

ORIGINAL



0000123125

BEFORE THE ARIZONA CORPORATION COMMISSION

RECEIVED

2011 FEB 15 P 1:10

COMMISSIONERS
GARY PIERCE, CHAIRMAN
PAUL NEWMAN
SANDRA D. KENNEDY
BOB STUMP
BRENDA BURNS

AZ CORP COMMISSION
DOCKET CONTROL

Arizona Corporation Commission
DOCKETED

FEB 15 2011

DOCKETED BY

IN THE MATTER OF THE APPLICATION
OF COOLIDGE POWER CORPORATION,
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 A
NOMINAL 575 MW NATURAL GAS-
FIRED, SIMPLE CYCLE GENERATING
FACILITY LOCATED WITHIN THE CITY
OF COOLIDGE IN PINAL COUNTY,
ARIZONA

DOCKET NO. L-00000HH-08-0422-00141

CASE NO. 141

**NOTICE OF COMPLIANCE
ACTION REGARDING
CERTIFICATE OF
ENVIRONMENTAL
COMPATIBILITY
CONDITION 19**

Pursuant to Decision Number 70636 and the resulting Certificate of Environmental Compatibility ("Certificate") authorizing construction of a nominal 575 MW natural gas-fired, simple-cycle generating facility and associated generation intertie transmission line, Coolidge Power LLC submits the self-certification letter set forth in Exhibit 1 in compliance with Certificate Condition 19. Further, a copy of the self-certification letter has been sent to the Arizona Attorney General and the Department of Commerce Energy Office as required by Certificate Condition 19.

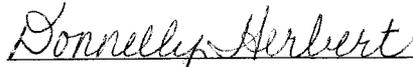
1 RESPECTFULLY SUBMITTED this 15th day of February, 2011.

2 **MOYES SELLERS LTD.**

3
4 
5 Steve Wene

6
7 Original and 25 copies of the foregoing
8 filed this 15th day of February, 2011, with:

9 Docket Control
10 Arizona Corporation Commission
11 1200 West Washington
12 Phoenix, Arizona 85007

13 
14

15
16
17
18
19
20
21
22
23
24
25
26
27
28

EXHIBIT 1



Coolidge Power LLC
859 E Randolph Road
Coolidge, Arizona 85128

Tel: 520-723-7453
Fax: 520-723-7826
Email: mark_zeibak@transcanada.com
Web: www.transcanada.com

February 9, 2011

Arizona Power Plant and
Transmission Line Siting Committee
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Re: Self-Certification Letter

Gentlemen:

Pursuant to the Certificate of Environmental Compatibility issued in Case No. L-00000HH-08-0422-00141, Coolidge Power LLC hereby submits its self-certification letter with the Arizona Corporation Commission (Commission) identifying progress made with respect to each condition of the certificate letter:

1. This authorization to construct the Project will expire five (5) years from the date this Certificate is approved by the Commission unless the Project is capable of operation within the five-year time frame. If the Project is not capable of operation within the five-year time frame, the Applicant, or its assignee(s), may apply to the Commission for an extension of time.

Response: *The Project is now in construction and is scheduled to be in operation in May 2011.*

2. The Project shall comply with all existing applicable air and water pollution control standards and regulations, and with all existing applicable ordinances, master plans and regulations of the State of Arizona, Pinal County, 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 air quality control standards and regulations, and permit conditions of the Pinal County Air Quality Control District, the Arizona Department of Environmental Quality and/or Federal agencies having jurisdiction; and the Applicant, or its assignee(s), shall install and operate selective catalytic reduction and oxidation catalyst emission control technologies, as required by the air permit;
- d. All applicable water use, discharge and/or disposal requirements of the Arizona Department of Water Resources and the Arizona Department of Environmental Quality;
- e. All applicable noise control standards;
- f. All applicable regulations and permits governing storage and handling of chemicals and petroleum products; and
- g. All other applicable federal and state regulations and standards.

Response: *To our knowledge, the Project is in compliance with all applicable federal, state, and local regulations and standards.*

- 3. Applicant, or its assignee(s), will provide to the Commission copies of the Project's executed interconnection agreement with SRP, and the technical operating studies which will be performed by SRP prior to actual physical interconnection of the Project to the SRP transmission system.

