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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

BOB STUMP, Chairman
 GARY PIERCE
 BRENDA BURNS
 ROBERT L. BURNS
 SUSAN BITTER SMITH

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. 70127.

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

**APPLICATION TO AMEND
COMMISSION DECISION NO. 70127**

I. INTRODUCTION

Arizona Public Service Company (“APS” or “Company”) respectfully requests that the Arizona Corporation Commission (“Commission”) amend Decision No. 70127 (January 23, 2008) pursuant to the Commission’s authority under A.R.S. § 40-252 (Decision No. 70127 and its approved Certificate of Environmental Compatibility will be referred to collectively as “CEC 135”). Decision No. 70127 is attached as Exhibit A. As discussed herein, APS requests a change in location and corridor width along a short section of the 110-mile corridor. Specifically, APS requests approval to relocate approximately a 1,500-foot long segment of the corridor east of the North Gila substation. For this 1,500-foot section, the proposed

1 corridor would begin at the centerline of the Southwest Powerlink 500kV transmission line¹
2 (“SWPL Line” or “Existing Line”) and extend south for a width of 500 feet. APS also
3 requests the Commission approve the Company’s use of a Y-Pole structure that was not
4 contemplated at the time CEC 135 was granted.

5 In CEC 135, the Commission approved a Certificate of Environmental Compatibility
6 granted by the Arizona Power Plant and Transmission Line Siting Committee for APS to build
7 approximately 110 miles of 500kV transmission line (“Second Line”), including switchyard
8 facilities.² The Second Line would originate at the Hassayampa Switchyard³ and terminate at
9 the North Gila substation in Yuma County, Arizona and would be constructed parallel to the
10 Existing Line.

11 **II. RELOCATE A SMALL SECTION OF THE CORRIDOR IMMEDIATELY**
12 **EAST OF THE NORTH GILA SUBSTATION TO ACCOMMODATE FINAL**
13 **DESIGN OF TERMINATION POINT OF SECOND LINE.**

14 To accommodate final design of the Second Line’s termination point at the North Gila
15 substation, APS requests to relocate approximately 1,500 feet of the corridor immediately east
16 of the North Gila substation. For this 1,500-foot section of the line, the proposed corridor
17 would begin at the centerline of the SWPL Line and extend south for a width of 500 feet.

18 At the time APS filed its application for CEC 135, APS expected the Second Line to
19 terminate at the North Gila substation in a bay position occupied by the jointly owned SWPL
20 Line. APS anticipated the SWPL Line participant owners would reach agreement to move the
21 SWPL Line from its current position to the open bay position. This in turn would facilitate (1)
22 building the Second Line north of the SWPL Line and (2) allowing the line to enter the
23 substation on the north side of the SWPL Line. However, due to the complicated nature of the
24 transaction involving several participant owners of the transmission lines and related

25 ¹ The participant owners of the SWPL Line are San Diego Gas & Electric, Imperial Irrigation District, and APS.

26 ² At the time the Company filed its Application for CEC 135, the expected participant owners of the Second
27 Line were APS, Salt River Project, Imperial Irrigation District, and Wellton Mohawk Irrigation and Drainage
28 District. As of the date of this filing, APS is the sole participant.

³ CEC 135 authorized three possible interconnection points for the approved transmission line (Arlington Valley
Energy Facility Switchyard, Hassayampa Switchyard, or Redhawk Power Plant). On February 5, 2010, APS
filed a letter with ACC Docket Control informing the Commission that it had selected Hassayampa Switchyard
as the interconnection point.

1 equipment, the participant owners did not reach an agreement to move the SWPL Line to the
2 open bay position.

3 Accordingly, APS finalized its engineering plan terminating the Second Line at the
4 open bay position. This final design resulted in the Second Line crossing over the SWPL Line
5 and entering the North Gila substation on the south side of the SWPL Line, rather than on the
6 north side as approved in CEC 135. See Exhibit B for a depiction of the approved and
7 proposed corridors. To accommodate the revised design, APS requests that an approximate
8 1,500-foot section of the corridor immediately east of the North Gila substation be relocated.
9 For this 1,500-foot section, the proposed corridor would start at the centerline of the SWPL
10 Line and extend south 500 feet.

11 The land on which the certificated corridor and proposed new corridor are located is
12 owned by the Bureau of Land Management (“BLM”). The BLM conducted an environmental
13 assessment and issued a Finding of No Significant Impact in November 2007,⁴ which the
14 Commission attached to CEC 135. See Exhibit C to Exhibit A. Because the Company’s
15 requested change in the corridor falls within the survey area of the completed environmental
16 assessment, the BLM “views this as a minor change to the project and will cooperate with APS
17 to approve the change on the associated Federal lands.” See Affidavit of Paul E. Herndon,
18 attached as Exhibit C, at Attachment 1. Vegetation and other environmental characteristics of
19 this area are the same as the land within the approved corridor, and there will be no additional
20 change or environmental impact as a result of this slight realignment of the corridor.

21 **III. APS PLANS TO USE A MODIFIED TRANSMISSION STRUCTURE TO**
22 **ALLOW EQUIPMENT ACCESS TO THE AREA TO CONDUCT**
23 **MAINTENANCE.**

24 APS intends to use a Y-Pole structure in one particular location in an area on BLM land
25 approximately seven (7) miles east of the North Gila substation instead of the originally
26 planned H-Frame structure. See Exhibit C at Attachments 2 and 3. The use of the modified
27 transmission structure in this location will preserve an access road used for ingress and egress

28 ⁴ BLM issued a Finding of No Significant Impact for the Palo Verde Hub to North Gila Substation (BLM Case File No. AZA-33305) on November 6, 2007.

1 to the area for line maintenance, minimize ground disturbance in mountainous terrain (a
2 difficult excavation area), and result in a smaller footprint (one foundation versus two). See
3 Exhibit C at ¶ 9. Use of the Y-Pole structure is necessary to eliminate the need to relocate the
4 access road in this mountainous area of the corridor.

5 The Y-Pole structure is similar to the modified 500kV Single Circuit Steel H-Frame
6 Structure (“H-Frame Structure”) approved in CEC 135. The primary difference between the
7 structures is that the Y-Pole structure has a single-pole base, and the H-Frame Structure has a
8 two-pole base. See Exhibit C at ¶ 8. The Y-Pole structure is environmentally compatible and
9 its effects are similar to the approved transmission structures. APS asks the Commission to
10 authorize this additional structure.

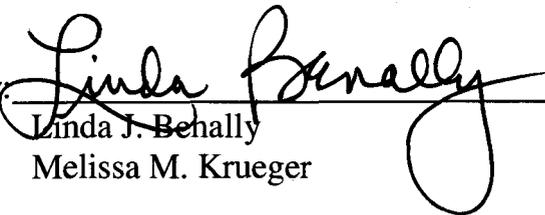
11 **IV. CONCLUSION**

12 For the foregoing reasons, APS respectfully requests that the Commission amend CEC
13 135 under A.R.S. § 40-252 as follows:

- 14 • Change the location of approximately 1,500 feet of the corridor (immediately
15 east of the North Gila substation). This 1,500-foot section of the corridor would
16 begin at the centerline of the SWPL Line and extend south for a width of 500
17 feet, as depicted in Exhibit B.
- 18 • Authorize the use of the Y-Pole structure in the specified location.

19 For the Commission’s convenience, attached as Exhibit D is a proposed Order that
20 reflects these changes.

21 **RESPECTFULLY SUBMITTED** this 2nd day of July, 2013.

22
23 By: 
24 Linda J. Behally
25 Melissa M. Krueger

26 Attorneys for Arizona Public Service Company

27 ...
28 ...

1 **ORIGINAL** and thirteen (13) copies
2 of the foregoing filed this 2nd day of
3 July, 2013, 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 2nd day of July, 2013, to:

10 Lyn Farmer
11 Administrative Law Judge
12 Arizona Corporation Commission
13 1200 West Washington Street
14 Phoenix, Arizona 85007

15 Janice J. Alward, Esq.
16 Chief Counsel, Legal Division
17 Arizona Corporation Commission
18 1200 West Washington Street
19 Phoenix, Arizona 85007

20 Steve Olea, Director
21 Utilities Division
22 Arizona Corporation Commission
23 1200 W. Washington Street
24 Phoenix, Arizona 85007

25 **COPY** of the foregoing mailed this
26 2nd day of July, 2013, to:

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



EXHIBIT "A"

Decision No. 70127

1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2 **COMMISSIONERS**

3 Mike Gleason, Chairman
4 William A. Mundell
5 Jeff Hatch-Miller
6 Kristin K. Mayes
7 Gary Pierce

Arizona Corporation Commission

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MM

6 IN THE MATTER OF THE APPLICATION OF
7 ARIZONA PUBLIC SERVICE COMPANY, IN
8 CONFORMANCE WITH THE
9 REQUIREMENTS OF ARIZONA REVISED
10 STATUTES §§ 40-360, *et seq.*, FOR A
11 CERTIFICATE OF ENVIRONMENTAL
12 COMPATIBILITY AUTHORIZING THE PALO
13 VERDE HUB TO NORTH GILA 500kV
14 TRANSMISSION LINE PROJECT, WHICH
15 INCLUDES A 500kV TRANSMISSION LINE
16 AND ASSOCIATED FACILITIES AND
17 INTERCONNECTIONS ORIGINATING FROM
18 EITHER THE ARLINGTON VALLEY
19 ENERGY FACILITY, SECTION 17,
20 TOWNSHIP 1 SOUTH, RANGE 6 WEST,
G&SRB&M, THE HASSAYAMPA
SWITCHYARD, SECTION 15, TOWNSHIP 1
SOUTH, RANGE 6 WEST, G&SRB&M, OR
THE REDHAWK POWER PLANT, SECTION
23, TOWNSHIP 1 SOUTH, RANGE 6 WEST,
G&SRB&M, EACH LOCATED SOUTH OF
INTERSTATE 10 NEAR WINTERSBURG
ROAD IN AN UNINCORPORATED AREA OF
MARICOPA COUNTY, ARIZONA, TO THE
NORTH GILA SUBSTATION, FIVE MILES
NORTHEAST OF THE CITY OF YUMA,
YUMA COUNTY, ARIZONA, AT SECTION
11, TOWNSHIP 8 SOUTH, RANGE 22 WEST,
G&SRB&M

CASE NO. 135

DOCKET NO. L-00000D-07-0566-00135

DECISION NO. 70127

21 The Arizona Corporation Commission ("Commission") has conducted its review, pursuant to
22 A.R.S. § 40-360.07. The Commission finds and concludes that the Certificate of Environmental
23 Compatibility ("CEC") issued by the Arizona Power Plant and Transmission Line Siting Committee
24 ("Committee") is hereby granted by this Order.

