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Arizona Corporation Commission

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TRANSMISSION LINE SITING COMMITTEE

NOV 18 2002

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CASE NO. 120  
DOCKET NO. L-00000D-02-0120

STAFF'S PROPOSED  
CONDITIONS

IN THE MATTER OF THE APPLICATION OF ARIZONA PUBLIC SERVICE COMPANY, IN CONFORMANCE WITH THE REQUIREMENTS OF ARIZONA REVISED STATUTES SECTION 40-360, ET SEQ., FOR A CERTIFICATE OF ENVIRONMENTAL COMPATIBILITY AUTHORIZING THE NORTH VALLEY 230kV FACILITY SITING PROJECT, INCLUDING THE CONSTRUCTION OF APPROXIMATELY 31 MILES OF 230kV TRANSMISSION LINES, TWO 230kV SUBSTATIONS, AND THREE SUBSTATION INTERCONNECTIONS IN MARICOPA COUNTY, ARIZONA, ORIGINATING AT THE WESTWING SUBSTATION IN SECTION 12, TOWNSHIP 4 NORTH, RANGE 1 WEST, G&SRB&M AND INTERCONNECTING AT THE RACEWAY SUBSTATION IN SECTIONS 4 AND 5, TOWNSHIP 5 NORTH, RANGE 1 EAST, G&SRB&M, CONTINUING TO THE PROPOSED AVERY SUBSTATION IN SECTION 15, TOWNSHIP 5 NORTH, RANGE 2 EAST, G&SRB&M AND THE PROPOSED MISTY WILLOW SUBSTATION IN SECTION 8, TOWNSHIP 4 NORTH, RANGE 3 EAST, G&SRB&M, AND TERMINATING AT THE PINNACLE PEAK SUBSTATION IN SECTION 10, TOWNSHIP 4 NORTH, RANGE 4 EAST, G&SRB&M.

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DOCUMENT CONTROL

Staff of the Utilities Division ("Staff") of the Arizona Corporation Commission ("Commission") hereby submits conditions that Staff recommends be added to a Certificate of Environmental Compatibility ("CEC") granted by the Arizona State Power Plant and Transmission Line Siting Committee ("Committee") in the above-captioned case, should a CEC be granted. Staff generally agrees that the proposed project by Arizona Public Service Company ("APS" or "Applicant") could have long-term benefits in addressing the growing need for electric service, particularly in the northern part of Maricopa County. However, Staff believes the conditions it proposes below are also necessary to ensure the safety and reliability of the system and to maximize the long-term benefits of the Arizona transmission system.

Staff's Proposed Condition No. 1 is to ensure that continued coordination occurs between APS, Salt River Project ("SRP") and Western Area Power Administration ("WAPA"). Staff is

1 concerned about how this project might affect the ability of other transmission providers, such as  
2 SRP and WAPA to construct projects in the same rights-of-way. Additional projects by other  
3 transmission providers may also be necessary to address Arizona's growing need for electric  
4 service in the north valley area. Staff wants to make sure continued coordination occurs so that  
5 adverse environmental impacts are minimized, as well as ensuring the reliability of all proposed  
6 projects in that area. Staff has contacted both WAPA and SRP representatives to inquire about  
7 how this project affects projects they might be proposing in the same rights-of-way. In any  
8 event, this condition is designed to ensure that all proposed projects by the various transmission  
9 providers are maximally integrated.

10 Staff's Proposed Condition No. 2 is to ensure that there will be a continuing obligation to  
11 participate in resolving transmission constraints, in addition to what Staff is advocating in its  
12 Proposed Condition No. 1.

13 Staff's Proposed Condition No. 3 is based on Staff's analysis of its position regarding  
14 distance between transmission lines and gas pipelines, due to the particulars of this case. Based  
15 on specific information received from the Applicant in response to data requests submitted by  
16 Staff in this case, Staff has fashioned new language to address the concerns it has regarding  
17 transmission lines being placed in close proximity with natural gas pipelines for this case. This  
18 condition was fashioned as a result of consultation and review with Terry Fronterhouse, Chief of  
19 the Office of Pipeline Safety for the Commission. Staff believes that its Proposed Condition No.  
20 3 ensures the safety and reliability of both the proposed project and any natural gas or hazardous  
21 liquid pipelines within the vicinity of the proposed project.

22 Staff's Proposed Condition No. 4 addresses the timeframe for the completion of the  
23 project. That condition has been fashioned in coordination with the information submitted by the  
24 Applicant in the Commission's Second Biennial Transmission Assessment. Staff believes that  
25 the West Wing to Raceway segment of the line is the portion most immediately vital to serving  
26 Arizona's growing need for electricity. While Staff has no objection to allowing the Applicant  
27 until December 31, 2011 to construct the remaining portions of the proposed project, Staff will  
28 leave justification of that timeframe mainly to the Applicant to address.

