

1 BEFORE THE ARIZONA POWER PLANT
2 AND TRANSMISSION LINE SITING COMMITTEE
3 IN THE MATTER OF THE APPLICATION)
OF SALT RIVER PROJECT)
4 AGRICULTURAL IMPROVEMENT AND) DOCKET NO.
POWER DISTRICT, IN CONFORMANCE) L-00000B-18-0265-00180
5 WITH THE REQUIREMENTS OF ARIZONA)
REVISED STATUTES, SECTIONS)
6 40-360, et seq., FOR A) LS CASE NO. 180
CERTIFICATE OF ENVIRONMENTAL)
7 COMPATIBILITY AUTHORIZING THE)
SOUTHEAST POWER LINK PROJECT, A)
8 DOUBLE-CIRCUIT 230KV TRANSMISSION)
LINE ORIGINATING FROM THE)
9 EXISTING SANTAN-BROWNING 230KV)
LINE TO A NEW SUBSTATION LOCATED)
10 EAST OF THE LOOP 202/STATE ROUTE)
(SR)-24 INTERCHANGE AND)
11 TERMINATING AT THE PERMITTED)
FUTURE ABEL-PFISTER-BALL 230KV)
12 LINE WITHIN THE CITY OF MESA,)
ARIZONA AND TOWN OF QUEEN CREEK,)
13 ARIZONA IN MARICOPA COUNTY.)
_____)
14

15 At: Mesa, Arizona
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1 BE IT REMEMBERED that the above-entitled and
2 numbered matter came on regularly to be heard before the
3 Arizona Power Plant and Transmission Line Siting
4 Committee at the Mesa Convention Center, 263 North Center
5 Street, Mesa, Arizona, commencing at 1:11 p.m. on the 6th
6 day of September, 2018.

7

8 BEFORE: THOMAS K. CHENAL, Chairman

9 LAURIE WOODALL, Arizona Corporation Commission
10 LEONARD DRAGO, Department of Environmental Quality
11 JOHN RIGGINS, Arizona Department of Water Resources
12 MARY HAMWAY, Cities and Towns
13 GIL VILLEGAS, JR., Counties
14 JAMES PALMER, Agriculture
15 PATRICIA NOLAND, Public Member
16 JACK HAENICHEN, Public Member

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12 Dairy, the Rijlaarsdam Family Trust, the Jacob and Mary
13 Rijlaarsdam Trust, Robinson Farms Inc., Robo Land LLC,
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1 CHMN. CHENAL: My name is Tom Chenal, the chair
2 of the Line Sight Committee. Let's call this meeting to
3 order and have a roll call of the members of the
4 Committee, please.

5 MEMBER VILLEGAS: Gil Villegas.

6 MEMBER PALMER: Jim Palmer.

7 MEMBER NOLAND: Patricia Noland representing
8 the public.

9 MEMBER WOODALL: Laurie Woodall representing
10 the Chairman of the Arizona Corporation Commission.

11 MEMBER HAMWAY: Mary Hamway representing cities
12 and towns.

13 MEMBER HAENICHEN: Jam Haenichen representing
14 the public.

15 MEMBER DRAGO: Len Drago representing ADEQ.

16 MEMBER RIGGINS: John Riggins representing
17 Arizona Department of Water Resources.

18 CHMN. CHENAL: Let's do the normal admonition.
19 Now that the hearing has started, the counsel and the
20 public are admonished not to have conversations with
21 members of the Committee concerning the merits of the
22 case. You can talk about the weather, the Diamondbacks,
23 but not the merits of the case.

24 So if any members of the public -- I know the
25 parties know this by now, but if any members of the

1 public approach one of the Committee members and the
2 Committee member says, Look, I can't talk to you about
3 it, it's not to be unfriendly. We need substantive
4 matters on the record so we can create a complete record
5 for the Corporation Commission, which has the authority
6 to either accept, modify, or deny any Certificate of
7 Environmental Compatibility that we issue in this case.

8 So with that, may we have appearances, please,
9 starting with the applicant, and then we'll just proceed
10 probably down the line. We have a couple of tables of
11 counsel, it looks like, so, Mr. Olexa, why don't you
12 proceed, please.

13 MR. OLEXA: Thank you, Mr. Chairman.

14 Garrett Olexa from Jennings, Strouss & Salmon
15 on behalf of the applicant.

16 MR. BRASELTON: Good afternoon, Mr. Chairman
17 and members of the Committee. Oh, I'm sorry. Go ahead.

18 MS. RAMALEY: Good afternoon. Karilee Ramaley,
19 in-house counsel for Salt River Project.

20 MR. BRASELTON: Good afternoon again. I'm Jim
21 Braselton and Vail Cloar for the Town of Queen Creek.

22 MR. RICH: Good afternoon, Mr. Chairman and
23 Committee members. I'm here on behalf of a list of 15
24 different property owners. If the Chairman would like me
25 to read them into the record, I can do that now, or I

1 will refer to them as the Inner Loop landowners for the
2 sake of brevity throughout this hearing.

3 CHMN. CHENAL: Well, just so we have a complete
4 record, let's have you read the entities into the record,
5 and then we'll refer to them as the group.

6 MR. RICH: Thank you, Chairman.

7 I will go ahead and list the parties that I'm
8 representing. It's the Charles Feenstra Dairy LLC, the
9 Van Rijn Dairy, the Barbara M. and Charles L. Feenstra
10 Trust, the John and Brenda Van Otterloo Family Trust,
11 Billy and Nora D. Maynard, Billy and Nora D. Maynard
12 Trust, Dianne Maynard, Mesa-Casa Grande Land Company LLC,
13 Rijlaarsdam Dairy, the Rijlaarsdam Family Trust, the
14 Jacob and Mary Rijlaarsdam Trust, Robinson Farms, Inc.,
15 Robo Land LLC, the H and Glenda Stechnij Trust, Pieter
16 and Jody Van Rijn. And that is all. Thank you. And
17 we'll refer to them as the Inner Loop landowners.

18 CHMN. CHENAL: Inner Loop landowners. I think
19 that would be very efficient, yes.

20 MR. ARTIGUE: Mr. Chairman, Members of the
21 Committee, my name is Cameron Artigue. I'm from the law
22 firm of Gammage & Burnham. With me is Chris Cacheris
23 from my client.

24 I represent five property owners in the city,
25 and I will take the opportunity also to read them in

1 right now. The five entities I represent are
2 PPGN-Ellsworth, LLLP; PPGN-Core, LLLP; PPGN-Crismon,
3 LLLP; PPGN-Williams, LLLP; and PPGN-Ray, LLLP.

4 These property owners are all entities of the
5 developer commonly known as Harvard Investments. The
6 project is Cadence at Gateway, which is a master-planned
7 community on the northeast side of the alignment, and
8 that's why we're here. Thank you.

9 CHMN. CHENAL: Thank you.

10 MR. TAEBEL: Good afternoon, Mr. Chairman,
11 Members of the Committee. I'm Wilbert Taebel, here on
12 behalf of the City of Mesa.

13 CHMN. CHENAL: Thanks very much.

14 Let's deal with just a couple of preliminary
15 matters before we address the motions to intervene,
16 applications to intervene, which the Committee decides.

17 Just to review the hearing schedule that has
18 been proposed, and I'd like to discuss that with the
19 Committee vis-a-vis the tour. The hearing obviously
20 starts today at 1:00 and will go till 5:00 or -- we're
21 flexible on how long the hearing can go depending on
22 where we are in the hearing.

23 But then at 6:00 this evening, there will be a
24 special session for public comment. And I should comment
25 with respect to public comment, after we have the opening

1 statements, I'll ask if there are any people in the
2 audience that would like to make a public comment. We
3 like to be considerate to those people that take the time
4 to come out and speak. So if anyone knows of someone who
5 is in the audience during this hearing, if you will let
6 me know, I will try to accommodate them as much as
7 possible after breaks and appropriate times, and I just
8 want to be considerate to them.

9 So tomorrow, we will pick up the hearing at
10 9:30 a.m. Then on Monday, we will start the hearing at
11 10:00, and that's because we may have people coming from
12 out of town to the hearing that won't be here Sunday
13 night.

14 But then the following days, September 11th
15 through the 14th, as necessary, we'll be starting at
16 9:30 a.m.

17 So that information is on the Notice of
18 Hearing.

19 We had preliminarily, because of the schedule
20 of Mr. Rich -- and this was all discussed at the
21 prefiling conference and the prehearing conference -- has
22 conflicts because he represents clients at the
23 Corporation Commission. And their hearing is Tuesday,
24 and he has matters that will be heard. So as a courtesy
25 to his schedule, we discussed in principle and put it in

1 the notice as having a tour on Tuesday, at least Tuesday
2 morning, at least to try to accommodate Mr. Rich's
3 schedule.

4 Now, at the time we had those discussions,
5 there were unresolved issues in this case that suggested
6 that this case would take maybe longer than it actually
7 will. Some of those issues have been resolved, we
8 believe, I believe, which may shorten the amount of time
9 necessary for the hearing to take place. We'll get a
10 better feel for that as we go through the hearing.

11 In discussions with Mr. Rich before the hearing
12 started, we may want to take his client out of order. If
13 we want to revise the tour schedule to, say, Monday, if
14 we believe that the hearing may complete by Tuesday, we
15 may want to have the tour on Monday. And if that looks
16 like that's going to be the case, then we may want to
17 take Mr. Rich's client out of order tomorrow afternoon.
18 I don't think it's going to be that long of a time period
19 based on what I understand from having reviewed the
20 testimony summaries.

21 There may be some cross-examination. But,
22 again, given my understanding that a lot of these more
23 contentious issues have been somewhat resolved or
24 entirely resolved, this hearing will be shorter than may
25 be anticipated. So we'll play that by ear.

1 But just generally, we had anticipated a tour
2 on Tuesday morning. But that may be accelerated at the
3 discretion of the -- I'll say at your discretion. If
4 we're going to have a tour and we want to move it up to
5 Monday, we should probably have that discussion at the
6 end of the day and certainly tomorrow, and then Mr. Rich
7 can have his client appear tomorrow afternoon, and we can
8 have a tour Monday.

9 MR. BRASELTON: Mr. Chairman, may I ask a
10 question regarding the scheduling issue? We weren't
11 aware of this until earlier this week, but there are two
12 Jewish holidays next week. Monday and Tuesday,
13 apparently, are both Jewish holidays, and our witness
14 won't be available on either of those days.

15 There's a possibility that we may need to -- if
16 the hearing is going to end before Wednesday, we may need
17 to bring him in out of order tomorrow. So I'm just
18 asking how you would like to address that. Would you
19 like to do that off the record at a break this afternoon?

20 CHMN. CHENAL: Yes, let's do that and let's
21 have that discussion, and then we can put it back on the
22 record, a summary of it. Or we'll have the discussion on
23 the record later today when we see where we go. So if I
24 don't bring it up, I'd like one of the counsel to remind
25 me and we'll have that discussion.

1 Do you have an estimate of how much time your
2 witness might take?

3 MR. BRASELTON: He's a very short witness.
4 Probably, including cross-examination, I can't imagine
5 more than 15 or 20 minutes.

6 CHMN. CHENAL: That should make it pretty easy
7 to work that in.

8 And as this hearing evolves, we'll have a
9 better feel for how long it's going to take, but I'm
10 happy when I heard that some of these issues seem to have
11 been resolved, so ...

12 All right. Let's, then, discuss -- well, there
13 are a couple other things. We may need more microphones.
14 Do you have any more with the stand?

15 MALE TECHNICIAN: No. Unfortunately, we don't.

16 CHMN. CHENAL: Today. But can we get them for
17 tomorrow? Is that a possibility?

18 MALE TECHNICIAN: I can see if we have some
19 more, but this is everything we have from our office.

20 CHMN. CHENAL: Let's see if we can do -- we can
21 take Ms. Sullivan's, maybe, and see what else if you can
22 do. Because I can see right now, there's going to be --
23 we're a little jammed here, and a couple more microphones
24 would be helpful.

25 Also, at the break -- and we'll take breaks

1 every 90 minutes or so just for the benefit of the court
2 reporter and everybody else. But at the break, if a
3 representative of the applicant can maybe give us a
4 little instruction and lead us through the tablet and
5 logging in to the tablet, I think that would be helpful.
6 We won't take the time now during the hearing, but at the
7 break we can do that.

8 MR. OLEXA: We'll be happy to do that,
9 Mr. Chairman.

10 CHMN. CHENAL: Anything else from the Committee
11 before we discuss the parties that wish to intervene?

12 (No response.)

13 CHMN. CHENAL: First of all, two parties have
14 the right to intervene based on the statutes. It's the
15 Town of Queen Creek and the City of Mesa. So they're
16 deemed to be parties to this action.

17 We have some other entities that wish to be and
18 have filed applications to intervene and, as I said, this
19 is a decision that the Committee makes.

20 So in no order predetermined, but just the luck
21 of the draw, let's start with the PPGN entities and
22 Mr. Artigue. And maybe if we could ask you to provide
23 just a brief summary. Maybe, if there's a laser pointer,
24 you could point to the area where the property is located
25 for your client. Just kind of give a little background

1 and why you'd like to intervene, and then we can have a
2 vote. We'll do it vote by entity.

3 MR. ARTIGUE: Mr. Chairman, would you like me
4 up here at the lectern?

5 CHMN. CHENAL: Wherever you're most
6 comfortable.

7 MR. ARTIGUE: Mr. Chairman, Members of the
8 Committee, my name, again, is Cameron Artigue.

9 We have applied to intervene because my clients
10 are currently in the process of developing what is the
11 most significant capital-intensive master-planned
12 community in the area.

13 It is located immediately northwest of node P-6
14 on the map. It is northeast of this segment of the
15 proposed State Route 24 freeway. I'm drawing a sort of
16 circle on the map with the laser pointer if you can see
17 that.

18 The master-planned community consists of 464
19 acres. The zoning is in place, the final plats have been
20 approved. The City of Mesa has approved this for
21 approximately 3,500 residential units. There is some
22 associated neighborhood retail. There's an elementary
23 school site. So it is in all respects a full-fledged
24 master-planned community.

25 I don't want to get into advocacy here, but we

1 obviously have an interest when the transmission line is
2 suggested in the immediate vicinity of our master-planned
3 community. That is why we proposed the request to
4 intervene.

5 What you will hear from me during the course of
6 this hearing is a strong preference and desire to ensure
7 that this segment of the transmission line stays
8 southwest of the State Route 24, which is what Salt
9 River Project has approved -- or has applied for. And in
10 that respect, we are supportive of their application.

11 But I am here as the sort of sentinel, as it
12 were, to make sure that it doesn't migrate northeast.

13 CHMN. CHENAL: Member Haenichen.

14 MEMBER HAENICHEN: Mr. Chairman, my colleague
15 to my left here tells me that he can see the arrows and
16 all, but I can't see that color at all. You should have
17 a green laser to --

18 MR. OLEXA: There is one by the lectern there.

19 MR. ARTIGUE: There we go. This is a hazard to
20 navigation.

21 This is the area I'm talking about, Members of
22 the Committee, sort of from -- here's the P-6 node.
23 Currently, the State Route 24 is constructed to this
24 location. The area of my client's master-planned
25 community is the general area I am drawing an oval with

1 right here, sort of northeast of this segment of the
2 State Route 24.

3 And we've submitted two exhibits that will be
4 on your tablet. They're Exhibits PPGN 1 and 2 that show
5 the geographic extent of the master-planned community,
6 the school site, the cul-de-sacs, the lot lines and so
7 forth.

8 CHMN. CHENAL: Member Woodall.

9 MEMBER WOODALL: The original application
10 included a routing that would have been on the other
11 side; is that correct?

12 MR. ARTIGUE: Yes, Member Woodall. The
13 original application, as filed on August 1st, said that
14 what SRP sought was the flexibility to locate on either
15 side.

16 MEMBER WOODALL: Excuse me. Thank you. You've
17 answered my question.

18 MR. ARTIGUE: Yeah. Two days later it was
19 flexible.

20 MEMBER WOODALL: No. This is a question to
21 SRP's counsel.

22 Since that was in the original application --
23 and I don't mean to have anyone become very concerned
24 here or get frightened or say "OMG." But since it was in
25 the original application, isn't it possible that the

1 commissioners might choose a route that SRP has withdrawn
2 because it was in the original application? And,
3 basically, it was there. I'm not suggesting it should or
4 they would. I'm really asking kind of a nettlesome point
5 here.

6 MR. OLEXA: Commissioner Woodall, it's --

7 MEMBER WOODALL: Ms. Woodall is fine.

8 MR. OLEXA: Ms. Woodall, it's the applicant's
9 position that the amendment to the application is now
10 controlling and officially that the northeast side of the
11 State Route 24 is essentially off the map as a potential
12 option.

13 MEMBER WOODALL: But you didn't get permission
14 to amend the application, did you?

15 MR. OLEXA: It was actually mischaracterized as
16 a supplement as opposed to an amendment, but,
17 effectively, you're right, it amended the original
18 application.

19 MEMBER WOODALL: Well, it purported to amend
20 the original application.

21 And, again, I'm just raising a fine point that
22 I just want to say that it's conceivable, though highly
23 unlikely, that the commissioners could select the other
24 route because it was in the application. I just want to
25 make sure it's not just received as being a done deal

1 because SRP has amended the application. That's the
2 whole point.

3 MR. OLEXA: If I could continue --

4 MEMBER WOODALL: Sure. Please.

5 MR. OLEXA: Under A.R.S. -- I think it's
6 40-360.04, subsection (a) indicates that the
7 Commission -- the Committee does have the option to pick
8 a different route than one that has been applied for.
9 But if, in fact, they go ahead and seek to have a CEC
10 that would have a different route than one that was
11 applied for, they would need to renote the hearing --

12 MEMBER WOODALL: It's already been noticed.
13 That route has already been -- it has already been issued
14 because you filed the application.

15 So I'm just making a fine point here, and I
16 don't want any of the intervenors to think that I'm
17 proposing or suggesting that the route should be
18 otherwise, and I'm specifically not asking SRP if they
19 would, in fact, build it on the other side if the
20 Commission said, It's here or nowhere. I'm not asking
21 that question. I just wanted to bring up this topic so
22 that we could flesh out the record.

23 And I have one more question for you, sir.
24 What actions has your development company done in order
25 to ensure that they would have electric service to their

1 properties? Tell me what your analysis has been about
2 how you would make sure you would get electricity there.

3 MR. ARTIGUE: I don't have that for you right
4 now.

5 MEMBER WOODALL: Okay. All right. Thank you.

6 MR. ARTIGUE: I can get that for you as part of
7 my case in chief.

8 MEMBER WOODALL: I have no other questions.
9 Thank you.

10 CHMN. CHENAL: Thank you. So the statutes,
11 specifically A.R.S. 40-360.05, governs who can be a party
12 to the proceeding. And it says: Such other persons as
13 the Committee or hearing officer may at any time deem
14 appropriate.

15 And the other parties being the County and
16 certain governmental entities and certain non-profit
17 associations that are outlined that don't really include
18 the group that we're considering right now.

19 So this basically is up to the discretion of
20 the Committee. So I think we've had basically a liberal
21 view of intervention where parties' interests are
22 impacted by what's been proposed.

23 So let's do it one by one. So with respect to
24 the -- he's right. It's the PPGN entities.

25 The PPGN entities, all in favor of allowing for

1 the intervention, please say "aye."

2 (A chorus of ayes.)

3 MEMBER NOLAND: Do we need a motion to do this?

4 CHMN. CHENAL: We should have a motion to do
5 this.

6 MEMBER NOLAND: I think it should be a motion.

7 MEMBER WOODALL: I move, Mr. Chairman, that we
8 allow PPGN and enterprises to be an intervenor.

9 MEMBER PALMER: Second the motion.

10 CHMN. CHENAL: And thank you for that.

11 You know, you do these and you have a hiatus,
12 and you get a little rusty. But I have a good group here
13 that will have no hesitation to remind me of rules of
14 order.

15 So we have a motion and a second with respect
16 to allowing PPGN to intervene.

17 All in favor say "aye."

18 (A chorus of ayes.)

19 CHMN. CHENAL: All opposed say "opposed."

20 (No response.)

21 CHMN. CHENAL: Okay. PPGN is deemed to be an
22 intervenor in this hearing.

23 Now, the next one on my list is Proving Grounds
24 LLC, represented by Beus Gilbert. They filed a motion to
25 intervene or application for leave to intervene, and

1 their counsel appeared at the -- at at least one of the
2 conferences we've had, prefiling and/or prehearing
3 conference. But they don't seem to be represented here,
4 so we won't consider their motion at this time. This is
5 the time for them to do it. If someone comes in later, a
6 car accident or late or something like that, maybe we'll
7 reconsider it. But at this point, we'll move on.

8 We also have the Vlachos Enterprises group --
9 and this is kind of the same situation -- represented by
10 Tiffany & Bosco. They also have filed a notice of intent
11 to be an intervenor. And they have appeared at the
12 previous hearings, and they're not here today. So I
13 guess we'll put them in the same category. We won't
14 consider their application at this time.

15 Next, we have the -- I want to say the dairy
16 group, but it's the Inner Loop owners group with Mr. --
17 represented by Mr. Rich and his associate.

18 So, Mr. Rich, why don't we go through the same
19 drill with you, please.

20 MR. RICH: Thank you, Mr. Chairman, Committee
21 Members. Again, Court Rich from the Rose Law Group for
22 your records.

23 So my clients, I will point out on the map, own
24 547 acres to the west of Loop 202. They are in the
25 process and have been working for the last three years

1 with the City of Mesa to rezone not only those 547 acres,
2 but also it's a total of 1,152 acres that actually span
3 both sides of the Loop 202.

4 And the remainder of that acreage is owned by
5 the Arizona State Land Department, who I do not represent
6 here today, but they are working hand in hand with my
7 clients on this development project. They're certainly
8 potentially impacted by this alignment. I think that
9 intervention is certainly proper and, given historic
10 context, is something that the Committee would generally
11 support in this situation.

12 So I certainly have a lot more to say about the
13 alignment and why we think it should be on the east side
14 of Loop 202, but I look forward to telling you that
15 during my opening statement and when we put on our
16 hopefully brief case.

17 So thank you.

18 CHMN. CHENAL: Thank you very much, Mr. Rich.

19 Any questions from the Committee?

20 (No response.)

21 CHMN. CHENAL: May I have a motion to consider
22 allowing the Inner Loop owners to intervene in this
23 hearing?

24 MEMBER WOODALL: So moved.

25 MEMBER NOLAND: Second.

1 CHMN. CHENAL: We have a motion and second.

2 All in favor say "aye."

3 (A chorus of ayes.)

4 CHMN. CHENAL: All opposed say "nay."

5 (No response.)

6 CHMN. CHENAL: Thank you, Mr. Rich. Your
7 clients are deemed admitted to the hearing.

8 All right. Are there any -- before we begin
9 the opening statements, are there -- have the parties
10 complied with the procedural order with respect to the
11 disclosure of testimony and exchange of exhibits?

12 Can I have -- Mr. Olexa, can you just confirm
13 that you and the other parties have so complied?

14 MR. OLEXA: Mr. Chairman, on behalf of the
15 applicant, we have complied. We have exchanged exhibits
16 with the other parties as well as proposed testimony and
17 summaries of the testimony.

18 CHMN. CHENAL: Okay. Let's go to the other
19 parties.

20 Mr. Braselton.

21 MR. BRASELTON: To my knowledge, my client has
22 complied, yes.

23 CHMN. CHENAL: Mr. Rich.

24 MR. RICH: Yes, Chairman, my client has
25 complied. To my knowledge, all the parties have

1 complied.

