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BEFORE THE ARIZONA POWER PLANT AND TRANSMISSION LINE SITING COMMITTEE

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AZ CORP COMMISSION
DOCKET CONTROL

IN THE MATTER OF THE APPLICATION OF HUALAPAI VALLEY SOLAR LLC, IN CONFORMANCE WITH THE REQUIREMENTS OF ARIZONA REVISED STATUTES §§ 40-360.03 AND 40-360.06, FOR A CERTIFICATE OF ENVIRONMENTAL COMPATIBILITY AUTHORIZING CONSTRUCTION OF THE HVS PROJECT, A 340 MW PARABOLIC TROUGH CONCENTRATING SOLAR THERMAL GENERATING FACILITY AND AN ASSOCIATED GEN-TIE LINE INTERCONNECTING THE GENERATING FACILITY TO THE EXISTING MEAD-PHOENIX 500kV TRANSMISSION LINE, THE MEAD-LIBERTY 345kV TRANSMISSION LINE OR THE MOENKOPI-EL DORADO 500kV TRANSMISSION LINE.

Docket No.: L-00000NN-09-0541
00151

Case No. 151

NOTICE OF FILING CERTIFICATE OF ENVIRONMENTAL COMPATIBILITY

Applicant, Hualapai Valley Solar, LLC ("HVS"), at the request of the Chairman of the Arizona Power Plant and Transmission Line Siting Committee ("Committee"), files the attached form of Certificate of Environmental Compatibility ("CEC"). The attached CEC contains the language adopted by the Committee during deliberations on January 13, 2010. In addition, the attached CEC contains non-substantive grammatical conforming changes.

HVS respectfully requests that this CEC not be signed and filed until the Committee has had an opportunity to consider HVS's Application for Ratification and Reconsideration filed January 21, 2010.

Arizona Corporation Commission
DOCKETED
JAN 21 2010

DOCKETED BY

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Nikki L. Shachera

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

IN THE MATTER OF THE APPLICATION OF
HUALAPAI VALLEY SOLAR LLC, IN
CONFORMANCE WITH THE REQUIREMENTS
OF ARIZONA REVISED STATUTES §§ 40-
360.03 AND 40-360.06, FOR A CERTIFICATE
OF ENVIRONMENTAL COMPATIBILITY
AUTHORIZING CONSTRUCTION OF THE HVS
PROJECT, A 340 MW PARABOLIC TROUGH
CONCENTRATING SOLAR THERMAL
GENERATING FACILITY AND AN
ASSOCIATED GEN-TIE LINE
INTERCONNECTING THE GENERATING
FACILITY TO THE EXISTING MEAD-
PHOENIX 500kV TRANSMISSION LINE, THE
MEAD-LIBERTY 345kV TRANSMISSION
LINE OR THE MOENKOPI-EL DORADO
500kV TRANSMISSION LINE.

Docket No.: L-00000NN-09-0541-
00151

Case No. 151

CERTIFICATE OF ENVIRONMENTAL COMPATIBILITY

Pursuant to notice given as provided by law, the Arizona Power Plant and Transmission
Line Siting Committee (the "Committee") held a public hearing on January 12 and January 13,
2010, in Kingman, Arizona, in conformance with the requirements of Arizona Revised Statutes
("A.R.S.") §§40-360, *et seq.*, for the purpose of receiving evidence and deliberating on the
Application of Hualapai Valley Solar LLC ("Applicant") for a Certificate of Environmental
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 hearing days for the evidentiary presentations and for the deliberations:

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

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| David Eberhart | Designee for Chairman, Arizona Corporation Commission |
| Jessica Youle | Designee for Director, Energy Office, Arizona Department of Commerce |
| Gregg Houtz | Designee for Director, Arizona Department of Water Resources |
| Jeff McGuire | Appointed Member |
| William Mundell | Appointed Member |
| Patricia Noland | Appointed Member |
| Michael Palmer | Appointed Member |
| Michael Whalen | Appointed Member |
| Barry Wong | Appointed Member |

The Applicant was represented by Thomas H. Campbell and Albert H. Acken, of the law firm of Lewis and Roca LLP.

At the conclusion of the hearings, the Committee, having received the Application, the appearances of the parties, the evidence, testimony and exhibits presented at the hearings, and being advised of the legal requirements of A.R.S. §§40-360 to 40-360.13, upon motion duly made and seconded, voted 10 to 0 to grant the Applicant this Certificate of Environmental Compatibility (Case No. 151) for the Project as set forth in the Application.

