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June 21, 2001

AZ CORP COMMISSION  
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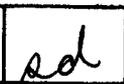
Mr. William Mundell  
Corporation Commission  
1200 West Washington  
Phoenix, Arizona 85007

Mr. Marc Spitzer  
Corporation Commission  
1200 West Washington  
Phoenix, Arizona 85007

Arizona Corporation Commission  
**DOCKETED**

JUN 25 2001

Mr. Jim Irvin  
Corporation Commission  
1200 West Washington  
Phoenix, Arizona 85007

DOCKETED BY 

**RE: BIENNIAL TRANSMISSION ASSESSMENT REPORT; DOCKET NO. E-00000A-01-0120**

Dear Commissioners:

As a part of its Biennial Transmission Assessment Report, your staff has identified as Issue #3 several of what it refers to as "Guiding Principles." One of these Guiding Principles is a requirement that all power plants have redundant transmission lines and that such a requirement constitutes "Arizona's best engineering practice."

In comments which we submitted on May 3, 2001 but which were apparently ignored in the "Proposed Changes" document, we noted that the issue of redundant transmission lines was subject of considerable sworn testimony by expert witnesses in the Harquahala Generating Company Hearing before the Power Plant and Transmission Line Sitting Committee of the Arizona Corporation Commission in L00000M-99-0096 (Volume 2; February 14, 2000; Pages 233-412 and Volume 3; February 25, 2000; Pages 421-544). Based on this testimony, both the Power Plant and Transmission Line Sitting Committee and this Commission, by recorded votes, concluded that a redundant transmission line requirement was unnecessary to ensure electric reliability, was extremely costly and was inappropriate in a deregulated market for electric generation. These considerations may explain why no jurisdiction in the United States and, as far as we can determine, no jurisdiction anywhere in the world has adopted such a requirement.

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Since this Commission has already adopted a position on this subject during an official proceeding and nothing has been presented to the Commission to justify changing that position, we would urge you to generally reject the concept of "Guiding Principles" that have not been subject to public input or rulemaking and to specifically reject a requirement that Arizona power plants be saddled with the unnecessary burden and cost of redundant transmission lines

Thank you for your consideration,

A handwritten signature in black ink, appearing to read "J. L. Filippi". The signature is written in a cursive style with a large initial "J" and "F".

James L. Filippi  
Manager, Transmission Services

Cc: Roger Ferland  
Mike Fulcher  
Brian Kunz  
Kathy Stallings