

ORIGINAL



0000120406



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AZ CORP COMMISSION
DOCKET CONTROL

December 1, 2010

Steve Olea, Director
Utilities Division
Arizona Corporation Commission
1200 W. Washington
Phoenix, AZ 85007

RE: Self-Certification of Environmental Compatibility for the Palo Verde to North Gila
500-kV Transmission Line Project, Decision No. 70127
Docket No. L-00000D-07-0566-00135

Pursuant to Decision No. 70127, dated January 23, 2008, Condition No. 16, Arizona Public Service Company files this self-certification letter and documentation for the Palo Verde to North Gila 500-kV Transmission Line Project.

If you have any questions regarding this information, please contact Jennie Vega at (602)250-2038.

Sincerely,

Susan Casady

Arizona Corporation Commission

DOCKETED

DEC 1 2010

SC/sl
Attachment

DOCKETED BY

cc: Docket Control
Brian Bozzo
John Foreman, Arizona Power Plant & Line Siting Committee
Jim Arwood, Arizona Department of Commerce Energy Office
Herb Guenther, Arizona Department of Water Resources



**Palo Verde Hub to North Gila
500-kV**

Transmission Line Project

Docket No. L-00000D-07-0566-00135

Arizona Corporation Commission

Decision No. 70127

***Certificate of Environmental
Compatibility Compliance***

December 2010

ARIZONA PUBLIC SERVICE
PALO VERDE HUB TO NORTH GILA 500-kV TRANSMISSION LINE
PROJECT

*Summary of Certificate of Environmental Compatibility
Compliance*

INTRODUCTION:

Arizona Public Service Company (APS) is submitting the following self-certification documentation pursuant to Condition 16 of the Palo Verde Hub to North Gila 500-kV Transmission Line Project, Certificate of Compatibility Case No. 135, Docket No. L-00000D-07-0566-00135, Decision No. 70127 (January 23, 2008).

The following Condition Table lists all the requirements and the status of compliance activities. Each tab thereafter references applicable compliance documentation.

No construction activities have occurred as of November 1, 2010; therefore, many of the Certificate Conditions do not apply at this time.

Arizona Public Service
Summary of Certificate of Environmental Compatibility Compliance
Palo Verde Hub to North Gila 500-kV Transmission Line Project (Case 135)

Certificate Condition	Compliance
1) The Applicant shall obtain all required approvals and permits necessary to construct the Project.	Final design has not been completed for the Project as of November 1, 2010; however, activities and documents related to this Condition will be provided, if applicable, in a future annual compliance filing.
2) The Applicant shall comply with all existing applicable ordinances, master plans and regulations of the State of Arizona, the County of Maricopa, the County of Yuma, the United States, and any other governmental entities having jurisdiction.	APS standard practice includes compliance with all existing standards, regulations, and ordinances where applicable.
3) This authorization to commence construction of the Project shall expire seven years from the date the Certificate is approved by the Commission; provided, however, that prior to such expiration the Applicant or its assignees may request that the Commission extend this time limitation.	Project was certificated January 23, 2008. Authorization to construct the Project expires January 23, 2015. An extension of the term of the Certificate is not required as of this filing.
4) The Applicant shall make every reasonable effort to identify and correct, on a case-specific basis, all complaints of interference with radio or television signals from operation of the transmission line and related facilities addressed in this Certificate. The Applicant shall maintain written records for a period of five years of all complaints of radio or television interference attributable to operation, together with the corrective action taken in response to each complaint. All complaints shall be recorded to include notations on the corrective action taken. Complaints not leading to a specific action or for which there was no resolution shall be noted and explained.	APS standard practice includes tracking and responding to complaints of interference with radio and television signals as they are submitted to APS. As of November 1, 2010 the Project is not in service.
5) The Project shall comply with the following recommendations of the Arizona Game and Fish Department ("AGFD"): (a) Wildlife data collected by the biological monitor will be given to the AGFD's Heritage Data Management System. (b) Where possible, leave large vegetation intact to reduce habitat impact and promote regeneration. (c) Coordinate plant salvage efforts with the Arizona Department of Agriculture, in accordance with the Arizona Native Plant Law. In addition, the applicable land management agencies should be consulted regarding guidelines for revegetation efforts.	Final design or construction for this Project is not complete as of November 1, 2010; however, activities and documents related to this Condition will be provided, if applicable, in a future annual compliance filing. Final design or construction for this Project is not complete as of November 1, 2010; however, activities and documents related to this Condition will be provided, if applicable, in a future annual compliance filing. Final design or construction for this Project is not complete as of November 1, 2010; however, activities and documents related to this Condition will be provided, if applicable, in a future annual compliance filing.

