR A CERTIFICATE OF ENVIRONMENTAL COMPATABILITY AUTHORIZING CONSTRUCTION OF THE SOLANA GENERATING STATION, LOCATED IN SECTION 9, TOWNSHIP 6 SOUTH, RANGE 7 WEST, MARICOPA COUNTY ARIZONA.

DOCKET NO. L-00000GG-08-0407-00139

CASE NO. 139

IN THE MATTER OF THE APPLICATION OF ARIZONA SOLAR ONE, LLC IN CONFORMANCE WITH THE REQUIREMENTS OF ARIZONA REVISED STATUTES §§ 40-360, *et seq.*, FOR A CERTIFICATE OF ENVIRONMENTAL COMPATIBILITY AUTHORIZING THE CONSTRUCTION OF THE SOLANA GEN-TIE, WHICH ORIGINATES AT THE SOLANA GENERATING STATION, LOCATED IN MARICOPA COUNTY, AND TERMINATES AT THE PANDA 230 kV SUBSTATION, LOCATED IN GILA BEND, ARIZONA.

DOCKET NO. L-00000GG-08-0408-00140

CASE NO. 140

DECISION NO. 70639  
for GEN-TIE, Case No. 140

The Arizona Corporation Commission ("Commission") has conducted its review, pursuant to A.R.S. § 40-360.07. The Commission finds and concludes that the Certificate of Environmental Compatibility ("CEC") issued by the Arizona Power Plant and Transmission Line Siting Committee ("Committee") is hereby granted as modified by this Order.

The Commission modifies the CEC by deleting lines 3-6 on Page 4 and then inserting the following clarifying language:

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At the point along the section line / Watermelon Road alignment located south of the eastern boundary of the existing APS Panda 230 kV Substation, the corridor also extends 1,000 feet north of Watermelon Road, for 500 feet east of the existing APS Panda 230 kV Substation.

The Commission further modifies the CEC by adding the following condition No. 18:

The Applicant shall maintain appropriate distance between the Project Gen-Tie towers and existing 230 kV transmission lines in the same corridor. Except when crossing existing lines or entering and exiting substations, this distance should be at a minimum equal to or greater than the height of the tallest wooden 230 kV transmission tower in each span.

The Commission further finds and concludes that: (1) the Project is in the public interest because it aids the state in meeting the need for an adequate, economical and reliable supply of electric power; (2) in balancing the need for the Project with its effect on the environment and ecology of the state, the conditions placed on the CEC by the Committee as modified by the Commission effectively minimize its impact on the environment and ecology of the state; (3) the conditions placed on the CEC by the Committee as modified by the Commission resolve matters concerning the need for the Project and its impact on the environment and ecology of the state raised during the course of proceedings, and as such, serve as the findings on the matters raised; and (4) in light of these conditions, the balancing in the broad public interest results in favor of granting the CEC as modified by the Commission.

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THE CEC ISSUED BY THE SITING COMMITTEE IS  
INCORPORATED HEREIN AND IS APPROVED AS MODIFIED BY THE  
COMMISSION BY ORDER OF THE  
ARIZONA CORPORATION COMMISSION

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*Lancey Johnson*  
CHAIRMAN

*William A. Mundell*  
COMMISSIONER

*Jeffrey H. Hatch-Miller*  
COMMISSIONER

*Kim*  
COMMISSIONER

*Gary Reier*  
COMMISSIONER

IN WITNESS WHEREOF, I, BRIAN C. McNEIL,  
Executive Director of the Arizona Corporation  
Commission, have hereunto, set my hand and caused the  
official seal of this Commission to be affixed at the  
Capital, in the City of Phoenix, this 11<sup>th</sup> day of  
December, 2008.