2 CHMN. CHENAL: Mr. Artigue.

3 MR. ARTIGUE: Yes, Mr. Chairman.

4 CHMN. CHENAL: And Mr. Taebel with the Mesa --

5 MR. TAEBEL: I agree with these other
6 gentlemen. All parties are in compliance.

7 CHMN. CHENAL: Okay. Let's begin with the
8 opening statements.

9 Is the applicant ready to present its opening
10 statement? And then we'll hear from the other parties.

11 MR. OLEXA: Yes, Mr. Chairman.

12 CHMN. CHENAL: Please proceed.

13 MR. OLEXA: Good afternoon. As I mentioned
14 before, my name is Garrett Olexa with the -- attorney
15 with the law firm of Jennings, Strouss & Salmon. And I,
16 along with Kenneth Sundlof and Karilee Ramaley from Salt
17 River Project, represent the applicant.

18 And we are pleased to present to you the
19 Southeast Power Link Project. More importantly, we're
20 pleased to present a project and project alignments that
21 have the support of local communities and the landowners.

22 Additionally, we just learned today that the
23 FAA has issued a favorable determination with regard to
24 SRP's proposed project. In short, the FAA sees no
25 aviation-related reason SRP's project could not proceed

1 as proposed.

2 Even though there is no longer an FAA issue, we
3 will present an aviation expert to go ahead and explain
4 the efforts that were undertaken to resolve the
5 FAA-related issues and to explain, essentially, the
6 meaning of the finding that came out this morning.

7 I will use my allotted time primarily to
8 introduce you to the project area and the area that the
9 project will serve, to address why there is a need for a
10 project, and, of course, to discuss the project itself.
11 I will also touch on where the new proposed transmission
12 would fall in the existing 230kV system, provide a quick
13 overview of the proposed alignments, and a breakdown of
14 the various segments of the project. Finally, I'll
15 present a short summary of the testimony that we expect
16 to present here during the hearing.

17 I want to start by getting you oriented, if I
18 might, with the project area. You will see that the
19 general location map, which has been marked as SRP
20 Exhibit 7 shows the project area. The project area is
21 outlined in orange dotted lines on the exhibit on the
22 right screen, which is SRP-7, and I'll point to it with
23 the laser pointer since it's a little bit faded.

24 As you can see from SRP Exhibit 7, Mesa is up
25 here in blue and down in the project area. Down below in

1 the south, we have the area of Queen Creek in brown.

2 The project itself -- also, to the left of the
3 project area is the Phoenix-Mesa Gateway Airport, and
4 directly running through the project area is the 202 and
5 part of the State Route 24, which is only partially built
6 at this point.

7 Next, I want to address the area that the
8 project will actually serve.

9 What you're looking at on the right screen is
10 SRP Exhibit 3, which is entitled Mesa Gateway Area Map.
11 This particular map is also on the placemats of the
12 Committee members.

13 A portion of this project area is referred to
14 generally as the Mesa Gateway area. On the top of this
15 particular map, up near flag No. 14, is an area referred
16 to as the Elliot Road Technology Corridor. And I'm
17 pointing to that with the green laser pointer.

18 As I mentioned, Exhibit SRP-2, which is on the
19 left screen, shows the overall project area. The project
20 will not only support the area of Mesa shown on Exhibit 2
21 as well as the northern part of Queen Creek, it will
22 actually strengthen the northern part of essentially the
23 entire East Valley because of the connections that will
24 be made through this Power Link.

25 While the project area on these maps may not

1 appear all that large, it is a project of critical
2 importance to the Mesa Gateway area. This is an area
3 that's experiencing tremendous growth in a variety of
4 sectors.

5 Still referencing Exhibit No. 3 on the right
6 screen, I want to point out some of the current
7 development and businesses in this region.

8 Apple's 1.3 million-square-foot global command
9 center is located in this area. EdgeCore, which is a
10 provider of large-scale data centers, has recently broken
11 ground on a 1.2 million-square-foot facility in this
12 area. Niagra Bottling recently opened a state-of-the-art
13 450,000-square-foot production facility in this region.

14 Other future high-tech manufacturing and data
15 centers are anticipated as well, including CyrusOne,
16 Digital Realty Technologies, and EdgeConnex, all of which
17 have already purchased land in this area.

18 Working my way down on Exhibit SRP-3, in the
19 area of flag No. 11 is the 3,200-acre Eastmark
20 master-planned community, which was one of the fastest
21 selling communities in the U.S.

22 Just south of that, in the general area of flag
23 No. 10 on Exhibit SRP-3, is the Cadence at Gateway, a
24 464-acre housing mixed-use development that Mr. Artigue
25 mentioned.

1 You can also see on Exhibit SRP-3, to the west
2 of State Route 24, the Phoenix-Mesa Gateway Airport. The
3 airport has become an economic development hub for the
4 Southeast Valley. The airport's 2030 plan indicates that
5 the airport anticipates the addition of not only a new
6 terminal but privately owned buildings that will be used
7 for retail, office, and hotels.

8 The Phoenix-Mesa Gateway Airport will also be
9 the home to SkyBridge Arizona, the nation's first
10 international air cargo hub to house both U.S. and
11 Mexican customs. The SkyBridge project is projected to
12 increase cargo flights out of the Mesa Gateway Airport by
13 2,000 flights a year and is projected to generate an
14 additional 17,000 jobs in the area.

15 The Mesa Gateway area is projected to have a
16 need for over 1,500 acres of industrial land, 400 acres
17 of office space, and 500 acres of retail space. The area
18 is also projected to have 100,000 jobs and 35,000
19 students by the year 2030.

20 The areas shown on Exhibit SRP-3 are already
21 the home to major businesses as well. Businesses such as
22 CMC Steel, TRW, First Solar, Mitsubishi Gas Chemicals,
23 Vlachos Nurseries and Jorde Farms are all -- call this
24 area home, and more growth is expected.

25 The project area is currently served primarily

1 through an existing 69kV network, supported largely by
2 the Browning Substation.

3 Exhibit SRP-9, which is on the right screen,
4 depicts SRP's existing 230kV system and where this
5 particular proposed line would actually fall within that
6 system. The Southeast Power Link line is right there in
7 the center of SRP-9, and it's exhibited by these green
8 dotted lines.

9 As you can see, there are areas to the north
10 and to the west, the project area served by an existing
11 230kV system, and permitted but not-yet-built line to the
12 south and east of the new proposed line.

13 What is currently missing is a 230kV line that
14 would link where the existing lines in the north and the
15 future permitted lines in the south exist. With the
16 growth that I just described in the Mesa Gateway area
17 together with the growth that is projected to continue in
18 this area comes an immediate need for a source of bulk
19 power. With this project, SRP can meet that need.

20 You will hear testimony during the hearing of
21 why approval for this project is being sought now. While
22 this area has experienced significant growth, some of the
23 proposed alignment areas are not fully built out yet.
24 This presents SRP with a window of opportunity with an
25 attempt to do things such as locate a substation at the

1 center of the growth that it will serve to maximize
2 compatibility with linear features such as freeways and
3 to minimize impact on property owners.

4 Load requests also support the near-term need
5 for this project. Approximately 80 percent of the
6 customer-requested load studies SRP performed in 2017
7 were located in this area.

8 SRP has received load requests totaling over
9 500 megawatts in the past year alone and has had several
10 inquiries from customers in this area who expect loads in
11 excess of 100 megawatts.

12 To put that into perspective, this area has
13 entirely 200 megawatts of load today. Thus -- and this
14 is critical -- without upgrades, the existing system in
15 the project area cannot support SRP's load forecast.

16 Put simply, the purpose of this project is to
17 enhance the overall electric system in this area. That
18 includes supplying additional capacity, ensuring that SRP
19 can meet future demand, and supporting the reliability of
20 the electric system.

21 Next, I'd like to provide some details about
22 the project itself.

23 The proposed project is to construct
24 approximately seven miles of new double-circuit 230kV
25 transmission line that will originate in the City of Mesa

1 and terminate in the Town of Queen Creek.

2 The project also proposed to add a new 230/69kV
3 substation. SRP proposed to locate the new substation
4 near the east side of Loop 202 and future State Route 24
5 interchange. You can see it here on Exhibit 2 in orange.
6 For now, SRP is calling that substation RS-31. In the
7 future, it will be given a name.

8 To provide a quick visual overview of the
9 project, I'll direct the Committee back to SRP-2, which
10 is up on the left screen. The proposed alignment for
11 this project is shown by the bright green line running
12 down the center of the exhibit.

13 On Exhibit SRP-2, we can also see the proposed
14 location in orange that I just pointed to between P3 and
15 P5 that rests between the 24 and the 202.

16 A closer view on Exhibit 31 is just a blown-up
17 view of the substation siting area that you can see.

18 Turning back to Exhibit 9, as I mentioned, this
19 map depicts where the proposed Southeast Power Link
20 Project would fall within the larger 230kV system.
21 Again, that link is shown by the green dotted line in the
22 middle of the exhibit.

23 As you can see, the new proposed line will
24 originate in the north at the interconnection point with
25 the existing Santan-Browning transmission line, with

1 Santan being in the upper left of this exhibit and
2 Browning being in the upper right portion of the exhibit,
3 and it would terminate at an interconnection point with
4 the permitted future Abel-Pfister-Ball transmission line.
5 Abel is at the very bottom of this particular exhibit in
6 the south, Pfister will be north of that area when it is
7 built, and then Ball would be north and west of that
8 area. The proposed system would link directly to four
9 existing 230kV substations.

10 Such a design provides a high degree of
11 stability and reliability. In fact, because of the
12 proposed line that would link the north and the south
13 parts of the East Valley, it would help to ensure the
14 reliability of power transmission for the East Valley as
15 a whole.

16 I want to address for a minute how SRP got to
17 the proposed alignment that you see on SRP Exhibit 2,
18 which is the map on the left screen.

19 Exhibit SRP-32, which is the map on the right
20 screen, is a visual of the initial alignments and
21 possible alternatives that were originally considered.
22 The initial proposed alignments are shown in orange, and
23 the alternatives or possible alternatives are in yellow.

24 The alignments were designed to be centrally
25 located relative to the most likely areas in which

1 development would occur. The alignments were also
2 generally selected to follow strong linear features to
3 provide the best opportunities to route a transmission
4 line, such as the freeways in the area.

5 These opportunities were evaluated with regard
6 to numerous environmental and socioeconomic criteria to
7 determine the alignments that would be least impactful.

8 After soliciting input during public
9 involvement process, working closely with stakeholders
10 and property owners, and evaluating the potential
11 alignments, SRP was able to narrow the possible
12 alignments.

13 As shown on Exhibit SRP-34, which is now up on
14 the right screen, which -- this particular map,
15 Exhibit SRP-34, was a map that was presented during the
16 prefiling conference in this matter, and that was in
17 roughly mid-July. As of that time, you can see that the
18 alignments had been substantially narrowed down.

19 After working with Mesa and Queen Creek as well
20 as the adjacent landowners, the yellow lines that
21 originally appeared on Exhibit SRP-32 were removed.

22 By August 3rd, SRP amended its application to
23 file -- to make a final deletion. And at that point,
24 they eliminated the northeast side of the State Route 24.

25 In spite of strong opposition, SRP initially

1 had left the alignment in the application because of
2 constructability concerns on the southwest side of State
3 Route 24. Shortly after filing its application, SRP was
4 able to confirm that it could construct on the southwest
5 side, and it deleted the possible alignment along the
6 northeast side.

7 While there were originally concerns that some
8 of the new poles might penetrate the FAA flight surfaces,
9 I am pleased to inform the Committee that after SRP filed
10 the supplement to its application, SRP's aviation expert
11 received verbal feedback from the FAA that it did not
12 believe SRP's proposed construction would interfere with
13 any applicable surfaces or flight procedures.

14 Because of the foregoing change, we ended up
15 removing certain exhibits that we initially filed;
16 namely, Exhibits 22, 23, 25, and 27 were removed.

17 Further, as I mentioned at the beginning, just
18 this morning we got additional good news that the FAA had
19 issued a written determination finding there to be no
20 hazard from the proposed construction and that the
21 proposed structures will have no adverse effect upon
22 navigable airspace or air navigation facilities. Stated
23 simply, there are no FAA issues that would prevent this
24 project from proceeding as proposed.

25 During this hearing, we will present witnesses

1 who will address in greater detail the options that were
2 initially considered, which possible routes were
3 eventually removed from consideration and why they were
4 removed, what options remained, and what SRP's
5 preferences are with respect to those options.

6 What we expect the takeaway to be from that
7 particular testimony is that SRP started broad, gave
8 thoughtful consideration to a wide variety of factors for
9 each possible alignment, and then narrowed the list of
10 possible alignments to those that would have the least
11 impact on the public and the environment.

12 During the testimony, you will hear references
13 to four distinct geographic areas for this project.
14 Because they will be referenced during the hearing, I
15 wanted to take a minute to show you how those particular
16 locations actually break down.

17 The northern routing area, as seen in
18 Exhibit SRP-21, which is up on the right screen, it
19 connects the existing Santan-Browning 230kv transmission
20 line on the north to the RS-31 Substation siting area in
21 the south. Here, SRP proposes two options, one along the
22 east side and one along the west side of the 202.

23 The east side option is SRP's strong
24 preference. It is our understanding that the Inner Loop
25 landowners also prefer the east side of the 202, and

1 we're not presently aware of any opposition to the east
2 side.

3 The next area is RS-31 Substation siting area,
4 which is seen on Exhibit SRP-31 on the right screen.
5 This area consists of approximately 226 acres on the east
6 side of the Loop 202/State Route 24 interchange. SRP is
7 in the process of exploring final locations but would
8 like to have flexibility to locate anywhere within the
9 226 acres.

10 The third area is the central routing area,
11 which is seen on Exhibit SRP-24, which is up on the right
12 screen. The area begins in the RS-31 Substation site and
13 then follows portions of the built and unbuilt State
14 Route 24 on the southwest side. The intent here is to
15 parallel the ADOT right-of-way. This alignment is
16 supported by the adjacent landowners and the City of
17 Mesa.

18 Finally, the southern routing area, which is
19 shown on Exhibit SRP-26, connects the proposed
20 transmission line along the future State Route 24 to the
21 permitted future Abel-Pfister-Ball 230kV transmission
22 line to the south. This is an alignment along Crismon
23 Road. SRP requests flexibility to build along the road
24 right-of-way on either the east or the west side. This
25 alignment is supported by the Town of Queen Creek and by

1 the Vlachos Group.

2 SRP will present its case through six
3 witnesses, three testifying individually and three
4 testifying presented in the form of a single panel.

5 The first witness will be Mike Jones.
6 Mr. Jones is the director of transmission planning,
7 strategy, and development for SRP. He's the senior
8 executive at SRP responsible for the planning and
9 permitting of this project.

10 He will provide a high-level overview
11 addressing the area in question, the purpose and need of
12 the project, the transmission proposed, the load-serving
13 capacity, the proposed alignments, and some of the issues
14 that have arisen concerning the possible alignments.
15 Mr. Jones will testify the project is needed to serve the
16 area and that the system configuration proposed will
17 present the best option to do so.

18 The second witness for SRP will be Clyde
19 Pittman. Mr. Pittman is a certified aerospace engineer,
20 the director of engineering at the aviation consulting
21 firm of Federal Airways & Airspace. Mr. Pittman and his
22 company were retained to help SRP better understand the
23 complexities of the airport procedures and the FAA
24 regulations and to ensure that this project does not
25 unreasonably interfere with any of the airport's services

1 or operations.

2 Mr. Pittman and his colleagues performed an
3 aviation analysis of the transmission that is the subject
4 of SRP's CEC application and assisted SRP in preparing
5 and filing what is called a 7460 application with the
6 FAA. He will describe what were initially flagged as
7 potential issues, how those issues were actually resolved
8 through his office working with the FAA.

9 Mr. Pittman will describe his analysis, the
10 process associated with the application that had been
11 filed, what the airport has planned in terms of changes
12 for the future, and conclusions reached as a result of
13 his analysis.

14 In summary, Mr. Pittman is of the opinion that
15 SRP's proposed construction should not be denied or
16 delayed in any way for aviation-related issues.

17 The third witness from SRP will be Zack Heim.
18 Mr. Heim is currently manager of SRP's transmission
19 planning group.

20 He will provide an overview of the SRP system,
21 the process of load forecasting, what load SRP can
22 currently serve, and what the forecast revealed for the
23 Mesa Gateway area.

24 Mr. Heim will also testify concerning how SRP
25 plans transmission, the timing of this project, the

1 proposed design configuration and options, and the
2 potential problems if this project were not approved.

3 In short, you will hear that Mr. Heim is of the
4 opinion that the project is needed to serve the projected
5 electric loads in this area and that SRP is proposing a
6 very reasonable way to serve that need.

7 Following Mr. Heim, we will present to you the
8 panel of witnesses that I first mentioned.

9 The first member of the panel is Mr. Grant
10 Smedley. Mr. Smedley is the director of power delivery
11 engineering for SRP and the project manager for the
12 project.

13 The second panelist is Kenda Pollio.
14 Ms. Pollio is an environmental consultant with the firm
15 ENValue.

16 The third panelist will be Debbie Vaske,
17 manager of public involvement at SRP.

18 Mr. Smedley will address the alignment options
19 being presented to the Committee, SRP's communications
20 with interested parties, and the preferences related to
21 the various options. He will also walk us through a
22 flyover of the proposed routes. Mr. Smedley will tell
23 you that SRP is seeking a ten-year term and will explain
24 why, in this situation, SRP believes that a ten-year term
25 is reasonable.

1 Finally, Mr. Smedley will provide you with the
2 estimated project cost, the notice to the public that has
3 been provided, and the route tour that has been planned
4 for the Committee.

5 Ms. Vaske will describe the extensive public
6 process that has been undertaken by SRP in connection
7 with this particular project. She will also explain how
8 public feedback helped to narrow the proposed alignments.

9 Ms. Pollio will address the environmental
10 assessment she and her firm performed with respect to
11 this particular project. She will explain why certain
12 alignments that were originally considered by SRP were
13 later removed as options. Ms. Pollio will also show you
14 simulations of the transmission system that is planned.

15 Finally, Ms. Pollio will address the
16 environmental factors set forth in Arizona Revised
17 Statutes 40-360.06 and will opine that the project is
18 acceptable under all the criteria set forth in that
19 statute.

20 When this hearing is complete, SRP will have
21 presented testimony and evidence to support the following
22 conclusions:

23 One, the project is necessary, given both the
24 present need and the increased load that's being forecast
25 in this area.

1 Two, that the project satisfies the factors set
2 forth in A.R.S. 40-360.06.

3 Three, that the routes proposed by SRP are the
4 most reasonable way to deliver this power with the least
5 impact to the public.

6 Four, that the timing of this application and
7 the term being sought are appropriate and reasonable.

8 And five, that the CEC being sought by SRP
9 should be approved.

10 Thank you.

11 CHMN. CHENAL: Thank you, Mr. Olexa.

12 Member Woodall.

13 MEMBER WOODALL: Sir, during the course of your
14 testimony from your witnesses, could you provide an
15 explanation for why the application requests a 40-acre
16 parcel for the substation and the diagram that's included
17 in Exhibit G computes to 22.9 acres?

18 The second issue that I'd like you to address
19 is what are going to be the heights of these structures,
20 because I didn't see any of those in Exhibit G. And a
21 corollary to that is, are you suggesting that any of
22 these structures or all of these structures are going to
23 be used for the transmission line, or are some going to
24 be used in some areas and not others?

25 And, personally, for me, if a CEC was under

1 discussion, it would be very helpful to me to have
2 heights -- anticipated heights of the structures within
3 the body of the proposed CEC.

4 And I realize you can't -- you haven't designed
5 it yet, but it would be helpful to me to know just what
6 we're talking about because, basically, I have a whole
7 bunch of drawings, and I don't know exactly which ones
8 are going in or how high they are going to be.

9 Thank you.

10 MR. OLEXA: The first question addressed the
11 substation siting area and the size of it?

12 MEMBER WOODALL: Sure. I'm just needing to
13 know if any certain -- if you could just ask your
14 witnesses about it. I'm not asking you to respond right
15 now. I'm just giving you a heads-up so I don't interrupt
16 the orderly flow of your examination.

17 MR. OLEXA: Okay. I appreciate that. Thank
18 you very much.

19 MEMBER WOODALL: You're welcome, sir.

20 CHMN. CHENAL: Member Haenichen.

21 MEMBER HAENICHEN: Will a representative of the
22 FAA give any testimony to give the Committee members
23 opportunities to question them?

24 MR. OLEXA: No, but we will have our aviation
25 consultant testify, and we will present the letter that

1 came out this morning from the FAA, which has been
2 premarked as Exhibit 56, I believe. So we will present
3 that, but there will not be a specific witness from the
4 FAA.

5 MEMBER HAENICHEN: So we'll really be unable to
6 have dialogue with them about how they reached their
7 conclusions and that sort of thing?

8 MR. OLEXA: That is true. But I can tell you
9 that the aviation consultant that SRP retained and who
10 will testify will testify that the analysis that he and
11 his company performed is the same analysis that was
12 performed by the FAA. He will also testify that his
13 office, including himself, has had communications
14 directly with the FAA about this project. So I believe
15 we will be able to address those issues.

16 MEMBER HAENICHEN: Thank you.

17 CHMN. CHENAL: Okay. Thank you, Mr. Olexa.
18 Let's go down the line.

19 Mr. Braselton, if you don't mind.

20 MR. BRASELTON: Mr. Chairman, my much younger
21 and better-looking associate, Mr. Cloar, is going to be
22 doing the opening.

23 CHMN. CHENAL: Please proceed.

24 MR. CLOAR: Thank you, Mr. Chairman, Members of
25 the Committee. Vail Cloar of Dickinson Wright law firm

1 representing the Town of Queen Creek.

2 As you heard during SRP's opening statement,
3 the proposed alignment enters the southern portion of --
4 the proposed alignment enters the Town at the Town's
5 northern boundary along Crismon Road.

6 The Town is in favor of the proposed Crismon
7 Road alignment for three reasons, which you will hear
8 from the Town's authorized designee Mr. Rob Sachs.

9 First, the Crismon Road alignment minimizes the
10 impact upon private property located within the Town's
11 boundaries, and the Town believes it increases the
12 likelihood that it will be developed to its optimal uses.

13 Second, the Crismon Road alignment is the most
14 compatible line with the Town's North Specific Area Plan,
15 which is the Town's integrated infrastructure and land
16 use plan for the northern portion of the Town.

17 Third, there is already 69 kilovolts of power
18 line that exists along the Crismon Road alignment, and it
19 is the Town's hope that the applicant would collocate the
20 requested 230-kilovolt power line with the -- the Crismon
21 Road alignment has a preexisting 69-kilovolt power line,
22 and it is the Town's hope that the applicant would
23 collocate the requested 230-kilovolt power line with the
24 69-kilovolt power line, which would eliminate the need
25 for two separate lines of towers and transmission cables.

1 And one last comment before I sit down. If I
2 may, Mr. Chairman and Members of the Committee, on behalf
3 of the Town, we would like to commend SRP and its counsel
4 for the way that they've communicated and worked with the
5 Town as well as the affected parties within the Town.
6 And the Town appreciates those efforts and looks forward
7 to working with SRP as the Town's needs continue to grow.

8 Thank you.

9 CHMN. CHENAL: Member Woodall.

10 MEMBER WOODALL: You mentioned that you have a
11 specific area plan for Queen Creek.

12 MR. CLOAR: Yes.

13 MEMBER WOODALL: Does it include a
14 transportation element?

15 MR. CLOAR: I believe there is a transportation
16 element; and the witness for the Town, the right-of-way
17 agent for the Town, will testify about that.

18 MEMBER WOODALL: What I would like to know is
19 whether or not you have a utility corridor or component.
20 I know you can, but I'm just wondering if you have. And
21 the subject matter is really what kind of planning has
22 the Town done to incorporate needed electric utility
23 infrastructure within its own planning efforts. That's
24 the question.

