

1 BEFORE THE ARIZONA CORPORATION COMMISSION 2 **COMMISSIONERS** Arizona Corporation Commission 3 TOM FORESE - Chairman DOCKETED **BOB BURNS** 4 DOUG LITTLE JUN 2 2 2017 ANDY TOBIN 5 BOYD W. DUNN DOCKETED BY 6 IN THE MATTER OF THE APPLICATION **CASE NO. 174** OF PINAL CENTRAL ENERGY CENTER, LLC IN CONFORMANCE WITH THE DOCKET NO. L-00000BBB-17-0073-00174 REQUIREMENTS OF ARIZONA REVISED STATUTES 40-360, ET SEQ., FOR A 76160 CERTIFICATE OF ENVIRONMENTAL DECISION NO. 10 COMPATIBILITY AUTHORIZING THE PINAL CENTRAL ENERGY CENTER 11 230KV GENERATION INTERTIE LINE PROJECT, WHICH INCLUDES THE 12 CONSTRUCTION OF A GENERATION TIE-LINE ORIGINATING LESS THAN HALF A 13 MILE TO THE SOUTHEAST OF THE PINAL CENTRAL SUBSTATION ON PRIVATE 14 LAND UNDER THE JURISDICTION OF PINAL COUNTY AND THE CITY OF 15 COOLIDGE, ARIZONA, AND TERMINATING IN THE PINAL CENTRAL 16 SUBSTATION IN PINAL COUNTY, ARIZONA. 17 Open Meeting 18 Phoenix, Arizona 19 BY THE COMMISSION: 20 Pursuant to A.R.S. § 40-360, et seq., after due consideration of all relevant matters, the 21 Arizona Corporation Commission ("Commission") finds and concludes that the Certificate of 22 Environmental Compatibility ("CEC") issued by the Arizona Power Plant and Transmission Line 23 Siting Committee ("Siting Committee") is hereby approved as granted by this Order. 24 The Commission, in reaching its decision, has balanced all relevant matters in the broad public interest, including the need for an adequate, economical and reliable supply of electric power 25 26 with the desire to minimize the effect thereof on the environment and ecology of this state, and finds 27 that granting the Project a CEC is in the public interest. 28

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DECISION NO.

The Commission further finds and concludes that in balancing the broad public interest in this matter: 1. The Project is in the public interest because it aids the state in meeting the need for an adequate, economical, and reliable supply of electric power. 2. In balancing the need for the Project with its effect on the environment and ecology of the state, the conditions placed on the CEC effectively minimize its impact on the environment and ecology of the state. The conditions placed on the CEC resolve matters concerning the need for the Project 3. and its impact on the environment and ecology of the state raised during the course of proceedings, and as such, serve as the findings on the matters raised. 4. In light of these conditions, the balancing in the broad public interest results in favor of granting the CEC.

DECISION NO.

COMMISSIONER TOBIN

DISSENT:

DISSENT:

THE CEC ISSUED BY THE SITING COMMITTEE IS

INCORPORATED HEREIN AND IS APPROVED BY ORDER OF THE

ARIZONA CORPORATION COMMISSION

HAIRMAN FORESE COMMISSIONER DUNN

COMMISSIONER LITTLE

ER LITTLE / COMMISSIONER BURNS

IN WITNESS WHEREOF, I, TED VOGT, Executive Director of the Arizona Corporation Commission, have hereunto, set my hand and caused the official seal of this Commission to be affixed at the Capitol, in the City of Phoenix, this _________, day of __________, 2017.

TED YOGT EXECUTIVE DIRECTOR

DECISION NO.

1	SERVICE LIST FOR: PINAL CENTRAL ENER	RGY CENTER, LLC
2	DOCKET NO. L-00000BBB-17-0073-00174	
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BEFORE THE ARIZONA POWER PLANT

IN THE MATTER OF THE APPLICATION

OF PINAL CENTRAL ENERGY CENTER.

