

1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2 **COMMISSIONERS**

3 Kristin K. Mayes, Chairman
4 Gary Pierce
5 Sandra D. Kennedy
6 Paul Newman
7 Bob Stump

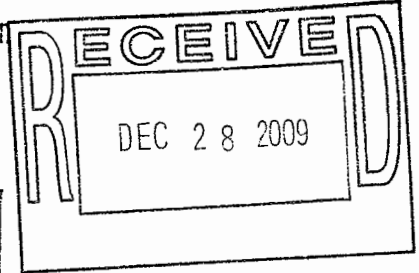
Arizona Corporation Commission

DOCKETED

DEC 23 2009

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6 IN THE MATTER OF THE APPLICATION OF
7 SALT RIVER PROJECT AGRICULTURAL
8 IMPROVEMENT AND POWER DISTRICT, IN
9 CONFORMANCE WITH THE
10 REQUIREMENTS OF ARIZONA REVISED
11 STATUTES, SECTIONS 40-360, *et seq.*, FOR A
12 CERTIFICATE OF ENVIRONMENTAL
13 COMPATIBILITY AUTHORIZING
14 CONSTRUCTION OF A 230 kV DOUBLE-
15 CIRCUIT TRANSMISSION LINE
16 ORIGINATING AT THE PLANNED AND
17 PERMITTED ABEL SUBSTATION, NEAR
18 JUDD AND ATTAWAY ROADS IN PINAL
19 COUNTY, TO THE PLANNED AND
20 PERMITTED RS-17 SUBSTATION, ADJACENT
21 TO THE EXISTING MOODY SUBSTATION,
22 LOCATED NEAR PECOS AND RECKER
23 ROADS, IN THE TOWN OF GILBERT,
24 MARICOPA COUNTY, ARIZONA, AND
25 INCLUDING A NEW 230/69 kV SUBSTATION
26 NEAR THE INTERSECTION OF COMBS AND
27 MERIDIAN ROADS, IN OR ADJACENT TO
28 THE TOWN OF QUEEN CREEK, ARIZONA.

CASE NO. 148

DOCKET NO. L-00000B-09-0311-00148

DECISION NO. 71441

18 Open Meeting
19 December 15, 2009
20 Phoenix, Arizona

21 **BY THE COMMISSION:**

22 Pursuant to A.R.S. § 40-360, *et seq.*, after due consideration of all relevant matters, the
23 Arizona Corporation Commission ("Commission") finds and concludes that the Certificate of
24 Environmental Compatibility ("CEC") issued by the Arizona Power Plant and Transmission Line
25 Siting Committee ("Siting Committee") is hereby approved as granted by this Order.

26 The Commission, in reaching its decision, has balanced all relevant matters in the broad
27 public interest, including the need for an adequate, economical and reliable supply of electric power
28 with the desire to minimize the effect thereof on the environment and ecology of this state, and finds

1 that granting the Project a CEC is in the public interest.

2 The Commission further finds and concludes that in balancing the broad public interest in
3 this matter:

- 4 1. The Project is in the public interest because it aids the state in meeting the need for
5 an adequate, economical, and reliable supply of electric power.
- 6 2. In balancing the need for the Project with its effect on the environment and ecology
7 of the state, the conditions placed on the CEC effectively minimize its impact on the
8 environment and ecology of the state.
- 9 3. The conditions placed on the CEC resolve matters concerning the need for the Project
10 and its impact on the environment and ecology of the state raised during the course of
11 proceedings, and as such, serve as the findings on the matters raised.
- 12 4. In light of these conditions, the balancing in the broad public interest results in favor
13 of granting the CEC.

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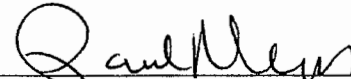
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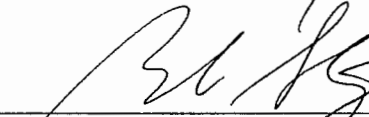
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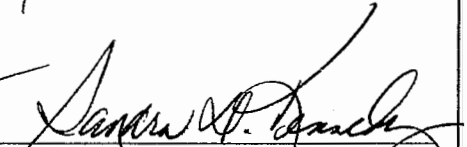
THE CEC ISSUED BY THE SITING COMMITTEE IS
 INCORPORATED HEREIN AND IS APPROVED BY ORDER OF THE
 ARIZONA CORPORATION COMMISSION


 CHAIRMAN


 COMMISSIONER


 COMMISSIONER


 COMMISSIONER


 COMMISSIONER

IN WITNESS WHEREOF, I, ERNEST G. JOHNSON,
 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 Capital, in the City of
 Phoenix, this 23rd day of December 2009.