The Project consists of an up to 340 MW concentrated solar power (“CSP”) or 500 MW photovoltaic (“PV”) generating facility, with biofuel, light fuel oil or natural gas co-firing, and a 345kV or 500kV transmission line (the “Gen-Tie”). The Project is located in Mohave County, approximately 27 miles north of Kingman, Arizona, and 80 miles southeast of Las Vegas, Nevada. The generating facility is located entirely on private land in Sections 19, 20, 21, 28, 29, 30, and the north half of Section 31 all within Township 26 North, Range 16 West, Gila and Salt River Baseline and Meridian.

1 The Gen-Tie will interconnect the CSP generating facility (and/or a PV generating facility
2 built on the site approved for the CSP generating facility) to the regional transmission grid using
3 one of two approved alignments:

4 Interconnection #1 Gen-Tie alignment, located entirely in Township 26 North, Range 16
5 West, runs from the generating facility's power block to the property boundary; then north for
6 1.25 miles within a 1,320-foot wide corridor from the property boundary along the east boundary
7 of Section 17 and Section 08; then north for 1.25 miles within a 1,320-foot wide corridor along
8 the west boundary of Section 16 and Section 09 until it reaches the north boundary of Section 09;
9 then east for about 0.75 miles within a 1,320-foot wide corridor along the north boundary of
10 Section 09 until it reaches the termination in the northeast corner of Section 09. Interconnection
11 #1 is approximately 2.75 miles in length from the generating facility property boundary.

12 Interconnection #2 Gen-Tie alignment runs from the generating facility's power block to
13 the property boundary; then north for 1.25 miles within a 1,320-foot wide corridor from the
14 property boundary along the east boundary of Section 17 and Section 08 ; then north for 1.25
15 miles within a 1,320-foot wide corridor along the west boundary of Section 16 and Section 09
16 until it reaches the north boundary of Section 09; then north for one mile within a 1,320-foot wide
17 corridor through Section 04 until it reaches the west boundary of the existing Mead-Liberty
18 345kV transmission line corridor, which it will parallel on a generally northwest heading; from
19 there it will run within a 2,640-foot wide corridor measured from the centerline of the Mead-
20 Liberty 345kV transmission line west of and parallel to the existing transmission line for
21 approximately 3.5 miles, going through the northeast corner of Section 05 in Township 26 North,
22 Range 16 West; through Sections 32, 31, and 30 in Township 27 North, Range 16 West ; through
23 Sections 25 and 24 in Township 27 North, Range 17 West; and terminate in Section 23 in
24 Township 27 North, Range 17 West. Interconnection #2 is approximately 6.5 miles in length
25 from the property boundary.
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1 The transmission structure heights will not exceed 199 feet and will occupy a right-of-way
2 width up to a maximum of 200 feet.

3 A general location map of the Project is set forth in **Exhibit A**.

4 **CONDITIONS**

5 This Certificate is granted upon the following conditions:

6 1. The conditions shall apply to the Applicant, its successor(s), and assignee(s).

7 2. The Applicant shall obtain all approvals and permits required by the United States,
8 the State of Arizona, the County of Mohave, and any other governmental entities having
9 jurisdiction necessary to construct the Project.

10 3. The Applicant shall comply with all existing applicable statutes, ordinances, master
11 plans and regulations of the State of Arizona, the County of Mohave, the United States, and any
12 other governmental entities having jurisdiction, including but not limited to the following:

13 a) all applicable land use regulations;

14 (b) all applicable zoning stipulations and conditions, including but not limited to
15 landscaping and dust control requirements;

16 (c) all applicable water use, discharge and/or disposal requirements of the Arizona
17 Department of Water Resources and the Arizona Department of Environmental
Quality;

18 (d) all applicable noise control standards;

19 (e) all applicable regulations and permits governing storage and handling of chemicals
20 and petroleum products;

21 (f) all other applicable federal and state regulations and standards.

22 4. The Applicant shall make all reasonable efforts to minimize the use of groundwater
23 during construction and operation of the Project, and use effluent for cooling and all other non-
24 potable water uses to the extent it is made available by the City of Kingman from its Hilltop
25 Waste Water Treatment Plant ("WWTP") and can be transported by the Applicant and at the
26 Applicant's expense to the Project site. The Applicant may utilize groundwater for potable uses

1 and as a back-up to effluent when effluent is not available from the City of Kingman or when
2 transmission of the effluent is interrupted from the Hilltop WWTP to the Project. Total water use
3 per year shall not exceed 3,000 AF from all sources and shall not exceed 2,400 AF of groundwater
4 for cooling purposes. The Applicant, within two years from the Arizona Corporation Commission
5 (“Commission”) approval of the Certificate, shall contract with the City of Kingman for sale,
6 transmission and use of effluent generated by the Hilltop WWTP. If contracting is unsuccessful
7 in this time frame, the Applicant may apply to the Commission for an extension of time to
8 negotiate the contract.