REQUIREMENTS OF ARIZONA REVISED

LLC, IN CONFORMANCE WITH THE

STATUTES §§ 40-360, ET SEQ., FOR A

CERTIFICATE OF ENVIRONMENTAL

COMPATIBILITY AUTHORIZING THE

230KV GENERATION INTERTIE LINE

CONSTRUCTION OF A GENERATION TIE-

LINE ORIGINATING LESS THAN HALF A MILE TO THE SOUTHEAST OF THE PINAL

CENTRAL SUBSTATION ON PRIVATE

LAND UNDER THE JURISDICTION OF PINAL COUNTY AND THE CITY OF

TERMINATING IN THE PINAL CENTRAL

SUBSTATION IN PINAL COUNTY,

COOLIDGE, ARIZONA, AND

PINAL CENTRAL ENERGY CENTER

PROJECT, WHICH INCLUDES THE

AND TRANSMISSION LINE SITING COMMITTEE

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Docket No. L-00000BBB-17-0073-00174

Case No. 174

CERTIFICATE OF ENVIRONMENTAL COMPATIBILITY

A. Introduction.

ARIZONA.

Pursuant to notice given as provided by law, the Arizona Power Plant and Transmission Line Siting Committee ("Committee") held a public hearing on April 18 through April 20, 2017, in Casa Grande, Arizona, in conformance with the requirements of the Arizona Revised Statute ("A.R.S.") §§ 40-360 *et seq.* for the purpose of receiving evidence and deliberating on the March 15, 2017 application ("Application") of Pinal Central Energy Center, LLC ("Applicant") for a Certificate of Environmental Compatibility ("Certificate") in the above-captioned case.

The following members and designees of members of the Committee were present at one or more of the hearing days for evidentiary presentations, public comment, and/or the deliberations:

	I and the second	
1	Thomas Chenal	Chairman, Designee for Arizona Attorney General Mark Brnovich
2	Leonard Drago	Designee for Director, Arizona Department
3	Leonard Drago	of Environmental Quality
4	I : Williams	*
5	Lisa Williams	Designee for Director, Arizona Department of Water Resources
5		
6	Laurie A. Woodall	Designee of the Chairman, Arizona
7		Corporation Commission ("Commission")
rtin.	Jack Haenichen	Appointed Member, representing the general
8		public
9	Patricia A. Noland	Appointed Member, representing the general
10	U.S. Lai Sont semblemante. Han em Nu discustamante in	public
	Mary Hamway	Appointed Member, representing
11	Iviary Trainway	incorporated cities and towns
12		
13	James A. Palmer	Appointed Member, representing agricultural interests
14	Russ Jones	Appointed Member, representing the general
15		public
16	The Applicant was represented by	Jeffrey W. Crockett of Crockett Law Group

The Applicant was represented by Jeffrey W. Crockett of Crockett Law Group PLLC. The following parties were granted intervention pursuant to A.R.S. § 40-360.05: SunZia Transmission, LLC and Lynda S. Williams.

At the conclusion of the hearing, the Committee, after considering the (i) Application, (ii) evidence, testimony, and exhibits presented by the Applicant and intervenors, and (iii) comments of the public, and being advised of the legal requirements of A.R.S. §§ 40-360 through 40-360.13, upon motion duly made and seconded, voted nine to zero to grant the Applicant, its successors and assigns, this Certificate.

B. Overview Project Description.

The Pinal Central Energy Center Generation Tie-In Line project includes the construction and operation of an approximately 0.40-mile 230 kilovolt ("kV") alternating current generation transmission tie-in line ("Gen-Tie") and associated substation facilities

("Project Substation") to be constructed on approximately 0.34 acres of private land, with an additional 1-plus acres required for battery components (collectively, the "Gen-Tie Project" or "Project") in Pinal County, Arizona. The proposed Gen-Tie Project is needed to deliver power from a proposed adjacent, innovative clean energy facility that will combine 20 megawatts ("MW") of solar photovoltaic generating capacity with a 10 MW/40 MW-hour advanced battery storage system (collectively, the "Solar Facility") to the existing Pinal Central 230/500kV Substation ("Pinal Central Substation"). The Solar Facility has a 20-year power purchase agreement between the Applicant and Salt River Project Agricultural Improvement and Power District ("SRP").

