

ABENGOA SOLAR INC.



0000105164

November 18, 2009

ORIGINAL

Docket Control
Arizona Corporation Commission
1200 W. Washington St.
Phoenix, AZ 85007

Compliance Section
Arizona Corporation Commission
1200 W. Washington St.
Phoenix, AZ 85007

Re: CEC Docket No. L00000GG-08-0407-00139 & L00000GG-08-0408-00140,
Case No. 139 & 140, Decision No. 70638 & 70639

This letter is to inform you of the compliance actions taken for the Solana
Generating Station Facility CEC (Decision No. 70638) Condition No.15 which states:

15. "The Applicant, or its assignee(s), shall provide copies of this Certificate to the Town of Gila Bend, the Maricopa County Planning and Development Department, the Arizona State Land Department, the State historic preservation Office, and the Arizona Game and Fish Department."

As well as the compliance actions taken for the Solana Generating Station
Transmission Line CEC (Decision No. 70639) Condition No.13 which states:

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

Abengoa Solar Inc. has completed both of the compliance activities, which may be found in the attached documents.

Sincerely,

Kate Maracas
Vice President, Arizona Operations

Arizona Corporation Commission

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NOV 18 2009

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AZ CORPORATION COMMISSION
DOCKET CONTROL

2009 NOV 18 1P 2:27

RECEIVED

ABENGOA SOLAR INC.

4505 E. Chandler Blvd., Suite 120, Phoenix, AZ 85048

480.705.0028 (T)

480.705.3227 (F)

COMPLETE THIS SECTION FIRST

Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is checked.
 Print your name and address on the reverse so that we can return the card to you.
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1. Article Addressed to:

Jim Garrison
1300 W Washington
Phoenix, AZ 85007

2. Article Number
(Transfer from service list) 7009 2250 0003 6939 0436

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail G.O.D.

4. Restricted Delivery? (Extra Fee) Yes

A. Signature Agent Addressee
 B. Received by (Printed Name) Gloria Yazzie C. Date of Delivery 11/16/09
 D. Is delivery address different from item 1? Yes
 If YES, enter delivery address below: No

COMPLETE THIS SECTION FIRST

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1. Article Addressed to:

Troy Smith
9140 E. 29th St.
Yuma, AZ 85305

2. Article Number
(Transfer from service list) 7009 2250 0003 6939 0405

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail G.O.D.

4. Restricted Delivery? (Extra Fee) Yes

A. Signature Agent Addressee
 B. Received by (Printed Name) Terry Bueckel C. Date of Delivery 11/16/09
 D. Is delivery address different from item 1? Yes
 If YES, enter delivery address below: No

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1. Article Addressed to:

Rick Buss
444 West Pima St.
PO Box A
Gila Bend, AZ 85337

2. Article Number
(Transfer from service list) 7009 2250 0003 6939 0429

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail G.O.D.

4. Restricted Delivery? (Extra Fee) Yes

A. Signature Agent Addressee
 B. Received by (Printed Name) Rick Buss C. Date of Delivery
 D. Is delivery address different from item 1? Yes
 If YES, enter delivery address below: No

SENDER: COMPLETE THIS SIDE

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 Print your name and address on the reverse so that we can return the card to you.
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1. Article Addressed to:
 Matthew Holm
 Maricopa County Planning
 501 N. 44th St.
 Suite 200
 Phoenix AZ 85008

2. Article Number
 (Transfer from service label) 7009 2250 0003 6939 0443

3. Received by (Printed Name) Agent Addressee
 S. H. W.

C. Date of Delivery
 11/16/04

D. Is delivery address different from item 1? Yes
 If YES, enter delivery address below: No



3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

SENDER: COMPLETE THIS SIDE

Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
 Print your name and address on the reverse so that we can return the card to you.
 Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:
 Ray Moore
 1616 W. Adams St.
 Phoenix, AZ 85007

2. Article Number
 (Transfer from service label) 7009 2250 0003 6939 0412

3. Received by (Printed Name) Agent Addressee
 R. Moore

C. Date of Delivery
 NOV 17 2004

D. Is delivery address different from item 1? Yes
 If YES, enter delivery address below: No

NOV 17 2004

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

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

DOCKETED BY	<i>nr</i>
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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

Samuel Wilson
CHAIRMAN

William P. Mendel
COMMISSIONER

Jeffrey H. Hodel
COMMISSIONER

R. M. [unclear]
COMMISSIONER

Gary [unclear]
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 11th day of
December, 2008.