1 Staff's Proposed Condition No. 5 is the standard condition requiring the Applicant to  
2 submit a letter and supporting documentation showing compliance with all conditions and terms  
3 of the CEC granted by the Committee and approved by the Commission, should a CEC be  
4 granted and/or approved.

5 RESPECTFULLY SUBMITTED this 18<sup>th</sup> day of November, 2002.

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11 Pursuant to R14-3-204 the  
12 ORIGINAL and twenty-five  
13 copies were filed this 18<sup>th</sup> day of  
14 November, 2002 with:

14 Docket Control  
15 Arizona Corporation Commission  
16 1200 West Washington Street  
17 Phoenix, Arizona 85007

16 COPY of the foregoing  
17 mailed/hand-delivered this  
18 18<sup>th</sup> day of November, 2002, to:

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Angela A. Bennett

**STAFF'S PROPOSED CONDITION NO. 1**

1. Applicant or its assignee(s) shall continue to coordinate this project with both Salt River Project and Western Area Power Administration to ensure that all possible proposed projects are maximally integrated, taking into account serving Arizona's growing need for electric service, ensuring the reliability for the project and the Arizona Transmission System and minimizing any and all adverse environmental impacts. Applicant or its assignee(s) shall provide to this Commission written confirmation of continuing efforts at coordination as described above as part of its compliance with the CEC.

**STAFF'S PROPOSED CONDITION NO. 2**

2. Applicant or its assignee(s) shall participate in good faith in state and regional transmission study forums, and to coordinate transmission expansion plans to resolve transmission constraints in a timely manner.

### STAFF'S PROPOSED CONDITION NO. 3

3. The following condition is to ensure transmission system safety and reliability when a transmission line is placed within one hundred feet of a natural gas or hazardous liquid pipeline right of way:
  - a. Applicant or its assignee(s) shall provide the appropriate grounding and cathodic protection studies to show that the transmission line results in no adverse impacts to any natural gas or hazardous liquid pipeline, whose right of way is a hundred feet or less from the transmission line, when both are in operation. These written studies shall be provided to the Commission by the Applicant or its assignee(s) as part of its compliance with the CEC. If adverse impacts are noted in the studies, Applicant or its assignee(s) shall take appropriate steps to ensure such adverse impacts are eliminated. Such steps may include: revising the cathodic protection and mitigation interference systems, insulation of static wire if such is shown to still provide the appropriate protection from lightning strikes, installation of gradient control grids, and/or installation of additional grounding on facilities. Applicant or its assignee(s) shall provide to the Commission written documentation of the actions that were taken and provide documentation ensuring no adverse impacts are occurring.
  - b. Applicant and/or its assignee(s) shall have an agreement in writing with the owner and/or operator of a natural gas or hazardous liquid pipeline that addresses any potential hazards that could occur whenever the transmission line is placed a hundred feet or less from any pipeline right-of-way. This agreement should indicate what corrective action will be taken to any potential hazard that could occur. This agreement shall be provided to the Commission by the Applicant or its assignee(s) as part of its compliance with the CEC.

#### **STAFF'S PROPOSED CONDITION NO. 4**

4. This authorization to construct the project shall be in accordance with the following:
  - a. Applicant or its assignee(s) shall complete construction of the WestWing to Raceway segment of the proposed project by December 31, 2005. The authorization to construct this segment shall expire after December 31, 2005.
  - b. Applicant or its assignee(s) shall complete construction of all other segments of the proposed project by December 31, 2011. The authorization to construct these remaining segments shall expire after December 31, 2011.

Prior to such expiration Applicants or its assignee(s) may request that the Commission extend these time limitations. In the event that Applicant or its assignee(s) request an extension of the time limits prior to completion of construction, Applicant or its assignee(s) shall use reasonable means to directly notify all landowners and residents within a one-mile radius of the Project facilities for which the extension is granted. Such a forementioned landowners and residents shall be notified of the time and place of the proceeding in which the Commission shall consider such request for extension.

## **STAFF'S PROPOSED CONDITION NO. 5**

5. The Applicant or its assignee(s) shall submit a self-certification letter annually, identifying which conditions contained in the CEC as amended, have been met. Each letter shall be submitted to the Utilities Division Director on October 1, beginning in 2003, describing conditions which have been met as of September 30. Attached to each certification letter shall be documentation explaining, in detail, how compliance with each condition was achieved. Copies of each letter, along with the corresponding documentation, shall also be submitted to the Arizona Attorney General and the Directors of the Arizona Department of Environmental Quality, Department of Water Resources, and the Department of Commerce Energy Office.