 ERNEST G. JOHNSON
 Executive Director

DISSENT: _____

DISSENT: _____

1 **BEFORE THE ARIZONA POWER PLANT**
2 **AND TRANSMISSION LINE SITING COMMITTEE**
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6 IN THE MATTER OF THE APPLICATION OF
7 SALT RIVER PROJECT AGRICULTURAL
8 IMPROVEMENT AND POWER DISTRICT,
9 IN CONFORMANCE WITH THE
10 REQUIREMENTS OF ARIZONA REVISED
11 STATUTES, SECTIONS 40-360, *et seq.*,
12 FOR A CERTIFICATE OF ENVIRONMENTAL
13 COMPATIBILITY AUTHORIZING
14 CONSTRUCTION OF A 230 kV DOUBLE-
15 CIRCUIT TRANSMISSION LINE
16 ORIGINATING AT THE PLANNED AND
17 PERMITTED ABEL SUBSTATION, NEAR
18 JUDD AND ATTAWAY ROADS IN PINAL
19 COUNTY, TO THE PLANNED AND
20 PERMITTED RS-17 SUBSTATION,
21 ADJACENT TO THE EXISTING MOODY
22 SUBSTATION, LOCATED NEAR PECOS
23 AND RECKER ROADS, IN THE TOWN OF
24 GILBERT, MARICOPA COUNTY, ARIZONA,
25 AND INCLUDING A NEW 230/69 kV
26 SUBSTATION NEAR THE INTERSECTION
27 OF COMBS AND MERIDIAN ROADS, IN
OR ADJACENT TO THE TOWN OF QUEEN
CREEK, ARIZONA.

Docket No. L-00000B-09-0311-00148

Case No. 148

19
20 **CERTIFICATE OF ENVIRONMENTAL COMPATIBILITY**

21 Pursuant to notice given as provided by law, the Arizona Power Plant and
22 Transmission Line Siting Committee (the "Committee") held public hearings on
23 August 5, 6, and 7, 2009 in Mesa, Arizona, September 29 and 30, 2009 in Phoenix,
24 Arizona and October 19, 20 and 21, 2009 in Chandler, Arizona, all in conformance
25 with the requirements of Arizona Revised Statutes ("A.R.S.") §§ 40-360, *et seq.*, for
26 the purpose of receiving evidence and deliberating on the Application of Salt River
27 Project Agricultural Improvement and Power District ("Applicant") for a Certificate of

1 Environmental Compatibility ("Certificate") in the above-captioned case (the
2 "Project").

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

6 John Foreman	Chairman, Designee for Arizona Attorney General, Terry Goddard
7 Paul Rasmussen	Designee for Director, Arizona Department of Environmental Quality
8 David Eberhart	Designee for Chairman, Arizona Corporation Commission
9 Jessica Youle	Designee for Director, Energy Office, Arizona Department of Commerce
10 Jeff McGuire	Appointed Member
11 Patricia Noland ¹	Appointed Member
12 Michael Palmer	Appointed Member
13 Michael Whalen	Appointed Member
14 Barry Wong	Appointed Member
15	
16	

17 The Applicant was represented by Kenneth C. Sundlof, Jr. of the law firm of
18 Jennings, Strouss & Salmon, P.L.C. and by Robert Taylor of Salt River Project
19 Agricultural Improvement and Power District. The following parties were granted
20 intervention pursuant to A.R.S. § 40-360.05:

21 Town of Queen Creek	Represented by Gary Birnbaum and James Braselton
22 City of Mesa	Represented by Craig A. Marks
23 Town of Gilbert	Represented by William P. Sullivan
24 Pinal County	Represented by Lawrence V. Robertson, Jr.
25 Phoenix-Mesa Gateway Airport Authority	Represented by Christopher Schmaltz
26	

27 ¹ Ms. Noland did not participate in the deliberations.