[Signature]
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) Case No. 140
7 STATUTES §§ 40-360, *et seq.*, FOR A)
8 CERTIFICATE OF ENVIRONMENTAL)
9 COMPATIBILITY AUTHORIZING THE)
10 CONSTRUCTION OF THE SOLANA GEN-)
11 TIE, WHICH ORIGINATES AT THE)
12 SOLANA GENERATING STATION,)
13 LOCATED IN SECTION 9, TOWNSHIP 6)
14 SOUTH, RANGE 7 WEST, MARICOPA)
15 COUNTY, AND TERMINATES AT THE)
16 PANDA 230 kV SUBSTATION, LOCATED)
17 IN SECTION 20, TOWNSHIP 5 SOUTH,)
18 RANGE 4 WEST, GILA BEND, ARIZONA.)
19 _____)

20 **CERTIFICATE OF ENVIRONMENTAL COMPATIBILITY**

21 Pursuant to notice given as provided by law, the Arizona Power Plant and Transmission
22 Line Siting Committee (the "Committee") held public hearings on September 22 and 23, 2008,
23 and October 14, 2008, all in conformance with the requirements of Arizona Revised Statutes
24 ("A.R.S.") §§ 40-360, *et seq.*, for the purpose of receiving evidence and deliberating on the
25 Application of Arizona Solar One, LLC. ("Applicant") for a Certificate of Environmental
26 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:

John Foreman	Chairman, Designee for Arizona Attorney General Terry Goddard
Paul Rasmussen	Designee for Director, Arizona Department of Environmental Quality

1	Gregg Houtz	Designee for Director, Arizona Department of Water Resources
2		
3	Jack Haenichen	Designee for Director, Energy Office, Arizona Department of Commerce, attended September 22 and 23, 2008
4		
5	Jim Arwood	Director, Energy Office, Arizona Department of Commerce, attended October 14, 2008
6		
7	David Eberhart	Designee for Chairman, Arizona Corporation Commission
8		
9	Michael Biesemeyer	Appointed Member, attended September 22 and 23, 2008
10	Jeff McGuire	Appointed Member
11	Patricia Noland	Appointed Member
12	Michael Palmer	Appointed Member
13	Michael Whalen	Appointed Member
14	Barry Wong	Appointed Member

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

20 At the conclusion of the hearings, the Committee, having received the Application, the
 21 appearances of the parties, the evidence, testimony, and exhibits presented at the hearings, and
 22 being advised of the legal requirements of A.R.S. §§ 40-360 to 40-360.13, upon motion duly
 23 made and seconded, voted 10 to 0 to grant Applicant this Certificate of Environmental
 24 Compatibility (Line Siting Case No. 140) for the Project.
 25
 26

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 / 419th 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 419th Avenue and 355th 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 355th Avenue to the midsection line between 331st
23 Avenue and 323rd 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 331st
25 Avenue and 323rd Avenue to the east side of the existing APS Panda 230 kV Substation,
26

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.
- 26

- 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.

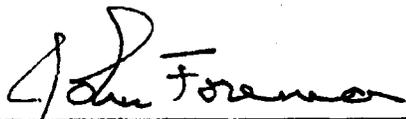
17 17. The Applicant, or its assignee(s), shall submit a self-certification letter annually,
18 identifying progress made with respect to each condition contained in the Certificate,
19 including which conditions have been met. Each letter shall be submitted to the
20 Commission Docket Control on December 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.
26

