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**BEFORE THE ARIZONA POWER PLANT
AND TRANSMISSION LINE SITING COMMITTEE**
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IN THE MATTER OF THE APPLICATION
OF SALT RIVER PROJECT
AGRICULTURAL IMPROVEMENT AND
POWER DISTRICT, IN CONFORMANCE
WITH THE REQUIREMENTS OF
ARIZONA REVISED STATUTES,
SECTIONS 40-360, et seq., FOR A
CERTIFICATE OF ENVIRONMENTAL
COMPATIBILITY AUTHORIZING THE
PRICE ROAD CORRIDOR PROJECT, NON-
GILA RIVER INDIAN COMMUNITY
PORTION LOCATED IN THE CITY OF
CHANDLER, ARIZONA OR WITHIN
MARICOPA COUNTY.

AZ CORP COMMISS
DOCKET CONTROL
Docket No. L-00000B-15-0059-00170
Case No. 170

**CERTIFICATE OF
ENVIRONMENTAL
COMPATIBILITY** Arizona Corporation Commission
DOCKETED

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CERTIFICATE OF ENVIRONMENTAL COMPATIBILITY

Pursuant to notice given as provided by law, the Arizona Power Plant and Transmission Line Siting Committee (the "Committee") held public hearings on March 30, 31 and April 1, 2015 in Chandler, Arizona, in conformance with the requirements of Arizona Revised Statutes ("A.R.S.") §§ 40-360, et seq., for the purpose of receiving evidence and deliberating on the Application of Salt River Project Agricultural Improvement and Power District ("Applicant") for a Certificate of Environmental Compatibility ("Certificate") in the above-captioned case (the "Project").

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

- | | |
|-------------------|--|
| Hon. John Foreman | Chairman, Designee for Arizona Attorney General, Mark Brnovich |
| Steve Olea | Designee of the Chairman, Arizona Corporation Commission |
| Diane Arnst | Designee for Director, Arizona Department of Environmental Quality |
| Jack Haenichen | Designee for Director, Arizona Governor's Office of Energy Policy |

1	Lisa Williams	Designee for Director, Arizona Department of Water Resources
2	David L. Eberhart	Appointed Member
3	Mary Hamway	Appointed Member
4	Jeff McGuire	Appointed Member
5	Patricia Noland	Appointed Member
6	Jim Palmer	Appointed Member

7 The Applicant was represented by Kenneth C. Sundlof, Jr. of the law firm of Jennings,
8 Strouss & Salmon, P.L.C. and Robert R. Taylor of Salt River Project Agricultural Improvement
9 and Power District. The following parties were granted intervention pursuant to A.R.S. § 40-
10 360.05: City of Chandler, represented by Jeffrey W. Crockett of Brownstein Hyatt Farber Schreck
11 LLP and Kay Bigelow of Chandler City Attorney's Office, Sun Lakes Community SRP Legal
12 Fund, represented by Patrick Black of Fennemore Craig, P.C., and Wells Fargo Bank, N.A.,
13 represented by Francis J. Slavin and Heather Dukes of Francis J. Slavin, P.C.

14 At the conclusion of the hearings, the Committee, after considering the Application, the
15 evidence, testimony and exhibits presented by Applicant and all intervenors, and the comments of
16 the public, and being advised of the legal requirements of A.R.S. §§ 40-360 to 40-360.13, upon
17 motion duly made and seconded, voted 9 to 0 with one abstention to grant the Applicant this
18 Certificate of Environmental Compatibility (Case No. 170) for construction of the Project.

19 The Project as approved consists of approximately 3.5 miles of new 230kiloVolt ("kV")
20 transmission from the Schrader Substation to the Gila River Indian Community boundary that is
21 adjacent to Hunt Highway as well as two new substations, RS-27 and RS-28, and associated
22 transmission. All Project components are located in the City of Chandler, Arizona or within
23 Maricopa County. A general location map of the Project is set forth in **Exhibit A**.