*Brian C. McNeil*  
BRIAN C. McNEIL  
EXECUTIVE DIRECTOR

DISSENT: \_\_\_\_\_

DISSENT: \_\_\_\_\_

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

3 IN THE MATTER OF THE APPLICATION )  
4 OF ARIZONA SOLAR ONE, LLC., IN ) Docket No. L-00000GG-08-0408-00140  
5 CONFORMANCE WITH THE )  
6 REQUIREMENTS OF ARIZONA REVISED )  
7 STATUTES §§ 40-360, *et seq.*, FOR A ) Case No. 140  
8 CERTIFICATE OF ENVIRONMENTAL )  
9 COMPATIBILITY AUTHORIZING THE )  
10 CONSTRUCTION OF THE SOLANA GEN- )  
11 TIE, WHICH ORIGINATES AT THE )  
12 SOLANA GENERATING STATION, )  
LOCATED IN SECTION 9, TOWNSHIP 6 )  
SOUTH, RANGE 7 WEST, MARICOPA )  
COUNTY, AND TERMINATES AT THE )  
PANDA 230 kV SUBSTATION, LOCATED )  
IN SECTION 20, TOWNSHIP 5 SOUTH, )  
RANGE 4 WEST, GILA BEND, ARIZONA. )  
\_\_\_\_\_ )

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14 **CERTIFICATE OF ENVIRONMENTAL COMPATIBILITY**

15 Pursuant to notice given as provided by law, the Arizona Power Plant and Transmission  
16 Line Siting Committee (the "Committee") held public hearings on September 22 and 23, 2008,  
17 and October 14, 2008, all in conformance with the requirements of Arizona Revised Statutes  
18 ("A.R.S.") §§ 40-360, *et seq.*, for the purpose of receiving evidence and deliberating on the  
19 Application of Arizona Solar One, LLC. ("Applicant") for a Certificate of Environmental  
20 Compatibility ("Certificate") in the above-captioned case (the "Project").

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

23 John Foreman Chairman, Designee for Arizona Attorney General  
24 Terry Goddard

25 Paul Rasmussen Designee for Director, Arizona Department of  
26 Environmental Quality

1	Gregg Houtz	Designee for Director, Arizona Department of Water Resources
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3	Jack Haenichen	Designee for Director, Energy Office, Arizona Department of Commerce, attended September 22 and 23, 2008
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5	Jim Arwood	Director, Energy Office, Arizona Department of Commerce, attended October 14, 2008
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7	David Eberhart	Designee for Chairman, Arizona Corporation Commission
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9	Michael Biesemeyer	Appointed Member, attended September 22 and 23, 2008
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11	Jeff McGuire	Appointed Member
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13	Patricia Noland	Appointed Member
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15	Michael Palmer	Appointed Member
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17	Michael Whalen	Appointed Member
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19	Barry Wong	Appointed Member

14 Applicant was represented by Thomas H. Campbell and Albert H. Acken of Lewis and  
15 Roca LLP. Arizona Corporation Commission ("ACC" or "Commission") Staff, represented by  
16 Charles H. Hains and Robin R. Mitchell, the Sierra Club-Grand Canyon Chapter, represented by  
17 Timothy M. Hogan, and the Paloma Irrigation and Drainage District, represented by Jay Moyes  
18 and Jeffrey Zimmerman, were granted intervention pursuant to A.R.S. § 40-360.05.

19 At the conclusion of the hearings, the Committee, having received the Application, the  
20 appearances of the parties, the evidence, testimony, and exhibits presented at the hearings, and  
21 being advised of the legal requirements of A.R.S. §§ 40-360 to 40-360.13, upon motion duly  
22 made and seconded, voted 10 to 0 to grant Applicant this Certificate of Environmental  
23 Compatibility (Line Siting Case No. 140) for the Project.  
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1           The Project as approved consists of approximately 20 miles of 230 kV transmission line  
2 and required substation and switchyard facilities and modifications. The single-circuit may be  
3 constructed on either single-circuit or double-circuit towers.