FINDINGS OF FACT AND CONCLUSIONS OF LAW

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

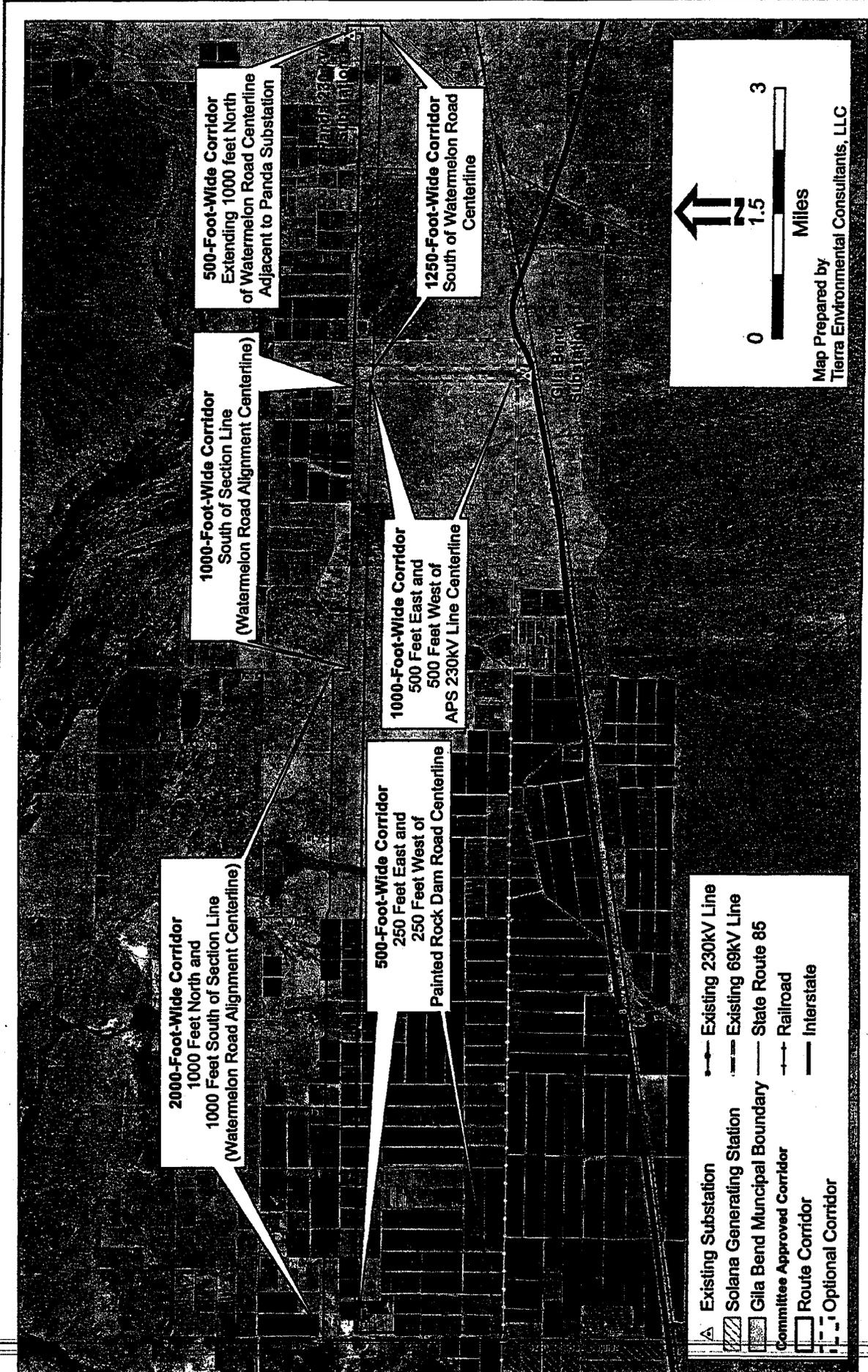
1. The Project is in the public interest because it aids the state in meeting the need for an adequate, economical and reliable supply of electric power.
2. In balancing the need for the Project with its effect on the environment and ecology of the state, the conditions placed on the Certificate by the 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



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

1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2 **COMMISSIONERS**

3 Mike Gleason, Chairman
4 William A. Mundell
5 Jeff Hatch-Miller
6 Kristin K. Mayes
7 Gary Pierce

Arizona Corporation Commission

DOCKETED

DEC 11 2008

DOCKETED BY

nr

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

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

CASE NO. 139

20
21 **IN THE MATTER OF THE APPLICATION**
22 **OF ARIZONA SOLAR ONE, LLC IN**
23 **CONFORMANCE WITH THE**
24 **REQUIREMENTS OF ARIZONA REVISED**
25 **STATUTES §§ 40-360, et seq., FOR A**
26 **CERTIFICATE OF ENVIRONMENTAL**
27 **COMPATIBILITY AUTHORIZING THE**
28 **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. 70638
for GENERATING STATION, Case No.
139

