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MAR 17 P 4: 44  
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11 **BEFORE THE ARIZONA POWER PLANT AND**  
 12 **TRANSMISSION LINE SITING COMMITTEE**

13  
 14 IN THE MATTER OF THE APPLICATION )  
 15 OF ARIZONA PUBLIC SERVICE )  
 16 COMPANY, IN CONFORMANCE WITH )  
 17 THE REQUIREMENTS OF ARIZONA )  
 18 REVISED STATUTES §§ 40-360, *et seq.*, )  
 19 FOR A CERTIFICATE OF )  
 20 ENVIRONMENTAL COMPATIBILITY )  
 21 AUTHORIZING THE MAZATZAL )  
 22 SUBSTATION AND 345KV )  
 23 INTERCONNECTION PROJECT, WHICH )  
 24 INCLUDES THE CONSTRUCTION OF )  
 25 TWO 345KV TRANSMISSION LINES )  
 26 AND A NEW 345/69/21KV SUBSTATION, )  
 SECTION 4, TOWNSHIP 8 NORTH, )  
 RANGE 10 EAST, G&SRB&M, )  
 ADJACENT TO THE INTERSECTION OF )  
 THE EXISTING FOUR CORNERS- )  
 CHOLLA-PINNACLE PEAK 345KV )  
 TRANSMISSION LINES AND FOREST )  
 ROAD 379, WITHIN THE TONTO )  
 NATIONAL FOREST IN GILA COUNTY, )  
 ARIZONA. )

Docket No. L-00000D-11-0068-00160

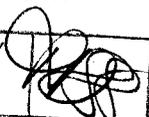
Case No. 160

NOTICE OF FILING

Arizona Corporation Commission

DOCKETED

MAR 17 2011

DOCKETED BY 

1                   **NOTICE OF FILING PROPOSED CERTIFICATE OF ENVIRONMENTAL**  
2                   **COMPATIBILITY, CONDITIONS TO THE CERTIFICATE,**  
3                   **FINDINGS OF FACT, AND CONCLUSIONS OF LAW**

4                   Pursuant to Paragraph 17 of Chairman Foreman's February 4, 2011 Procedural  
5                   Order, Arizona Public Service Company submits in the above-captioned docket the  
6                   attached Proposed Certificate of Environmental Compatibility, Conditions to the  
7                   Certificate, Findings of Fact, and Conclusions of Law.

8                   DATED this 17th day of March, 2011.

9                   ARIZONA PUBLIC SERVICE COMPANY

10                     
11                   Linda J. Arnold  
12                   Pinnacle West Capital Corporation  
13                   Law Department  
14                   400 N. 5<sup>th</sup> Street  
15                   Phoenix, AZ 85004

16                   and

17                   LEWIS AND ROCA LLP

18                     
19                   Albert H. Acken  
20                   Thomas H. Campbell  
21                   40 N. Central Avenue  
22                   Phoenix, AZ 85004  
23                   Attorneys for APS

24                   ORIGINAL and twenty-five (25) copies  
25                   of the foregoing filed this 17th day of  
26                   March, 2011, with:

Arizona Corporation Commission  
Hearing Division – Docket Control  
1200 West Washington Street  
Phoenix, Arizona 85007

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1 COPY of the foregoing hand-delivered this  
17th day of March, 2011, to:

2  
3 John Foreman, Chairman  
4 Arizona Power Plant and Transmission Line Siting Committee  
5 Office of the Attorney General  
6 PAD/CPA  
7 1275 West Washington Street  
8 Phoenix, Arizona 85007

9  
10 Janice M. Alward, Esq.  
11 Chief Counsel, Legal Division  
12 Arizona Corporation Commission  
13 1200 West Washington Street  
14 Phoenix, Arizona 85007

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*M. J. Haberman*  
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**BEFORE THE ARIZONA POWER PLANT AND  
TRANSMISSION LINE SITING COMMITTEE**

