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**ARIZONA CORPORATION COMMISSION**



April 13, 2017



Mr. Thomas K. Chenal, Chairman
Arizona Power Plant and
Transmission Line Siting Committee
Assistant Arizona Attorney General
1275 West Washington Street
Phoenix, Arizona 85007



RE: PINAL CENTRAL ENERGY CENTER GENERATION TIE LINE PROJECT LINE SITING APPLICATION #174; DOCKET CONTROL # L-00000BBB-17-0073-00174

Dear Chairman Chenal,

On March 23, 2017, you sent a letter concerning the Pinal Central Energy Center, LLC ("Pinal Central" or "Applicant") application for the issuance of a Certificate of Environmental Compatibility for a generation transmission tie-in line ("Gen-tie") and associated substation facilities (collectively, "Project") interconnecting a proposed solar PV generating facility to the 230/500 kV Pinal Central substation. This letter is in response to the questions you posed in that letter.

**Technical analysis**

The application states that the Project consists of a 230 kV generation tie line and a 230 kV substation intended to interconnect a 20 MW Solar PV and 10 MW/40 hour advanced battery storage systems (collectively, "Solar Facility") with the grid. Both elements of the Project are dedicated exclusively to serve the Solar Facility and deliver power generated by it to the regional electric transmission grid.

The Gen-tie is a short generation interconnection between the proposed project substation and the existing Pinal Central substation. The proposed Gen-tie is approximately 0.4 miles long with four roughly 80-110-foot-tall wood or steel poles and will be utilized only to deliver power from the Solar Facility. As per the proposed route, 0.20 mile of the Gen-tie is situated on private land owned by the Applicant and the other 0.20 mile is situated within the existing Pinal Central substation. Given its short length and specialized purpose, the Gen-tie is not expected to negatively affect the reliability or safe operation of the grid.

The proposed project substation is required to appropriately convert the voltage levels of the power generated in the Solar Facility and allow interconnection with the existing 230/500 kV Pinal Central substation.

Though the Project may not directly improve system reliability, it is necessary for the interconnection of the proposed Solar Facility, and is therefore necessary to obtain the benefits

associated with the Solar PV and battery storage components of the Solar Facility. In this way, the Project indirectly provides benefits by way of improving the renewable generation portfolio and diversifying the generation resources of the state, and providing the ability to have backup power in the form of advanced battery storage which can be useful in case of outages and other system contingencies. These factors could potentially contribute to improving the reliable and safe operation of the grid.

SunZia Transmission, LLC has expressed concern over the possibility that the Project's planned route for its proposed 230-kV gen-tie line might conflict with the siting approvals previously granted to SunZia in the vicinity of the Pinal Central substation for the SunZia Transmission Project, which includes 500 kV transmission lines terminating at the Pinal Central substation. The specific concerns raised include raising the 500 kV transmission lines to allow underbuild of the 230 kV lines of Applicant's Project; and unnecessary physical congestion in the 500 kV transmission corridor. SunZia also state that they have met and conferred with representatives of the Applicant with the objective of exploring design alternatives and solutions for construction of the 230 kV Gen-tie without obstructing or interfering with the siting, construction and operation of SunZia's two 500 kV transmission lines.

Considering both the issues raised by SunZia and the merits of this Project, Staff encourages and recommends that Pinal Central and SunZia work collaboratively to ensure the engineering design of the 230 kV Gen-tie lines meet the required electrical clearances and compliances for the safe construction and operation of both the Project facilities and SunZia's 500 kV transmission lines.

Staff concludes that the proposed Gen-tie project has the potential to improve some aspects of the reliability and safety of operation of the grid and the delivery of power in Arizona.

If you have any questions, please feel free to contact me, at (602) 542-6935 or Gurudatta Belavadi at (602) 542-0828.

Sincerely,

Elijah Abinah
Acting Director
Utilities Division

cc: Docket Control

On this 13th day of April, 2017, the foregoing document was filed with Docket Control as a Utilities Division Correspondence, and copies of the foregoing were mailed on behalf of the Utilities Division to the following who have not consented to email service. On this date or as soon as possible thereafter, the Commission's eDocket program will automatically email a link to the foregoing to the following who have consented to email service.

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By: Nanisha Ross
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