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

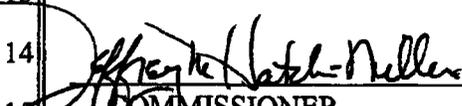
25 The Commission further finds and concludes that: (1) the Project is in the public interest
26 because it aids the state in meeting the need for an adequate, economical and reliable supply of
27 electric power; (2) in balancing the need for the Project with its effect on the environment and
28 ecology of the state, the conditions placed on the CEC by the Committee effectively minimize its

1 impact on the environment and ecology of the state; (3) the conditions placed on the CEC by the
2 Committee resolve matters concerning the need for the Project and its impact on the environment
3 and ecology of the state raised during the course of proceedings, and as such, serve as the findings on
4 the matters raised; and (4) in light of these conditions, the balancing in the broad public interest
5 results in favor of granting the CEC.

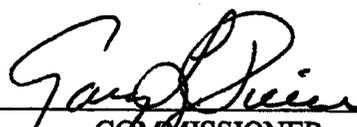
6
7 **THE CEC ISSUED BY THE SITING COMMITTEE IS**
8 **INCORPORATED HEREIN AND IS APPROVED BY ORDER OF THE**
9 **ARIZONA CORPORATION COMMISSION**

10
11 
12 CHAIRMAN

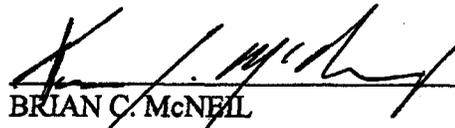

COMMISSIONER

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14 
15 COMMISSIONER


COMMISSIONER


COMMISSIONER

16
17 IN WITNESS WHEREOF, I, BRIAN C. McNEIL, Executive
18 Director of the Arizona Corporation Commission, have
19 hercunto, set my hand and caused the official seal of this
20 Commission to be affixed at the Capital, in the City of Phoenix,
21 this 11th day of December, 2008.

22 
23 BRIAN C. McNEIL
24 EXECUTIVE DIRECTOR

25 DISSENT: _____

26 DISSENT: _____
27
28

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-08-0407-00139
5 CONFORMANCE WITH THE)
6 REQUIREMENTS OF ARIZONA REVISED)
7 STATUTES §§ 40-360, *et seq.*, FOR A) Case No. 139
8 CERTIFICATE OF ENVIRONMENTAL)
9 COMPATIBILITY AUTHORIZING THE)
10 CONSTRUCTION OF THE SOLANA) Decision No. **70638**
11 GENERATING STATION, LOCATED IN)
12 SECTION 9, TOWNSHIP 6 SOUTH, RANGE)
13 7 WEST, MARICOPA COUNTY, ARIZONA.)
14 _____)

11 **CERTIFICATE OF ENVIRONMENTAL COMPATIBILITY**

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

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

20 John Foreman	Chairman, Designee for Arizona Attorney General Terry Goddard
22 Paul Rasmussen	Designee for Director, Arizona Department of Environmental Quality
24 Gregg Houtz	Designee for Director, Arizona Department of Water Resources
25 Jack Haenichen	Designee for Director, Energy Office, Arizona Department of Commerce, attended September 22 and 23, 2008

26

1	Jim Arwood	Director, Energy Office, Arizona Department of Commerce, attended October 14, 2008
2		
3	David Eberhart	Designee for Chairman, Arizona Corporation Commission
4		
5	Michael Biesemeyer	Appointed Member, attended September 22 and 23, 2008
6	Jeff McGuire	Appointed Member
7	Patricia Noland	Appointed Member
8	Michael Palmer	Appointed Member
9	Michael Whalen	Appointed Member
10	Barry Wong	Appointed Member

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

16 At the conclusion of the hearings, the Committee, having received the Application, the
17 appearances of the parties, the evidence, testimony, and exhibits presented at the hearings, and
18 being advised of the legal requirements of A.R.S. §§ 40-360 to 40-360.13, upon motion duly
19 made and seconded, voted 10 to 0 to grant Applicant this Certificate of Environmental
20 Compatibility (Line Siting Case No. 139) for the Project.

21 The Project as approved consists of a 280 Megawatt ("MW") gross output (250 MW
22 nominal output) concentrating solar power ("CSP") electric generating plant located on an
23 approximately 3000-acre site west of the Town of Gila Bend, in Maricopa County, Arizona. A
24 general location map of the Project is set forth in **Exhibit A**.