IN THE MATTER OF THE APPLICATION )  
OF ARIZONA PUBLIC SERVICE )  
COMPANY, IN CONFORMANCE WITH )  
THE REQUIREMENTS OF ARIZONA )  
REVISED STATUTES §§ 40-360, *et seq.*, )  
FOR A CERTIFICATE OF )  
ENVIRONMENTAL COMPATIBILITY )  
AUTHORIZING THE MAZATZAL )  
SUBSTATION AND 345KV )  
INTERCONNECTION PROJECT, WHICH )  
INCLUDES THE CONSTRUCTION OF )  
TWO 345KV TRANSMISSION LINES )  
AND A NEW 345/69/21KV SUBSTATION, )  
SECTION 4, TOWNSHIP 8 NORTH, )  
RANGE 10 EAST, G&SRB&M, )  
ADJACENT TO THE INTERSECTION OF )  
THE EXISTING FOUR CORNERS- )  
CHOLLA-PINNACLE PEAK 345KV )  
TRANSMISSION LINES AND FOREST )  
ROAD 379, WITHIN THE TONTO )  
NATIONAL FOREST IN GILA COUNTY, )  
ARIZONA. )

Docket No. L-00000D-11-0068-00160  
Case No. 160

**CERTIFICATE OF ENVIRONMENTAL COMPATIBILITY**

Pursuant to notice given as provided by law, the Arizona Power Plant and  
Transmission Line Siting Committee (the "Committee") held public hearings on  
March 22 and 23, 2011, in Scottsdale, Arizona, all 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 Arizona Public Service  
Company ("Applicant") for a Certificate of Environmental Compatibility ("CEC") 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:

1	John Foreman	Chairman, Designee for Arizona Attorney General Tom Horne
2		
3	Bret Parke	Designee for Director, Arizona Department of Environmental Quality
4		
5	Laura Grignano	Designee for Director, Arizona Department of Water Resources
6		
7	Jack Haenichen	Designee for Director, Energy Department, Arizona Department of Commerce (or its successor organization)
8		
9	David L. Eberhart	Designee of the Chairman, Arizona Corporation Commission
10		
11	Patricia A. Noland	Appointed Member
12	Jeff McGuire	Appointed Member
13	F. Ann Rodriguez	Appointed Member
14	Michael Palmer	Appointed Member
15	David Richins	Appointed Member
16	Paul Walker	Appointed Member

17 Applicant was represented by Albert H. Acken of Lewis & Roca LLP and Linda  
18 J. Arnold of Arizona Public Service Company. At the conclusion of the hearing, the  
19 Committee, after considering the Application, the evidence, testimony and exhibits  
20 presented at the hearing, and being advised of the legal requirements of A.R.S. §§ 40-  
21 360 to 40-360.13, and upon motion duly made and seconded, voted \_\_ to \_\_ to grant the  
22 Applicant this CEC for construction of the Project.

23 The Project as approved consists of a new 345/69/21kV substation and two new  
24 345kV transmission lines that will interconnect with the existing eastern Cholla to  
25 Pinnacle Peak 345kV transmission line. Construction of the Project will include  
26 structure modifications for the existing 345kV transmission structures in the corridor,  
27 including adding turning structures to the eastern line and a taller structure to the  
28

1 western line allowing the interconnection to cross underneath. Construction of the  
2 Project will require improvements to the existing forest roads.

3 The 345/69/21kV substation site will be approximately 2,080 feet long by an  
4 average of 420 feet wide, and will occupy approximately 20.1 acres of the Project site.  
5 The two 345kV transmission lines will interconnect in and out of the new substation.  
6 The first 345kV transmission line interconnection will originate from the easternmost  
7 existing 345kV transmission line of the two existing 345kV transmission lines in the  
8 corridor, and proceed to the new substation, located approximately 600 feet to the west.  
9 The second 345kV transmission line interconnection will proceed from the new  
10 substation, approximately 600 feet east to the new lattice structure on the existing  
11 easternmost 345kV transmission line of the two existing 345kV transmission lines in the  
12 corridor. The Project will be constructed with lattice structures for the 345kV lines.

13 The Project will be located on the east side of State Route 87, north of Arizona  
14 188, and is entirely located on land administered by the United States Forest Service,  
15 Tonto National Forest. The Project is located in the southeast quarter of Section 4 and  
16 the southwest quarter of Section 3 in Township 8 North, Range 10 East, adjacent to the  
17 intersection of the existing Four Corners-Cholla-Pinnacle Peak 345kV transmission lines  
18 and forest road 379, within the Tonto National Forest in Gila County, Arizona. The  
19 interconnection lines will be within a 400 foot wide right-of-way. A map of the general  
20 location of the Project is set forth in Exhibit A, attached hereto.