25 MR. CLOAR: We'll make sure to address that.

1 MEMBER WOODALL: Thank you.

2 CHMN. CHENAL: Thank you very much, Mr. Cloar.
3 Mr. Rich.

4 Make sure you have a proper-colored laser
5 pointer.

6 MR. RICH: We'll do that. In fact, I'm the one
7 who snuck the red one to my colleague over there just to,
8 you know, kind of one-up him with the green one later.

9 Before I start with -- the SRP crew in the
10 back, if you have the Inner Loop exhibits, if it's
11 possible that you could put up Inner Loop 1 on the
12 screen. I was told that you had those on your system.

13 FEMALE TECHNICIAN: We have them on the
14 tablets.

15 MR. RICH: Well, I will refer loosely, if you
16 all -- the Committee, you have Inner Loop Exhibit 1 -- I
17 refer to that during my discussion here.

18 Good afternoon. My name is Court Rich from the
19 Rose Law Group on behalf of the Inner Loop landowners.

20 Why am I referring to these landowners as the
21 Inner Loop landowners? Well, I'll tell you. They've
22 been working for the last three years with the City of
23 Mesa to have a coordinated development, which they refer
24 to as the Inner Loop Planned Area Development. So
25 there's the name.

1 These landowners are dairymen that have been
2 operating in this area for many, many years. And they
3 have been working together over this time to have a
4 coordinated development that will allow them to move what
5 has become a less-than-perfect neighbor to the
6 residential units that have sort of encroached on the
7 area and to move these dairies out of the area and come
8 back in and fill it in with useful and beneficial
9 development.

10 And let me, again with the pointer here, orient
11 you to where we're discussing. And if the members of the
12 Committee were able to pull up --

13 MEMBER WOODALL: I have it.

14 MR. RICH: If you're able to pull up Inner Loop
15 Exhibit 1.

16 MEMBER WOODALL: Are you talking about the map?

17 MR. RICH: Yes. It's a land use map. It's
18 colorful. It's zoomed in on this area, and I'll pause
19 for a moment until it looks like folks have that.

20 MEMBER WOODALL: It's under Intervenor Exhibits
21 for those who are trying to find it on the tablet. And
22 it's the Inner Loop Owners Exhibits with Print packet.

23 MR. RICH: I thought I did my due diligence
24 before. I guess I didn't ask the right question
25 specifically.

1 MEMBER WOODALL: It's available to us,
2 Mr. Rich.

3 CHMN. CHENAL: Let's make sure everyone has it.
4 We all have it.

5 MR. RICH: Great. Thank you. Sorry. I will
6 endeavor to work more closely with the tech support team
7 before my next time.

8 So what you see there is the most recent land
9 use plan that they've developed for this site. And we
10 will have a witness, Mr. Wendell Pickett, who is one of
11 the premiere land planners in the state of Arizona, come
12 and talk to you about what it is that they're planning to
13 do in this location.

14 Now, I think when we first became engaged in
15 this issue, you heard from Mr. Olexa and from SRP, and
16 you saw there are several different yellow lines as
17 potential alignments that were going to potentially
18 bisect this development.

19 And we are certainly pleased now that we're
20 down to dealing with the single line here through the
21 northern alignment, the northern portion of this
22 proposal. And we're not only pleased that we're only
23 dealing with one line, I think some consensus has arisen
24 with regard to supporting the alignment only on the east
25 side of Loop 202.

1 So you heard Mr. Olexa, the word that he used
2 during his opening statement was that SRP has a strong
3 preference for the east side of the Loop 202, and we
4 appreciate that and agree not only has the applicant
5 agreed with the east side of Loop 202 -- you will see we
6 have another exhibit that I'll use during the
7 examinations of my witnesses, it's Inner Loop No. 2,
8 where the State Land Department, who owns all of that
9 land on the east side of the Loop 202, that's the land on
10 the east, they have said that we prefer the line as sited
11 to the east. So there is a unanimity of the parties that
12 has arisen.

13 So, hopefully, this makes your job much easier
14 as we move forward. And we're going to ultimately ask
15 that when it comes time to grant the CEC, that there's
16 one little phrase there where it says "east or west side"
17 of the Loop 202, and that you strike that "west side" and
18 just have it on the east side. And there are reasons why
19 I think everyone's come together around this.

20 And first of all, going west costs more. It's
21 a longer alignment. And we'll talk about this as we go
22 forward. But the west side requires a crossing of the
23 Loop 202 to come back over to go into the substation,
24 making it slightly longer.

25 It also requires two turning structures, one to

1 turn east and then one to turn south again. Those
2 turning structures are bigger, they're uglier, they're
3 taller, they're more expensive. So those are the kinds
4 of things that you avoid by staying on the east side.

5 And perhaps even most importantly above the
6 cost and sort of the other obvious stuff is this Elliot
7 Road -- and now the green one's out, so you'll just have
8 to bear with me.

9 So the Elliot Road Technology Corridor, which
10 is located in bold on the map, you see it there, and
11 there's a green light being shined at it. Thank you,
12 Mr. Chairman.

13 That corridor is the area that Mr. Olexa talked
14 about where Apple is locating, where other data centers
15 are locating, where very, very intense energy users are
16 locating, which is one of the primary reasons for this
17 project. Those energy-intensive uses, those data
18 centers, will need to interconnect often at transmission-
19 level voltage. Being closer to the transmission line
20 makes that much more sense. It makes those
21 interconnections easier, more affordable. There won't
22 have to be lines that come back over the Loop 202 to feed
23 into those areas or off of the substation perhaps to feed
24 into those areas.

25 So to the extent that this Committee's goal is

1 to try to build the infrastructure as close as possible
2 to where it's really needed, again, that's another reason
3 to select the east side of the Loop 202.

4 So I will end my remarks there. I'm happy to
5 answer any questions or take any advice on things you'd
6 like to hear from us later in this case as well.

7 Thank you very much.

8 CHMN. CHENAL: Member Woodall.

9 MEMBER WOODALL: Mr. Rich, I would like to hear
10 from your witnesses -- you're probably hearing a theme
11 here -- of what efforts they've made to ensure that
12 they're going to have appropriate electrical
13 infrastructure to serve their development, which I have
14 understood you to be saying is at this point just a plan
15 on paper; is that correct?

16 MR. RICH: Yes, Member Woodall.

17 MEMBER WOODALL: It's a bubble drawing with
18 squares?

19 MR. RICH: It's more than just a bubble
20 drawing. It's been negotiated and worked with the City
21 of Mesa for several, several years now, but -- it is not
22 yet rezoned and approved with the City but is far along
23 in the process.

24 MEMBER WOODALL: I guess the question is,
25 basically, what have your clients done in order to

1 prepare for -- I mean, they're going to need electric
2 power there, so how did that factor into their thinking
3 in terms of their development plan? And maybe the answer
4 is it didn't. You know, I'd just like to have a
5 response. Thank you.

6 MR. RICH: Thank you.

7 CHMN. CHENAL: Yes, Mr. Rich.

8 I guess I misunderstood one thing. I thought
9 you said your clients owned property on both sides of the
10 202. I thought I heard that. Maybe I misunderstood it.
11 But then I thought I heard that the State Land Department
12 owned the entirety of the land on the east side.

13 MR. RICH: Thank you, Mr. Chairman. I
14 appreciate the opportunity to resolve your confusion.

15 If you have in front of you Inner Loop 1 -- if
16 I had it in front of me, I would show you that that land
17 on the east is owned by the State Land Department. The
18 Arizona State Land Department owns all the land to the
19 east of Loop 202, and the State Land Department has been
20 working with my clients on the rezoning of all of the
21 acreage that you see before you in Inner Loop Exhibit
22 No. 1.

23 So that entire master plan that you see there
24 represents the 547 acres that my clients own as well as
25 additional acreage that brings the total to 1,152 acres

1 that's owned between my clients and the State Land
2 Department that they have been collectively working with
3 the City of Mesa to rezone it all at one time. And I
4 hope that clears that up.

5 And when my witness is up, he can take you
6 through that, and we'll have that on the screen for you
7 to get more detail.

8 CHMN. CHENAL: Any further questions of
9 Mr. Rich?

10 (No response.)

11 CHMN. CHENAL: Thank you.

12 MR. RICH: Thank you.

13 CHMN. CHENAL: Next, we'll hear from
14 Mr. Artigue or whoever wants to go.

15 MR. ARTIGUE: Good afternoon, Mr. Chairman,
16 Members of the Committee.

17 You may get a lopsided view of how this hearing
18 is going to proceed because this is the second time
19 you've heard from me in an hour or so. My hope and
20 expectation is that, as this hearing unfolds, I sit there
21 and don't have to say much of anything at all. So this
22 may be my one moment in the sun to engage with you, and I
23 appreciate that.

24 The news that the FAA has made a finding of "no
25 hazard" is extremely welcome from my client's

1 perspective, I suspect SRP's perspective as well, because
2 that obviates what had been sort of the driver of a
3 potential issue.

4 I get to talk to you about a somewhat
5 hypothetical issue that was alluded to by Member Woodall,
6 which is, why am I here? Why are you going to see me for
7 the next several days if my client is supportive of SRP's
8 application?

9 And here is why: The Cadence master-planned
10 community is not a hoped-for or notional or down-the-road
11 development. It is being developed. The sales office is
12 opened. My client has sold off 600 lots to home
13 builders. Pulte has already sold 45 residences there,
14 and I'm told they're selling about five a week.

15 So it is right in the sort of birthing stages
16 of the development process, which makes it peculiarly
17 vulnerable to potential uncertainty, which is why we have
18 followed this issue closely.

19 When SRP filed its original application on
20 August 1st, they suggested that perhaps the transmission
21 line could go north of the 24, perhaps it would go south,
22 and they weren't even asking this Committee to decide.
23 They were asking this Committee to let SRP decide at some
24 point down the road, possibly years from now. That would
25 have created an intolerable situation from my client's

1 perspective.

2 Had we proceeded to hearing on that
3 application, you would have a very different hearing
4 today. You would probably be hearing dueling FAA
5 experts. We would have hired our own, and you would be
6 settling some kind of rarified dispute about the aviation
7 hazards. You would have certainly heard my client
8 talking about the extremely disruptive impact of
9 potentially dropping a transmission line through the
10 middle of a master-planned community.

11 And, third, you would have heard from me legal
12 arguments. You would have heard legal arguments from me
13 that under the statute and historically, this Committee
14 has made the decision about where transmission lines go,
15 you know, and you don't just let the applicant decide
16 which side of a regional freeway to pick. You can't
17 delegate that discretion. That's the call this Committee
18 has to make.

19 Now, fortunately, you don't have to hear me
20 make those arguments, you're not going to hear that
21 testimony, because that hearing, it looks like it will
22 never take place. Over the past five weeks since the
23 application has been filed, we have worked at every turn
24 to narrow the scope of the issues to make this a simpler,
25 more amicable proceeding.

1 SRP, on August 3rd, filed an application that
2 withdrew and deleted any possibility of locating the
3 transmission line on the northeast side.

4 When we filed our application to intervene on
5 August 14th, we said that that was on the condition and
6 on the understanding that there would be no transmission
7 line located on the northeast side. And at the
8 prehearing conference chaired by Mr. Chenal on
9 August 21st, this was perhaps the most talked-about
10 subject.

11 And I don't want to go back and quote what was
12 said, but there were various kinds of assurances and
13 understandings reached that we had succeeded in narrowing
14 the scope of this and that for all practical intents and
15 purposes, we would be talking about a transmission line
16 located southeast of the freeway, which is why my client
17 is supportive of it.

18 However, in response to your question you
19 raised initially, Member Woodall, if the one-in-a-million
20 possibility comes up, my client's legal position must be
21 that it is error, that it is objectionable for this
22 Committee in this procedural context to approve a
23 transmission line on the northeast side of the 24.

24 I mean, there's been the reliance and estoppel.

25 MEMBER WOODALL: And, sir, that's what makes

1 horse races and lawsuits. And I was careful to preface
2 my comments that I'm not suggesting this. This is one of
3 those "and then you cross the international dateline"
4 issues.

5 So I don't mean to suggest I'm supportive of
6 that or the Commission is. I just felt it was important
7 to identify the point, and that was it. So don't feel
8 you'll get from me an argument on that. I just want to
9 make that clear to everyone.

10 Thank you.

11 MR. ARTIGUE: I appreciate that. And I am very
12 sorry that in my first appearance before this Committee,
13 I have to address such a sort of a lawyerly nuanced issue
14 and not something more interesting.

15 MEMBER WOODALL: We like to get your pulse
16 racing, and I see we've succeeded.

17 MR. ARTIGUE: But as filed by SRP, we are
18 supportive of the application and I would be happy to
19 answer any other questions; but other than that, you may
20 not hear much more from me.

21 Thank you.

22 MEMBER WOODALL: Thank you.

23 CHMN. CHENAL: I just have one comment on the
24 issue that was raised, and this is -- my thoughts
25 expressed at the prehearing conference, I believe, is

1 what it was. I believe that the applicant has filed an
2 application with alternate routes and has withdrawn one
3 of the routes, my own belief, and has filed pleadings to
4 that effect that the public is put on notice that that's
5 what the hearing is going to be about.

6 So if there's a subsequent change in what's
7 been dropped, if you will, as an alternative that's later
8 approved, my feeling is that the spirit, if not the
9 letter of the statutes and the rules, that that's kind of
10 unfair to the public. That they kind of rely on that,
11 and that's -- I think that offends my sense of justice
12 there.

13 And that's my view of it, and that would
14 require -- and I think the rules or the statutes suggest
15 that if there's a -- if there's a route that the
16 Committee wants to approve that's not the subject of the
17 application, that that would require it to be renoticed.
18 Now, that's a little different than this where the
19 application does involve certain alternatives and one of
20 them is dropped.

21 But I also think I said that the Commission has
22 the ability to accept, modify, or reject. So I think I
23 made that clear. And if I didn't, I certainly made it
24 clear today, and I think that's certainly part of their
25 prerogative. And I certainly wasn't speaking on behalf

1 of the Commission or the Legal Staff, and I think I made
2 that point clear as well, is these were my personal
3 thoughts that were expressed in the middle of the meeting
4 without the benefit of research.

5 Having said all that, if you or your client
6 feel that your position to improve the record would
7 benefit from an offer of proof of some sort based on the
8 possibility that the Corporation Commission, however
9 slight, but it was raised, could maybe modify its view of
10 what we might believe is approved based on the
11 alternatives that were addressed in the application, I
12 think that's something that we would consider allowing
13 you to submit so that the record is clear.

14 Because my sense is that what you're saying is
15 that you're not going to be presenting the evidence that
16 you otherwise would have based upon the fact that the
17 applicant has dropped one of the alternative routes that
18 your clients were opposed to. So if you feel that that
19 would give you some comfort to put that into the record
20 as an offer of proof, I think that's something that we
21 could accommodate.

22 MR. ARTIGUE: Yeah. Thank you, Mr. Chairman.
23 I think an offer of proof is exactly -- I will take that
24 to heart and consider that because I think -- explaining
25 the evidence that we're not offering as opposed to the

1 evidence we are offering would save everybody a lot of
2 time.

3 Thank you.

4 CHMN. CHENAL: Again, it goes back to having a
5 complete record so when it gets to the Corporation
6 Commission, there's nothing that's left out. They have a
7 complete record. And I think an offer of proof might
8 fill that gap.

9 MEMBER WOODALL: I feel compelled to say that
10 recently there have been filings made in the Commission,
11 not relating to this subject matter, and our Legal
12 Division has looked into the authority to withdraw a
13 filing without permission. And that is the sole reason
14 that I've brought this up, is knowing that that general
15 topic has been under discussion at the Commission.

16 I don't mean to suggest that anybody would be
17 intending on doing that, but that's the only reason why I
18 brought it up, and it has to do with the matter coming up
19 in another context. So I want to make that clear.

20 MR. ARTIGUE: Thank you.

21 CHMN. CHENAL: Very good. Thank you.

22 Next, City of Mesa.

23 MR. TAEBEL: Thank you, Mr. Chairman, Members
24 of the Committee. Wilbert Taebel with the Mesa City
25 Attorney's Office on behalf of the City of Mesa.

1 Preliminarily, we would also like to thank SRP
2 for the stakeholder efforts that they've made to
3 facilitate this process.

4 In general, Mesa is supportive of this project.
5 Mesa's position is that it will facilitate growth and
6 development in the area and is consistent with the
7 investments the City has made.

8 We identified three concerns in particular:

9 One is what we've discussed at length now.
10 It's the location of the project to be on the southwest
11 side of State Route 24, and the City believes that
12 location is the best location given the proposed
13 development and what's been invested in that area to
14 date.

15 Second issue, the FAA, as a significant
16 stakeholder with the Gateway Airport, the City has a
17 concern about compliance with FAA regulations. So we
18 have some welcomed news this afternoon.

19 And notwithstanding that, we've submitted sort
20 of a proposed condition to be included in the certificate
21 that relates to FAA compliance in case later an issue is
22 identified. And SRP has not objected to that. They've
23 been at least somewhat receptive. So the City will be
24 asking that that condition be included in the certificate
25 as issued.

1 The last issue related to the substation, so we
2 have a fairly large area at issue. The City wants some
3 coordination with SRP as to the ultimate location and the
4 aesthetics. And, again, SRP has submitted a condition
5 that is acceptable to the City, and we just ask that that
6 be included in the ultimate certificate as issued as
7 well.

8 If necessary, I'll have Scott Butler, Deputy
9 City Manager, come and talk about the City's position.
10 Most of that information is in a resolution that was
11 passed by the Mesa City Council that's been provided to
12 the Committee.

13 And we'll look forward to participating in this
14 process and hearing from the different stakeholders that
15 may have an interest in speaking.

16 I think that's all.

17 Any questions?

18 CHMN. CHENAL: Any questions from the
19 Committee?

20 (No response.)

21 CHMN. CHENAL: Thank you, Mr. Taebel.

22 It's probably an appropriate time to take a
23 15-minute break.

24 Before I forget, I have a very important
25 announcement. And this is going to be difficult for the

1 lawyers. It's summer, it's hot, and I think it's
2 appropriate that we're business casual for the rest of
3 this hearing. There are certain attorneys that I don't
4 think will be able to handle that. Mr. Sundlof, I don't
5 think he can handle it. But for the rest of the
6 attorneys and certainly the Committee, I think business
7 casual is appropriate for this hearing and this
8 environment in the summer.

9 So with that, let's take a 15-minute break, and
10 then we'll resume with the applicant's opening witness.

11 (A recess was taken from 2:35 p.m. to
12 3:04 p.m.)

13 CHMN. CHENAL: All right. Let's resume the
14 hearing.

15 Just a reminder, the applicant has provided
16 instructions on connecting to Wi-Fi, both the Mesa
17 Convention Center Wi-Fi as well as a more robust Wi-Fi,
18 which is SRP Wi-Fi. And if you need assistance, the SRP
19 technical crew can help anyone get connected to either or
20 both.

21 Before we start with the first witness of the
22 applicant, is there anyone from the public that would
23 like to make a public comment?

24 (No response.)

25 CHMN. CHENAL: Okay. I don't see anyone. If

1 there is, again, I've asked the parties to let me know so
2 we can accommodate if anyone from the public wants to
3 make a public comment.

4 MEMBER NOLAND: I can't hear you, so I don't
5 know if anybody else can.

6 CHMN. CHENAL: That could be good.

7 Okay. So if we have anyone from the public,
8 let me know. We want to work them into public comment.

9 So with that, Mr. Olexa, if you want to begin
10 with your first witness.

11 MR. OLEXA: Certainly. Thank you,
12 Mr. Chairman.

13 For the applicant's first witness, we call Mike
14 Jones.

15 CHMN. CHENAL: Mr. Jones, would prefer an oath
16 or affirmation?

17 MR. JONES: Affirmation will be fine.

18 (Michael Jones was affirmed by the Chairman.)

19 CHMN. CHENAL: Thank you.

20 Please proceed.

21 MR. OLEXA: Thank you, Chairman.

22

23

24

25

1 MICHAEL JONES,
2 called as a witness on behalf of Applicant, having been
3 previously affirmed by the Chairman to speak the truth
4 and nothing but the truth, was examined and testified as
5 follows:

6

7 DIRECT EXAMINATION

8 BY MR. OLEXA:

9 Q. Please state your name and affiliation with
10 Salt River Project.

11 A. Certainly. First off, Mr. Chenal and Members
12 of the Committee, I'd just like to say how much we
13 appreciate the opportunity to be here today. And also,
14 good afternoon.

15 My name is Mike Jones. I'm the director of
16 transmission planning, strategy, and development for Salt
17 River Project. In this role, I have the overall
18 responsibility for the transmission and business function
19 at SRP. My specific areas of responsibility include
20 system planning and compliance, project siting and
21 development, joint participation in interconnection
22 projects, and operation support of the transmission
23 systems.

24 Q. And what is your role with respect to this
25 project?

1 A. I am the senior executive with SRP responsible
2 for the planning and permitting of this project. The
3 Transmission Planning Department, which is under my
4 direction, is responsible for determining the timing and
5 scope of the needed system upgrades. Under my direction,
6 the Transmission Planning Department established the need
7 for this project.

8 Grant Smedley, who is also under my direction,
9 is the project manager. Zack Heim, who will testify
10 later, also works under my direction.

11 Q. Mike, SRP-4 contains bullet points of your
12 experience. Please describe your experience.

13 A. Yes. I have been with SRP for 16 years and
14 held a variety of executive management positions that are
15 shown on the exhibit. Prior to SRP, I worked for Arizona
16 Public Service in a variety of capacities. These are
17 also shown on SRP-004.

18 My formal education is in electrical
19 engineering from the University of Arizona.

20 Q. Before I ask you to introduce the project, can
21 you briefly introduce the applicant referencing SRP-5 and
22 SRP-6 as needed.

23 A. Yes. Salt River Project has a rich history in
24 the Valley. It was formed by the landowners of the Salt
25 River Valley at the turn of the last century to reclaim

1 the desert land in Central Arizona.

2 SRP has grown with Central Arizona. From its
3 beginnings, SRP has been a key driver in the development
4 of Central Arizona, bringing reliable and low cost water
5 and power to homes and businesses. SRP is one of the
6 largest municipalities and electrical-owned utilities in
7 the nation.

8 As shown on SRP-005, today SRP serves over
9 1 million customers over a 2,900-square-mile service
10 territory. It is SRP's mission to anticipate and meet
11 the needs of its customers, and this project is an
12 example of SRP's proactive planning.

13 The map on the left screen, SRP-006, is a map
14 of the SRP electric service territory. The section to
15 the left is our retail service area. As you can see, it
16 extends from Glendale to the Superstitions.

17 The section to the right is eastern mining
18 area, where SRP provides service to mining customers.

19 Q. Mike, would you please begin by generally
20 describing the need for the project before us.

21 A. Yes.

22 If you take a look on SRP Exhibit 007, I just
23 want to point out where we are here. We're up near about
24 the 87 mark on this map here just to kind of give you an
25 indication.

1 We're about -- oh, I don't know -- about a 15-,
2 20-minute drive to the project area just to give you a
3 context of what we're talking about here.

4 For some time, SRP has been watching this area
5 east of the Phoenix-Mesa Gateway Airport. We have been
6 participating in the stakeholder processes that have been
7 led by the municipalities and the airport to develop
8 their general plans and the airport's long-term expansion
9 plans.

10 Exhibit SRP-007 depicts the general area of the
11 project. You can see that generally, this area is in
12 East Mesa, northern Queen Creek, and a portion of
13 unincorporated Maricopa County. There's also some State
14 Trust land in this area too. Exhibit SRP-007 shows the
15 jurisdictional boundaries.

16 Q. Please describe the area in greater detail.

17 A. This area is also shown in more detail on
18 Exhibit SRP-003, which is also reproduced on the back
19 side of your placemats, and this is a map produced by the
20 City of Mesa. This has been an area where we have
21 expected significant growth. The issue has only been the
22 timing of that development.