The Applicant proposes to construct and operate the Gen-Tie Project in order to deliver electricity generated by the Solar Facility to the regional electric transmission grid. Although the Solar Facility is described in the Application, the Applicant is seeking a Certificate only for the Gen-Tie and Project Substation. The 20 MW Solar Facility does not require a Certificate because it does not involve thermal generation of energy and because it is below the jurisdictional threshold set forth in the definition of a "plant" in A.R.S. § 40-360(9).

Interconnection of the Gen-Tie at the Pinal Central Substation will require the addition and modification of equipment within the Pinal Central Substation footprint. This work would be performed by SRP as operating agent for the Pinal Central Substation.

C. Approved CEC Route Corridor and Route Description.

The route for which the Applicant sought Committee approval is approximately 0.40 miles in length and crosses private land controlled by the Applicant and land within the existing Pinal Central Substation (the "CEC Route," as more particularly defined in Attachment A hereto). The proposed CEC Route would originate at the Project Substation located in unincorporated Pinal County, Arizona, near the intersection of 11-Mile Corner Road and State Route 287. The proposed CEC Route would travel south and west approximately 0.40 miles across private land from the Project Substation where it would

then connect to the Pinal Central Substation. Approximately 0.20 miles of the proposed CEC Route is situated on private land controlled by the Applicant and generally running parallel to the fence line of the Pinal Central Substation, which is less than 150 feet to the north. The other approximately 0.20 miles of the CEC Route would be situated inside the Pinal Central Substation.

A 100-foot wide right-of-way ("ROW") is approved for the CEC Route within the corridor depicted on Attachment A. The corridor is comprised of a combination of parcels controlled by the Applicant or owners of the Pinal Central Substation and identified by the Pinal County Assessor as Parcels 401-44-001H (identified as Parcel 7 in Attachment A), 401-44-0060 (identified as Parcel 4 in Attachment A) and 401-44-0100 (identified as Parcel 5 in Attachment A). The corridor is approved over all of the Applicant-controlled private land to permit minor adjustments to the location of structures that may be necessary to achieve site-specific mitigation objectives or meet site-specific engineering requirements.

CONDITIONS

This Certificate is granted upon the following conditions:

- 1. During the development, construction, operation, maintenance and reclamation of the Project, the Applicant shall comply with all applicable statutes, ordinances, master plans and regulations of any governmental entity having jurisdiction, including the United States of America, the State of Arizona, Pinal County, the City of Coolidge, Arizona, and their agencies or subdivisions.
- 2. Applicant shall work collaboratively with SunZia Transmission, LLC and exercise commercially reasonable efforts to design and construct its 230 kV Gen-Tie in a manner that does not interfere with the construction and operation of SunZia Transmission, LLC's 500 kV transmission Lines 1 and 2, as depicted in Attachment B hereto, by locating Applicant's transmission structure No. 4 as depicted in Attachment B, or in a manner substantially equivalent to that depiction and location, as dictated by applicable safety and engineering requirements.

- 3. Applicant shall obtain all approvals and permits required by the United States of America, the State of Arizona, Pinal County, the City of Coolidge, Arizona, and any other governmental entities having jurisdiction necessary to construct, operate, and maintain the Project.
- 4. Applicant shall comply with the notice and salvage requirements of the Arizona Native Plant Law (A.R.S. §§ 3-901, et. seq.) and shall, to the extent feasible, minimize the destruction of native plants during CEC Route construction.
- Applicant shall design the Gen-Tie to incorporate reasonable measures to minimize impacts to birds. Such design will:
- a. Comply with the 2006 Standards of the Avian Power Line Interaction
 Committee; and
- b. Address the application of recommended measures to minimize the risk of collision, as described in the 2012 guidelines of the Avian Power Line Interaction Committee.
- 6. Applicant shall make every reasonable effort to promptly investigate, on a case-specific basis, all complaints of interference with radio or television signals from operation of the Gen-Tie addressed in this Certificate and where such interference is caused by the Gen-Tie take reasonable measures to mitigate such interference. Applicant shall maintain written records for a period of five (5) years of all complaints of radio or television interference attributable to operations, together with the corrective action taken in response to each complaint. All complaints shall be recorded to include notation on the corrective action taken. Complaints not leading to a specific action or for which there was no resolution shall be noted and explained. Upon request, the written records shall be provided to the Staff of the Commission. Applicant shall respond to complaints and implement appropriate mitigation measures. In addition, the Gen-Tie shall be evaluated on a regular basis so that damaged insulators or other line materials that could cause interference are repaired or replaced in a timely manner.