<p>6) Pursuant to A.R.S. §41-844, if any archaeological, paleontological or historical site or object that is at least fifty years old is discovered on state, county or municipal land during plan-related activities, the person in charge shall promptly report the discovery to the Director of the Arizona State Museum, and in consultation with the Director, shall immediately take all reasonable steps to secure and maintain the preservation of the discovery. If human remains and/or funerary objects are encountered on private land during the course of any ground-disturbing activities relating to the development of the subject property, Applicant shall cease work on the affected area of the Project and notify the Director of the Arizona State Museum pursuant to A.R.S. §41-865.</p>	<p>Final design or construction for this Project is not complete as of November 1, 2010; however, activities and documents related to this Condition will be provided, if applicable, in a future annual compliance filing.</p>
<p>7) The Applicant shall design the transmission lines so as to mitigate impacts to raptors.</p>	<p>APS standard design practices include efforts to minimize the risk to raptors.</p>
<p>8) The Applicant shall use non-specular conductor and dulled surfaces for transmission line structures.</p>	<p>APS standard design practices include the use of non-specular and dulled surfaces for transmission structures.</p>
<p>9) Within 120 days of the Commission decision granting this Certificate, Applicant will post signs in public rights-of-way giving notice of the Project corridor to the extent authorized by law. Within 45 days of securing easement or right-of-way for the Project, the Applicant shall erect and maintain signs providing public notice that the property is the site of a future transmission line. Such signage shall be no smaller than a normal roadway sign. The Applicant shall place signs in prominent locations at reasonable intervals such that the public is notified along the full length of the transmission line until the transmission structures are constructed. The signs shall advise:</p> <ul style="list-style-type: none"> (a) That the site has been approved for the construction of Project facilities; (b) The expected date of completion of the Project facilities; (c) A phone number for public information regarding the Project; (d) The name of the Project; (e) The name of the Applicant; and (f) The Applicant's website. <p>Sign placement will be reported annually in accordance with Condition 16.</p>	<p>APS posted signage in public rights-of-way giving notice of the Project corridor. This was documented in the 2008 annual compliance filing.</p> <p>APS posted signage notifying the public of acquired rights-of-way in 2010. A map showing the location of the signs; as-well-as, an example of the sign is included with this filing.</p>
<p>10) In the event that the Project requires an extension of the term of this Certificate prior to completion of construction, Applicant shall use reasonable means to directly notify all landowners and residents within a one-half mile of the Project corridor for which the extension is sought. Such landowners and residents shall be notified of the time and place of the proceeding in which the Commission shall consider such request for extension.</p>	<p>An extension of the term of the Certificate is not required as of this filing.</p>

