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Transcript Exhibit(s)

Docket #(s): L-00000D-02-0120-00006

Arizona Corporation Commission

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Exhibit #: 31, A1-A4

ORIGINAL

OPEN MEETING AGENDA ITEM

MEMORANDUM

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To: Docket Control

From: Steven M. Olea 

Date: November 21, 2012

Subject: STAFF REPORT ON ARIZONA PUBLIC SERVICE COMPANY FILING OF REQUEST FOR EXTENSION OF CEC TERM AND APPLICATION TO AMEND ARIZONA CORPORATION COMMISSION DECISION NO. 65997 RE CEC 120 DOCKET NO. L-00000D-02-0120-00000

2012 NOV 21 A 9 25

ARIZONA CORPORATION COMMISSION
DOCKET CONTROL

On October 19, 2012, Arizona Public Service Company ("APS" or "Company") filed with the Arizona Corporation Commission ("Commission") a request for an extension of Certificate of Environmental Compatibility ("CEC") term and application to amend Decision No. 65997 (Case No. 120), ("Application").

History

Commission Decision No. 65997 (June 18, 2003) approved a CEC for APS to build a double-circuit 230 kV transmission line between the Westwing Substation, the Raceway substation and the Pinnacle Peak substation ("CEC 120"). CEC 120 also authorized construction of two new substations – Scatter Wash (formerly Misty Willow) and Avery.

On February 20, 2007, in Decision No. 96343, the Commission authorized a new CEC approving a 500kV/230kV transmission line between the Morgan and Pinnacle Peak substations, ("CEC 131") to be built rather than the double circuit 230kV line authorized in CEC 120. APS was ordered to file an application to amend CEC 120 to make it consistent with the Commission's subsequent decision in CEC 131. The Company filed an Application to Amend Decision No. 65997, dated March 21, 2007. The March 2007 application was not acted upon and this Application is intended to supersede that filing.

In CEC 131, APS retained the right to build the double-circuit 230kV transmission line between the Westwing and Raceway substations. APS has determined that circuit is no longer needed due to the addition of the Morgan to Pinnacle Peak 500kV/230kV line, as well as other changes in the transmission system, infrastructure and development near the Westwing and Raceway Substations. The Company would, however, like to retain the right to build the Scatter Wash and Avery Substations.

Arizona Corporation Commission

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Application

In the October 19, 2012 Application, APS has requested the Commission (i) extend the term of CEC 120 to allow APS ten more years to build its Scatter Wash and Avery substations, (ii) cancel that portion of CEC 120 approving a double-circuit 230kV transmission line between the Westwing, Raceway, and Pinnacle Peak substations as that line is no longer needed, and (iii) delete Condition 23 from CEC 120¹. In addition, APS gives the Commission notice of its plan to move the Scatter Wash substation to the north side of the transmission corridor and to use a modified structure that was not contemplated or needed when CEC 120 was approved.

Staff feels that for compliance purposes APS has fulfilled its obligation to meet the Commission's requirements in CEC 131 in an appropriate manner. CEC 120 approved a double circuit 230 kV line that follows substantial portions of the same route as the line approved in CEC 131. As was noted as a basis for requesting approval of the 500kV/230 kV transmission line in CEC 131, a benefit to the project would be consolidation of facilities proposed within CEC 120². More specifically, APS noted that consolidation of projects would remove the need for the double circuit 230 kV authorized by CEC 120 for those portions of the CEC 131 project that overlapped the route authorized in CEC 120. APS has stated in its Application that the portion of the 230kV line authorized in CEC 120 that was not replaced by the 500kV/230kV line authorized in CEC 131 is no longer needed.

In consideration of the substitution of project facilities approved in CEC 120 with facilities approved in CEC 131, APS' application to amend CEC 120 reasonably clarifies, for the public and parties of record to CEC 120, what authority to construct APS has requested in substitution in CEC 131. Because of the ambiguity resulting from the approval in two CECs of a net total of four transmission lines traversing the same corridor, Staff believes it would be appropriate to amend CEC 120 so as to remove authority to construct the two 230 kV lines that overlap the 500kV/230 kV line approved in CEC 131. In addition, Staff believes that in light of information provided in its Ten Year Plan³, APS's request to remove authority to construct the remainder of the double-circuit 230kV line provided for in CEC 120 is also reasonable.

With respect to APS' additional requested modification to Decision No. 65997 to extend the construction period for the CEC, Staff concludes that APS' request for authorization to complete construction of the Scatter Wash and Avery substations ten years to June 18, 2023, is reasonable. Staff agrees that while the need for the substations has been delayed by the recession, the need will be reconfirmed as new growth appears. Such extended time period for construction will allow APS to watch its load growth and establish need for the substations before starting its construction. Staff also believes that this delayed construction will not compromise transmission grid reliability.

¹ Condition 23 contains specifics regarding construction of a portion of the line contemplated in CEC 120, which was superseded by CEC 131.

² Transcript of Proceedings in Line Siting Case No. 131 Vol. I at 168, Docket No. L-00000D-06-0635-00131.

³ Arizona Public Service Company 2012-2021 Ten-Year Transmission System Plan, Docket No. E-00000D-11-0017

Finally, APS has requested the deletion of Condition 23 from the CEC approved in Decision No. 65997. The condition outlines detailed provisions for that portion of the 230kV line that crosses the planned Happy Valley Road Towne Center property located at the southeast corner of I-17 and Happy Valley Road. Because the 230kV line will not be constructed, Condition 23 no longer applies. A similar condition, (Condition 24), is included in CEC 131 for the 230kV/500kV line that is planned to replace the line authorized in CEC 120⁴. Staff concurs that Condition 23 no longer applies and that the issue is dealt with in a satisfactory manner in Condition 24 of CEC 131.

Notice of Intent to Move Scatter Wash Substation and to Use Modified Structure to Interconnect 230kV line to the Substation

When the Commission approved CEC 120, APS anticipated locating the Scatter Wash substation south of an existing double-circuit Salt River Project ("SRP") 230kV line. On November 16, 2010, APS filed a notice informing the Commission of the need to move the Scatter Wash substation to the north of the exiting SRP 230kV line and the new 500kV/230kV line approved in CEC 131. The change will provide a cost savings to the Company and will reduce the necessary number of line crossings.

The new location of the Scatter Wash substation and the construction of the line approved in CEC 131 will require APS to use an interconnection structure that will lower the 230kV line to allow it to cross under the 500kV line that is co-located on the same transmission structure. APS has stated that the modified structure is environmentally compatible and its effects are similar to the previously approved transmission structures. All of the electric facilities, including the interconnection structures, will be located within the 1,000-foot corridor previously approved in CEC 120.

Relocating the substation and the use of the proposed interconnection structure will not negatively affect the transmission grid or the Company's ability to serve its customers reliably. Additionally, it will reduce the number of necessary transmission line crossings, improving the safety and reliability of the project.

Conclusions

Staff, therefore, recommends that the Commission approve APS's requested modifications to the CEC.

For the Commission's convenience, Staff has attached a proposed Order for the Commissioners' consideration.

⁴ Condition 24 of Decision No. 69343 states:

"24. Applicant shall coordinate construction through the Happy Valley Towne Center with the property owners to minimize impact on the retail operation of the Center."

BEFORE THE ARIZONA CORPORATION COMMISSION

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COMMISSIONERS

GARY PIERCE - Chairman
BOB STUMP
SANDRA D. KENNEDY
PAUL NEWMAN
BRENDA BURNS

IN THE MATTER OF THE APPLICATION
OF ARIZONA PUBLIC SERVICE
COMPANY, PURSUANT TO ARIZONA
REVISED STATUTE § 40-252, FOR AN
AMENDMENT OF ARIZONA
CORPORATION COMMISSION
DECISION NO. 65997

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

CASE NO. 120

ORDER MODIFYING DECISION NO. 65997

DECISION NO. _____

ORDER

Open Meeting
_____, 2012
Phoenix, Arizona

BY THE COMMISSION:

FINDINGS OF FACT

1. On October 19, 2012, Arizona Public Service Company (“APS” or “Company”) filed with the Arizona Corporation Commission (“Commission”) a request to extend the term of its Certificate of Environmental Compatibility (“CEC”) and to amend Decision No. 65997 (June 18, 2003) (“Application”).

2. Decision No. 65997 approved a CEC (“CEC 120”) for APS to build a double-circuit 230 kV transmission line between the Westwing Substation, the Raceway substation and the Pinnacle Peak substation. The CEC further authorized the construction of two new substations – Scatter Wash (formerly Misty Willow) and Avery.

...
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...

1 3. On February 20, 2007, the Commission approved Decision No. ~~56543~~⁶⁹³⁴³ authorizing a
2 CEC to construct a 500kV/230kV transmission line between the Morgan and Pinnacle Peak
3 substations, ("CEC 131"). Construction of the project approved by CEC 131 would substantially
4 replace the double circuit 230kV line authorized in CEC 120. APS was ordered to file an application
5 to amend CEC 120 to make it consistent with the Commission's subsequent decision in CEC 131.
6 On March 21, 2007, the Company filed an Application to Amend Decision No. 65997. The March
7 2007 application was not acted upon and this Application is intended to supersede that filing.

8 4. In CEC 131, APS retained the right to build the double-circuit 230kV transmission
9 line between the Westwing and Raceway substations. APS has now determined that this circuit is no
10 longer needed due to the addition of the Morgan to Pinnacle Peak 500kV/230kV line, as well as other
11 changes in the transmission system, infrastructure and development near the Westwing and Raceway
12 Substations. The Company would, however, like to retain the right to build the Scatter Wash and
13 Avery Substations.