4           The Project will originate at a new 230 kV substation within the Solana Generating Station  
5 site (Line Siting Case No. 139, proceeding concurrently with this case), Maricopa County,  
6 Arizona. From the new substation within the Solana site, the Project will head to the intersection  
7 of Painted Rock Dam Road and Powerline Road. The Project will end at the existing APS Panda  
8 Substation (Line Siting Case No. 99) located in Section 20, Township 5 South, Range 4 West,  
9 Gila Bend, Arizona. The Project may interconnect with (loop in and out of) the APS Gila Bend  
10 Substation in addition to terminating at the existing APS Panda 230 kV Substation. From the  
11 intersection of Painted Rock Dam Road and Powerline Road, the Project's route will be as  
12 follows:

- 13           • North for approximately two miles to the section line / Watermelon Road alignment,  
14           within a 500-foot wide corridor. The corridor width includes 250 feet east and 250 feet  
15           west of the centerline of the section line / Painted Rock Dam Road / 419<sup>th</sup> Avenue  
16           alignment.
- 17           • At the section line located two miles north of Powerline Road, the route turns east along  
18           the section line / Watermelon Road alignment for approximately sixteen miles to the  
19           existing APS Panda 230 kV Substation, located in Section 20, Township 5 South, Range 4  
20           West, Gila Bend, Arizona. Between 419<sup>th</sup> Avenue and 355<sup>th</sup> Avenue the corridor width is  
21           2,000 feet; 1,000 feet north and 1,000 feet south of the centerline of section line /  
22           Waterline Road alignment. From 355<sup>th</sup> Avenue to the midsection line between 331<sup>st</sup>  
23           Avenue and 323<sup>rd</sup> Avenue, the corridor width is 1,000 feet, located south of the centerline  
24           of the section line / Watermelon Road alignment. From the midsection line between 331<sup>st</sup>  
25           Avenue and 323<sup>rd</sup> Avenue to the east side of the existing APS Panda 230 kV Substation,  
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1 the corridor width is 1,250 feet, located south of the centerline of the section line /  
2 Watermelon Road alignment.

- 3 • At the point along the section line / Watermelon Road alignment located parallel to the  
4 eastern boundary of the existing APS Panda 230 kV Substation, the route extends 1,000  
5 feet north of Watermelon Road, within a 500-foot wide corridor east of the existing APS  
6 Panda 230 kV Substation.

7 For the authorized, but not required, loop in and out of the Gila Bend Substation, the  
8 Project's route also includes the following corridor:

- 9 • A 1,000-foot wide corridor, approximately two miles long, located between Watermelon  
10 Road and the APS Gila Bend Substation, primarily along the alignment of the existing  
11 APS 230 kV Gila Bend transmission line (Line Siting Case No. 26). The corridor width  
12 includes 500 feet east and 500 feet west of the centerline of the existing alignment. Within  
13 this corridor, the portion of the circuit extending south from Watermelon Road to the APS  
14 Gila Bend Substation and the portion extending north from the APS Gila Bend Substation  
15 to Watermelon Road may be placed on two sets of single-circuit towers or on one set of  
16 double-circuit towers.

17 A general location map of the Project, described herein, is set forth in **Exhibit A**.

### 18 CONDITIONS

19 This Certificate is granted upon the following conditions:

- 20 1. The Applicant, or its assignee(s), shall obtain all required approvals and permits  
21 necessary to construct the Project.
- 22 2. The Applicant, or its assignee(s), shall comply with all existing applicable ordinances,  
23 master plans and regulations of the Town of Gila Bend, State of Arizona, the County  
24 of Maricopa, the United States, and any other governmental entities having  
25 jurisdiction.