- 7. If human remains and/or funerary objects are encountered on private land during the course of any ground-disturbing activities related to the construction of the CEC Route, Applicant shall cease work on the affected area of the Project and notify the Director of the Arizona State Museum as required by A.R.S. § 41-865.
- 8. Within one hundred twenty (120) days of the Commission's decision approving this Certificate, Applicant shall post signs in or near public ROWs giving notice of the CEC Route to the extent authorized by law. Applicant shall place such signs in prominent locations at reasonable intervals so that the public is notified along the full length of the CEC Route until the Gen-Tie Project structures are constructed. To the extent practicable, within forty-five (45) days of securing easements or ROWs for the CEC Route, Applicant shall erect and maintain signs providing public notice that the property is the site of a future transmission line or substation. Such signage shall be no smaller than a roadway sign. The signs shall advise:
 - a. That the site has been approved for the construction of CEC Route facilities;
 - b. The expected date of completion of the CEC Route facilities;
 - c. A phone number for public information regarding the Project;
 - d. The name of the Project; and
 - e. The name of the Applicant.
- Applicant shall use non-specular conductor and non-reflective surfaces for the Project's transmission line structures on the CEC Route.
- 10. Applicant shall follow the most current Western Electricity Coordinating Council and North American Electric Reliability Corporation planning standards, as approved by the Federal Energy Regulatory Commission, and National Electrical Safety Code construction standards.
- 11. Applicant shall provide the Commission Staff with copies of the transmission interconnection agreement(s) it ultimately enters into with any transmission provider(s) in

Arizona with whom it is interconnecting within thirty (30) days of execution of such agreement(s), with the summary thereof filed at Docket Control, prior to construction of such facilities.

- 12. Applicant shall submit a compliance certification letter annually, identifying progress made with respect to each condition contained in this Certificate, including which conditions have been met. Each letter shall be submitted to Commission's Docket Control commencing on January 16, 2018. Attached to each certification letter shall be documentation explaining how compliance with each condition was achieved. Copies of each letter, along with the corresponding documentation, shall be submitted to the Arizona Attorney General and the Governor's Office. The requirement for the compliance certification letter shall expire on the date the CEC Route is placed into operation. Notification of such filing with Docket Control shall be made to the Board of Supervisors for Pinal County, the City of Coolidge, all parties to this Docket, and all parties who made a limited appearance in this Docket.
- 13. Applicant shall provide a copy of this Certificate to the Board of Supervisors for Pinal County and the City of Coolidge.
- 14. This authorization to construct the CEC Route shall expire five (5) years from the date this Certificate is approved by the Commission, with or without modification. Construction of the Gen-Tie shall be complete, such that the Gen-Tie is in service, within the applicable timeframe. However, prior to the expiration of the time period, Applicant may request that the Commission extend the time limitation.
- 15. In the event that the CEC Route requires an extension of the term(s) of this Certificate prior to completion of construction, Applicant shall file such a time extension request at least ninety (90) days prior to the expiration date of the Certificate. Applicant shall use reasonable means to promptly notify all counties, cities and towns within five (5) miles of the CEC Route of the request for extension.
 - 16. Any transfer or assignment of this Certificate shall require the assignee or

successor to assume in writing all responsibilities of Applicant listed in this Certificate and its conditions as required by A.R.S. § 40-360.08(A) and R14-3-213(F) of the Arizona Administrative Code.