14 5. In the October 19, 2012 Application, APS has requested that the Commission (i)
15 extend the term of CEC 120 to allow APS ten more years to build its Scatter Wash and Avery
16 substations, (ii) cancel that portion of CEC 120 approving a double-circuit 230kV transmission line
17 between the Westwing, Raceway, and Pinnacle Peak substations as that line is no longer needed, and
18 (iii) delete Condition 23 from CEC 120. In addition, APS notified the Commission of its plan to
19 move the Scatter Wash substation to the north side of the transmission corridor and to use a modified
20 structure that was not contemplated or needed when CEC 120 was approved.

21 **Staff Analysis**

22 6. Staff reviewed the Application and prepared a Staff Report that was docketed on
23 November 21, 2012. In its Staff Report, Staff explained that, for compliance purposes, APS has
24 fulfilled its obligation to meet the Commission's requirements in CEC 131 in an appropriate manner.
25 CEC 120 approved a double circuit 230 kV line that follows substantial portions of the same route as
26 the line approved in CEC 131. As was noted in CEC 131, a benefit to the project would be
27 consolidation of facilities proposed within CEC 120. More specifically, APS noted that consolidation
28 of projects would remove the need for the double circuit 230 kV line authorized by CEC 120 for

1 those portions of the CEC 131 project that overlapped the route authorized in CEC 120. APS has
2 stated in its Application that the portion of the 230kV line authorized in CEC 120 that was not
3 replaced by the 500kV/230kV line authorized in CEC 131 is no longer needed.

4 7. Because of the substitution of project facilities approved in CEC 120 with facilities
5 approved in CEC 131, APS' application to amend CEC 120 clarifies, for the public and parties of
6 record to CEC 120, what authority to construct APS has requested in substitution in CEC 131.
7 Because of the ambiguity resulting from the approval of two CECs for a net total of four transmission
8 lines traversing the same corridor, Staff believes it would be appropriate to amend CEC 120 so as to
9 remove authority to construct the two 230 kV lines approved in CEC 120 that overlap the 500kV/230
10 kV line approved in CEC 131. In addition, Staff believes that, in light of information provided in
11 APS's Ten Year Plan, the Company's request to remove authority to construct the remainder of the
12 double-circuit 230kV line provided for in CEC 120 is also reasonable.

13 8. With respect to the Company's additional requested modification to Decision No.
14 65997, Staff concludes that APS's request to extend authorization to complete construction of the
15 Scatter Wash and Avery substations for ten years to June 18, 2023, is reasonable. Staff agrees that,
16 while the need for the substations has been delayed by the recession, the need will be reconfirmed as
17 new growth appears. Such an extended time period for construction will allow APS to observe its
18 load growth and establish need for the substations before starting construction. Staff also believes
19 that this delayed construction will not compromise transmission grid reliability.

20 9. Finally, APS has requested the deletion of Condition 23 from the CEC approved in
21 Decision No. 65997. The condition outlines detailed provisions for that portion of the 230kV line
22 that crosses the planned Happy Valley Road Towne Center property located at the southeast corner of
23 I-17 and Happy Valley Road. Because the 230kV line will not be constructed, Condition 23 no
24 longer applies. A similar condition, (Condition 24), is included in CEC 131 for the 230kV/500kV
25 line that is planned to replace the line authorized in CEC 120. Staff concurs that Condition 23 no
26 longer applies and that the issue is dealt with in a satisfactory manner in Condition 24 of CEC 131.

27 10. The Company has also provided notice of its intent to move the planned Scatter Wash
28 substation and to use a different transmission structure type from what was approved by CEC 120.

1 When the Commission approved CEC 120, APS anticipated locating the Scatter Wash substation
2 south of an existing double-circuit Salt River Project ("SRP") 230kV line. On November 16, 2010,
3 APS filed a notice informing the Commission of the need to move the Scatter Wash substation to the
4 north of the existing SRP 230kV line and the new 500kV/230kV line approved in CEC 131. The
5 change will provide a cost savings to the Company and will reduce the number of necessary line
6 crossings.

7 11. The new location of the Scatter Wash substation and the construction of the line
8 approved in CEC 131 will require APS to use an interconnection structure that will lower the 230kV
9 line to allow it to cross under the 500kV line that is co-located on the same transmission structure.
10 APS did not propose the desired structure before the Arizona Power Plant and Transmission Line
11 Siting Committee in the grant of CEC 120. The Company has stated that the modified structure is
12 environmentally compatible and its effects are similar to the previously approved transmission
13 structures. All of the electric facilities, including the interconnection structures, will be located
14 within the 1,000-foot corridor previously approved in CEC 120.

15 12. Relocating the substation and the use of the proposed interconnection structure will
16 not negatively affect the transmission grid or the Company's ability to serve its customers reliably.
17 Additionally, it will reduce the number of necessary line crossings, improving the safety and
18 reliability of the project.

19 13. Staff, therefore, recommends that the Commission approve the Company's requested
20 modifications.

21 CONCLUSIONS OF LAW

22 1. The Commission has jurisdiction over Arizona Public Service Company and over the
23 subject matter herein pursuant to Article XV of the Arizona Constitution and A.R.S. § 40-252 and §
24 40-360 et seq.

25 2. Notice of the proceeding has been given in the manner prescribed by law.

26 3. It is reasonable for the Commission to cancel approval of the construction of the
27 double-circuit 230 kV transmission line project between the Westwing, Raceway and Pinnacle Peak
28 substations except for the Avery and Scatter Wash substations.

1 IT IS FURTHER ORDERED that Decision No. 65997 is modified to revise the Certificate of
2 Environmental Compatibility to permit Arizona Public Service Company to construct the Scatter
3 Wash substation north of the existing Salt River Project 230 kV transmission line but still within the
4 approved corridor.

5 IT IS FURTHER ORDERED that all other conditions of the Certificate of Environmental
6 Compatibility approved by Decision No. 65997 shall remain in effect.

7 IT IS FURTHER ORDERED that this decision shall become effective immediately.

8
9 **BY THE ORDER OF THE ARIZONA CORPORATION COMMISSION**

10
11 _____
CHAIRMAN

COMMISSIONER

12
13 _____
COMMISSIONER

COMMISSIONER

COMMISSIONER

14
15 IN WITNESS WHEREOF, I, ERNEST G. JOHNSON,
16 Executive Director of the Arizona Corporation Commission,
17 have hereunto, set my hand and caused the official seal of this
18 Commission to be affixed at the Capitol, in the City of Phoenix,
19 this _____ day of _____, 2012.

20 _____
21 ERNEST G. JOHNSON
EXECUTIVE DIRECTOR

22 DISSENT: _____

23
24 DISSENT: _____

25 SMO:ML:sms\CHH

26
27
28

1 SERVICE LIST FOR: Arizona Public Service Company
2 DOCKET NO. L-00000D-02-0120-00000

3 John Foreman, Chairman
4 Arizona Power Plant and Transmission
5 Line Sitting Committee
6 Office of Attorney General
7 1275 West Washington Street
8 Phoenix, Arizona 85007

9 Melissa Krueger
10 Linda J. Arnold
11 Pinnacle West Capital Corporation
12 Law Department
13 400 N. 5th Street
14 Phoenix, Arizona 85004

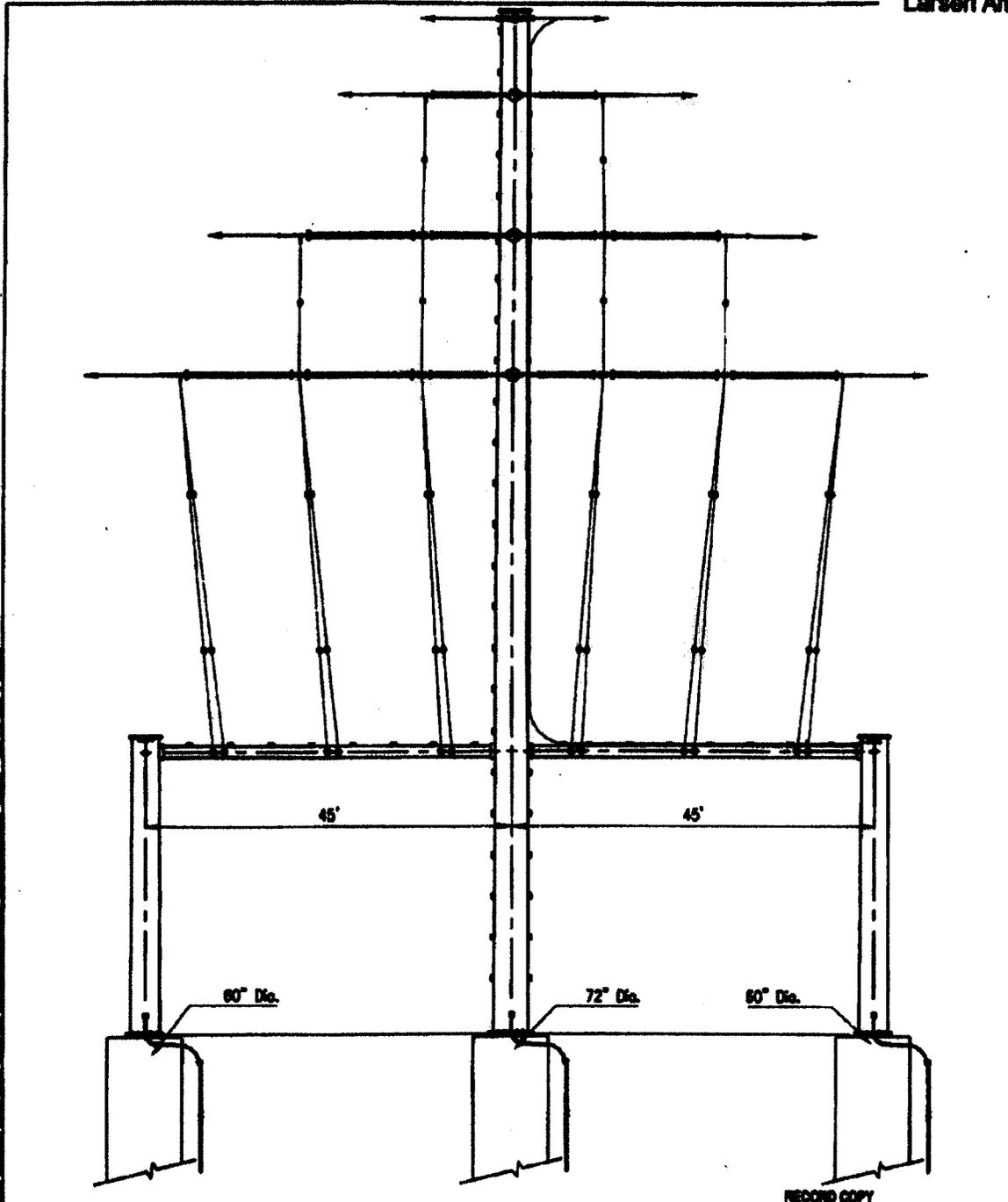
15 Thomas H. Campbell
16 Albert H. Acken
17 Lewis and Roca LLP
18 40 N. Central Ave.
19 Phoenix, Arizona 85004
20 Attorneys for Arizona Public Service Company