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- 1           3. This authorization to construct the Project will expire ten (10) years from the date the  
2           Certificate is approved by the Commission unless the Project is completed and capable  
3           of operation within the ten-year time frame. If the Project is not complete and capable  
4           of operation within the ten-year time frame, the Applicant or its assignee(s), may  
5           request that the Commission extend this time limitation.
- 6           4. In the event that the Project requires an extension of the term of this Certificate prior to  
7           completion of construction, Applicant, or its assignee(s), shall use commercially  
8           reasonable means to directly notify all landowners and residents within one mile of the  
9           Project corridor for which the extension is sought. Such landowners and residents  
10          shall be notified of the time and place of the proceeding in which the Commission shall  
11          consider such request for extension.
- 12          5. The Applicant, or its assignee(s), shall document and make every reasonable effort to  
13          identify and correct, on a case-specific basis, all complaints of interference with radio  
14          or television signals from operation of the transmission lines and related facilities  
15          addressed in this Certificate. The Applicant, or its assignee(s), shall maintain written  
16          records for a period of five years of all complaints of radio or television interference  
17          attributable to operation, together with the corrective action taken in response to each  
18          complaint. All complaints shall be recorded to include notations on the corrective  
19          action taken. Complaints not leading to a specific action or for which there was no  
20          resolution shall be noted and explained.
- 21          6. To the extent applicable, Applicant, or its assignee(s), shall comply with the notice and  
22          salvage requirements of the Arizona Native Plant Law (A.R.S. §§ 3-901, *et seq.*) and  
23          will, to the extent feasible, minimize the destruction of native plants during Project  
24          construction.
- 25          7. Pursuant to A.R.S. § 41-844, if any archaeological, paleontological or historical site or  
26          object that is at least 50 years old is discovered on state, county or municipal land

1 during Project-related activities, the person in charge shall promptly report the  
2 discovery to the Director of the Arizona State Museum, and in consultation with the  
3 Director, shall immediately take all reasonable steps to secure and maintain the  
4 preservation of the discovery. If human remains and/or funerary objects are  
5 encountered on private land during the course of any ground-disturbing activities  
6 relating to the development of the subject property, Applicant shall cease work on the  
7 affected area of the Project and notify the Director of the Arizona State Museum  
8 pursuant to A.R.S. § 41-865.

- 9 8. Applicant, or its assignee(s), shall design the transmission lines to incorporate  
10 reasonable measures to minimize impacts to raptors.
- 11 9. Applicant, or its assignee(s), shall use non-specular conductor and dulled surfaces for  
12 transmission line structures.
- 13 10. Before construction on this Project may commence, the Applicant, or its assignee(s),  
14 must file a construction mitigation and restoration plan ("Plan") with Commission  
15 Docket Control. Where practicable, the Plan will specify the Applicant's plans for  
16 construction access and methods to minimize impacts to wildlife, to minimize  
17 vegetation disturbance outside of the Project right-of-way, and to revegetate native  
18 areas following construction disturbance.
- 19 11. With respect to the Project, Applicant, or its assignee(s), shall participate in good faith  
20 in state and regional transmission study forums such as Southwest Area Transmission  
21 to coordinate transmission plans related to the Project.
- 22 12. Within 120 days of the Commission decision granting this Certificate, Applicant, or its  
23 assignee(s), will post signs in public rights-of-way giving notice of the Project corridor  
24 to the extent authorized by law. The Applicant, or its assignee(s), shall place signs in  
25 prominent locations at reasonable intervals such that the public is notified along the  
26 full length of the transmission line until the transmission structures are constructed. To

1 the extent practicable, within 45 days of securing easement or right-of-way for the  
2 Project, the Applicant, or its assignee(s), shall erect and maintain signs providing  
3 public notice that the property is the site of a future transmission line. Such signage  
4 shall be no smaller than a normal roadway sign. The signs shall advise:

- 5 (a) That the site has been approved for the construction of Project facilities;
- 6 (b) The expected date of completion of the Project facilities;
- 7 (c) A phone number for public information regarding the Project;
- 8 (d) The name of the Project;
- 9 (e) The name of the Applicant, or its assignee(s); and
- 10 (f) The website of the Applicant, or its assignee(s).

11 13. The Applicant, or its assignee(s), shall provide copies of this Certificate to the Town of  
12 Gila Bend, the Maricopa County Planning and Development Department, the Arizona  
13 State Land Department, the State Historic Preservation Office, and the Arizona Game  
14 and Fish Department.

15 14. Within 120 days after the approval of this Certificate by the Commission, Applicant, or  
16 its assignee(s), will provide known homebuilders and developers within one mile of  
17 the center line of the Certificated route (i) a copy of this Certificate, (ii) a map showing  
18 the location of the Project, (iii) a pictorial depiction of the type of power line being  
19 constructed, and (iv) a written request that the developers and homebuilders include  
20 this information in the developers' and homebuilders' homeowners' disclosure  
21 statements.