<p>11) Before construction on this Project may commence, the Applicant must file a Plan of Development approved by the Bureau of Land Management ("BLM") with Docket Control with copies to the affected areas of jurisdiction. Applicant will comply with the BLM's Standard Construction and Operating Procedures and Mitigation Measures and Other Mitigation Measures as outlined in the Finding of No Significant Impact, attached hereto as Exhibit C.</p>	<p>Final design or construction for this Project is not complete as of November 1, 2010; however, activities and documents related to this Condition will be provided, if applicable, in a future annual compliance filing.</p>
<p>12) Applicant shall retain a qualified biologist to monitor all ground clearing/disturbing construction activities that may affect sensitive species or habitat. The biological monitor will be responsible for ensuring proper actions are taken if a special status species is encountered. If Sonoran desert tortoises are encountered during construction, the Applicant shall follow the AGFD's Guidelines for Handling Sonoran Desert Tortoises.</p>	<p>Final design or construction for this Project is not complete as of November 1, 2010; however, activities and documents related to this Condition will be provided, if applicable, in a future annual compliance filing.</p>
<p>13) With respect to the Project, Applicant shall participate in good faith in state and regional transmission study forums to coordinate transmission expansion plans related to the Project and to resolve transmission constraints in a timely manner.</p>	<p>APS coordinates its transmission planning with other transmission providers and stakeholders in the Desert Southwest, and the Western Interconnection as a whole, through its active participation in the Southwest Area Transmission (SWAT) planning group, membership in WestConnect, membership in the Western Electricity Coordinating Council (WECC) and participation in the WECC Transmission Expansion Planning Policy Committee (TEPPC) and its Technical Advisory Subcommittee (TAS).</p>
<p>14) The Applicant shall provide copies of this Certificate to the Yuma County Planning and Zoning Commission, the Maricopa County Planning and Development Department, the Arizona State Land Department, the State Historic Preservation Office, and AGFD.</p>	<p>The CEC was published on the APS siting website (www.aps.com/siting) within 10 days of receiving the CEC. In addition, each of the jurisdictions and agencies were sent individual copies (via hardcopy) of the CEC approval on January 28, 2008.</p>
<p>15) Prior to the date this transmission line is put into commercial service, the Applicant shall provide homebuilders and developers within one mile of the center line of the Certificate route the identity, location, and a pictorial depiction of the type of power line being constructed, accompanied by a written description, and encourage the developers and homebuilders to include this information in the developers' and homebuilders' homeowners' disclosure statements.</p>	<p>A Project information/disclosure packet was mailed to the identified homebuilders and developers on November 5, 2010. Examples of the documents which were mailed are included with this filing.</p>

<p>16) The Applicant shall submit a self-certification letter annually, identifying progress made with respect to each condition contained in the Certificate, including which conditions have been met. Each letter shall be submitted to the Utilities Division Director on December 1 beginning in 2008. Attached to each certification letter shall be documentation explaining how compliance with each condition was achieved. Copies of each letter along with the corresponding documentation shall be submitted to the Arizona Attorney General and Department of Commerce Energy Office. The requirement for the self-certification shall expire on the date the Project is placed into operation.</p>	<p>Compliance with this Condition is evidenced by the submission of this filing.</p>
<p>17) Applicant shall work in good faith with the Yuma Proving Ground commanding officer regarding the final right-of-way on that portion of the route within the Yuma Proving Ground.</p>	<p>Final design or construction for this Project is not complete as of November 1, 2010; however, activities and documents related to this Condition will be provided, if applicable, in a future annual compliance filing.</p>
<p>18) Within the Project area, construction activities will avoid to the extent practicable designated wildlife water sources to allow free access by Bighorn Sheep.</p>	<p>Final design or construction for this Project is not complete as of November 1, 2010; however, activities and documents related to this Condition will be provided, if applicable, in a future annual compliance filing.</p>
<p>19) Applicant shall conform to Western Electricity Coordinating Council/North American Electric Reliability Corporation N-1 and N-1-1 contingency planning criteria. N-1 contingency shall not result in any load dropping or generation tripping.</p>	<p>As documented in the <u>APS 10-Year Plan 2010-2019 Technical Study Report</u>, each of the Category A and Category B contingencies meets the NERC/WECC Planning Standards. The Technical Report is available upon request.</p>
<p>20) Except when entering switchyards and substations, the minimum spacing between the center lines of the two 500 kV systems should be the greater of: 1) 130 feet; or 2) the height of the tallest tower involved in that particular span.</p>	<p>Final design or construction for this Project is not complete as of November 1, 2010; however, activities and documents related to this Condition will be provided, if applicable, in a future annual compliance filing.</p>
<p>21) Before commencing construction of Project facilities located within 100 feet of any existing natural gas or hazardous liquid pipeline, the Applicant shall:</p> <p>(a) Perform the appropriate grounding and cathodic protection studies to show that the Project's location within 100 feet of such pipeline results in no material adverse impacts to the natural gas or hazardous liquid pipeline or to public safety when both are in operation. As a compliance matter, a report of studies shall be provided to the Commission Staff. If material adverse impacts are noted in the studies, Applicant shall take appropriate steps to ensure that such material adverse impacts are eliminated. Applicant shall provide to the Commission Staff written documentation of the actions that will be taken and documentation showing no material adverse impact will occur; and,</p>	<p>Final design or construction for this Project is not complete as of November 1, 2010; however, activities and documents related to this Condition will be provided, if applicable, in a future annual compliance filing.</p>