25 The Commission further finds and concludes that: (1) the Project is in the public interest
26 because it aids the state in meeting the need for an adequate, economical and reliable supply of
27 electric power; (2) in balancing the need for the Project with its effect on the environment and
28 ecology of the state, the conditions placed on the CEC by the Committee effectively minimize its

**BEFORE THE ARIZONA POWER PLANT AND
TRANSMISSION LINE SITING COMMITTEE**

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2
3
4 IN THE MATTER OF THE APPLICATION
5 OF ARIZONA PUBLIC SERVICE
6 COMPANY, IN CONFORMANCE WITH
7 THE REQUIREMENTS OF ARIZONA
8 REVISED STATUTES § 40-360,
9 *et seq.*, FOR A CERTIFICATE OF
10 ENVIRONMENTAL COMPATIBILITY
11 AUTHORIZING THE PALO VERDE HUB
12 TO NORTH GILA 500kV TRANSMISSION
13 LINE PROJECT, WHICH INCLUDES A
14 500kV TRANSMISSION LINE AND
15 ASSOCIATED FACILITIES AND INTER-
16 CONNECTIONS ORIGINATING FROM
17 EITHER THE ARLINGTON VALLEY
18 ENERGY FACILITY, SECTION 17,
19 TOWNSHIP 1 SOUTH, RANGE 6 WEST,
20 G&SRB&M, THE HASSAYAMPA
21 SWITCHYARD, SECTION 15, TOWNSHIP
22 1 SOUTH, RANGE 6 WEST, G&SRB&M,
23 OR THE REDHAWK POWER PLANT,
24 SECTION 23, TOWNSHIP 1 SOUTH,
25 RANGE 6 WEST, G&SRB&M, EACH
26 LOCATED SOUTH OF INTERSTATE 10
NEAR WINTERSBURG ROAD IN AN
UNINCORPORATED AREA OF
MARICOPA COUNTY, ARIZONA, TO THE
NORTH GILA SUBSTATION, FIVE
MILES NORTHEAST OF THE CITY OF
YUMA, YUMA COUNTY, ARIZONA,
AT SECTION 11, TOWNSHIP 8 SOUTH,
RANGE 22 WEST, G&SRB&M

) Docket No. L-00000D-07-0566-0135

) Case No. 135

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
November 19 and 20, 2007, all in conformance with the requirements of Arizona Revised
Statutes ("A.R.S.") § 40-360, *et seq.*, for the purpose of receiving evidence and

1 deliberating on the Application of Arizona Public Service Company ("Applicant") for a
2 Certificate of Environmental Compatibility ("Certificate") in the above-captioned case
3 (the "Project").

4 The following members and designees of members of the Committee were present
5 at one or more of the hearings for the evidentiary presentations and/or for the
6 deliberations:

- | | | |
|----|-------------------------|--|
| 7 | Laurie Woodall | Chairman, Designee for Arizona Attorney General,
8 Terry Goddard |
| 9 | David L. Eberhart, P.E. | Designee for Chairman, Arizona Corporation
10 Commission |
| 11 | Jack Haenichen | Designee for Director, Energy Department, Arizona
12 Department of Commerce |
| 13 | Paul Rasmussen | Designee for Director, Arizona Department of
14 Environmental Quality |
| 15 | Jeff McGuire | Appointed Member |
| 16 | Michael Palmer | Appointed Member |
| 17 | Joy Rich | Appointed Member |
| 18 | Michael Whalen | Appointed Member |
| 19 | Barry Wong | Appointed Member |

20 The Applicant was represented by Thomas H. Campbell and Albert H. Acken of
21 Lewis and Roca LLP. The following parties were granted intervention pursuant to A.R.S.
22 § 40-360.05: Arizona Corporation Commission ("Commission") Staff, represented by
23 Charles Hains.

24 At the conclusion of the hearings, the Committee, having received the Application,
25 the appearances of the parties, the evidence, testimony and exhibits presented at the
26 hearings, and being advised of the legal requirements of A.R.S. §§ 40-360 to 40-360.13,

1 upon motion duly made and seconded, voted unanimously to grant the Applicant this
2 Certificate of Environmental Compatibility (Case No. 135) for the Project.

3 The Project consists of approximately 110 miles of 500kV transmission line and
4 required switchyard facilities and modifications. The Project Route (depicted on
5 **Exhibit A** attached hereto) originates at one of the following: the Arlington Valley
6 Energy Facility (Line Siting Case No. 98) located in Section 17, Township 1 South, Range
7 6 West, the Hassayampa Switchyard (Line Siting Case No. 110) located in Section 15,
8 Township 1 South, Range 6 West, or the Redhawk Power Plant (Line Siting Case No. 95)
9 located in Section 23, Township 1 South, Range 6 West.

10 If the Project originates at the Arlington Valley Energy Facility, the Project will
11 have a 2,000-foot corridor (shown as Link 40 on **Exhibit A**) 1,000 feet on either side of a
12 centerline, which proceeds east from the Arlington Valley Energy Facility along the
13 southern edge of the north half of the northeast quarter of Section 17, and turns south
14 along the eastern edge of Sections 17, 20, and 29, Township 1 South, Range 6 West
15 G&SRB&M until reaching a common point for all route options, located at the eastern
16 edge of Section 29, Township 1 South, Range 6 West G&SRB&M, 130 feet north of the
17 Southwest Power Link ("SWPL") 500kV transmission line (Line Siting Case No. 52).

18 If the Project originates at the Hassayampa Switchyard, the Project will have a
19 2,000-foot corridor (Links 10 and 30) 1,000 feet on either side of the SWPL 500kV
20 transmission line, centerline through Sections 15, 22, 27, and 28, Township 1 South,
21 Range 6 West G&SRB&M, proceeding south to the common point described above.

22 If the Project originates at the Redhawk Power Plant, the Project will have a 2,000-
23 foot corridor (Link 20) 1,000 feet on either side of the centerline, which proceeds west
24 from the Redhawk Power Plant along the northern section line of Sections 23 and 22,
25 Township 1 South, Range 6 West G&SRB&M, to the beginning of Link 30, located at the
26

1 midsection line of Section 22, Township 1 South, Range 6 West G&SRB&M, proceeding
2 south to the common point described above.

3 All three interconnection options proceed to the beginning of Link 50, described as
4 the common point above. For Link 50, the Project has a 2,000-foot corridor, which begins
5 at the centerline of the existing SWPL 500kV transmission line and extends 2,000 feet
6 north. From this location, the route proceeds generally southwest parallel to the SWPL
7 500kV transmission line. Link 50 terminates at the existing North Gila Substation located
8 five miles northeast of the City of Yuma, in Section 11, Township 8 South, Range 22 West
9 G&SRB&M. Conceptual models of tower types are depicted in Exhibits G-1 through G-8
10 of the application, attached hereto as **Exhibit B**.

11 This Certificate is granted upon the following conditions:

- 12 1. The Applicant shall obtain all required approvals and permits necessary to
13 construct the Project.
- 14 2. The Applicant shall comply with all existing applicable ordinances, master
15 plans and regulations of the State of Arizona, the County of Maricopa, the
16 County of Yuma, the United States, and any other governmental entities
17 having jurisdiction.
- 18 3. This authorization to commence construction of the Project shall expire
19 seven years from the date the Certificate is approved by the Commission;
20 provided, however, that prior to such expiration the Applicant or its
21 assignees may request that the Commission extend this time limitation.
- 22 4. The Applicant shall make every reasonable effort to identify and correct, on
23 a case-specific basis, all complaints of interference with radio or television
24 signals from operation of the transmission line and related facilities
25 addressed in this Certificate. The Applicant shall maintain written records
26 for a period of five years of all complaints of radio or television interference

1 attributable to operation, together with the corrective action taken in
2 response to each complaint. All complaints shall be recorded to include
3 notations on the corrective action taken. Complaints not leading to a
4 specific action or for which there was no resolution shall be noted and
5 explained.

6 5. The Project shall comply with the following recommendations of the
7 Arizona Game and Fish Department ("AGFD"):

8 (a) Wildlife data collected by the biological monitor will be given to the
9 AGFD's Heritage Data Management System.

10 (b) Where possible, leave large vegetation intact to reduce habitat
11 impact and promote regeneration.

12 (c) Coordinate plant salvage efforts with the Arizona Department of
13 Agriculture, in accordance with the Arizona Native Plant Law. In
14 addition, the applicable land management agencies should be
15 consulted regarding guidelines for revegetation efforts.

16 6. Pursuant to A.R.S. § 41-844, if any archaeological, paleontological or
17 historical site or object that is at least fifty years old is discovered on state,
18 county or municipal land during plan-related activities, the person in charge
19 shall promptly report the discovery to the Director of the Arizona State
20 Museum, and in consultation with the Director, shall immediately take all
21 reasonable steps to secure and maintain the preservation of the discovery. If
22 human remains and/or funerary objects are encountered on private land
23 during the course of any ground-disturbing activities relating to the
24 development of the subject property, Applicant shall cease work on the
25 affected area of the Project and notify the Director of the Arizona State
26 Museum pursuant to A.R.S. § 41-865.

1 7. The Applicant shall design the transmission lines so as to mitigate impacts
2 to raptors.

3 8. The Applicant shall use non-specular conductor and dulled surfaces for
4 transmission line structures.

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

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

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

23 10. In the event that the Project requires an extension of the term of this
24 Certificate prior to completion of construction, Applicant shall use
25 reasonable means to directly notify all landowners and residents within a
26 one-half mile of the Project corridor for which the extension is sought. Such

1 landowners and residents shall be notified of the time and place of the
2 proceeding in which the Commission shall consider such request for
3 extension.

4 11. Before construction on this Project may commence, the Applicant must file
5 a Plan of Development approved by the Bureau of Land Management
6 ("BLM") with Docket Control with copies to the affected areas of
7 jurisdiction. Applicant will comply with the BLM's Standard Construction
8 and Operating Procedures and Mitigation Measures and Other Mitigation
9 Measures as outlined in the Finding of No Significant Impact, attached
10 hereto as **Exhibit C**.