23 If we take a look at SRP-003, you'll notice on
24 the back of your placemats and also the legend, we have
25 some bubble flags that are listed here. Each one has a

1 number in them.

2 On the left-hand side, we have the Employers,
3 from Apple down to First Solar. We also identify key
4 assets in terms of their numbering and their coloring
5 relative to the airport or where ASU, the research park,
6 is at.

7 And then on the right side of this diagram,
8 you'll see what's labeled by the City of Mesa as Recent
9 Investments, and bubble No. 1 just happens to list First
10 Solar. And then you go all the way down near the bottom,
11 you'll see bubble No. 14 is the Elliot Road Street
12 Improvements.

13 So when I'm talking through my testimony here,
14 these are the companies that we're talking about in terms
15 of what's there or what we're expecting to grow.

16 And for ease of reference, I will use Mesa's
17 name for the area Mesa Gateway area, understanding that
18 the broader area also includes parts of the Town of Queen
19 Creek. This includes Elliot Road Tech Corridor, which is
20 item 14; Eastmark development, No. 11; Cadence at
21 Gateway, item 10; as well as many other developments,
22 such as Vlachos Nursery and Jorde Farms. And they're
23 south of Germann.

24 And on this diagram, you have to look way down
25 at Germann, and it's about where the photos are in the

1 picture. They're not actually on the map there today,
2 but we'll provide some information on that as we go
3 through.

4 It also includes major employers such as Apple,
5 identified as No. 1; CMC Steel, item 5; Mitsubishi Gas
6 Chemicals, 10; TRW, No. 11; and First Solar, No. 13.

7 It also includes a foreign trade zone, which
8 includes more than 22 acres surrounding the Phoenix-Mesa
9 Gateway Airport, which will support the future SkyBridge
10 project.

11 For many years, the City of Mesa has been one
12 of the fastest growing cities in the country. Likewise,
13 the Phoenix-Mesa Gateway Airport is one of the fastest
14 growing airports in the country, and this growth is a
15 catalyst for the airport's future expansion plans.

16 The future opportunities are abundant for the
17 Mesa Gateway area, including the communities of Queen
18 Creek. It's SRP's goal to assist the communities and the
19 airport in achieving the goal of marketable and lasting
20 future for the area. The region features highly skilled
21 technology talent, abundant land and building options,
22 infrastructure, and convenient market access.

23 Q. Please briefly describe the Phoenix-Mesa
24 Gateway Airport and the Mesa Gateway area.

25 A. Certainly.

1 My understanding, based upon publicly available
2 information, is that the airport provides commercial
3 service to 45 destinations throughout the United States.
4 Annually, the airport serves more than 1.2 million
5 passengers and generates more than \$1.3 billion of
6 economic impact for Arizona, supporting 10,470 jobs
7 regionally. With three runways, with the longest
8 measuring 10,400 feet, the Phoenix-Mesa Gateway Airport
9 can accommodate the largest aircraft in the world. The
10 airport has onsite US Customs service, an FAA contract
11 traffic control tower, and various buildings and hundreds
12 of acres available for development.

13 Phoenix-Mesa Gateway Airport will also become
14 home to Sky Bridge Arizona, the nation's first
15 international air cargo hub to house both Mexican and
16 United States Customs. The project is expected to create
17 17,000 direct and indirect jobs and increase cargo
18 flights out of the Phoenix-Mesa Gateway Airport by about
19 2,000 a year, eventually reaching 10,000, as previously
20 cited, by 2036.

21 The Mesa Gateway area is projected to have a
22 need for over 1,500 acres of industrial land, 400 acres
23 of office space, 500 acres of retail, and a goal of
24 100,000 jobs and 35,000 students by 2030.

25 The commercial component of the airport's

1 Gateway 2030 plan will be comprised of privately owned
2 retail, office, and hotel buildings that are located on
3 the airport property under long-term land lease
4 agreements.

5 In the past few years, development of the Mesa
6 Gateway Airport has increased. We expect significant
7 business residential uses in the near term. We know that
8 eventually, SRP will need to bring bulk power into this
9 area; and with the recent and future planned
10 developments, the time is now.

11 Q. Please describe how SRP currently serves the
12 Mesa Gateway area.

13 A. Exhibit SRP-008 shows our existing 69kV system,
14 which currently serves the Mesa Gateway area.

15 Basically, the 69 system originates from the
16 Browning Substation, which is shown in the upper
17 right-hand corner of Exhibit SRP-008. You can see it up
18 by the top green dot or rectangle that is up there in the
19 right-hand corner.

20 Q. Is the 69kV system adequate to serve the
21 expected load growth?

22 A. No, it's not. As we've explained in other
23 cases, there's a point in time where it becomes more
24 efficient and more reliable to bring bulk power to the
25 region rather than continuing to serve customers through

1 many long 69kV lines. We are either at or close to the
2 point, depending on upon the speed of growth, and this
3 issue will be discussed in a little bit more detail in
4 the testimony of Zack Heim.

5 Q. Please elaborate on the phrase "speed of
6 growth" that you used.

7 A. Load forecasting is always somewhat of an
8 estimate. SRP I think does a great job in keeping in
9 touch with the cities' developers and potential new
10 customers in order to stay ahead of this growth. But in
11 this instance, as you heard, it's possible the load
12 growth could occur at even a faster pace. A single
13 customer, for example, a data center, could have an
14 electric load of 100 megawatts or more, and several of
15 these customers could overload the system. This is what
16 I mean by the speed of growth and the need to be ready
17 for that growth.

18 Q. In this area in particular, have you had
19 inquiries from customers who forecast large loads?

20 A. Yes. We've had several inquiries from
21 customers who expect loads in excess of 100 megawatts.
22 Mr. Heim will expand upon this in detail in his
23 testimony.

24 Though we cannot rely on these projections,
25 these are indications of interests, a major part of our

1 planning process. Of course, there is also more
2 predictable load growth in the area which will also
3 benefit from a strong source of bulk power in the region.
4 The expected growth will be discussed later in testimony.

5 CHMN. CHENAL: Member Woodall.

6 MEMBER WOODALL: Sir, do you file ten-year
7 plans with the Commission?

8 MR. JONES: Yes, we do.

9 MEMBER WOODALL: And can you tell me the first
10 time this plan made its way into your ten-year plan?

11 MR. JONES: I believe it was two years ago in
12 our filing. I'd have to look that up, Ms. Woodall. We
13 just presented that, and the Commission Staff just
14 reviewed that just a couple months ago.

15 MEMBER WOODALL: Right. I've just finished
16 reviewing the draft report myself, so ...

17 But it's been two years?

18 MR. JONES: It may be longer than that.

19 This project was named the Mesa Tech Corridor
20 previously, and the name changed to Southeast Power Link.

21 MEMBER WOODALL: Thank you very much.

22 CHMN. CHENAL: Member Noland.

23 MEMBER NOLAND: Thank you.

24 Mr. Jones, refresh my memory. We approved
25 another SRP transmission line project several years ago.

1 MR. JONES: Yes.

2 MEMBER NOLAND: Has that been built?

3 MR. JONES: Has that been built? That is under
4 construction right now in terms of the underground
5 portion you're talking about in the Price Road Corridor.
6 SRP has been working feverishly with the developers in
7 the City of Chandler and that area, and that project is
8 proceeding.

9 MEMBER NOLAND: And was that also along Germann
10 Road?

11 MR. JONES: Pardon me?

12 MEMBER NOLAND: Was that along Germann Road?

13 MR. JONES: Germann Road was within the scope
14 of that project area that was further to the west or
15 Chandler area. You'd have to go west down Germann Road.

16 MEMBER NOLAND: And when is your projected
17 completion date on that?

18 MR. JONES: I'd have to go back and look that
19 up. We're trying to get the underground portion in, not
20 to disrupt everything within that Price Road area there,
21 and the Henshaw Substation -- I'm looking to the back of
22 the room. I can check on that date. The date of that
23 year is escaping me. I want to say 2021, but I've got to
24 verify that.

25 MEMBER NOLAND: And wasn't that also to assist

1 in covering the area or expanding the area's needs?

2 MR. JONES: For that particular area in the
3 Price Road corridor, yes. That is very similar to some
4 of the projected customers that Mesa is trying to attract
5 here, very high-load intensity usage in that Price Road
6 corridor with Intel and other employers that are in that
7 area and data centers.

8 Again, this area here in the Technology
9 Corridor north in this project area has the same type of
10 customers they're looking to locate there.

11 MEMBER NOLAND: Thank you.

12 Q. BY MR. OLEXA: What transmission are you
13 proposing in this application?

14 A. The transmission proposed in this application
15 is designed to provide a source of bulk power to the Mesa
16 Gateway area as well as the adjacent areas.

17 While development is occurring quickly, the
18 area is characterized by large parcels of vacant land.
19 It's important for SRP to be ahead of the development so
20 that the development is not hindered by the lack of
21 appropriate electric facilities and that the customers
22 and stakeholders know where these facilities will be and
23 can plan accordingly.

24 In this application, we request approval to
25 construct a double-circuit 230kV line from the existing

1 Santan to Browning transmission line to the permitted but
2 unbuilt Abel-Pfister-Ball transmission line. For this
3 reason, we're calling this project the Southeast Power
4 Link Project.

5 We are also requesting approval to construct a
6 new 230 to 69kv substation along this line, which for now
7 we'll call RS-31. The requested alignment as shown in
8 SRP-002, which is on your left screen labeled as the
9 project map, the distance is approximately 7 miles in
10 terms of the line.

11 For the most part, this alignment follows very
12 strong linear features, which you can really see from
13 these maps. The northern portion of the project follows
14 the existing Loop 202. The center part follows the
15 existing State Route 24 freeway as well as the planned
16 but unbuilt extension of that State Route 24 in the
17 southern portion following the Crismon Road alignment.

18 Q. Can you briefly describe why you are proposing
19 this particular configuration.

20 A. Yes. This question will be discussed in a
21 little more detail in the testimony of Zack Heim.

22 Basically, this project gives us an opportunity
23 to significantly increase our load-serving capability in
24 the target area, providing a very high level of
25 reliability in this area, and also augments the

1 reliability of the existing transmission system.

2 Let me explain this using SRP Exhibit 009. On
3 the north end, we will connect Substation RS-31 into the
4 existing 230kV line that links the Browning and Santan
5 Substations. You can see Santan where my green laser
6 pointer is on the left-hand side of the screen. Again,
7 Browning is in the upper right-hand corner with the green
8 dotted line in the middle being the Southeast Power Link.
9 So this gives us the potential to bring in power from two
10 sources, Browning and Santan.

11 Then, if we turn to the southern end of the
12 project, we will connect to the Abel-Pfister-Ball
13 transmission line, giving us two more sources of power.

14 In other words, the new substation, RS-31, will
15 directly interconnect with four 230 to 69kv substations.
16 This provides a very high-level reliability transmission
17 path between the north and south parts of our system.
18 This alternative path greatly enhances the reliability of
19 the entire East Valley system, which supports the type of
20 customers and the growth the municipalities the airports
21 are trying to attract.

22 This looks simple now, but as Mr. Heim will
23 explain, the project before you is a result of extensive
24 planning and analysis.

25 Q. How will this project increase the load-serving

1 capacity in the general target area?

2 A. As will be explained by Mr. Heim, this project
3 increases our load-serving capacity from a little over
4 200 megawatts today to more than 1,600 megawatts at full
5 build-out.

6 Q. I notice there's only one alignment on the map,
7 although we usually provide multiple alignments. Can you
8 explain why that is in this case?

9 A. Sure. Mr. Heim and Mr. Smedley will answer
10 this question in a little more detail at the end of their
11 testimonies.

12 Basically, we started with multiple alignments
13 beginning at the far east and west ends of the area. But
14 in the public process, other options were met with strong
15 opposition.

16 The Loop 202 and State Route 24 provide such
17 strong linear features and create a unique opportunity.
18 They provide this unique opportunity to site our
19 transmission adjacent to other future planned
20 infrastructure that we decided to forego the opposition
21 and present to the Committee the logical alignment. This
22 can be easily seen in SRP Exhibit 002.

23 Just to comment, as you take a step back and
24 you look at this map from an aerial perspective, all the
25 vacant land, plus the airport, is all centered in the

1 middle of this area, with the load projected to be in the
2 northern and southern ends of the project.

3 Again, State Route 24 to the 202 present a very
4 unique opportunity for SRP to site this project along
5 with all the other major infrastructure that the cities
6 and airport have planned.

7 CHMN. CHENAL: Member Woodall.

8 MEMBER WOODALL: Mr. Jones, you were talking
9 about your discussions with entities that will require
10 electrical load from you.

11 MR. JONES: Yes.

12 MEMBER WOODALL: Have those discussions
13 included a component about wanting to have some renewable
14 energy or is that down the road?

15 MR. JONES: You know, so far, the customers to
16 date that we're dealing with in this particular area have
17 not brought that up. SRP is always interested in
18 meeting, you know, customer needs, in particular to
19 renewables, and our company has our own goals that are
20 associated with implementing renewables.

21 But some of the customers that are in excess of
22 100 megawatts or more really present a challenge for them
23 to be able to serve their entire load by that, so the
24 project would be much smaller scale if they were to
25 implement them.

1 MEMBER WOODALL: Because my understanding from
2 reviewing matters that Arizona Public Service has brought
3 before the Commission is that more and more large
4 corporate entities, such as Apple, Walmart, and the like,
5 have a corporate goal of having some form of renewable
6 energy. And I was just wondering if you had experienced
7 that in your service territory.

8 MR. JONES: Yes. We have several customers
9 that have expressed interest, and the company is going
10 down the routes of doing feasibility and low-impact
11 studies with them to help achieve their goals and achieve
12 our goals at the same time.

13 In this particular area, I can't speak in
14 public about what some of the customers and the names of
15 the customers that are along -- you know, that have
16 expressed interest in this area. But in the testimony of
17 Zack Heim, we'll talk about those that we can and
18 identify that those load levels -- you can kind of gauge
19 where that may be technically or economically feasible.

20 MEMBER WOODALL: Thank you very much, sir.

21 CHMN. CHENAL: Member Haenichen.

22 MEMBER HAENICHEN: Thank you, Mr. Chairman.

23 From your testimony -- let me see if I got this
24 right -- you indicated the current capacity in that area
25 is 200 megawatts, and you're going to quadruple that

1 to -- multiply by 8 times to 1,600; is that correct?

2 MR. JONES: That is correct.

3 MEMBER HAENICHEN: Where is this going to come
4 from? In other words, the infrastructure outside of that
5 area is feeding it. Make some comments on how it's going
6 to be able to suddenly multiply.

7 MR. JONES: Certainly. Our 230kV system has
8 built a ring around the Phoenix area. That system works
9 as a network, as you're well aware of. And in order to
10 bring capacity into this particular area, I've cited four
11 different substations that that capacity can come in.

12 The testimony of Zack Heim will get into a
13 little bit more detail, Mr. Haenichen, about the forecast
14 and some of the prospects that have come in.

15 We are looking -- when we do our forecasting,
16 we look at saturation is what we call it in our forecast
17 business in terms of looking at the long term. Right.
18 What will this area have the potential to build out as.
19 And we take that information from many different sources,
20 including the cities and the other agencies, the
21 builders, and the current growth. And in this particular
22 area, our full build-out, our long-term forecast, is
23 greater than 1,600 megawatts.

24 MEMBER HAENICHEN: I guess the genesis of my
25 question is this: There isn't another 1,400 megawatts of

1 capacity, both generation and transmission, at this point
2 to do that just overnight, is there? Won't there be
3 additional projects that will have to be done to make
4 this a reality?

5 MR. JONES: With the addition of RS-31, we
6 believe that we can do that. Now, depending on where
7 that load locates, way off in the future, there could be
8 an additional need to put another 230kV substation. But,
9 again, we have the challenge to try and balance cost with
10 reliability.

11 And as I mentioned before, load forecasting, we
12 take in everybody's projects, but it takes a while for
13 them to implement those projects. So we think we have
14 the current need satisfied along with that 1,600
15 megawatts of full build-out.

16 Mr. Heim will talk about up to 500 megawatts of
17 prospects that are in there now, some under construction,
18 some that have entered into construction and load impact
19 agreements with Salt River Project to do assessments.
20 And so there are some large chunks of power that are
21 looking like they could be in the near term.

22 MEMBER HAENICHEN: Where could one read up
23 about this kind of stuff? Is there anything in the
24 public knowledge arena that --

25 MR. JONES: Yeah. I think Mr. Heim will talk

1 about it in his testimony, and we'll identify some of
2 those particular customers that have come to us that have
3 been in the newspaper and the East Valley Tribune and
4 those types of things.

5 Oftentimes, when we're doing these studies,
6 we're under a confidentiality agreement, and then many of
7 the developers are still shopping it around, us against,
8 you know, different other areas within Arizona or within
9 our region or within the country. So we're often having
10 to compete for those.

11 So all of that gets taken into account in our
12 forecast -- forecasting process, to take a look at
13 historical rates, you know, all the different requests
14 that are coming in, all the plans by the City, to come up
15 with what we believe the load to be. And we have that
16 obligation to serve and to be ready.

17 MEMBER HAENICHEN: That's the load part of it,
18 but I was just talking about the supply part of it.

19 MR. JONES: Oh, on the resource side?

20 MEMBER HAENICHEN: Yeah.

21 MR. JONES: Right. Which is when we get into
22 the Integrated Resource Plan and what SRP's resource plan
23 is. Right.

24 I'll bring it up on this, just to point out.
25 In the southern area here, we have Abel. That is also

1 the site of the Copper Crossing Energy Center. SRP has
2 been looking at that area. We are not set on the types
3 of technology in terms of, you know, whether it would
4 be -- whatever that would be, whether it be renewables or
5 gas or whatnot. But certainly, in our resource plan,
6 Mr. Haenichen, we have to take that into account. And
7 we'd like, especially with the changes going on in
8 today's marketplace, to make sure that those resources
9 are closer to the load.

10 MEMBER HAENICHEN: Thank you.

11 Q. BY MR. OLEXA: Mike, I think we left off with
12 talking about optionality. Are we still providing
13 optionality to the Committee?

14 A. Yes, but only on the north portion of the
15 project, which provides that optionality on either side
16 of the Loop 202.

17 Again, taking a step back, we believe the
18 proposed route options take advantage of that unique
19 opportunity to align our transmission project with the
20 other major infrastructure that's being planned by the
21 municipalities and airport. We believe these route
22 options have the least impact on the communities it will
23 serve. It has the least opposition and are less costly
24 than taking other indirect routes.

25 Q. You filed a supplement to the application two

1 days after the application was filed. This supplement is
2 marked as Exhibit SRP-001A. Can you explain this?

3 A. Yes. Exhibit SRP-001A deletes from the
4 application a potential alignment on the northeast side
5 of State Route 24. This is an alignment that had been
6 subject to strong opposition.

7 We kept it in the application because of our
8 concern that we might not be able to build on the
9 southwest side of State Route 24, given the Federal
10 Aviation constraints that we'll discuss next.

11 We were able to confirm that the construction
12 on the southwest side of State Route 24 was feasible even
13 with FAA constraints. And you've heard some of the good
14 news earlier by Mr. Olexa, and you'll hear from our FAA
15 consultant, who will elaborate a little bit more on that
16 FAA analysis and process and the results of that.

17 For that reason, we've eliminated the alignment
18 on the northeast side of State Route 24. By doing so,
19 SRP removed much of the opposition that you might have
20 otherwise seen in this proceeding.

21 CHMN. CHENAL: Member Woodall.

22 MEMBER WOODALL: Is all of the land that would
23 be within the proposed corridor private land?

24 MR. JONES: No. If you refer to SRP-002, I
25 think some of the previous folks in their opening remarks

1 talked about the Inner Loop Project, and then there's
2 State Trust land that is on the east side of the 202.

3 MEMBER WOODALL: I'm trying to get at do you
4 need State land if you're on one side or the other?

5 MR. JONES: Yes.

6 MEMBER WOODALL: And you don't have an
7 application pending, I assume?

8 MR. JONES: Could you repeat that? I'm not
9 sure --

10 MEMBER WOODALL: You don't have an application
11 for right-of-way --

12 MR. JONES: With State Land?

13 MEMBER WOODALL: Yes.

14 MR. JONES: We've been meeting with ADOT and
15 the State Land Department through this entire process,
16 and we have a strong preference for being in that area
17 that I just pointed to in SRP-002 to be on the east side
18 of the 202.

19 MEMBER WOODALL: And you believe that the Land
20 Department would be happy with that?

21 MR. JONES: Yes. I think the State Land
22 Department is supportive of the project.

23 MEMBER WOODALL: As I read their letter, they
24 said, Well, it'd be okay with us either side, but we
25 prefer the east side.

1 MR. JONES: Right. And they are supportive of
2 that, and that's our preference.

3 MEMBER WOODALL: But either way, you'd have to
4 go through State Land to get the right-of-way for part of
5 this; right?

6 MR. JONES: Yes.

7 MEMBER WOODALL: Okay. Thank you.

8 MR. JONES: Yes.

9 CHMN. CHENAL: Member Noland.

10 MEMBER NOLAND: Thank you.

11 Mr. Jones, on that component that is along 202,
12 what's your corridor width in that area if you're still
13 maintaining an either/or side? What's the corridor
14 width?

15 MR. JONES: That will be elaborated on in a lot
16 of detail by the testimony, the panel testimony and
17 specifically by Grant Smedley. He will go over that
18 along with the flyover and the driving tour in that
19 particular area.

20 We are trying to work within 100 feet in order
21 to place our facilities that are adjacent to and parallel
22 with State Route 202, the 24. Now, there has to be a
23 little bit of variation as it has to come into the
24 substation. And, again, that -- we'll have to figure
25 that out when we get into the design stages of the

1 project.

2 MEMBER NOLAND: Well, Mr. Jones, that's your
3 right-of-way. What is the corridor width that you're
4 projecting?

5 MR. JONES: That is very specific. You know,
6 with these routes, we are really focusing on working with
7 ADOT to confirm their plans for these freeways and to
8 align ourselves within 100 feet of their right-of-way so
9 that we can be as close to that freeway infrastructure as
10 possible.

11 In our conversations with the airport, in our
12 conversations with all the stakeholders in the process,
13 they want us as close as we can be to those freeways.

14 MEMBER NOLAND: Okay. That really didn't
15 answer my question, but I'll wait, and perhaps there is
16 another witness that can give me the corridor -- the
17 proposed corridor widths within this project and
18 especially up along the 202. If you have left open the
19 option of either side, you'd have to have a corridor
20 width within which to work to have that right-of-way. So
21 whatever witness --

22 MR. JONES: I think Mr. Smedley can go through
23 those details.

24 MEMBER NOLAND: Okay. Thank you.

25 CHMN. CHENAL: Member Woodall.

1 MEMBER WOODALL: Also, is there going to be an
2 Exhibit A that provides some form of legal description
3 and/or a map that will depict the location of whatever
4 corridor is sought? I haven't seen one so far. I assume
5 your technical elves are busily working on something?

6 MR. JONES: Technical elves?

7 MEMBER WOODALL: As Louis Rukeyser used to say.
8 I'm dating myself now. In any event, I toss the question
9 out. You need not answer it.

10 But I guess what I'm telling you is I think a
11 CEC should have a legal description of where the line is
12 going to be and also should have a diagram showing what
13 it looks like, so ...

14 MR. JONES: We'll zoom in on those areas in the
15 next testimony.

16 MEMBER WOODALL: Thank you.

17 Q. BY MR. OLEXA: Mike, it's your understanding
18 that SRP is not actually requesting a specific corridor
19 for this CEC; is that right?

20 A. Right.

21 Q. Mike, you mentioned the FAA. Can you talk
22 briefly about the original perceived or possible
23 constraints in constructing this alignment.