24 The first Project component is a new single-circuit 230kV transmission line that will
25 originate at the Schrader Substation, located approximately 1/4 mile east of Arizona Avenue and
26 south of Ocotillo Road in Section 22, Township 2 South, Range 5 East. The line will travel south
27 for 1.84 miles along the Union Pacific Railroad ("UPRR") and an existing 69kV transmission line

1 ROW to Riggs Road. The line will continue to follow the UPRR south for another 1.06 miles to
2 the Gila River Indian Community boundary adjacent to Hunt Highway.

3 The second Project component is a new RS-28 Substation and associated transmission.
4 The RS-28 Substation will be located adjacent to the existing Hoopes 69kV Substation on
5 approximately seven acres of land on Intel property, west of Dobson Road and north of the
6 Chandler Heights Road alignment, in Section 19, Township 2 South, Range 5 East. A new single-
7 circuit 230kV line and a new double-circuit 230kV line from the Gila River Indian Community
8 boundary at Old Price Road and north of Chandler Heights Road will travel east and north for
9 approximately 0.47 miles to connect to the new RS-28 Substation.

10 The final component of the Project is a new substation and any necessary transmission
11 into the substation to be located on approximately 38 acres of private land, adjacent to the tribal
12 boundary east of Old Price Road and south of Germann Road, in Section 7, Township 2 South,
13 Range 5 East. When constructed, the substation will require approximately 23 acres.

14 The typical transmission structure heights will be in the range of 120 to 160 feet but will
15 not exceed 199 feet and will occupy a right-of-way width of 70 feet for a single-circuit line and
16 80 feet for a double-circuit line. The right-of-way will be located within a corridor width of 150-
17 300 feet centered on the centerline of each identified linear feature that the alignment follows.

18 The placement of the corridors and the structures outlined above is more precisely defined
19 in the conditions below.

20 **CONDITIONS**

21 This Certificate is granted upon the following conditions:

22 1. The Applicant shall comply with all existing applicable statutes, ordinances, master
23 plans and regulations of any governmental entity having jurisdiction during the construction of the
24 Project – including the United States, the State of Arizona, City of Chandler and Maricopa
25 County.

26 2. The Applicant shall make every reasonable effort to identify and correct, on a case-
27 specific basis, all complaints of interference with radio or television signals from operation of the

1 transmission line addressed in this Certificate. The Applicant shall maintain written records for a
2 period of five years of all complaints of radio or television interference attributable to operation,
3 together with the corrective action taken in response to each complaint. All complaints shall be
4 recorded to include notations on the corrective action taken. Complaints not leading to a specific
5 action or for which there was no resolution shall be noted and explained. Upon request, the
6 written records shall be provided to the Staff of the Commission.

7 3. If any archaeological site, paleontological site, historical site or an object that is at
8 least fifty years old is discovered on state, county or municipal land during the construction of the
9 Project, the Applicant or its representative in charge shall promptly report the discovery to the
10 Director of the Arizona State Museum, and in consultation with the Director, shall immediately
11 take all reasonable steps to secure and maintain the preservation of the discovery, pursuant to
12 A.R.S. § 41-844.

13 4. If human remains and/or funerary objects are encountered on private land during
14 the course of any ground-disturbing activities related to the construction of the Project, Applicant
15 shall cease work on the affected area of the Project and notify the Director of the Arizona State
16 Museum as required by A.R.S. § 41-865.

17 5. Applicant shall comply with the notice and salvage requirements of the Arizona
18 Native Plant Law (A.R.S. §§ 3-901 *et seq.*) and shall, to the extent feasible, minimize the
19 destruction of protected native plants during Project construction.

20 6. This authorization to construct the Project shall expire on two schedules:

21 The single circuit portion of the Project, which includes the single circuit 230kV
22 transmission line south of the Schrader Substation and the single circuit line into RS-28, and the
23 initial construction of RS-28 shall expire five (5) years from the date the Certificate is approved by
24 the Arizona Corporation Commission (the "Commission").

