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December 30, 2013

Arizona Corporation Commission
DOCKETED

DEC 30 2013

Mr. Steve Olea
Director, Utilities Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, AZ 85007

DOCKETED BY 

Re: Docket No. L-00000S-00-0101-00000, Decision Nos. 63232 and 71476

Dear Mr. Olea:

Pursuant to Condition No. 12 of the Certificate of Environmental Compatibility (CEC) for the Mesquite Generating Station, Decision No. 63232 (December 5, 2000) the Salt River Project (SRP) is filing this final self-certification letter.

On February 28, 2013, SRP purchased one power block and assumed operation of the Mesquite Generating Station. As plant operator, SRP has taken responsibility for the CEC compliance filings. The Mesquite Generating Station has been in operation for ten years and, as of this filing, all conditions of the CEC have been met. As such, this will be the last self-certification letter filed for the Mesquite Generating Station.

If you or your staff have any questions, please feel free to contact me.

Sincerely,

Laura Furrey
SRP Regulatory Policy and Public Involvement

cc: Brian Bozzo, Arizona Corporation Commission
Docket Control (Original, plus 13 copies)

Mesquite Generating Station CEC – Case 101
Docket No. L-00000S-00-0101-00000
2013 CEC Compliance Filing

Decision No. 63232 (December 5, 2000) and Decision No. 71476 (January 26, 2010)

This Certificate is granted upon the following conditions:

1. The Applicant and its assignees will comply with all existing applicable air and water pollution control standards and regulations, and with all existing applicable ordinances, master plans and regulations of the State of Arizona, the County of Maricopa, the United States, and any other governmental entities having jurisdiction.

SRP, as operator of the Mesquite Generating Station, is in compliance with this condition.

2. This authorization to construct the Mesquite Project will expire five (5) years from the date the Certificate is approved by the Arizona Corporation Commission (Commission) unless construction of the Mesquite Project is completed to the point that the Mesquite Project is capable of operating at its rated capacity by that time; provided, however, that prior to such expiration Applicant or its assignee may request that the Commission extend this time limitation.

Mesquite Power, LLC complied with this condition. Mesquite Generating Station Power Blocks 1 and 2 were operating commercially as of December, 2003. Mesquite Power, LLC completed the outstanding construction issues such as fencing, asphalt, and landscaping were completed in the Summer of 2004.

3. Applicant shall meet all applicable requirements for groundwater use set forth in the Third Management Plan for the Phoenix Active Management Area existing as of the date Applicant first begins withdrawing groundwater in connection with the Project. Applicant shall limit its aggregate annual withdrawal of groundwater to (i) 7,500 acre feet for the Mesquite Project site, and (ii) such additional volumes available within its Type I Groundwater Right as may be needed to implement the portion of the Comprehensive Land Management Plan provided for at Condition 11 (ii) below.

SRP, as operator of the Mesquite Generating Station, is in compliance with this condition.

4. Applicant will provide to the Commission, not more than 12 months prior to the commercial operation of the plant, a technical study regarding the sufficiency of transmission capacity from the plant to the wholesale electric market.

Mesquite Power, LLC has complied with this condition. A copy of the 2003 Summer Palo Verde Transmission System Operating Study Report was provided to the Commission on July 15, 2003.

5. The plant interconnection must satisfy the Western Systems Coordinating Council's ("WSCC") single contingency outage criteria (N-1) without reliance on remedial action such as generator unit tripping or load shedding.

Mesquite Power, LLC and SRP, as plant operator, have complied with this condition.

6. Applicant will within fifteen (15) days of reaching such an agreement, submit to the Commission an interconnection agreement with the transmission provider with whom it will be interconnecting.

Mesquite Power, LLC has complied with this condition. A copy of the executed ANPP Hassayampa Switchyard Interconnection Agreement was docketed with the ACC on February 18, 2003.

7. Applicant or one of its affiliates will become a member of WSCC, or its successor, and file a copy of its WSCC Reliability Criteria Agreement or Reliability Management System (RMS) Generator Agreement with the Commission.

SRP is a member of the Western Electricity Coordinating Council (the successor to the Western Systems Coordinating Council), and as plant operator, operates the Mesquite Generating Station in compliance with relevant North American Electric Reliability Corporation Reliability Standards which have replaced the use of WSCC Agreements.

8. Applicant will use commercially reasonable efforts to become a member of the Southwest Reserve Sharing Group, or its successor, thereby making its units available for reserve sharing purposes, subject to competitive pricing.

SRP is a member of the Southwest Reserve Sharing Group and is in compliance with this condition.

9. Applicant will use low profile structures, moderate stacks, neutral colors, compatible landscaping, and low intensity directed lighting for the plant.

Mesquite Power, LLC has complied with this condition. The plant was designed and constructed using low profile structures, moderate stacks, and neutral colors. The landscaping involved the replanting of many mesquite trees removed from the site during construction. The outdoor lighting was designed and constructed by the engineering, procurement, and construction contractor in accordance with Maricopa County and International Dark-Sky Association recommendations. The plant construction is complete and no other lighting is to be installed.

10. Applicant will operate the Project so that during normal operations the Project will not exceed (i) HUD residential noise guidelines or (ii) OSHA worker safety noise standards.

SRP, as plant operator, is in compliance with this condition.

11. Applicant will implement its Comprehensive Land Management Plan as presented to the Committee in hearing Exhibit A-13 for the plant site and the 3,000 acre Water Property that includes:

- (i) Installation of a professionally designed landscape plan for the entrance of the facility and along Elliot Road.

Mesquite Power, LLC has complied with this condition. The designed landscape plan was completed in 2004 and included with the February 8, 2005 compliance filing.

- (ii) Implementation of a comprehensive revegetation program designed to restore portions of the water property with plant communities similar to the adjacent desert lands. The comprehensive revegetation program shall not be applicable to those portions of the water property utilized as solar energy facilities and Applicant may modify the comprehensive management program accordingly.

Mesquite Power, LLC has complied with this condition. The revegetation was completed in Spring, 2009. The final report on the revegetation program was included with the January 23, 2012 compliance filing.

- (iii) Where feasible, the development of ongoing working relationships with the Phoenix Zoo, Southwest Wildlife Rehabilitation and Educational Foundation, Inc. and Arizona Game and Fish Department to develop alternative land uses for the water property that can be beneficial to the community and consistent with an "open space" land use designation.

Mesquite Power, LLC has complied with this condition. An enhanced wildlife habitat was completed in December, 2007 and is currently in operation.

12. Applicant will submit annual reports (for 10 years) to the Commission setting forth the status of implementation of the Comprehensive Land Management Plan and any feasible alternative

land uses which may have been identified and agreed upon by Applicant and the aforesaid organizations. The first annual report shall be filed one year from the date this Certificate is approved by the Commission.

Mesquite Power, LLC has complied with this condition. The requirements of the Comprehensive Land Management Plan were completed in 2011 and the final report was included with the January 23, 2012 compliance filing.