Response: *On April 6, 2010, Coolidge Power LLC provided the Commission a copy of the executed Standard Large Generator Interconnection Agreement Between Salt River Project Agricultural Improvement and Power District and Coolidge Power LLC. On June 25, 2010, Coolidge Power LLC submitted the Transmission Arrangement Interconnection Study for the interim period of September 2010 through May 2013 for the Coolidge Peaking Generating Station, prepared by Salt River Project, in compliance with Certificate Condition 3.*

- 4. At least 30 days prior to commercial operation of the Project, Applicant, or its assignee(s), will file with Commission Docket Control a letter from SRP confirming the completion of all required transmission system upgrades, and the compliance by Applicant, or its assignee(s), with all requirements of SRP to interconnect the Project with the SRP switchyard and transmission system. Applicant, or its assignee(s), will comply with all applicable WECC/NERC standards, without the implementation of an automated Remedial Action Scheme ("RAS") to mitigate any N-1 contingencies,

except as a temporary measure until May 30, 2011. The Project may rely upon a temporary RAS to mitigate impacts of an outage on the Dinosaur to Browning 230kV transmission line and, should one occur, will ramp down generation to below 360MW immediately and to below 280MW within thirty (30) minutes. The Project may rely upon a temporary RAS to mitigate impacts of an outage on the Randolph to Dinosaur 230kV transmission line and, should one occur, will shut down generation. The temporary RAS will not be employed to mitigate any N-1 contingency after May 30, 2011; provided, however, that if it reasonably appears that the Project commercial operation date will be delayed beyond May 30, 2011, the Applicant, or its assignee(s), may apply to the Commission for an extension of time.

Response: *This letter will be provided when available.*

5. Applicant, or its assignee(s), shall document and make reasonable efforts to respond to each complaint made to Applicant, or its assignee(s), of alleged interference with radio or television signals from the operation of the Project. Applicant, or its assignee(s), shall maintain written records for a period of five years of all such complaints including the date of the alleged interference, the name and identifying information of the complaining party, the response made, and the results of the corrective action taken or an explanation of why no action was taken, as applicable.

Response: *No complaints have been made.*

6. The Project will be designed and constructed to incorporate reasonable measures to minimize impact upon raptors.

Response: *The design of the gen-tie line has incorporated industry standards aimed at reducing avian collisions (Avian Power Line Interaction Committee [APLIC] 2006).*

7. Non-specular conductor and dulled surfaces shall be used for the gen-tie transmission line structures.

Response: *The design of the gen-tie line has incorporated the use of non-specular conductor and dulled surfaces for the structures.*

8. Applicant, or its assignee(s), or its affiliate company, or its customer, will become a member of the WECC (or its successor), and will file with the Commission a copy of its executed WECC Membership Agreement.

Response: *The executed WECC Membership Agreement was docketed on September 22, 2009.*

9. Before commencing construction of Project facilities located parallel to and within 100 feet of any existing natural gas or hazardous liquid pipeline, the Applicant, or its assignee(s), shall:

- a. Perform the appropriate grounding and cathodic protection studies to show that the Project's location parallel to and within 100 feet of such pipeline results in no material adverse impacts to the pipeline or to public safety when both the pipeline and the Project are in operation. If material adverse impacts are noted in the studies, Applicant, or its assignee(s), shall take appropriate steps to ensure that such material adverse impacts are mitigated. Applicant, or its assignee(s), shall file in Commission Docket Control reports of the studies performed; and

Response: *This study was filed with the Commission on June 30, 2009.*

- b. Perform a technical study simulating an outage of the Project that may be caused by the collocation of the Project parallel to and 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, or its assignee(s), shall file a copy of this study in Commission Docket Control.

Response: *This study was filed with the Commission on May 28, 2009.*

10. Applicant, or its assignee(s), and/or its affiliate company and/or its customer, will participate in good faith in Arizona and regional workshops and other assessments of the natural gas infrastructure and market.

Response: *SRP, in the ordinary course of its operations and activities, participates in good faith in Arizona and regional workshops and other assessments of the natural gas infrastructure and market.*

11. Applicant, or its assignee(s), and/or its affiliate company and/or its customer, will take commercially reasonable steps to ensure a reliable supply and delivery of natural gas for the Project.