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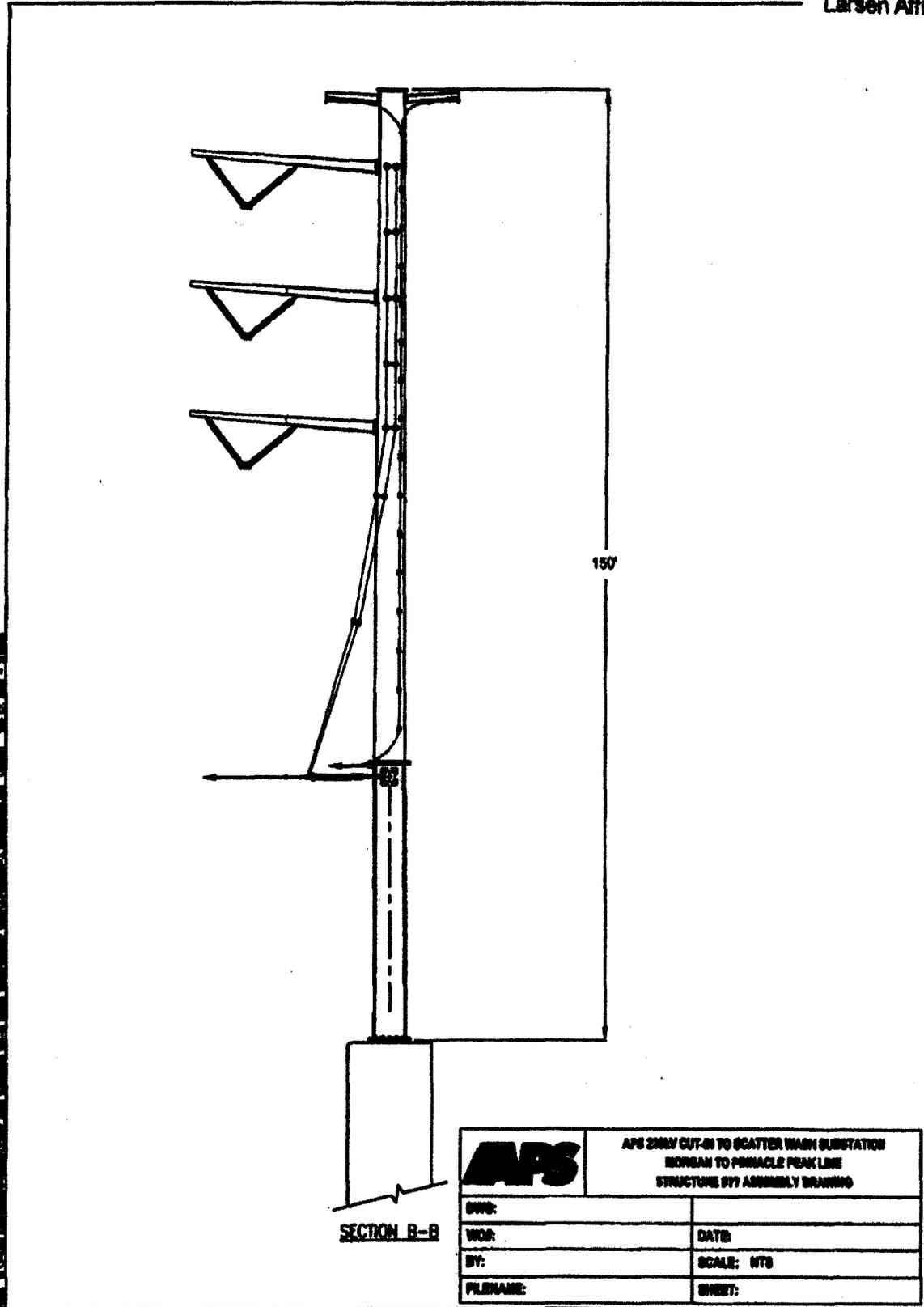
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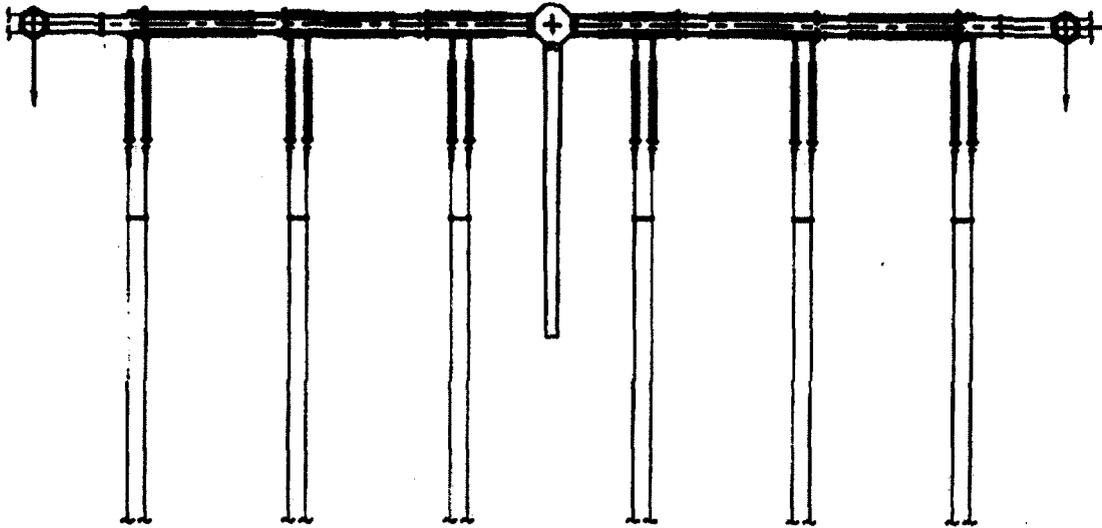
ATTACHMENT A

Decision No. _____



APS		APS 23KV CUT-IN TO SCATTER WASH SUBSTATION NORDAN TO PIRAGLE PEAK LINE STRUCTURE TYPICAL ASSEMBLY DRAWING	
DWG:		DATE:	
NO:		SCALE:	NTS
BY:		SHEET:	
FILENAME:			





TO SCATTER WASH SUBSTATION

PLAN VIEW

APS	APS 23KV CUT-IN TO SCATTER WASH SUBSTATION	
	MIDSPAN TO PROBABLE PEAK LINE STRUCTURE BYT ASSEMBLY DRAWING	
DATE:		DATE:
WORK:		SCALE: NTS
BY:		SHEET:
FILENAME:		

Decision No. _____

STATE OF ARIZONA)
) ss.
COUNTY OF MARICOPA)



AFFIDAVIT OF D. BRAD LARSEN

I, D. Brad Larsen, being duly sworn under oath, depose and state:

1. I am a Senior Siting Consultant for Arizona Public Service Company ("APS" or "Company").

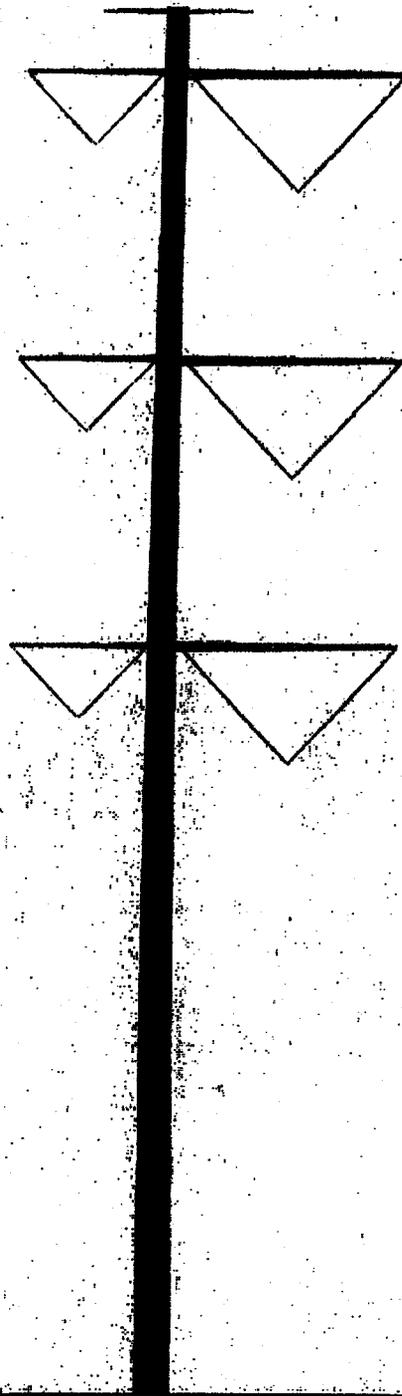
2. I am personally familiar with the Certificate of Environmental Compatibility issued on June 18, 2003 for Case No. 120 ("CEC 120") as well as the proposed changes to this CEC 120 related to APS's Scatter Wash (formerly Misty Willow) 230kV Substation, which will connect the Company's 230kV system to the 69kV sub-transmission system.