24 CHMN. CHENAL: Let me interrupt just for a
25 second. You caught us with a klempt on the last answer.

1 I think we're all kind of trying to understand the
2 significance of what was just said by the witness.

3 Normally, we issue a corridor within which
4 there will be a shorter or more narrow right-of-way that
5 will be established, but we provide a corridor to give
6 flexibility to the applicant to actually figure out where
7 it's going to go -- where the right-of-way, if you will,
8 is going to go.

9 So I think we just heard that there's not going
10 to be a corridor and there's just going to be a very
11 narrow right-of-way, and that's probably the first time I
12 think at least I've ever heard such a concept. So could
13 we get a little more explanation?

14 Am I explaining that properly, Member Noland?

15 MEMBER NOLAND: Yes, but it goes back to
16 something I heard earlier from one of the intervenors,
17 and that was that SRP is going to decide where they are
18 going to put things and on which side of the road. And
19 that would then go back to not having a corridor,
20 or that's what they're saying, and that just doesn't sit
21 right with me. I can't think of one project in the last
22 ten years that hasn't delineated a corridor so everybody
23 knew that you were going to obtain the right-of-way
24 somewhere within that projected corridor, be it 500 feet
25 or --

1 MR. JONES: 500 feet or 1,000 feet.

2 MEMBER NOLAND: -- or 1,000 feet or 1,500 feet
3 if you're along a freeway area. But you're throwing me
4 off here.

5 MEMBER WOODALL: I mean, really, we need a
6 description of where on planet earth you're planning on
7 building this line that is described with sufficient
8 particularity that when we put it -- when it's in a CEC,
9 if one were to issue, people could look at it and make
10 decisions about what they were going to build and where.
11 So I'm taken aback at this as well. We can wait until
12 later.

13 MR. OLEXA: We'll take it up with the next
14 witness.

15 CHMN. CHENAL: That's fine. It's just you
16 caught our interest.

17 MR. OLEXA: Fair enough. We'll definitely
18 address it, though.

19 CHMN. CHENAL: Sure.

20 Q. BY MR. OLEXA: Mike, would you like me to read
21 back the last question?

22 A. Pardon me?

23 Q. Would you like me to read back the last
24 question?

25 A. Yes, please.

1 Q. Okay. You had mentioned the FAA in a prior
2 response. Can you talk a little bit about the original
3 perceived or possible constraints in constructing this
4 alignment.

5 A. Yes. Much of the alignment had been subject to
6 possible FAA constraints because of the proximity to the
7 Phoenix-Mesa Gateway Airport. The Airport is shown in
8 SRP-002. The issue involves the need to avoid
9 penetration into various imaginary surfaces that are
10 established by the FAA for normal and emergency
11 situations. SRP will also need to avoid interference
12 with airport electronics, which mainly means the
13 airport's radar systems.

14 Following my testimony, we'll present an
15 airport expert to describe these constraints and how
16 these constraints have changed over time.

17 Q. What steps is SRP taking to work through or
18 within the FAA constraints or what steps were they taking
19 now that we have a ruling?

20 A. Right. SRP retained an aviation expert to
21 perform an analysis and make recommendations. At the end
22 of June of this year, SRP filed with the FAA an
23 application requesting modification in one airport
24 procedure that would allow for greater pole heights.

25 On August 15th, it's my understanding from our

1 aviation expert, he received a call from the FAA
2 indicating due to a change in an FAA rule, building the
3 SRP standard pole heights would be permissible without
4 any change to the surface limits.

5 CHMN. CHENAL: Let me ask a question at this
6 point, Mr. Jones. Did that relate to the height of the
7 structures, primarily?

8 MR. JONES: In terms of exceeding the surface
9 limits?

10 CHMN CHENAL: Yes.

11 MR. JONES: Yes, it did.

12 And so when we have to place the poles within
13 the alignment that are that close to the airport, there
14 are certain procedures for takeoff and other emergency
15 situations in terms of how the airplane is coming in for
16 a landing or taking off, and there are several surfaces
17 that the FAA and pilots have to contend with in their
18 procedures and there are certain ones that have
19 limitations. The expert that we'll bring forward will go
20 through that analysis with you and explain the different
21 surfaces and the analysis that he did relative to the
22 project.

23 CHMN. CHENAL: Member Haenichen.

24 MEMBER HAENICHEN: Something you just said has
25 got me puzzled. You said that -- I don't know who it

1 was, but they got a phone call from some guy at the FAA
2 and said it's okay. You can't proceed in a process like
3 this without knowing for sure, can you?

4 MR. JONES: No, we would not proceed just on
5 that, and that was the importance of the announcement
6 that Mr. Olexa talked about in his opening statement.
7 And Mr. Clyde Pittman will talk to you more in depth
8 about that process and that exchange in communications
9 and the analysis that was done and the conclusions that
10 were reached in that analysis.

11 Q. BY MR. OLEXA: Mike, it's your understanding
12 that we've marked as Exhibit 56 to this proceeding the
13 initial letter and determination from the FAA that was
14 received today; correct?

15 A. That's correct.

16 Q. And we'll address that with the aviation
17 expert. But just briefly, given the FAA issues that were
18 originally perceived, why did SRP choose the freeway
19 alignments?

20 A. In spite of the potential FAA issues, the
21 freeway alignments present the best option from a public
22 acceptance point of view in being the most direct
23 alignment to connect the northern transmission system to
24 that in the southern portion of the area.

25 Q. Why did you wait to file the application until

1 you were able to get a final determination from the FAA?

2 A. We've always been torn between having
3 everything lined up and getting the alignment permitted
4 in advance of development. According to the aviation
5 consultants SRP hired, we did not have a definitive time
6 frame with which the FAA would make that final
7 determination. Thus, as is common, we have to balance
8 the desire to have everything lined up against the risk
9 of waiting too long to get a route alignment permitted.
10 And in this situation, the FAA issue was the same whether
11 we filed now or later. Therefore, we decided, given the
12 very fast pace of development, that it would be
13 irresponsible to delay the filing.

14 Q. Was the application in this case, which is
15 marked as Exhibit SRP-1 and 1A, prepared under your
16 direction?

17 A. Yes. Exhibits SRP-001 and 001A are a complete
18 application to the Committee.

19 Q. Did the revised application include a proposed
20 alignment along the northeast side of State Route 24?

21 A. No, it didn't.

22 Q. Was it your understanding that the northeast
23 side was withdrawn and is no longer part of the
24 application?

25 A. Yes.

1 Q. Please provide a summary of your testimony for
2 the Committee.

3 A. This project is needed to serve the area. Our
4 studies show the system configuration presented here is
5 the best option to serve the area from a reliability,
6 cost, and environmental perspective.

7 SRP requests that this Committee grant its
8 application.

9 CHMN. CHENAL: Are you finished, Mr. Olexa,
10 with your questions?

11 MR. OLEXA: I'm finished with the direct
12 examination, Mr. Chairman.

13 CHMN. CHENAL: Okay. Thank you very much.

14 Before we open it up to cross-examination, do
15 any of the Committee members have any questions?

16 (No response.)

17 CHMN. CHENAL: As you note, the Committee
18 members are not shy about asking questions.

19 Thank you, Mr. Jones.

20 So let's open it to up to cross-examination.

21 Remember, this is, you know, more relaxed
22 evidentiary standards in these hearings, but let's start
23 with Queen Creek. Mr. Braselton.

24 MR. BRASELTON: Thank you, Mr. Chairman.

25

1

2

CROSS-EXAMINATION

3 BY MR. BRASELTON:

4 Q. Mr. Jones, I just have one question. Does SRP
5 have a preference at this time as to which side of
6 Crismon Road they would prefer to go on, east or west
7 side?

8 A. No, it doesn't. Although you'll hear in later
9 testimony from others that we have worked out that it's
10 technically feasible on both sides of Crismon Road, and
11 so what we're really trying to do is work with landowners
12 there and, of course, the Town of Queen Creek to make
13 sure that the placement of those facilities are in a
14 position that is a consensus by everybody.

15 Q. So in this hearing, you're asking for authority
16 to go on either side that you would determine later; is
17 that correct?

18 A. That is correct.

19 MR. BRASELTON: That's all I have.

20 Thank you, Mr. Chairman.

21 CHMN. CHENAL: Thank you.

22 Mr. Rich.

23 MR. RICH: Thank you, Mr. Chairman.

24 If I ask a trick question, I'll duck behind

25 Mr. Olexa and you won't be able to see me.

1 Let me scoot either left or right here.

2 CHMN. CHENAL: If you'd like to go to the
3 podium, that's also a possibility for you.

4 MR. RICH: I've got my notes on my computer.

5

6

CROSS-EXAMINATION

7 BY MR. RICH:

8 Q. Good afternoon, Mr. Jones.

9 A. Good afternoon.

10 Q. And if you can't see me, just holler.

11 So are you familiar with the Elliot Road
12 Technology Corridor?

13 A. Yes.

14 Q. Okay. And that is the area where SRP expects
15 the most load growth?

16 A. Currently.

17 Q. I'm sorry?

18 A. Yes, currently, that's where we expect a
19 significant amount of load growth.

20 Q. And you would agree, obviously, that that is on
21 the east side of the Loop 202; correct?

22 A. That is correct.

23 Q. You indicated that you've had multiple
24 inquiries for customers looking to interconnect data
25 centers that would require more than 100 megawatts; is

1 that correct?

2 A. That's correct.

3 Q. And how many of those requests have you had?

4 A. Again, that will be discussed in detail in
5 Mr. Heim's testimony. I think at least five active
6 customers or more in that, in particular, one that's
7 already started construction and two that have entered
8 into contracts to do load impact studies in that area.

9 Q. And, to your knowledge, are each of those
10 requests for interconnection at that high amount to the
11 east of the Loop 202?

12 A. Again, we'll have to verify this with Mr. Heim,
13 who's more familiar with the details of those customer
14 inquiries, but, yes, the answer is yes.

15 Q. And are you generally familiar with the
16 technical aspects of interconnecting of these large
17 customers?

18 A. Generally, yes.

19 Q. Are you able to describe how a large customer,
20 say, with a 100-megawatt load, would interact with this
21 transmission line? How would they get electricity from
22 it or take service from it?

23 A. Each one of the customers have their own
24 specific needs. Some customers approach us asking for
25 connections at higher levels, such as 230kV. In the case

1 of the data center industry, they're very concerned about
2 very high reliability, so they're looking to really look
3 at that compared to other cost alternatives.

4 Many large customers, and some were listed on
5 the back of SRP Exhibit 003 in kind of the lower
6 right-hand corner, have dedicated distribution
7 substations that are generally located on their property
8 when they have significant energy needs.

9 Q. And so how would the electricity get from SRP
10 to that dedicated substation?

11 A. So it would probably be from a 69kV line that
12 would come out of RS-31 and, depending upon where they
13 are located, would traverse there or an existing line
14 that is in place already. Especially if it's 100
15 megawatts or more, you're going to be most likely
16 building a dedicated substation to serve those needs, and
17 you're going to have to bring in 69kv to them.

18 In rare circumstances, we have customers that
19 want to think about connecting at a 230kV level, and
20 we'll go through those analyses them.

21 Q. And those customers then could take service
22 directly from this transmission line that you're seeking
23 to --

24 A. It's rare. I'll add one other thing. It's
25 rare, but we have been requested to evaluate that, so it

1 is a real request.

2 Q. And is that a real request in this area?

3 A. It has been.

4 Q. Thank you.

5 Does the customer pay for the cost of
6 interconnecting -- let me strike that and back up.

7 To the extent that a customer would like to
8 interconnect at the transmission -- the 230 transmission
9 level directly with this transmission line, who pays for
10 that cost?

11 A. They would.

12 Q. And so it would be to the customer's benefit to
13 have -- to be located closer to the transmission line if
14 they were asked to pay that cost; is that correct?

15 A. From that perspective, yes. I think the
16 customers have a lot more items to analyze within that
17 cost benefit analysis that they do of whether or not to
18 drop that down, transform that down to a lower level,
19 what those costs are. We typically go through that
20 analysis that gives them alternatives so that they can
21 make decisions on them.

22 Q. And to the extent that that cost included
23 crossing a freeway, you would expect that cost to be
24 dramatically higher than if it were -- if the
25 transmission line were adjacent to one of these uses; is

1 that correct?

2 A. If it required crossing the freeway, we would
3 look at what the costs of that job would be to serve that
4 specific customer. If that was the only option and it
5 met all of the other requirement, yes.

6 Q. Yes, it would be more expensive?

7 A. I can't answer that question. There's a lot of
8 variables that go into the cost estimating of a job in
9 terms of the length, the transformation, other -- other
10 infrastructure that's needed to support their project.

11 Q. But you would agree that the cost -- there is
12 an increased cost of crossing a freeway rather than just
13 crossing vacant land, all other things being equal?

14 A. That would be correct.

15 Q. Do you know the cost of a freeway crossing?

16 A. I don't have that specific cost. No, I don't.

17 Q. In your experience, just to the best of your
18 knowledge at SRP, how many times have you seen SRP
19 request a corridor on either side of an active freeway?

20 A. I can't -- I don't have that information. I'd
21 have to go back and research that.

22 Q. So you don't recall an instance where this
23 Committee has approved SRP to build a line at its
24 selection on either side of an existing freeway?

25 A. I can recall that this Committee approves a

1 corridor. In this particular case, we worked very
2 specifically with all the stakeholders and specifically
3 with ADOT to try and get the information to accommodate
4 the stakeholders' request to be as close to the 202 and
5 to the State Route 24 as possible.

6 Q. Okay. And I appreciate that. And I think
7 we're all asking for the same thing. But for the sake of
8 the record, I guess I'd like that question answered.

9 Is your testimony that you don't recall --

10 A. We realize if we would request a 1,000-foot
11 corridor in this particular area, that the opposition
12 would be fierce in terms of the planned uses for that.
13 Again, it goes back to the unique opportunity that we see
14 here within this particular area of the planned
15 infrastructure that's going through right in the middle
16 of the heart of the vacant land there.

17 And, again, Mr. Olexa is going to call up
18 another witness, and we'll get into some more detail
19 then.

20 Q. And I appreciate that. And if I can get my
21 question out, and then if you could just -- I just want
22 the record to be clear.

23 Is it your testimony that you do not recall an
24 instance where this Committee has given SRP approval in a
25 CEC to select and build a transmission line on either

1 side of an active freeway?

2 A. No. I believe the Committee in the past has
3 approved a corridor and an alignment for routes. And
4 when they get to the design stages of the project and
5 acquire the right-of-way with the landowners, there are
6 decisions that are made on some of the placement of
7 equipment. And, where possible -- and, again, when we
8 started off the project, the Inner Loop Project, they
9 were just starting to have their stakeholder meetings.
10 And there were five or six options, which you're probably
11 very familiar with, in the Inner Loop up there in terms
12 of the planned area development and the density and the
13 types of loads going there.

14 And so being able to look at either side of the
15 202 up there was very important relative to the stages
16 that the Inner Loop was at and then also at the early
17 stages of discussion with the State Land Department. But
18 since that time, a lot has been resolved, and so there's
19 more definition.

20 Q. I'm not sure that you're answering my question
21 exactly, but I'll move on.

22 Do you have SRP Exhibit 1, the application, up
23 there with you?

24 A. I think in one of the notebooks. The right
25 one? Okay.

1 Q. So I'd ask you to turn in the introduction
2 section. This is in Exhibit SRP-1, to the introduction
3 section, page 13. And let me know when you're there.

4 A. Okay.

5 Q. So in the -- and can we agree this is the
6 section that's talking about what SRP's proposal is with
7 regard to the northern alignment? Would you agree that's
8 what -- just for the record, that's what this is?

9 A. Yes. It's entitled Loop 202 Proposed
10 Alignment.

11 Q. And so this is where SRP sets out what its
12 proposal is with regard to the construction of the
13 transmission line and the corridor along Loop 202 area;
14 correct?

15 A. Correct.

16 Q. Okay. And would you agree that this says that
17 SRP is proposing a 500-foot corridor on the east side of
18 Loop 202 and a 500-foot corridor on the west side of Loop
19 202 in that first paragraph?

20 A. Yes, it says that.

21 Q. Okay. And so let me ask you, then, to go down
22 to the second paragraph on page 13. It says, quote:
23 Applicant understands that if the proposed alignment is
24 chosen that the Committee may specify construction on
25 either the east or west side of the Loop 202. End quote.

1 Do you see that?

2 A. Yes.

3 Q. Okay. So is it SRP's position today that if
4 the Committee --

5 A. We have a preference to be on the east side.

6 Q. Your preference would be on the east side. And
7 would SRP accept the CEC that limited SRP to only
8 constructing this line on the east side of the Loop 202?

9 A. I think that's up to the Committee to decide.
10 SRP has a strong preference for the east side and has
11 been working with the State Land Department.

12 Q. And the second sentence of that second
13 paragraph on page 13 of the introduction indicates that
14 there is the need for a freeway crossing if --

15 A. If you're -- I'm sorry. I couldn't hear you.

16 Q. That there's a need for a freeway crossing if
17 the line is sited on the west side of the Loop 202;
18 correct?

19 A. Correct.

20 Q. And that need is not found if the line is sited
21 on the east side of the Loop 202?

22 A. That's correct.

23 MR. RICH: Mr. Chairman, give me a moment. I
24 think I might be done. Let me check my notes.

25 CHMN. CHENAL: Sure.

1 MR. RICH: Mr. Jones, thank you very much.

2 I have no further questions.

3 CHMN. CHENAL: Mr. Artigue, do you have
4 questions?

5 MR. ARTIGUE: Not many, Mr. Chairman, but I can
6 see the witness better if I do it up here.

7 CHMN. CHENAL: That's fine.

8

9

CROSS-EXAMINATION

10 BY MR. ARTIGUE:

11 Q. Mr. Jones, I'm Cameron Artigue for the
12 development Cadence.

13 Do you recall when Mr. Olexa asked you if this
14 application gave optionality to the Committee, and your
15 answer was: Only on the north segment.

16 Do you recall that testimony?

17 A. Yes, I do.

18 Q. I take it you meant by that, at least in your
19 view, the Committee no longer has optionality with
20 respect to the central segment?

21 A. That's correct.

22 Q. In that regard, you referenced a filing that
23 SRP made on August 3rd, which is Exhibit SRP-001A. Do
24 you recall that testimony?

25 A. Yes.

1 Q. Did SRP regard that as a serious and important
2 filing?

3 A. Yes.

4 Q. Did SRP -- could you remind the Committee what
5 that filing said?

6 A. It removed the northeast portion of the route
7 on State Route 24 and identified the southwest alignment
8 as the route that was being applied for.

9 Q. In the central section that I'm indicating
10 right here?

11 A. Yes, sir.

12 Q. Did SRP anticipate that other parties to this
13 proceeding would prepare their positions in reliance upon
14 SRP's filing?

15 A. Could you repeat that. I didn't hear.

16 Q. Did SRP anticipate that other parties would
17 rely upon that filing?

18 A. Yes.

19 Q. Let me just follow up briefly on the question
20 that Member Woodall asked you.

21 This project has been in the ten-year plan
22 since at least 2016, you said?

23 A. I said a couple of years. It may have been
24 longer. I'd need to go verify. But, yeah, and it was
25 previously identified under a different name.

1 Q. It's my recollection that those ten-year plans
2 are filed in January of each calendar year. Do you know
3 if that's right?

4 A. That's correct.

5 Q. So this project would have been publicly
6 planned for two and a half years, at least?

7 A. Yes.

8 Q. And the FAA has always been in the mix as part
9 of that planning process; correct?

10 A. When we do the ten-year filings, we have not
11 got to the point where we've looked at all the route
12 options and alignments and what have you. And so, again,
13 the airport has always been there, obviously, yes. And
14 if you look at the single line diagram that was filed, it
15 shows it there.

16 MR. ARTIGUE: Thank you.

17 That's all my questions.

18 CHMN. CHENAL: Thank you.

19 Mr. Taebel.

20 MR. TAEBEL: No questions for me.

21 CHMN. CHENAL: All right. Mr. Jones, I just
22 have a couple of questions.

23

24

EXAMINATION

25 BY CHMN. CHENAL:

1 Q. I just want to clear up the language of the
2 application just to make sure I understand what the
3 applicant is requesting.

4 And in regards -- again, back to this corridor
5 notion, it looks like page 13, again, of the introduction
6 of the application. And I'll allow you to tell me when
7 you have it.

8 A. I have it.

9 CHMN. CHENAL: I wonder if it's possible to put
10 it up on the screen.

11 There we go. Thank you very much. So if we
12 could blow up the first two paragraphs there.

13 MEMBER WOODALL: So this is from the original
14 application, and it is not the modified language that SRP
15 filed when it filed its supplement to the applicant. In
16 other words, this is what you originally filed; right?

17 MR. JONES: That is correct.

18 MEMBER WOODALL: Okay. Thank you. I just
19 wanted to make sure I was looking at the right thing.

20 Q. BY CHMN. CHENAL: And there's the northern
21 portion of the project, which I'll use my green laser, is
22 along the 202. And then there's the central portion,
23 which the supplemental application, I think, relates to
24 and drops the northeast -- northwest portion of that
25 route and confirms that the application will only apply

1 for the southwest portion of that segment and then
2 southern segment is along Crismon Road.

3 So looking at the language of, again, page 13
4 of the first exhibit, let me -- okay.

5 The width of the corridor requested is 500 feet
6 on either side of the Loop 202 right-of-way. So from
7 that language, I understand that there is a corridor and
8 that it's a width on either side of the 202 extending 500
9 feet probably from centerline.

10 And that the applicant's preference, is that
11 the placement be on the east side -- the transmission
12 line be placed on the east side of Loop 202; correct?

13 A. That is correct.

14 Q. Okay. So I think we have a corridor in the
15 application. And I guess I would like to know if the
16 applicant's position is that there --

17 A. If you would like me to say that I erred in my
18 statement, I can say that and that this is accurate, and
19 that will clear it right up.

20 Q. All right. Yeah, I think the language is
21 pretty clear on that point.

22 Now, the CEC is requesting, however, for this
23 northern segment, the Loop 202 proposed alignment, that
24 that portion, that the CEC specifically allow for a
25 500-foot corridor on either side of the 202; is that

1 correct?

2 A. That's correct.

3 Q. Okay. And we're certainly aware that at least
4 one of the intervenors, the Inner Loop owners, would
5 prefer that the CEC specifically require that the
6 transmission be placed on the east side of the 202 as
7 opposed to allowing a corridor on either side.

8 A. That's correct.

9 Q. Based on the understanding and the statements
10 made so far.

11 So I guess that's one of the issues the
12 Committee's going to have to tackle, is if we issue a CEC
13 for that portion of it -- and we've done this in the
14 past. We did it in the last hearing. We specifically
15 identified which side of the freeway the transmission
16 line was to be placed. So a heads-up news flash, that
17 may be something that this Committee will decide to do.

18 Now, let me just, then, quickly go down to the
19 bottom of the page. Actually, it's probably the southern
20 alignment on the next page, the Crismon Road proposed, if
21 you keep going to the next page. And I think here, the
22 language is not quite as clear to me because, again,
23 we're talking about the Crismon Road -- the southern
24 portion of the project.

25 And it says the width of the corridor requested

1 for this route is 300 feet. It doesn't have the same
2 language as the language that we just referred to, which
3 says 300 feet on each side, which makes it clear that
4 that's what the request is. However, from the testimony
5 I believe we've already heard or the questioning from
6 Mr. Braselton, it seems as though the request of -- in
7 the application is that, again, SRP be given the option
8 to place the transmission line on either side of Crismon
9 Road; is that correct?

10 A. That is correct.

11 Q. Okay. Is it 300 feet on either side, or is it
12 150 feet on either side for a total of 300 feet?

13 A. That would be from the centerline of Crismon
14 Road, which is under future development.

15 Q. I'm sorry?

16 A. It would be from the centerline. We're working
17 with the City, the Town of Queen Creek, on the Crismon
18 Road improvements. And it would be from the centerline
19 of that. And I can have that clarified by the project
20 manager, Grant Smedley, when he's up here.