1 Demetrios Vlachos
 2 Vlachos Enterprises, L.L.C.
 3 QC Niko 1, L.L.C.
 4 QC Niko W, L.L.C.
 5 V&P Nurseries, Inc.

All represented by Shawn Nelson

6 Circle G Development
 7 Barney Farms
 8 William Lyon Homes
 9 Meridian Crossing Partners
 10 Property Reserve, Inc. and
 11 Fulton Homes

All represented by Francis J. Slavin

12 At the conclusion of the hearings, the Committee, having received the
 13 Application, the appearances of the parties, the evidence, testimony and exhibits
 14 presented at the hearings, and being advised of the legal requirements of A.R.S. §§
 15 40-360 to 40-360.13, upon motion duly made and seconded, voted 8-0 to grant the
 16 Applicant this Certificate of Environmental Compatibility (Case No. 148) for the
 17 Project as set forth in the Application.

18 The Project consists of approximately 20 miles of double-circuit 230kV
 19 transmission line and a regional 230/69 kV substation (depicted on Exhibit B
 20 attached hereto, referred to as RS-24). The Project Route (depicted on Exhibit A
 21 attached hereto) originates at the RS-17/Moody substations and generally follows
 22 the Roosevelt Water Conservation District ("RWCD") canal to the northeast for a
 23 short distance to the Union Pacific Railroad ("UPRR"). The transmission line will be
 24 located on the southwest side of the UPRR from the RWCD canal to Power Road with
 25 the existing 69 kV line underbuilt on the new structures. The alignment continues to
 26 parallel the UPRR and an existing 69 kV line southeast to Ryan Road. The alignment
 27 then parallels the Ryan Road alignment to the east until it intersects Signal Butte
 Road, turns south on Signal Butte Road to the UPRR and parallels the UPRR to the
 southeast until it reaches the Magma Railroad. It then parallels the Magma Railroad
 northeast into the Abel substation site.

1 The typical transmission structure heights will be in the range of 110 to 140
2 feet but will not exceed 199 feet and will occupy a right of way ("ROW") width of 100
3 feet. The ROW may be located within a 1,000 foot corridor centered on the
4 centerline of the UPRR and Magma RR and within a 500 foot corridor centered on the
5 centerline of all other linear features that the alignment follows.

6 This approval shall not limit the ability of the Applicant to make reasonable
7 improvements, replacements, additions or modifications as needed to operate the
8 system in a safe, reliable and efficient manner.

9 This Certificate is granted upon the following conditions:

10 1. The Applicant shall obtain all approvals and permits required by the
11 United States, including the Federal Aviation Administration, the State of Arizona, the
12 Counties of Maricopa and Pinal, and any other governmental entities having
13 jurisdiction necessary to construct the Project.

14 2. The Applicant shall comply with all existing applicable statutes,
15 ordinances, master plans and regulations of the United States, the State of Arizona,
16 the Counties of Maricopa and Pinal and any other governmental entities having
17 jurisdiction during the construction and operation of the transmission line and
18 substation.

19 3. If any archaeological, paleontological or historical site or object that is
20 at least fifty years old is discovered on state, county or municipal land during plan-
21 related activities as defined in Condition No. 13, the Applicant or its representative in
22 charge shall promptly report the discovery to the Director of the Arizona State
23 Museum, and in consultation with the Director, shall immediately take all reasonable
24 steps to secure and maintain the preservation of the discovery. A.R.S. § 41-844.

25 4. If human remains and/or funerary objects are encountered on private
26 land during the course of any ground-disturbing activities relating to the
27 development of the transmission line and substation, the Applicant shall cease work

1 on the affected area of the Project and notify the Director of the Arizona State
2 Museum. A.R.S. § 41-865.

3 5. To the extent applicable, the Applicant shall comply with the notice and
4 salvage requirements of the Arizona Native Plant Law (A.R.S. §§ 3-901 *et seq.*) and
5 shall, to the extent feasible, minimize the destruction of native plants during the
6 construction of the transmission line and substation.