3. I am personally familiar with the Certificate of Environmental Compatibility issued on February 20, 2007 for Case No. 131 ("CEC 131") that superseded CEC 120 authorizing a 500/230kV transmission line between the Morgan and Pinnacle Peak substations.

4. CEC 120 authorizes APS to construct a new 230kV substation (Scatter Wash Substation), which will serve as a transformation interconnection point to distribute power to the residential communities and commercial establishments in north Phoenix. The Scatter Wash substation will be located to the north of the existing Salt River Project ("SRP") 230kV line and the new APS 500/230kV transmission line.

5. The location of the Scatter Wash substation in proximity to the interconnection point of the transmission line (approved in CEC 131) requires APS to use an interconnection structure that will lower the 230kV line to allow it to cross under the 500kV line that is co-located on the same transmission structure.

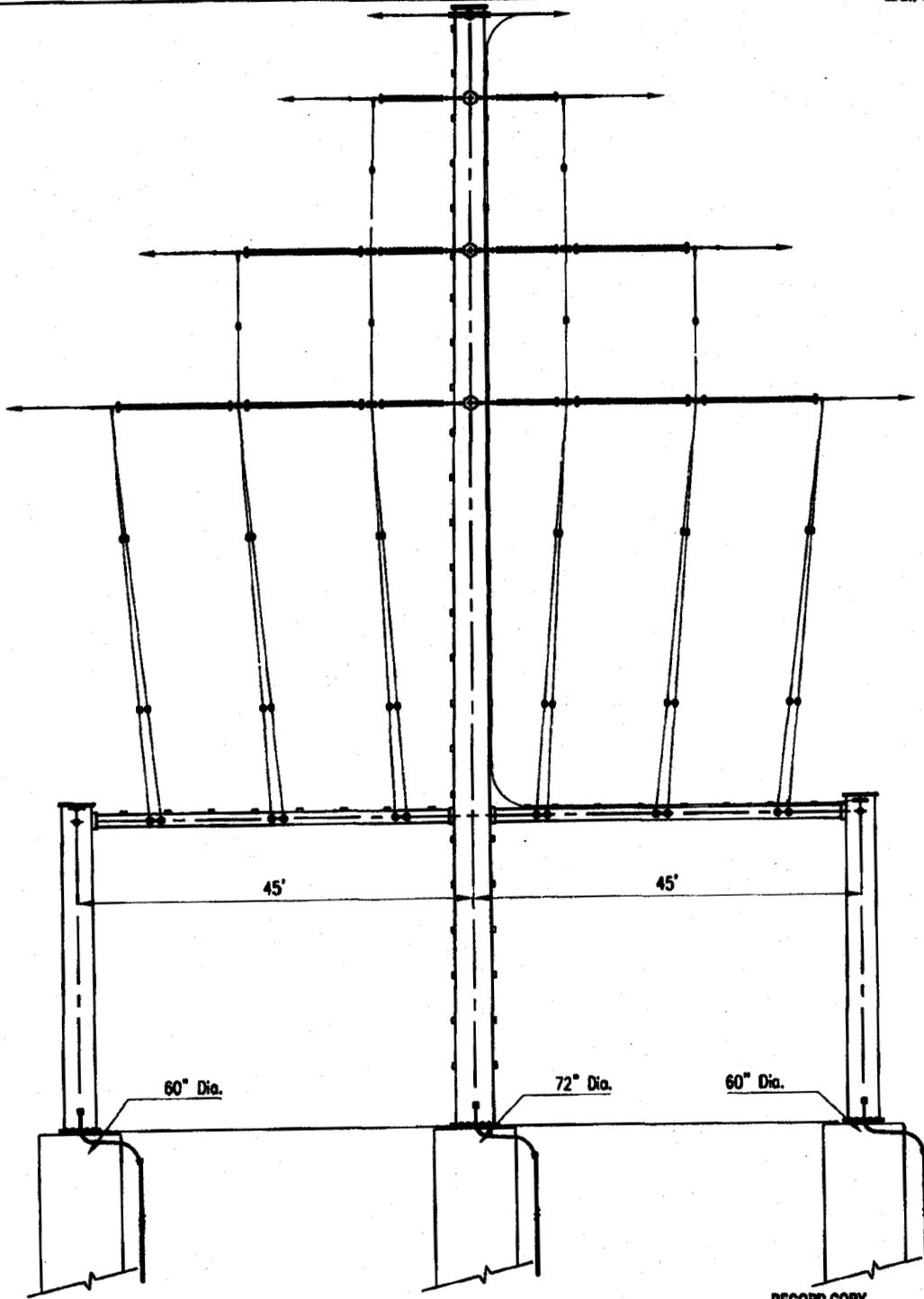
6. APS's testimony before the Arizona Power Plant and Transmission Line Siting Committee in CEC 120 and CEC 131 addressed poles that would be used for the transmission line. During the hearing, APS provided typical examples of transmission



Typical Height
150'-165'

EXHIBIT G-2
Conceptual 500/230kV Steel Monopole Structure
(Design Configuration #2)