21 Q. Okay. But I didn't understand -- I didn't hear
22 your first part of it. Is it 300 feet on either side or
23 is it 150 feet on either side? In other words, is it a
24 total of 300 on either side or is it a total of 300?

25 A. And I was basing it off the centerline, 300

1 feet from the centerline of the roadway.

2 Q. On either side.

3 A. To either side.

4 Q. So it would be 300 feet on either side?

5 A. If you're looking at it as a corridor.

6 Q. Okay. I just wanted to clarify the request.

7 CHMN. CHENAL: Member Noland.

8 MEMBER NOLAND: I've got a clarification. Can
9 you take that back up to the central or the northern
10 portion on page 13?

11 MR. JONES: What page?

12 MEMBER NOLAND: 13.

13 No, the northern. Yes.

14 In answering the question that the Chairman put
15 to you that it would be 500 feet from the centerline, I
16 don't believe that's what that is saying. I think it's
17 saying 500-foot corridor from the right-of-way, the 202
18 right-of-way, not the centerline.

19 MR. JONES: In that northern portion, you are
20 correct.

21 MEMBER NOLAND: Thank you.

22 Then, I also believe that the CEC that we have
23 is a little different in how the corridor is going to be
24 or your decision on which side of Crismon Road the line
25 will be placed. So I need to look at that.

1 If we could get a hard copy of the applicant's
2 CEC.

3 MEMBER WOODALL: Mr. Chairman, I was just going
4 to say the long and the short of it is what is in the
5 application here and what you are clarifying for us is
6 not in the CEC.

7 MEMBER NOLAND: Yes.

8 MEMBER WOODALL: And so before we get too far
9 afield, that's why I was suggesting you have technical
10 elves to go through and provide a more specific
11 description of just what you want where, and then you
12 have some --

13 MR. JONES: Well, I'm very confident that the
14 additional witnesses coming up will do a much better job
15 than I have in explaining this.

16 (Simultaneous speakers.)

17 MEMBER NOLAND: I can't hear either of you
18 because you're talking at the same time.

19 MEMBER WOODALL: All I'm getting at is it needs
20 to be in here. And you need to be able to tell, I'm
21 sure, Ms. Noland, where it is verbally before it's in the
22 CEC.

23 MEMBER NOLAND: And as we did in our last
24 application, that you have a map that also shows that and
25 is attached as an exhibit to the CEC. We're going to get

1 down to being very specific about this, and it's not
2 going to be optional unless it's an area that is
3 difficult to build or there might be some reason you
4 would have to go from one side to the other because of
5 Indian artifacts or other things along that line.

6 But things aren't lining up here, and we need
7 them to line up a little better. And then, by the time
8 we get to the end, they should line up. We should know
9 where the corridors are, on which sides, and we're going
10 to put that in the CEC. And we do it all the time. Then
11 people will know this is exactly where this is going to
12 be, and it's a 500-foot corridor that you can locate that
13 particular line and whether it's from the centerline or
14 whether it's from the right-of-way line, which are two
15 different things.

16 So I hope I've made that clear.

17 CHMN. CHENAL: Okay. I have -- and thank you,
18 Mr. Jones. You answered my questions.

19 Does the Committee have any other questions for
20 Mr. Jones?

21 MEMBER WOODALL: I think we have tormented him
22 enough.

23 How do you feel, Mr. Jones? Do you want more
24 torture?

25 CHMN. CHENAL: Mr. Olexa, do you have any

1 redirect?

2 MR. OLEXA: Yes, Mr. Chairman.

3

4

REDIRECT EXAMINATION

5 BY MR. OLEXA:

6 Q. Mr. Jones, do you have a copy of the CEC or the
7 amended CEC that was filed the other day?

8 A. No, I don't have it up here with me.

9 MR. OLEXA: Mr. Chairman, would it be
10 appropriate for me to hand him a copy of it?

11 CHMN. CHENAL: Sure. And what exhibit numbers
12 are these?

13 MR. OLEXA: This wasn't an exhibit. It was
14 filed as Exhibit A2 in response to all the impending --

15 CHMN. CHENAL: And you're handing him the
16 response?

17 (Reporter clarification.)

18 MR. OLEXA: I am handing him Exhibit A to the
19 response that was filed yesterday, which was a response
20 to proposed conditions that the intervenors and parties
21 have filed in asking the CEC to be amended.

22 CHMN. CHENAL: We're going to make this an
23 exhibit. What number would we like to assign to this?

24 MR. OLEXA: I think the next exhibit is 57,
25 SRP-57.

1 CHMN. CHENAL: Okay.

2 Q. BY MR. OLEXA: Mr. Jones, you were asked a
3 number of questions about the corridor reference that was
4 in the application with regard to the northern segment
5 both from the Committee as well as Mr. Rich.

6 Have you seen a copy of what we've marked as
7 Exhibit 57, which is the proposed amended version of the
8 CEC from the applicant?

9 A. Yes. I have it in my hand.

10 Q. Okay. If you would turn to page 3.

11 A. Okay.

12 Q. And I'm looking at subparagraph C. And below
13 that, paragraph 1, it says Northern Segment. Do you see
14 that?

15 A. Yes, I do.

16 Q. Okay. The second sentence under Northern
17 Segment says: From the Browning-Santan junction, SRP
18 will construct adjacent to the east side of the Loop 202
19 right-of-way and then continue to the RS-31 site; is that
20 correct?

21 A. That is correct.

22 Q. So in the most recent version of the proposed
23 CEC from the applicant, we're not asking for either the
24 east or the west side. We're simply asking for the east
25 side; is that correct?

1 A. That is correct.

2 Q. And then the language following that says: In
3 a right-of-way location as may be dictated by sound
4 engineering, construction maintenance, and cost
5 consideration.

6 Do you see that?

7 A. Yes, I do.

8 Q. And is it your understanding that that's what
9 SRP was proposing in that area in lieu of a specific
10 corridor size?

11 A. Yes.

12 Q. And would it be fair, though, that perhaps
13 another SRP witness who has yet to testify could
14 elaborate on this a little bit more?

15 A. Yes.

16 Q. There was a question earlier from I believe it
17 was Member Woodall about the Price Road Corridor project.

18 Was the Price Road Corridor project a different
19 need than what we're here trying to address with this
20 particular project?

21 A. Different need than capacity or reliability?

22 I'm not --

23 Q. The Price Road Corridor was in Chandler, was it
24 not?

25 A. Yes, it was.

1 Q. And this is primarily in Mesa and --

2 A. Oh, yeah, absolutely. Correct. I didn't
3 understand.

4 MR. OLEXA: I don't have any further questions
5 right now.

6 Thank you, Mr. Chairman.

7 CHMN. CHENAL: Member Noland.

8 MEMBER NOLAND: Mr. Chairman, on our exhibits
9 list or on the information that we have available on
10 these laptops, do you have the latest CEC that you were
11 discussing with Mr. Jones? I have one here that has
12 something completely different, and I'm just trying to
13 follow along with the program here.

14 MR. OLEXA: We will get a copy marked. We just
15 marked the document that was filed yesterday as
16 Exhibit 57, so it's not in your computers. I apologize.

17 MEMBER NOLAND: It's hard to follow when we've
18 got different documents. So will it be filed and on
19 our -- I mean, will you add it to our laptops?

20 MR. OLEXA: We can add it to your laptops.

21 MEMBER NOLAND: Thank you.

22 CHMN. CHENAL: And let's have a hard copy too.
23 I think it would be helpful to have a hard copy as well,
24 Mr. Olexa.

25 MR. OLEXA: We'll make a hard copy tonight.

1 MEMBER NOLAND: Yes, that would be helpful
2 because, again, on the southern segment on the CEC that
3 I'm looking at, the copy of it, there is no mention of a
4 corridor, and it's completely left up to SRP on which
5 side of Crismon Road it's going to be. So that's
6 different than the application, and it's very confusing.

7 MR. OLEXA: Okay.

8 CHMN. CHENAL: Okay. We'll get that
9 straightened out.

10 So the most recent CEC -- tell me again,
11 Mr. Jones, what is the most recent CEC that you just read
12 from? How does it refer to the 202 segment in terms of
13 the corridor?

14 MR. JONES: Yes. What Mr. Olexa just handed
15 out as Exhibit --

16 CHMN. CHENAL: 57?

17 MR. JONES: -- 57 would be the most recent, and
18 that was the subject of the conversation getting the hard
19 copy and what have you.

20 And then on the northern segment, is the
21 question that you're asking me to read through --

22 CHMN. CHENAL: Yes.

23 MR. JONES: -- is that the northern segment
24 will originate at the existing Santan-Browning 230kv
25 transmission line and end at the RS-31 Substation?

1 From the Browning-Santan junction, SRP will
2 construct from adjacent to the east side of the Loop 202
3 right-of-way and then continue to RS-31 in the
4 right-of-way location as may be dictated by sound
5 engineering, construction maintenance, and cost
6 considerations.

7 CHMN. CHENAL: Member Woodall.

8 MEMBER WOODALL: I believe that what you're
9 reading from now and what was marked as Exhibit 57 was
10 contained in a dispatch from Marie Cobb of your office of
11 SRP's most recent exhibits, and that would be why we
12 don't have hard copies. We received an email with them
13 on.

14 My copy does not have a docket stamp on it, but
15 I'm assuming that you filed it yesterday; is that
16 correct, Mr. Olexa?

17 MR. OLEXA: That's my understanding, that it
18 was filed through SRP with the Corporation Commission,
19 yes.

20 MEMBER WOODALL: So if you didn't open up that
21 email and rummage through all of the documents that were
22 listed and print it out, we wouldn't have that available
23 to us; is that correct?

24 MR. OLEXA: Yes.

25 MEMBER WOODALL: Okay. Thank you.

1 CHMN. CHENAL: Okay. So the testimony and the
2 position of SRP is the CEC that's been offered, the most
3 recent version, will adopt the eastern -- the
4 transmission line on the eastern side of the 202 on the
5 southwest side -- the southwest side of the central
6 portion.

7 And then, on the southern portion, it's
8 still -- has yet to be defined. It still leaves open the
9 possibility that it could be on the east or the west side
10 of Crismon Road?

11 MR. JONES: Yes.

12 CHMN. CHENAL: Okay. Member Woodall.

13 MEMBER WOODALL: So Mr. Jones and Mr. Olexa,
14 are you going to get cracking and create a form of CEC
15 that's going to have a corridor, what's in it, and have a
16 map that depicts it, or not?

17 MR. OLEXA: I will discuss it with SRP and
18 Mr. Sundlof, and we will get back to you.

19 MEMBER WOODALL: I think that's the long and
20 the short of it, especially since you wanted it for ten
21 years.

22 I mean, we can't say, Well, it will be
23 somewhere on the north side. And so you take our
24 concern. You understand our concern.

25 MR. OLEXA: I understand where you're coming

1 from. And I think part of what SRP was attempting to do
2 here is instead of reserving a corridor of certain width
3 for a period of ten years and then having, you know,
4 neighboring landowners concerned about the fact that,
5 Hey, for ten years, you guys have tied up this corridor
6 of 500 feet, that we proposed language in the CEC that
7 essentially reserves it based on sound engineering,
8 construction maintenance, and cost considerations without
9 going further than we need to go. In other words --

10 MEMBER WOODALL: Well, Mr. Olexa, with due
11 respect, if I was a property developer, I think I would
12 rather have a line that was defined rather than whatever
13 SRP thinks is a good idea.

14 So I understand your thinking, and it's
15 engineering thinking. But, really, I honestly think that
16 not having a corridor described and a map of it, I think
17 that's going to be a major problem for us. So thank you
18 for that.

19 CHMN. CHENAL: Anything further of Mr. Jones by
20 any of the parties or the Committee?

21 (No response.)

22 CHMN. CHENAL: Thank you, Mr. Jones.

23 (The witness was excused.)

24 CHMN. CHENAL: I see we've gone about 90
25 minutes. It's time for another break.

1 Let me ask the Committee if they have a
2 preference, and then I'll ask the parties.

3 If we take a 15-, 20-minute break now, we don't
4 have the public comment session tonight until 6:00.
5 Would it be the preference to go past 5 p.m. this evening
6 to something like 5:30, or would it be the preference to
7 stop it at 5:00?

8 MEMBER PALMER: I can go.

9 MEMBER WOODALL: I say march forward.

10 MEMBER NOLAND: Yeah, I agree.

11 MR. OLEXA: That would be our preference,
12 Mr. Chairman, especially because our aviation expert is
13 here and he is from Florida, so he has a flight to catch,
14 I believe, tomorrow morning. So if we can get him on,
15 that would be terrific.

16 CHMN. CHENAL: Okay. Let's take a 15-minute
17 break, and then we'll resume.

18 (A recess was taken from 4:28 p.m. to
19 4:56 p.m.)

20 CHMN. CHENAL: Okay. Mr. Olexa, I understand
21 that your next witness, Mr. Pittman, is an out-of-state
22 witness and has a flight tomorrow morning.

23 MR. OLEXA: That is correct, Mr. Chairman.

24 CHMN. CHENAL: Let's call him as your next
25 witness. And do you have an estimate how long you

1 believe he will be?

2 MR. OLEXA: Perhaps a half hour tops.

3 CHMN. CHENAL: Well, we'll go as long as we
4 have to. We have the hearing at 6, but I believe the
5 members of the Committee are fine with going until then.

6 MR. OLEXA: And I think with the recent
7 development today with the FAA, we can probably even
8 shorten his testimony a little bit if that's the
9 inclination.

10 CHMN. CHENAL: Sure. Let's call your next
11 witness, and we'll swear him in.

12 MR. OLEXA: The applicant calls Clyde Pittman.

13 CHMN. CHENAL: Good afternoon, Mr. Pittman.
14 Thank you for coming today.

15 MR. PITTMAN: I appreciate that, Mr. Chairman.

16 CHMN. CHENAL: Would you prefer to an oath or
17 an affirmation, sir?

18 MR. PITTMAN: Oath.

19 (Clyde Pittman was sworn by the Chairman.)

20 MR. OLEXA: Thank you, Mr. Chairman.

21

22

23

24

25

1 CLYDE PITTMAN,
2 called as a witness on behalf of Applicant, having been
3 previously sworn by the Chairman to speak the truth and
4 nothing but the truth, was examined and testified as
5 follows:

6

7 DIRECT EXAMINATION

8 BY MR. OLEXA:

9 Q. Please state your name.

10 A. Clyde Pittman.

11 Q. Mr. Pittman, by whom are you currently
12 employed?

13 A. Federal Airways & Airspace.

14 Q. What type of services does Federal Airways &
15 Airspace provide?

16 A. We provide services to people who want to build
17 anything above ground. For a single point analysis, a
18 single point on the planet, we will do a single point
19 analysis from major projects like the one we're
20 discussing today.

21 We produce an Aeronautical Impact Statement
22 that goes through and details the different points and
23 what their altitudes would be expected that the FAA would
24 be expected to approve.

25 Q. Is SRP-10 basically a summary of Federal

1 Airways & Airspace's services?

2 A. Yes, it is.

3 Q. It's actually 10A, for the record.

4 What is your position with Federal Airways &
5 Airspace?

6 A. Director of engineering.

7 Q. Please briefly describe your professional
8 background in your role as director of engineering of
9 Federal Airways & Airspace?

10 A. I have a degree in electrical engineering from
11 the University of Florida. I'm a certified aerospace
12 engineer with the State of Florida. I'm the director of
13 engineering for the company and have been that since
14 1998.

15 And prior to that, I worked for the Federal
16 Airways -- for the Federal Airways & Airspace -- I worked
17 for the FAA, excuse me, before that. And before that, I
18 even worked for NASA at Kennedy Space Center.

19 Q. And is Exhibit SRP-11 or 11A a summary of your
20 testimony?

21 A. Yes.

22 Q. I'm sorry. Your credentials, sir?

23 A. Yes.

24 Q. What was your role with respect to this SRP
25 project?

1 A. My role was to determine what the height limits
2 may be for this project. Because when we were brought on
3 board, we were given some information that said that
4 there was a suggestion that there would be a problem with
5 the radar and one of the navigational aids.

6 Q. And as part of your work in this matter, have
7 you become familiar with the Phoenix-Mesa Gateway
8 Airport?

9 A. I have.

10 Q. Please provide a general description of the
11 Phoenix-Mesa Gateway Airport.

12 A. The airport has three parallel runways, 12
13 left, 12 right, and 12C and respective ends of the 30.
14 The runways are fairly long. Two of the runways have
15 plans to extend them. One, 12 right, 2,100 feet; and 12
16 left would be 1,000 feet.

17 It has radar, ASR 8. It has an air traffic
18 control tower -- excuse me, airport control tower, ILS
19 systems for runway 30C, I believe. And the other ones --
20 and it has Arnett approaches on 12 right, 30 left, 30C,
21 and 12C.

22 Q. What are Arnett approaches?

23 A. Those are basically procedures that are
24 developed off of GPS systems, and they're basically a
25 satellite-based system with ground-based correction

1 equipment. And the aircraft will fly these procedures
2 based on their Arnett equipment that they have aboard the
3 aircraft.

4 Q. Is Exhibit SRP-12, which is up on the right
5 screen, is that an airport diagram?

6 A. It's an airport diagram from the approach
7 plates that are published by the U.S. Government for this
8 particular airport showing the taxiways and the lengths
9 of the existing runways as of the date of that document.

10 Q. You mentioned, I believe, the airport has an
11 ASR, airport surface radar; is that right?

12 A. That's correct.

13 Q. And what is the general function of an ASR?

14 A. The ASR general function is to collect
15 information on aircraft that are within the vicinity of
16 the airport out to a range of roughly 60 miles and to
17 about 25,000 feet.

18 Q. And the airport in question is also equipped
19 with a VOR; is that right?

20 A. Yes. There's a VOR also on the airport, and
21 the VOR provides a signal to aircraft that tells them
22 basically the direction the VOR is from where they are
23 at. And I believe it also has -- this one also has a
24 DME, so that's distance measuring equipment. So once you
25 know the distance you are from a known position and you

1 know the bearing and distance you are from a known
2 position, then your onboard computer can calculate the
3 coordinates where you are.

4 Q. And what does VOR stand for?

5 A. Very High Frequency Omni-Range.

6 Q. How is VOR different from radar?

7 A. Well, radar transmits in gigahertz, and the --
8 it interrogates the aircraft as far as where it is under
9 the raw radar. And then the beacon portion of it
10 interrogates the transponder, which reports back to the
11 air traffic computer that says, This is where I am and
12 this is who I am and this is how tall I am, how high up.

13 The VOR doesn't receive any information from
14 the aircraft. It just provides information to the pilot.

15 Q. Sir, are you aware whether the airport has
16 plans to expand or make improvements?

17 A. It has multiple plans to expand. As I
18 mentioned earlier, runway 12 right will be extended, I
19 think, close to 1,000 feet, and 30N will be another 1,000
20 feet. So that will be -- I believe you end up with a
21 12,500-foot tall -- length runway. And the 12 left and
22 30 right, the 12N, will receive another 1,000 foot of
23 runway length.

24 The radar is where the new terminal building
25 is. And if this is the laser -- yes, here we are. This

1 is basically where the radar is located right now.

2 Q. When you say "this," you're referring to
3 Exhibit SRP-13, which is on the right screen?

4 A. Yes. I was also referring to the laser dot.

5 Q. Okay.

6 A. But this is -- on this diagram, this is the
7 location of where the radar is located at this point
8 right now. And it will not be possible for it to remain
9 in this location once this expansion is approved.

10 Q. So, in other words, if the airport goes forward
11 with the new east terminal, they'll actually have to move
12 the radar?

13 A. That is correct.

14 Q. To your knowledge, has the airport's master
15 plan also approved a new airport control traffic tower
16 for the Phoenix-Mesa Gateway Airport?

17 A. The new tower is -- yes, it's on the new ALP,
18 and it's located about 400 feet to the -- going to be
19 located 400 feet to the north-northwest of the existing
20 tower.

21 Q. When you say ALP, what does that stand for?

22 A. Airport Layout Plan. That's the plan that this
23 drawing originally came from.

24 Q. And if something is on the Airport Layout Plan,
25 what's the significance of that to you?

1 A. Well, it can work for you -- in this case, it
2 did -- and it can work against you. If an Airport Layout
3 Plan shows an extension to a runway and you happen to be
4 in a location where that extension would impact your
5 project, then you may not get to build it because you're
6 impacting the future development of the airport. So it's
7 important for the airport to always keep their plan
8 updated and current.

9 So anything that's on there the FAA can use to
10 derail your project. So when you do all these
11 calculations and analyses, you need to know what the
12 airport is planning in order that you can give the proper
13 guidance.

14 Q. Has your company performed an analysis of the
15 potential aviation planned issues that could arise as a
16 result of SRP's proposed transmission project?

17 A. Yes.

18 Q. What types of things did your analysis focus
19 on?

20 A. Well, the first thing we did is look at the
21 notice requirements for the particular airport. And that
22 information is defined in Title 14 C.F.R. Part 77.9(b)
23 for a sloping distance from the nearest point of the
24 nearest runway.

25 So in this particular case, this airport,

1 because of its configuration of the runways is -- the
2 objects within 20,000 feet of the runway are subject to a
3 100 to 1 slope. That means every 100 feet I go out, I
4 can only raise 1 foot.

5 Now, just because you fail a notice
6 requirement, that's all it is, is notice. That doesn't
7 mean your project won't get built.

8 So that was the first thing we looked at. And
9 we found on all of the points that were submitted by
10 latitude and longitude required notice to the FAA. We
11 also looked at the imaginary surfaces that surrounded the
12 airport. Those are the horizontal, conical, the
13 77.17(a)(2), the IFR procedures, the VFR surfaces.

14 And we could not locate -- based on the
15 ultimate heights that were suggested or better planned on
16 for these towers, none of the surfaces penetrated --
17 there were no obstruction surfaces that were penetrated
18 by the poles, the towers.

19 CHMN. CHENAL: Let me ask a question,
20 Mr. Olexa.

21 And, Mr. Pittman, thank you. I actually
22 understand some of what you're saying. I got some
23 training at that airport.

24 But what is the height of the highest structure
25 height --

1 MR. PITTMAN: The highest structure height is
2 152 feet AGL.

3 CHMN. CHENAL: -- for the project that you
4 analyzed in your analysis?

5 MR. PITTMAN: 152 feet AGL. Now, as you know,
6 the horizontal surface is 150 feet above the airport,
7 elevation. And while some of these structures are
8 inside, the 10,000-foot circumference of that surface,
9 none of those surfaces, because the ground is sloping
10 downward, penetrate the horizontal surface.

11 Q. BY MR. OLEXA: You referred to AGL. What is
12 that?

13 A. Above ground level.

14 Q. Let's take a step back because you were going
15 kind of quick.

16 You referenced imaginary surfaces. Explain to
17 the Committee what we refer to when we're talking about
18 that.

19 A. Well, imaginary surfaces are something you
20 can't see because they're imaginary.

21 CHMN. CHENAL: You're not supposed to define a
22 term with a term.

23 MR. PITTMAN: So they're defined basically with
24 mathematics. And you start out with you have an approach
25 surface.

1 If you notice here on this diagram on No. 14,
2 SRP-014, we have this turquoise- or cyan-colored line
3 that goes around the airport like that. That
4 circumference is the horizontal surface. That's the
5 dimensions that it would have. And it's 150 feet above
6 the highest point on the airport. And I believe the
7 highest point on the airport is 1,380 feet. And I
8 believe that's found at the -- on runway I think 30C, the
9 threshold elevation of 30C.