### 21 **CONDITIONS**

22 Proposed conditions are based on the Case 158 (Q113 Interconnection Project)  
23 CEC.

24 This CEC is granted upon the following conditions:

- 25 1. Any transfer or assignment of this CEC shall require the assignee or  
26 successor to assume all responsibilities of the Applicant listed in this CEC  
27 and its conditions in writing as required by A.R.S. § 40-360.08(A) and  
28 R14-3-213(F) of the Arizona Administrative Code.

- 1           2.     During the construction of the Project, Applicant shall comply with all  
2           applicable statutes, ordinances, master plans and regulations of the United  
3           States, the State of Arizona, and any other governmental entities having  
4           jurisdiction, and their agencies or subdivisions, including but not limited to  
5           the following:
- 6           2.1.   all applicable land use regulations;
- 7           2.2.   all applicable zoning stipulations and conditions, including but not  
8           limited to landscaping and dust control requirements;
- 9           2.3.   all applicable water use, discharge, and/or disposal requirements of  
10          the Arizona Department of Water Resources (the "ADWR") and the  
11          Arizona Department of Environmental Quality (the "ADEQ");
- 12          2.4.   all applicable noise control standards; and
- 13          2.5.   all applicable regulations governing storage and handling of  
14          hazardous chemicals and petroleum products. **[Modified]**
- 15         3.     Applicant shall obtain all approvals and permits required by the United  
16         States, the State of Arizona and any other governmental entities having  
17         jurisdiction necessary to construct the Project. **[Modified]**
- 18         4.     If any archaeological site, paleontological site, historical site or an object  
19         that is at least fifty years old is discovered on state, county or municipal  
20         land during construction of the Project, Applicant or its representative in  
21         charge shall promptly report the discovery to the Director of the Arizona  
22         State Museum, and in consultation with the Director, shall immediately  
23         take all reasonable steps to secure and maintain the preservation of the  
24         discovery as required by A.R.S. § 41-844.
- 25         5.     If human remains and/or funerary objects are encountered on private land  
26         during the course of any ground-disturbing activities relating to the  
27         construction of the Project, Applicant shall cease work on the affected area  
28

1 of the Project and notify the Director of the Arizona State Museum as  
2 required by A.R.S. § 41-865.

- 3 6. Applicant shall comply with the notice and salvage requirements of the  
4 Arizona Native Plant Law (A.R.S. §§ 3-901, et seq.) and shall, to the  
5 extent feasible, minimize the destruction of native plants during Project  
6 construction.
- 7 7. This authorization to construct this Project shall expire in seven years from  
8 the date the CEC is approved by the Arizona Corporation Commission  
9 (the "Commission"). However, prior to expiration, Applicant may request  
10 that the Commission extend this time limitation. **[Modified]**
- 11 8. In the event that the Project requires an extension of the term of this CEC  
12 prior to completion of construction, Applicant shall use reasonable means  
13 to notify all landowners and residents within one mile of the Project  
14 corridor, all persons who made public comment at this proceeding, and all  
15 parties to this proceeding of the request and the date, time and place of the  
16 hearing in which the Commission will consider the request for extension.
- 17 9. Applicant shall make every reasonable effort to identify and correct, on a  
18 case-specific basis, all complaints of interference with radio or television  
19 signals from operation of the transmission lines and related facilities  
20 addressed in this CEC. Applicant shall maintain written records for a  
21 period of five years of all complaints of radio or television interference  
22 attributable to operation, together with the corrective action taken in  
23 response to each complaint. All complaints shall be recorded to include  
24 notations on the corrective action taken. Complaints not leading to a  
25 specific action or for which there was no resolution shall be noted and  
26 explained. Upon request, the written records shall be provided to Staff of  
27 the Commission.  
28

- 1           10.    Within 120 days of the Commission decision granting this CEC, Applicant  
2           shall post signs in public rights-of-way giving notice of the Project  
3           corridor to the extent authorized by law. Applicant shall place signs in  
4           prominent locations at reasonable intervals such that the public is notified  
5           along the full length of the transmission line until the transmission  
6           structures are constructed. To the extent practicable, within 45 days of  
7           securing easement or right-of-way for the Project, Applicant shall erect  
8           and maintain signs providing public notice that the property is the site of a  
9           future transmission line. Such signage shall be no smaller than a normal  
10          roadway sign. The signs shall advise:
- 11           10.1.  that the site has been approved for the construction of Project  
12                  facilities;
  - 13           10.2.  the expected date of completion of the Project facilities;
  - 14           10.3.  a phone number for public information regarding the Project;
  - 15           10.4.  the name of the Project;
  - 16           10.5.  the name of Applicant; and
  - 17           10.6.  the website of the Project.
- 18          11.    Applicant, or its assignee(s), shall design the transmission line to  
19          incorporate reasonable measures to minimize impacts to raptors.
- 20          12.    Applicant, or its assignee(s), shall use non-specular conductors and non-  
21          reflective surfaces for transmission line structures.
- 22          13.    Before construction on this Project may commence, Applicant shall file  
23          the plan of development referred to as the "Site Development Schedule  
24          and Site Plan" required by the Tonto National Forest prior to issuance of  
25          the Special Use Permit, hereinafter referred to as the "Plan," with the  
26          Commission Docket Control. Where practicable, the Plan shall specify  
27          that Applicant shall use existing roads for construction and access,  
28          minimize impacts to wildlife, minimize vegetation disturbance outside of