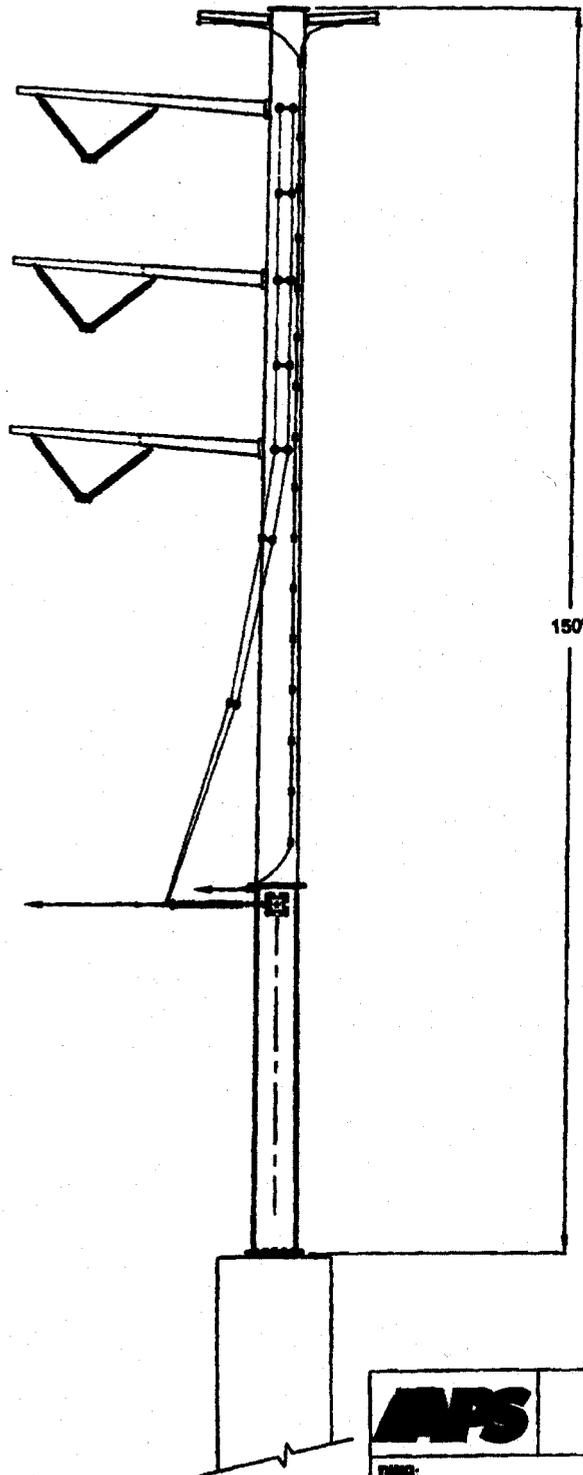
DECISION NO. 69343



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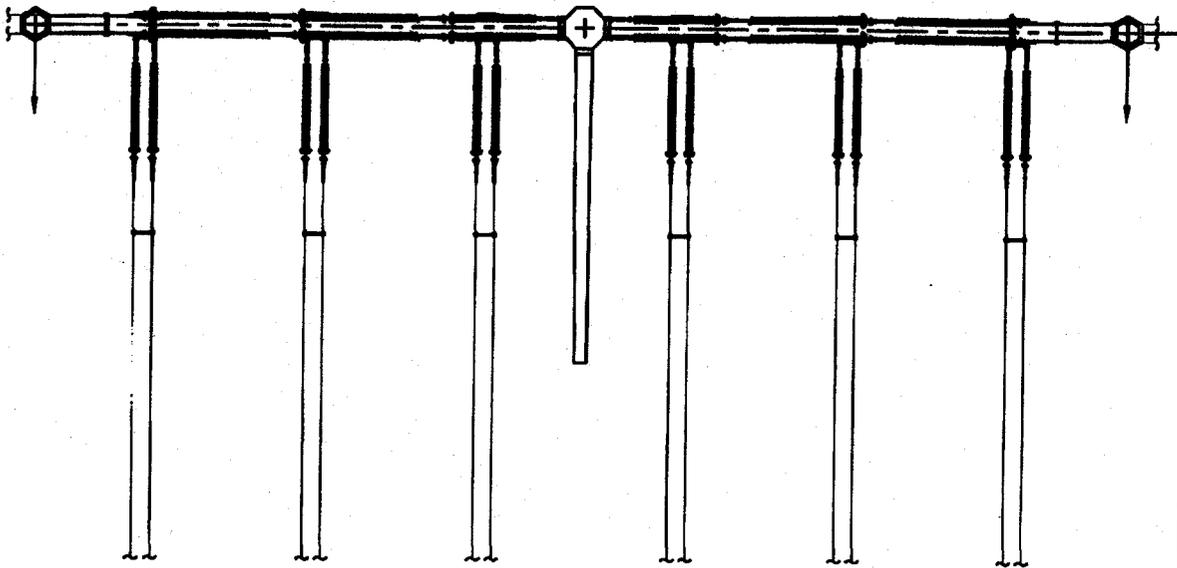
APS		APS 230KV CUT-IN TO SCATTER WASH SUBSTATION MORGAN TO PINNACLE PEAK LINE STRUCTURE 77 ASSEMBLY DRAWING	
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WOR:		SCALE:	NTS
BY:		SHEET:	
FILENAME:			

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APS	APS 230KV CUT-IN TO SCATTER WASH SUBSTATION MORGAN TO PINNACLE PEAK LINE STRUCTURE #77 ASSEMBLY DRAWING	
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WOR:		DATE:
BY:		SCALE: NTS
FILENAME:		SHEET:

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TO SCATTER WASH SUBSTATION

PLAN VIEW

APS	APS 230KV CUT-IN TO SCATTER WASH SUBSTATION MORGAN TO PINNACLE PEAK LINE STRUCTURE #?? ASSEMBLY DRAWING	
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	WORK:	DATE:
	BY:	SCALE: NTS
FILENAME:	SHEET:	

BEFORE THE ARIZONA CORPORATION COMMISSION
Docket No. L-00000D-02-0120, Case 120

NOTICE OF OPEN MEETING

An Open Meeting will be held by the Arizona Corporation Commission (Commission) regarding Arizona Public Service Company's (APS) request to extend the term of the Certificate of Environmental Compatibility (CEC) until June 18, 2023 and to amend the CEC for the North Valley 230kV Facility Project. APS's requested extension of time applies only to the Avery and Scatter Wash (formerly Misty Willow) 230kV substations. APS's proposed amendments to the CEC include the cancellation of the double circuit 230kV transmission line between the Raceway, Westwing and Pinnacle Peak substations.

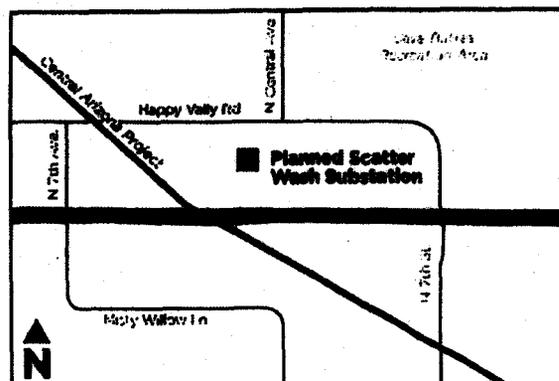
APS plans to construct the Scatter Wash substation on the north side of the existing electrical corridor and east of the CAP canal (see map below). Because of the substation location, APS plans to use a modified structure to interconnect the 230kV transmission line to the Scatter Wash substation. The Avery substation site is located approximately at Dove Valley Road alignment, ½ mile west of I-17 in Section 15, Township 5 North, Range 2 East.

The Open Meeting will be held at the Arizona Corporation Commission, 1200 West Washington Street, Phoenix, Arizona 85007, Hearing Room __. The Open Meeting will be held on _____, 2012 at (insert time).

Questions on the project may be directed to Brad Larsen, Senior Siting Consultant, APS Transmission and Facility Siting Department at 602-493-4338 or by email at brad.larsen@aps.com. A copy of the Company's application is available on the internet via the Commission's website at www.azcc.gov using the eDocket function or at the Commission office.

Legend

- 500kV Power Line
- 230kV Power Line
- Pipeline
- 230/69kV Substation



1 Linda J. Arnold (Bar No. 022853)
2 Melissa M. Krueger (Bar No. 021176)
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4 400 North 5th Street, MS 8695
5 Phoenix, Arizona 85004
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9 Melissa.Krueger@pinnaclewest.com

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11 Tel: (602) 262-5723
12 Fax: (602) 734-3841
13 E-mail: TCampbell@LRLaw.com

12 Attorneys for Arizona Public Service Company

13 **BEFORE THE ARIZONA CORPORATION COMMISSION**

14 **COMMISSIONERS**

15 GARY PIERCE, Chairman
16 BOB STUMP
17 SANDRA D. KENNEDY
18 PAUL NEWMAN
19 BRENDA BURNS

19 IN THE MATTER OF THE APPLICATION
20 OF ARIZONA PUBLIC SERVICE
21 COMPANY, PURSUANT TO ARIZONA
22 REVISED STATUTE § 40-252, FOR AN
23 AMENDMENT OF ARIZONA
24 CORPORATION COMMISSION
25 DECISION NO. 65997.

Docket No. L-00000D-02-0120

**REQUEST FOR EXTENSION OF CEC
TERM
-AND-
APPLICATION TO AMEND ARIZONA
CORPORATION COMMISSION
DECISION NO. 65997 RE CEC 120**

25 **I. INTRODUCTION**

26 Arizona Corporation Commission ("Commission") Decision No. 65997 (June 18,
27 2003) approved a Certificate of Environmental Compatibility ("CEC") for the North Valley
28 230kV Facility Siting Project granted by the Arizona Power Plant and Transmission Line

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CORP COMMISSION
DOCKET CONTROL



1 Siting Committee (“Committee”) for Arizona Public Service Company (“APS” or
2 “Company”) to build a double-circuit 230kV transmission line between the Westwing
3 substation, the Raceway substation and the Pinnacle Peak substation (Decision No. 65997 and
4 its approved CEC will be referred to collectively as “CEC 120”). CEC 120 also authorized
5 construction of two new substations—Scatter Wash (formerly Misty Willow) and Avery.

6 On February 20, 2007, in Decision No. 69343, the Commission authorized a new CEC
7 approving a 500/230kV transmission line between the Morgan and Pinnacle Peak substations
8 (Decision No. 69343 and its CEC will be referred to collectively as “CEC 131”). The new
9 500/230kV line approved in CEC 131 followed nearly the same path as the line for the
10 double-circuit 230kV line approved in CEC 120, thus making a large portion of CEC 120
11 unnecessary.

12 APS respectfully asks the Commission to (i) extend the term of CEC 120 to allow APS
13 ten more years to build its Scatter Wash and Avery substations, (ii) cancel that portion of
14 CEC 120 approving a double-circuit 230kV transmission line between the Westwing,
15 Raceway, and Pinnacle Peak substations as that line is no longer needed,¹ and (iii) delete
16 Condition 23 from CEC 120.² Finally, APS gives the Commission additional notice of its
17 plan to move the Scatter Wash substation to the north side of the transmission corridor and to
18 use a modified structure that was not contemplated or needed when CEC 120 was approved.
19 For the Commission’s convenience, attached as Exhibit A is a proposed Order that reflects
20 these changes.

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24 ¹ Condition 29 in CEC 131 required APS to file an application to amend CEC 120 under A.R.S. § 40-252 and
25 specified a new condition for CEC 120. As ordered, APS filed an Application to Amend CEC 120 on March
26 21, 2007. APS incorporates by reference this earlier filing subject to certain revisions discussed here.
27 Condition 29 also allowed APS to retain the authorization to construct the Westwing to Raceway segment of
28 the line approved in CEC 120. For the reasons discussed in Part II.B, this segment of the line is not needed,
and APS asks the Commission to also cancel this portion of CEC 120.

² Condition 23 included several requirements related to the segment of the route that crossed the planned
Happy Valley Road Towne Center property leased by Roles and located at the southeast corner of I-17 and
Happy Valley Road.