9 5. If any archaeological, paleontological or historical site or object that is at least fifty
10 years old is discovered on state, county or municipal land during the construction or operation of
11 the solar generating facility and transmission line, the Applicant or its representative in charge
12 shall promptly report the discovery to the Director of the Arizona State Museum, and in
13 consultation with the Director, shall immediately take all reasonable steps to secure and maintain
14 the preservation of the discovery as required by A.R.S. § 41-844.

15 6. If human remains and/or funerary objects are encountered on private land during
16 the course of any ground-disturbing activities relating to the construction or operation of the solar
17 generating facility and transmission line, the Applicant shall cease work on the affected area of
18 the Project and notify the Director of the Arizona State Museum as required by A.R.S. § 41-865.

19 7. The Applicant shall comply with the notice and salvage requirements of the
20 Arizona Native Plant Law (A.R.S. §§ 3-901, *et seq.*) and shall, to the extent feasible, minimize the
21 destruction of native plants during the construction and operation of the solar generating facility
22 and transmission line.

23 8. This authorization to construct this Project (which may be constructed in two
24 phases) shall expire unless the solar generating facility and transmission line are capable of
25 operation within seven years from the date the Certificate is approved by the Commission.
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1 However, prior to expiration, the Applicant may request that the Commission extend this time
2 limitation.

3 9. In the event that the Project requires an extension of the term of this Certificate
4 prior to completion of construction, Applicant shall use reasonable means to notify all landowners
5 and residents within one mile of the Project corridor as depicted on Exhibit A, all persons who
6 made public comment at this proceeding, and all parties to this proceeding of the request and the
7 date, time and place of the hearing in which the Commission will consider the request for
8 extension.

9 10. The Applicant shall make every reasonable effort to identify and correct, on a case-
10 specific basis, all complaints of interference with radio or television signals from operation of the
11 transmission lines and related facilities addressed in this Certificate. The Applicant shall maintain
12 written records for a period of five years of all complaints of radio or television interference
13 attributable to operation, together with the corrective action taken in response to each complaint.
14 All complaints shall be recorded to include notations on the corrective action taken. Complaints
15 not leading to a specific action or for which there was no resolution shall be noted and explained.
16 Upon request, the written records shall be provided to the Staff of the Commission.

17 11. Within 120 days of the Commission decision granting this Certificate, Applicant
18 will post a sign at the plant site. The sign shall be no smaller than a normal roadway sign and
19 shall advise:

- 20 (a) That the site has been approved for the construction of Project facilities;
- 21 (b) The expected date of completion of the Project facilities;
- 22 (c) A phone number for public information regarding the Project;
- 23 (d) The name of the Project;
- 24 (e) The name of the Applicant; and
- 25 (f) The website of the Project.

26 12. Applicant shall design the transmission line to incorporate reasonable measures to
minimize impacts to raptors.

1 13. Applicant shall use non-specular conductor and non-reflective surfaces for
2 transmission line structures.

3 14. Before construction on this Project may commence, the Applicant shall file a
4 construction mitigation and restoration plan ("Plan") with ACC Docket Control. Where
5 practicable, the Plan shall specify the Applicant's plans for construction access and methods to
6 minimize impacts to wildlife and to minimize vegetation disturbance outside of the Project right-
7 of-way particularly in drainage channels and along stream banks. Applicant shall re-vegetate,
8 unless waived by the landowner, native areas of construction disturbance to its preconstruction
9 state outside of the power-line right of way after construction has been completed. The Plan shall
10 specify the Applicant's plans for coordination with the Arizona Game and Fish Department and
11 the State Historic Preservation Office. The Applicant shall use existing roads for construction and
12 access where practicable and the Plan shall specify the manner in which the applicant makes use
13 of existing roads.

14 15. Applicant shall follow any published guidelines adopted by the Arizona Game and
15 Fish Department of the United States Fish and Wildlife Service for handling contacts during the
16 construction and operation of the Project with any species designated as endangered. Applicant
17 also shall follow any published and adopted guidelines for handling contacts with any species of
18 greatest conservation need as designated by the Arizona Game and Fish Department. If no
19 published and adopted guidelines exist, the Applicant shall use reasonable care to avoid any harm
20 to individuals of the designated species. If the avoidance of harm to individuals is not possible,
21 the Applicant shall contact the Arizona Game and Fish Department and the United States Fish and
22 Wildlife Service to obtain any appropriate permits and guidance for removing from the area of the
23 Project the individual members of the species contacted.