11 12. Applicant shall retain a qualified biologist to monitor all ground
12 clearing/disturbing construction activities that may affect sensitive species
13 or habitat. The biological monitor will be responsible for ensuring proper
14 actions are taken if a special status species is encountered. If Sonoran desert
15 tortoises are encountered during construction, the Applicant shall follow the
16 AGFD's Guidelines for Handling Sonoran Desert Tortoises.

17 13. With respect to the Project, Applicant shall participate in good faith in state
18 and regional transmission study forums to coordinate transmission
19 expansion plans related to the Project and to resolve transmission constraints
20 in a timely manner.

21 14. The Applicant shall provide copies of this Certificate to the Yuma County
22 Planning and Zoning Commission, the Maricopa County Planning and
23 Development Department, the Arizona State Land Department, the State
24 Historic Preservation Office, and AGFD.

25 15. Prior to the date this transmission line is put into commercial service, the
26 Applicant shall provide homebuilders and developers within one mile of the

1 center line of the Certificate route the identity, location, and a pictorial
2 depiction of the type of power line being constructed, accompanied by a
3 written description, and encourage the developers and homebuilders to
4 include this information in the developers' and homebuilders' homeowners'
5 disclosure statements.

6 16. The Applicant shall submit a self-certification letter annually, identifying
7 progress made with respect to each condition contained in the Certificate,
8 including which conditions have been met. Each letter shall be submitted to
9 the Utilities Division Director on December 1 beginning in 2008. Attached
10 to each certification letter shall be documentation explaining how
11 compliance with each condition was achieved. Copies of each letter along
12 with the corresponding documentation shall be submitted to the Arizona
13 Attorney General and Department of Commerce Energy Office. The
14 requirement for the self-certification shall expire on the date the Project is
15 placed into operation.

16 17. Applicant shall work in good faith with the Yuma Proving Ground
17 commanding officer regarding the final right-of-way on that portion of the
18 route within the Yuma Proving Ground.

19 18. Within the Project area, construction activities will avoid to the extent
20 practicable designated wildlife water sources to allow free access by
21 Bighorn Sheep.

22 19. Applicant shall conform to Western Electricity Coordinating Council/North
23 American Electric Reliability Corporation N-1 and N-1-1 contingency
24 planning criteria. N-1 contingency shall not result in any load dropping or
25 generation tripping.
26

1 20. Except when entering switchyards and substations, the minimum spacing
2 between the center lines of the two 500 kV systems should be the greater of:
3 1) 130 feet; or 2) the height of the tallest tower involved in that particular
4 span.

5 21. Before commencing construction of Project facilities located within 100 feet
6 of any existing natural gas or hazardous liquid pipeline, the Applicant shall:

7 (a) Perform the appropriate grounding and cathodic protection studies to
8 show that the Project's location within 100 feet of such pipeline
9 results in no material adverse impacts to the natural gas or hazardous
10 liquid pipeline or to public safety when both are in operation. As a
11 compliance matter, a report of studies shall be provided to the
12 Commission Staff. If material adverse impacts are noted in the
13 studies, Applicant shall take appropriate steps to ensure that such
14 material adverse impacts are eliminated. Applicant shall provide to
15 the Commission Staff written documentation of the actions that will
16 be taken and documentation showing no material adverse impact
17 will occur; and,

18 (b) Perform a technical study simulating an outage of the facility that
19 may be caused by the collocation of the Project within 100 feet of
20 the existing natural gas or hazardous liquid pipeline. This study
21 should either: i) show that such outage does not result in customer
22 outages; or ii) include operating plans to minimize any resulting
23 customer outages. Applicant shall provide a copy of this study to
24 Commission Staff.

25 22. Applicant shall pursue good faith efforts to reach a commercially reasonable
26 agreement for interconnection at a new Arlington Valley 500kV switchyard.

1 Applicant shall file with the Commission Utilities Division no later than
2 December 31, 2010, a report summarizing its efforts, the option(s)
3 ultimately selected, and the reasons other option(s) were not selected.

4 DATED this 3 day of December, 2007.

5
6 THE ARIZONA POWER PLANT AND
7 TRANSMISSION LINE SITING COMMITTEE

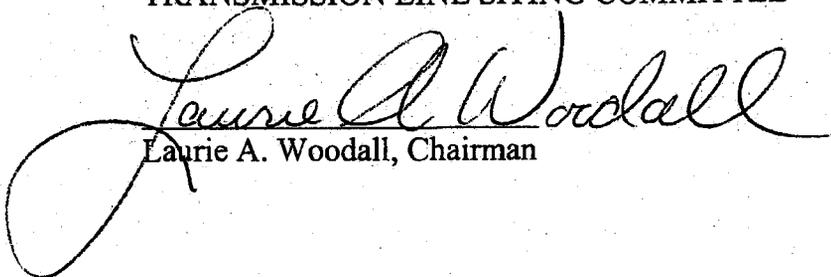
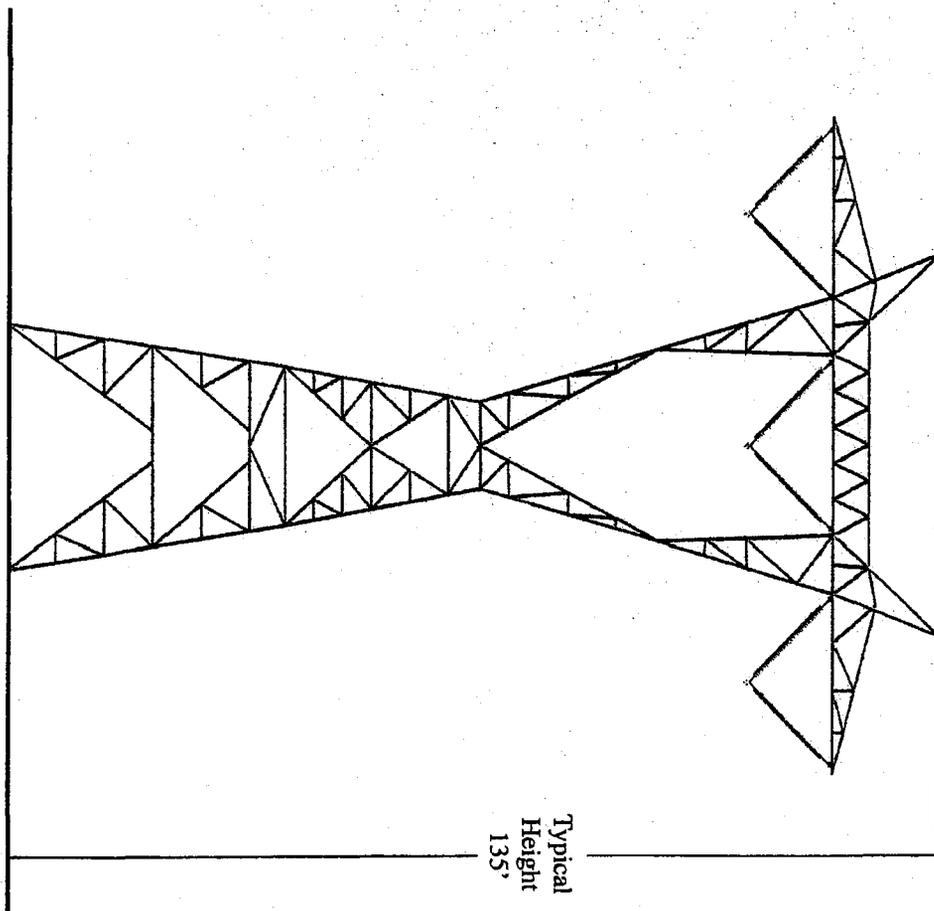
8 
9 Laurie A. Woodall, Chairman

EXHIBIT A

EXHIBIT B

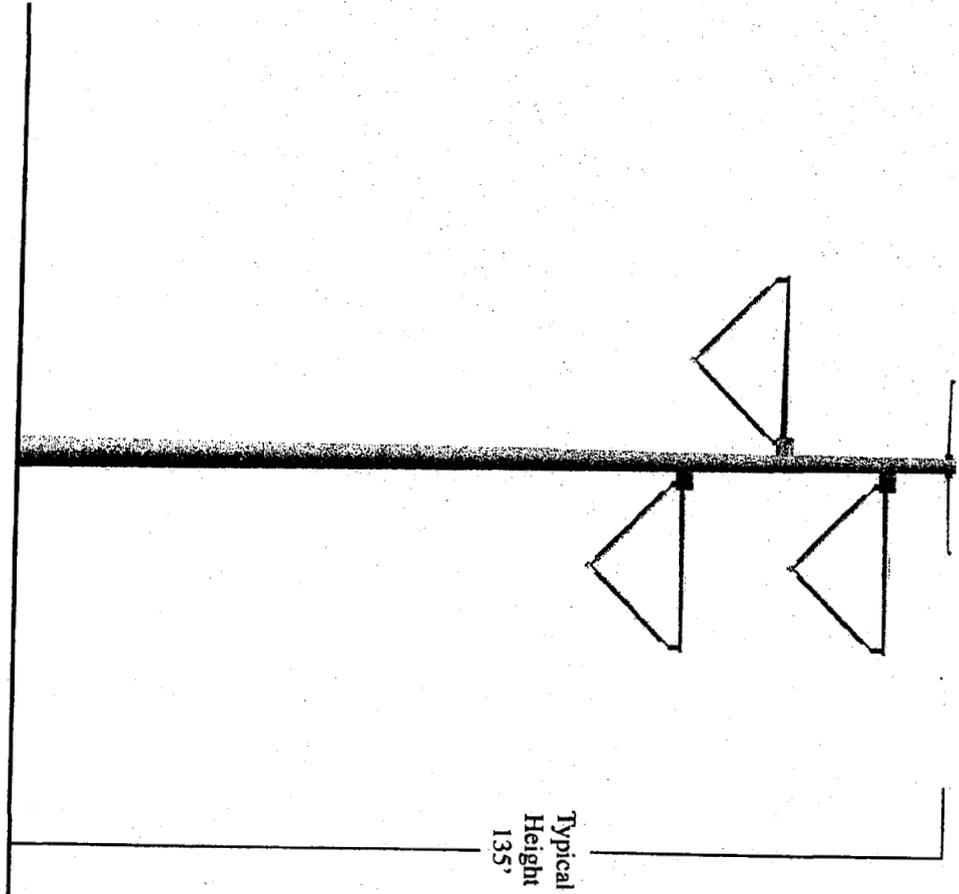
Typical 500K V Single-Circuit Steel Lattice Structure