<p>(b) Perform a technical study simulating an outage of the facility that may be caused by the collocation of the Project within 100 feet of the existing natural gas or hazardous liquid pipeline. This study should either: i) show that such outage does not result in customer outages; or ii) include operating plans to minimize any resulting customer outages. Applicant shall provide a copy of this study to Commission Staff.</p>	<p>Final design or construction for this Project is not complete as of November 1, 2010; however, activities and documents related to this Condition will be provided, if applicable, in a future annual compliance filing.</p>
<p>22) Applicant shall pursue good faith efforts to reach a commercially reasonable agreement for interconnection at a new Arlington Valley 500kV switchyard. Applicant shall file with the Commission Utilities Division no later than December 31, 2010, a report summarizing its efforts, the option(s) ultimately selected, and the reasons other option(s) were not selected.</p>	<p>APS filed a letter in the Docket on February 5, 2010 which provided notification of the interconnection location.</p>

CASE 135
PALO VERDE HUB TO NORTH GILA 500-kV TRANSMISSION LINE
PROJECT

CONDITION 9

Within 120 days of the Commission decision granting this Certificate, Applicant will post signs in public rights-of-way giving notice of the Project corridor to the extent authorized by law. Within 45 days of securing easement or right-of-way for the Project, the Applicant shall erect and maintain signs providing public notice that the property is the site of a future transmission line. Such signage shall be no smaller than a normal roadway sign. The Applicant shall place signs in prominent locations at reasonable intervals such that the public is notified along the full length of the transmission line until the transmission structures are constructed. The signs shall advise:

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

Sign placement will be reported annually in accordance with Condition 16.

COMPLIANCE

APS posted signage in public rights-of-way giving notice of the Project corridor, and was reported in its 2008 annual compliance filing.

APS posted signage notifying the public of acquired rights-of-way in 2010. A map showing the location of the signs; as-well-as, an example of the sign is attached.



© 2005 NEGT
© 2003 Tele Atlas
Imaps © 2003 DigitalGlobe
© 2003 Google

Imagery Date: Jun 8, 2007
32° 54' 46.26" N 113° 45' 32.74" W elev 523 ft
Scale: 1:750 m

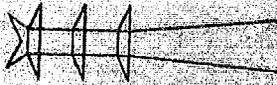
N 32° 57' 10.44"

W 113° 29' 19.44"



APPROVED

**Palo Verde-North Gila 500kV
Transmission Line Project Right of Way**



**Expected completion:
2014**

**For Information:
(602) 371-5530
<http://SITING.APS.COM>**

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**CASE 135
PALO VERDE HUB TO NORTH GILA 500-kV TRANSMISSION LINE
PROJECT**

CONDITION 15

Prior to the date this transmission line is put into commercial service, the Applicant shall provide homebuilders and developers within one mile of the center line of the Certificated route the identity, location, and a pictorial depiction of the type of power line being constructed, accompanied by a written description, and encourage the developers and homebuilders to include this information in the developers' and homebuilders' homeowners' disclosure statements.

COMPLIANCE

A Project information/disclosure packet was mailed to the identified homebuilders and developers on November 5, 2010. Examples of the documents which were mailed are attached.



November 5, 2010

Re: Arizona Public Service Company (APS) Palo Verde Hub to North Gila 500kV
Transmission Line – Certificate of Environmental Compatibility

Dear Parcel Owner:

On January 23, 2008, the Arizona Corporation Commission (ACC) issued a Certificate of Environmental Compatibility (CEC) to APS, approving construction of the proposed Palo Verde to North Gila 500-kilovolt (kV) Transmission Line Project. Approximately 110 miles in length, the transmission line would extend between the Hassayampa switchyard and the North Gila substation. The project will increase the import capability for the Yuma area and the export capability from the Palo Verde area to provide access to both solar and gas generating resources. This project also will allow the existing electrical system to accommodate new generation interconnection requests. The current project in-service date is 2014 as identified in APS' latest Ten-Year Plan filed with the ACC in January 2010. Based on this in-service date, construction is anticipated to begin in January 2011.