1 **II. REQUESTED CEC TERM EXTENSION AND AMENDMENTS TO CEC 120**

2 **A. Extend Term of CEC 120 to Allow APS Ten Years to Construct Scatter Wash**
3 **and Avery Substations.**

4 Condition 3(a) of CEC 120 contained a ten-year term for completing the first circuit of
5 the line and a fifteen-year term for completing the second circuit. The ten-year term expires
6 on June 18, 2013; the fifteen-year term expires on June 18, 2018. Condition 3(a) also allows
7 APS to request an extension of these time limits. It states that APS “prior to either such
8 expiration [APS] may request that the Commission extend this time limitation.” Consistent
9 with this condition, APS asks the Commission for a ten-year extension until June 18, 2023 in
10 which to complete the Scatter Wash and Avery substations—the only work remaining under
11 CEC 120. These new 230kV substations will serve as transformation interconnection points
12 to distribute power to the residential communities and commercial establishments in north
13 Phoenix. Given the economic downturn and low load growth over the past few years, these
14 substations are not yet needed. APS anticipates it will need these substations when the
15 economy improves and development activities reignite in the surrounding areas.

16 Condition 17 of CEC 120 requires APS to “use reasonable means to directly notify all
17 landowners and residents within a one-half mile radius of the Project facilities . . . of the time
18 and place of the proceeding in which the Commission shall consider” an extension of the
19 CEC term. See Attachment 6 to Affidavit of D. Brad Larsen, attached as Exhibit B, for a
20 sample notice APS will use to notify landowners and residents of this request for extension.

21 **B. Cancel Portion of CEC 120 Approving a Double-Circuit 230kV Transmission**
22 **Line Between Westwing, Raceway and Pinnacle Peak Substations and Modify**
23 **CEC 120 to Conform with the Commission’s Decision in CEC 131.**

24 CEC 120 approved construction of a double-circuit 230kV line between the Westwing,
25 Raceway, and Pinnacle Peak substations. As discussed above, APS sought and received in
26 CEC 131 approval to construct a 500/230kV transmission line between the Morgan,
27 Raceway, and Pinnacle Peak substations rather than the double-circuit 230kV line approved
28 in CEC 120. The 500/230kV line authorized in CEC 131, which was energized in December
of 2010, takes the place of the previously approved double-circuit 230kV line approved in

1 CEC 120. CEC 131 expressly recognized this change in scope and ordered APS to file an
2 application to amend CEC 120 to make it consistent with the Commission's subsequent
3 decision in CEC 131. Attached as Exhibit C and incorporated by reference is the Company's
4 Application to Amend A.C.C. Decision No. 65997, dated March 21, 2007. This filing
5 supersedes the Company's March 21, 2007 filing.

6 In CEC 131, APS retained the right to build the double-circuit 230kV transmission line
7 between the Westwing and Raceway substations.³ APS has determined that the Westwing to
8 Raceway substation circuit is no longer needed due to the addition of the Morgan to Pinnacle
9 Peak 500kV/230kV line, as well as other changes in the transmission system, infrastructure
10 and development near the Westwing and Raceway Substations. Accordingly, APS asks that
11 the Commission cancel the entire double-circuit line approved in CEC 120, including
12 construction of the line from the Westwing to Raceway substations.

13 APS requests that the Commission amend under A.R.S. § 40-252 the scope of CEC
14 120 to reflect that APS shall not build the double-circuit 230kV transmission line between the
15 Westwing, Raceway and Pinnacle Peak substations and to delete Condition 23 because it is
16 no longer applicable.⁴ With this amendment to CEC 120, APS retains authorization to
17 construct the Scatter Wash and Avery substations. The proposed Order attached as Exhibit A
18 reflects these changes.

19 **III. Notice of Intent to Move Scatter Wash Substation and to Use Modified Structure**
20 **to Interconnect 230kV line to the Substation.**

21 When the Commission approved CEC 120, APS anticipated locating the Scatter Wash
22 substation south of an existing double-circuit Salt River Project ("SRP") 230kV transmission
23 line. On November 16, 2010, APS filed a notice informing the Commission of the need to
24 move the Scatter Wash substation to the north of the existing SRP 230kV line and the new

25 _____
26 ³ In the Company's March 21, 2007 filing, attached hereto as Exhibit C and incorporated by reference, APS
27 requested that the Commission amend [CEC 120] to revoke approval of the double-circuit 230kV transmission
28 line except for the Commission's prior approval of the portion of the Project between Westwing and Raceway
substations.

⁴ Condition 23 contains specifics regarding construction of a portion of the line contemplated in CEC 120,
which was superseded by CEC 131.

1 APS 500/230kV line approved in CEC 131. Attached as Exhibit D is the Company's Notice
2 of Substation Site Change Or, In the Alternative, Application to Amend A.C.C. Decision No.
3 65997. The primary reason for moving the Scatter Wash substation from the south side to the
4 north side of the transmission corridor is cost saving. However, this change will also reduce
5 the number of line crossings necessary. Since March 2010, APS has had a sign on the
6 proposed north site informing the public of the proposed new substation and providing APS
7 contact information. Additionally, in February 2011, APS mailed information to residents,
8 customers and landowners located within one mile of the substation property about APS's
9 plan to build the substation and to improve and landscape the substation site property.

10 The new location of the Scatter Wash substation, and the construction of the
11 500/230kV line approved in CEC 131, requires APS to use an interconnection structure that
12 will lower the 230kV line to allow it to cross under the 500kV line that is co-located on the
13 same transmission structure. Neither CEC 120 nor CEC 131 specifically delineated the type
14 or height of structures APS planned to use for the transformation interconnection point from
15 the 230kV transmission line to the substation. APS's testimony before the Arizona Power
16 Plant and Transmission Line Siting Committee in CEC 120 and CEC 131 addressed poles
17 that would be used for the transmission line. (See Exhibit B at ¶ 6.) The modified structure is
18 approximately 150 feet tall and has three poles—a large center pole with two smaller outer
19 poles. The span between the center pole and the outer poles is 45-feet wide. (See Exhibit B
20 at Attachments 3, 4, 5.) The modified structure is environmentally compatible and its effects
21 are similar to the previously approved transmission structures. See Affidavit of Paul Trenter,
22 attached as Exhibit E.

23 APS will place the three-pole structure in the same alignment as the 500/230kV line.
24 It will guide the 230kV line into the substation, where it will attach to up to four 230kV
25 monopoles inside the substation property, and position the line for the final drop into the
26 substation A-frame structures. All of the electric facilities, including the interconnection
27 structures, will be located within the 1,000-foot corridor previously approved in CEC 120.

28

1 APS does not view the above-described changes in location and modified structure as
2 substantial. The changes do not materially alter the environmental impact of the project and
3 will be environmentally compatible. (See Exhibit E, at ¶ 5.) Nevertheless, in an abundance
4 of caution, APS notifies the Commission of these changes. If the Commission believes that
5 these changes are substantial, then APS asks that the Commission treat this notification as a
6 request to amend CEC 120 under A.R.S. § 40-252 to authorize these changes.

7 **IV. CONCLUSION**

8 For the reasons discussed above, APS respectfully requests that the Commission
9 extend the term of CEC 120 until June 18, 2023 to allow APS more time to build its Scatter
10 Wash and Avery substations, and to amend Decision No. 65997 as follows:

- 11 1. Cancel that portion of CEC 120 approving a double-circuit 230kV transmission
12 line between the Westwing, Raceway and Pinnacle Peak substations as that line is no
13 longer needed; and
- 14 2. Conform CEC 120 with the Commission's decision regarding CEC 131,
15 including the deletion of Condition 23.

16 If the Commission believes that the Company's plans to move the Scatter Wash substation
17 and to use a modified structure to interconnect the 230kV line to the substation are
18 substantial, APS asks that the Commission amend CEC 120 under A.R.S. § 40-252 to
19 approve these changes.

20 **RESPECTFULLY SUBMITTED** this 19th day of October, 2012.

21 By: 
22 Linda J. Arnold
23 Melissa M. Krueger
24 Pinnacle West Capital Corporation
25 400 North 5th Street, MS 8695
26 Phoenix, Arizona 85004
27 Thomas H. Campbell
28 Lewis and Roca LLP
40 North Central Avenue
Phoenix, Arizona 85004

Attorneys for Arizona Public Service Company

1 **ORIGINAL** and thirteen (13) copies
2 of the foregoing filed this 19th day of
3 October, 2012, with:

4 The Arizona Corporation Commission
5 Hearing Division – Docket Control
6 1200 West Washington Street
7 Phoenix, Arizona 85007

8 **COPY** of the foregoing hand-delivered
9 this 19th day of October, 2012, to:

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

15 Steve Olea, Director
16 Utilities Division
17 Arizona Corporation Commission
18 1200 W. Washington Street
19 Phoenix, Arizona 85007

20 **COPY** of the foregoing emailed or mailed
21 this 19th day of October, 2012, to:

22 John Foreman, Chairman
23 Arizona Power Plant and Transmission Line Siting Committee
24 Office of the Attorney General
25 PAD/CPA
26 1275 West Washington Street
27 Phoenix, Arizona 85007

28 Roles, Inc.
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12 Robert N. Pizorno
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Suite 6000
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16
17 Christel Dochson

18
19
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28

STATE OF ARIZONA)
) ss.
COUNTY OF MARICOPA)



AFFIDAVIT OF PAUL TRENTER

I, Paul Trenter, being duly sworn under oath, depose and state:

1. I am a Principal of Environmental Planning Group (“EPG”).
2. I served as principal and project manager for the environmental studies prepared for the Certificates of Environmental Compatibility (“CECs”) on behalf of Arizona Public Service Company (“APS”) for Case 120, the North Valley 230kV Facility Siting Study Project and Case 131, TS-9 to Pinnacle Peak (“Projects”).
3. I provided and directed testimony for APS during the Arizona Power Plant and Transmission Line Siting Committee (“Committee”) hearings in these dockets concerning the environmental compatibility of the Projects.
4. It is my understanding that APS has noticed their intent to move the location of the future Scatter Wash Substation (*Application to Amend A.C.C. Decision No. 65997*). As such APS must use a modified interconnection structure that will lower the 230kV line so that it may cross under the 500kV line that is co-located on the same transmission structure.
5. It is my expert opinion that the modified interconnection structure will be environmentally compatible.
6. I am personally familiar with the Projects CECs as well as the proposed changes to modify an interconnection structure type, adding a 30-foot lateral assembly and associated conductors to a 150-foot 500/230kV steel monopole structure. The modified interconnection structure is similar to what was originally approved as Exhibit G-2 in Case 120, and constructed in Case 131 as Exhibit G-2. As such, the modified interconnection structure will be visually screened by the proposed substation and is

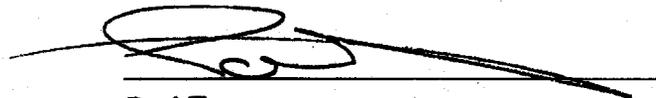
compatible with the existing transmission structures. Conceptual drawings of the modified interconnection structure are attached as Figures 1, 2 and 3.