25 The initial construction of RS-27 and the double circuit 230kV transmission line into RS-
26 28 shall expire twenty (20) years from the date the Certificate is approved by the Commission.

27

1 However, prior to the expiration of either time period, the Applicant may request that the
2 Commission extend this time limitation.

3 7. The Applicant, or its assignee(s), shall design the transmission lines to incorporate
4 reasonable measures to minimize impacts to raptors.

5 8. The Applicant, or its assignee(s), shall use non-specular conductor and non-
6 reflective surfaces for the Project's transmission line structures.

7 9. Before construction on this Project may commence, the Applicant shall file a
8 construction mitigation and restoration plan ("Plan") with the Commission's Docket Control,
9 Maricopa County and the City of Chandler. Where practicable, the Plan shall specify that the
10 Applicant use existing roads for construction and access, minimize impacts to wildlife, minimize
11 vegetation disturbance outside of the Project right-of-way, and re-vegetate, unless re-vegetation is
12 waived by the landowner, native areas following construction disturbance.

13 10. The Applicant shall provide copies of this Certificate to the City of Chandler,
14 Maricopa County, the State Historic Preservation Office, and the Arizona Game and Fish
15 Department.

16 11. The Applicant will follow the most current Western Electricity Coordinating
17 Council/North American Electric Reliability Corporation planning standards, as approved by the
18 Federal Energy Regulatory Commission, and National Electrical Safety Code construction
19 standards.

20 12. The Applicant shall submit a compliance certification letter annually, identifying
21 progress made with respect to each condition contained in the Certificate, including which
22 conditions have been met. Each letter shall be submitted to Commission's Docket Control
23 commencing on June 1, 2016. Attached to each certification letter shall be documentation
24 explaining how compliance with each condition was achieved. Copies of each letter, along with
25 the corresponding documentation, shall be submitted to the City of Chandler, Maricopa County,
26 the Arizona Attorney General and the Governor's Office of Energy Policy. The requirement for
27 the compliance certification letter shall expire on the date the Project is placed into operation.

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

5 14. In the event that the Project requires an extension of the term of this Certificate
6 prior to completion of construction, the Applicant shall notify the City of Chandler and Maricopa
7 County of the proposed change. The Applicant shall also use reasonable means to notify all
8 landowners and residents within a half-mile radius of the area of the proposed change, all persons
9 who made public comment at this proceeding who provided a mailing address, and all parties to
10 this proceeding of the request and the date, time and place of the hearing during which the
11 Commission will consider the request for extension.

12 15. At least ninety (90) days, but not more than three hundred sixty-five (365) days
13 before construction commences on the Project, the Applicant shall provide known homebuilders
14 and developers who are building upon or developing land within a half-mile of the Project with a
15 written description of the Project. The written description shall identify the location of the Project
16 and contain a pictorial depiction of the Project. The Applicant shall also encourage the developers
17 and homebuilders to include this information in their disclosure statements.

18 16. Within one hundred twenty (120) days of the Commission decision approving this
19 Certificate, the Applicant will post signs in or near public rights-of-way giving notice of the
20 Project corridor to the extent authorized by law. The Applicant shall place such signs in
21 prominent locations at reasonable intervals (no more than one-half mile, subject to obtaining
22 permission from the landowner) so that the public is notified along the full length of the Project
23 until the transmission structures are constructed. To the extent practicable, within forty-five (45)
24 days of securing easement or right-of-way for the Project, the Applicant shall erect and maintain
25 signs providing public notice that the property is the site of a future transmission line or
26 substation. Such signage shall be no smaller than a normal roadway sign. The signs shall advise:

- 27 (a) That the site has been approved for the construction of Project facilities;

- 1 (b) The expected date of completion of the Project facilities;
- 2 (c) A phone number for public information regarding the Project;
- 3 (d) The name of the Project
- 4 (e) The name of the Applicant; and
- 5 (f) The website of the Project.