The approved CEC contains several conditions that require compliance by APS prior to, during, and after construction of the project. The purpose of this correspondence relates to condition 15 in the CEC, which reads:

“Prior to the date this transmission line is put into commercial service, the Applicant shall provide homebuilders and developers within one mile of the center line of the Certificate route the identity, location, and a pictorial depiction of the type of power line being constructed, accompanied by a written description, and encourage the developers and homebuilders to include this information in the developers' and homebuilders' homeowners' disclosure statements.”

Through review of data received by the Maricopa and Yuma County Assessors' offices dated September 27, 2010, you have been identified as a owner of property located within one (1) mile of the center line of the certificated route. While the Condition requires notification with project information be provided to “homebuilders and developers”, APS has chosen to provide the information to “all parcel owners” within 1 mile of the center line of the certificated route. The certificated route corridor is 2,000 feet wide (as shown on the enclosed map). However, the corridor is wider than the actual right-of-way that will be required for construction of the line, allowing APS some flexibility in engineering and final placement of the transmission line and its structures. The final right-of-way required for the transmission line, once final engineering and location is determined, will be approximately 200 feet in width. As project engineering moves forward, APS will have additional communications and discussions with current property owners within the corridor regarding specific location of structures and right-of-way requirements.

A disclosure statement describing the project is enclosed. If you sell your property or parcels of your property, APS encourages you to provide the prospective buyer(s) with a copy of this disclosure statement so they are aware of the transmission line location. An example of the typical transmission structures that is anticipated to be used for this project is also enclosed with this letter.

Additional project information is available through the project website: www.aps.com/siting (select "Completed Projects").

If you have questions, please call our project telephone information line at (888) 206-6166.

Sincerely,

A handwritten signature in black ink, appearing to read "Paul Herndon", with a long, sweeping horizontal flourish extending to the right.