Palo Verde Hub to North Gila
Transmission Line Project

Exhibit G-1

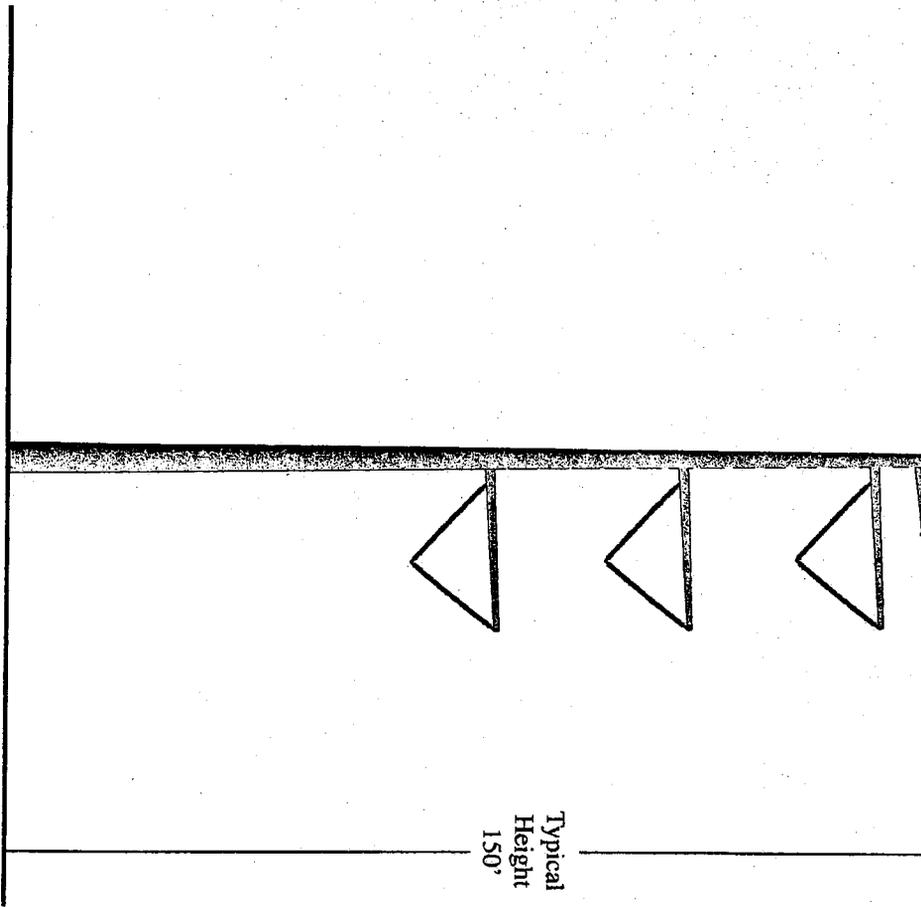
Typical 500kV Single-Circuit Tubular Steel Pole Structure



Palo Verde Hub to North Gila
Transmission Line Project

Exhibit G-2

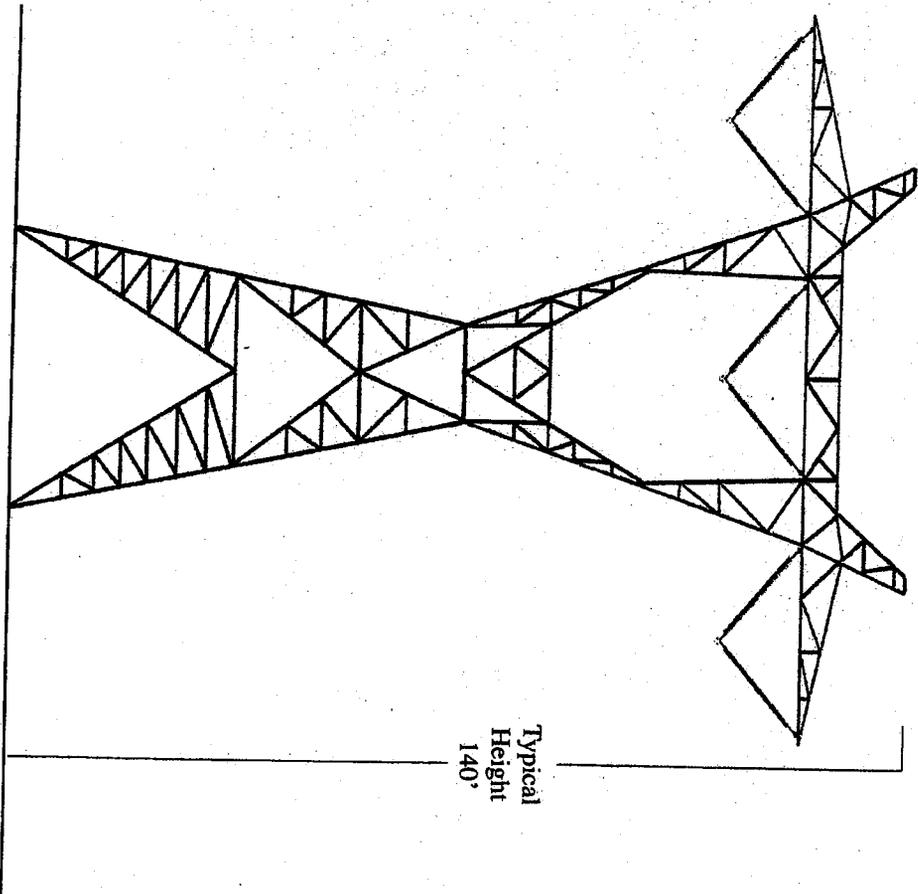
Typical 500kV Tangent Vertical Configuration



Palo Verde Hub to North Gila
Transmission Line Project

Exhibit G-3

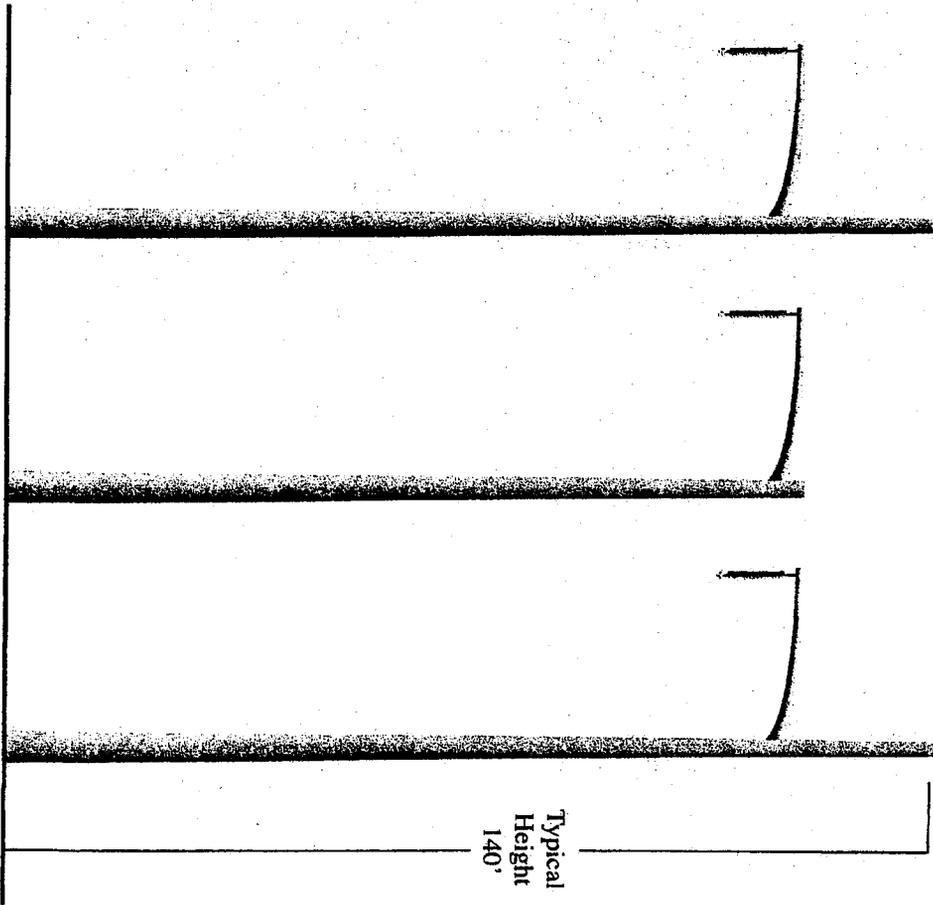
Typical 500k V Single-Circuit Dead-End Steel Lattice Structure



Palo Verde Hub to North Gila
Transmission Line Project

Exhibit G-4

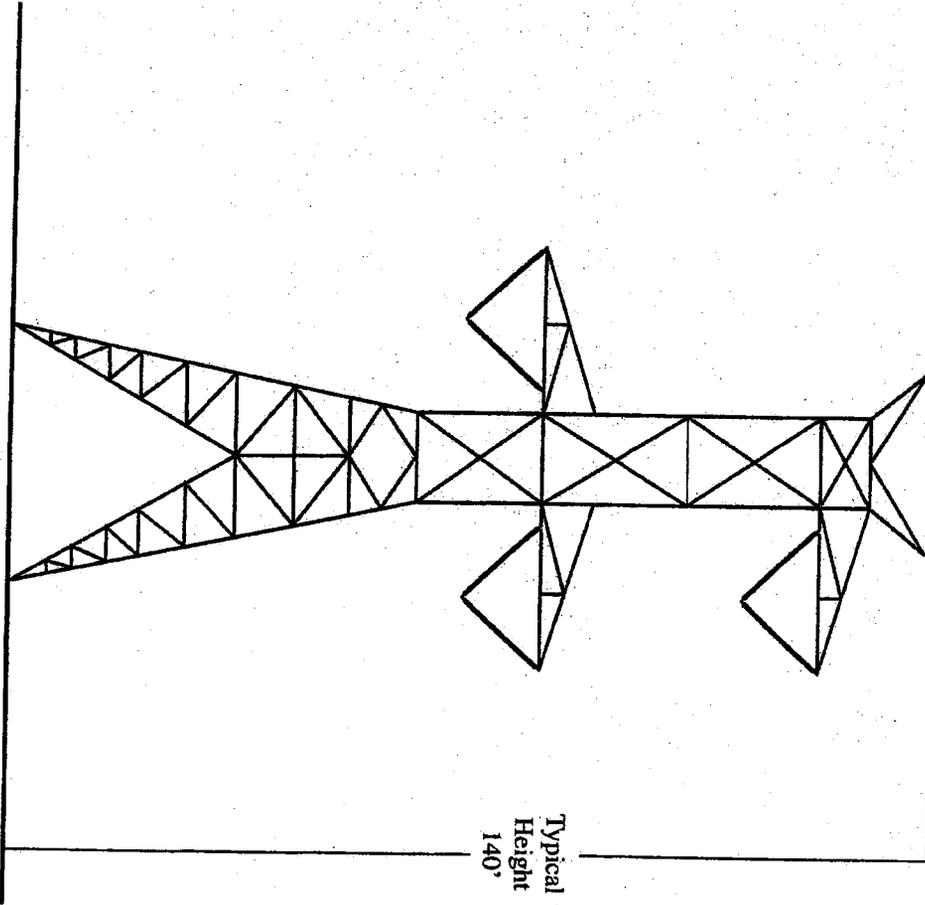
Typical 500kV Single-Circuit Dead-End Steel Three-Pole Structure