The area surrounding the location of the modified interconnection structure is an existing built environment. In proximity to the modified interconnection structure are industrial facilities, an existing transmission line corridor with a 500/230kV transmission line and a double circuit 230kV transmission line, the Central Arizona Project canal ("CAP"), and numerous distribution lines.

7. I directed the environmental studies conducted for the Projects' CEC applications and have directed the environmental analyses conducted to determine the environmental effects associated with a structure modification.

8. The modified structure and associated conductors will have little to no effect to visual resources, land use, cultural resources, biological resources or recreational opportunities. The modified structure and associated conductors would be subordinate to the existing transmission lines and proposed substation features. The topography of the area also provides screening and backdropping of the proposed structure location. The nearest existing residences in the vicinity are located to the north and west of the location of the proposed modified structure, on Yearling Road (directly north approximately .75 mile), 5th/7th Avenue (northwest approximately .75 mile), and 7th Avenue (west approximately .50 mile). Minimal impacts to residential views within the vicinity are expected.

DATED this 18th day of October, 2012.



Paul Trenter

SWORN AND SUBSCRIBED to before me this 18th day of October, 2012, by:



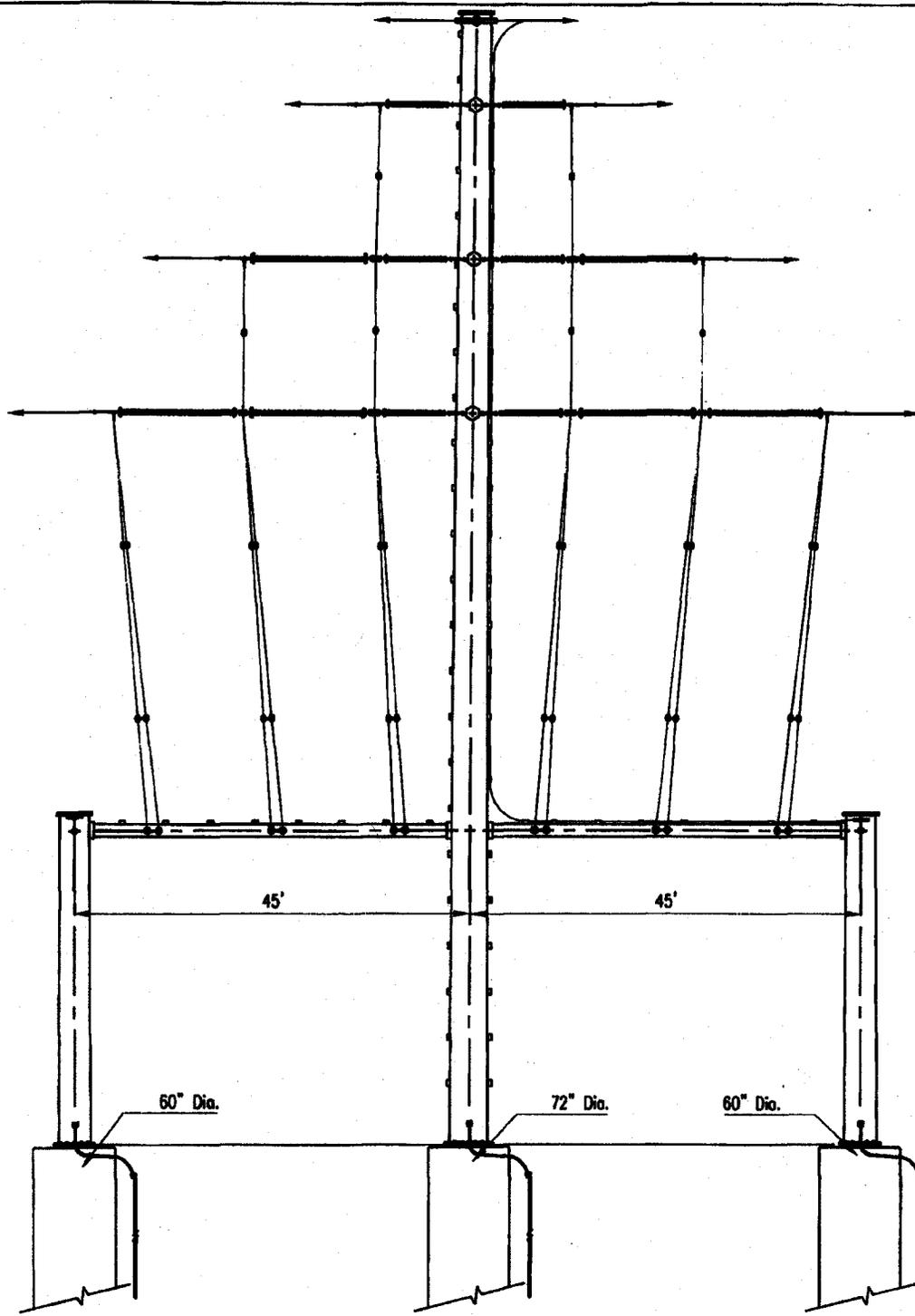
My commission expires:

4-5-13

Brandie Powers

Notary Public

FIGURE 2
Trenter Affidavit

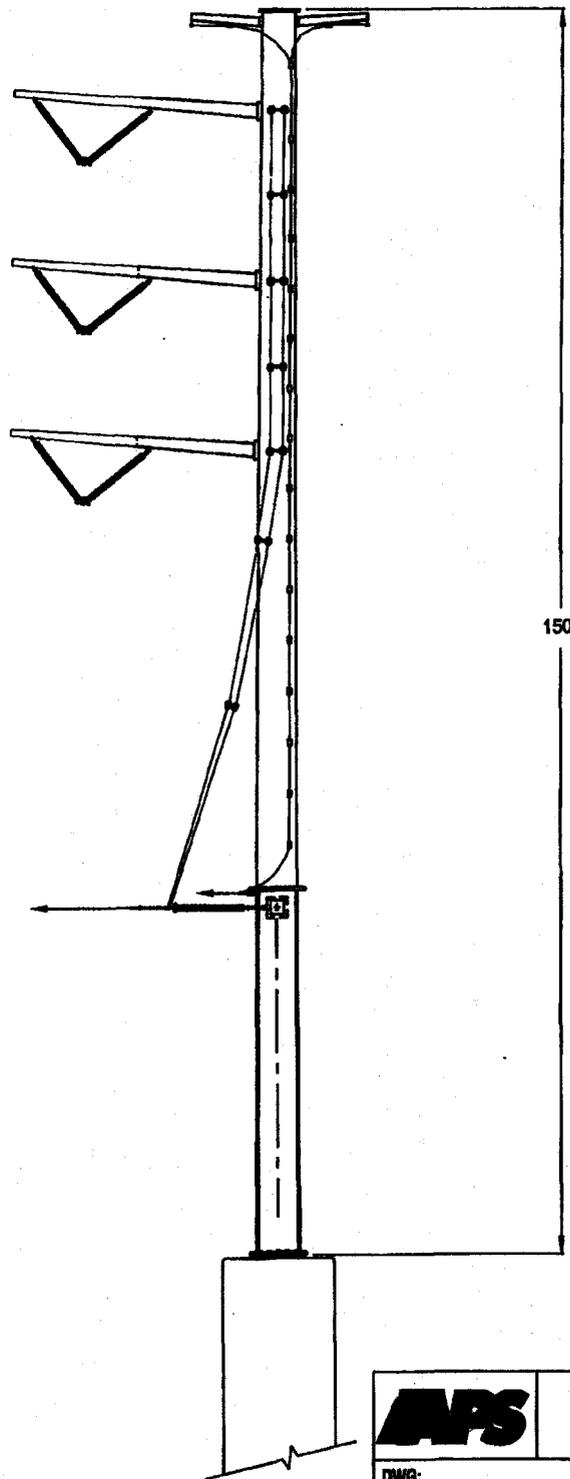


RECORD COPY

APS	APS 230KV CUT-IN TO SCATTER WASH SUBSTATION MORGAN TO PINNACLE PEAK LINE STRUCTURE ?? ASSEMBLY DRAWING	
	DWG:	
WO#:		DATE:
BY:		SCALE: NTS
FILENAME:		SHEET:

C:\Users\Public\Desktop\APS\Projects\2004\04-000000\04-000000.dwg, Apr 28, 2004, 2:18 PM

FIGURE 3
Trenter Affidavit



SECTION B-B

APS	APS 230KV CUT-IN TO SCATTER WASH SUBSTATION MORGAN TO PINNACLE PEAK LINE STRUCTURE #77 ASSEMBLY DRAWING	
	DWG:	
	WO#: DATE:	
	BY: SCALE: NTS	
FILENAME:	SHEET:	

C:\Users\jason\Documents\Projects\2007\2007_01\2007_01_01\2007_01_01_01.dwg

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2012 DEC -5 P 4: 10

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14 Attorneys for Arizona Public Service Company

15 **BEFORE THE ARIZONA CORPORATION COMMISSION**

16 **COMMISSIONERS**

17 GARY PIERCE, Chairman
18 BOB STUMP
19 SANDRA D. KENNEDY
20 PAUL NEWMAN
21 BRENDA BURNS

22 IN THE MATTER OF THE APPLICATION
23 OF ARIZONA PUBLIC SERVICE
24 COMPANY, PURSUANT TO ARIZONA
25 REVISED STATUTE § 40-252, FOR AN
26 AMENDMENT OF ARIZONA
27 CORPORATION COMMISSION
28 DECISION NO. 65997.