Paul Herndon
Project Manager

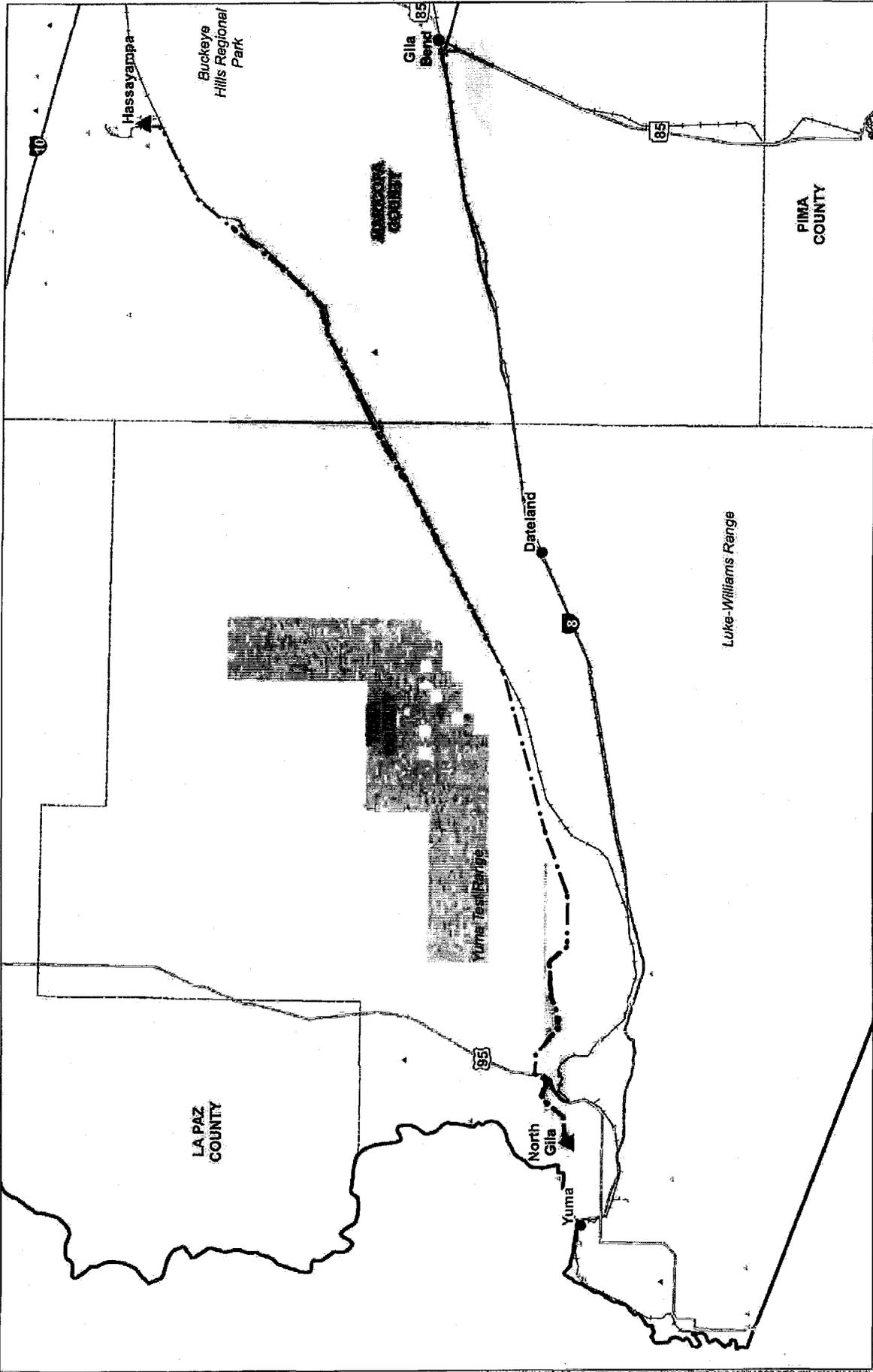
Enclosures

