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IN THE MATTER OF THE
APPLICATION OF AJO IMPROVEMENT
COMPANY PURSUANT TO ARIZONA
REVISED STATUTE § 40-252, FOR AN
AMENDMENT OF ARIZONA
CORPORATION COMMISSION
DECISION NO. 70957

DOCKET NO: L-00000G-97-0089

**AJO IMPROVEMENT COMPANY'S
APPLICATION FOR AN
AMENDMENT OF ARIZONA
CORPORATION COMMISSION
DECISION NO. 70957**

Pursuant to the provisions of A.R.S. § 40-252, Ajo Improvement Company ("AIC") respectfully requests the Arizona Corporation Commission ("ACC") amend Decision No. 70957 and Certificate of Environmental Compatibility ("CEC") 89 to extend the time period to construct facilities authorized by CEC 89 to April 30, 2024.

In Decision No. 60841 (April 30, 1998), the ACC approved a CEC for AIC to construct a 47-mile, 230kV transmission line from Gila Bend to Ajo ("Project"). The primary purpose of the transmission line would be to serve the New Cornelia Branch Copper Mine near Ajo that Freeport-McMoRan Copper & Gold Inc., ("Freeport") has been considering reactivating. Economic and market conditions have delayed the reactivation of the mine. Ultimately when the mine is opened the transmission line will be required. Absent the opening of the mine, there will be no need for the transmission line.

The bulk of the power transmitted over the transmission line will be utilized in the operation of the mine. The construction of the transmission line therefore will not impact rates paid by non-mine utility customers in Ajo.

1 Because of economic and market conditions, the transmission line was not
2 constructed within the ten-year time period authorized by CEC 89. Before expiration of
3 the time period, AIC filed for ACC approval of a five-year extension to construct the
4 Project through April 30, 2014. (Decision No. 70957).

5 Due to economic and market conditions, the facilities authorized by CEC 89 are
6 not yet needed but will be needed when the economic and market conditions improve.
7 When operational, the New Cornelia Branch Mine can stimulate economic growth and
8 can bring opportunity to an economically depressed region of the State. It is vital that
9 AIC retain the authority to construct the Project and provide the mine operator certainty
10 that the necessary power delivery system can be constructed to serve the mine. For
11 these reasons, AIC does not want to cancel the authorization to build the Project. AIC's
12 request for the additional extension of the CEC does not contemplate any changes to the
13 Project from that which was approved when CEC 89 was initially authorized.

14 AIC respectfully requests that Decision No. 70957 and CEC 89 be amended to
15 extend the time period to construct the facilities authorized by CEC 89 to April 30, 2024
16 to avoid AIC from incurring the additional expense and delay of filing a new CEC
17 application in the future when the Project is viable. AIC therefore requests that the first
18 ordering paragraph of Decision No. 70957 be amended to read as follows:

19 "IT IS THEREFORE ORDERED that AIC's existing CEC at issue in
20 this proceeding is extended through April 30, 2024, subject to
21 conditions contained in Finding of Fact No. 22."

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RESPECTFULLY SUBMITTED this 1st day of August 2013.

FENNEMORE CRAIG

By 

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ORIGINAL and **13 copies**
of the foregoing, were filed
this 1st day of August 2013 with:

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COPY of the foregoing **HAND-DELIVERED**
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