6 17. Within one hundred twenty (120) days of the Commission decision granting this
7 Certificate, the Applicant shall make good faith efforts to commence discussions with private
8 landowners, on whose property the Project corridor is located, to identify the specific location for
9 the Project's right-of-way and placement of poles. A description and discussion of the good faith
10 efforts and discussions shall be included in the annual compliance-certification letter.

11 18. The Applicant will pursue reasonable efforts to work with private landowners on
12 whose property the Project right-of-way will be located, to mitigate the impacts of the location,
13 construction, and operation of the Project on private land. A description and discussion of these
14 reasonable efforts shall be included in the annual compliance-certification letter.

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

18 20. The Applicant will have the discretion to determine the orientation of the substation
19 on the site consistent with its electrical and operational needs. The RS-27 Substation shall be
20 constructed on a maximum of 23 acres and shall be set back from Price Road a minimum of 150
21 feet but the Applicant shall locate the substation as far west as possible consistent with the need to
22 leave distribution line easements on the west side of the property. Prior to the construction of the
23 RS-27 Substation, the Applicant and the City of Chandler shall in good faith jointly develop a plan
24 to appropriately mitigate the visual impact of the substation within the substation footprint. In
25 developing the plan the Applicant and the City shall consider the current development in the Price
26 Road Corridor area and shall design the plan to reasonably control the costs that the plan will
27 impose on SRP customers.

1 21. The Applicant shall construct the line within a 300 foot corridor centered on the
2 railroad tracks. The Applicant shall locate the line on the west side of the railroad tracks from the
3 Schrader Substation to the Consolidated Canal unless the Applicant receives approval from the
4 Arizona Corporation Commission to construct the line on the east side because of the need to
5 avoid significant unknown physical constraints. The Applicant shall give the City of Chandler
6 written notice at the time of making application to the Commission. From the Consolidated Canal
7 to Hunt Highway the line will be located on the east or west side of the railroad consistent with
8 Condition 18 above and including adjacent property owners.

9 22. The Applicant shall construct the transmission lines into the RS-28 Substation
10 within a 150 foot corridor (except as they enter from the Gila River Indian Community). The
11 corridor centerline shall be located 650 feet north of the Sun Lakes wall. The corridor shall be
12 moved further to the south as may be subsequently determined by an Intel feasibility study,
13 consistent with Intel Corporation's Chandler Preliminary Development Plan Amendment (PDP)
14 14-0007, but in no event further south than a corridor centerline of 475 feet from the Sun Lakes
15 wall. The Applicant will work with Intel Corporation and the Sun Lakes Executive Committee to
16 develop a mitigation plan to address the impacts of the Project on Sun Lakes residents.

17 23. When Project facilities are located parallel to and within 100 feet of any existing
18 natural gas or hazardous pipeline, the Applicant shall:

- 19 a) Ensure grounding and cathodic protection measurements are performed to show that
20 the Project's location parallel to and within 100 feet of such pipeline results in no
21 material adverse impacts to the pipeline or to public safety when both the pipeline and
22 the Project are in operation. The Applicant shall take appropriate steps to ensure that
23 any material adverse impacts are mitigated. The Applicant shall provide to the
24 Commission Staff and file with Docket Control, a copy of the measurements
25 performed and additional mitigation, if any, that was implemented as part of its annual
26 compliance-certification letter; and
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b) Ensure that measurements are taken during an outage simulation of the Project that may be caused by the collocation of the Project parallel to and within 100 feet of the existing natural gas or hazardous liquid pipeline. The measurements should either: i) show that such simulated outage does not result in customer outages; or ii) include operating plans to minimize any resulting customer outages. The Applicant shall provide a copy of the measurement results to the Commission Staff and file it with Docket Control as part of its annual compliance-certification letter.

FINDINGS OF FACT AND CONCLUSIONS OF LAW

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

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

DATED this 3rd day of April, 2015.

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

By John Foreman
Honorable John Foreman, Chairman