10 And at the conclusion of the horizontal
11 surface, we have another 4,000-foot surface that extends
12 outward from that. And that climbs -- and that's defined
13 by the yellow band. It may be a little hard to see, but
14 there's a yellow band that goes around, and that's
15 roughly 14,000 feet from the nearest point -- from the
16 end of the runway, let's say. And that slopes up
17 starting at the elevation of the horizontal surface, and
18 it slopes up at a 20 to 1. Again, that means every 20
19 feet I go out, I rise 1 foot. So that whole surface is
20 now going up, and it will rise 200 feet over that 4,000
21 feet.

22 The red circle is defined by 77.17(a)(2). And
23 that's 3 nautical miles out from the center of the
24 airport, the airport reference point, which that little
25 dot right in here, which is basically the geographical

1 center of the airport. So this surface goes out 3
2 nautical miles. And you can be 200 feet above the
3 highest point on the airport or 200 feet above the ground
4 elevation at your site, whichever is higher.

5 So no surface penetrates the horizontal, the
6 conical, or the 77.17(a)(2). And these rings represent 1
7 nautical mile out from the center of the airport, and the
8 height increases 100 feet per nautical mile.

9 The shaded areas are the approach surfaces. So
10 this big large shaded area here coming in to 30C is the
11 IOS surface, or the precision approach surface.

12 Now, that has two portions of it. As it starts
13 out from the end of the runway right here on 30C, it
14 starts out at the elevation of the runway, only it starts
15 200 feet off the end because it's a paved runway surface.
16 And it climbs at 50 to 1 for 10,000 feet, and then it
17 stops. The reason you see it truncated right here is
18 because it reached the height of the horizontal surface
19 so it stops right there, and it doesn't continue because
20 the lowest surface always rules.

21 At this point here, it now reappears because
22 now it is lower than the conical surface, and it then
23 continues. At 10,000 feet, it breaks to a 40 to 1
24 surface and continues out to -- I'm thinking 16 -- 40,000
25 feet, I think, it goes out.

1 These surfaces on the side are 7 to 1
2 transitional surfaces that are like connecting surfaces
3 to the imaginary surfaces that are close in to the
4 airport, the horizontal.

5 There are surfaces -- the transitional
6 surfaces also extend along the runway. There's the
7 primary surface that surrounds the runway itself, and
8 that's at the elevation of the runway. Where those
9 surfaces end, a 7 to 1 surface rises until it reaches the
10 height of the horizontal surface, and then it stops.

11 So those comprise the basic imaginary surfaces
12 that surround the airport, and those are protected
13 surfaces.

14 So what the FAA does in their analysis, they
15 look at notice and then they look at obstruction
16 surfaces, the imaginary surfaces, to see if you penetrate
17 any of those surfaces. Penetrating those surfaces, at a
18 minimum, would require obstacle marking and lighting.

19 So if you don't penetrate those surfaces,
20 you're probably not going to be a problem in many cases,
21 but you would have to -- if you didn't penetrate it, it
22 wouldn't be a problem. But if you do penetrate them on
23 some locations, you can mark and light and still get
24 approval. It depends on whether you take that extra step
25 and interfere with an IFR surface, which is shown in

1 SRP-015.

2 Q. BY MR. OLEXA: Let me jump in here.

3 Exhibit SRP-14 is what you were referring to as the
4 surfaces diagram; correct?

5 A. Yes.

6 Q. And you mentioned notice. What are you
7 referring to when you refer to giving the FAA notice?

8 A. The notice surface starts basically at the
9 center point of the runway threshold, the end of the
10 runway, end of pavement. And it extends out at 100 to 1
11 slope for 20,000 feet from every runway point. So
12 left will have its own surface, right will have its
13 own surface that extends out from the runway. And if you
14 penetrate that surface, then you have to give notice to
15 the FAA, and that's covered under 77.9(b).

16 Q. Okay. So, in other words, if someone like SRP
17 wants to propose construction in the area and they could
18 potentially penetrate one of these imaginary surfaces,
19 they have to notify the FAA; correct?

20 A. Yes.

21 Q. Okay. And, in fact, you helped them do that in
22 this particular instance?

23 A. We filed for them, yes.

24 Q. And you filed, what was it, a 7460 application?

25 A. 7460-1.

1 Q. And can you just briefly explain what that is?

2 A. An FAA Form 7460-1 is merely a vehicle to alert
3 the FAA that you have a point or a project that you need
4 to tell them about so they can do their job doing an
5 analysis on it and give you whether they're going to give
6 you a notice of presumed hazard or whether you're going
7 to get a "does not exceed" or whether you get a -- one of
8 the different qualifiers for how they complete their
9 analysis or whether it has to go on public
10 circularization or something.

11 So that's what they -- that's the kick-off
12 point for doing it. It used to be done with paper, and
13 now you do it online.

14 Q. Let me ask you this: If you could use SRP
15 Exhibit 15 on the right screen there, just to further
16 explain how the notice requirement rules actually apply,
17 just briefly touch on that.

18 A. Okay.

19 Q. On the right side.

20 A. On the right side. Over here, I would take --
21 in this particular runway that we're looking at right
22 here, I would do an arc of 20,000 feet for notice, and
23 then it would capture these objects that are right here,
24 the green objects, which is the points that we submitted.
25 It would capture those, and you would have to then alert

1 the FAA to those locations.

2 Q. Okay. And you originally, when you did your
3 analysis, you believe that notice was required to be
4 given to the FAA?

5 A. Yes.

6 Q. Okay. And so that's what prompted you to file
7 the 7460-1 application; correct?

8 A. Correct.

9 Q. All right. Did you originally conclude all but
10 one of the airport's procedures and surfaces would not be
11 impacted by the proposed transmission structures?

12 A. Initially, we believed that there would be a
13 missed approach to one of the instrument procedures for
14 runway 30C, and we thought there would be an impact to
15 the -- at least we thought the FAA would come up with an
16 impact to the radar.

17 Q. And have you since changed your opinion?

18 A. Yes.

19 Q. Is it now your opinion that none of the airport
20 surfaces would be impacted by the proposed transmission
21 structures?

22 A. No surface is impacted by the proposed
23 transmission surfaces.

24 Q. What caused the change in opinion from there
25 being one potential surface that might penetrate a

1 surface to none?

2 A. Okay. This gets a little complex.

3 There is two groups in the FAA. One is called
4 Flight Standards and the other is called Flight
5 Procedures. Flight Standards writes the rules. Flight
6 Procedures implements the rules.

7 So for 20 years, 15 years, something like that,
8 the rules have been as shown over here in this diagram
9 that this surface, which starts at -- this is the end of
10 that runway. It starts way back here when an aircraft
11 reaches a certain altitude. That certain altitude is the
12 point where they want to make a decision, and it's called
13 the decision altitude of whether to land or to execute a
14 go-around, a missed approach, if you will. So for 20
15 years, this surface has always been considered flat out
16 here.

17 Q. Again, you're referring to SRP-15 and you're
18 looking on the left-hand side of the page, which was the
19 prior or old methodology?

20 A. That's right. I'm just explaining it.

21 So now, the way this changed was they
22 instituted a 58A document, and that 58A document wasn't
23 accepted by Flight Procedures for several years while
24 they wrote the tools to be able to do that.

25 So they wrote the tools, and they changed it to

1 shorten the flat surface area. This area here is still
2 flat, but the yellow buffers onto that. The secondary
3 areas now have a slope of 7 to 1, and that slope is what
4 cleared all of the procedures, all of the points that
5 were under study.

6 Q. And so, essentially, if you look at the left
7 side of the page, you see where the proposed poles might
8 be on State Route 24 there, and part of that is in a
9 turquoise color; correct?

10 A. Yes.

11 Q. And then what you're saying is after the
12 methodology changed, those same areas are now in the
13 yellow shaded color; correct?

14 A. Yes.

15 Q. And that surface has actually changed or it's
16 determined differently; correct?

17 A. It is. It has the same dimensions, but the --
18 it climbs at a 7 to 1 slope. So every 7 feet out, you go
19 up 1 from the height of the flat surface length. And
20 that has a specific method of calculating how high that
21 surface could be.

22 Q. And do you remember when you first obtained the
23 new information from the FAA about the change in
24 methodology?

25 A. August 15th.

1 Q. Okay. Do you have an understanding as to why
2 the FAA changed how it calculates that surface?

3 A. I believe I did.

4 Q. What is that, sir?

5 A. The FAA's primary mission is safety in the
6 skies; and they do a great job at that, and they're very
7 conservative.

8 So, for years, I feel like they've been
9 collecting data on what the effect would be if -- on the
10 flat surface length, and does it actually need to be flat
11 all the way across or can the secondary areas rise.

12 So based upon the -- I would think the accuracy
13 of the signals coming into the aircraft and that their
14 study showed that there was no essential impact, they
15 could raise those secondary areas and have zero impact on
16 aviation.

17 Q. Okay. So your office got a call from the FAA,
18 and they explained this change in methodology; correct?

19 A. Well, I called them --

20 Q. Okay.

21 A. -- is how it went.

22 And we talked, and I couldn't understand why
23 they weren't finding a problem out here like we were
24 finding this problem. And so then, I made the discovery
25 that -- they didn't tell me what it was, but I made the

1 discovery that they had actually implemented the rules,
2 the different change that they had made. And then when I
3 applied those rules, I go, Oh, yes, that's how it was
4 done.

5 CHMN. CHENAL: Let me ask a question at this
6 point, Mr. Pittman.

7 Under the old methodology, it appears that the
8 structures would have penetrated the surface.

9 MR. PITTMAN: Yes.

10 CHMN. CHENAL: Now, what would that have
11 required were we under the old methodology? Would
12 marking those on the plates -- on the approach plates,
13 would that have been sufficient?

14 MR. PITTMAN: No.

15 CHMN. CHENAL: What would that have required?

16 MR. PITTMAN: You would have had to raise the
17 decision altitude. You would have backed the decision
18 altitude up a measurable distance, you know, maybe 1,000
19 feet, 500 feet, from where it is now at different
20 altitude and -- in order to make that clearance so it
21 wouldn't penetrate.

22 CHMN. CHENAL: And what kind of -- that would
23 require a process at the FAA to do, to make that change?

24 MR. PITTMAN: Well, the FAA may never have made
25 that change. They don't want to give up airspace. So it

1 would have been a pretty good fight to have gotten them
2 to change that procedure.

3 Q. BY MR. OLEXA: But you're referring to if they
4 had built standard size poles; correct?

5 A. Well, it didn't really matter what kind of
6 poles they built. If it penetrated, it penetrated.

7 Q. Let's get back to where we were in terms of --
8 you spoke with the FAA. They verbally confirmed the
9 change in methodology; correct?

10 A. Yes.

11 Q. And with the change in methodology, then you
12 confirmed, basically, that SRP can build its proposed
13 transmission structures as designed on this project
14 without interfering with any Federal Aviation regulations
15 or FAA surfaces; correct?

16 A. That is correct.

17 Q. And then today, did you get written
18 confirmation from the FAA that supported or confirmed
19 that conversation?

20 A. Yes. We received the determinations of "no
21 hazard."

22 Q. What we've marked for the record is Exhibit 56,
23 which was the letter that was received today from the
24 FAA. Have you seen that, sir?

25 A. I have.

1 Q. And that was a -- it says across the top
2 "Determination of No Hazard"; correct?

3 A. Yes.

4 Q. There's also a reference to DNE. What is DNE
5 on the second page of this document?

6 A. On the second page of the document, it has a
7 DNE clause, which says it does not exceed.

8 Q. What does "does not exceed" mean in terms of
9 determinations from the FAA?

10 A. In a determination, this is as good as it gets.
11 There's a couple of things here that -- if I can go
12 through this and point these out.

13 Number one, all the FAA wants to know is when
14 it reaches its greatest height. They want you to tell
15 them, and the reason they want that because they want to
16 know if they have to chart that in the digital obstacle
17 file.

18 Number two, marking and lighting is not
19 required.

20 Number three, petition is not -- you cannot
21 petition this determination, and it's effective
22 immediately.

23 The DNE says all of that, that this does not
24 exceed and this is as good as it gets.

25 Q. Is Exhibit 56 related to one particular pole?

1 A. Oh, yes. Yes, it's one particular pole. But
2 each pole -- I've reviewed all the documents, and each
3 pole received essentially the same type of information.
4 The only differences that I noticed was in the number
5 that it was a reference to and the difference in the
6 coordinates that were specific to the pole and the
7 elevations.

8 Q. So if there were 74 proposed poles, you got 74
9 letters back saying each one was fine?

10 A. Correct.

11 CHMN. CHENAL: Member Woodall.

12 MEMBER WOODALL: What were the spans between
13 the poles; do you recall, sir?

14 MR. PITTMAN: I don't know.

15 MEMBER WOODALL: And they were 152 feet high?

16 MR. PITTMAN: No. The tallest was 152 feet
17 tall, the lowest was 103, and the average was 120.

18 MEMBER WOODALL: Thank you, sir.

19 Q. BY MR. OLEXA: And just to go back and clarify,
20 the "does not exceed" determination from the FAA you
21 mentioned is as good as it gets. It applies to both the
22 pole height issue as well as the radar issue; correct?

23 A. The radar issue was addressed separately in the
24 document. It was covered in the back pages. Basically,
25 when the FAA -- they get 100,000 of these a year. And I

1 don't think they have the staffing to do as many of these
2 as fast as they could, although this one amazed me at how
3 fast they did it.

4 And so when technical operations -- those are
5 the people that deal with the electronics -- they go
6 through their process, and it gives them a number. And
7 they go, Oh, this is going to cause shielding. But they
8 didn't take into account the terrain that's to the
9 northeast of the airport. So I submitted a study, a
10 radar study, showing graphically the impact of the
11 mountains on the radar. Your radar is only 30 feet above
12 the ground, and the average radar is 77 feet. So you
13 don't have the clearances or you get more subject to
14 shielding at that level than you would at a regular site.

15 And so after they had their internal
16 discussion, they decided that there was going to be --
17 there was no impact, so technical ops essentially
18 withdrew their impact.

19 Q. So, in other words, you originally identified a
20 potential issue with shielding or interference with the
21 radar from, what, the transmission towers?

22 A. Yes.

23 Q. And the FAA came back and cleared it and said
24 there is no interference; correct?

25 A. Yes.

1 Q. And when you referenced "does not exceed"
2 determination, previously, you mentioned, I believe, the
3 fact that there's no petition rights within a DNE. What
4 does that mean?

5 A. In a regular type of study, an aeronautical
6 study that the FAA would do, you might get a
7 "Determination of No Hazard." And let's say you had a
8 sign, some sort of sign, that was out there, not a
9 transmission line, but a sign where you penetrate an
10 obstruction surface. Or even your potential poles might
11 have been, at one point, say, penetrating an obstruction
12 surface.

13 Well, it wouldn't get the DNE. It would get an
14 "exceeds." And you would have gone through the
15 circularization process, and maybe nobody said anything
16 about it then or the airport didn't complain, and you
17 agreed to mark and light it. Okay. So then you mark and
18 light it. You had that. And they would write that does
19 not exceed -- or "Determination of No Hazard," mark and
20 light in accordance with this.

21 But somebody can come along and have a reason
22 that they didn't like it for an aviation reason, and they
23 could petition that to a different office in Washington.
24 So then the project then goes. And until it's evaluated,
25 your whole project becomes on hold. You cannot -- it's

1 not valid. It's not invalid. It's just not valid for
2 you to proceed.

3 So it's sitting there in another office, and
4 they can take as much as months to finally do a
5 reevaluation of it. They can either remand it back to
6 the region to do it again, they could give you a
7 "Determination of No Hazard," or they could give you a
8 "Determination of Hazard" based upon the petition
9 process.

10 But in this particular case, all 74 poles are
11 not petitionable.

12 Q. Did Federal Airways & Airspace generate two
13 reports in this matter?

14 A. I believe we did. And the first report said
15 that we identified the different problems with the radar,
16 and we identified problems with the surface that we went
17 over here on that slide.

18 Q. For the record, your initial report was
19 attached as Exhibit B1 to the application.

20 After you got the verbal feedback about the
21 change in methodology, did you go back and amend --

22 A. We revised the report.

23 Q. Okay. And your report -- your amended report
24 is marked as Exhibit 51 for the Committee; correct?

25 A. I don't know.

1 Q. You don't know. Okay. Fair enough.

2 For the record, it's Exhibit 51, which was the
3 amended report.

4 CHMN. CHENAL: Excuse me, Mr. Olexa, is it
5 51(1) or 51(2)? This might not be in the tablet.
6 There's no 51.

7 MR. OLEXA: I'm not sure, Mr. Chairman. In my
8 book, it's just 51, but we can -- during the break, I can
9 clarify.

10 CHMN. CHENAL: That's just -- in the tablet,
11 it's loaded, and it's 51(1) and 51(2).

12 MR. OLEXA: It's essentially all one exhibit.
13 It's just when it got uploaded onto the tablet, it had to
14 be broken up.

15 CHMN. CHENAL: No problem.

16 Q. BY MR. OLEXA: Mr. Pittman, is SRP free to
17 build the project as proposed from an aviation
18 standpoint?

19 A. Yes. And they can start work tomorrow.

20 Q. Is it your conclusion that SRP's proposed
21 construction should not be denied or delayed for any
22 aviation-related issues?

23 A. Correct.

24 MR. OLEXA: Thank you.

25 I have nothing further on direct.

1 CHMN. CHENAL: Member Haenichen.

2 MEMBER HAENICHEN: Mr. Pittman, you testified,
3 I believe, earlier that you had 27 years with the FAA --

4 MR. PITTMAN: I did.

5 MEMBER HAENICHEN: -- is that correct?

6 MR. PITTMAN: Yes.

7 MEMBER HAENICHEN: In all that time, do you
8 recall any instance where a project was given the green
9 light, like we're talking about here, and then
10 subsequently, however, something happened, there was an
11 accident or a lawsuit or whatever?

12 MR. PITTMAN: Not specifically during my
13 tenure.

14 I do know of an incident that occurred in
15 Massachusetts, Mississippi, I believe, with a singer, and
16 he left in an airplane rather hurriedly. And I don't
17 remember the circumstances around it, but I think there
18 was an accident. And the townspeople, when they were
19 talking to me, were telling me that it was because of an
20 antenna or something.

21 But I can't really -- but in my tenure, the 27
22 years I had with the FAA, I know of no incident that
23 would occur.

24 MEMBER HAENICHEN: Thank you.

25 CHMN. CHENAL: I've got questions.

1

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EXAMINATION

3 BY CHMN. CHENAL:

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Q. I know it's not relevant now that the FAA has issued its determination as reflected in Exhibit 56, but is my understanding correct that but for the new methodology in utilizing the old methodology, based on what your testimony was previously, it's possible the FAA would not have approved this project?

10

11

12

13

14

15

A. Yes. It could have been very difficult.

The way it could have happened, the way you could have done it, maybe SRP would enter into a reimbursable agreement with the FAA to redesign the procedure, and maybe the airport would have said, Yes, we support that, so then it would happen.

16

17

Q. So good news for the applicant that the FAA adopted --

18

19

20

A. Yes.

Q. Yeah, and recently.

A. Yes.

21

22

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24

25

Q. Just one more question. The letter I'm referring to, SRP-56, says the following: This determination expires on March 6, 2020, unless construction is started (not necessarily completed), it's extended, revised, or terminated by the issuing office

1 or -- some others that may not be applicable in other --
2 in subsection (c).

3 So can you explain the process for -- because
4 the applicant has asked for a ten-year CEC period, which
5 would allow them to construct this anytime within the
6 next ten years.

7 A. Yes.

8 Q. So since this letter -- this determination only
9 goes through March of 2020 --

10 A. 18 months.

11 Q. 18 months, what is the process and likelihood
12 of getting this determination extended, revised -- or it
13 wouldn't be terminated, but extended?

14 A. It depends on what happens at the airport. If
15 the airport doesn't institute any additional procedures,
16 and they have plenty, then 15 days before the 6th of
17 March, 2020, they could file for an extension. It would
18 go through an internal FAA review, and then, most likely,
19 it would be approved. Probably 90 percent likely, it
20 would be approved.

21 After that -- now, that will be another 18
22 months. So three years from now, they would have to
23 start this process all over again.

24 Q. In other words, not simply requesting an
25 extension, but a full-blown analysis?

1 A. The new rewrite to Part 77, which came out in
2 2011, I believe, it basically stated that you only get
3 one bite of the apple. So -- not in those words, but it
4 said that you get one extension, and then you have to
5 reapply.

6 CHMN. CHENAL: That's very helpful. Thank you.
7 Any questions on cross-examination?

8 MR. CLOAR: Nothing from Queen Creek,
9 Mr. Chairman.

10 CHMN. CHENAL: Okay. Thank you.

11 Mr. Rich.

12 MR. RICH: Just a couple, Your Honor.

13

14 CROSS-EXAMINATION

15 BY MR. RICH:

16 Q. Good afternoon, Mr. Pittman. I just have a
17 couple of questions, I think, real quick.

18 You indicated that you received a letter
19 similar to SRP Exhibit 56 for 74 different towers; is
20 that correct?

21 A. Yes.

22 Q. And were those 74 towers -- do you know which
23 side of the State Route 202 you presumed that those would
24 be located when you made that application?

25 A. Well, I believe they were on the west side.

1 Q. You believe they were on the west side?

2 A. Yes.

3 Q. And did it include poles that were crossing the
4 Loop 202?

5 A. When I do my analysis, I don't really pay
6 attention to the highways. So for me to answer that
7 question, I would have to go and look at where these
8 plots were, you know, and then to see. But the highway
9 situation really is not relevant to aviation analysis.

10 Q. Do you know whether or not poles would need to
11 be higher to cross a freeway than they would be to cross
12 a normal road?

13 A. I'm not a power engineer, so I really am not
14 qualified to answer that question.

15 Q. And just so I'm clear, is the 74 towers that
16 you received letters on, is that the entirety of the
17 project, or is that just within a certain area that you
18 identified?

19 A. I'm thinking it was the entire project, but
20 I -- I really don't remember if it was -- which ones they
21 were when they went to the north. I'm pretty sure it
22 went all the way to the south. I'm not sure about the
23 ones to the north. I think it does. I think it goes up.
24 I believe so, yeah.

25 Q. Okay. And then I think someone just put up

1 SRP-14.

2 A. There. If you look at that, those are the ones
3 that we analyzed, what you see there on that line. So it
4 looks like it does go all the way up to the north.

5 Q. And do you know where within that the
6 152-foot-tall tower, was the tallest tower that you
7 identified?

8 A. No, but I could look it up for you.

9 Q. Is it in your report?

10 A. No. It would be in one of the spreadsheets
11 that we did. And I figured that was a question that was
12 going to come up, so I just did a high and a low and an
13 average when I was sitting back there in my chair.

14 MR. RICH: I don't think I have any other
15 questions.

16 Thank you very much.

17 MR. PITTMAN: You're welcome.

18 CHMN. CHENAL: Mr. Artigue.

19

20 CROSS-EXAMINATION

21 BY MR. ARTIGUE:

22 Q. Mr. Pittman, thank you for coming to Phoenix.
23 I just have a very few questions.

24 To clarify, each of the towers is specified by
25 a latitude and a longitude; is that correct?

1 A. Correct.

2 Q. Okay. When I look at Exhibit 56, I'm seeing a
3 latitude and a longitude specified to two decimal places
4 of minutes. Do you know about what tolerance that is?

5 A. Well, basically, let me put it to you like
6 this: If you've got a second, in degrees, minutes,
7 seconds, one second is roughly 102 feet. So 1/10 of a
8 second would be about 10 feet. 1/100 of a second would
9 be 1/10 of that, so it would be about 1 foot.

10 Q. So for each of these 74 towers, we know within
11 1 foot of where each tower is proposed to be located?

12 A. At this point in time, yes. Now, that may
13 depend on when you get out there and actually do the real
14 siting. If there's some reason that you can't do it,
15 there is a tolerance on the accuracy of 20 feet.