24 16. All lighting shall be shielded, cantered or cut to ensure that light reaches only areas
25 needing illumination.
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1 17. With respect to the Project, Applicant shall participate in good faith in state and
2 regional transmission study forums to coordinate transmission expansion plans related to the
3 Project and to resolve transmission constraints in a timely manner.

4 18. The Applicant shall provide copies of this Certificate to the Mohave County
5 Planning Department, the City of Kingman, the Arizona State Land Department, the State Historic
6 Preservation Office, and the Arizona Game and Fish Department.

7 19. Prior to the date construction commences on this Project, the Applicant shall
8 provide known homebuilders and developers within one mile of the center line of the Certificated
9 route and solar facility, the identity, location, and a pictorial depiction of the type of power line
10 and solar facility being constructed, accompanied by a written description, and encourage the
11 developers and homebuilders to include this information in the developers' and homebuilders'
12 homeowners' disclosure statements.

13 20. Applicant will follow the most current Western Electricity Coordinating
14 Council/North American Electric Reliability Corporation planning standards as approved by the
15 Federal Energy Regulatory Commission, and National Electrical Safety Code construction
16 standards.

17 21. The Applicant shall submit a self-certification letter annually, identifying progress
18 made with respect to each condition contained in the Certificate, including which conditions have
19 been met. The letter shall be submitted to the Docket Control of the Commission by December 1,
20 2010, and annually thereafter. Attached to each certification letter shall be documentation
21 explaining how compliance with each condition was achieved. Copies of each letter along with
22 the corresponding documentation shall be submitted to the Arizona Attorney General and
23 Department of Commerce Energy Office. The requirement for the self-certification shall expire
24 on the date the Project is placed into operation.

25 22. The Applicant also shall file quarterly reports with Docket Control and the
26 Compliance Officer of the Commission listing: (1) the number of legal residents at the time of

1 hiring from Mohave County hired for construction jobs on this Project; and (2) the number of
2 legal residents at the time of hiring from Arizona outside Mohave County hired for construction
3 jobs on this Project. Reports shall commence December 1, 2010, and continue until
4 commencement of commercial operation of the Project.

5 23. The Applicant also shall file quarterly reports with Docket Control and the
6 Compliance Officer of the Commission listing businesses in Mohave County and the remainder of
7 Arizona with whom the Applicant has substantial contracts to provide goods and services during
8 construction of the Project and the effluent pipeline. The reports shall include the total dollar
9 amount going to Mohave County and total dollar amount going to Arizona outside of Mohave
10 County. Reports shall commence December 1, 2010, and continue until commencement of
11 commercial operation of the Project.

12 24. The Applicant also shall file annual reports with Docket Control and the
13 Compliance Officer of the Commission, and with the Arizona Department of Water Resources
14 stating the total amount of water used in the operation of the Project, including the amount of
15 groundwater. Annual reports of water usage shall begin with commencement of commercial
16 operation of the Project and continue for the life of the Project.

17 25. Within sixty (60) days of the Commission decision granting this Certificate, the
18 Applicant shall make good faith efforts to commence discussions with private landowners, on
19 whose property the Project corridor is located, to identify the specific location for the Project
20 right-of-way and placement of poles.

21 26. The Applicant shall expeditiously pursue reasonable efforts to work with private
22 landowners on whose property the Project right-of-way will be located, to mitigate the impacts of
23 the location, construction, and operation of the Project on private land.

24 27. Applicant shall make good faith efforts to continue to partner with Mohave County
25 workforce development personnel on job training and/or apprenticeship programs for Mohave
26

1 County residents and to encourage its contractors to utilize qualified local construction workers to
2 construct the Project.

3 28. Within ninety (90) days of the Commission decision granting this Certificate, the
4 Applicant shall make good faith efforts to commence discussions with the Arizona Building
5 Trades Council on a model construction agreement to encourage the utilization of qualified local
6 or Arizona union or non-union construction workers for the construction of the Project.

7 **FINDINGS OF FACT AND CONCLUSIONS OF LAW**

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

9 1. The Project aids the Southwest region in meeting the need for an adequate,
10 economical and reliable supply of renewable electric power.

11 2. The conditions placed on the Project in the Certificate by the Committee
12 effectively minimize the impact of the Project on the environment and ecology of the state.

13 3. The Project is in the public interest because the Project's contribution to meeting
14 the need for an adequate, economical and reliable supply of renewable electric power outweighs
15 the minimized impact of the Project on the environment and ecology of the state.

16 DATED this ____ day of _____ 2010.

17
18 **THE ARIZONA POWER PLANT AND**
19 **TRANSMISSION LINE SITING**
20 **COMMITTEE**

21 _____
22 John Foreman, Chairman
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