7 6. The Applicant shall not assign this Certificate or its interest in the
8 Project authorized by this Certificate unless both Applicant (as Transferor/Assignor)
9 and Transferee/Assignee has signed a "Notice of Transfer of Certificate of
10 Environmental Compatibility" ("Notice") as required under A.R.S. § 40-360.08(A) and
11 A.A.C. R14-3-213(F). That Notice must be filed in this Docket. Transferee/Assignee,
12 as part of acquiring any interest in the Project, must agree to comply with all terms,
13 limitations and conditions contained within this Certificate originally issued to
14 Applicant by the Arizona Power Plant and Transmission Line Siting Committee and
15 approved and/or issued by the Arizona Corporation Commission.

16 7. This authorization to construct this Project shall expire twelve (12)
17 years from the date the Certificate is approved by the Commission unless the
18 transmission line and substation is capable of operation. However, prior to
19 expiration, the Applicant or its assignees may request that the Commission extend
20 this time limitation.

21 8. In the event that the Project requires an extension of the term of this
22 Certificate prior to completion of construction, Applicant shall use reasonable means
23 to notify all landowners and residents within one mile of the Project corridor as
24 depicted on Exhibit A, all persons who made public comment at this proceeding, and
25 all parties to this proceeding of the request and the time and place of the hearing in
26 which the Commission will consider the request for extension.

27 9. The Applicant shall make every reasonable effort to identify and correct,

1 on a case-specific basis, all complaints of interference with radio, television, or
2 aviation navigational and communication signals from operation of the transmission
3 lines and related facilities addressed in this Certificate. The Applicant shall maintain
4 written records for a period of five years of all complaints of radio or television
5 interference attributable to operation, together with the corrective action taken in
6 response to each complaint. All complaints shall be recorded to include notations on
7 the corrective action taken. Complaints not leading to a specific action or for which
8 there was no resolution shall be noted and explained.

9 10. Within 120 days of the Commission decision granting this Certificate,
10 Applicant will post signs in public rights-of-way giving notice of the Project corridor to
11 the extent authorized by law. The Applicant shall place signs in prominent locations
12 at reasonable intervals such that the public is notified along the full length of the
13 transmission line until the transmission structures are constructed. To the extent
14 practicable, within 45 days of securing easement or right-of-way for the Project, the
15 Applicant shall erect and maintain signs providing public notice that the property is
16 the site of a future transmission line. Such signage shall be no smaller than a
17 normal roadway sign. The signs shall advise:

- 18 (a) That the site has been approved for the construction of Project
19 facilities;
20 (b) The expected date of completion of the Project facilities;
21 (c) A phone number for public information regarding the Project;
22 (d) The name of the Project;
23 (e) The name of the Applicant; and
24 (f) The website of the Project.

25 11. Applicant, or its assignee(s), shall design the transmission lines to
26 incorporate reasonable measures to minimize impacts to raptors.

1 12. Applicant, or its assignee(s), shall use non-specular conductor and
2 dulled surfaces for transmission line structures, and comply with FAA Advisory
3 Circular 70/7460-1, Obstruction Marking and Lighting in consultation with the
4 Phoenix-Mesa Gateway Airport Authority.

5 13. Before construction on this Project may commence, the Applicant shall
6 file a construction mitigation and restoration plan ("Plan") with ACC Docket Control.
7 Where practicable, the Plan shall specify the Applicant's plans for construction access
8 and methods to minimize impacts to wildlife and to minimize vegetation disturbance
9 outside of the Project right-of-way particularly in drainage channels and along
10 stream banks, and shall re-vegetate, unless waived by the landowner, native areas
11 of construction disturbance to its preconstruction state outside of the power-line
12 right of way after construction has been completed. The Plan shall specify the
13 Applicant's plans for coordination with the Arizona Game and Fish Department and
14 the State Historic Preservation Office, Arizona Department of Transportation, and the
15 Federal Aviation Administration. The Applicant shall use existing roads for
16 construction and access where practicable and the Plan shall specify the manner in
17 which the Applicant makes use of existing roads.

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

22 15. The Applicant shall provide copies of this Certificate to appropriate city,
23 town and county planning agencies, mayors and town councils, Phoenix-Mesa
24 Gateway Airport Authority, Pinal County Board of Supervisors, Maricopa County
25 Board of Supervisors, the Arizona State Land Department, Arizona Department of
26 Transportation, the State Historic Preservation Office, and the Arizona Game and Fish
27 Department.