16 Q. Did SRP provide your office with the precise
17 locations of their 74 towers?

18 A. They provided the coordinates, yes.

19 Q. Your expertise vastly exceeds mine. I just
20 recall you using the phrase that today's issuance from
21 the FAA is "as good as it gets." Is that some technical
22 term of art that --

23 (Simultaneous speakers.)

24 MR. PITTMAN: No. I just made that up.

25 Q. BY MR. ARTIGUE: I was hoping you were talking

1 on my level, so that sounds like what it is. It's as
2 good as it gets?

3 A. That's as good as it gets, yes.

4 MR. ARTIGUE: Thank you.

5 That's all I have.

6 CHMN. CHENAL: Mr. Taebel, do you have any
7 questions?

8 MR. TAEBEL: Also just a few, Mr. Chairman.

9 CHMN. CHENAL: Sure.

10

11

CROSS-EXAMINATION

12 BY MR. TAEBEL:

13 Q. Mr. Pittman, I'm Bill Taebel. I represent the
14 City of Mesa. Thank you for coming this afternoon.

15 I was looking at sort of your CV. I think it
16 was part of Exhibit 10. You don't necessarily have to
17 pull it up, but I noticed that back in 2002, you had a
18 meeting with some U.S. congressmen.

19 A. I did.

20 Q. And I'll read to you sort of what the CV says.
21 It says: The purpose of the meeting was to discuss the
22 need for local governments to be more concerned about the
23 accuracy of the local airport and obstacle data that is
24 submitted to them maintained by the FAA.

25 Is that an accurate sort of summary of the

1 meeting?

2 A. It covered a few more objects than that, but,
3 yes, that was it.

4 Q. Do you still agree with that?

5 A. Let me -- let me take you back to 2002, and let
6 me take you to Las Vegas. Now, what people were doing in
7 Las Vegas at the time, they would take a point, one point
8 for a building, and they would move it -- they would take
9 a point that was furthest away from having an impact.
10 And they would submit that to the FAA, and the FAA
11 accepted it. And they would get the heights for their
12 building and then they would build into the surface, and
13 that was causing problems.

14 So what I'm referring to was one of the reasons
15 I wanted people to submit all the coordinates of their
16 points on their building, which they do now. So that's
17 where that was coming from. You shouldn't just use --
18 accept one point for a building. You have to accept --
19 you have to get a composite of the building and look at
20 all the points of the building and look at the all points
21 on a building, the four corners, if you will, on a square
22 building. That's what that was about.

23 Q. So a building is larger than a single point?

24 A. Well, that's true.

25 Q. Ultimately, accuracy was important?

1 A. Accuracy is fundamental.

2 Q. In this particular case, as some of the other
3 folks have asked, the letters that you received or that
4 were received from the FAA were all based on locations
5 and heights as proposed, in other words, what SRP is
6 proposing to build; true?

7 A. Yes.

8 Q. Would you agree that FAA's determination in
9 those letters is contingent on the accuracy ultimately of
10 the towers being built as described?

11 A. At the location, yes.

12 Q. Okay. So during your testimony earlier, I
13 think you mentioned with respect to a specific component
14 that there's some level of complexity here. Would it be
15 fair to say that all of your testimony today is fairly
16 complex?

17 A. Yes.

18 Q. If this Committee is trying to issue a document
19 that SRP will take and then use it as authority, legal
20 authority, to build this transmission line, that document
21 will probably reflect some conditions that are more
22 written in the terms of a layperson.

23 You understand that?

24 A. If you can cover the depth of the complexity as
25 that, then that would be great.

1 Q. Let me try it like this: It's reasonable,
2 isn't it, for this Committee to issue a certificate that
3 requires that SRP construct the transmission line in a
4 manner that complies with all applicable FAA regulations,
5 isn't it?

6 A. I would say yes.

7 MR. TAEBEL: I think that's all I have.

8 CHMN. CHENAL: Thank you.

9 Let me follow up, then.

10

11

FURTHER EXAMINATION

12 BY CHMN. CHENAL:

13 Q. The precise coordinates that SRP provided you,
14 Mr. Pittman, for you to do your analysis are extremely
15 accurate with respect to where each structure is going to
16 be located; that's correct?

17 A. Yes.

18 Q. Now, when we issue a CEC, we simply provide,
19 basically, like a corridor. You may have heard some of
20 the testimony before. And then the applicant, you know,
21 figures out where within that corridor it can place the
22 transmission -- you know, the structures.

23 We haven't really had a case quite like this
24 that I'm aware of where the FAA determination is based
25 upon exact locations where the structures need to be

1 placed, so I guess I have -- preliminary question is how
2 important is it to the FAA determination that the
3 structures be placed in the same identical location that
4 you were provided for you to do your analysis and the FAA
5 made its decision upon?

6 A. Okay. A couple things.

7 One, the form that you fill out has provisions
8 for the hundreds of seconds.

9 Two, they have such a thing as micrositing, but
10 it's limited to wind farms. So a wind farm can be
11 placed, microsited, within 500 feet of where they said it
12 was.

13 Here, you've got a corridor, and I really would
14 be surprised if all these points are exactly where the
15 final tower is going to go. Right now, there's a circle
16 because it was a 1-A survey, which gives you plus or
17 minus 3 feet vertical and 20 feet horizontal. So if
18 they're within that, then they would be good. They would
19 go back and they would file an as-built with the FAA, and
20 everything would be -- and then the coordinates would be
21 right for the published document. Everything would be
22 fine. That's what they would do. They would go back and
23 file an as-built.

24 So if these are off a little bit, it's -- as
25 long as the heights don't increase at that spot, the

1 overall AMSL, and they're not moving -- and it's checked,
2 the 7 to 1 slope, that they've got enough leeway there,
3 it should be no problem.

4 Q. But you're saying that it has to be within 20
5 feet of where the analysis was based upon?

6 A. That's what the survey was based upon, yes.

7 Q. So I guess I'm thinking out loud now, but if we
8 issue a CEC, we need to -- and we want to make sure that
9 this is constructed in accordance with all FAA approvals,
10 we should maybe include some language that requires that
11 the structures be built in the locations or, you know, in
12 the locations of where the structures were placed for the
13 purposes of the study, the determination by the FAA.

14 A. Or, if they move out of those locations, then
15 they should submit that structure for another study. As
16 long as they have FAA approval, they would be golden.

17 This happens all the time. They're not going
18 to get built in the exact same spot. And I think you
19 have to give them some leeway so if the coordinates
20 change, then they have to produce another one of these.

21 Q. And what's that process? Does it involve
22 another analysis by you?

23 A. Right. They would go through it, and it
24 would -- they would reference this number for that
25 particular site. And it would be refiled with a

1 different set of coordinates, and it would go through the
2 same process. As long as they go back and look at this,
3 they say, Oh, there was no problem with radar and here's
4 the reasons why, they go back and research all the file
5 information that we generated for them, I don't see any
6 problem with that.

7 We do this all the time. You know, things just
8 happen.

9 Q. So if we had a more general provision that
10 required that the applicant construct this in accordance
11 with all applicable FAA rules and regulations and
12 requirements, your testimony would be that they -- unless
13 they would go back in that instance with as-builts and
14 get -- or if they find that they're going to actually
15 site it at a place different than the study is based upon
16 and the determination is based upon, they would have to
17 get approval in advance before they could construct it at
18 that other location?

19 A. Yeah, unless they did an as-built.

20 Q. Correct. Okay.

21 A. And that would still be filing. They would
22 still file as an as-built. We do that all the time with
23 people.

24 Q. As-built or new study.

25 A. Same thing.

1 Q. But a more general requirement that they comply
2 with all FAA regulations, you know, in the legal, etc.,
3 etc., should cover either the as-built or a new study,
4 that would approve it as being nonhazard and --

5 A. Right.

6 Q. -- do not exceed.

7 A. Yeah.

8 Q. Okay.

9 CHMN. CHENAL: Member Woodall.

10 MEMBER WOODALL: Mr. Olexa, I confess that I'm
11 intrigued by the information that's been provided by your
12 expert. And it suggests to me that if your client
13 determines that they do want a corridor, it could be a
14 pretty tight and narrow corridor based upon the fact that
15 they have identified specific locations for certain
16 structures, and that may or may not be correct.

17 So perhaps one of your witnesses tomorrow could
18 respond to my wild speculation?

19 MR. OLEXA: Okay.

20 MEMBER WOODALL: Thank you.

21 CHMN. CHENAL: Any further questions of the
22 witness?

23 MR. RICH: Mr. Chairman, your questioning
24 prompted me to want to follow up, if that's okay.

25 CHMN. CHENAL: Absolutely.

1

2

FURTHER CROSS-EXAMINATION

3

BY MR. RICH:

4

Q. Mr. Pittman, a couple more questions for you.

5

6

With regard to this issue of potentially changing from the 74 locations that you have already addressed with the FAA, do you have any reason to believe that SRP would be unsuccessful if it asked the FAA to approve its siting on the east side of the Loop 202?

9

10

A. No.

11

12

Q. And you believe that would be a routine type of procedure?

13

14

15

16

A. Yeah, it would be routine. It would be different numbers than these, and I couldn't refer to these same numbers. So when you say -- when I say routine is you're starting over.

17

18

19

20

Q. Then would you agree with me that the siting on the east side of the Loop 202 is further away from the airport than what we were -- what you were concerned about along Highway 24; correct?

21

A. Yeah.

22

MR. RICH: Thank you. No other questions.

23

24

CHMN. CHENAL: And, Mr. Pittman, was the east side of the 202 even a part of your study?

25

MR. PITTMAN: I know it went north, but I can't

1 tell you if it was on the east -- that one was on the
2 east side. I just don't know.

3 CHMN. CHENAL: Okay.

4 Any further questions?

5 (No response.)

6 CHMN. CHENAL: Thank you, sir. We appreciate
7 your testimony and helping the Committee out.

8 (The witness was excused.)

9 CHMN. CHENAL: All right. We're just about
10 6:00. So let's take care of any housekeeping items, and
11 then we'll have the public comment at 6:00.

12 We've talked about tomorrow having the witness
13 from the Town of Queen Creek, and it would be tomorrow
14 afternoon; is that right, Mr. Cloar?

15 MR. CLOAR: That's right, Mr. Chairman.

16 I don't know what time we'll reconvene after
17 lunch, but we've instructed the witness to be here about
18 1:00.

19 CHMN. CHENAL: Okay.

20 Mr. Rich, did you also have a client that
21 needed to be -- that you would prefer to have available
22 tomorrow?

23 MR. RICH: Mr. Chairman, yes. Given some
24 challenges actually with the Corporation Commission's
25 open meeting, we had discussed the possibility of my

1 witness testifying tomorrow afternoon. He's available
2 after 2:30 tomorrow. So whenever -- if you want to pick
3 a time certain or --

4 CHMN. CHENAL: Well, let's see what we have
5 available. Let's see if we can have him available, you
6 know, when he's available here at 2:30 or after and then
7 the Queen Creek's witness at 1:00, because my
8 understanding is there's not going to be -- that neither
9 witness will be that long. Is that a fair statement?

10 MR. CLOAR: The Town's witness should take no
11 more than 15, 20 minutes, including cross-examination.

12 CHMN. CHENAL: Mr. Rich, what do you estimate?

13 MR. RICH: I think it will be very brief.

14 CHMN. CHENAL: Okay. Based on that, does the
15 applicant have any objection to working those witnesses
16 in out of order as an accommodation?

17 MR. OLEXA: Mr. Chairman, we don't have any
18 objection given the brief nature of the witnesses. That
19 makes sense.

20 CHMN. CHENAL: Okay. Let's proceed on that
21 basis.

22 I'm not really sure where we are regarding -- I
23 should have taken bets on the tour being on Monday versus
24 Tuesday.

25 How much time do you think -- not holding you

1 to this, Mr. Olexa, but how much time do you think?

2 MR. OLEXA: For the tour?

3 CHMN. CHENAL: For the witnesses. Assuming
4 brief witnesses out of order, do you have an idea, a
5 sense, of whether you're going to be -- whether we're
6 going to be finished Monday if we had a tour Monday?

7 MR. OLEXA: I would anticipate we would finish
8 Monday, yes.

9 CHMN. CHENAL: Even with a tour Monday morning?

10 MR. OLEXA: Yes. We still have -- I think we
11 called Mr. Smedley and then -- briefly, and then we would
12 have Mr. Heim, and we have the panel left. But I think
13 with most of the day tomorrow, given the brief nature of
14 Mr. Rich's client's testimony, being a brief witness, I
15 still think we could accomplish and finish our witnesses
16 by the end of the day Monday.

17 CHMN. CHENAL: All right. Let's still keep it
18 open as to when we'll have the tour, and we can discuss
19 that later tomorrow.

20 Are there any other housekeeping items we need
21 to discuss before we close the hearing this afternoon and
22 start the public comment session?

23 Member Haenichen.

24 MEMBER HAENICHEN: Tomorrow's meeting starts at
25 9:30?

1 CHMN. CHENAL: Yes, sir. 9:30 tomorrow
2 morning.

3 Okay. Let's close the hearing, then. And
4 let's take a five-minute break, and then we'll start the
5 public comment session.

6 (A recess was taken from 5:58 p.m. to
7 6:10 p.m.)

8 CHMN. CHENAL: If I could ask that we begin the
9 public comment.

10 Good evening. My name is Tom Chenal, and I
11 chair the Line Siting and Transmission Power Plant
12 Committee. And this is the time set for public comment
13 with respect to the Southeast Power Link Project of SRP.

14 And I notice that we have a number of people
15 who have appeared this evening to give public comment.
16 This Committee is very interested in what you have to
17 say.

18 So I have the names of people, so I'll start
19 with the people in the order that the list has been
20 provided to me, the sign-in sheets have been provided.

21 We're not going to hold you to any particular
22 time, but normally, the custom and practice is to keep it
23 within three to five minutes or something like that.
24 There may be a question or two from a Committee member
25 just to see if -- to make sure they understand your

1 position.

2 But, again, we appreciate you taking the time
3 to come out. This is not evidence, but we take it very
4 seriously what your concerns are, your questions are. It
5 helps guides us as we conduct the hearing and ask
6 questions of the applicant and the witnesses and from the
7 parties.

8 So let's start with Mr. Dallas Petersen.

9 And if you could come up to the podium, sir,
10 and give us your name and address, and then we're
11 interested to hear what you have to say.

12 MR. PETERSEN: Good evening, all. I'm actually
13 Andrew Petersen. I'm representing Dallas Petersen. He
14 wasn't able to make it. His address is 2633 East Pueblo.
15 That's his mailing address. The property that we're
16 talking about is the property that he owns which is just
17 south of Elliot, just on the curve of the 202.

18 CHMN. CHENAL: Why don't you use --
19 Mr. Peterson, why don't you use the pointer.

20 MR. PETERSEN: All right. So we are right
21 there as you come in the curve.

22 So our concerns are with these power poles that
23 are coming down twofold.

24 Number one, we've got a billboard that we've
25 made a little bit of income off of. Our first concern is

1 that if these power lines go up, that's going to
2 impede -- we don't know if we're going to be able to keep
3 that billboard up, so that's going to hurt our revenue
4 stream from that.

5 And then the other concern is just that we're
6 going to be losing the east portion of our land there. I
7 know that you guys run into this all the time, so I don't
8 know how much of a concern it is for us, but our
9 intention was always to sell this property in the future.
10 And with this close to this, that's going to hurt the
11 value of our property for any future sales that are going
12 to come along for us.

13 So those are basically our concerns.

14 CHMN. CHENAL: Does the Committee have any
15 questions?

16 Member Woodall.

17 MEMBER WOODALL: So, sir, you don't want that
18 line there at all?

19 MR. PETERSEN: Correct.

20 MEMBER WOODALL: Either side?

21 MR. PETERSEN: I don't care if it's on the
22 other side.

23 MEMBER WOODALL: You don't care if it's on the
24 east side?

25 MR. PETERSEN: No. I don't care if it's over

1 there. That doesn't affect us at all.

2 MEMBER WOODALL: Okay. Thank you.

3 MR. PETERSEN: Or it can be put underground --
4 I know it's a big line going through there -- if that
5 were an option. I don't care if it goes through our
6 property as long as it's not, you know, up above
7 everything.

8 CHMN. CHENAL: All right. Thank you. Thank
9 you very much.

10 Next is Mr. Jim Boyle.

11 MR. BOYLE: Hi. I'm Jim Boyle. My address is
12 19645 East Elliot Road.

13 That is a dairy property located right here.
14 As you may know from this, there's about seven dairy
15 farms in this area. We are part of a group that's
16 currently submitting a 1,000-acre master-planned
17 community to the City of Mesa, which includes this area
18 and some of the State land in the area.

19 So we would just like to -- because of the
20 amount of two and a half years' worth of planning that
21 we've put in and the type of use that both the State land
22 that we and the other families in this group have put
23 together, we feel that the power line would be more
24 compatible with all the uses that we planned for this
25 area. The City of Mesa has been working with us this

1 whole time. The power lines would be much more
2 compatible on the east side of the freeway.

3 CHMN. CHENAL: Okay. Thank you very much.

4 Mr. Patrick Adler.

5 MR. ADLER: Hello. Patrick Adler, 9836 North
6 60th Place, Paradise Valley, Arizona 85253.

7 And I'm working with the Vlachos property. And
8 that is the only property that's in the Town of Queen
9 Creek.

10 CHMN. CHENAL: Would you indicate with the
11 pointer where that property is.

12 MR. ADLER: Certainly. It is right here. It's
13 240 acres that begins on Crismon and goes east all the
14 way to right about there.

15 So this 240 acres was involved in a two-year
16 planning process with the Town of Queen Creek. And as
17 part of that planning process, that 240 acres was to
18 remain a continuous commercial campus.

19 And so, as you've seen earlier today, there was
20 multiple paths that were proposed as this project's moved
21 along. And in one of those versions, there was two lines
22 that were going through the Vlachos property. And I want
23 to thank SRP and the Town of Queen Creek for working with
24 us and reducing it down to just one line. And that one
25 line is on Crismon Road. So the other line was actually

1 bisecting the property.

2 And so even though the project impacts the
3 Vlachos property via Crismon Road, we are supportive of
4 this alignment and we are opposed to any other alignment
5 that affects the property. And we applaud the
6 collaborative approach that SRP has taken along with
7 Queen Creek.

8 And we just want to make a note that our
9 counsel was not here earlier today because we had already
10 submitted written comments in support of the project as
11 it currently stands. And if the alignment were to
12 change, we would reengage.

13 CHMN. CHENAL: Member Hamway.

14 MEMBER HAMWAY: So it went from one line -- I
15 mean two lines to one, and that's because SRP has agreed
16 to collocate the 69kv and the 230kv?

17 MR. ADLER: That's correct.

18 MEMBER HAMWAY: And so we have a commitment
19 from SRP that they're willing to collocate those?

20 MR. OLEXA: That's my understanding.

21 CHMN. CHENAL: And, Mr. Adler, what side of the
22 street on Crismon?

23 MR. ADLER: So Vlachos is located on the east
24 side of the street.

25 CHMN. CHENAL: But are you proposing that the

1 line be placed on the west side of Crismon versus east
2 side?

3 MR. ADLER: Well, so we're agnostic as to where
4 it's located on Crismon Road. We understand we're just
5 one small portion of this leg that you've got to work
6 through the jigsaw puzzle. The preference is, is that's
7 not on Vlachos property. But that wasn't the point of
8 working with SRP and the Town of Queen Creek. We just
9 didn't want the property bisected.

10 CHMN. CHENAL: Got it.

11 MR. ADLER: I really want to thank SRP for
12 this.

13 CHMN. CHENAL: Thank you.

14 Okay. I can't read the name, but it's Pieter
15 Van -- and I can't read the last part.

16 MR. VAN RIJN: Van Rijn.

17 Yeah. Pieter Van Rijn, address 20102 East
18 Warner Road, Mesa.

19 We actually own the dairy farm on the
20 kitty-corner of the 202. We're pretty visible from the
21 freeway, and you probably can smell us, too, once in a
22 while.

23 I'm part of the dairy group that is developing
24 the 1,000 acres there. And right now, we're planning.
25 And where you've got your transmission line plans,

1 actually, there we have a mixed use, and on the south
2 side we have some residential. And as you all know, a
3 transmission line and residential, that doesn't mix very
4 good.

5 Not only dairymen our part of our group there,
6 but also the State Land is working with us, and they
7 actually own all the land on the east side of the 202.
8 And that place is actually designed for employment. So
9 high-tech employment. And like they said, they need
10 power over there.

11 So our suggestion is put the power line on the
12 east side of the 202 where they need the power and not
13 into a residential area.

14 We have been working real close with the State
15 Land Department, and I know for a fact that they are not
16 opposed to having the power line on their property on the
17 east side of the freeway.

18 I appreciate your time, and hopefully you'll
19 find out it makes common sense to put power where they
20 need it.

21 Thank you.

22 CHMN. CHENAL: Thank you. Thank you very much.

23 The last sign-in sheet I have is Steve
24 Lewellen.

25 MR. LEWELLEN: Thank you for your time.

1 My name is Steve Lewellen. My address is 21480
2 East Pummelos Road, Queen Creek. Right here is where I'm
3 at.

4 High Desert Communications is our business. We
5 have ten acres. We have divided it into five acres for
6 our office, warehouse, laydown yard, and a cellular phone
7 tower. The other five acres is nine half-acre
8 construction rental yards. I spread things out to try to
9 keep exposure down in one area.

10 So let's talk about the first area, the High
11 Desert yard in the complex.

12 The lines there -- we have 90 people who work
13 there. The lines on the west side will take away
14 much-needed land that we need for the business.

15 The cell tower right now is almost final from
16 the City. As I'm sure you all know, the special use
17 permit and the zoning process is several years and a lot
18 of money. I've got probably \$400,000 in that tower now.
19 If the line goes on the west side, that tower is useless.
20 Cannot be used.

21 If the lines go on the west side, I have nine
22 half-acre rental yards. At least five of those, I
23 believe, will be deemed useless.

24 I drove it today. All this over here is open,
25 and this is going to disrupt several families and several

1 businesses.

2 So my choice by far is to have it on the east
3 side.

4 CHMN. CHENAL: Any questions by the Committee?
5 (No response.)

6 CHMN. CHENAL: All right. Thank you, sir. I
7 appreciate you sharing that with us.

8 That's the last sign-in sheet I have.

9 Are there any people in the audience who would
10 like to speak that have not spoken already?

11 (No response.)

12 CHMN. CHENAL: It doesn't appear that there's
13 any.

14 So that will close the public comment portion
15 of the hearing. Again, we appreciate everyone coming out
16 and sharing their thoughts with us.

17 We will commence tomorrow morning at 9:30, and
18 we'll take other public comment through the course of the
19 hearing.

20 So thank you very much, and we'll see you
21 tomorrow.

22 (The hearing recessed at 6:24 p.m.)

23
24
25

1 STATE OF ARIZONA)
2 COUNTY OF MARICOPA)

2

3 BE IT KNOWN that the foregoing proceedings were
4 taken before me; that the foregoing pages are a full,
5 true, and accurate record of the proceedings, all done to
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7 I CERTIFY that I am in no way related to any of
8 the parties hereto nor am I in any way interested in the
9 outcome hereof.

8

9 I CERTIFY that I have complied with the ethical
10 obligations set forth in ACJA 7-206(F)(3) and ACJA
11 7-206(J)(1)(g)(1) and (2). Dated at Phoenix, Arizona,
12 this 13th day of September, 2018.

11

12



13

14 CAROLYN T. SULLIVAN, RPR
15 Arizona Certified Reporter
16 No. 50528

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17 I CERTIFY that COASH & COASH, INC., has complied
18 with the ethical obligations set forth in ACJA
19 7-206(J)(1)(g)(1) through (6).

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