CONDITIONS

This Certificate is granted upon the following conditions:

1. The Applicant, or its assignee(s), shall obtain all required approvals and permits necessary to construct the Project.
2. The Applicant, or its assignee(s), shall comply with all existing applicable ordinances, master plans and regulations of the State of Arizona, the County of Maricopa, the United States, and any other governmental entities having jurisdiction, including but not limited to the following:
 - (a) all applicable land use regulations;
 - (b) all applicable zoning stipulations and conditions, including but not limited to landscaping and dust control requirements;
 - (c) all applicable water use, discharge and/or disposal requirements of the Arizona Department of Water Resources and the Arizona Department of Environmental Quality;
 - (d) all applicable noise control standards;
 - (e) all applicable regulations and permits governing storage and handling of chemicals and petroleum products;
 - (f) all other applicable federal and state regulations and standards.
3. This authorization to construct the Project will expire ten (10) years from the date the Certificate is approved by the Commission unless the Project is completed and capable of operation within the ten-year time frame. If the Project is not complete and capable of operation within the ten-year time frame, the Applicant or its assignee(s) may request that the Commission extend this time limitation.
4. In the event that the Project requires an extension of the term of this Certificate prior to completion of construction, Applicant, or its assignee(s), shall use commercially reasonable means to directly notify all landowners and residents within one mile of the

1 Project site for which the extension is sought. Such landowners and residents shall be
2 notified of the time and place of the proceeding in which the Commission shall
3 consider such request for extension.

- 4 5. Applicant, or its assignee(s) and/or its customer, will work in good faith to develop and
5 implement an educational program to teach students about the science of solar electric
6 technology.
- 7 6. The Applicant, or its assignee(s), will provide to the Commission Staff copies of the
8 Project's executed interconnection agreement with APS, and the technical operating
9 studies that will be performed prior to actual physical interconnection of the Project to
10 the APS transmission system.
- 11 7. Applicant, or its assignee(s), or its affiliate company, or its customer will become a
12 member of the Western Electricity Coordinating Council ("WECC") (or its successor),
13 and will file with the Commission Docket Control a copy of its executed WECC
14 Membership Agreement.
- 15 8. Applicant, or its assignee(s) and/or its affiliate company and/or its customer, will
16 participate in good faith in Commission-sponsored workshops and assessments of the
17 solar renewable infrastructure and market.
- 18 9. Applicant, or its assignee(s), may utilize groundwater for electrical generation and
19 related uses associated with construction and commercial operation of the Project.
20 Prior to the commencement of commercial operation, Applicant, or its assignee(s) will
21 file with Commission Docket Control a letter confirming that Applicant, or its
22 assignee(s) has secured both an adequate supply of water to produce 280 MW using
23 CSP parabolic trough technology with thermal storage, and a legal right to use the
24 water needed for the purpose of construction and commercial operation of the Project.
- 25 10. To the extent applicable, Applicant or its assignee(s), will comply with the notice and
26 salvage requirements of the Arizona Native Plant Law (A.R.S. §§ 3-901, *et seq.*) and

1 will, to the extent feasible, minimize the destruction of native plants during Project
2 construction.

3 11. During the construction and maintenance of the Project, to the extent applicable, the
4 Applicant, or its assignee(s), will use existing roads for access, and to the extent
5 applicable, taking into the account that the Project Site lies within a cultivated
6 agricultural area, minimize impacts to wildlife and vegetation on the Project Site.

7 12. Pursuant to A.R.S. § 41-844, if any archaeological, paleontological or historical site or
8 object that is at least fifty years old is discovered on state, county or municipal land
9 during Project-related activities, the person in charge shall promptly report the
10 discovery to the Director of the Arizona State Museum, and in consultation with the
11 Director, shall immediately take all reasonable steps to secure and maintain the
12 preservation of the discovery. If human remains and/or funerary objects are
13 encountered on private land during the course of any ground-disturbing activities
14 relating to the development of the subject property, Applicant shall cease work on the
15 affected area of the Project and notify the Director of the Arizona State Museum
16 pursuant to A.R.S. § 41-865.

17 13. Within 120 days of the Commission decision granting this Certificate, Applicant, or its
18 assignee(s), will erect and maintain at the site a sign of not less than 4 feet by 8 feet
19 dimensions, advising:

- 20 (a) That the site has been approved for the construction of a 280 MW generating
21 facility;
- 22 (b) The expected date of completion of the Project;
- 23 (c) A phone number for public information regarding the Project;
- 24 (d) The name of the Project;
- 25 (e) The name of the Applicant, or its assignee(s); and
- 26 (f) The website of the Applicant, or its assignee(s).