22 15. Before commencing construction of Project facilities located parallel to and within 100  
23 feet of any existing natural gas or hazardous liquid pipeline, the Applicant, or its  
24 assignee(s), shall:

- 25 (a) Perform the appropriate grounding and cathodic protection studies to show that  
26 the Project's location parallel to and within 100 feet of such pipeline results in

1 no material adverse impacts to the pipeline or to public safety when both the  
2 pipeline and the Project are in operation. If material adverse impacts are noted  
3 in the studies, Applicant, or its assignee(s), shall take appropriate steps to  
4 ensure that such material adverse impacts are mitigated. Applicant, or its  
5 assignee(s), shall provide to Commission Staff reports of studies performed;  
6 and

7 (b) Perform a technical study simulating an outage of the Project that may be  
8 caused by the collocation of the Project parallel to and within 100 feet of the  
9 existing natural gas or hazardous liquid pipeline. This study should either:  
10 i) show that such outage does not result in customer outages, or ii) include  
11 operating plans to minimize any resulting customer outages. Applicant, or its  
12 assignee(s), shall provide a copy of this study to Commission Staff.

13 16. Applicant, or its assignee(s), will follow the latest Western Electricity Coordinating  
14 Council/North American Electric Reliability Corporation planning standards as  
15 approved by the Federal Energy Regulatory Commission, and National Electrical  
16 Safety Code construction standards.

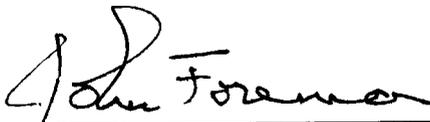
17 17. The Applicant, or its assignee(s), shall submit a self-certification letter annually,  
18 identifying progress made with respect to each condition contained in the Certificate,  
19 including which conditions have been met. Each letter shall be submitted to the  
20 Commission Docket Control on December 1, beginning in 2009. Attached to each  
21 certification letter shall be documentation explaining how compliance with each  
22 condition was achieved. Copies of each letter along with the corresponding  
23 documentation shall be submitted to the Arizona Attorney General and Department of  
24 Commerce Energy Office. The requirement for the self-certification shall expire on  
25 the date the Project is placed into operation.  
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**FINDINGS OF FACT AND CONCLUSIONS OF LAW**