1 16. Prior to the date construction commences on this Project, the Applicant
2 shall provide known homebuilders and developers within one mile of the center line
3 of the Certificated route and substation; with the identity, location, and a pictorial
4 depiction of the type of power line and substation being constructed, accompanied by
5 a written description, and encourage the developers and homebuilders to include this
6 information in the developers' and homebuilders' homeowners' disclosure
7 statements.

8 17. Prior to the date construction commences, and throughout this Project,
9 the Applicant shall coordinate any installation of cranes or other rigging apparatus
10 with the Phoenix-Mesa Gateway Airport Authority.

11 18. Before commencing construction of Project facilities located parallel to
12 and within 100 feet of any existing natural gas or hazardous liquid pipeline, the
13 Applicant shall:

14 (a) Perform the appropriate grounding and cathodic protection studies
15 to show that the Project's location parallel to and within 100 feet of such pipeline
16 results in no material adverse impacts to the pipeline or to public safety when both
17 the pipeline and the Project are in operation. If material adverse impacts are noted
18 in the studies, Applicant shall take appropriate steps to ensure that such material
19 adverse impacts are mitigated. Applicant shall provide to Commission Staff and
20 Docket Control reports of studies performed; and

21 (b) Perform a technical study simulating an outage of the Project that
22 may be caused by the collocation of the Project parallel to and within 100 feet of the
23 existing natural gas or hazardous liquid pipeline. This study should either: i) show
24 that such outage does not result in customer outages; or ii) include operating plans
25 to minimize any resulting customer outages. Applicant shall provide a copy of this
26 study to Commission Staff and Docket Control.

1 19. Applicant will follow the latest Western Electricity Coordinating
2 Council/North American Electric Reliability Corporation Planning standards as
3 approved by the Federal Energy Regulatory Commission, and National Electrical
4 Safety Code construction standards.

5 20. The Applicant shall submit a self-certification letter annually, identifying
6 progress made with respect to each condition contained in the Certificate, including
7 which conditions have been met. Each letter shall be submitted to the Docket
8 Control of the Arizona Corporation Commission on December 1 beginning in 2010.
9 Attached to each certification letter shall be documentation explaining how
10 compliance with each condition was achieved. Copies of each letter along with the
11 corresponding documentation shall be submitted to the Arizona Attorney General and
12 Department of Commerce Energy Office. The requirement for the self-certification
13 shall expire on the date the Project is placed into operation.

14 21. Within sixty (60) days of the Commission decision granting this
15 Certificate, the Applicant shall make good faith efforts to commence discussions with
16 private landowners, on whose property the Project corridor is located, to identify the
17 specific location for the Project's right-of-way and placement of poles.

18 22. The Applicant shall submit a "Notice of Proposed Construction or
19 Alteration" Form 7460-1 with the Federal Aviation Administration if required by and
20 as defined in 49 CFR Part 77. The Applicant shall also notify the Phoenix-Mesa
21 Gateway Airport Authority prior to submittal of such form to the FAA.

22 **FINDINGS OF FACT AND CONCLUSIONS OF LAW**

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

25 1. The Project is in the public interest because it aids the state in meeting
26 the need for an adequate, economical and reliable supply of electric power.

DATED this 23rd day of October, 2009.