- 1 14. In connection with the construction of the Project, Applicant, or its assignee(s), shall
2 use commercially reasonable efforts, where feasible, to give due consideration to use
3 of qualified Arizona contractors.
- 4 15. The Applicant, or its assignee(s), shall provide copies of this Certificate to the
5 Maricopa County Planning and Development Department, the Arizona State Land
6 Department, the State Historic Preservation Office, and the Arizona Game and Fish
7 Department.
- 8 16. Within 120 days after the approval of this Certificate by the Commission, Applicant, or
9 its assignee(s), will provide known homebuilders and developers within one mile of
10 the Project (i) a copy of this Certificate, (ii) a map showing the location of the Project,
11 (iii) a pictorial depiction of the type of power plant being constructed, and (iv) a
12 written request that the developers and homebuilders include this information in the
13 developers' and homebuilders' homeowners' disclosure statements.
- 14 17. The Applicant, or its assignee(s), shall file with Commission Docket Control,
15 confirmation of the completion of system upgrades required under the interconnection
16 agreement at least thirty days before commercial operation of the plant and associated
17 transmission lines.
- 18 18. The Applicant will comply with all applicable Western Electricity Coordinating
19 Council/North American Electric Reliability Corporation standards, without the
20 implementation of an automated Remedial Action Scheme to mitigate N-1
21 contingencies other than the loss of the Gen-Tie line.
- 22 19. The Applicant, or its assignee(s), shall file with Commission Docket Control the final
23 APS System Impact Study, to include the Short Circuit Study, within 10 days of
24 receipt by the Applicant or its assignee(s).
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26

- 1 20. The Applicant, or its assignee(s), shall submit a self-certification letter annually,
2 identifying progress made with respect to each condition contained in the Certificate,
3 including which conditions have been met. Each letter shall be submitted to the
4 Commission Docket Control on December 1, beginning in 2009. Attached to each
5 certification letter shall be documentation explaining how compliance with each
6 condition was achieved. Copies of each letter along with the corresponding
7 documentation shall be submitted to the Arizona Attorney General and Department of
8 Commerce Energy Office. The requirement for the self-certification shall expire on
9 the date the Project is placed into operation.
- 10 21. The Applicant or its assignees shall submit by March 31, on an annual basis, a report
11 to the Commission Docket Control and the Arizona Department of Water Resources
12 that identifies the amount of water used for this Project in the previous calendar year.

13
14 **FINDINGS OF FACT AND CONCLUSIONS OF LAW**

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

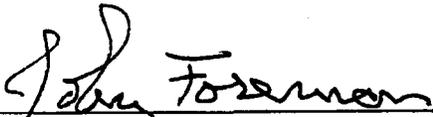
- 16 1. The Solana generating facility will use CSP technology.
- 17 2. CSP technology uses solar thermal energy as a fuel source to produce power with a
18 conventional steam power plant.
- 19 3. The major components of the Solana project will be a solar field, a power block, a
20 thermal energy storage system and a heat transfer fluid system.
- 21 4. The solar field will consist of approximately 2,700 to 3,000 parabolic trough collectors
22 containing approximately 900,000 mirrors.
- 23 5. The power block will contain two 140 MW steam turbines.
- 24
25
26

- 1 6. The thermal energy storage system will use molten salt storage that will allow solar
2 power to be dispatched in accordance with peak electricity demand profiles, and during
3 cloudy or post-sunset periods.
- 4 7. The heat transfer fluid system moves the thermal energy collected in the solar field to
5 the power block and the thermal energy storage system.
- 6 8. Solana will be a water cooled plant that will use approximately 3,000 acre feet per year
7 within PIDD, which is substantially less than the approximately 27,500 acre feet per
8 year that has been historically delivered by PIDD and used on this site for agriculture.
- 9 9. Utility-scale parabolic trough technology has successfully performed since 1984 when
10 the first of nine trough plants were built in California's Mohave Desert.
- 11 10. The addition of Solana's clean energy production will offset the need for fossil-fueled
12 generation that would otherwise produce approximately 475,000 tons per year of
13 greenhouse gas emissions.
- 14 11. The Project is in the public interest because it aids the state in meeting the need for an
15 adequate, economical and reliable supply of electric power.
- 16 12. In balancing the need for the Project with its effect on the environment and ecology of
17 the state, the conditions placed on the Certificate by the Committee effectively
18 minimize its impact on the environment and ecology of the state.
- 19 13. The conditions placed on the Certificate by the Committee resolve matters concerning
20 the need for the Project and its impact on the environment and ecology of the state
21 raised during the course of proceedings, and as such, serve as the findings on the
22 matters raised.
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14. 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