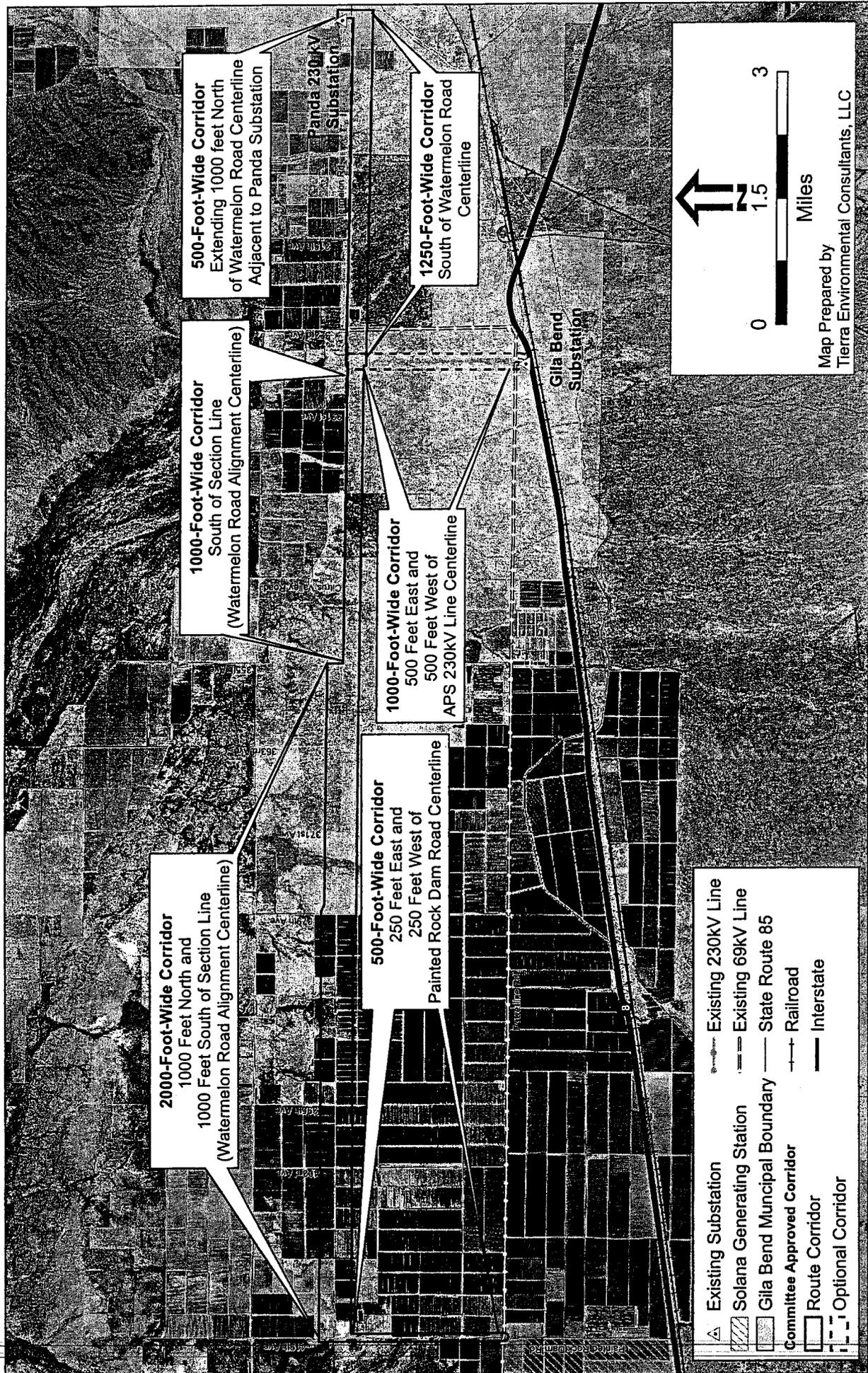
This Certificate incorporates the following findings of fact and conclusions of law:

1. The Project is in the public interest because it aids the state in meeting the need for an adequate, economical and reliable supply of electric power.
2. In balancing the need for the Project with its effect on the environment and ecology of the state, the conditions placed on the Certificate by the Committee effectively minimize its impact on the environment and ecology of the state.
3. The conditions placed on the Certificate by the Committee resolve matters concerning the need for the Project and its impact on the environment and ecology of the state raised during the course of proceedings, and as such, serve as the findings on the matters raised.
4. In light of these conditions, the balancing in the broad public interest results in favor of granting the Certificate.

THE ARIZONA POWER PLANT AND  
TRANSMISSION LINE SITING COMMITTEE

  
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Hon. John Foreman, Chairman

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**2000-Foot-Wide Corridor**  
 1000 Feet North and  
 1000 Feet South of Section Line  
 (Watermelon Road Alignment Centerline)

**1000-Foot-Wide Corridor**  
 South of Section Line  
 (Watermelon Road Alignment Centerline)

**500-Foot-Wide Corridor**  
 250 Feet East and  
 250 Feet West of  
 Painted Rock Dam Road Centerline

**1000-Foot-Wide Corridor**  
 500 Feet East and  
 500 Feet West of  
 APS 230kV Line Centerline

**500-Foot-Wide Corridor**  
 Extending 1000 feet North  
 of Watermelon Road Centerline  
 Adjacent to Panda Substation

**1250-Foot-Wide Corridor**  
 South of Watermelon Road  
 Centerline

- Existing Substation
- Solana Generating Station
- Gila Bend Municipal Boundary
- Committee Approved Corridor
- Route Corridor
- Optional Corridor
- Existing 230kV Line
- Existing 69kV Line
- State Route 85
- Railroad
- Interstate

Map Prepared by  
 Tierra Environmental Consultants, LLC

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 Miles

Exhibit A