THE ARIZONA POWER PLANT AND TRANSMISSION LINE SITING COMMITTEE


John Foreman, Chairman

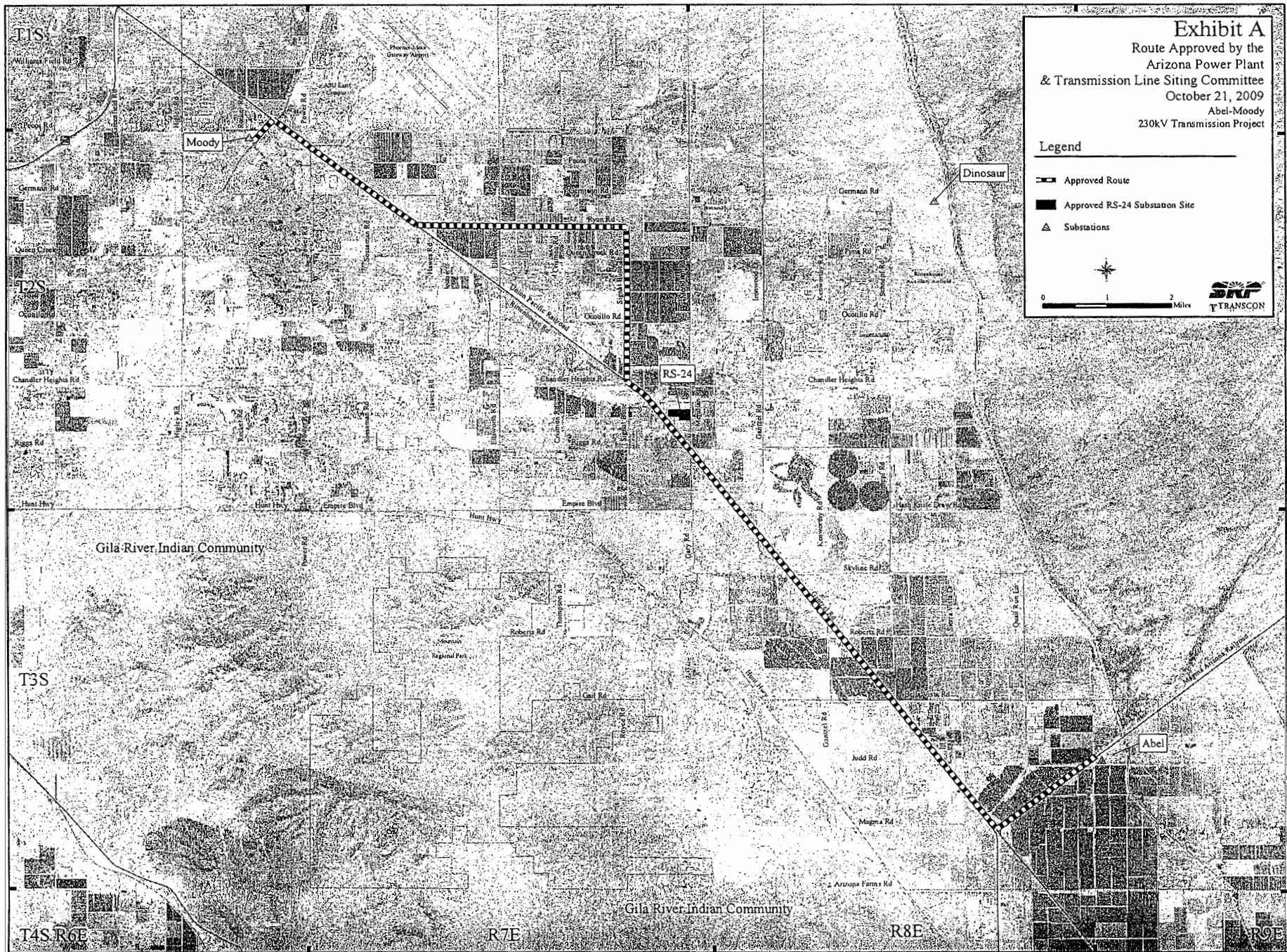
Exhibit_A_Committee_Approved_Alignment_10209-1x11.mxd
10/23/09

EXHIBIT "B"

Legal Description for RS-24 Substation Site

A portion of the East half of Section 25, Township 2 South, Range 7 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, more particularly described as follows:

BEGINNING at the East quarter corner of said Section 25;

Thence South 00 degrees 00 minutes 00 seconds West, along the East line of the Southeast quarter of said Section 25, a distance of 309.36 feet;

Thence North 89 degrees 51 minutes 20 seconds West, a distance of 1005.00 feet;

Thence North 00 degrees 00 minutes 00 seconds East, a distance of 309.36 feet to a point on the North line of the Southeast quarter of said Section 25;

Thence North 89 degrees 51 minutes 10 seconds West along said North line, a distance of 781.03 feet;

Thence North 00 degrees 03 minutes 04 seconds East, a distance of 655.50 feet;

Thence South 89 degrees 50 minutes 14 seconds East, a distance of 1785.50 feet to a point on the East line of the Northeast quarter of said Section 25;

Thence South 00 degrees 00 minutes 15 seconds West, along said East line, a distance of 655.02 feet to the POINT OF BEGINNING.