Palo Verde Hub to North Gila
Transmission Line Project

Exhibit G-5

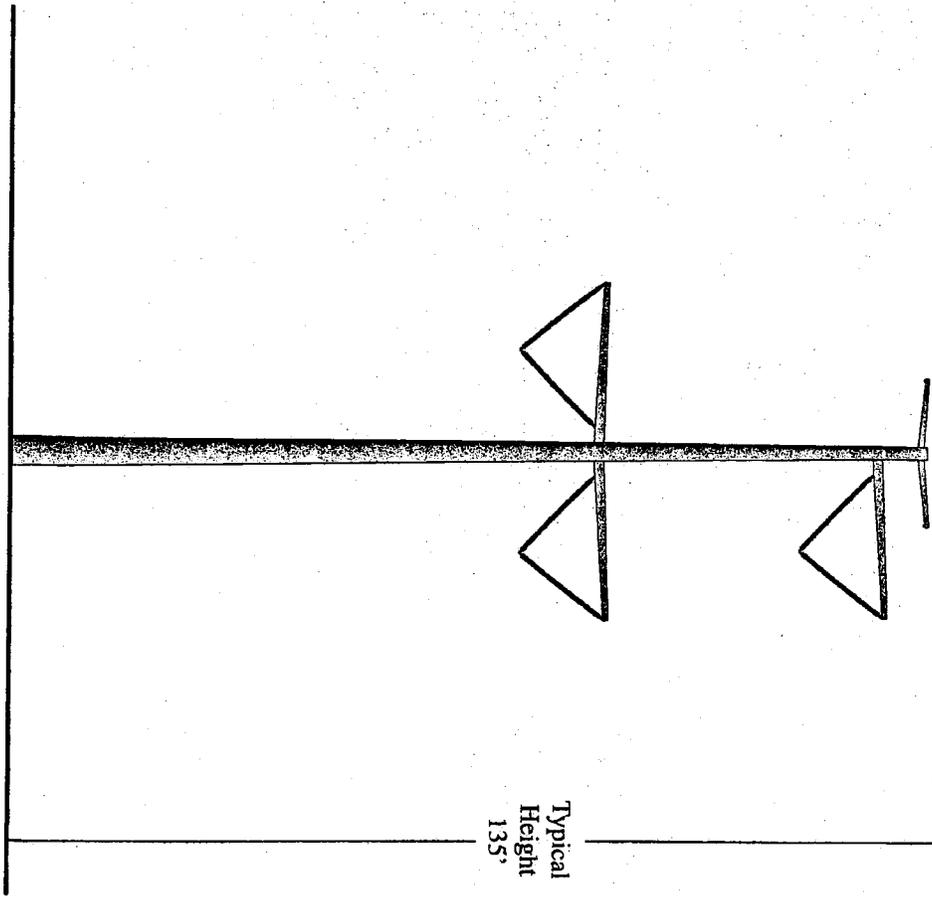
Typical 500kV Lattice Tower Transposition Structure



Palo Verde Hub to North Gila
Transmission Line Project

Exhibit G-6

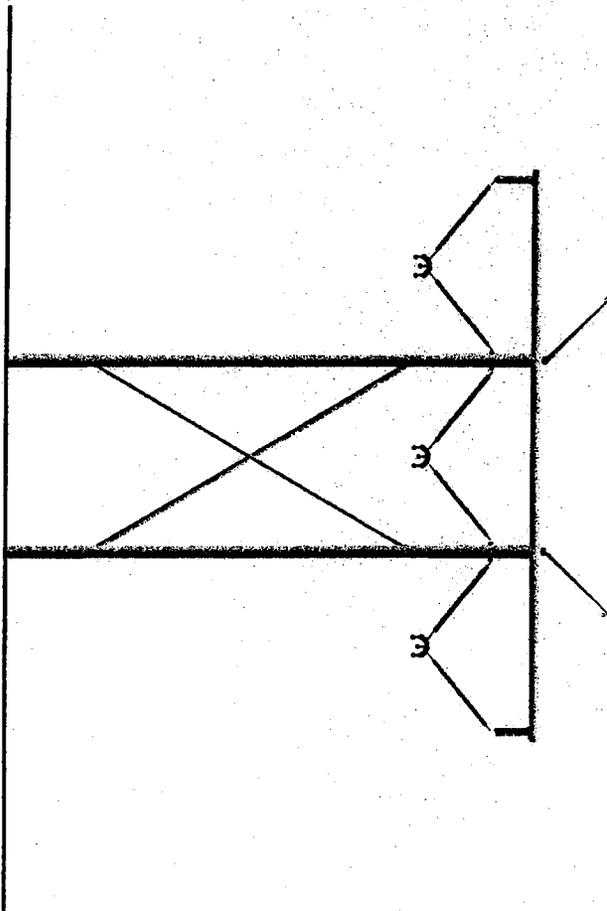
Typical 500k V Steel-Pole Transposition Structure



Palo Verde Hub to North Gila
Transmission Line Project

Exhibit G-7

Modified 500k V Single-Circuit Steel H-Frame Structure



Palo Verde Hub to North Gila
Transmission Line Project

Exhibit G-8

EXHIBIT C

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Page 2

FINDING OF NO SIGNIFICANT IMPACT

Name of Environmental Assessment: Palo Verde Hub to North Gila Substation
Environmental Assessment No.: AZ-220-2006-008
Case File No.: AZA-339305
Bureau of Land Management Office: Phoenix District, Lower Sonoran Field Office

Finding of No Significant Impact: Upon review of the Environmental Assessment (EA) prepared for the above-named project and incorporated herein by reference, no significant long-term impacts on the human (sociocconomic) or natural environment would result. Short-term, temporary impacts on soils, water resources, biological resources, cultural resources, air quality, noise, and land use associated with construction activities of the proposed transmission line were identified which could be reduced by mitigation, and therefore are not considered significant. Long-term impacts on scenic quality were considered low to moderate, while the potential for long-term residual collision hazard for birds was considered low.

Recommendation: Grant a right-of-way to Arizona Public Service Company (APS) for construction, operation, and maintenance of a 500 kilovolt (kV) transmission line. The transmission line would originate from the Palo Verde Hub (PV Hub) at either an open transmission interconnection position in the Arlington Energy Facility, the Haseyampa Switchyard, or the Redhawk Power Plant. The transmission line would be constructed primarily with lattice tower structures paralleling the existing Southwest Power Link 500 kV Transmission line (SW/PL) and connect into the North Gila Substation in Yuma, Arizona. The proposed right-of-way would be 200 feet wide, approximately 110 to 130 miles in length, of which approximately 65 miles would be located on Bureau of Land Management (BLM) administered lands. APS would implement the recommended Standard Operating Procedures and Mitigation Measures listed in Attachment A. The transmission line would be owned by APS and operated by APS and other project proponents.

Stipulations: APS is to implement the recommended Standard Operating Procedures and Mitigation Measures listed in Attachment A. Compliance with stipulations and mitigation measures will be monitored during project implementation. BLM issuance of the right-of-way grant is conditional upon APS obtaining all other federal, state, and local permits required to construct and operate the transmission line. APS is required to obtain the required Certificate of Environmental Compatibility from the Arizona Corporation Commission. The BLM has fulfilled requirements in accordance with the Section 106 process regarding cultural resource issues and requirements regarding biological resource issues.

Rationale: The EA for the Proposed Action has been prepared in accordance with National Environmental Policy Act (NEPA) requirements, including the public involvement procedures prescribed by 40 CFR §1506.6. The project design and mitigation measures proposed in the EA are integral to the Proposed Action and would reduce short-term and long-term environmental impacts to a level of insignificance. Issuance of right-of-way grant AZA-339305 to APS for the construction, operation, and maintenance of an electric transmission line is consistent with the Lower Gila South Resource Management Plan (BLM, 1988) which defines land uses along the San Diego Gas and Electric utility corridor and the Yuma District Resource Management Plan (BLM, 1986 and 1987) which defines uses along the interconnection utility corridor.

Recommendation of Finding:

In concur:

11/6/07
Date

Approval of Finding:

11/06/07
Date

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DECISION RECORD

Serial No.: AZA-33305
EA No.: AZ-220-2006-008

Decision:

It is decided that Arizona Public Service Company (APS) be granted a right-of-way by the Bureau of Land Management (BLM) 200 feet wide, approximately 110 to 130 miles in length, approximately 1600 acres (across lands managed by the BLM, Bureau of Reclamation and the Yuma Proving Ground), including the rights to design, construct, operate, maintain and own a 500 kilovolt (kV) electric transmission line.

The transmission line would originate from the Palo Verde Hub (PV Hub) at either an open transmission interconnection position in the Arlington Energy Facility, the Haseeyampa Switchyard or the Redhawk Power Plant. The transmission line would be constructed primarily with lattice tower structures paralleling the existing Southwest Power Link 500 KV Transmission line (SWPL) and connect into the North Gila Substation in Yuma, Arizona.