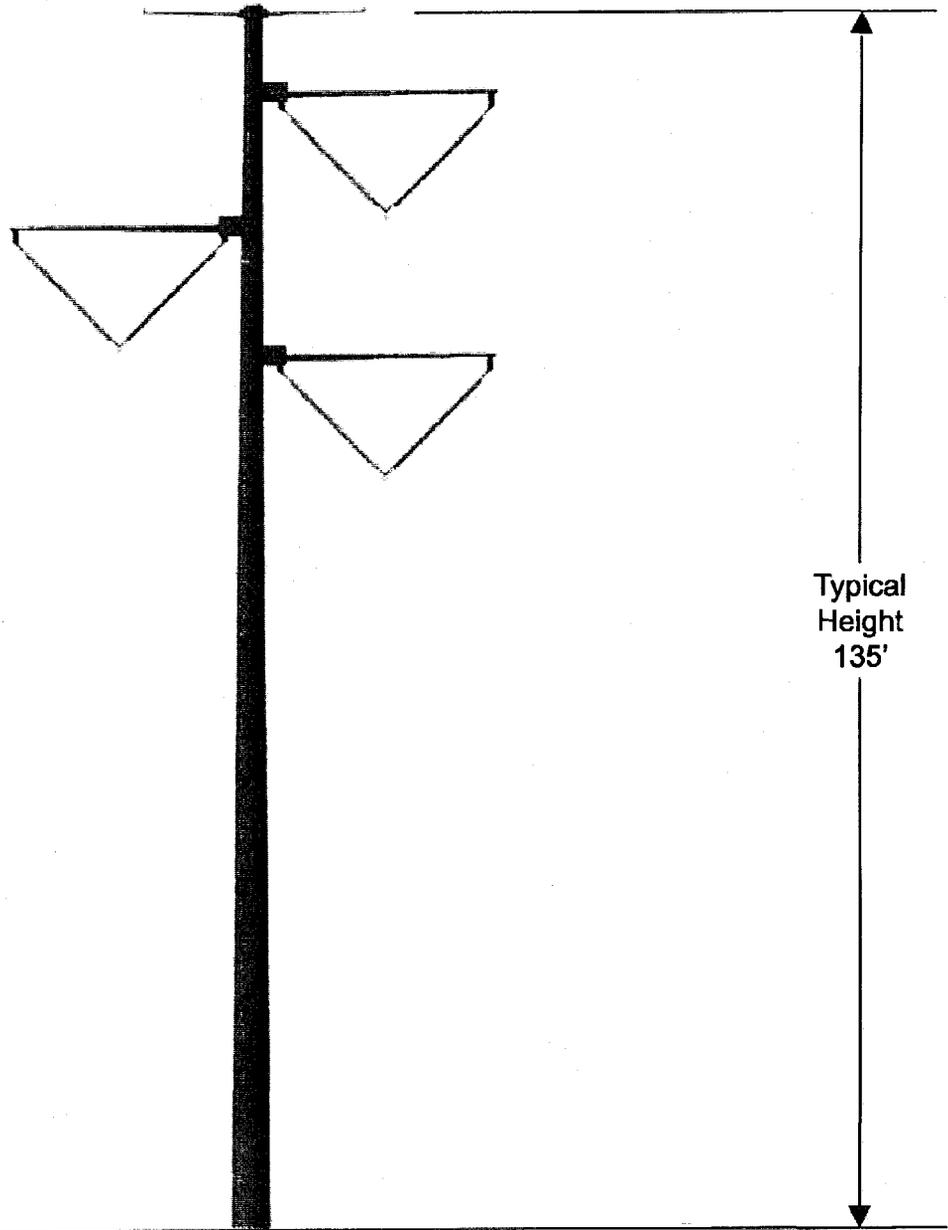
Palo Verde Hub to North Gila 500kV Project CORRIDOR DESCRIPTION