Docket No. L-00000D-02-0120

**SUPPLEMENTAL
INFORMATION AND
COMMENTS TO STAFF'S
PROPOSED ORDER MODIFYING
DECISION NO. 65997**

23 Arizona Public Service Company ("APS") is appreciative of the work done by
24 Staff to prepare the Staff Report on APS's request for a ten year extension of the term of
25 Certificate of Environmental Compatibility for line siting case number 120 ("CEC 120")
26 and APS's application to amend Commission decision number 65997. Based upon
27 Staff's Report and Proposed Order, APS wants to clarify the location of the electrical

1 facilities, surrounding security wall, substation driveways, and water retention basin of
2 its proposed Scatter Wash substation.

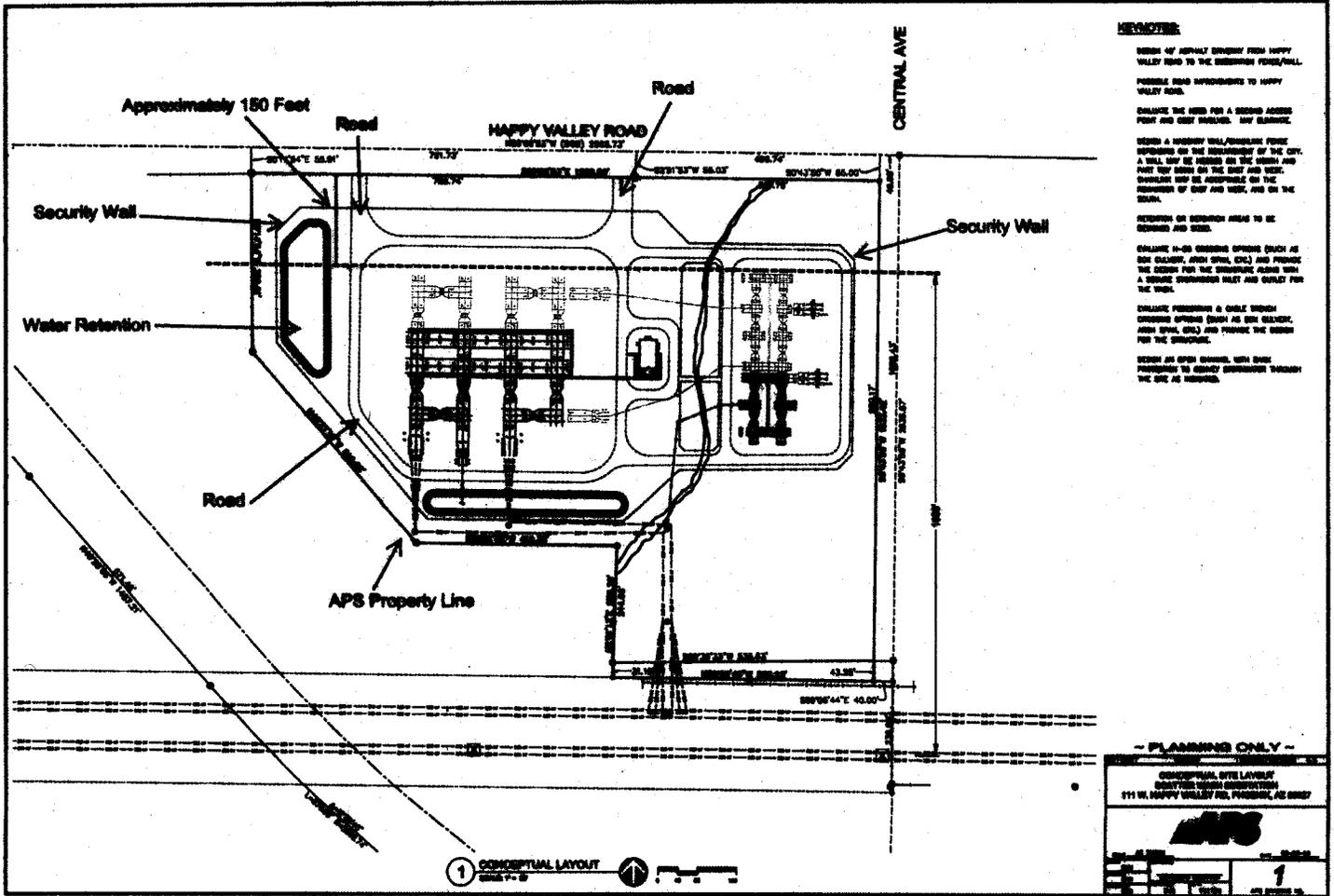
3 As stated in the Staff Report and Staff's proposed findings of fact, all of the
4 electrical facilities, including the interconnection structures contemplated for the Scatter
5 Wash substation, will be located within the 1,000 foot transmission line corridor
6 previously approved in CEC 120. The security wall surrounding the North side of the
7 APS substation property will be located approximately 150 feet north of the approved
8 corridor.¹ Part of one of the water retention basins required by the City of Phoenix, will
9 be located outside of the corridor, but within the security wall. Part of the two
10 driveways that will allow APS vehicles access to the substation facilities will be located
11 outside of the corridor, but within the security wall. In addition, a portion of the two
12 access driveways extends outside of the security wall. A map depicting the proposed
13 substation and the placement of the electrical facilities and security wall relative to the
14 corridor is attached as Exhibit A. All electrical facilities, APS vehicle access roads,
15 water retention basins, and the security wall will be on property owned by APS. APS's
16 property is bordered on the East by the Central Avenue alignment and state trust land, on
17 the West by Bureau of Reclamation land, on the North by Happy Valley Road and state
18 trust land, and on the South by the existing transmission line corridor.

19 In the interests of clarity, APS proposes that the first ordering paragraph on page
20 6 of Staff's proposed order be revised as follows. Language to be inserted is noted with
21 a double underline.

22 IT IS FURTHER ORDERED that Decision No. 65997 is modified to revise the
23 Certificate of Environmental Compatibility to permit Arizona Public Service Company
24 to construct the Scatter Wash substation north of the existing Salt River Project 230 kV
25 Transmission line, ~~but still within the approved corridor.~~ All of the electrical facilities

26 ¹ There is no requirement that the Scatter Wash substation be within the approved transmission
27 line corridor and indeed the original location planned for the substation was not within the corridor.
28 However, for the reasons discussed in APS's filings, relocating the substation to the north side of the line
and within the corridor reduced the costs associated with acquiring the land for the substation and
reduced unnecessary line crossings.

Exhibit A



REMARKS:

- SHOWS AN APPROXIMATE SKEW FROM HAPPY VALLEY ROAD TO THE SUBSTATION FENCE/WALL.
- POSSIBLE ROAD IMPROVEMENTS TO HAPPY VALLEY ROAD.
- EVALUATE THE NEED FOR A SECOND ACCESS POINT AND BEST LOCATION. SEE DRAWING.
- SHOWS A SECURITY WALL/PERIMETER FENCE DEPENDENT ON THE REQUIREMENT OF THE CITY. A WALL MAY BE BUILT ON THE NORTH AND PART MAY BE ON THE EAST AND WEST. SECURITY MAY BE RESPONSIBLE ON THE LOCATION OF EAST AND WEST AND ON THE SOUTH.
- REVISION OR REMOVAL AREAS TO BE DETERMINED AND NOTED.
- EVALUATE ALL-OR CROSSING OPENING (SUCH AS SIDE WALKWAY, ARCH OPEN, ETC.) AND PROVIDE THE DESIGN FOR THE UNDERPASS ALONG WITH A SECURITY ENFORCEMENT INLET AND OUTLET FOR THE ROAD.
- EVALUATE FENCING & GATE DESIGN CROSSING OPENING (SUCH AS SIDE WALKWAY, ARCH OPEN, ETC.) AND PROVIDE THE DESIGN FOR THE UNDERPASS ALONG WITH A SECURITY ENFORCEMENT INLET AND OUTLET FOR THE ROAD.
- SHOWS AN OPEN CHANNEL WITH GATE. PROVIDE TO VERIFY DIMENSIONS THROUGH THE SITE AS REQUIRED.

- PLANNING ONLY -

CONCEPTUAL SITE LAYOUT
SUBSTATION TERMINAL SUBSTATION
111 W. HAPPY VALLEY RD, PHOENIX, AZ 85027

1

1 CONCEPTUAL LAYOUT
DATE: 7-1-0