- 17. The Certificate Conditions shall be binding on Applicant's successors, assigns and transferees and any affiliates, agents, or lessees of Applicant who have a contractual relationship with Applicant concerning the construction, operation, maintenance or reclamation of the Project facilities. Applicant shall provide in any agreement(s) or lease(s) pertaining to the Project that the contracting parties and/or lessee(s) shall be responsible for compliance with the Conditions set forth herein, and Applicant's responsibilities with respect to compliance with such Conditions shall not cease or be abated by reason of the fact that the Applicant is not in control of or responsible for operation and maintenance of the Project facilities.
 - 18. In the event Applicant, its assignee, or successor, seeks to modify the Certificate terms at the Commission, it shall provide copies of such request to the Board of Supervisors for Pinal County, the City of Coolidge, all parties to this Docket, and all parties who made a limited appearance in this Docket.

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 and the southwest region in meeting the need for an adequate, economical, and reliable supply of electric power.
- 2. The Project aids the state in preserving a safe and reliable electric transmission system.
- 3. The conditions placed on the CEC Route in this Certificate effectively minimize the CEC Route's impact on the environment and ecology of the state.
- 4. The conditions placed on the CEC Route in this Certificate resolve matters concerning balancing the need for the Project with the CEC Route's impact on the

environment and ecology of the state arising during the course of the proceedings, and, as such, serve as findings and conclusions on such matters.

5. The CEC Route 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 CEC Route on the environment and ecology of the state.

DATED this 26 day of April, 2017.

THE ARIZONA POWER PLANT AND TRANSMISSION DINESIPING COMMITTEE

By:

Thomas K. Chenal, Chairman

Pinal Central Energy Center

Docket No. L-00000BBB-17-0073-00174

Legal Description Parcel 4 (APN 401440060):

Parcel No. 4:

That portion of the southeast quarter of the southwest quarter of Section 30, Township 6 Solution, Range 8 east of the Gila and Salt River base and meridian, lying north of the old Florence-Casa Grande Canal.

Excepting and reserving one-half of all gas, oil, and other minerals, as reserved in Docket 742, page 51, Records of Pinal County, Arizona

Legal Description Parcel 5 (APN 401440100):

Parcel No. 5:

A parcel of land located in the west half of the southeast quarter of Section 30, Township 6 South, Range 8 East of the Gila and Salt River base and meridian, Pinal County, Arizona, described as follows: Commencing at the center of said section 30:

Thence south 00 degrees 15 minutes 00 seconds east along the north-south midsection line, a distance of 1062.00 feet to the true point of beginning;

Thence south 83 degrees 15 minutes 00 seconds east, a distance of 323.95 feet;

Thence south 00 degrees 15 minutes 00 seconds east, a distance of 694.73 feet to a point on the San Carlos Irrigation Canal;

Thence north 77 degrees 15 minutes 00 seconds west, a distance of 330.00 feet to a point of intersection of the north-south mid-section line and the San Carlos Irrigation Canal;

Thence north 00 degrees 15 minutes 00 seconds west along the north-south mid-section line, a distance of 660.00 feet to the true point of beginning.

Excepting and reserving one-half of all gas, oil, and other minerals, as reserved in docket 742, page 51, Records of Pinal County, Arizona.

Legal description parcel 7 (APN 40144001H):

Parcel No. 7:

That portion of the southeast quarter (SE ½) of Section thirty (30) Township six (6) south, Range eight (8) east of the Gila and Salt River Base and Meridian, lying North of the Florence-Casa Grande Canal;

Except five (5) acres in the southwest corner of the above described tract bordering 330 feet on the Florence Canal and 660 feet bordering the lateral canal running north and south.

More particularly described as follows:

Beginning at the northwest corner of said southeast quarter; thence south 0 degrees 15 minutes east along the west line of said southeast quarter, a distance of 1,062.00 feet to the true point of beginning;

Thence continuing south 0 degrees 15 minutes east along the west line of said southeast quarter a distance of 660.00 feet to the center of the Florence Canal;

Thence south 77 degrees 15 minutes east along the centerline of the Florence Canal a distance of 330.00 feet to a point;

Thence north 0 degrees 15 minutes west parallel to the west line of said southeast quarter a distance of 694.73 feet to a point;

Thence north 83 degrees 15 minutes west a distance of 323.95 feet more or less to the point of beginning.

Except any portion lying within property described in warranty deed recorded as 2013-018115

Excepting and reserving one half (1/2) of all gas, oil, and other minerals, as reserved in docket 742, page 51, Records of Pinal County, Arizona