1 the Project right-of-way, particularly in drainage channels and along  
2 stream banks, and shall re-vegetate, unless waived by the landowner,  
3 native areas of construction disturbance to its preconstruction state outside  
4 of the power line right-of-way after construction has been completed. The  
5 Plan shall specify Applicant's plans for coordination with Arizona Game  
6 and Fish Department ("AGFD") and the Arizona State Historic  
7 Preservation Office (the "SHPO"). Applicant shall protect against  
8 invasive species and noxious weeds by adhering to the measures presented  
9 in the Plan. **[Modified]**

- 10 14. With respect to the Project, Applicant shall participate in good faith in  
11 state and regional transmission study forums to coordinate transmission  
12 expansion plans related to the Project and to resolve transmission  
13 constraints in a timely manner.
- 14 15. Applicant shall provide copies of this CEC to the Gila County Department  
15 of Community Development, the Arizona Department of Transportation,  
16 the SHPO, and AGFD. **[Modified]**
- 17 16. Before construction commences on this Project, Applicant shall provide  
18 known homebuilders and developers who are building upon or developing  
19 land within one mile of the center line of the certificated route of the  
20 transmission line, and a written description of the Project. The written  
21 description shall identify the location of the Project and contain a pictorial  
22 depiction of the type of transmission line being constructed. Applicant  
23 shall also encourage the developers and homebuilders to include this  
24 information in the developers' and homebuilders' homeowners' disclosure  
25 statements.
- 26 17. Applicant will follow the most current Western Electricity Coordinating  
27 Council/North American Electric Reliability Corporation planning  
28

standards, as approved by the Federal Energy Regulatory Commission, and National Electrical Safety Code construction standards.

18. Applicant shall submit a compliance-certification letter annually, identifying progress made with respect to each condition contained in the CEC, including which conditions have been met. Each letter shall be submitted to the Commission Docket Control commencing on December 1, 2011. 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 (or its successor organization). The requirement for the compliance-certification shall expire on the date the Project is placed into operation.

#### **FINDINGS OF FACT AND CONCLUSIONS OF LAW**

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

1. The Project aids the state in meeting the need for an adequate, economical and reliable supply of electric power.
2. The conditions placed on the Project in the CEC by the Committee effectively minimize the impact of the Project on the environment and ecology of the state.
3. The Project is in the public interest because the Project's contribution to meeting the need for an adequate, economical and reliable supply of electric power outweighs the minimized impact of the Project on the environment and ecology of the state.

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DATED this \_\_\_\_ day of \_\_\_\_\_, 2011.

THE ARIZONA POWER PLANT AND  
TRANSMISSION LINE SITING  
COMMITTEE

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Hon. John Foreman, Chairman

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**EXHIBIT A**

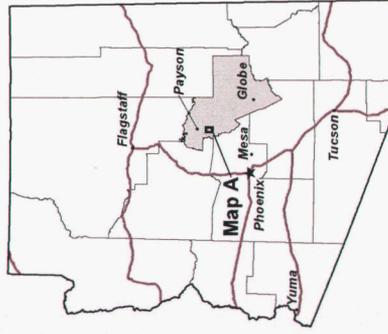
General Location Map of the Project

# Mazatzal Substation and 345kV Interconnection Project

## Proposed Interconnection

### LEGEND

-  Proposed Substation
-  345kV Interconnection
-  345kV Right-of-Way (400 feet)
-  Existing Substation
-  Existing 345kV Transmission Line
-  Road
-  10 Section Line



January 2011

Sources: StreetMap USA, ESRI 2007; EFG 2008.



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