Rationale for Decision:

The Proposed Action is consistent with the current Lower Gila South Resource Management Plan (BLM, 1986) which defines land uses along the San Diego Gas and Electric utility corridor and the Yuma District Resource Management Plan (BLM, 1986 and 1987) which defines uses along the interconnection utility corridor.

The Proposed Action will provide needed electrical power to the continuing development and growth occurring and anticipated in the Yuma region. The project would strengthen the entire transmission system by providing an additional extra-high voltage (EHV) electrical transmission source to the region.

Upon implementation of the attached standard operating procedures and mitigation measures, short-term and long-term environmental and human (socioeconomic) impacts identified in the Environmental Assessment would not be significant. Compliance monitoring would be conducted to ensure that these mitigation measures are properly implemented and that sensitive resources are protected.

Standard Operating Procedures and Mitigation Measures:

See Attachment A.


Field Manager

11/06/07
Date

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APPENDIX A
STANDARD CONSTRUCTION AND OPERATING PROCEDURES
AND MITIGATION MEASURES

1. All construction vehicle movement outside of the right-of-way will be restricted to pre-designated access, contractor acquired access, or public roads.
2. The limits of construction activities will typically be predetermined, with activity restricted to and confined within those limits. No paint or permanent discoloring agents will be applied to rocks or vegetation to indicate survey or construction activity limits. The right-of-way boundary will be flagged in environmentally sensitive areas described in the specific plan of development to alert construction personnel that those areas should be avoided.
3. In construction areas where recontouring is not required, vegetation will be left in place wherever possible to avoid excessive soil damage and allow for resprouting.
4. In construction areas (e.g., marshalling yards, structure sites, spur roads from existing access roads) where ground disturbance is significant or where recontouring is required, surface restoration will occur as required by the landowner or land-management agency. The method of restoration will typically consist of returning disturbed areas to their natural contour (to the extent practical), reseeding or revegetating with native plants (if required), installing cross drains for erosion control, placing water bars in the road, and filling ditches. Seed must be tested and certified to contain no noxious weeds in the mix by the State of Arizona Agricultural Department. Seed viability must also be tested at a certified laboratory approved by the authorized officer.
5. Watering facilities (e.g., tanks, developed springs, water lines, wells, etc.) will be repaired or replaced to their pre-disturbed conditions as required by the landowner or land-management agency if they are damaged or destroyed by construction activities.
6. Prior to construction, all construction personnel will be instructed on the protection of cultural, paleontological, and ecological resources. To assist in this effort, the construction contract will address (a) federal and state laws regarding antiquities, fossils, and plants and wildlife, including collection and removal; and (b) the importance of these resources and the purpose and necessity of protecting them.
7. Impact avoidance and mitigation measures for cultural resources developed in consultation with the SHPO, BLM, BOR, YPG, ASLD, and the tribes will be implemented.
8. The project sponsors will respond to complaints of line-generated radio or television interference by investigating the complaints and implementing appropriate mitigation measures. The transmission line will be patrolled on a regular basis so that damaged insulators or other line materials that could cause interference are repaired or replaced.
9. The project sponsors will apply necessary mitigation to minimize problems of induced currents and voltages onto conductive objects sharing a right-of-way, to the mutual satisfaction of the parties involved.
10. All construction and maintenance activities shall be conducted in a manner that will minimize disturbance to vegetation, drainage channels, and intermittent and perennial streambanks. In addition, all existing roads will be left in a condition equal to or better than their condition prior to the construction of the transmission line.
11. All requirements of those entities having jurisdiction over air quality matters will be adhered to and any necessary permits for construction activities will be obtained. Open burning of construction debris (cleared trees, etc.) will not be allowed on BLM administered lands.
12. Fences and gates, if damaged or destroyed by construction activities, will be repaired or replaced to their original pre-disturbed condition as required by the landowner or the land-management agency. Temporary gates will be installed only with the permission of the landowner or the land-management agency, and will be restored to their original pre-disturbed condition following construction.
13. The proposed hardware and conductor will limit the audible noise, radio interference (RI), and television interference (TVI) due to corona. Tension will be maintained on all insulator assemblies to assure positive contact between insulators, thereby avoiding sparking. Caution will be exercised during construction to avoid scratching or nicking the conductor.

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<p>14. During operation of the transmission line, the right-of-way will be maintained free of surface, which may provide joints for corona to occur.</p>
<p>15. Totally enclosed containment will be provided for all debris. All construction waste including debris, litter, garbage, other solid waste, petroleum products, and other potentially hazardous materials will be removed to a disposal facility authorized to accept such materials. A Spill Contingency Plan and Spill Prevention Control and Countermeasure (SPCC) Plan will be prepared. The SPCC Plan will address prevention and remediation of oil, hydraulic fluid, and petroleum fuel spills including spills that could enter navigable waters of the United States. Oils or chemicals will be hauled to an approved site for disposal. If a spill occurs on BLM land the respective BLM field office will be notified, and a copy of the manifest for disposal of the affected materials will be provided to the BLM.</p>
<p>16. Structures will be constructed to conform to "Suggested Practices for Avian Protection on Power Lines" (Avian Power Line Interaction Committee 2006).</p>
<p>17. Species protected by the Arizona Native Plant Law will be made available for salvage. A salvage plan approved by the BLM will be included in the specific plan of development.</p>
<p>18. The alignment of any new access roads or overland routes will follow the designated area's landform contours where possible, providing that such alignment does not additionally impact resource values. This would minimize ground disturbance and reduce scarring.</p>
<p>19. All new access roads not required for maintenance will be permanently closed using the most effective and least environmentally damaging methods appropriate to that area with concurrence of the landowner or land manager (e.g., stock piling and replacing topsoil, or rock replacement). This would limit access into the area. Fencing, signing, and other closure methods will be determined by the BLM and paid for by the contractor or APS.</p>
<p>20. In designated areas, structures will be placed or rerouted so as to avoid sensitive features such as, but not limited to, riparian areas, watercourses, and cultural sites, or to allow conductors to clearly span the features, within limits of standard tower design.</p>
<p>21. Transmission line structures will comply with Federal Aviation Administration Guidelines to minimize aircraft hazards (Federal Aviation 77).</p>
<p>22. Special status species or other species of particular concern will continue to be considered during the construction phase of the Project. In accordance with management policies set forth by the BLM and other appropriate land management agencies, this will entail monitoring for plant and wildlife species of concern along the proposed transmission line and associated facilities (i.e., access roads and staging areas). In cases where such species are identified, appropriate action will be taken to avoid adverse impacts on the species and its habitat.</p>
<p>23. The contractor or APS will submit to BLM a proposed road development plan for inclusion in the POD for the area in and around the Muggins Mountains. The goal of the plan is to limit new road construction to a minimum, restrict unauthorized use of maintenance roads, and discourage a travel route in the Muggins Mountains.</p>
<p>24. As-built drawings, including locations of access roads, will be provided to the BLM as required by the right-of-way grant. The drawings will be provided in a format specified by the BLM.</p>
<p>25. Any cultural and/or paleontological resource (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf, on public or federal land shall be immediately reported to the BLM authorized officer. The holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the authorized officer to determine appropriate actions to prevent the loss of significant cultural or scientific values.</p>

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Other Mitigating Measures

1. All applicable regulations in accordance with 43 CFR 2800.
2. The holder shall construct, operate, and maintain the facilities, improvements, and structures within this right-of-way in strict conformity with the Plan of Development (POD) and made part of the grant. Any relocation, additional construction, or use that is not in accord with the approved POD, shall not be initiated without the prior written approval of the authorized officer. A copy of the complete right-of-way grant, including all stipulations and approved POD, shall be made available on the right-of-way area during construction, operation, and termination to the authorized officer. Noncompliance with the above will be grounds for an immediate temporary suspension of activities if it constitutes a threat to public health and safety or the environment.
3. Any cultural and/or paleontological resources (historic or prehistoric site or object) discovered by the holder or any person working on the holder's behalf, on public or federal land shall be immediately reported to the authorized officer. The holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the authorized officer. An evaluation of the discovery will be made by the authorized officer to determine the appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of the evaluation and any decision as to the proper mitigation measures will be made by the authorized officer after consulting with the holder.
4. Construction holes left open over night shall be covered. Covers shall be secured in place and shall be strong enough to prevent livestock or wildlife from falling through and into a hole.
5. Within 30 days of completion, the holder will submit to the authorized officer, as-built drawings and a certification of construction verifying that the facility has been constructed (and tested) in accordance with the design, plans, specifications, and applicable laws and regulations.
6. During construction, the holder shall apply water for the purpose of dust control.
7. The holder shall trim trees in preference to cutting trees and shall cut trees in preference to bulldozing them as directed by the authorized officer.
8. Holder shall remove only the minimum amount of vegetation necessary for the construction of structures and facilities. Topsoil will be conserved during excavation and reused as cover on disturbed areas to facilitate re-growth of vegetation.
9. The holder shall maintain the right-of-way in a safe usable condition, as directed by the authorized officer.
10. The holder will be responsible for the total reclamation of the right-of way shall it ever be relinquished or terminated. This reclamation will include the scarification of the road surface and the reseeding of the entire disturbed area with a native seed mixture that will be approved by the Authorized Officer prior to the reclamation work.
11. The holder of this right-of-way grant or the holder's successor in interest shall comply with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.) and the regulations of the Secretary of the Interior issued pursuant thereto.
12. All design, material, and construction, operation, maintenance, and termination practices shall be in accordance with safe and proven engineering practices.

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13. Construction sites shall be maintained in a sanitary condition at all times; waste materials at those sites shall be disposed of promptly at an appropriate waste disposal site. "Waste" means all discarded matter including, but not limited to, human waste, trash, garbage, refuse, oil drums, petroleum products, ashes, and equipment.

14. The holder(s) shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the holder(s) shall comply with the Toxic Substances Control Act of 1976, as amended (15 U.S.C. 2601, et seq.) with regard to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant. (See 40 CFR, Part 702-799 and especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR, Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation and Liability Act of 1980, Section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the authorized officer concurrent with the filing of the reports to the involved Federal agency or State government.

15. The holder agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, et seq. or the Resource Conservation and Recovery Act of 1976, 42 U.S.C. 6901 et seq.) on the right-of-way (unless the release or threatened release is wholly unrelated to the right-of-way holder's activity on the right-of-way. This agreement applies without regard to whether a release is caused by the holder, its agent, or unrelated third parties.