The following describes the certificated corridor for the Palo Verde Hub to North Gila 500kV Project as presented in the Certificate of Environmental Compatibility (Line Siting Case No. 135, Docket No. L-00000D-07-0566-0135, Decision No. 70127).

The Project, as approved, consists of approximately 110 miles of 500kV transmission line and required switchyard facilities and modifications. The Project route will originate at the Hassayampa Switchyard (Line Siting Case No. 110) located in western Maricopa County in Section 15, Township 1 South, Range 6 West and terminate at the City of Yuma in Section 11, Township 8 South, Range 22 West. The Project's route will be as follows:

- A 2,000-foot-wide corridor that exits the Hassayampa Switchyard then extends south and southwest for approximately 3.5 miles, paralleling the existing Southwest Power Link (SWPL) 500kV transmission line (Line Siting Case No. 52). The corridor includes 1,000 feet on either side of the existing SWPL 500kV transmission line.
- A 2,000-foot-wide corridor, on the north side and measured from the centerline of the existing SWPL 500kV transmission line, that extends generally southwest parallel to the SWPL 500kV transmission line for approximately 109 miles, from a point located at the eastern edge of Section 29, Township 1 South, Range 6 West to the termination point at the existing North Gila Substation.

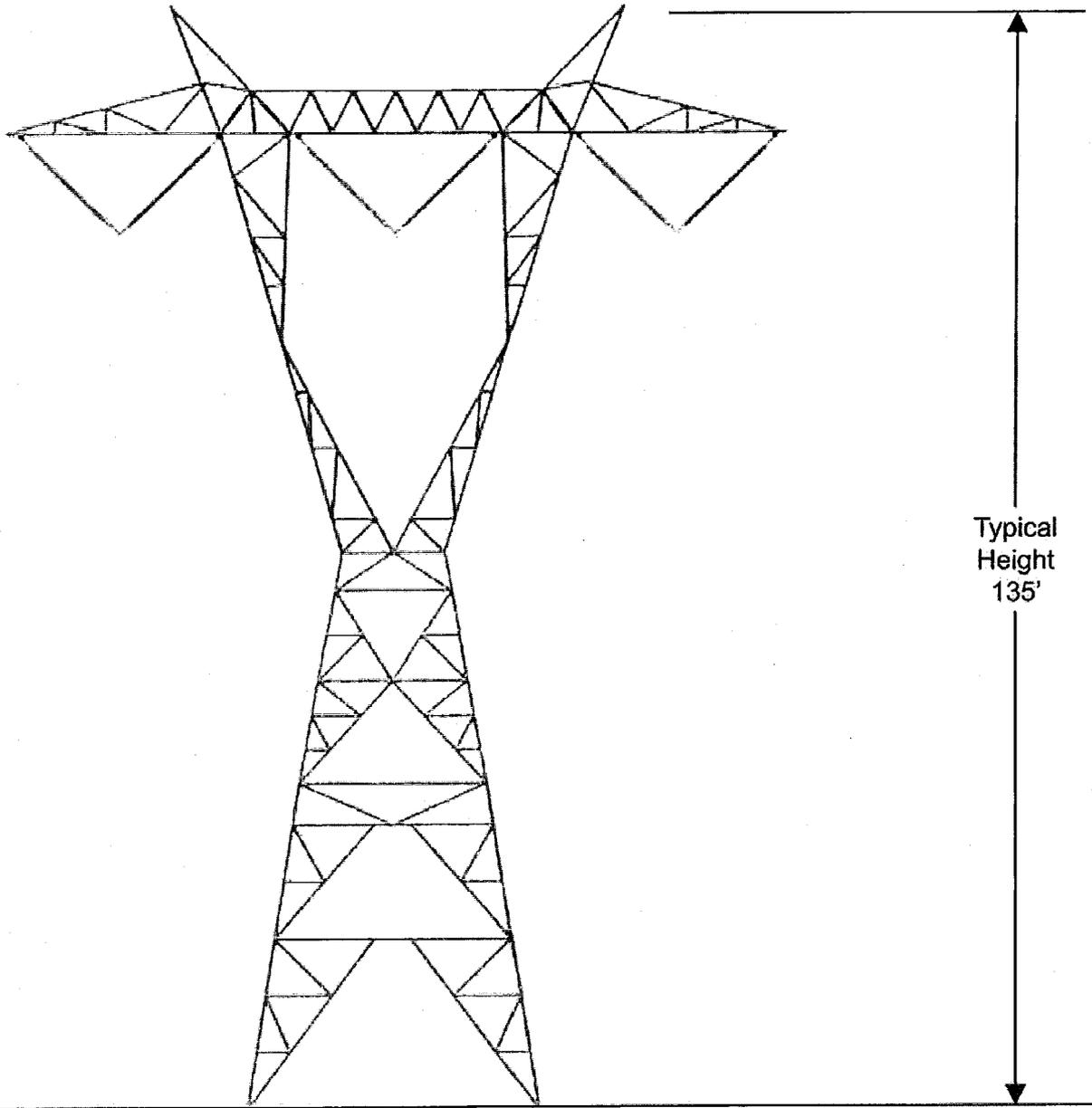




Typical
Height
135'

TYPICAL STRUCTURE

Typical 500kV Single-Circuit Tubular Steel Pole Structure
Not to Scale



TYPICAL STRUCTURE

Typical 500kV Single-Circuit Steel Lattice Structure
Not to Scale

DISCLOSURE STATEMENT FOR PROPOSED TRANSMISSION LINE

Prospective home builders and home owners should be aware that the Arizona Corporation Commission (ACC) issued a Certificate of Environmental Compatibility (CEC) to Arizona Public Service Company (APS), approving the construction of a proposed 500-kilovolt (kV) transmission line within the corridor shown below. The proposed 110-mile-long transmission line will extend between the Hassayampa Switchyard located in western Maricopa County and the North Gila Substation located in the City of Yuma. The current project in-service date is 2014 as identified in APS' latest Ten-Year Plan filed with the ACC in January 2010.

The certificated corridor ranges up to 2,000 feet wide. However, the corridor is wider than the actual right-of-way that will be required for construction of the line, allowing APS some flexibility in engineering and final placement of the transmission line and its structures. The final right-of-way required for the transmission line, once final engineering and location is determined, will be approximately 200 feet wide.

Construction of the project is expected to begin January 2011 based on the current project in-service date. However, the in-service date is subject to change based on many factors including the need for the project. As the project moves forward, APS will have additional communications and discussions with current property owners within the corridor regarding specific location of structures and right-of-way requirements.

Additional project information, including a map of the certificated corridor and a copy of the CEC, is available through the project website: www.aps.com/siting (select "Completed Projects"). If you have questions, please call the APS project telephone information line at (888) 206-6166.