Response: *SRP will procure all gas required for the plant and act as the scheduling agent for the plant. The owners of both gas pipelines have added the project delivery point to SRP's existing pipeline transport contracts and operational balancing agreements. All gas required to operate the plant will be procured by SRP in the same manner as SRP owned facilities.*

12. Within 30 days of the Commission decision authorizing construction of the Project, Applicant, or its assignee(s), will erect and maintain at the site a sign of not less than 4 feet by 8 feet dimensions, advising:

- a. That the site has been approved for the construction of a 575 megawatt generating facility and associated gen-tie transmission line interconnecting the generating facility to a new switchyard;
- b. The expected date of completion of the Project;
- c. The phone number and address of a Project representative; and
- d. A website where the public may access public information about the Project.

Response: *This was completed and notice of compliance was filed with the Commission on March 6, 2009.*

13. To the extent applicable, Applicant, or its assignee(s), will comply with the notice and salvage requirements of the Arizona Native Plant Law (A.R.S. §§ 3-901 *et seq.*) and will, to the extent feasible, minimize the destruction of native plants during the construction and operation of the Project.

Response: *This is not applicable as there are no native plants on the Project site.*

14. During the construction and maintenance of the Project, to the extent practicable, the Applicant, or its assignee(s), will use existing roads for construction and access, and to the extent applicable taking into account that the Project Site lies within a designated industrial use area, minimize impacts to wildlife and vegetation outside of the Project Site.

Response: *Consistent with its previously disclosed access plan, Coolidge Power LLC is using the existing roads during Project Site construction. Coolidge Power LLC continues to believe the existing roads will be used when the plant becomes operational. A map of the primary and secondary access used for the Project was submitted to the Commission in the Self-Certification letter filed with the Commission on February 25, 2010.*

15. 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 the construction or operation of the Project, Applicant, or its assignee(s), will promptly report the discovery to the Director of the Arizona State Museum and, in consultation with the Director, take all reasonable steps to secure and maintain the preservation of the discovery in accordance with A.R.S. § 41-844.

Response: *No archaeological, paleontological, or historical site or object that is at least fifty years old has been discovered on state, county, or municipal land.*

16. If human remains or funerary objects are encountered during the course of any ground disturbing activities related to the development of the Project, Applicant, or its

assignee(s), will cease all ground disturbing activities in the immediate area of the discovery and notify the Director of the Arizona State Museum in accordance with A.R.S. § 41-865.

Response: *No human remains or funerary objects have been encountered during the course of any ground disturbing activities related to the development of the Project.*

17. Within 120 days after the approval of this Certificate by the Commission, Applicant, or its assignee(s), will provide the following information to all persons who have filed with the City of Coolidge or Pinal County any official master plan and/or subdivision plat for residential home development on property within one mile from the center of the Project Site: (i) a copy of this Certificate; (ii) a map showing the location of the Project; (iii) a pictorial representation of the Project; and (iv) a request that developers and homebuilders include this information in their disclosure statements to prospective buyers.

Response: *This was completed and notice of compliance was filed with the Commission on April 9, 2009.*

18. Applicant, or its assignee(s), will provide copies of this Certificate to the City of Coolidge, Pinal County, the Arizona State Land Department, and the State Historic Preservation Office.

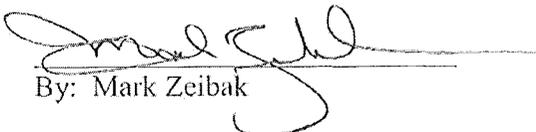
Response: *Copies were provided to the above-referenced agencies. A copy of the cover letters was docketed with the Commission on June 22, 2009.*

19. On or before March 1 of each year, beginning in 2010, Applicant, or its assignee(s), will submit a self-certification letter identifying progress made with respect to each condition of this Certificate, including which conditions have been met. Each letter, together with reasonably detailed supporting documentation, will be filed with Commission Docket Control, with copies to the Arizona Attorney General and the Department of Commerce Energy Office. This requirement will expire on the date the Project is placed into commercial operation or this Certificate expires.

Response: *This letter fulfills this requirement.*

Respectfully,

COOLIDGE POWER LLC


By: Mark Zeibak