16. Prior to termination of the right-of-way, the holder shall contact the authorized officer to arrange a pre-termination conference. This conference will be held to review the termination provisions of the grant.

17. Archeological sites that are eligible for National Register shall be spanned and avoided during construction and maintenance activities. If an eligible site cannot be spanned, impact avoidance and mitigation measures developed in consultation with the State Historic Preservation Office and other interested parties shall be implemented during post-Environmental Assessment phases of project implementation.

18. Prior to construction, a training program shall be instituted that would stress the importance of avoiding unintentional and intentional damage to cultural, paleontological, and ecological resources.

Desert Tortoise Mitigation Measures

19. A desert tortoise protection education program shall be presented to all employees, inspectors, supervisors, contractors, and subcontractors who carry out proposed activities at the project site. The education program shall include discussions of the following:

- legal and sensitive status of the tortoise
- brief discussion of tortoise life history and ecology
- mitigation measures designed to reduce adverse effects to tortoises
- protocols to follow if a tortoise is encountered, including appropriate contact points

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20. A desert tortoise monitor (qualified desert tortoise biologist) will be required when constructing within Category 1 tortoise habitat. The biologist shall watch for tortoises wandering into construction areas, check under vehicles, check at least three times per day any excavations that might trap tortoises, and conduct other activities necessary to ensure that death and injury of tortoises are minimized.
21. Protocols for dealing with any tortoises found in project areas shall be in accordance with Arizona Game and Fish Department's Guidelines for Handling Sonoran Desert Tortoises Encountered on Development Projects, revised August 7, 1996.
22. Vehicle use shall be limited to existing or designated routes to the extent possible. Areas of new construction shall be flagged or marked on the ground prior to construction. All construction workers shall strictly limit their activities and vehicles to areas that have been marked. Construction personnel shall be trained to recognize markers and understand the equipment movement restrictions involved.
23. Construction sites shall be maintained in a sanitary condition at all times. The project proponent shall be responsible for controlling and limiting litter, trash, and garbage by placing refuse in predator-proof, sealable receptacles. Trash and debris shall be removed when construction is complete.
24. All features that can entrap tortoise (i.e., trenches, pits, and other features) in the project area shall be checked twice daily (morning and afternoon) for trapped desert tortoise.
25. During and after completion of the project, trenches, pits, and other features in which tortoises could be entrapped or entangled, shall be filled in, covered, or otherwise modified so they are no longer a hazard to desert tortoise.
26. All dogs in the project area shall be on a leash.

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GUIDELINES FOR HANDLING SONORAN DESERT TORTOISES
ENCOUNTERED ON DEVELOPMENT PROJECTS
Arizona Game and Fish Department
Revised January 17, 1997

The Arizona Game and Fish Department (Department) has developed the following guidelines to reduce potential impacts to desert tortoises, and to promote the continued existence of tortoises throughout the state. These guidelines apply to short-term and/or small-scale projects, depending on the number of affected tortoises and specific type of project.

Desert tortoises of the Sonoran population are those occurring south and east of the Colorado River. Tortoises encountered in the open should be moved out of harm's way to adjacent appropriate habitat. If an occupied burrow is determined to be in jeopardy of destruction, the tortoise should be relocated to the nearest appropriate alternate burrow or other appropriate shelter, as determined by a qualified biologist. Tortoises should be moved less than 48 hours in advance of the habitat disturbance so they do not return to the area in the interim. Tortoises should be moved quickly, kept in an upright position at all times and placed in the shade. Separate disposable gloves should be worn for each tortoise handled to avoid potential transfer of disease between tortoises. Tortoises must not be moved if the ambient air temperature exceeds 105 degrees Fahrenheit unless an alternate burrow is available or the tortoise is in imminent danger.

A tortoise may be moved up to two miles, but no further than necessary from its original location. If a release site, or alternate burrow, is unavailable within this distance, and ambient air temperature exceeds 105 degrees Fahrenheit, the Department should be contacted to place the tortoise into a Department-regulated desert tortoise adoption program. Tortoises salvaged from projects which result in substantial permanent habitat loss (e.g. housing and highway projects), or those requiring removal during long-term (longer than one week) construction projects, will also be placed in desert tortoise adoption programs. Managers of projects likely to affect desert tortoises should obtain a scientific collecting permit from the Department to facilitate temporary possession of tortoises. Likewise, if large numbers of tortoises (>5) are expected to be displaced by a project, the project manager should contact the Department for guidance and/or assistance.

Please keep in mind the following points:

- These guidelines do not apply to the Mohave population of desert tortoises (north and west of the Colorado River). Mohave desert tortoises are specifically protected under the Endangered Species Act, as administered by the U.S. Fish and Wildlife Service.
- These guidelines are subject to revision at the discretion of the Department. We recommend that the Department be contacted during the planning stages of any project that may affect desert tortoises.
- Take, possession, or harassment of wild desert tortoises is prohibited by state law. Unless specifically authorized by the Department, or as noted above, project personnel should avoid disturbing any tortoise.

RAC:NLO:rc

EXHIBIT "B"

**Depiction of Approved and Proposed
Corridors**

EXHIBIT "C"

Affidavit of Paul E. Herndon

STATE OF ARIZONA)
) ss.
COUNTY OF MARICOPA)

AFFIDAVIT OF PAUL E. HERNDON

I, Paul E. Herndon, 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 by the Arizona Corporation Commission (“Commission”) on January 23, 2008 for the Palo Verde Hub to North Gila 500kV Transmission Line Project (“CEC 135”). I am personally familiar with the proposed changes to CEC 135 related to the location change and change in corridor width in a small section (located next to the North Gila substation) of the 110-mile corridor and the Company’s plan to use a modified transmission structure.

3. CEC 135 authorizes APS to build approximately 110 miles of 500kV transmission line originating at the Hassayampa Switchyard¹ and terminating at the North Gila substation in Yuma County, Arizona, including switchyard facilities and modifications (the “Project”).

4. APS testified before the Arizona Power Plant and Transmission Line Siting Committee in the evidentiary hearing for CEC 135 that the Bureau of Land Management (“BLM”) conducted an Environmental Assessment (“EA”) to comply with the National Environmental Policy Act because a large portion of the Project crosses federal land (primarily BLM) in a BLM Designated Utility Corridor. On November 6, 2007, the BLM issued a Finding of No Significant Impact (“FONSI”), which the Commission attached as Exhibit C to CEC 135.

¹ CEC 135 authorized three possible interconnection points for the approved transmission line (Arlington Valley Energy Facility Switchyard, Hassayampa Switchyard, or Redhawk Power Plant). On February 5, 2010, APS filed a letter with ACC Docket Control informing the Commission that it had selected Hassayampa Switchyard as the interconnection point.

5. Since the Commission approved CEC 135, APS has finalized its detailed design, which requires the transmission line to cross over the Southwest Powerlink 500kV transmission line ("Existing Line") and enter the North Gila substation on the south side of the Existing Line. In CEC 135, the Commission approved a corridor where the line would enter the substation on the north side. This change in the location of the transmission line requires changes to both the corridor location and width for an approximate 1,500-foot section of the approved corridor just east of the North Gila substation. For this 1,500-foot section, the proposed corridor would start at the centerline of the Existing Line and extend south for a width of 500 feet.

6. As soon as possible after APS completed its final design, APS notified the BLM of the change in corridor location. The BLM supports the corridor change. (*See Attachment 1, BLM letter to APS dated February 15, 2012.*)

7. In APS's testimony before the Arizona Power Plant and Transmission Line Siting Committee evidentiary hearing for CEC 135, APS provided typical examples of transmission structures (approved by the Commission), including an H-Frame Structure that APS planned to use for this Project. (*See Attachment 2.*)

8. Detailed design work conducted after the Commission approved CEC 135 demonstrates the need to use a modified structure at a particular location for reasons noted in section 9. The modified structure has a single pole base and is approximately 150-feet tall. (*See Attachment 3 for a depiction of the modified structure.*) The structure would be placed in only one location in an area on BLM land approximately seven (7) miles east of the North Gila substation.

9. The use of the Y-Pole structure in this location would (1) preserve an access road used for ingress and egress to the area for line maintenance, (2) minimize ground disturbance in a mountainous terrain (a difficult excavation area), and (3) result in a smaller footprint (one foundation versus two).

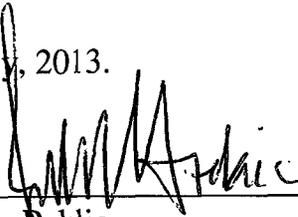
10. The change in corridor location and width and use of the modified transmission structure will be included in the Final Plan of Development, which is currently under BLM review and anticipated to be approved in mid-July 2013.

DATED this 2nd day of July, 2013.



Paul E. Herndon

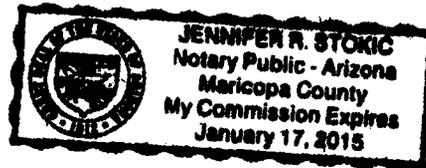
Sworn to and subscribed before me this 2nd day of July, 2013.



Notary Public

My Commission expires:

1-17-2015



ATTACHMENT 1

BLM Letter



United States Department of the Interior



BUREAU OF LAND MANAGEMENT
Yuma Field Office
2555 East Gila Ridge Road
Yuma, AZ 85365
www.blm.gov/az/

In Reply Refer To:
AZA 33305 (C020)
2850

February 15, 2012

Arizona Public Service Company
Attn: Paul Herndon, Senior Siting Consultant
P.O. Box 53933, Station 4616
Phoenix, Arizona 85072-3933

Re: Palo Verde to North Gila II 500kV Transmission Line aka Hassayampa to North Gila, CEC Case 135

Dear Mr. Herndon:

The Bureau of Land Management (BLM) has conducted the environmental review and has produced an Environmental Assessment (EA) No. AZ-220-2006-008 for the Palo Verde Hub to North Gila Substation 500kV Transmission Project, approved November 2007.

The project is proposed to be sited and constructed within a designated 1-mile wide utility corridor, ½ mile on either side from centerline of the existing transmission line. The EA considered impacts to all resources and the cumulative effects based on the resources' geographic areas. The archaeological survey is one resource that needs to be site-specific and, in this case, there was a 300-foot-wide survey for 112 miles in length. The cultural survey included an additional area between 100 and 800 feet of survey along various portions of the project area.