Hon. John Foreman, Chairman

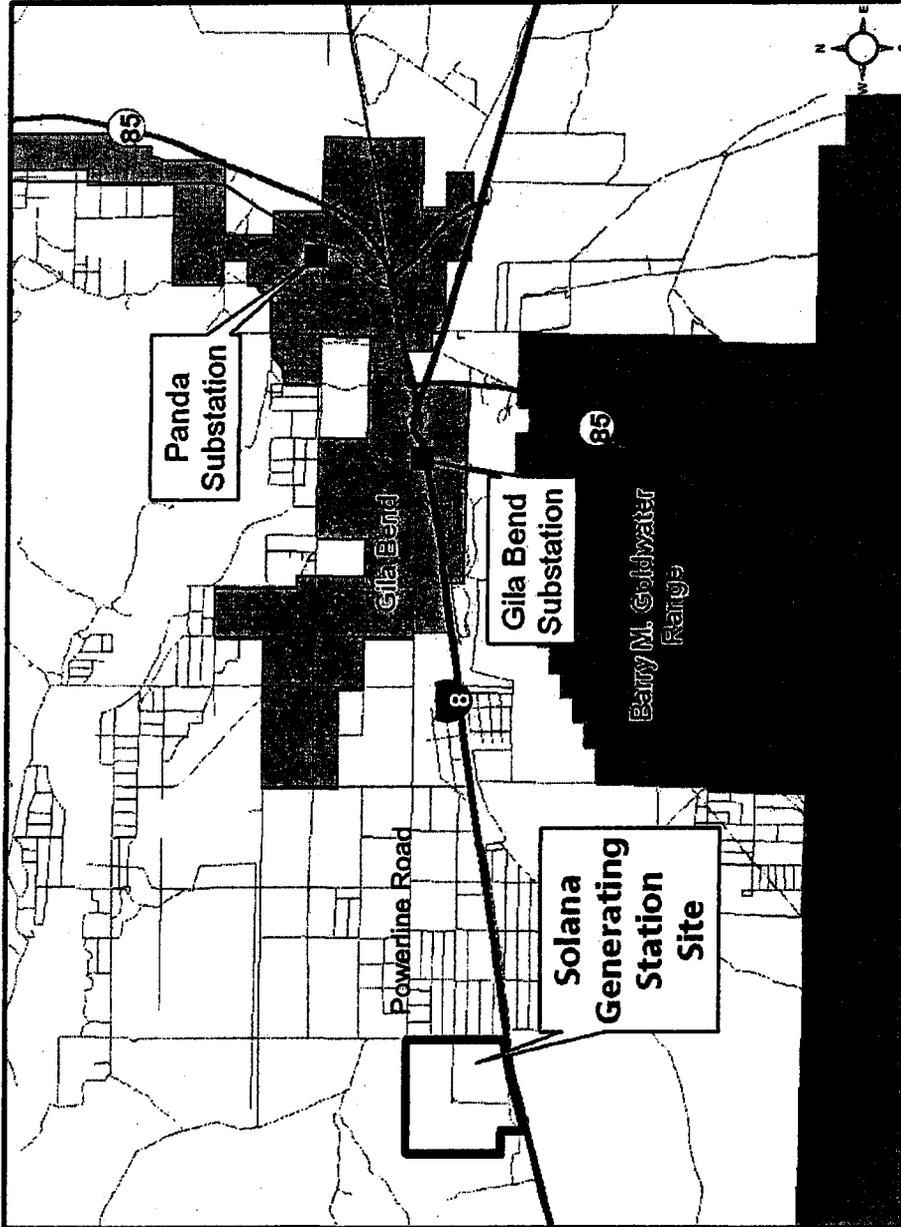


Figure 1. Solana Location Map

Solana Generating Station

Exhibit A

Filename: SolanaGen_CEC-App_Figures