It is our understanding that Arizona Public Service Company (APS) would like to request changing the transmission line location from the north side of the existing transmission line to the south side of the existing transmission line for approximately 1,500 feet immediately east of the North Gila Substation (see enclosed map). This change request is within the 1-mile designated utility corridor and it is within the surveys of the environmental analysis. However, if the newly proposed route deviates from the 1-mile corridor, the BLM will require APS to conduct new surveys prior to proceeding with authorization of a right-of-way grant. The BLM views this as a minor change to the project and will cooperate with APS to approve the change on the associated Federal lands.

If you have any questions please contact Supervisory Project Manager Eddie Arreola at 602-417-9505 or at earreola@blm.gov.

Sincerely

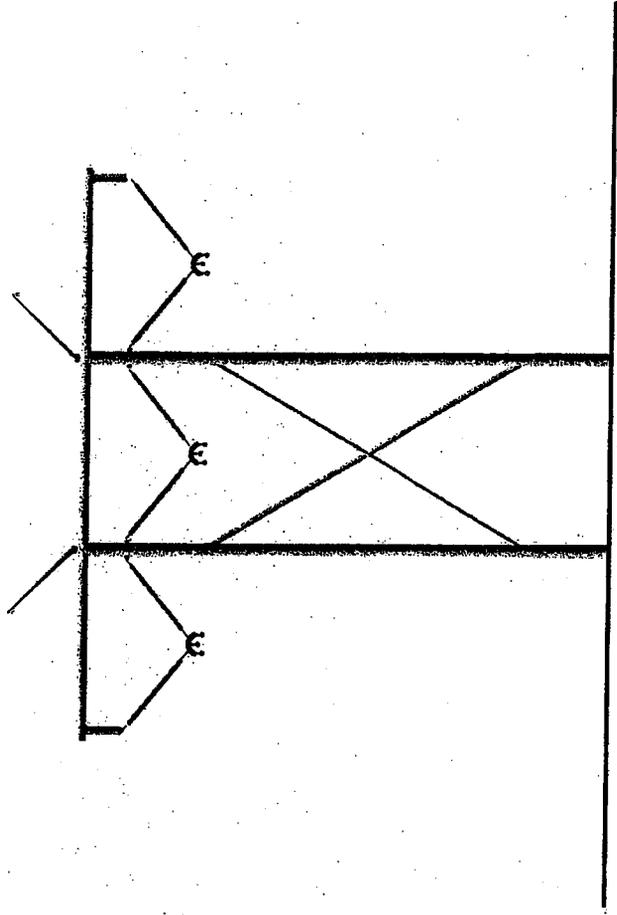
John MacDonald
Field Manager

Enclosure

ATTACHMENT 2

Depiction of Approved Structure

Modified 500kV Single-Circuit Steel H-Frame Structure



Palo Verde Hub to North Gila
Transmission Line Project

Exhibit G-8

ATTACHMENT 3

Depiction of Modified Structure

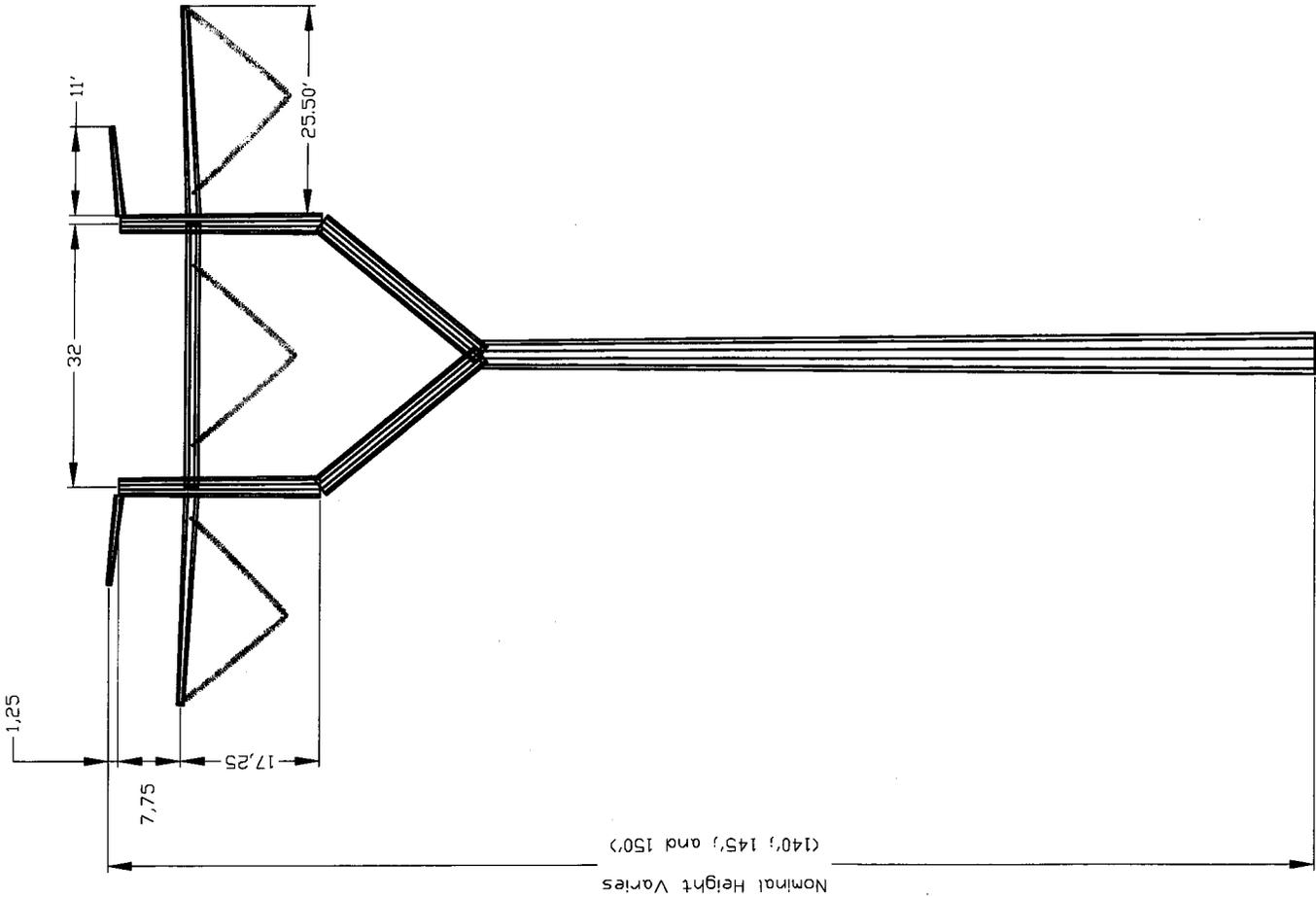


EXHIBIT “D”

Proposed Order

BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

BOB STUMP, Chairman
GARY PIERCE
BRENDA BURNS
ROBERT L. BURNS
SUSAN BITTER SMITH

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. 70127.

Docket No. L-00000D-07-0566-000135

**PROPOSED ORDER MODIFYING
COMMISSION DECISION NO. 70127**

Open Meeting

Date _____

Phoenix, Arizona

BY THE COMMISSION:

FINDINGS OF FACT

1. On July 2, 2013, Arizona Public Service Company ("APS" or "Company") filed with the Arizona Corporation Commission ("Commission") a request to amend Commission Decision No. 70127 ("Application").

2. Decision No. 70127, entered on January 23, 2008, approved a Certificate of Environmental Compatibility for APS to build 110 miles of 500kV transmission line and required switchyard facilities and modifications ("CEC 135").

3. In its Application, APS requested the Commission amend CEC 135 pursuant to A.R.S. § 40-252 by authorizing a change in the location and corridor width of a short section of the 110-mile corridor. Specifically, APS requested approval to relocate an approximate 1,500-foot segment of the corridor east of the North Gila substation. For this 1,500-foot section, the proposed corridor would begin at the centerline of the Southwest Powerlink 500kV

1 transmission line¹ ("SWPL Line" or "Existing Line") and extend south for a width of 500 feet.
2 (See Exhibit A for an illustration depicting the proposed corridor.)

3 4. APS also requested that the Commission amend CEC 135 to authorize the use of
4 the Y-Pole transmission structure in one mountainous location.

5 CONCLUSIONS OF LAW

6 1. The Commission has jurisdiction over APS and the subject matter contained
7 herein pursuant to Article XV of the Arizona Constitution and A.R.S. §§ 40-252 and 40-360,
8 *et seq.*

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

10 3. It is reasonable and in the public interest to amend Decision No. 70127 to revise
11 CEC 135 to approve the relocation of and change in corridor width as described herein.

12 4. It is reasonable and in the public interest to amend Decision No. 70127 to revise
13 CEC 135 to approve the use of the Y-Pole transmission structure consistent with the
14 illustration depicted in Exhibit B.

15 ORDER

16 Upon due consideration of this matter and notice and opportunity to be heard, the
17 Commission modifies Decision No. 70127 as follows:

18 **IT IS THEREFORE ORDERED** that Decision No. 70127 is modified to add a
19 sentence at page 4, line 9, as follows:

20 At this termination point in Link 50, starting at the North Gila substation and
21 extending east approximately 1,500 feet, the Project has a 500-foot corridor, which
22 begins at the centerline of the existing SWPL 500kV transmission line and extends
23 500 feet south.

24 **IT IS FURTHER ORDERED** that Decision No. 70127 is modified to permit APS to
25 use the transmission structure described in Exhibit B attached to this Decision.

26 **IT IS FURTHER ORDERED** that all other conditions of the Certificate of
27

28 ¹ The participant owners of the SWPL are San Diego Gas & Electric, Imperial Irrigation District, and APS.

1 Environmental Compatibility approved by Decision 70127 shall remain in effect.

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

3
4 **BY ORDER OF THE ARIZONA CORPORATION COMMISSION**

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7 CHAIRMAN

COMMISSIONER

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9 COMMISSIONER

COMMISSIONER

COMMISSIONER

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11 IN WITNESS WHEREOF, I, JODI JERICH, Executive
12 Director of the Arizona Corporation Commission, have
13 hereunto, set my hand and caused the official seal of
14 this Commission to be affixed at the Capitol, in the City
15 of Phoenix, this ____ day of _____, 2013.

16 _____
17 JODI JERICH
18 Executive Director